WALNUT VALLEY WATER DISTRICT

235 South Brea Canyon Road • Walnut, CA 91789-3002
(909) 595-7554 • Fax: (909) 444-5521
walnutvalleywater.gov

AGENDA

REGULAR BOARD MEETING
MONDAY, OCTOBER 19, 2026
5:00 P.M.

WALNUT VALLEY WATER DISTRICT
235 South Brea Canyon Road
Walnut, CA 91789

Agenda materials are available for public review at https://walnutvalleywater.gov/about-us/meetings-minutes-and-agendas/.

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review during regular business hours at the District office, located at: 235 S. Brea Canyon Road, Walnut, CA.

1. Flag Salute

2. Roll Call: Mr. Hilden_____ Ms. Lee_____ Mr. Lin_____ Mr. Tang_____ Mr. Woo_____

3. Public Comment — President Tang

   The Presiding Officer of the Board of Directors may impose reasonable limitations on public comments to assure an orderly and timely meeting.

   A. **Agenda Items -** Any person desiring to address the Board of Directors on any Agenda item may do so at the time the item is considered on the Agenda by requesting the privilege of doing so at this time and stating the Agenda item to be addressed. At the time the item is discussed, those requesting to speak will be called to do so.

   B. **Non-Agenda Items -** At this time, the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the District. Reasonable time limits on each topic and on each speaker are imposed in accordance with Board policy.

4. Agenda Changes/Additions — President Tang

   In accordance with Section 54954.2 of the Government Code, additions to the agenda require a two-thirds vote of the legislative body, or if less than two-thirds of the members are present, a unanimous vote of those members present. It shall be determined that there is a need to take immediate action and that the need for action came to the attention of the local agency after the posting of the agenda.

   A. Discussion B. Action Taken

5. Reorder of Agenda — President Tang

   A. Discussion B. Action Taken

6. Special Recognition & Team Milestones
   A. Recognition of Lily Lopez for Successful Completion of Rogue Water Lab's Convergence Professional Development Program.
   B. Stephanie Fu has been promoted to External Affairs & Sustainability Supervisor.
   C. Steven Carcano passed the T1 Certification exam.
   D. Cesar Quezada passed the D4 Certification exam.
   E. Introduction of Jacob Villasenor, Utility Service Worker I, on the occasion of completing the probationary period for New Employees.

7. Consider Approval of Consent Calendar (Items A-H)

Consent Calendar Notice:
The items listed under the Consent Calendar are considered routine business and will be voted on together by one motion unless a Board Member, staff member, or member of the public requests separate action.

   A. Minutes of the Regular Board Meeting held September 21, 2026
   B. Minutes of the Special Board Meeting held September 24, 2026
   C. Minutes of the Special Board Meeting held September 30, 2026
   D. Check Register
   E. Employee Expense Reimbursement Report
   F. Community Outreach Update (Information Only)
   G. Legislative Update (Information Only)
   H. District Activities Calendars for November 2026, December 2026, and January 2027 (Information Only)

   (1) Discussion (2) Action Taken

8. Consider Approval of Director Expense Reports

   Provided are Expense Reports disclosing per diem requests for Director meeting attendance and an itemization of expenses incurred by the District on behalf of each Director.

   (1) Discussion (2) Action Taken

9. Treasurer's Report Mr. Ning
   A. Financial Dashboard as of August 31, 2026
   B. District Statement of Revenues, Expenses, and Change in Net Position as of August 31, 2026
   C. District Statement of Net Position as of August 31, 2026
   D. Summary of Cash and Investments as of August 31, 2026

   (1) Discussion (2) Action Taken

COMMITTEE REPORTS

Standing Committee Reports (The Chair of each committee that has met will report to the full Board)

10. Public Information/Community Relations/Legislative Action Committee — President Tang
    - There are no items to come to the Board at this time.

11. Finance Committee — Director Lee
    A. Facility Use Charge
       (1) Discussion (2) Action Taken

    B. FY 2025-26 Source and Application of Funds
       (1) Discussion (2) Action Taken

    C. Investment Transaction Report
       (1) Discussion (2) Action Taken

    D. Revenue Bond - US Bank (Information Only)

12. Engineering and Special Projects — Director Woo
    A. Receive and File the Puente Basin Watermaster Fortieth Annual Report for Fiscal Year 2025-26
       (1) Discussion (2) Action Taken

    B. Authorize Professional Services Agreements with SoCal SCADA Solutions and Horizon Engineering Solutions
       (1) Discussion (2) Action Taken

    C. Approve Budget Transfer and Total Project Cost for PRV 1 Rehabilitation Project (P.N. 26-3893)
       (1) Discussion (2) Action Taken

    D. Approve Budget Transfer and Total Project Cost for PRV 2 Rehabilitation Project (P.N. 26-3894)
       (1) Discussion (2) Action Taken

    E. Seismic Controller Installation at Arbor Ridge Facility
       (1) Discussion (2) Action Taken

    F. Project Status Report (Information Only)

    G. Operations Report (Information Only)
       a) Monthly Operations Report
       b) Water Supply and Conservation
          i. District Water Supply and Conservation Update
          ii. Statewide Water Supply Conditions

13. Personnel — President Tang
    A. Annual Review and Consideration of Revisions of Board Policies for Ethical Conduct Regarding Board of Directors Compensation and Expenses
       (1) Discussion (2) Action Taken

OTHER ITEMS

14. TVMWD/MWD — Director Hilden

15. P-W-R Joint Water Line Commission — Director Hilden
    A. P-W-R JWL Report for Water Purchases for August 2026
    B. Other Items

16. Puente Basin Water Agency — Director Lee

17. Spadra Basin Groundwater Sustainability Agency — President Tang

18. General Manager's Report — Mr. Macias

19. Directors Oral Reports — All Directors

20. Attorney's Report — Mr. Ciampa

21. Board of Directors Business — President Tang
    A. Proposed Amendments to ACWA's Bylaws by Written Ballot
       (1) Discussion (2) Action Taken

22. Closed Session
    A. Conference with Labor Negotiators (Government Code section 54957.6):
       Agency designated representatives: Jim Ciampa and Board of Directors
       Unrepresented employee: General Manager

23. Closed Session
    A. Reconvene to Open Session Report of Action, if any, Taken in Closed Session

24. Consideration of Employment Contract with General Manager, including Negotiated Compensation and other Terms of Employment
    (1) Discussion (2) Action Taken

Adjournment

Pursuant to the Americans with Disabilities Act, persons with a disability who require a disability-related modification or accommodation to participate in a meeting may request such modification or accommodation from the District's General Manager's Office at (909) 595-1268 Ext. 201. Notification forty-eight (48) hours prior to the meeting will enable District staff to make reasonable arrangements to assure accessibility to the meeting.

I, Lucie Cazares, MMC, Walnut Valley Water District, do hereby certify, under penalty of perjury under the laws of the State of California that a full and correct copy of this agenda was posted pursuant to Government Code Section 54950 et. seq., at 235 S. Brea Canyon Road, Walnut, CA., and uploaded to the Walnut Valley Water District website https://walnutvalleywater.gov/about-us/meetings-minutes-and-agendas/

Date Posted: October 15, 2026 Lucie Cazares, MMC, Executive Services Administrator



Congratulations to Lily Lopez

For successfully completing the Rogue Water Lab's Convergence Professional Development Program

Promotion

Congratulations to Stephanie Fu for her promotion to External Affairs & Sustainability Supervisor!



Certifications



Steven Carcano passed the T1 Certification exam.



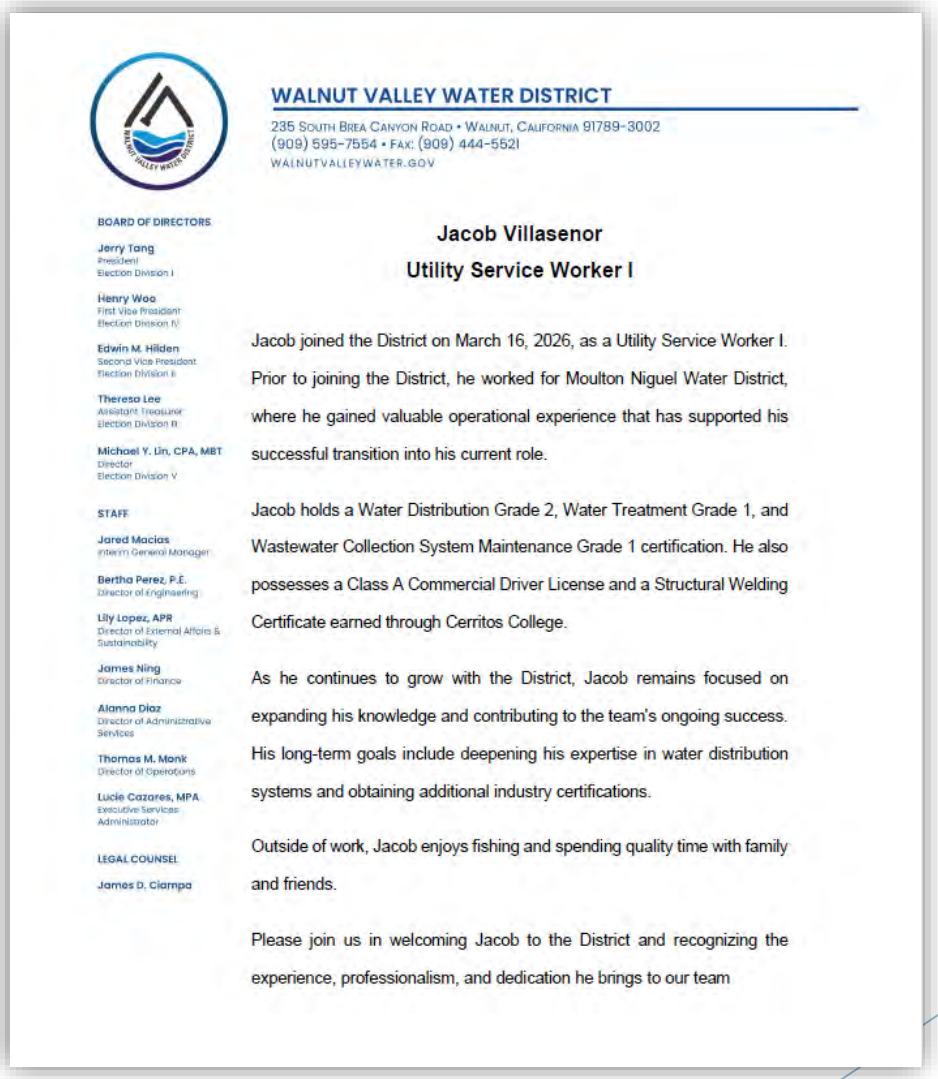
Cesar Quezada passed the D4 Certification exam.

Introduction of Jacob Villasenor



Jacob Villasenor

Utility Service Worker I



WALNUT VALLEY WATER DISTRICT

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BOARD OF DIRECTORS

Jerry Tang
President
Election Division I

Henry Woo
First Vice President
Election Division IV

Edwin M. Hilden
Second Vice President
Election Division II

Theresa Lee
Assistant Treasurer
Election Division III

Michael Y. Lin, CPA, MBT
Director
Election Division V

STAFF

Jared Macias
Interim General Manager

Bertha Perez, P.E.
Director of Engineering

Lily Lopez, APR
Director of External Affairs & Sustainability

James Ning
Director of Finance

Alanna Diaz
Director of Administrative Services

Thomas M. Monk
Director of Operations

Lucie Cazares, MPA
Executive Services Administrator

LEGAL COUNSEL

James D. Ciampa

Jacob Villasenor
Utility Service Worker I

Jacob joined the District on March 16, 2026, as a Utility Service Worker I. Prior to joining the District, he worked for Moulton Niguel Water District, where he gained valuable operational experience that has supported his successful transition into his current role.

Jacob holds a Water Distribution Grade 2, Water Treatment Grade 1, and Wastewater Collection System Maintenance Grade 1 certification. He also possesses a Class A Commercial Driver License and a Structural Welding Certificate earned through Cerritos College.

As he continues to grow with the District, Jacob remains focused on expanding his knowledge and contributing to the team's ongoing success. His long-term goals include deepening his expertise in water distribution systems and obtaining additional industry certifications.

Outside of work, Jacob enjoys fishing and spending quality time with family and friends.

Please join us in welcoming Jacob to the District and recognizing the experience, professionalism, and dedication he brings to our team

MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
WALNUT VALLEY WATER DISTRICT

September 21, 2026
Walnut Valley Water District Board Room
235 South Brea Canyon Road, Walnut, CA 91789

DIRECTORS PRESENT:
Edwin Hilden
Theresa Lee
Michael Lin
Jerry Tang
Henry Woo

DIRECTORS ABSENT:
None

STAFF PRESENT:
Jared Macias, Interim General Manager
Bertha Perez, Director of Engineering
James Ning, Director of Finance
Lily Lopez, Director of External Affairs & Sustainability
Alanna Diaz, Director of Administrative Services
Lucie Cazares, Executive Services Administrator
Jim Ciampa, Legal Counsel

The meeting was called to order at 5:00 p.m. with President Tang presiding.

Guests and Others in Attendance: Three Valleys Municipal Water District (TVMWD) Director David De Jesus, Chief Financial Officer Erika Gomez; WVWD staff Manny Rodriguez, Greg Galindo, and Dave Rudy. Member of the public, Pearl Hilden, and Dennis Yang.

Item 3: Public Comment

- There were no requests for public comment. (Item 3)

Item 4: Additions to the Agenda

- There were no requests for additions to the agenda. (Item 4)

Item 5: Reorder of the Agenda

- There were no requests for reordering of the agenda. (Item 5)

Item 6: Special Recognition & Team Milestones

- Mr. Macias recognized the following team members. (Item 6 A-D)
  - The Accounting team for receiving the Government Finance Officers Association (GFOA) Award of Financial Reporting Achievement.
  - Donna DiLaura's Retirement after 10 years of Service.
  - Shelly Wang for passing the D2 Certification exam.
  - Chason Snyder for passing the AWWA Cross Connection Control Specialist exam.

Item 7: Consider Approval of Consent Calendar

- The Board was asked to approve the Consent Calendar, consisting of the minutes of Regular Board meeting held August 17, 2026, the Check Register, the Employee Expense Reimbursement Report, the Community Outreach Report, and the District Calendars for October, November, & December 2026. (Item 7, A-E)

***Motion No. 26-09-2353:* Upon consideration thereof, it was moved by Director Lee, seconded by Director Lin, and carried 5-0, to approve the Consent Calendar, consisting of the minutes of Regular Board meeting held August 17, 2026, the Check Register, the Employee Expense Reimbursement Report, the Community Outreach Report, and the District Calendars for October, November, & December 2026. (Item 7, A-E)**

President Tang indicated Motion No. 26-09-2353 was approved by a 5-0 vote

Item 8: Consider Approval of Director Expense Reports

- The Board was asked to receive, approve, and file the Board member expense reports indicating per diem requests for meeting attendance and individual reports of additional expenses incurred by the District on behalf of each Director for events occurring during August 2026. (Item 8)

***Motion No. 26-09-2354:* Upon consideration thereof, it was moved by Director Lee, seconded by Director Hilden, and carried 5-0, to receive, approve, and file the Board member expense reports indicating per diem requests for meeting attendance and individual reports of additional expenses incurred by the District on behalf of each Director for events occurring during August 2026. (Item 8)**

President Tang indicated Motion No. 26-09-2354 was approved by a 5-0 vote

Committee Chair Reports

Item 9: Public Information/Community Relations/Legislative Action Committee – Director Tang

- The Board was asked to approve a three-year subscription renewal with Eagle Aerial Solutions for the WaterView Enterprise Module, covering FY 2026-2029, in an amount not to exceed $101,862. The renewal expands services to include Commercial, Industrial, and Institutional (CII) customers and supports the District's water conservation efforts, regulatory compliance, and long-term water resource planning. (Item 9)

  ***Motion No. 26-09-2355:* Upon consideration thereof, it was moved by Director Tang, seconded by Director Lee, and carried 5-0, to approve the three-year WaterView subscription renewal with Eagle Aerial Solutions for FY 2026-2029, in an amount not to exceed $101,862. (Item 9)**

President Tang indicated Motion No. 26-09-2355 was approved by a 5-0 vote

Item 10: Finance Committee – Director Lee

- The Board was asked to review and approved the proposed revisions to the Identity Theft Prevention Program, as presented. (Item 10-A)

  ***Motion No. 26-09-2356:* Upon consideration thereof, it was moved by Director Lee, second by Director Tang, and carried 5-0, to approve the proposed revisions to the Identity Theft Prevention Program, as presented. (Item 10-A)**

President Tang indicated Motion No. 26-09-2356 was approved by a 5-0 vote

- The Board was asked to consider the rejection of an estimated $10,000 claim submitted by Ms. Adelaida Tolentino for alleged injuries and related damage resulting from a fall at the District's headquarters grand opening on April 18, 2026. The claim was referred to ACWA JPIA for review and investigation, and staff recommended rejection in accordance with established legal procedures. (Item 10-B)

  ***Motion No. 26-09-2357:* Upon consideration thereof, it was moved by Director Tang, seconded by Director Lin, and carried 5-0, to approve staff's recommendation to reject the claim filed by Ms. Adelaida Tolentino and directed legal counsel to provide notice of that rejection to the claimant. (Item 10-B)**

President Tang indicated Motion No. 26-09-2357 was approved by a 5-0 vote

- Mr. Ning reviewed the District's investment transaction report for the period ending August 31, 2026. The Board was then asked to receive, approve, and file the investment transactions report. (Item 10-C)

  ***Motion No. 26-09-2358:* Upon consideration thereof, it was moved by Director Tang, second by Director Hilden, and carried 5-0, to receive, approve, and file the investment transactions report. (Item 10-C)**

President Tang indicated Motion No. 26-09-2358 was approved by a 5-0 vote

- As a matter of information only, the Board received a Revenue Bond Funds Held in Trust – US Bank. (Item 10-D)

Item 11: Engineering and Special Projects – Director Woo

- The Board was asked to accept the completed work for the PRV 2 Rehabilitation Project (Project No. 26-3894), performed by Doty Bros., and authorize the filing of a Notice of Completion. Staff confirmed that all work was completed in accordance with the contract documents. (Item 11-A)

  ***Motion No. 26-09-2359:* Upon consideration thereof, it was moved by Director Woo, seconded by Director Lin, and carried 5-0, to accept the completed work for the PRV 2 Rehabilitation Project (P.N. 26-3894) and authorize the filing of a Notice of Completion. (Item 11-A)**

President Tang indicated Motion No. 26-09-2359 was approved by a 5-0 vote

- The Board was asked to accept the completed work for the 12-inch Recycled Water Main Relocation on Golden Springs Drive Project (P.N. 20-3681DEV), performed by Doty Bros., and authorize the filing of a Notice of Completion. Staff confirmed that all work was completed in accordance with the contract documents. (Item 11-B)

  Motion No. 26-09-2360: ***Upon consideration thereof, it was moved by Director Woo, seconded by Director Hilden, and carried 5-0, to accept the completed work for the 12-inch Recycled Water Main Relocation on Golden Springs Drive Project (P.N. 20-3681DEV) and authorize the filing of a Notice of Completion. (Item 11-B)***

President Tang indicated Motion No. 26-09-2360 was approved by a 5-0 vote

- The Board was asked to declare the District's vehicles identified in the packet as surplus; and authorize the Interim General Manager to dispose of the surplus vehicles in accordance with the District's Surplus Property Policy. (Item 11-C)

  Motion No. 26-09-2361: ***Upon consideration thereof, it was moved by Director Woo, seconded by Director Hilden, and carried 5-0, to declare the District vehicles identified in the agenda packet as surplus property and authorize the Interim General Manager to dispose of the vehicles in accordance with the District's Surplus Property Policy. (Item 11-C)***

President Tang indicated Motion No. 26-09-2361 was approved by a 5-0 vote

- The Board was asked to authorize the Interim General Manager to purchase a valve operator truck, including specialized equipment, through Sourcewell Contract No. 032824-RTG, in an amount not to exceed $225,000. The vehicle will improve operational efficiency, emergency response, and preventive maintenance of the District's water distribution system. Funding is available through the approved CIP budget (P.N. 26-3943). (Item 11-D)

  Motion No. 26-09-2362: ***Upon consideration thereof, it was moved by Director Lin, seconded by Director Woo, and carried 5-0, to authorize the Interim General Manager to purchase one valve operator truck, including chassis and specialized upfit, through Sourcewell Contract No. 032824-RTG, in an amount not to exceed $225,000. (Item 11-D)***

President Tang indicated Motion No. 26-09-2362 was approved by a 5-0 vote

- The Board was asked to ratify an executed agreement with Complex Steel Buildings for the design, fabrication, and delivery of a new storage building at the District's O&M facility, in an amount not to exceed $76,115.90. The building will provide additional storage for maintenance materials and emergency supplies as part of the O&M Site Improvements Project (P.N. 19-3569-0). Funding will be provided through the project budget. (Item 11-E)

  Motion No. 26-09-2363: ***Upon consideration thereof, it was moved by Director Woo, seconded by Director Hilden, and carried 5-0, to ratify the executed sale agreement with Complex Steel Buildings for the design, fabrication, and delivery of a new storage building in an amount not to exceed $76,115.90. (Item 11-E)***

President Tang indicated Motion No. 26-09-2363 was approved by a 5-0 vote

- Ms. Perez reviewed the Project Status Report included in the Board Packet. No action was taken by the Board. (Item 11-F)

- Mr. Galindo reviewed the Operations Report included in the Board Packets. No action was taken by the board. (Item 11-G)

Item 12: Personnel Committee- Director Tang

- As a matter of information only, the Board received the ACWA JPIA medical, dental, and vision insurance premium rates for calendar year 2027. (Item 12-A)

- The Board considered proposed staffing and organizational changes to the External Affairs and Sustainability (EAS) and Operations Departments following the retirement of the EAS Manager. The proposed realignment includes reallocating the vacant position to Operations, establishing an EAS Supervisor incentive classification, and updating the District's salary ranges and organizational charts. The changes also include a budget transfer of $129,146 and are expected to improve operational efficiency while reducing personnel costs.

Motion No. 26-09-2364: Upon consideration thereof, it was moved by Director Tang, seconded by Director Lin, and carried 5-0, to approve the proposed organizational and staffing revisions to the External Affairs and Sustainability and Operations Departments, including the reallocation of one position, establishment of an EAS Supervisor incentive classification, revisions to the salary ranges and organizational charts, and transfer of $129,146 between departmental budgets.

President Tang indicated Motion No. 26-09-2364 was approved by a 5-0 vote

- The Board was asked to approve updates to several Board policies reviewed by District staff and Legal Counsel. The proposed changes are intended to clarify existing procedures, reflect current legal requirements, and provide clearer guidance on Board responsibilities and practices. The updates will have no immediate fiscal impact. (Item 12-C)

Motion No. 26-09-2365: Upon consideration thereof, it was moved by Director Tang, second by Director Lee, and carried 5-0, to adopt the proposed Board of Directors Policy amendments as drafted by the District staff, reviewed by general counsel and labor counsel and included in the Board meeting materials. (Item 12-C)

President Tang indicated Motion No. 26-09-2365 was approved by a 5-0 vote

Item 13: TVMWD/MWD

- Updates on TVMWD/MWD business matters were provided by TVMWD Director David De Jesus (Item 13)

Item 14: The P-W-R Joint Water Line Commission

- Mr. Macias provided the P-W-R Joint Water Line Commission water use report for the month of July 2026. (Item 14)

Item 15: Puente Basin Water Agency (PBWA)

- Director Lee reported that there was no meeting for PBWA and the next meeting will be held October 1, 2026. (Item 15)

Item 16: Spadra Basin Groundwater Sustainability Agency

- Director Tang reported on the Spadra Basin GSA Executive Committee meeting held on September 8, 2026; he also noted that the following meeting has been canceled. (Item 16).

Item 17: General Manager's Report

- Mr. Macias informed the board of the following:
  - Governor's Proclamation of a State of Emergency related to El Niño weather conditions.
  - Provided a brief report on developments regarding the Sacramento Delta.

- Legal Counsel's Report: Mr. Ciampa reported on changes made in the Bay-Delta Water Quality Control Plan that differ from concepts that had been agreed upon in a memorandum of understanding entered into with the State.

Item 18: Director's Oral Reports

(NOTE: Board meeting minutes provide written reports of Board meetings, Committee meetings, and District associated activities. Directors may include reports of their participation in non-expense or per diem paid community events as a matter of information.) (Item 18)

- Director Hilden reported the following on his activities for August: Public Info Committee Meeting, Finance Committee Meeting, Engineering Committee Meeting, and WVWD Board Meeting.

- Director Lin reported the following on his activities for August: PBWA Board Meeting, Public Information Committee Meeting, Finance Committee Meeting, Engineering Committee Meeting, and WVWD Regular Board Meeting.

- Director Lee reported the following on her activities for August: PBWA Board Meeting, Congresswoman Linda Sanchez State of Congress, WVWD Public Information Committee Meeting, WVWD Finance Committee Meeting, Bob Pacheco Park Playground Recognition Ceremony, and WVWD Board Meeting.

- Director Tang reported the following on his activities for August: Meeting with WVWD Interim General Manager, Congresswoman Linda Sanchez State of Congress, WVWD Public Information Committee Meeting, Meeting with WVWD Personnel Manager, Bob Pacheco Park Playground Recognition Ceremony, Walnut City Council Meeting, WVWD Board Meeting and Communication with a Local Resident regarding District's tiered water rate structure.

- Director Woo reported the following on his activities for August: Finance Committee Meeting, Engineering Committee Meeting, WVWD Board Meeting, and Attended Board Governance Seminar in San Diego.

Item 19: Board of Directors Business:

- There are no items to come to the Board at this time. (Item 19)

Adjournment to Closed Session - 6:18 p.m.

Item 20: Closed Session

- The Board met in closed session in accordance with Government Code section 54957:
  PUBLIC EMPLOYMENT
  Title: General Manager (Item 20).

Item 21: Reconvene in Open Session/ Report of Action Taken in Closed Session – 6:48 P.M.

- Mr. Ciampa reported that the Board met in closed session in accordance with Government Code section 54957. There was no reportable action. (Item 21).

Adjournment

- The meeting was adjourned at 6:49 p.m.

MINUTES OF SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
WALNUT VALLEY WATER DISTRICT

September 24, 2026
Walnut Valley Water District Board Room
235 South Brea Canyon Road, Walnut, CA 91789

DIRECTORS PRESENT:
Edwin Hilden
Michael Lin, arrived at 4:04 p.m.
Jerry Tang
Henry Woo

DIRECTORS ABSENT:
Theresa Lee

STAFF PRESENT:
Jared Macias, Interim General Manager
Bertha Perez, Director of Engineering
James Ning, Director of Finance
Lily Lopez, Director of External Affairs & Sustainability
Alanna Diaz, Director of Administrative Services
Jim Ciampa, Legal Counsel (remote participation)

The meeting was called to order at 4:02 p.m. with President Tang presiding.

Guests and others in attendance: WVWD Employees Greg Galindo and Monique Fitchett.

Item 3: Public Comment

- There were no requests for public comment. (Item 3)

Item 4: Authorization of Guaranteed Maximum Price Contracting Method for the Operations and Maintenance Building Remodel Phase 2 Project (P.N. 19-3569-2)

- The Board was asked to authorize the use of a Guaranteed Maximum Price (GMP) contracting method and competitive, best value contractor selection process for the Operations and Maintenance Building Remodel Phase 2 Project in a form acceptable to General Counsel. (Item 4)

  Motion No. 26-09-2366: ***Upon consideration thereof, it was moved by Director Woo, second by Director Hilden, and carried 4-0, (with Director Lee Absent) to authorize the use of a Guaranteed Maximum Price (GMP) contracting method and competitive, best value contractor selection process for the Operations and Maintenance Building Remodel Phase 2 Project in a form acceptable to General Counsel. (Item 4***)

President Tang indicated Motion No. 26-09-2366 was approved by a 4-0 vote with Director Lee absent

Item 5: Overview of Financial Plan and Rates

- The Board received a PowerPoint presentation on financial planning and revenue projections. The presentation included an analysis of various water rate adjustments and the projected reserve funding. Staff further advised of the necessity of approving any increases in rates in October to meet the customer notice deadline of November for January 1, 2027, rate increase. (Item 5)

Adjournment

- The meeting was adjourned at 4:36 p.m.

MINUTES OF SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
WALNUT VALLEY WATER DISTRICT

September 30, 2026
Walnut Valley Water District Board Room
235 South Brea Canyon Road, Walnut, CA 91789

DIRECTORS PRESENT:
Edwin Hilden (left at 10:45 a.m.)
Theresa Lee
Michael Lin
Jerry Tang
Henry Woo

STAFF PRESENT:
Jared Macias, Interim General Manager
Alanna Diaz, Director of Administrative Services
Lucie Cazares, Executive Services Administrator
Jim Ciampa, Legal Counsel

DIRECTORS ABSENT:
None

The meeting was called to order at 7:30 a.m. with President Tang presiding.

Guests and Others in Attendance: Member of the public, Pearl Hilden.

Item 3: Public Comment

- There were no requests for public comment. (Item 3)

Item 4: Public Comment on Closed Session Matters

- There were no requests to comment on closed session items. (Item 4)

Item 5: Adjourn to Closed Session (7:31 a.m.)

Reconvene in Open Session/ Report of Action Taken in Closed Session – 1:32 p.m.

- The Board met in closed session in accordance with Government Code (§54957) to conduct interviews with three prospective candidates for the General Manager position.

- Following interviews, the Board discussed the interviews of the three prospective candidates for the General Manager position and selected a preferred candidate. The Board directed staff to conduct labor negotiations and gave directions concerning the proposed terms of the preferred candidate's prospective employment as the District's General Manager. (Item 5)

Adjournment

- The meeting was adjourned at 1:33 p.m.

Walnut Valley Water District

Check Register For the Month of September 2026

CHECK NUMBER	DATE	PAYEE	AMOUNT
13980	9/16/2026	Tang, Fiona - VOIDED	$ -
14332	9/16/2026	Tang, Fiona - VOIDED	$ -
14534	9/15/2026	Chinese American Parent Association of Suzanne Middle School - VOIDED	$ -
14545	9/16/2026	ACWA Services Corporation - VOIDED	$ -
14501	9/1/2026	Badger Meter, Inc.	$ 2,632.57
14502	9/1/2026	City of Walnut	$ 460.00
14503	9/1/2026	Farwest Corrosion Control Company	$ 13,650.00
14504	9/1/2026	Hach Company	$ 124.62
14505	9/1/2026	Core & Main LP	$ 120.04
14506	9/1/2026	Ken's Ace Hardware	$ 49.98
14507	9/1/2026	Liebert, Cassidy, & Whitmore	$ 3,653.00
14508	9/1/2026	Los Angeles County Fire Dept.	$ 5,475.00
14509	9/1/2026	Pomona City Clerk	$ 7,464.22
14510	9/1/2026	Verizon Wireless	$ 1,062.71
14511	9/1/2026	Cintas Corporation #150	$ 459.43
14512	9/1/2026	Fuel Pros, Inc.	$ 1,322.50
14513	9/1/2026	Walnut High School	$ 300.00
14514	9/1/2026	InfoSend, Inc.	$ 16,121.57
14515	9/1/2026	Genesis Computer Systems, Inc.	$ 84.65
14516	9/1/2026	Ferguson Waterworks - Santa Ana	$ 14,286.78
14517	9/1/2026	Western Exterminator Company	$ 192.00
14518	9/1/2026	Associated Soils Engineering, Inc.	$ 512.50
14519	9/1/2026	Phenix Truck Bodies & Equipment	$ 2,499.96
14520	9/1/2026	Shute, John	$ 1,738.00
14521	9/1/2026	Office Solutions Business Prod. & Svcs,LLC	$ 5.14
14522	9/1/2026	S & J Supply Company, Inc.	$ 15,669.23
14523	9/1/2026	Hill Brothers Chemical Company	$ 4,079.82
14524	9/1/2026	Managed Mobile, Inc.	$ 435.77
14525	9/1/2026	Premier Family Medicine Associates, Inc.	$ 135.00
14526	9/1/2026	HASA, Inc.	$ 4,493.88
14527	9/1/2026	A & J Tree Care, Inc.	$ 6,500.00
14528	9/1/2026	Spadra Basin Groundwater Sustainability Agency	$ 3,692.50
14529	9/1/2026	Banzil, Alyssa	$ 251.12
14530	9/1/2026	GNA - Brook Fire Protection, Inc.	$ 365.00
14531	9/1/2026	Paper Recycling & Shredding Specialists, Inc.	$ 115.00
14532	9/1/2026	Valley Vista Services, Inc.	$ 499.88
14533	9/1/2026	La Canada Design Group, Inc.	$ 7,663.62
14535	9/1/2026	Macias, Jared	$ 2,394.10
14536	9/1/2026	Searock Stafford CM, Inc.	$ 8,000.00
14537	9/1/2026	Pomona Valley Plumbing, Heating & Air Conditioning	$ 300.00
14538	9/1/2026	Resource Computer Solutions, Inc.	$ 6,385.67
14539	9/1/2026	Civic Publications Inc.	$ 5,500.00
14540	9/1/2026	NAZ Electric and Controls, Inc.	$ 2,850.00
14541	9/1/2026	XLH Investments, LLC	$ 3,403.76
14542	9/1/2026	Kenneth K Muramoto	$ 2,094.39

Walnut Valley Water District

Check Register For the Month of September 2026

CHECK NUMBER	DATE	PAYEE	AMOUNT
14543	9/1/2026	SGVCOG Ace General Account	$ 14,271.66
14544	9/1/2026	Jin Zhu	$ 3,411.72
14546	9/9/2026	Ken's Ace Hardware	$ 64.19
14547	9/9/2026	United Rentals Northwest, Inc.	$ 617.22
14548	9/9/2026	Cintas Corporation #150	$ 168.04
14549	9/9/2026	Dunn Edwards Corporation	$ 1,324.86
14550	9/9/2026	County Sanitation Districts of LA County	$ 5,000.00
14551	9/9/2026	Commercial Door Company	$ 4,733.06
14552	9/9/2026	Snyder, Chason	$ 260.00
14553	9/9/2026	West Coast Sand and Gravel, Inc.	$ 2,265.00
14554	9/9/2026	Frontier Communications	$ 3,394.33
14555	9/9/2026	Autonovation Mobile Auto Repair	$ 9,064.95
14556	9/9/2026	Thermal Concepts, Inc.	$ 977.26
14557	9/9/2026	Ryan Herco Flow Solutions	$ 2,158.12
14558	9/9/2026	Platinum Strategies Inc.	$ 682.00
14559	9/9/2026	Charter Communications	$ 2,745.98
14560	9/9/2026	Standard Insurance Company	$ 6,600.18
14561	9/9/2026	Wang, Shelly	$ 65.00
14562	9/9/2026	Mike Boi Nguyen	$ 1,965.00
14563	9/15/2026	Badger Meter, Inc.	$ 1,476.69
14564	9/15/2026	California-Nevada Section American Water Works Assoc.	$ 110.00
14565	9/15/2026	Federal Express	$ 45.89
14566	9/15/2026	Core & Main LP	$ 6,686.20
14567	9/15/2026	Underground Service Alert	$ 582.85
14568	9/15/2026	United Rentals Northwest, Inc.	$ 755.05
14569	9/15/2026	Cintas Corporation #150	$ 446.80
14570	9/15/2026	Rowland Water District	$ 871.40
14571	9/15/2026	Ewing Irrigation Products Inc.	$ 892.72
14572	9/15/2026	Fuel Pros, Inc.	$ 250.00
14573	9/15/2026	Verizon Connect Fleet USA LLC	$ 681.72
14574	9/15/2026	Commercial Door Company	$ 5,898.77
14575	9/15/2026	Western Exterminator Company	$ 98.92
14576	9/15/2026	Rodriguez, Manuel	$ 268.70
14577	9/15/2026	West Coast Sand and Gravel, Inc.	$ 3,044.23
14578	9/15/2026	State Water Resources Ctrl Bd - Cert Rnw	$ 55.00
14579	9/15/2026	Puente Hills Ford	$ 650.75
14580	9/15/2026	Southern California Public Labor Relations Council	$ 300.00
14581	9/15/2026	HASA, Inc.	$ 3,147.72
14582	9/15/2026	Bay Alarm Company	$ 662.85
14583	9/15/2026	Autonovation Mobile Auto Repair	$ 1,076.91
14584	9/15/2026	Interstate Battery System of Inland Valley	$ 1,370.63
14585	9/15/2026	Aqua Backflow, Inc	$ 1,453.50
14586	9/15/2026	Ryan Herco Flow Solutions	$ 1,993.51
14587	9/15/2026	Carcano, Steven	$ 31.00
14588	9/15/2026	Axelliant LLC	$ 850.00
14589	9/15/2026	Merrimac Energy Group	$ 8,108.00

Walnut Valley Water District

Check Register For the Month of September 2026

CHECK NUMBER	DATE	PAYEE	AMOUNT
14590	9/15/2026	Searock Stafford CM, Inc.	$ 8,125.00
14591	9/15/2026	Cortez, Alexandra	$ 400.00
14592	9/15/2026	Complex Steel Buildings	$ 31,661.93
14593	9/15/2026	Horizon Lighting, Inc.	$ 797.59
14594	9/15/2026	Eurofins Eaton Analytical, LLC	$ 4,318.00
14595	9/15/2026	NAZ Electric and Controls, Inc.	$ 6,490.47
14596	9/15/2026	Diamond Environmental Services LP	$ 259.96
14597	9/15/2026	Priority Building Services, LLC	$ 3,456.00
14598	9/15/2026	Emerald Isle Tropical Plants, Inc.	$ 373.15
14599	9/15/2026	Water Education for Latino Leaders (WELL)	$ 2,000.00
14600	9/15/2026	Green 4 Better	$ 500.00
14601	9/22/2026	ACWA - JPIA	$ 10,188.47
14602	9/22/2026	Azteca Landscape	$ 15,675.00
14603	9/22/2026	Graybar Electric Company, Inc.	$ 3,963.83
14604	9/22/2026	Industrial Shoeworks	$ 250.00
14605	9/22/2026	Liebert, Cassidy, & Whitmore	$ 6,148.50
14606	9/22/2026	Steven Enterprises, Inc.	$ 975.30
14607	9/22/2026	United Rentals Northwest, Inc.	$ 617.22
14608	9/22/2026	Verizon Wireless	$ 1,067.13
14609	9/22/2026	Cintas Corporation #150	$ 645.02
14610	9/22/2026	Chandler Asset Management, Inc.	$ 2,712.42
14611	9/22/2026	Ground Control Systems, Inc.	$ 1,984.35
14612	9/22/2026	Genesis Computer Systems, Inc.	$ 31,982.68
14613	9/22/2026	Ferguson Waterworks - Santa Ana	$ 7,363.18
14614	9/22/2026	Online Information Services, Inc.	$ 350.50
14615	9/22/2026	D & H Water Systems, Inc.	$ 3,841.25
14616	9/22/2026	Office Solutions Business Prod. & Svcs,LLC	$ 123.68
14617	9/22/2026	West Coast Sand and Gravel, Inc.	$ 1,510.00
14618	9/22/2026	Walnut Valley Educational Foundation, Inc	$ 2,500.00
14619	9/22/2026	S & J Supply Company, Inc.	$ 4,569.60
14620	9/22/2026	Frontier Communications	$ 1,168.65
14621	9/22/2026	HQ Enterprises Inc.	$ 516.93
14622	9/22/2026	Managed Mobile, Inc.	$ 1,348.68
14623	9/22/2026	HASA, Inc.	$ 8,518.91
14624	9/22/2026	Canon Solutions America, Inc.	$ 6,353.04
14625	9/22/2026	Knight Industrial Supply	$ 257.28
14626	9/22/2026	Autonovation Mobile Auto Repair	$ 1,436.87
14627	9/22/2026	Interstate Battery System of Inland Valley	$ 1,407.69
14628	9/22/2026	Right of Way, Inc.	$ 294.97
14629	9/22/2026	Central Communications	$ 896.37
14630	9/22/2026	Valley Vista Services, Inc.	$ 2,904.36
14631	9/22/2026	Audiochecks Mobile Hearing and Respiratory Testing, LLC	$ 2,125.00
14632	9/22/2026	Via Promotionals, Inc.	$ 219.57
14633	9/22/2026	Corelogic Solutions, LLC	$ 273.18
14634	9/22/2026	SmartSights, LLC	$ 5,900.00
14635	9/22/2026	11:11 Systems, Inc.	$ 479.00

Walnut Valley Water District

Check Register For the Month of September 2026

CHECK NUMBER	DATE	PAYEE	AMOUNT
14636	9/22/2026	Pomona Valley Plumbing, Heating & Air Conditioning	$ 1,878.00
14637	9/22/2026	Lumague, Katrina	$ 164.92
14638	9/22/2026	Nextiva, Inc.	$ 2,917.76
14639	9/22/2026	CPI	$ 162.60
14640	9/22/2026	Resource Computer Solutions, Inc.	$ 24,135.00
14641	9/22/2026	NAZ Electric and Controls, Inc.	$ 46,641.00
14642	9/22/2026	Horizon Engineering Systems LLC	$ 4,900.00
14643	9/22/2026	Charter Communications	$ 2,745.98
14644	9/22/2026	Walnut/Diamond Bar Sheriff's Station	$ 500.00
14645	9/22/2026	Water Replenishment District of Southern California	$ 835.00
14646	9/22/2026	Phenix Truck Bodies & Equipment	$ 9,915.26
14647	9/22/2026	Healthequity, Inc.	$ 20.65
14648	9/29/2026	ACWA Services Corporation	$ 166,699.90
14649	9/29/2026	Badger Meter, Inc.	$ 1,061.44
14650	9/29/2026	Graybar Electric Company, Inc.	$ 1,374.40
14651	9/29/2026	Industrial Shoeworks	$ 521.25
14652	9/29/2026	Lee & Ro, Inc.	$ 8,293.50
14653	9/29/2026	Western Water Works	$ 16,016.92
14654	9/29/2026	G M Sager Construction Co., Inc.	$ 16,500.00
14655	9/29/2026	BearCom	$ 595.57
14656	9/29/2026	Walnut High School	$ 600.00
14657	9/29/2026	InfoSend, Inc.	$ 20,681.08
14658	9/29/2026	Genesis Computer Systems, Inc.	$ 306.08
14659	9/29/2026	Industry Public Utility Commission	$ 2,022.31
14660	9/29/2026	Ferguson Waterworks - Santa Ana	$ 30,407.27
14661	9/29/2026	Morrow-Meadows Corporation	$ 4,455.61
14662	9/29/2026	Associated Soils Engineering, Inc.	$ 820.00
14663	9/29/2026	Safety Kleen System, Inc.	$ 1,164.33
14664	9/29/2026	S & J Supply Company, Inc.	$ 44,694.99
14665	9/29/2026	Frontier Communications	$ 2,262.33
14666	9/29/2026	Paramount Safety Supply	$ 1,330.50
14667	9/29/2026	Hill Brothers Chemical Company	$ 3,028.32
14668	9/29/2026	OPARC, Inc.	$ 6,526.34
14669	9/29/2026	Premier Family Medicine Associates, Inc.	$ 275.00
14670	9/29/2026	HASA, Inc.	$ 6,519.45
14671	9/29/2026	A & J Tree Care, Inc.	$ 36,800.00
14672	9/29/2026	Bay Alarm Company	$ 549.51
14673	9/29/2026	SoCal SCADA Solutions, LLC	$ 20,240.00
14674	9/29/2026	Public Water Agencies Group	$ 2,743.00
14675	9/29/2026	Lagerlof, LLP	$ 3,145.00
14676	9/29/2026	Valley Vista Services, Inc.	$ 499.88
14677	9/29/2026	La Canada Design Group, Inc.	$ 10,092.00
14678	9/29/2026	Planeteria Media LLC	$ 3,600.00
14679	9/29/2026	Axelliant LLC	$ 13,596.25
14680	9/29/2026	Woo, Henry	$ 82.84
14681	9/29/2026	Merrimac Energy Group	$ 7,573.16

Walnut Valley Water District

Check Register For the Month of September 2026

CHECK NUMBER	DATE	PAYEE	AMOUNT
14682	9/29/2026	Kiwanis Club of Diamond Bar Young Professionals	$ 600.00
14683	9/29/2026	Galindo, Gregory	$ 120.00
14684	9/29/2026	Resource Computer Solutions, Inc.	$ 1,300.00
14685	9/29/2026	Platinum Strategies Inc.	$ 246.67
14686	9/29/2026	U.S. Bank	$ 2,800.00
14687	9/29/2026	Diamond Environmental Services LP	$ 259.96
14688	9/29/2026	Wish Wellness	$ 735.00
14689	9/29/2026	MTR Truck Repair Inc	$ 1,947.21
14690	9/29/2026	Eckerman Fitness LLC	$ 1,000.00
EFT000000001782	9/1/2026	Southern Calif Gas Company	$ 116.24
EFT000000001783	9/1/2026	Home Depot Credit Services	$ 1,823.20
EFT000000001784	9/2/2026	Puente Basin Water Agency	$ 1,314,249.64
EFT000000001785	9/2/2026	Pomona-Walnut-Rowland JWL Commission	$ 1,414,426.93
EFT000000001786	9/2/2026	SpryPoint Services, Inc.	$ 164.68
EFT000000001787	9/2/2026	Boostlingo, LLC	$ 95.00
EFT000000001788	9/2/2026	The Printery, Inc.	$ 1,190.86
EFT000000001789	9/9/2026	Southern California Edison Company	$ 1,824.50
EFT000000001790	9/10/2026	Amazon Capital Services, Inc.	$ 4,397.83
EFT000000001791	9/10/2026	The Printery, Inc.	$ 1,993.62
EFT000000001792	9/15/2026	Southern California Edison Company	$ 188,436.48
EFT000000001793	9/16/2026	Doty Bros Equipment Co, Inc.	$ 16,573.98
EFT000000001794	9/16/2026	Quest Building Services	$ 2,350.00
EFT000000001795	9/16/2026	The Printery, Inc.	$ 3,954.74
EFT000000001796	9/22/2026	Southern Calif Gas Company	$ 118.69
EFT000000001797	9/23/2026	California Public Employees' Retirement System	$ 110.00
EFT000000001798	9/23/2026	1Password	$ 5,592.84
EFT000000001799	9/23/2026	Boostlingo, LLC	$ 95.00
EFT000000001800	9/23/2026	Grainger	$ 45.16
EFT000000001801	9/23/2026	Tang, Fiona	$ 759.27
EFT000000001802	9/29/2026	Home Depot Credit Services	$ 553.58
EFT000000001803	9/29/2026	Bill Operations LLC	$ 40,859.72
EFT000000001804	9/30/2026	California Public Employees' Retirement System	$ 350.00
EFT000000001805	9/30/2026	Tang, Chi-Li J.	$ 35.26
XFR000009483	9/24/2026	PAYROLL	$ 1,086,921.98
		TOTAL	$ 5,063,514.96

Reviewed by: James NB Director of Finance 10-12-2026 Date

Reviewed by: [signature] General Manager 10-12-26 Date

Walnut Valley Water District
Monthly Employee Expense Reimbursements
Exceeding the Amount of $100.00
For the Month of September 30, 2026

Date	Check Number	Employee Name	Description	Amount
9/1/2026	14520	Shute, John	Education Reimbursement	$ 1,738.00
9/1/2026	14529	Banzil, Alyssa	Expense Reimbursement	$ 251.12
9/1/2026	14535	Macias, Jared	Education Reimbursement	$ 2,394.10
9/9/2026	14552	Snyder, Chason	Expense Reimbursement	$ 260.00
9/15/2026	14576	Rodriguez, Manuel	Expense Reimbursement	$ 268.70
9/15/2026	14591	Cortez, Alexandra	Per-Diem Travel Meals & Incidental Exp	$ 400.00
9/22/2026	14637	Lumague, Katrina	Expense Reimbursement	$ 164.92

In accordance with California Government Code Section 53065.5, the District shall, at least annually, disclose all reimbursements paid to any employee for an individual charge that is at least one hundred dollars ($100).

WVWD – Staff Report

TO:	Board of Directors
FROM:	Interim General Manager
DATE:	October 19, 2026
SUBJECT:	Community Outreach Update

☐ **Action/Discussion** ☐ **Fiscal Impact** ☐ **Resolution** ☒ **Information Only**

Recommendation

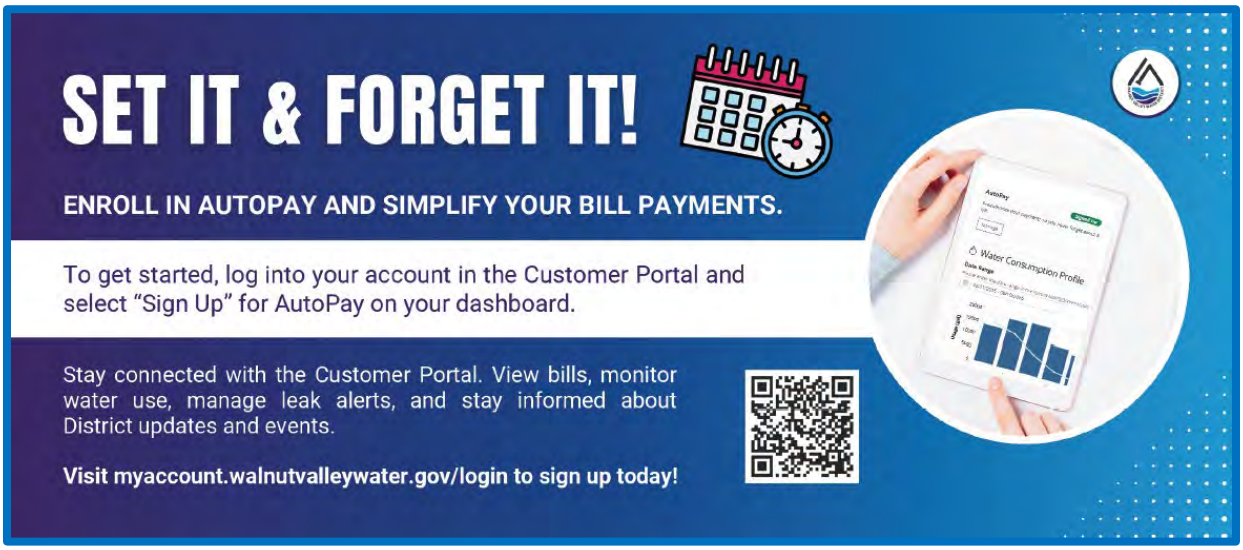
For information only.

Background

External Affairs & Sustainability Outreach Update

1. October Inserts
   District customers received the inserts noted below (front/back) with their monthly bill statement.

Insert Front

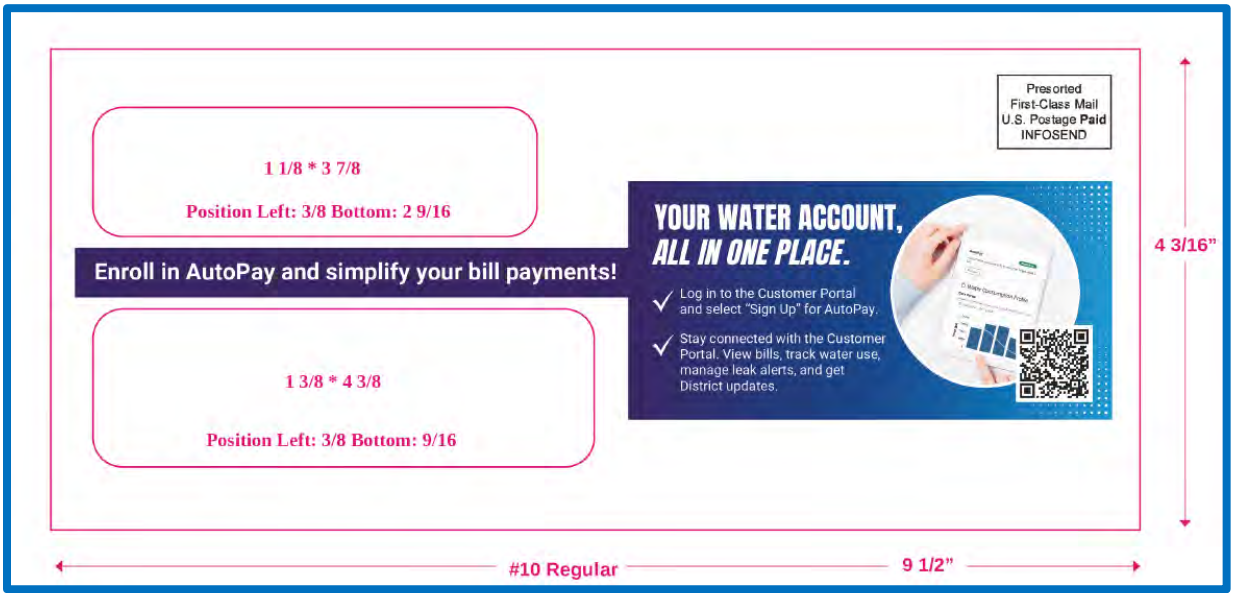


Insert Back


STAY INFORMED
DURING WATER EMERGENCIES
TEXT "WVWD" TO 38276
OR SCAN THE QR CODE TO SUBSCRIBE
Receive real-time water emergency alerts from WVWD
Stay connected with your local water system
Trusted updates directly from WVWD
For residents and businesses in WVWD's service area

October Bill Snipe

District customers received the bill snipe design noted below (front/back) with their monthly bill statement.





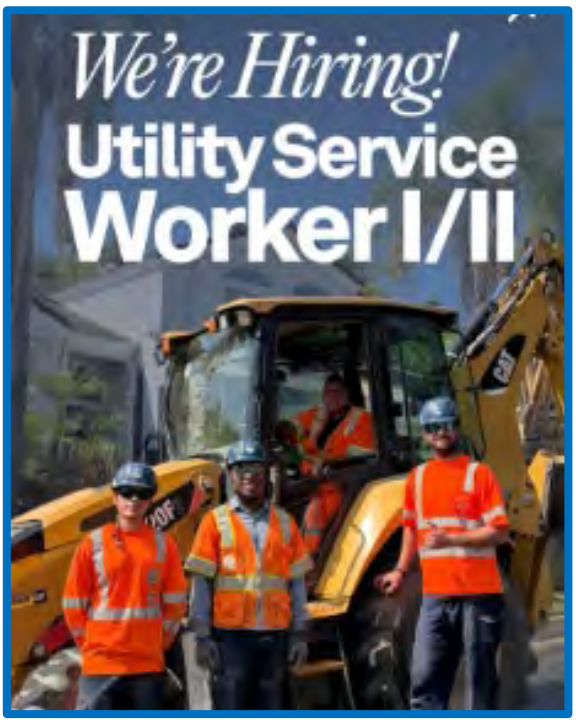
2. Facebook, Instagram, X, and YouTube

The District regularly posts updates and promotions of External Affairs/Sustainability activities, conservation tips, and educational materials on Facebook, Instagram, X, Nextdoor, and YouTube.

During August, the District shared the following:

- Meet the Pros Panel
- Job Posting – Utility Service Worker I/II
- Office Closed – Labor Day
- Customer Notice – Third-Party Mailers



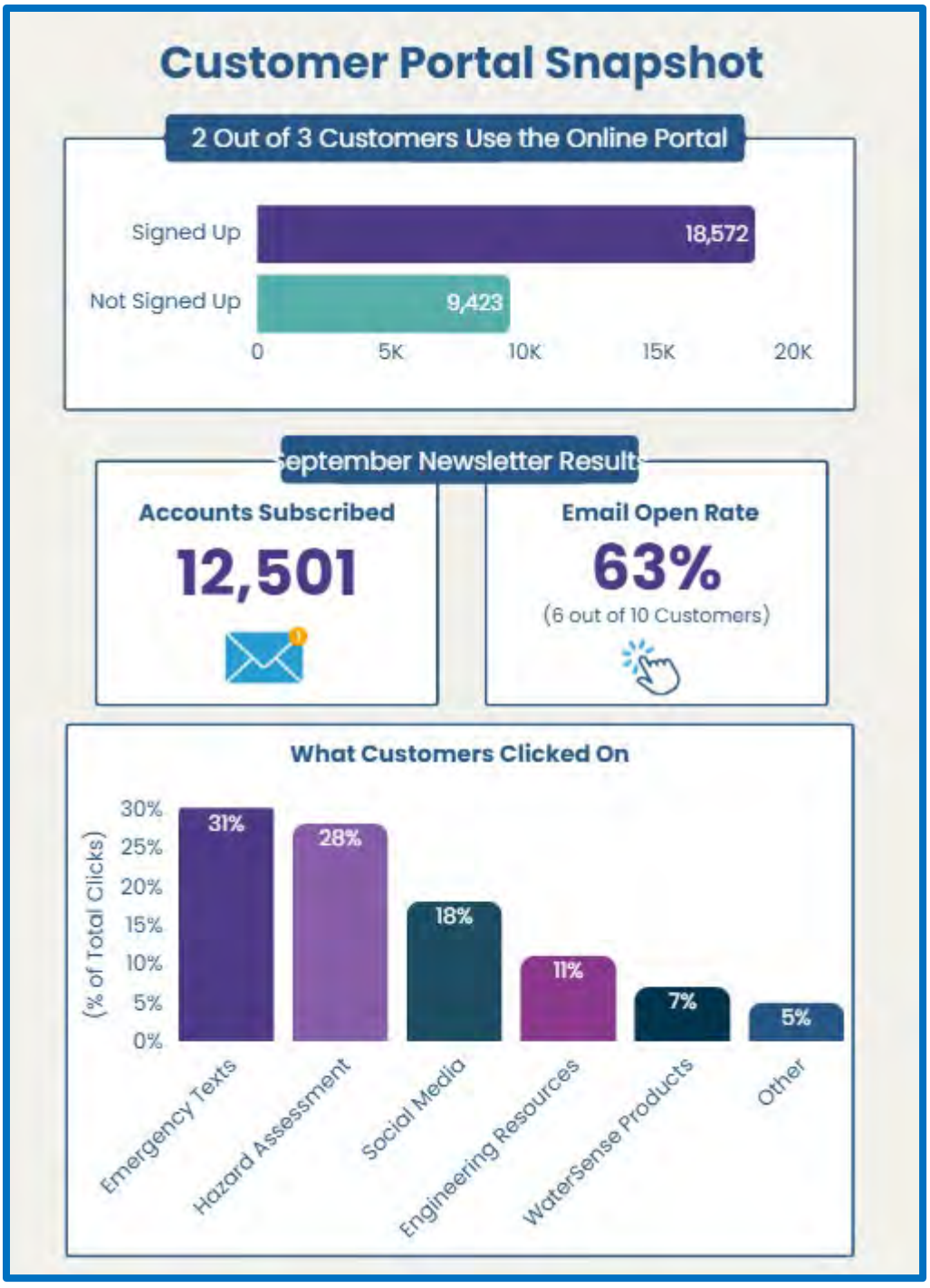






3. Customer Portal Campaign

The District utilizes the Customer Portal to send customers alerts, emails, and text messages.



During October, the District shared the following:

- Customer Monthly Newsletter



Teacher Grants Available Now!

Know a local teacher? Encourage them to apply for our Splash Cash Grant Program for a chance to receive up to $1,500 to support hands-on learning and water education.

The online application is quick, easy, and open to eligible educators in our community.

Last year, grant funding helped bring learning to life through field trips, school garden improvements, and creative classroom projects.

Applications accepted now until October 30th.

Apply Today



Behind the Service: Hazard Assessment

Help us protect the public water system by completing the Hazard Assessment Questionnaire for your property.

All customers, both residential and non-residential, are required to complete a questionnaire for each property they own or occupy.

Complete yours today to help the District assess potential cross-connection risks and determine if backflow protection is needed.

Residential Questionnaire

Non-Residential Questionnaire



Looking to Make a Change?

Products with the WaterSense® label help you use water efficiently while saving money. Just look for the label!

View Products



4. Customer Door Tags

The District is implementing a comprehensive update to customer door tags to enhance customer communications through improved content, updated diagrams, and QR codes that provide direct access to information and resources. As part of this effort, the District has shifted to designing all door tags in-house to enhance quality, consistency, and effectiveness. The initiative is expected to save nearly $2,000 annually.

5. Automated Customer Notifications

Overdue Account Notifications: In September, 1,017 customers received overdue notices via mail and door tag. 38% of those customers (395 customers) also received automated text message reminders to pay their bill. The District's muti-notification process serves to bring awareness to customers before sever water bills are received. September resulted in an increase of 125 customer notifications compared to August.

Automated Leak Alert Notifications: The District sends automated leak alert notifications via email and text message to inform customers of continuous water use that may indicate leaks. In September, 1,123 customers received leak alert notifications (decrease of 215 from August). These alerts are generated based on usage data and help customers reduce water loss and avoid higher bills.

6. WaterView and Residential Water Use Efficiency

The District utilizes WaterView to analyze customer water usage to remain in compliance with state conservation mandates.

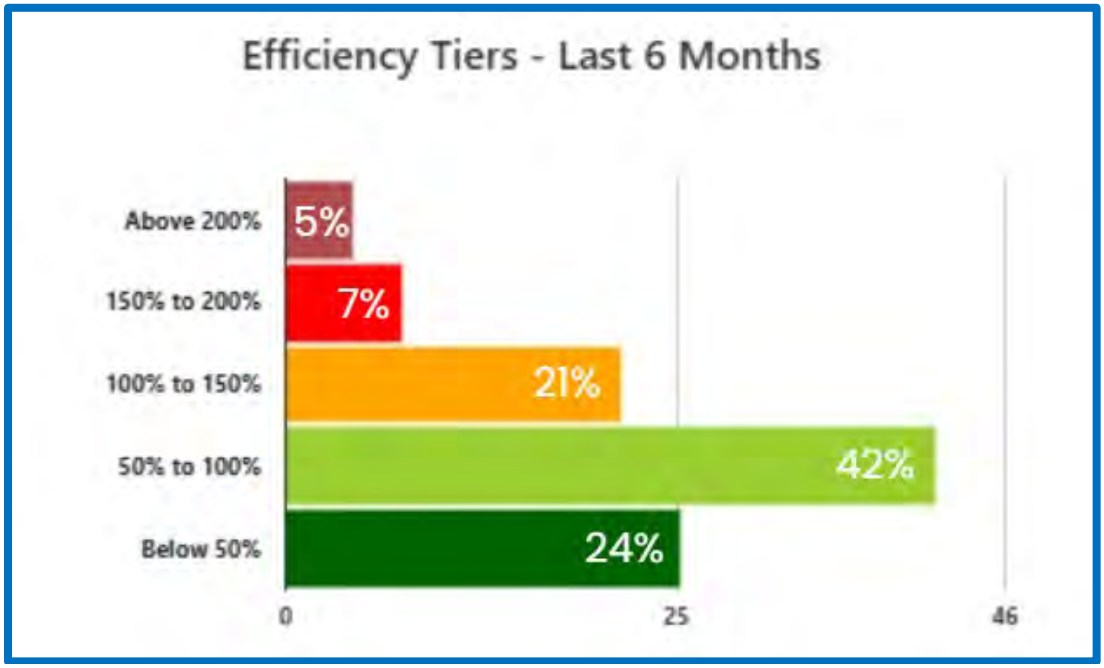
The District ended 2025 at 105.96% of its water allocation. The target is to remain under 100% in accordance with the conservation mandates. Current projections indicate the District's residential use is expected to remain above the allocated target if no additional conservation programs are enacted.

RESIDENTIAL PROJECTIONS

SBX7-7 Capped Objective impacts your total

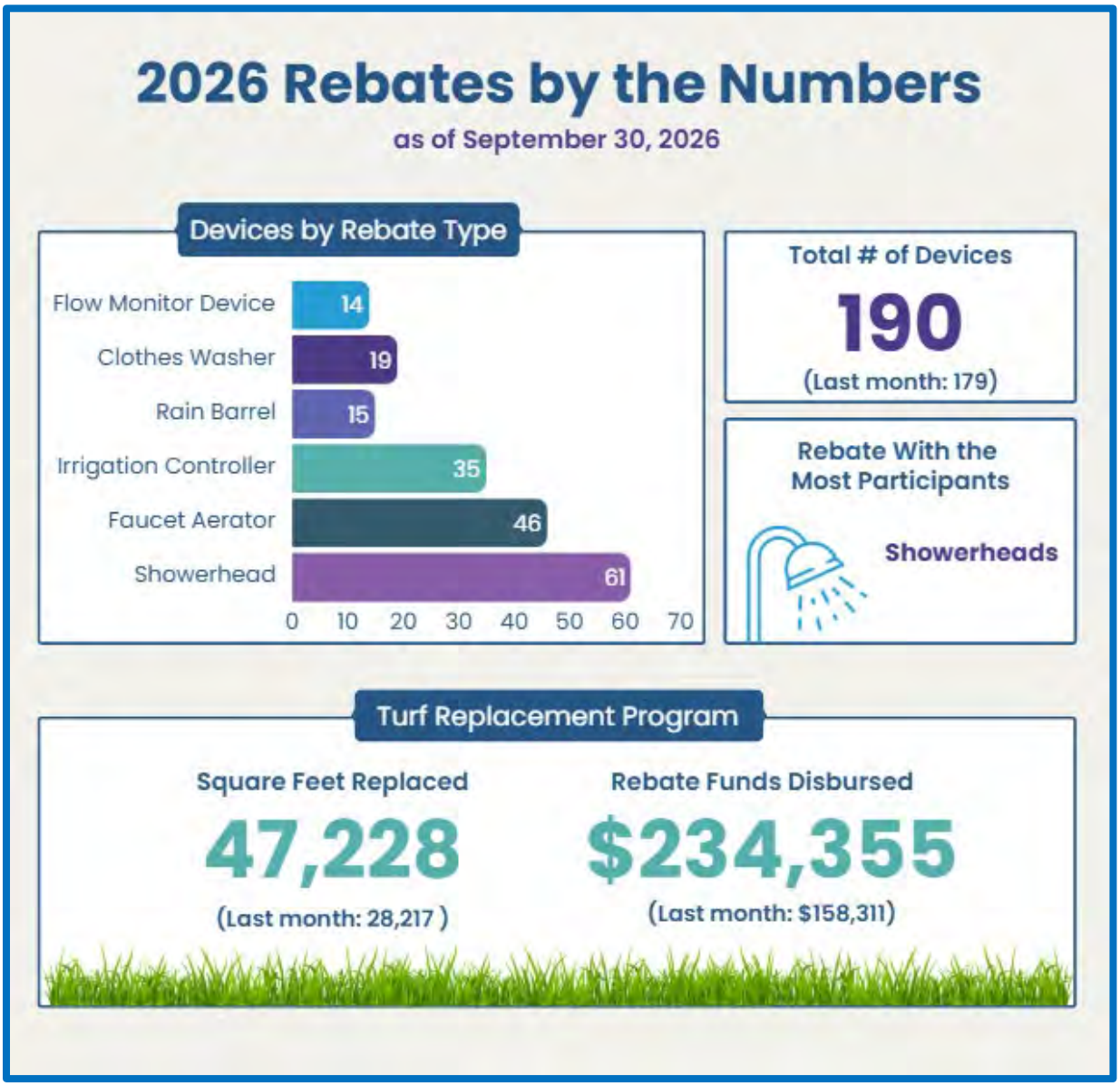
FY24-25 Consumption 12,317.80	2025	2030	2035	2040
	47 GPCD/.80 ETAF	42 GPCD/.80 ETAF	42 GPCD/.63 ETAF	42 GPCD/.55 ETAF
Objective Total	11,625.15	10,603.80	9,415.53	8,856.35
Performance %	105.96%	116.16%	130.82%	139.08%
Objective (with INI 20%)	12,437.24	11,415.91	10,055.07	9,414.67
Performance %	99.04%	107.90%	122.50%	130.84%

Below is an efficiency tier analysis of the past six months. This shows that 66% of residential customers are in the green efficiency tiers (no change from last month). While 34% (no change from last month) exceeds the state allocated water budget. This chart reflects both indoor and outdoor residential usage.



7. Residential and Commercial Rebates

The District, in partnership with MWD, offers various rebate programs. Below is a summary of rebates successfully paid year-to-date in 2026; pending or in-process applications are not included.



External Affairs & Sustainability Activities

1. Rowland Unified School District College Fair
   WVWD attended the RUSD College Fair on September 15 at Rowland High School. The District shared resources on ongoing education programs, scholarships, and careers in the water industry.

2. DBCAA Moon Festival
   The District hosted a booth at the Diamond Bar Chinese American Association's Moon Festival Celebration on September 26 at Diamond Bar High School. The District hosted a booth at the event, handed out giveaways, and promoted sustainability programs.

3. Meet the Pros
   The District partnered with Mt. San Antonio College (Mt. SAC) to host a Meet the Pros panel on September 29. The event provided students enrolled in the Water Technology Program with the opportunity to hear from water industry professionals, including WVWD's own Manny Rodriguez and Greg Galindo, who shared their career journeys, offered professional development insights, and provided networking opportunities to support students' entry into the water industry.



4. CAPIO Star Awards

The District received six awards at the California Association of Public Information Officials (CAPIO) STAR Awards this year held on October 1. The STAR Awards recognize excellence in public agency video creation. The awards highlight the District's ongoing success in developing effective communications that advance transparency, public engagement, and community awareness.

- 1st Place: Social Media (Short Form) – “Tap Water Is So Fetch!”
- 2nd Place: Profile (Employee) – “Life At WVWD” Series
- 2nd Place: Promotion of an Event – “Sneak Peek: Check Out Our New Headquarters at the Water Festival”
- 3rd Place: Content Creators of the Year
- Honorable Mention: Seniors – “Dancing Through September”



5. Employer Wednesday at Mt. SAC
   The District will participate in Mt. SAC's Employer Wednesday event on November 4, where staff will host an informational booth to share resources about careers in the water industry and distribute educational materials and promotional giveaways.

6. Splash Cash Grant Program
   WVWD, in partnership with PWAG-CET, is accepting applications for the Splash Cash Grant Program. The program encourages K-12 teachers to apply for grants of up to $1,500 to support classroom projects, campus initiatives, field trips, and other learning experiences that promote water education. Applications will be accepted through October 30.

Local Sponsorships

1. Kiwanis Diamond Bar Young Professionals Club
   The District sponsored the Young Professionals STEAM Fair on September 26. The sponsorship included a booth and recognition at the event.

2. Life Steps Foundation Fun Run
   The District sponsored the Life Steps Fun Run for Inclusion from October 3 to October 11. The sponsorship includes recognition on electronic materials.

3. Rowland Heights Buckboard Days Parade
   The District is sponsoring the Rowland Heights Buckboard Days Parade on October 17. The sponsorship includes a half-page ad in their program, recognition in the parade and a booth at the festival.

4. Walnut/Diamond Bar Sheriff's Station Haunted Jail
   The District is sponsoring the Walnut/Diamond Bar Sheriff's Haunted Jail on October 23. The sponsorship will support the event's operations and help provide a safe, family-friendly Halloween experience for the community.

5. DBWC Casino Night
   The District is sponsoring the Diamond Bar Woman's Club annual Casino Night on October 24. The sponsorship includes name recognition at the event and tickets to the event.

6. Teddy Bear Tea
   The District is sponsoring the Walnut Valley Educational Foundation's Teddy Bear Tea on November 7. The sponsorship includes a quarter-page ad in the program and a full table at the event.

7. Diamond Bar High School Dance Program
   The District is sponsoring the Diamond Bar High School Dance Program. The sponsorship includes a full-page ad in the fall concert program and recognition on the team banner.

8. Walnut High School Dance Team
   The District is sponsoring the Walnut High School Dance Team. The sponsorship includes a quarter-page ad in the production program and recognition on the team shirt.

9. techATTACK Robotics Team
   The District is sponsoring the techATTACK Robotics Team, a student-led organization that promotes STEM education through community outreach, robotics demonstrations, and participates national competitions. The sponsorship includes recognition on the team's robot and program materials.

10. Green 4 Better Student Group
    The District is sponsoring an environmental initiative led by students from Suzanne Middle School. This student-driven program promotes composting, water conservation, and sustainable gardening practices with the goal of fostering long-term environmental stewardship. Through this partnership, students will collaborate with the District to host educational workshops and lead community outreach efforts.

11. Public Water Agencies Group - Conservation and Education Team (PWAG-CET)
    WVWD is a member of the Public Water Agencies Group (PWAG) Conservation and Education Team (CET), which provides conservation and educational resources to teachers and students. All schools, teachers, and students within WVWD’s service area have access to all PWAG CET programs and services, including the Splash Cash program, Scholar Dollar program, and more.

12. City of Walnut Recreation Guide
    The District is sponsoring an ad in the fall edition of the City of Walnut’s “Life In Walnut” recreation guide. The sponsorship includes a whole-page ad that is distributed to the community.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

Senate Bill 72 (Caballero) – California Water Plan Modernization

SB 72 updates California's Water Plan to establish long-term statewide water supply planning targets, including an interim goal of developing 9 million acre-feet of additional water supply, conservation, or storage capacity by 2040. The bill also expands public engagement, incorporates the needs of urban, agricultural, environmental, and disadvantaged communities, and requires DWR to identify financing strategies and evaluate the costs and benefits of future water projects.



Impact: WVWD Board Members

- Reinforces California's commitment to long-term water reliability and climate resilience.
- May influence future state funding priorities for water supply, conservation, recycling, and storage projects.

Impact: WVWD Ratepayers

Supports investments intended to improve long-term water reliability throughout California.

Impact: WVWD Operational & Administrative Teams

Planning and grant opportunities may increasingly align with statewide water supply targets.

2028	California Water Plan must include the interim target.
2033	DWR establishes the long-term 2050 planning target.
2040	Interim statewide target of 9 million acre-feet of additional water supply, conservation, or storage.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

Senate Bill 1139 (Laird) – Nonfunctional Turf Enforcement

SB 1139 authorizes the Monterey Peninsula Water Management District (MPWMD) to enforce California's existing prohibition on using potable water to irrigate nonfunctional turf. The bill does not create new conservation requirements; instead, it closes an enforcement gap by allowing MPWMD to implement an existing statewide law within its service area.

- Applies only to the Monterey Peninsula Water Management District.
- Supports implementation of California's existing AB 1572 nonfunctional turf requirements.
- Does not change statewide compliance deadlines or conservation standards.

Impact: WVWD Board Members

Demonstrates continued legislative support for local enforcement of statewide water conservation requirements.

Impact: WVWD Ratepayers

No changes for WVWD customers. Existing nonfunctional turf requirements remain unchanged.

Impact: WVWD Operational & Administrative Teams

No changes to current District implementation or outreach efforts related to AB 1572.

Before



After

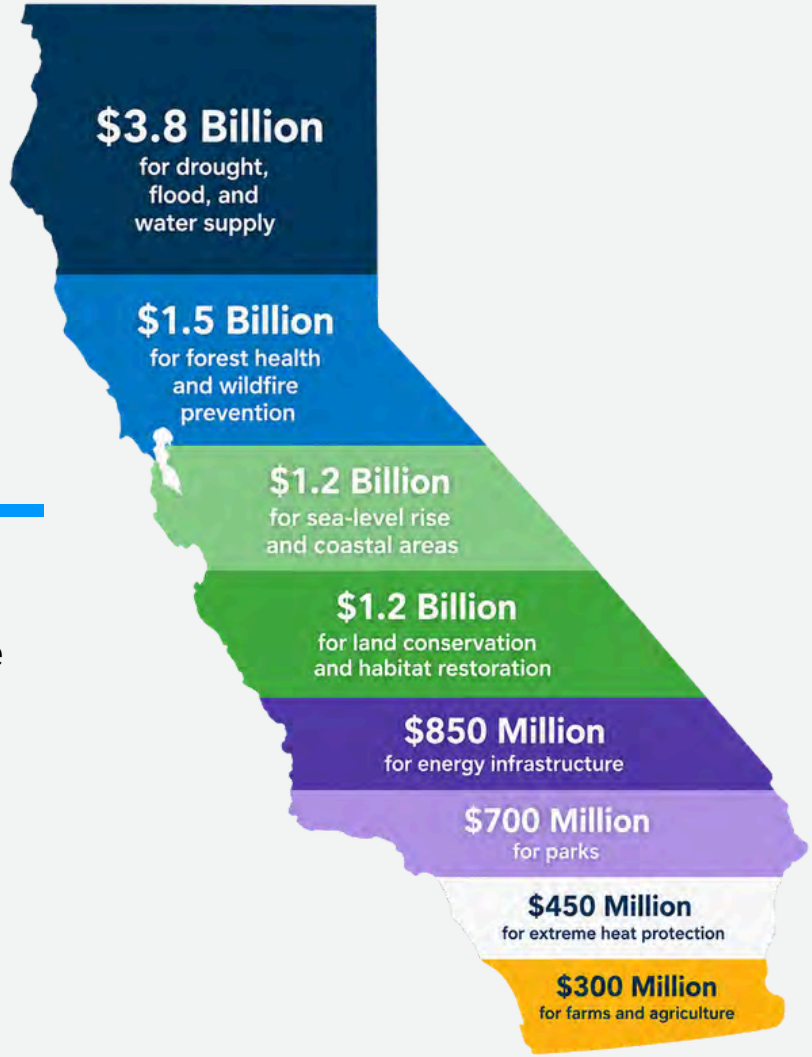


California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

Assembly Bill 35 (Alvarez) – Proposition 4 Grant Implementation

AB 35 streamlines implementation of Proposition 4, California's $10 billion climate and water bond, by allowing state agencies to develop grant guidelines without going through the lengthy Administrative Procedure Act rulemaking process. The bill retains transparency through public meetings and legislative notification requirements while allowing grant funding to reach communities more quickly.

- Applies to Proposition 4, approved by voters in November 2024.
- Helps accelerate funding for drinking water, drought resilience, wildfire resilience, flood protection, ecosystem restoration, and climate adaptation projects.
- Maintains public oversight despite streamlined implementation.



Impact: WVWD Board Members

May accelerate availability of competitive grant funding for future District infrastructure and resilience projects.

Impact: WVWD Ratepayers

Faster implementation of state-funded projects can improve community resilience and water reliability.

Impact: WVWD Operational & Administrative Teams

May see grant opportunities become available sooner, allowing projects to move forward more quickly.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

AB-2032 (Ransom) Fish and wildlife: invasive mussels: golden mussels

AB 2032 is an urgency measure designed to help water agencies respond more quickly to the spread of invasive golden mussels, which have been detected throughout the Sacramento-San Joaquin Delta and State Water Project and pose risks to water conveyance infrastructure and water quality. The bill provides temporary relief from certain California Department of Fish and Wildlife permitting requirements while an agency's golden mussel control plan is under review and directs state agencies to streamline their response and permitting processes.



Impact: WVWD Board Members

Golden mussels are already present within the State Water Project, a source of imported water serving Southern California. While AB 2032 does not impose a new Board requirement, it supports statewide efforts to protect water supply and conveyance infrastructure and reduce regulatory delays in responding to infestations.



Impact: WVWD Ratepayers

Customers have no new requirements. Faster control of golden mussels may help limit damage, maintenance needs, and costs associated with invasive species in the infrastructure used to deliver imported water.



Impact: WVWD Operational & Administrative Teams

The bill gives water agencies greater flexibility to conduct necessary maintenance and control activities while state permits and control plans are being processed. WVWD staff should continue monitoring regional guidance and the spread of golden mussels, particularly because the species can affect water conveyance systems and infrastructure.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

AB-2180 (Ward) Local government: Proposition 218 Omnibus Implementation Act: proportional cost of service.

AB 2180 provides greater clarity and flexibility for local agencies when demonstrating that water and other property-related fees comply with Proposition 218's proportional cost-of-service requirements. Agencies may use any reasonable methodology to allocate the ascertainable cost of providing service among parcels, helping address conflicting court decisions regarding the level of precision required when establishing tiered water rates. The bill does not eliminate Proposition 218's existing notice, public hearing, protest, or proportionality requirements.



Impact: WVWD Board Members

AB 2180 provides additional statutory guidance for establishing and approving legally defensible water rates. This is particularly relevant when the Board considers future cost-of-service studies, tiered rate structures, and Proposition 218 proceedings.



Impact: WVWD Ratepayers

The law affects how agencies may calculate and allocate costs among customers, particularly within tiered rate structures. Existing Proposition 218 protections remain, including the requirement that rates not exceed the proportional cost of service and the public notice and protest process.



Impact: WVWD Operational & Administrative Teams

Finance and administrative teams should incorporate the new framework into future cost-of-service studies and rate-setting processes, including documentation of the reasonable methodologies used to allocate system, supply, infrastructure, and other costs among customers. For Operations, the impact is primarily providing accurate cost, demand, infrastructure, and system data to support those analyses.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

AB-2469 (Papan) Data centers: water use disclosures.

AB 2469 establishes new water planning requirements for new or expanded data centers. Local governments cannot approve these projects unless the applicant provides a water supply assessment and, beginning January 1, 2028, a water scarcity plan. Importantly, the data center developer must pay the full cost of water infrastructure upgrades necessary to serve the project, as determined by the applicable water supplier.

Impact: WVWD Board Members

While WVWD does not control land-use approvals, the legislation strengthens the District's role in evaluating water availability, infrastructure capacity, and the cost of serving a proposed data center before a local government approves the project.

Impact: WVWD Ratepayers

he bill requires the data center applicant—not existing customers—to bear the full cost of necessary water infrastructure upgrades, helping protect ratepayers from subsidizing infrastructure needed to accommodate a large new water user.

Impact: WVWD Operational & Administrative Teams

Engineering, Operations, Finance, and Administration could be responsible for evaluating projected water demand, peak-day requirements, supply reliability, infrastructure capacity and necessary system upgrades. This is particularly important because data centers can have large and irregular peak water demands, requiring infrastructure sized above average usage.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

AB-2568 (Johnson) Water district directors: compensation.

AB 2568 temporarily allows water districts serving at least 90,000 residents to compensate board members for up to 15 days per month, rather than the existing maximum of 10 days. If a district chooses to compensate directors for more than 10 days, the Board must annually adopt a written policy, supported by substantial evidence, explaining why the additional compensated days are necessary for effective district operations. The authority sunsets January 1, 2032.

Impact: WVWD Board Members

The legislation provides optional authority, not a mandate, to increase the maximum number of compensable service days from 10 to 15 per month. Doing so would require Board action and an annually adopted justification.

Impact: WVWD Ratepayers

Customers would not face a direct new fee, but electing to increase compensated days could increase District governance costs. The legislative analysis also notes potential public concerns regarding accountability and whether additional compensated days are necessary.

Impact: WVWD Operational & Administrative Teams

There are no new requirements unless the Board elects to use the expanded authority. If adopted, administrative staff would need to support the required annual policy, documentation of compensable activities, and Board compensation tracking. Existing rules regarding eligible meetings, conferences, educational activities, and other authorized events would continue to apply.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

AB-2619 (Papan) Water resources: data centers.

AB 2619 requires data center developers to disclose expected water use to the applicable water supplier and local government when applying for an initial business license and provide updated information upon renewal. It also clarifies that data center demand must be considered as a key input when urban water suppliers evaluate unconstrained demand through their water shortage planning process.

Worth distinguishing from AB 2469: AB 2469 focuses primarily on requirements before a data center project is approved and who pays for necessary infrastructure, while AB 2619 focuses on ongoing water-use disclosure and incorporating that demand into water supply planning.

Impact: WVWD Board Members

The bill provides the District with more consistent information about a data center's anticipated water demand, improving the Board's ability to understand potential impacts on water supply reliability and system planning.

Impact: WVWD Ratepayers

Customers have no new reporting or compliance requirements. Better information about large data center demands can help WVWD plan infrastructure and water supplies appropriately and reduce the risk of existing customers being affected by inadequate planning for significant new demand.

Impact: WVWD Operational & Administrative Teams

Planning and water resources staff would need to incorporate data center demand into applicable water supply-and-demand and shortage planning. Engineering and Operations would also benefit from receiving more detailed demand information, particularly because data centers can experience peak water demands significantly higher than their average use.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

AB-2777 State Water Pollution Control Revolving Fund program: loans: outdoor eating areas: water reuse.

AB 2777 gives the State Water Resources Control Board additional flexibility in administering the Clean Water State Revolving Fund (CWSRF) by allowing it to charge a fee in lieu of interest on loans, capped at what the interest otherwise would have been. The goal is to stabilize and potentially increase funding available for future water quality and recycled water projects. The bill also clarifies the definition of "incidental runoff" for recycled water use, including minimal, unintended sprinkler overspray.



Impact: WVWD Board Members

The bill does not impose new Board requirements, but it could be relevant to future District projects seeking CWSRF financing, particularly recycled water or eligible water-quality infrastructure projects. The financing change is designed to provide greater flexibility without increasing costs to borrowing water agencies.



Impact: WVWD Ratepayers

There are no new customer requirements or fees. Maintaining a financially stable CWSRF helps preserve access to below-market financing for eligible infrastructure projects, which can help agencies manage project costs ultimately borne by ratepayers.



Impact: WVWD Operational & Administrative Teams

The District should consider the revised CWSRF structure when evaluating financing for eligible projects. For Operations and recycled water staff, the statutory clarification of "incidental runoff" provides clearer guidance: minimal unintended overspray may qualify, while runoff caused by excessive application, intentional overflow, system design, or negligence does not.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

SB-1014 (Grayson) Development projects: preliminary estimate of required improvements: onsite and offsite improvements.

SB 1014 requires greater upfront transparency for infrastructure requirements associated with housing development. A developer may request information from a public agency or utility, including a water district, regarding the types of onsite and offsite improvements that may be required for a project. The agency must provide that information within 30 business days. The preliminary information is for planning purposes and does not legally bind the agency regarding the final scope or cost of improvements.



Impact: WVWD Board Members

The bill does not change the Board's authority to establish water service or infrastructure requirements, but it creates a more structured and time-sensitive process for communicating potential requirements to housing developers earlier in project planning. Water-related facilities and infrastructure are expressly included within the bil



Impact: WVWD Ratepayers

Customers have no new requirements. Earlier identification of developer-related water infrastructure needs may improve planning and transparency while helping distinguish improvements associated with new development from costs attributable to existing customers.



Impact: WVWD Operational & Administrative Teams

Engineering and administrative staff will need to be prepared to respond to qualifying developer requests within the 30-business-day deadline, identifying potential onsite and offsite water improvements. This may require earlier coordination among Engineering, Operations, and development services staff, although the preliminary response does not lock WVWD into the final infrastructure requirements or costs.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

SB-1048 (Becker) State Seal of Climate Literacy.

SB 1048 establishes a voluntary State Seal of Climate Literacy for California high school students who demonstrate mastery of climate literacy, green skills, or technical green skills through coursework and an experiential learning project. The State Board of Education must adopt criteria by January 31, 2029, after which participating school districts may offer the seal on students' diplomas or transcripts.

Impact: WVWD Board Members

The bill places no requirements on water districts. However, it creates an opportunity for WVWD to support local schools and workforce development by serving as a community or industry partner for students pursuing climate literacy projects and exposure to sustainability-related careers.

Impact: WVWD Ratepayers

There are no new customer requirements or costs imposed by the legislation. The potential community benefit is increased environmental and climate literacy among local students.

Impact: WVWD Operational & Administrative Teams

External Affairs and Sustainability could potentially partner with local schools on experiential learning projects, water conservation education, sustainability, and water-industry career pathways. The bill specifically allows businesses, nonprofits and organizations focused on green or technical skills to serve as experiential learning providers and connects the seal to postsecondary and career opportunities.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

SB-1085 (Durazo) Water supply planning: housing developments.

SB 1085 restores water supply planning requirements for certain large development projects that may otherwise be exempt from CEQA. Cities and counties must identify the public water system that would serve a qualifying project, and that water system must prepare a Water Supply Assessment (WSA) evaluating the availability and reliability of water supplies. The bill also establishes an expedited 45-day WSA deadline for certain housing and affordable housing projects.

The 45-day turnaround is probably the most significant operational piece for the District. Existing law generally provides 90 days, with a possible 30-day extension, to complete a WSA, so qualifying projects under SB 1085 could substantially shorten WVWD's review timeline.

Impact: WVWD Board Members

For qualifying development within WVWD's service area, the District could be required to prepare a WSA even when the underlying project is otherwise exempt from CEQA. This preserves the Board's visibility into whether sufficient long-term water supplies are available to serve major new development alongside existing and planned customers.

Impact: WVWD Ratepayers

Customers have no new requirements. The legislation is intended to ensure that significant new development is evaluated against available water supplies and 20-year supply reliability rather than bypassing that analysis because of a CEQA exemption.

Impact: WVWD Operational & Administrative Teams

Engineering staff may need to prepare WSAs and coordinate more quickly with cities within the service area. A city or county must contact the water system within 15 days to determine whether project demand was included in the most recent Urban Water Management Plan, and certain projects require completion of the WSA within 45 days.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

SB-1153 (Caballero) Disaster preparedness: urban retail water suppliers and public water systems: wildfire.

Beginning January 1, 2028, SB 1153 requires urban retail water suppliers serving 3,300 or more people and serving areas within a high or very high Fire Hazard Severity Zone to incorporate wildfire-specific procedures into their disaster preparedness and applicable federal emergency response plans. Plans must address wildfire mitigation, preparedness and coordination with emergency responders, critical infrastructure resilience, response—including red flag warnings—and recovery. Plans must be reviewed at least every five years.

The liability language is particularly important. SB 1153 explicitly states that public water systems do not have an affirmative duty to design, construct or maintain their systems for wildfire defense or suppression, and inability to maintain water supply or pressure during a wildfire is not, by itself, considered a substantial cause of wildfire damages. Existing liability for negligent operation of the drinking water system remains.

Impact: WVWD Board Members

WVWD is specifically listed among the water agencies supporting SB 1153. If the District serves areas within the applicable fire hazard zones, the Board will have oversight of expanded wildfire preparedness planning and potentially future investments identified through the required critical infrastructure assessment.

Impact: WVWD Ratepayers

There are no new customer requirements or fees established by the bill. Customers benefit from more formalized planning to protect drinking water infrastructure and maintain service during and after wildfire emergencies. Importantly, the bill recognizes that water systems cannot guarantee water supply or pressure during a wildfire and are not required to design their systems specifically for wildfire suppression.

Impact: WVWD Operational & Administrative Teams

This will require coordination across Operations, Engineering, Safety to assess critical facilities, identify wildfire vulnerabilities, document mitigation measures, establish red-flag and wildfire response procedures, coordinate with local emergency responders, and develop recovery procedures. Applicable plans must also be provided to the respective county Office of Emergency Services and reviewed at least every five years.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

SB-1263 (McGuire) Contractors: debris removal.

SB 1263 establishes qualifications for contractors performing private debris removal following a declared natural disaster, including ash-out and muck-out activities. Contractors must hold specified CSLB licenses, pass an approved Hazardous Substance Removal Certification examination, and comply with hazardous waste operations and emergency response requirements. Importantly for WVWD, the bill exempts property owned, operated, or leased by a state or local government or utility from these provisions.

Impact: WVWD Board Members

The bill does not impose new requirements on WVWD's facilities because government- and utility-owned property is expressly exempt. It primarily establishes safety and licensing standards for contractors performing debris removal on private property following declared disasters.

Impact: WVWD Ratepayers

There are no new water rates, fees, or customer requirements. Customers whose private property is damaged by a declared disaster could be affected because contractors performing qualifying debris removal must meet the bill's licensing, hazardous-substance certification, and safety requirements.

Impact: WVWD Operational & Administrative Teams

Because utility property is exempt, the legislation should not materially change WVWD's contracting requirements for disaster debris removal at District facilities. However, Emergency Management and Operations staff should be aware of the distinction between utility property and private property when coordinating broader community disaster recovery activities.

California Water Legislation
New State Laws Impacting WVWD
Approved by Governor Newsom | 2026 Legislative Session

SB-1330 (Arreguin) Assault and battery: utility workers.

SB 1330 expands enhanced criminal penalties for assault or battery to include utility workers performing their duties, including employees and contractors of public water systems who construct, install, maintain, alter, demolish, or repair water infrastructure. An assault or battery against a qualifying utility worker, when the perpetrator knows or reasonably should know the person is a utility worker performing their duties, may be punishable by up to one year in county jail, a fine of up to $2,000, or both.



Impact: WVWD Board Members

The legislation provides additional statutory protections for WVWD employees and contractors performing qualifying field work. It may also support the District's broader workplace safety and employee protection efforts, particularly for staff who routinely work in public rights-of-way or on customer-facing field assignments.



Impact: WVWD Ratepayers

The bill imposes no new customer fees or requirements. Customers should be aware that threatening or physically assaulting qualifying water utility workers while they are performing their duties can carry enhanced criminal penalties



Impact: WVWD Operational & Administrative Teams

The greatest relevance is to Operations and field personnel, including qualifying contractors. Human Resources, Risk Management and supervisors may want to incorporate the new protections into workplace violence prevention, field safety training, incident reporting procedures, and employee communications. The bill expressly includes workers performing construction, installation, maintenance and repair of water infrastructure.

November 2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 3:30PM SPADRA Executive Committee	3 6:30PM Diamond Bar City	4 8AM TVMWD Board Meeting	5	6	7
8	9 4PM Public Info Committee 4:30 PM Finance Committee 7PM Rowland Heights CCC Meeting	10 4PM Engineering Committee 4:30 PM Personnel Committee	11  Veteran's Day Observed-District Closed	12	13	14
15	16 5PM WVWD Board Meeting	17 6:30PM Diamond Bar City	18 8AM TVMWD Board Meeting	19 4PM WVWD Workshop Meeting	20	21
22	23	24	25 7PM Walnut City Council Meeting	26  Thanksgiving Day-District Closed	27  District Closed	28
29	30	1	2	3	4	5
6	7	Notes				

December 2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29	30	1 6:30PM Diamond Bar City	2 8AM TVMWD Board Meeting	3	4	5
6	7	8	9 7PM Walnut City Council Meeting	10 8 AM PBWA Meeting	11	12
13	14 4PM Public Info Committee 4:30 PM Finance Committee 7PM Rowland Heights CCC Meeting	15 4PM Engineering Committee 4:30 PM Personnel Committee 6:30PM Diamond Bar City	16 8AM TVMWD Board Meeting	17	18	19
20	21 5PM WVWD Board Meeting	22	23 7PM Walnut City Council Meeting	24 Christmas Eve- District Closed	25 Christmas Day- District Closed	26
27	28	29	30	31	1	2
3	4	Notes				

January 2027



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
27	28	29	30	31	1 New Year's Day- District Closed	2
3	4 3:30PM SPADRA Executive Committee Meeting	5 6:30 PM Diamond Bar City Council Meeting	6 8AM TVMWD Board Meeting	7	8	9
10	11 4PM Public Info Committee 4:30 PM Finance Committee 7PM Rowland Heights CCC Meeting	12 4PM Engineering Committee 4:30 PM Personnel Committee	13 7PM Walnut City Council Meeting	14	15	16
17	18  Martin Luther King Jr. Day- District Closed	19 5PM WVWD Board Meeting 6:30 PM Diamond Bar City Council Meeting	20 8AM TVMWD Board Meeting	21 4PM WVWD Workshop Meeting	22	23
24	25	26	27 7PM Walnut City Council Meeting	28	29	30
31	1	Notes				

DIRECTOR EXPENSE FORM

NAME: Edwin Hilden **DATE: September 2026**

No	Date	Title of Meeting / Description	Per Diem Request	Mileage (assumed as round trip unless noted)			
				From Location	To Location	Miles	Miles $
1	9/2/2026	TVMWD Board Meeting (Via Zoom)	☑				$ -
2	9/10/2026	Donna DilLaura's Retirement Lunch	☐				$ -
3	9/14/2026	Public Info Committee Meeting	☐				$ -
4	9/14/2026	Finance Committee Meeting	☑				$ -
5	9/15/2026	Engineering Committee Meeting	☑				$ -
6	9/16/2026	TVMWD Board Meeting (In person)	☑				$ -
7	9/21/2026	WVWD Board Meeting	☑				$ -
8	9/24/2026	Board Workshop	☑				$ -
9	9/30/2026	GM Interviews	☑				$ -
10			☐				$ -
11			☐				$ -
12			☐				$ -
13			☐				$ -

Total Number of Miles: 0 X $0.655	$ -
Total Reimbursable Expenses	$ -
Total Meeting Compensation 7 X $150.00 per day	$ 1,050.00
TOTAL	$ 1,050.00

I certify the above is correct and accurate to the best of my knowledge

Signature

Date

* Mileage is reimbursed at IRS Standard Business Mileage Rate $0.655

**Directors are eligible for seven meeting days per month at $150 per day.

DIRECTOR EXPENSE FORM

NAME: Theresa Lee **DATE: Sep. 2026**

No	Date	Title of Meeting / Description	Per Diem Request	Mileage (assumed as round trip unless noted)			
				From Location	To Location	Miles	Miles $
1	9/10/2026	Donna Retirement Party	☐				$ -
2	9/14/2026	WVWD Public Information & Legislative Committee Meeting	☐				$ -
3	9/14/2026	WVWD Finance Committee Meeting	☑				$ -
4	9/21/2026	WVWD Board Meeting	☑				$ -
5	9/26/2026	Diamond Bar Chinese American Association Mid-Autumn Festival	☑				$ -
6	9/30/2026	GM Interview	☑				$ -
7			☐				$ -
8			☐				$ -
9			☐				$ -
10			☐				$ -
11			☐				$ -
12			☐				$ -
13			☐				$ -

Total Number of Miles: 0 X $0.76	$ -
Total Reimbursable Expenses	$ -
Total Meeting Compensation 4 X $150.00 per day	$ 600.00
TOTAL	$ 600.00

I certify the above is correct and accurate to the best of my knowledge

Signature

Date

* Mileage is reimbursed at IRS Standard Business Mileage Rate $0.760

**Directors are eligible for seven meeting days per month at $150 per day.

GSA Per diem rates

DIRECTOR EXPENSE FORM

NAME: Michael Lin **DATE: September 2026**

No	Date	Title of Meeting / Description	Per Diem Request	Mileage (assumed as round trip unless noted)			
				From Location	To Location	Miles	Miles $
1	9/10/2026	Donna's Retirement Party	☑				$ -
2	9/14/2026	Public Information Committee	☑				$ -
3	9/15/2026	Personnel Committee	☑				$ -
4	9/16/2026	TVMWD Board Meeting	☑				$ -
5	9/21/2026	Regular Board Meeting	☑				$ -
6	9/24/2026	Special Board Meeting	☑				$ -
7	9/30/2026	Special Board Meeting	☑				$ -
8			☐				$ -
9			☐				$ -
10			☐				$ -
11			☐				$ -
12			☐				$ -
13			☐				$ -

Total Number of Miles: 0 X $0.76	$ -
Total Reimbursable Expenses	$ -
Total Meeting Compensation 7 X $150.00 per day	$ 1,050.00
TOTAL	$ 1,050.00

I certify the above is correct and accurate to the best of my knowledge

Signature

Date

* Mileage is reimbursed at IRS Standard Business Mileage Rate $0.760

**Directors are eligible for seven meeting days per month at $150 per day.

GSA Per diem rates

DIRECTOR EXPENSE FORM

NAME: Jerry C. Tang **DATE: September 2026**

No	Date	Title of Meeting / Description	Per Diem Request	Mileage (assumed as round trip unless noted)			
				From Location	To Location	Miles	Miles $
1	9/2/2026	Meeting with WVWD Interim General Manager	☑				$ -
2	9/18/2026	GM Interview Question Review/Revision	☑				$ -
3	9/21/2026	WVWD Board Meeting	☑				$ -
4	9/22/2026	AB 1234 Ethic Training	☑				$ -
5	9/24/2026	WVWD Special Board Meeting	☑				$ -
6	9/26/2026	Diamond Bar Chinese Association Moon Festival Event	☑				$ -
7	9/30/2026	WVWD General Manager Interview	☑				$ -
8			☐				$ -
9			☐				$ -
10			☐				$ -
11			☐				$ -
12			☐				$ -
13			☐				$ -

Total Number of Miles: 0 X $0.76	$ -
Total Reimbursable Expenses	$ -
Total Meeting Compensation 7 X $150.00 per day	$ 1,050.00
TOTAL	$ 1,050.00

I certify the above is correct and accurate to the best of my knowledge

Signature

Date

* Mileage is reimbursed at IRS Standard Business Mileage Rate $0.760

**Directors are eligible for seven meeting days per month at $150 per day.

GSA Per diem rates

DIRECTOR EXPENSE FORM

NAME: Henry Woo **DATE: September 2026**

No	Date	Title of Meeting / Description	Per Diem Request	Mileage (assumed as round trip unless noted)			
				From Location	To Location	Miles	Miles $
1	9/1/2026	Attend board governace seminar in San Diego	☑	Westgate Hotel	WVWD	109.0	$ 82.84
3	9/10/2026	Attended staff (Donna) retirement party	☑				$ -
4	9/16/2026	Attended 3V board meeting to present certificate for Kirk Howie's retirement	☑				$ -
5	9/21/2026	WVWD board meeting	☑				$ -
6	9/24/2026	WVWD special board meeting	☑				$ -
7	9/26/2026	DBCAA mid autumn moon feastival	☑				$ -
8	9/30/2026	Interview GM candidates	☑				$ -
9			☐				$ -
10			☐				$ -
11			☐				$ -
12			☐				$ -
13			☐				$ -

Total Number of Miles: 109 X $0.76	$ 82.84
Total Reimbursable Expenses	$ -
Total Meeting Compensation 7 X $150.00 per day	$ 1,050.00
TOTAL	$ 1,132.84

I certify the above is correct and accurate to the best of my knowledge

Signature

8.31/2026

Date

* Mileage is reimbursed at IRS Standard Business Mileage Rate $0.760

**Directors are eligible for seven meeting days per month at $150 per day.

GSA Per diem rates

Monthly Board Expense Detail
Edwin Hilden
September 30, 2026

Payment Date/Charge Date	Type	Description	Conference/Meeting	Payment Type	Check Number	Payment	Reimbursed By Director	District Expense	GL Acct.
09/30/26	1	Conference Registration	TVMWD October Leadership Breakfast Registration	Visa		44.52		44.52	10-5520-5720
								-	
								-	
								-	
								-	
								-	
								-	
								-	
								-	
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								-	
								-	
								-	
								-	
								-	
								-	
								-	
Total Districts Charges						44.52	-	44.52	

Edwin Hilden — Date

Director of Finance — 10-12-2026 — Date

Executive Services Administrator — 10/13/2026 — Date

Interim General Manager — 10-12-26 — Date

Monthly Board Expense Detail
Theresa Lee
September 30, 2026

Payment Date/Charge Date	Type	Description	Conference/Meeting	Payment Type	Check Number	Payment	Reimbursed By Director	District Expense	GL Acct.
		No Activity							
								-	
								-	
								-	
								-	
								-	
								-	
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								-	
								-	
								-	
								-	
								-	
								-	
Total Districts Charges						-	-	0.00	

Theresa Lee — Date

Director of Finance — 10-12-2026 — Date

Executive Services Administrator — 10/13/2026 — Date

Interim General Manager — 10-12-26 — Date

Monthly Board Expense Detail
Michael Lin
September 30, 2026

Payment Date/Charge Date	Type	Description	Conference/Meeting	Payment Type	Check Number	Payment	Reimbursed By Director	District Expense	GL Acct.
		No Activity					-	-	
								-	
								-	
								-	
								-	
								-	
								-	
								-	
								-	
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								-	
								-	
								-	
								-	
								-	
Total Districts Charges						-	-	0.00	

Michael Lin — Date

James Ng — Director of Finance — 10-12-2026 — Date

Lucie Cormy — Executive Services Administrator — 10/13/2026 — Date

Interim General Manager — 10-12-26 — Date

Monthly Board Expense Detail
Jerry Tang
September 30, 2026

Payment Date/Charge Date	Type	Description	Conference/Meeting	Payment Type	Check Number	Payment	Reimbursed By Director	District Expense	GL Acct.
09/30/26	1	Conference Registration	TVMWD October Leadership Breakfast Registration	Visa		44.52	-	44.52	10-5520-5720
								-	
								-	
								-	
								-	
								-	
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								-	
								-	
								-	
								-	
								-	
								-	
Total Districts Charges						44.52	-	44.52	

Jerry Tang — Date

Director of Finance — 10-12-2026 — Date

Executive Services Administrator — 10/13/2026 — Date

Interim General Manager — 10-12-26 — Date

Monthly Board Expense Detail
Henry Woo
September 30, 2026

Payment Date/Charge Date	Type	Description	Conference/Meeting	Payment Type	Check Number	Payment	Reimbursed By Director	District Expense	GL Acct.
09/02/26	2	Hotel	Board Governance Workshop in San Diego, CA	Visa		655.56	-	655.56	10-5520-5720
09/02/26	4	Meals	Board Governance Workshop in San Diego, CA	Visa		49.10		49.10	10-5520-5720
09/16/26	1	Conference Registration	Fall 2026 ACWA Conference	Visa		595.00		595.00	10-5520-5720
								-	
								-	
								-	
								-	
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								-	
								-	
								-	
								-	
								-	
								-	
								-	
								-	
Total Districts Charges						**1,299.66**	**-**	**1,299.66**	

Henry Woo — Date

Director of Finance — 10-12-2026 — Date

Executive Services Administrator — 10/13/2026 — Date

Interim General Manager — 10-12-26 — Date

WALNUT VALLEY WATER DISTRICT
TREASURERS REPORT
October 19, 2026

A. Financial Dashboard as of August 31, 2026

B. District Statement of Revenues, Expenses, and Change in Net Position as of August 31, 2026

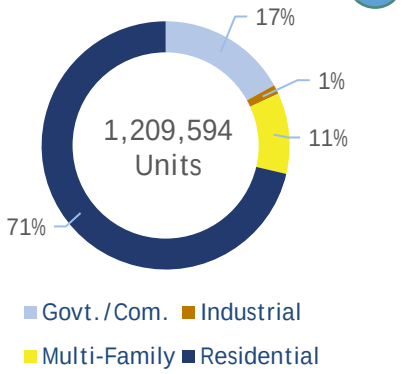
C. District Statement of Net Position as of August 31, 2026

D. Summary of Cash Investments as of August 31, 2026

Walnut Valley Water District Financial Dashboard

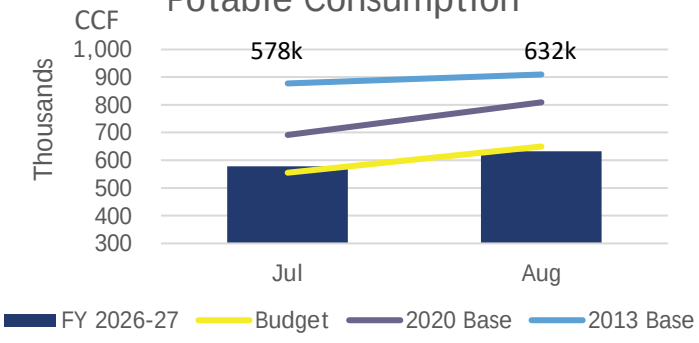
August 31, 2026

1 Consumption by Customer Class



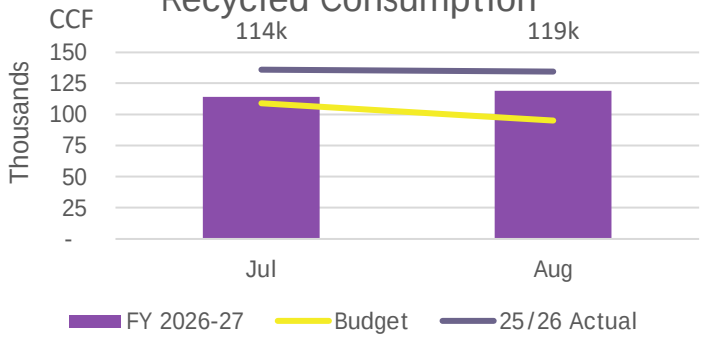
2 Potable Consumption

68% of 2013 Baseline | 100% of Budget | 81% of 2020 Baseline



3 Recycled Consumption

114% of Budget | 86% of Prior Year



4 YTD Revenue

YTD Revenue	$9,894,265
YTD Budget	$9,655,400

102%

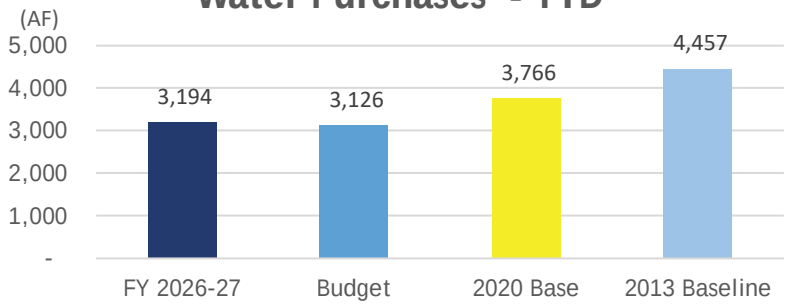
5 YTD Expense

YTD Expense	$8,493,661
YTD Budget	$8,856,980

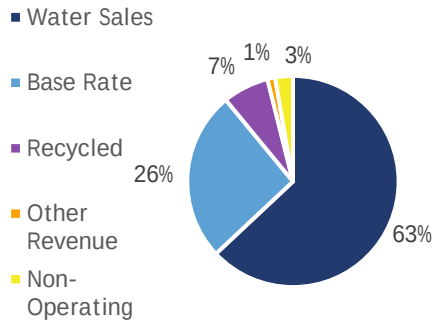
96%

6 Water Purchases - YTD

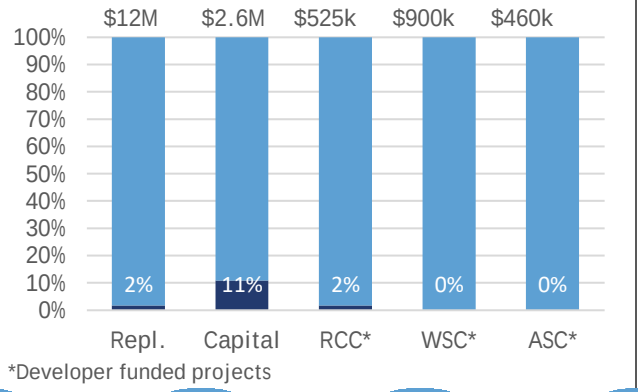
72% of 2013 Baseline | 102% of Budget | 85% of 2020 Baseline



7 Revenues By Category



8 CIP Completed



*Developer funded projects

9

971 Overdue Notice	93 Turn-Offs	7,539 E-Bills - Customers	945 Afford. Rate Customers	1,309 Phone Calls - Monthly
18	6	-22	-17	8

* Consumption revenue and expense data excludes wholesale water

Walnut Valley Water District
Unaudited Statement of Revenues, Expenses & Changes in Net Position
Summary by Division
For the Two Months Ending Monday, August 31, 2026

	August			YTD	Annual	
	Actual	Budget	% of Budget	Actual	Budget	% of Budget
Operating Revenues						
Water Sales	$5,224,141.30	$4,758,000.00	109.80%	$9,875,423.12	$47,575,950.34	20.76%
Water Sales - Recycled	365,878.16	302,600.00	120.91%	720,148.08	2,456,400.00	29.32%
Hydroelectric Sales	4,412.30	2,500.00	176.49%	8,686.87	30,000.00	28.96%
Stand-by Charges	5,989.60	4,900.00	122.24%	14,572.81	825,000.00	1.77%
Total Operating Revenues	5,600,421.36	5,068,000.00	110.51%	10,618,830.88	50,887,350.34	20.87%
Operating Expenses						
Operations	706,550.32	710,930.00	99.38%	1,308,476.13	8,911,830.00	14.68%
Engineering	115,999.04	143,390.00	80.90%	211,065.69	1,866,929.00	11.31%
Finance	230,093.60	222,700.00	103.32%	441,560.58	2,873,058.02	15.37%
Board of Directors/GM Office	98,039.14	163,870.00	59.83%	247,799.95	2,154,800.00	11.50%
Administrative Services	381,094.84	382,770.00	99.56%	717,562.38	4,906,247.00	14.63%
General Administration	181,658.82	164,930.00	110.14%	377,140.03	2,012,328.83	18.74%
Total Operating Expenses	1,713,435.76	1,788,590.00	95.80%	3,303,604.76	22,725,192.85	14.54%
Purchased Water & Related	3,135,933.18	2,544,600.00	123.24%	5,914,621.90	23,658,856.68	25.00%
Total Expenses	4,849,368.94	4,333,190.00	111.91%	9,218,226.66	46,384,049.53	19.87%
Income (Loss) From Operations	**751,052.42**	**734,810.00**	**102.21%**	**1,400,604.22**	**4,503,300.81**	**31.10%**
Nonoperating Revenues/(Expenses)	95,834.58	92,800.00	103.27%	272,178.95	436,854.90	62.30%
Income (Loss) Before Res. Rev & Deprec.	**846,887.00**	**827,610.00**	**102.33%**	**1,672,783.17**	**4,940,155.71**	**33.86%**
Restricted/Desig Rev & Other Exp.	60,420.07	0.00	0.00%	115,393.13	0.00	0.00%
Income (Loss) Before Depreciation	**907,307.07**	**827,610.00**	**109.63%**	**1,788,176.30**	**4,940,155.71**	**36.20%**
Depreciation & Amortization	580,220.50	0.00	0.00%	1,160,441.00	0.00	0.00%
Income Before Capital Contributions	**327,086.57**	**827,610.00**	**39.52%**	**627,735.30**	**4,940,155.71**	**12.71%**
Capital Contributions	2,401.29	0.00	0.00%	5,719.38	0.00	0.00%
Net Increase (Decrease) in Net Position	**329,487.86**	**827,610.00**	**39.81%**	**633,454.68**	**4,940,155.71**	**12.82%**

Walnut Valley Water District
Unaudited Statement of Net Position
Monday, August 31, 2026

ASSETS

CURRENT ASSETS:		
Cash & Investments - Unrestricted	$39,096,833.61	
Accounts Receivable:		
Water	6,412,906.79	
Taxes	102,850.05	
Accrued Interest	221,111.79	
Other	2,833,372.10	
Standby Charges	40,132.54	
Materials Inventory	1,450,473.00	
Prepaid Expenses	499,560.26	
TOTAL CURRENT ASSETS		50,657,240.14
RESTRICTED ASSETS		
Cash & Investments - Restricted	6,224,748.75	
Cash & Investments - Fiscal Agent	5,155,322.30	
Investment in Joint Venture	23,287,426.27	
TOTAL RESTRICTED ASSETS		34,667,497.32
OTHER ASSETS		
CAPITAL ASSETS		
Capital Assets	280,437,412.64	
Construction in Progress	11,137,386.18	
Less: Accumulated Depreciation	(148,860,677.33)	
NET CAPITAL ASSETS		142,714,121.49
TOTAL ASSETS		228,038,858.95

DEFERRED OUTLFOW OF RESOURCES

Deferred Pension Contributions	2,183,233.00
Deferred Outflow - Actuarial	1,925,242.00
Deferred Outflow - OPEB	2,234,306.00
TOTAL DEFERRED OUTFLOW OF RESOURCES	6,342,781.00

LIABILITIES & FUND EQUITY

CURRENT LIABILITIES

Accounts Payable	(8,137,277.70)	
Other Current Liabilities	880,094.25	
Current Portion of Long Term Debt	(1,490,000.00)	
Interest Payable	(140,295.00)	
TOTAL CURRENT LIABILITES		(8,887,478.45)

RESTRICTED LIABILITIES

Accounts Payable	(42,146.68)	
Deposits	(4,813,747.43)	
Construction Advances	(774,796.86)	
TOTAL RESTRICTED LIABILITIES		(5,630,690.97)

LONG TERM DEBT & RELATED

Revenue Bonds	(41,585,000.00)	
Deferred Bond Preimum	(2,357,870.00)	
Net Pension Liability	(13,653,716.00)	
Other Long-term Debt	(3,163,471.98)	
TOTAL LONG TERM DEBT & RELATED		(60,760,057.98)
TOTAL LIABILITIES		(75,278,227.40)

Walnut Valley Water District
Unaudited Statement of Net Position
Monday, August 31, 2026

DEFERRED INFLOW OF RESOURCES

Deferred Inflow of Resources - Actuarial		(2,501,705.00)
Deferred Inflow of Resources - OPEB		(170,104.00)
TOTAL DEFERRED INFLOW OF RESOURCES		(2,671,809.00)

NET POSITION

Invested in Capital Assets, Net of Related Debt	102,436,573.79	
Restricted	23,881,484.05	
Unrestricted	30,113,545.71	
TOTAL NET POSITION	156,431,603.55	
TOTAL NET POSITION		156,431,603.55

Walnut Valley Water District
Unaudited Summary of Cash and Investments
8/31/2026

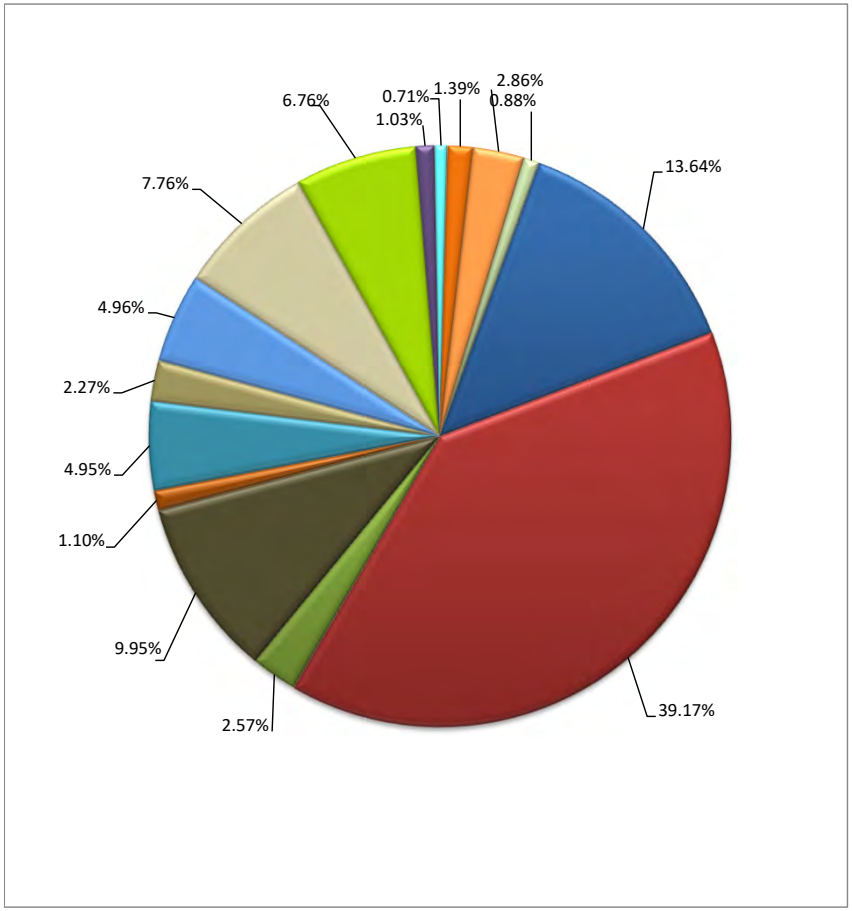
CASH & CASH EQUIVALENTS			
Cash on Hand		$3,000.00	
Cash in Bank			
East West Bank - General	$7,154,538.84		
East West Bank - Payroll	770,000.00		
East West Bank - Water Refund	18,100.80		
East West Bank - Revolving	25,787.85		
East West Bank - Credit Card	611,810.86		
East West Bank - Badillo Grand	323,600.09		
East West Bank - Payroll Reimbursement	37,471.95		
Total Cash in Bank		8,941,310.39	
TOTAL CASH			$8,944,310.39
INVESTMENTS			
Certificates of Deposit		248,000.00	
Corporate Notes		7,725,000.00	
Supranational		0.00	
Local Agency Investment Fund (LAIF)		4,546,799.97	
BNY Mellon - Money Market (Sweep)		1,090,498.53	
US Agency		1,225,000.00	
US Treasury		19,725,000.00	
CA Class		2,134,129.01	
TOTAL INVESTMENTS			36,694,427.51
TOTAL CASH & INVESTMENTS			**$45,638,737.90**

I certify that this report accurately reflects all investments of the Walnut Valley Water District and that all investments are in full compliance with State law and District's Investment Policy.

James Ning

Director of Finance

Walnut Valley Water District
Summary of Cash and Investments
by Reserve Fund
August 31, 2026



ALLOCATION OF CASH AND INVESTMENTS			
Unrestricted			
Category 1			
General Account	$	6,227,106.80	13.64%
	$	**6,227,106.80**	**13.64%**
Designated			
Category 2			
Operating Reserve	$	3,542,600.00	7.76%
Replacement	$	17,872,232.94	39.17%
Capital Improvement	$	1,172,432.20	2.57%
Rate Stabilization	$	4,543,125.39	9.95%
B/G Catastrophic Ins	$	500,000.00	1.10%
Employee Liabilities	$	2,259,170.97	4.95%
Stored Water	$	1,034,800.00	2.27%
Project Reserve	$	2,262,520.85	4.96%
	$	**33,186,882.35**	**72.73%**
Restricted Reserves			
Category 3			
Customer/Developer Deposits	$	3,086,794.34	6.76%
	$	**3,086,794.34**	**6.76%**
Category 4			
ASC	$	472,232.21	1.03%
Badillo/Grand-Maintenance	$	323,600.09	0.71%
RCC	$	632,499.48	1.39%
WSC	$	1,306,947.86	2.86%
Capacity Charge	$	402,674.77	0.88%
	$	**3,137,954.41**	**6.87%**
Total	**$**	**45,638,737.90**	**100.00%**

Category 1 - These are funds that accumulate from day-to-day operations and represent the net equity in the District's General Fund. All interest earned is retained in the General Fund.

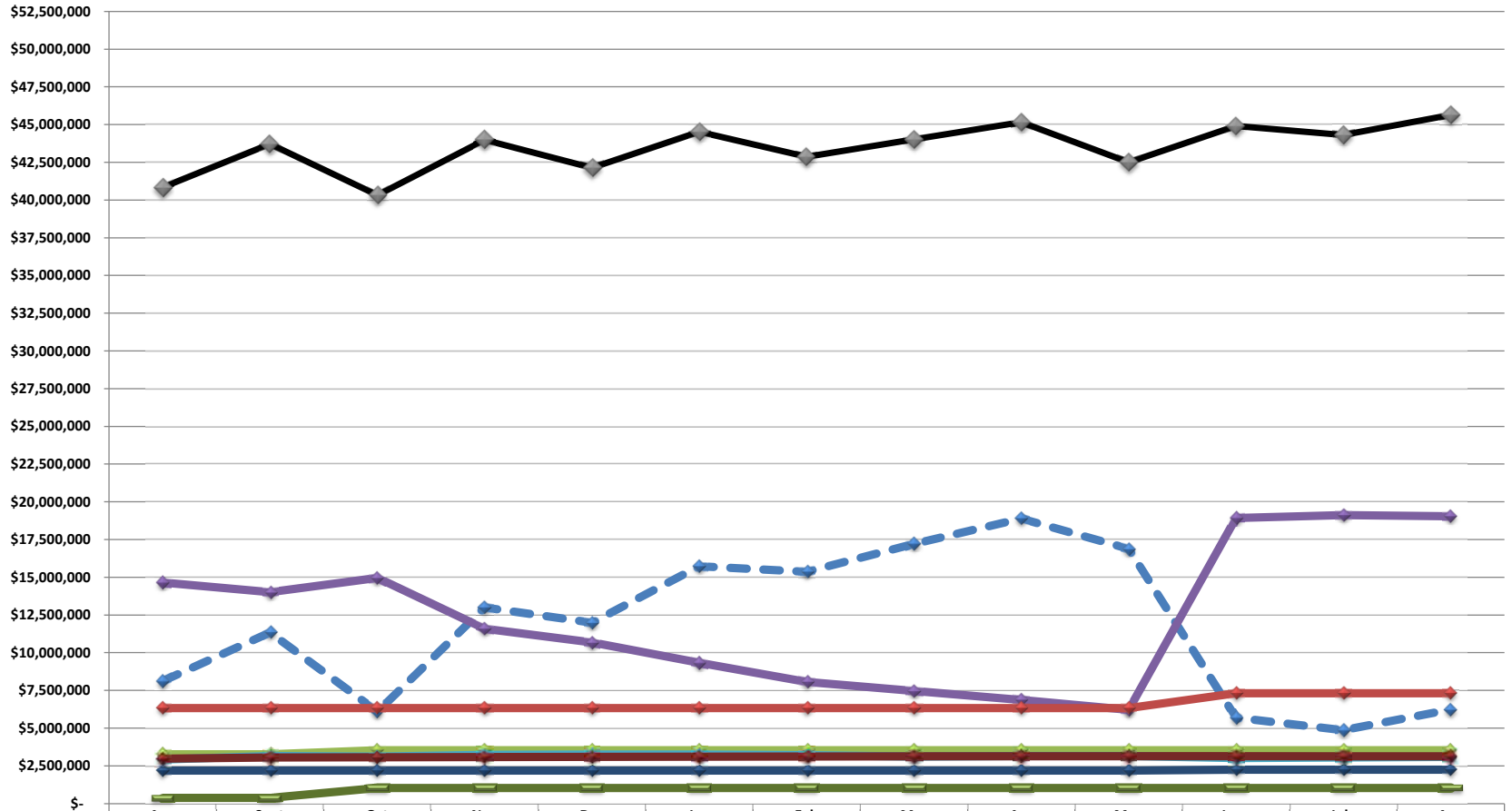
Category 2 - These funds, although not legally or externally restricted, have been reserved pursuant to the Board's desire to provide a stable and equitable rate structure. All interest earned related to these funds is retained by each designated fund.

Category 3 - These funds have legal or external restrictions. These Restricted Funds can only be used for the specific purposes established for the fund. All interest earned is retained in the General Fund.

Category 4 - These funds have legal or external restrictions. All interest earned must be retained by each Restricted Fund and can only be used for the specific purposes established for the fund.

Note: Effective 6/30/12, the Badillo Grand Catastrophic Insurance Fund was reclassified from a Restricted Fund to a Designated Fund.

Walnut Valley Water District
Cash Balances
August 31, 2025 - August 31, 2026



	Aug 2025	Sept 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	June 2026	July 2026	Aug 2026
General Account	$8,112,126	$11,343,531	$6,106,464	$12,993,030	$11,985,422	$15,731,580	$15,367,601	$17,214,315	$18,889,150	$16,874,542	$5,684,214	$4,862,404	$6,227,107
Operating Reserve	$3,272,600	$3,272,600	$3,542,600	$3,542,600	$3,542,600	$3,542,600	$3,542,600	$3,542,600	$3,542,600	$3,542,600	$3,542,600	$3,542,600	$3,542,600
Capital/Replacement Reserve	$14,655,171	$14,006,245	$14,957,965	$11,591,998	$10,672,220	$9,325,377	$8,053,700	$7,457,225	$6,865,713	$6,212,764	$18,926,898	$19,119,073	$19,044,665
Employee Liabilities Reserve	$2,193,294	$2,193,294	$2,193,294	$2,193,294	$2,193,294	$2,193,294	$2,193,294	$2,193,294	$2,193,294	$2,193,294	$2,259,171	$2,259,171	$2,259,171
Stored Water Reserve	$373,300	$373,300	$1,034,800	$1,034,800	$1,034,800	$1,034,800	$1,034,800	$1,034,800	$1,034,800	$1,034,800	$1,034,800	$1,034,800	$1,034,800
Other Designated Reserves	$6,335,436	$6,335,436	$6,335,436	$6,335,436	$6,335,436	$6,335,436	$6,335,436	$6,335,436	$6,335,436	$6,335,436	$7,305,646	$7,305,646	$7,305,646
Customer/Dev. Deposits	$2,915,787	$3,140,659	$3,104,749	$3,223,350	$3,253,040	$3,240,690	$3,213,980	$3,102,165	$3,156,117	$3,156,117	$3,021,695	$3,045,950	$3,086,794
Developer & Other Restricted	$2,979,294	$3,046,997	$3,054,323	$3,076,800	$3,108,722	$3,114,273	$3,119,883	$3,133,667	$3,141,688	$3,143,831	$3,127,876	$3,140,073	$3,137,954
Grand Total	$40,837,009	$43,712,062	$40,329,631	$43,991,307	$42,125,534	$44,518,050	$42,861,294	$44,013,501	$45,158,798	$42,493,384	$44,902,900	$44,309,717	$45,638,738

WVWD – Staff Report

TO: Board of Directors
FROM: Interim General Manager
SUBMITTED BY: Director of Finance
DATE: October 19, 2026
SUBJECT: Fund Status of Facilities Use Charges

☒ Action/Discussion	☐ Fiscal Impact	☐ Resolution	☐ Information Only

Recommendation

That the Board of Directors receive, approve, and file the enclosed annual Acreage Supply Charge, Reservoir Capacity Charge, Water Supply Charge, and Capacity Fees (Capital Improvement Fees) report as presented.

Background Information

California Government Code Section §66006 requires local agencies to disclose certain information to the public about fees they charge for development projects. This information includes:

- *A brief description of the fee*
- *The amount of the fee and any interest earned*
- *The beginning and ending balances of the funds where the fees are deposited*
- *A list of the public improvements on which the fees were spent and the amount spent on each improvement*
- *The approximate date when construction on each public improvement will begin*

The District's Acreage Supply Charge, Reservoir Capacity Charge, Water Supply Charge, and Capacity Fees are all capital improvement fees. As required by law, the District will continue to make available a report showing the beginning and ending balances of these funds, including income, interest, and disbursements. This report can be reviewed in the General Manager's office upon request.

Attachment:
Acreage Supply Charge, Reservoir Capacity Charge, Water Supply Charge, and Capacity Fees report

WALNUT VALLEY WATER DISTRICT
Review of Capital Improvement Fees
Acreage Supply Charge/ Reservoir Capacity Charge/Water Supply
Charge/Capacity Fees June 30, 2026

ACREAGE SUPPLY CHARGE (ASC)	TOTAL
June 30, 2025 Balance	**$ 457,985**
Revenue: Developers	-
Revenue: Interest Income	12,165
Expenses (See Detail)	-
Due To/From ASC	-
June 30, 2026 ASC Balance	**$ 470,150**

RESERVOIR CAPACITY CHARGE (RCC)	TOTAL
June 30, 2025 Balance	**$ 658,767**
Revenue: Developers	-
Revenue: Interest Income	16,993
Expenses (See Detail)	(37,379)
Due To/From RCC	-
June 30, 2026 RCC Balance	**$ 638,381**

WATER SUPPLY CHARGE (WSC)	TOTAL
June 30, 2025 Balance	**$ 1,267,517**
Revenue: Developers	-
Revenue: Interest Income	33,669
Expenses (See Detail)	-
Due To/From WSC	-
June 30, 2026 WSC Balance	**$ 1,301,186**

CAPACITY FEES	TOTAL
June 30, 2025 Balance	**$ 267,164**
Revenue: Developers	118,070
Revenue: Interest Income	10,093
Expenses (See Detail)	-
Due To/From WSC	-
June 30, 2026 Capacity Balance	**$ 395,327**

WALNUT VALLEY WATER DISTRICT
Review of Capital Improvement Fees
Acreage Supply Charge/ Reservoir Capacity Charge/Water Supply Charge/Capacity Fees
June 30, 2026

Fiscal Year 2025-26 Expenses	**ASC**	**RCC**	**WSC**	**Capacity Fees**
22-3740 Generator				
20-3664 Analyzers, Mixing System 20-21				
21-3717 RCS/Mixing System Terminal Storage				
22-3723 Pump Additon Program				
22-3724 Portable Chemical				
25-3852RCC		37,379		
19-3625WSC Minor Recycled System Improvement				
Total Expenses	**$ -**	**$ 37,379**	**$ -**	**$ -**

July 1, 2026 Balances	**$ 470,150**	**$ 638,381**	**$ 1,301,186**	**$ 395,327**
Future Projects	**ASC**	**RCC**	**WSC**	**Capacity Fees**
1050 Main Extension (also funded through ASC and WSC)	460,000		400,000	
24-3845 RCS/Mixing System Terminal Storage		300,000		
25-3852RCC Spadra Recycled Reservoir		225,000		
19-3625WSC Minor Recycled System Improvement				
Royal Vista Purchase & repair (also funded through Capital)			50,000	
Six Basin Water rights			300,000	
Old Baldy & Durward Well By pass station			150,000	
Total Budgeted Expenses	**$ 460,000**	**$ 525,000**	**$ 900,000**	-
June 30, 2027 Projected Balances	**$ 10,150**	**$ 113,381**	**$ 401,186**	**$ 395,327**

WVWD – Staff Report

TO: Board of Directors
FROM: Interim General Manager
DATE: October 19, 2026
SUBJECT: Approval of the FY 2025-26 Source and Application of Funds

☑ **Action/Discussion** ☑ **Fiscal Impact** ☐ **Resolution** ☐ **Information Only**

Recommendation

That the Board of Directors approve the FY 2025-26 Source and Application of Funds and authorize the transfer of $3,707,132 from the General Account to the following District reserves:

1. $244,932 To the Operating Reserve
2. $1,101,176 To the Capital Improvement Reserve
3. $2,299,524 To the Reserve for Replacement
4. $61,500 To the Stored Water Reserve

Background Information

Following completion of the District's annual financial audit, staff prepares the Source and Application of Funds to evaluate available cash generated through operations and determine appropriate funding allocations to the District's established reserves.

These reserves support the District's long-term financial stability by providing funding for capital improvements, infrastructure replacement, future financial obligations, and water supply reliability, while helping to mitigate potential impacts on customer rates.

The Source and Application of Funds is based on cash flows associated with District operations during FY 2025–26. Accordingly, the amount available for reserve funding may differ from the change in net position reported in the District's audited financial statements.

Based on this analysis, $3,707,132 is available for allocation to the District's reserves. Consistent with the District's reserve policy and established funding targets, staff recommends the following transfers:

1. Operating Reserve – $244,932

Transfer $244,932 to the Operating Reserve to meet the District's minimum funding requirement of two months of operating expenses, excluding purchased water and debt service. This reserve provides financial flexibility to address unanticipated operating expenses and fluctuations in revenues.

2. Capital Improvement Reserve – $1,101,176

Transfer $1,101,176 to the Capital Improvement Reserve, bringing the reserve balance to $2,500,000. These funds will support capital improvement projects identified in the District's adopted FY 2026–27 Capital Investment Program budget.

3. Reserve for Replacement – $2,299,524

Transfer $2,299,524 to the Reserve for Replacement to support the planned replacement and refurbishment of existing infrastructure and equipment. Target funding levels for this reserve are established based on the District's long-term Asset Replacement and Refurbishment Schedule, which projects anticipated replacement needs over a 20-year planning period.

4. Stored Water Reserve – $61,500

Transfer $61,500 to the Stored Water Reserve to provide funding for future purchases of untreated imported water necessary to support the operation of the District's Water Supply Reliability Projects.

The attached Cash Reserves Summary provides the reserve balances as of June 30, 2026, along with the recommended transfers and resulting balances.

Attachment:
Cash Reserves Summary

Walnut Valley Water District
Cash Reserves Summary
June 30, 2026

Reserve	Balance 6/30/2026	Recommend Transfers	Balance after Transfer	Minimum Funding Level*	Maximum Funding level*
Designated Funds (Category 2):					
Operating Reserve	3,542,600	244,932	3,787,532	3,787,532	
Capital Improvement	1,398,824	1,101,176	2,500,000	500,000	2,500,000
Replacement (Includes Building)	17,528,074	2,299,524	19,827,598	12,726,769	25,453,537
Stored Water	1,034,800	61,500	1,096,300	1,096,300	
Rate Stabilization	4,543,125	-	4,543,125	4,543,125	4,543,125
Project Reserve	2,262,521	-	2,262,521	NA	NA
Employee Liabilities:	-				
OPEB & PERS Obligation	300,000	-	300,000		
Sick/Vacation	1,001,624	-	1,001,624	1,001,624	1,001,624
Other Employee Liabilities	957,546	-	957,546	NA	
Badillo/Grand Catastrophic Ins.	500,000	-	500,000	500,000	

***Minimum and Maximum funding levels based off revised reserve policy (October 2024)**

CHANDLER ASSET MANAGEMENT

MONTHLY ACCOUNT STATEMENT

Walnut Valley Water District Cons | Account #10076 | As of September 30, 2026

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

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

Custodian:

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 this statement.

PORTFOLIO SUMMARY

Walnut Valley Water District Cons | Account #10076 | As of September 30, 2026

Portfolio Characteristics

Average Modified Duration	1.39
Average Coupon	2.88%
Average Purchase YTM	3.03%
Average Market YTM	3.63%
Average Credit Quality*	AA
Average Final Maturity	1.54
Average Life	1.54

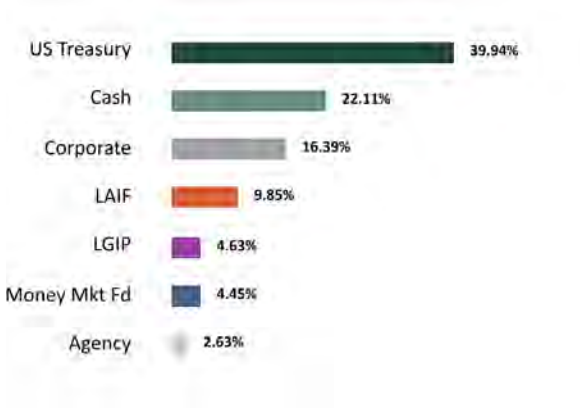
Account Summary

	End Values as of 08/31/2026	End Values as of 09/30/2026
Market Value	45,182,446.86	46,164,833.72
Accrued Interest	242,848.25	241,763.57
Total Market Value	**45,425,295.11**	**46,406,597.29**
Income Earned	101,332.19	93,999.77
Cont/WD	1,244,347.96	1,225,547.30
Par	45,638,737.90	46,971,414.39
Book Value	45,485,609.96	46,823,803.81
Cost Value	45,334,588.74	46,678,817.96

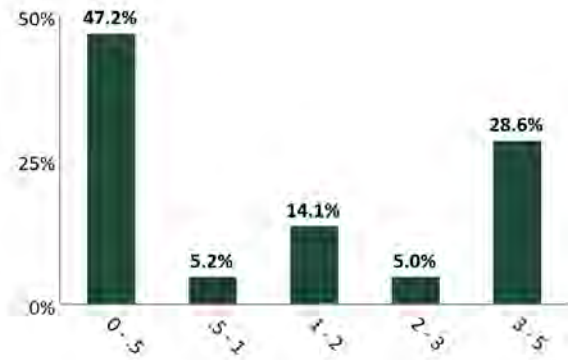
Top Issuers

United States	39.94%
Cash	22.03%
LAIF	9.85%
CA CLASS	4.63%
Federated Hermes, Inc.	4.45%
Federal Home Loan Banks	2.63%
Deere & Company	1.08%
Northern Trust Corporation	1.08%

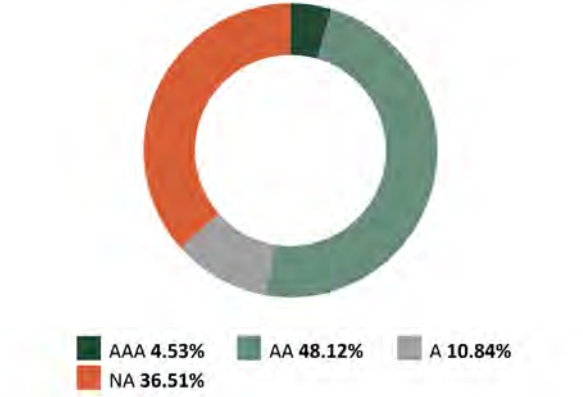
Sector Allocation



Maturity Distribution



Credit Quality*



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

PORTFOLIO SUMMARY

Walnut Valley Water District | Account #10074 | As of September 30, 2026

Portfolio Characteristics

Average Modified Duration	2.20
Average Coupon	3.64%
Average Purchase YTM	3.87%
Average Market YTM	4.83%
Average Credit Quality*	AA
Average Final Maturity	2.43
Average Life	2.43

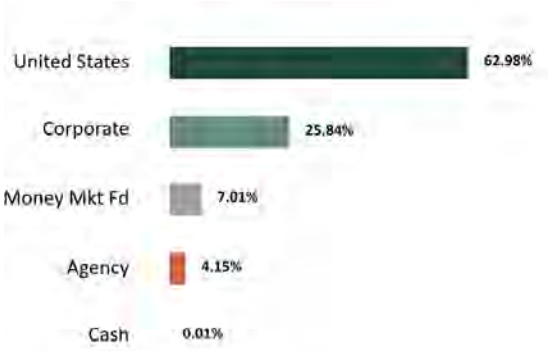
Account Summary

	End Values as of 08/31/2026	End Values as of 09/30/2026
Market Value	29,288,196.60	29,275,019.85
Accrued Interest	241,385.73	241,763.57
Total Market Value	**29,529,582.32**	**29,516,783.42**
Income Earned	94,168.74	90,783.35
Cont/WD	0.00	249,312.70
Par	29,744,303.87	30,081,600.52
Book Value	29,591,175.93	29,933,989.94
Cost Value	29,440,154.71	29,789,004.09

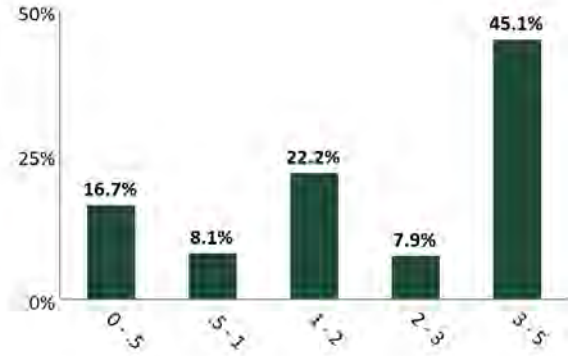
Top Issuers

United States	62.98%
Federated Hermes, Inc.	7.01%
Federal Home Loan Banks	4.15%
Deere & Company	1.70%
Northern Trust Corporation	1.70%
PACCAR Inc	1.70%
Target Corporation	1.70%
BNY Mellon Corp	1.69%

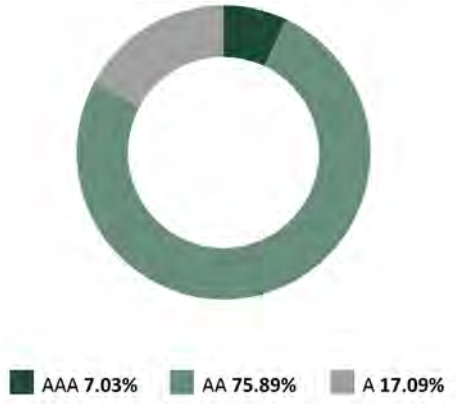
Sector Allocation



Maturity Distribution



Credit Quality*



Performance Review

Total Rate of Return**	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	Since Inception (08/01/09)
Walnut Valley WD	(0.88%)	(0.73%)	0.10%	1.20%	2.73%	4.22%	1.73%	1.87%	1.82%
Benchmark Return	(0.97%)	(0.82%)	(0.39%)	0.72%	2.24%	3.94%	1.35%	1.58%	1.56%

*The average credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.
**Periods over 1 year are annualized.
Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index

RECONCILIATION SUMMARY

Walnut Valley Water District Cons | Account #10076 | As of September 30, 2026

Maturities / Calls

Month to Date	**(898,000.00)**
Fiscal Year to Date	**(2,998,000.00)**

Principal Paydowns

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

Purchases

Month to Date	**2,213,114.39**
Fiscal Year to Date	**6,642,816.58**

Sales

Month to Date	**0.00**
Fiscal Year to Date	**(1,646,273.57)**

Interest Received

Month to Date	**89,567.09**
Fiscal Year to Date	**298,723.58**

Purchased / Sold Interest

Month to Date	**0.00**
Fiscal Year to Date	**(5,071.42)**

Accrual Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2026)
Beginning Book Value	45,485,609.96	44,801,657.66
Maturities/Calls	(898,000.00)	(2,998,000.00)
Principal Paydowns	0.00	0.00
Purchases	2,213,114.39	6,642,816.58
Sales	0.00	(1,646,273.57)
Change in Cash, Payables, Receivables	17,562.10	6,594.45
Amortization/Accretion	5,517.36	17,008.69
Realized Gain (Loss)	0.00	0.00
Ending Book Value	46,823,803.81	46,823,803.81

Fair Market Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2026)
Beginning Market Value	45,182,446.86	44,635,776.75
Maturities/Calls	(898,000.00)	(2,998,000.00)
Principal Paydowns	0.00	0.00
Purchases	2,213,114.39	6,642,816.58
Sales	0.00	(1,646,273.57)
Change in Cash, Payables, Receivables	17,562.10	6,594.45
Amortization/Accretion	5,517.36	17,008.69
Change in Net Unrealized Gain (Loss)	(355,806.99)	(493,089.19)
Realized Gain (Loss)	0.00	0.00
Ending Market Value	46,164,833.72	46,164,833.72

HOLDINGS REPORT

Walnut Valley Water District Cons | Account #10076 | As of September 30, 2026

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
AGENCY									
3130ATUS4	FEDERAL HOME LOAN BANKS 4.25 12/10/2027	475,000.00	01/26/2023 3.67%	487,188.50 477,982.00	99.41 4.76%	472,194.65 6,224.48	1.02% (5,787.35)	Aa1/AA+ AA+	1.19 1.13
3130AWMN7	FEDERAL HOME LOAN BANKS 4.375 06/09/2028	750,000.00	07/21/2023 4.17%	756,637.50 752,298.17	99.13 4.91%	743,469.00 10,208.33	1.61% (8,829.17)	Aa1/AA+ AA+	1.69 1.59
Total Agency		**1,225,000.00**	**3.98%**	**1,243,826.00** **1,230,280.17**	**99.24** **4.85%**	**1,215,663.65** **16,432.81**	**2.63%** **(14,616.52)**		**1.50** **1.41**
CASH									
90CASH$00	Custodial Cash Account	10,168,544.99	-- 0.00%	10,168,544.99 10,168,544.99	1.00 0.00%	10,168,544.99 0.00	22.03% 0.00	NA/NA NA	0.00 0.00
CCYUSD	Receivable	3,637.60	--	3,637.60 3,637.60	1.00	3,637.60 0.00	0.01% 0.00	Aaa/AAA AAA	0.00 0.00
CCYUSD	Receivable	35,660.96	--	35,660.96 35,660.96	1.00	35,660.96 0.00	0.08% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		**10,207,843.55**	**0.00%**	**10,207,843.55** **10,207,843.55**	**1.00** **0.00%**	**10,207,843.55** **0.00**	**22.11%** **0.00**		**0.00** **0.00**
CORPORATE									
87612EBM7	TARGET CORP 1.95 01/15/2027	500,000.00	01/24/2022 1.87%	501,865.00 500,078.41	99.25 4.57%	496,237.50 2,058.33	1.07% (3,840.91)	A2/A NA	0.29 0.29
06406RBA4	BANK OF NEW YORK MELLON CORP 2.05 01/26/2027	500,000.00	01/26/2022 2.03%	500,400.00 500,018.77	99.19 4.61%	495,940.50 1,850.69	1.07% (4,078.27)	Aa3/A AA-	0.32 0.31
023135CF1	AMAZON.COM INC 3.3 04/13/2027	400,000.00	04/26/2022 3.26%	400,788.00 400,072.16	99.36 4.52%	397,459.60 6,160.00	0.86% (2,612.56)	A1/AA AA-	0.53 0.51
665859AW4	NORTHERN TRUST CORP 4.0 05/10/2027	500,000.00	06/28/2022 4.00%	500,045.00 500,004.94	99.65 4.58%	498,260.50 7,833.33	1.08% (1,744.44)	A2/A+ A+	0.61 0.59
69371RS31	PACCAR FINANCIAL CORP 4.6 01/10/2028	500,000.00	01/26/2023 4.26%	507,430.00 501,917.15	99.53 4.98%	497,638.00 5,175.00	1.08% (4,279.15)	A1/A+ NA	1.28 1.21
24422EWR6	JOHN DEERE CAPITAL CORP 4.75 01/20/2028	500,000.00	01/26/2023 4.29%	510,270.00 502,691.92	99.80 4.90%	499,013.50 4,684.03	1.08% (3,678.42)	A1/A A+	1.31 1.24
713448FL7	PEPSICO INC 3.6 02/18/2028	500,000.00	03/20/2023 4.18%	487,155.00 496,384.21	98.16 4.99%	490,807.00 2,150.00	1.06% (5,577.21)	A1/A+ NA	1.39 1.32
57636QAW4	MASTERCARD INC 4.875 03/09/2028	450,000.00	03/10/2023 4.83%	450,904.50 450,250.21	99.85 4.98%	449,338.50 1,340.63	0.97% (911.71)	Aa3/A+ NA	1.44 1.37

HOLDINGS REPORT

Walnut Valley Water District Cons | Account #10076 | As of September 30, 2026

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
74456QBU9	PUBLIC SERVICE ELECTRIC AND GAS CO 3.7 05/01/2028	400,000.00	06/26/2023 4.70%	382,788.00 394,376.18	97.88 5.11%	391,513.20 6,166.67	0.85% (2,862.98)	A1/A NA	1.59 1.49
341081GN1	FLORIDA POWER & LIGHT CO 4.4 05/15/2028	450,000.00	-- 4.67%	444,781.50 448,287.91	99.01 5.04%	445,546.35 7,480.00	0.97% (2,741.56)	Aa2/A+ AA-	1.62 1.52
74340XCG4	PROLOGIS LP 4.875 06/15/2028	450,000.00	07/21/2023 4.96%	448,330.50 449,417.96	99.47 5.20%	447,611.85 6,459.38	0.97% (1,806.11)	A2/A NA	1.71 1.59
89236TLB9	TOYOTA MOTOR CREDIT CORP 5.25 09/11/2028	450,000.00	09/26/2023 5.34%	448,227.00 449,303.53	100.29 5.09%	451,317.60 1,312.50	0.98% 2,014.07	A1/A+ A+	1.95 1.82
63743HFX5	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.95 02/07/2030	300,000.00	06/17/2025 4.59%	304,347.00 303,119.18	98.11 5.57%	294,337.50 2,227.50	0.64% (8,781.68)	A2/NA A	3.36 3.02
857477DB6	STATE STREET CORPORATION 4.834 04/24/2030	350,000.00	05/28/2025 4.72%	351,652.00 351,192.07	97.98 5.47%	342,916.70 7,378.56	0.74% (8,275.37)	Aa3/A AA-	3.56 3.16
02079KBK2	ALPHABET INC. 4.1 02/15/2031	225,000.00	03/31/2026 4.28%	223,224.75 223,408.05	94.71 5.48%	213,092.33 1,178.75	0.46% (10,315.73)	Aa2/AA+ NA	4.38 3.91
00287YEE5	ABBVIE INC 4.125 03/15/2031	250,000.00	06/18/2026 4.63%	244,715.00 245,024.08	94.16 5.62%	235,407.00 458.33	0.51% (9,617.08)	A2/A- NA	4.45 3.98
743315BC6	THE PROGRESSIVE CORPORATION 4.6 03/26/2031	250,000.00	06/18/2026 4.66%	249,380.00 249,416.03	95.88 5.65%	239,688.25 159.72	0.52% (9,727.78)	A2/A A	4.48 3.98
61747YFZ3	MORGAN STANLEY 5.192 04/17/2031	250,000.00	07/30/2026 5.06%	251,117.50 251,066.40	98.00 5.74%	245,002.75 5,913.11	0.53% (6,063.65)	A1/A- A+	4.54 3.11
808513BS3	THE CHARLES SCHWAB CORPORATION 2.3 05/13/2031	250,000.00	06/18/2026 4.70%	224,045.00 225,512.78	86.45 5.68%	216,116.50 2,204.17	0.47% (9,396.28)	A2/A- A	4.62 4.22
06051GJF7	BANK OF AMERICA CORPORATION 1.898 07/23/2031	250,000.00	07/30/2026 4.42%	222,145.00 223,094.95	86.83 5.73%	217,068.50 896.28	0.47% (6,026.45)	A1/A- AA-	4.81 3.57
Total Corporate		**7,725,000.00**	**4.17%**	**7,653,610.75** **7,664,636.90**	**98.03** **5.07%**	**7,564,313.63** **73,086.98**	**16.39%** **(100,323.27)**		**1.96** **1.75**
LAIF									
90LAIF$00	Local Agency Investment Fund State Pool	4,546,799.97	-- 3.94%	4,546,799.97 4,546,799.97	1.00 3.94%	4,546,799.97 0.00	9.85% 0.00	NA/NA NA	0.00 0.00
Total LAIF		**4,546,799.97**	**3.94%**	**4,546,799.97** **4,546,799.97**	**1.00** **3.94%**	**4,546,799.97** **0.00**	**9.85%** **0.00**		**0.00** **0.00**

HOLDINGS REPORT

Walnut Valley Water District Cons | Account #10076 | As of September 30, 2026

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
LOCAL GOV INVESTMENT POOL									
90CACLA$0	California CLASS	2,138,807.95	-- 3.89%	2,138,807.95 2,138,807.95	1.00 3.89%	2,138,807.95 0.00	4.63% 0.00	NA/NA NA	0.00 0.00
Total Local Gov Investment Pool		**2,138,807.95**	**3.89%**	**2,138,807.95** **2,138,807.95**	**1.00** **3.89%**	**2,138,807.95** **0.00**	**4.63%** **0.00**		**0.00** **0.00**
MONEY MARKET FUND									
60934N807	FEDERATED HRMS GV O SVC	2,052,962.92	-- 3.51%	2,052,962.92 2,052,962.92	1.00 3.51%	2,052,962.92 0.00	4.45% 0.00	Aaa/ AAAm AAA	0.00 0.00
Total Money Market Fund		**2,052,962.92**	**3.51%**	**2,052,962.92** **2,052,962.92**	**1.00** **3.51%**	**2,052,962.92** **0.00**	**4.45%** **0.00**		**0.00** **0.00**
US TREASURY									
91282CDG3	UNITED STATES TREASURY 1.125 10/31/2026	575,000.00	11/29/2021 1.18%	573,472.66 574,974.49	99.75 4.20%	573,555.03 2,707.03	1.24% (1,419.46)	Aa1/AA+ AA+	0.08 0.08
91282CDK4	UNITED STATES TREASURY 1.25 11/30/2026	575,000.00	04/26/2022 2.74%	537,827.15 573,670.82	99.53 4.14%	572,277.95 2,415.47	1.24% (1,392.87)	Aa1/AA+ AA+	0.17 0.16
91282CEF4	UNITED STATES TREASURY 2.5 03/31/2027	700,000.00	06/13/2022 3.44%	670,878.91 696,989.77	99.13 4.29%	693,910.00 48.08	1.50% (3,079.77)	Aa1/AA+ AA+	0.50 0.49
91282CEW7	UNITED STATES TREASURY 3.25 06/30/2027	550,000.00	09/13/2022 3.61%	541,363.28 548,657.61	99.11 4.47%	545,106.10 4,517.32	1.18% (3,551.51)	Aa1/AA+ AA+	0.75 0.72
91282CFH9	UNITED STATES TREASURY 3.125 08/31/2027	550,000.00	09/08/2022 3.39%	543,232.42 548,753.93	98.71 4.58%	542,880.25 1,471.86	1.18% (5,873.68)	Aa1/AA+ AA+	0.92 0.89
91282CFM8	UNITED STATES TREASURY 4.125 09/30/2027	400,000.00	10/28/2022 4.19%	398,796.88 399,756.02	99.54 4.60%	398,168.80 45.33	0.86% (1,587.22)	Aa1/AA+ AA+	1.00 0.96
91282CFU0	UNITED STATES TREASURY 4.125 10/31/2027	750,000.00	11/09/2022 4.30%	744,169.92 748,731.89	99.46 4.64%	745,956.75 12,946.67	1.62% (2,775.14)	Aa1/AA+ AA+	1.08 1.03
9128283F5	UNITED STATES TREASURY 2.25 11/15/2027	875,000.00	12/09/2022 3.79%	814,946.29 861,313.50	97.38 4.68%	852,031.25 7,436.31	1.85% (9,282.25)	Aa1/AA+ AA+	1.13 1.08
91282CDF5	UNITED STATES TREASURY 1.375 10/31/2028	450,000.00	09/23/2025 3.58%	421,066.41 430,566.23	93.11 4.90%	418,992.30 2,589.33	0.91% (11,573.93)	Aa1/AA+ AA+	2.08 2.00

Walnut Valley Water District Cons | Account #10076 | As of September 30, 2026

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
9128285M8	UNITED STATES TREASURY 3.125 11/15/2028	450,000.00	09/23/2025 3.59%	443,882.81 445,865.04	96.48 4.89%	434,144.70 5,311.65	0.94% (11,720.34)	Aa1/AA+ AA+	2.13 2.00
91282CEV9	UNITED STATES TREASURY 3.25 06/30/2029	300,000.00	03/31/2026 3.84%	294,656.25 295,484.60	95.63 4.97%	286,898.40 2,463.99	0.62% (8,586.20)	Aa1/AA+ AA+	2.75 2.56
91282CLC3	UNITED STATES TREASURY 4.0 07/31/2029	400,000.00	04/07/2025 3.72%	404,406.25 402,892.74	97.45 4.98%	389,781.20 2,695.65	0.84% (13,111.54)	Aa1/AA+ AA+	2.83 2.62
91282CLK5	UNITED STATES TREASURY 3.625 08/31/2029	800,000.00	04/23/2025 3.92%	790,687.50 793,762.38	96.35 4.99%	770,781.60 2,483.43	1.67% (22,980.78)	Aa1/AA+ AA+	2.92 2.71
91282CFT3	UNITED STATES TREASURY 4.0 10/31/2029	425,000.00	07/01/2025 3.80%	428,303.71 427,351.44	97.18 5.00%	413,030.30 7,114.13	0.89% (14,321.14)	Aa1/AA+ AA+	3.08 2.81
91282CMA6	UNITED STATES TREASURY 4.125 11/30/2029	600,000.00	02/13/2025 4.41%	592,546.88 595,076.68	97.46 5.00%	584,765.40 8,317.62	1.27% (10,311.28)	Aa1/AA+ AA+	3.17 2.88
91282CMD0	UNITED STATES TREASURY 4.375 12/31/2029	600,000.00	01/07/2025 4.47%	597,539.06 598,393.21	98.13 5.00%	588,796.80 6,633.83	1.28% (9,596.41)	Aa1/AA+ AA+	3.25 2.95
91282CMG3	UNITED STATES TREASURY 4.25 01/31/2030	600,000.00	02/03/2025 4.36%	597,187.50 598,119.85	97.68 5.01%	586,078.20 4,296.20	1.27% (12,041.65)	Aa1/AA+ AA+	3.34 3.04
91282CMU2	UNITED STATES TREASURY 4.0 03/31/2030	400,000.00	04/07/2025 3.75%	404,515.63 403,171.87	96.77 5.02%	387,062.40 43.96	0.84% (16,109.47)	Aa1/AA+ AA+	3.50 3.21
91282CMZ1	UNITED STATES TREASURY 3.875 04/30/2030	450,000.00	05/07/2025 3.89%	449,771.48 449,835.71	96.29 5.02%	433,283.40 7,297.21	0.94% (16,552.31)	Aa1/AA+ AA+	3.58 3.24
91282CNG2	UNITED STATES TREASURY 4.0 05/31/2030	425,000.00	07/01/2025 3.82%	428,370.12 427,513.50	96.59 5.03%	410,490.08 5,713.11	0.89% (17,023.43)	Aa1/AA+ AA+	3.67 3.31
91282CNK3	UNITED STATES TREASURY 3.875 06/30/2030	450,000.00	07/21/2025 3.90%	449,419.92 449,560.12	96.09 5.03%	432,404.10 4,406.76	0.94% (17,156.02)	Aa1/AA+ AA+	3.75 3.40
91282CNN7	UNITED STATES TREASURY 3.875 07/31/2030	600,000.00	11/19/2025 3.68%	605,039.06 604,112.98	95.99 5.04%	575,953.20 3,917.12	1.25% (28,159.78)	Aa1/AA+ AA+	3.83 3.48
91282CNX5	UNITED STATES TREASURY 3.625 08/31/2030	600,000.00	11/19/2025 3.68%	598,476.56 598,751.56	95.00 5.05%	570,023.40 1,862.57	1.23% (28,728.16)	Aa1/AA+ AA+	3.92 3.58
91282CPA3	UNITED STATES TREASURY 3.625 09/30/2030	600,000.00	11/19/2025 3.69%	598,289.06 598,592.69	94.92 5.04%	569,508.00 59.75	1.23% (29,084.69)	Aa1/AA+ AA+	4.00 3.66
91282CPD7	UNITED STATES TREASURY 3.625 10/31/2030	600,000.00	11/19/2025 3.69%	598,312.50 598,606.83	94.80 5.05%	568,804.80 9,101.90	1.23% (29,802.03)	Aa1/AA+ AA+	4.08 3.67
91282CPN5	UNITED STATES TREASURY 3.5 11/30/2030	600,000.00	12/15/2025 3.72%	594,187.50 595,115.57	94.21 5.06%	565,265.40 7,057.38	1.22% (29,850.17)	Aa1/AA+ AA+	4.17 3.76
91282CPR6	UNITED STATES TREASURY 3.625 12/31/2030	750,000.00	02/03/2026 3.83%	743,144.53 744,059.36	94.57 5.06%	709,306.50 6,870.75	1.54% (34,752.86)	Aa1/AA+ AA+	4.25 3.83

HOLDINGS REPORT

Walnut Valley Water District Cons | Account #10076 | As of September 30, 2026

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CPW5	UNITED STATES TREASURY 3.75 01/31/2031	750,000.00	02/03/2026 3.83%	747,216.80 747,581.89	94.95 5.06%	712,089.75 4,738.45	1.54% (35,492.14)	Aa1/AA+ AA+	4.34 3.90
91282CQD6	UNITED STATES TREASURY 3.5 02/28/2031	500,000.00	03/31/2026 3.93%	490,390.63 491,375.66	93.91 5.05%	469,570.50 1,498.62	1.02% (21,805.16)	Aa1/AA+ AA+	4.41 4.00
91282CQG9	UNITED STATES TREASURY 3.875 03/31/2031	600,000.00	03/31/2026 3.94%	598,171.88 598,356.09	95.25 5.07%	571,523.40 63.87	1.24% (26,832.69)	Aa1/AA+ AA+	4.50 4.06
91282CQK0	UNITED STATES TREASURY 3.875 04/30/2031	600,000.00	06/18/2026 4.22%	591,046.88 591,556.90	95.18 5.07%	571,078.20 9,729.62	1.24% (20,478.70)	Aa1/AA+ AA+	4.58 4.06
91282CQU8	UNITED STATES TREASURY 4.125 05/31/2031	600,000.00	06/18/2026 4.22%	597,585.94 597,721.10	96.11 5.07%	576,633.00 8,317.62	1.25% (21,088.10)	Aa1/AA+ AA+	4.67 4.12
91282CQX2	UNITED STATES TREASURY 4.125 06/30/2031	350,000.00	07/30/2026 4.37%	346,158.20 346,290.90	96.04 5.07%	336,150.50 3,648.61	0.73% (10,140.40)	Aa1/AA+ AA+	4.75 4.20
91282CRA1	UNITED STATES TREASURY 4.375 07/31/2031	600,000.00	07/30/2026 4.38%	599,906.25 599,909.43	97.02 5.08%	582,140.40 4,422.55	1.26% (17,769.03)	Aa1/AA+ AA+	4.83 4.26
Total US Treasury		**19,075,000.00**	**3.79%**	**18,834,966.82** **18,982,472.36**	**96.70** **4.88%**	**18,438,442.05** **152,243.78**	**39.94%** **(544,030.31)**		**2.95** **2.68**
Total Portfolio		**46,971,414.39**	**3.03%**	**46,678,817.96** **46,823,803.81**	**57.71** **3.63%**	**46,164,833.72** **241,763.57**	**100.00%** **(658,970.10)**		**1.54** **1.39**
Total Market Value + Accrued						**46,406,597.29**			

TRANSACTION LEDGER

Walnut Valley Water District Cons | Account #10076 | As of September 30, 2026

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/ Disp Yield	Amount	Interest Pur/ Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	09/02/2026	60934N807	541.80	FEDERATED HRMS GV O SVC	1.000	3.31%	(541.80)	0.00	(541.80)	0.00
Purchase	09/08/2026	60934N807	1,312.70	FEDERATED HRMS GV O SVC	1.000	3.31%	(1,312.70)	0.00	(1,312.70)	0.00
Purchase	09/08/2026	60934N807	248,000.00	FEDERATED HRMS GV O SVC	1.000	3.31%	(248,000.00)	0.00	(248,000.00)	0.00
Purchase	09/09/2026	60934N807	10,968.75	FEDERATED HRMS GV O SVC	1.000	3.31%	(10,968.75)	0.00	(10,968.75)	0.00
Purchase	09/11/2026	60934N807	11,812.50	FEDERATED HRMS GV O SVC	1.000	3.30%	(11,812.50)	0.00	(11,812.50)	0.00
Purchase	09/15/2026	60934N807	5,471.35	FEDERATED HRMS GV O SVC	1.000	3.32%	(5,471.35)	0.00	(5,471.35)	0.00
Purchase	09/28/2026	60934N807	5,750.00	FEDERATED HRMS GV O SVC	1.000	3.51%	(5,750.00)	0.00	(5,750.00)	0.00
Purchase	09/30/2026	90CACLA$0	4,678.94	California CLASS	1.000	3.89%	(4,678.94)	0.00	(4,678.94)	0.00
Purchase	09/30/2026	60934N807	50,343.75	FEDERATED HRMS GV O SVC	1.000	3.51%	(50,343.75)	0.00	(50,343.75)	0.00
Purchase	09/30/2026	60934N807	650,000.00	FEDERATED HRMS GV O SVC	1.000	3.51%	(650,000.00)	0.00	(650,000.00)	0.00
Purchase	09/30/2026	90CASH$00	1,224,234.60	Custodial Cash Account	1.000	0.00%	(1,224,234.60)	0.00	(1,224,234.60)	0.00
Total Purchase			**2,213,114.39**				**(2,213,114.39)**	**0.00**	**(2,213,114.39)**	**0.00**
TOTAL ACQUISITIONS			**2,213,114.39**				**(2,213,114.39)**	**0.00**	**(2,213,114.39)**	**0.00**
DISPOSITIONS										
Maturity	09/08/2026	38149MZJ5	(248,000.00)	Goldman Sachs Bank USA 1.05 09/08/2026	100.000	1.05%	248,000.00	0.00	248,000.00	0.00
Maturity	09/30/2026	91282CCZ2	(650,000.00)	UNITED STATES TREASURY 0.875 09/30/2026	100.000	1.26%	650,000.00	0.00	650,000.00	0.00
Total Maturity			**(898,000.00)**				**898,000.00**	**0.00**	**898,000.00**	**0.00**

TRANSACTION LEDGER

Walnut Valley Water District Cons | Account #10076 | As of September 30, 2026

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/ Disp Yield	Amount	Interest Pur/ Sold	Total Amount	Gain/Loss
TOTAL DISPOSITIONS			**(898,000.00)**				**898,000.00**	**0.00**	**898,000.00**	**0.00**
OTHER TRANSACTIONS										
Cash Transfer	09/08/2026	CCYUSD	1,312.70	Cash		0.00%	1,312.70	0.00	1,312.70	0.00
Cash Transfer	09/30/2026	CCYUSD	1,224,234.60	Cash		0.00%	1,224,234.60	0.00	1,224,234.60	0.00
Total Cash Transfer			**1,225,547.30**				**1,225,547.30**	**0.00**	**1,225,547.30**	**0.00**
Coupon	09/09/2026	57636QAW4	0.00	MASTERCARD INC 4.875 03/09/2028		4.83%	10,968.75	0.00	10,968.75	0.00
Coupon	09/11/2026	89236TLB9	0.00	TOYOTA MOTOR CREDIT CORP 5.25 09/11/2028		5.34%	11,812.50	0.00	11,812.50	0.00
Coupon	09/15/2026	00287YEE5	0.00	ABBVIE INC 4.125 03/15/2031		4.63%	5,471.35	0.00	5,471.35	0.00
Coupon	09/26/2026	743315BC6	0.00	THE PROGRESSIVE CORPORATION 4.6 03/26/2031		4.66%	5,750.00	0.00	5,750.00	0.00
Coupon	09/30/2026	91282CFM8	0.00	UNITED STATES TREASURY 4.125 09/30/2027		4.19%	8,250.00	0.00	8,250.00	0.00
Coupon	09/30/2026	91282CQG9	0.00	UNITED STATES TREASURY 3.875 03/31/2031		3.94%	11,625.00	0.00	11,625.00	0.00
Coupon	09/30/2026	91282CMU2	0.00	UNITED STATES TREASURY 4.0 03/31/2030		3.75%	8,000.00	0.00	8,000.00	0.00
Coupon	09/30/2026	91282CPA3	0.00	UNITED STATES TREASURY 3.625 09/30/2030		3.69%	10,875.00	0.00	10,875.00	0.00
Coupon	09/30/2026	91282CEF4	0.00	UNITED STATES TREASURY 2.5 03/31/2027		3.44%	8,750.00	0.00	8,750.00	0.00

TRANSACTION LEDGER

Walnut Valley Water District Cons | Account #10076 | As of September 30, 2026

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/ Disp Yield	Amount	Interest Pur/ Sold	Total Amount	Gain/Loss
Coupon	09/30/2026	91282CCZ2	0.00	UNITED STATES TREASURY 0.875 09/30/2026		1.26%	2,843.75	0.00	2,843.75	0.00
Total Coupon			**0.00**				**84,346.35**	**0.00**	**84,346.35**	**0.00**
Dividend	09/30/2026	90CACLA$0	0.00	California CLASS		3.89%	4,678.94	0.00	4,678.94	0.00
Dividend	09/30/2026	60934N807	0.00	FEDERATED HRMS GV O SVC		3.50%	3,637.60	0.00	3,637.60	0.00
Total Dividend			**0.00**				**8,316.54**	**0.00**	**8,316.54**	**0.00**
TOTAL OTHER TRANSACTIONS			**1,225,547.30**				**1,318,210.19**	**0.00**	**1,318,210.19**	**0.00**

STATEMENT OF COMPLIANCE

Walnut Valley Water District | Account #10074 | As of August 31, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
AGENCY MORTGAGE SECURITIES				
Max % (MV)	100.0	0.0	Compliant	
Max % Issuer (MV; Agencies & Agency CMOs)	30.0	4.2	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
ASSET-BACKED SECURITIES (ABS)				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
BANKERS' ACCEPTANCES				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	180	0.0	Compliant	
CERTIFICATE OF DEPOSIT PLACEMENT SERVICE (CDARS)				
Max % (MV)	50.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
COLLATERALIZED BANK DEPOSITS				
Max % (MV)	100.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV)	100.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
COMMERCIAL PAPER				
Max % (MV)	25.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	270	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
CORPORATE MEDIUM TERM NOTES				
Max % (MV)	30.0	26.1	Compliant	
Max % Issuer (MV)	5.0	1.7	Compliant	

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

STATEMENT OF COMPLIANCE

Walnut Valley Water District | Account #10074 | As of August 31, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
Max Maturity (Years)	5	4	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/ TD)				
Max % (MV)	100.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
FEDERAL AGENCIES				
Max % (MV)	100.0	4.2	Compliant	
Max % Issuer (MV; Agencies & Agency CMOs)	30.0	4.2	Compliant	
Max Callables (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	5	1	Compliant	
LOCAL AGENCY INVESTMENT FUND (LAIF)				
Max Concentration (MV)	75.0	0.0	Compliant	
LOCAL GOVERNMENT INVESTMENT POOL (LGIP)				
Max % Issuer (MV)	5.0	0.0	Compliant	
MONEY MARKET MUTUAL FUNDS				
Max % (MV)	20.0	3.6	Compliant	
Max % Issuer (MV)	20.0	3.6	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
MORTGAGE-BACKED SECURITIES (NON-AGENCY)				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, LOCAL AGENCY)				
Max % (MV)	100.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
MUNICIPAL SECURITIES (CA, OTHER STATES)				
Max % (MV)	100.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	

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STATEMENT OF COMPLIANCE

Walnut Valley Water District | Account #10074 | As of August 31, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
MUTUAL FUNDS				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	10.0	0.0	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
REPURCHASE AGREEMENTS				
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	1.0	0.0	Compliant	
REVERSE REPURCHASE AGREEMENTS				
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	92.0	0.0	Compliant	
SUPRANATIONAL OBLIGATIONS				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	10.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	66.0	Compliant	
Max Maturity (Years)	5	4	Compliant	

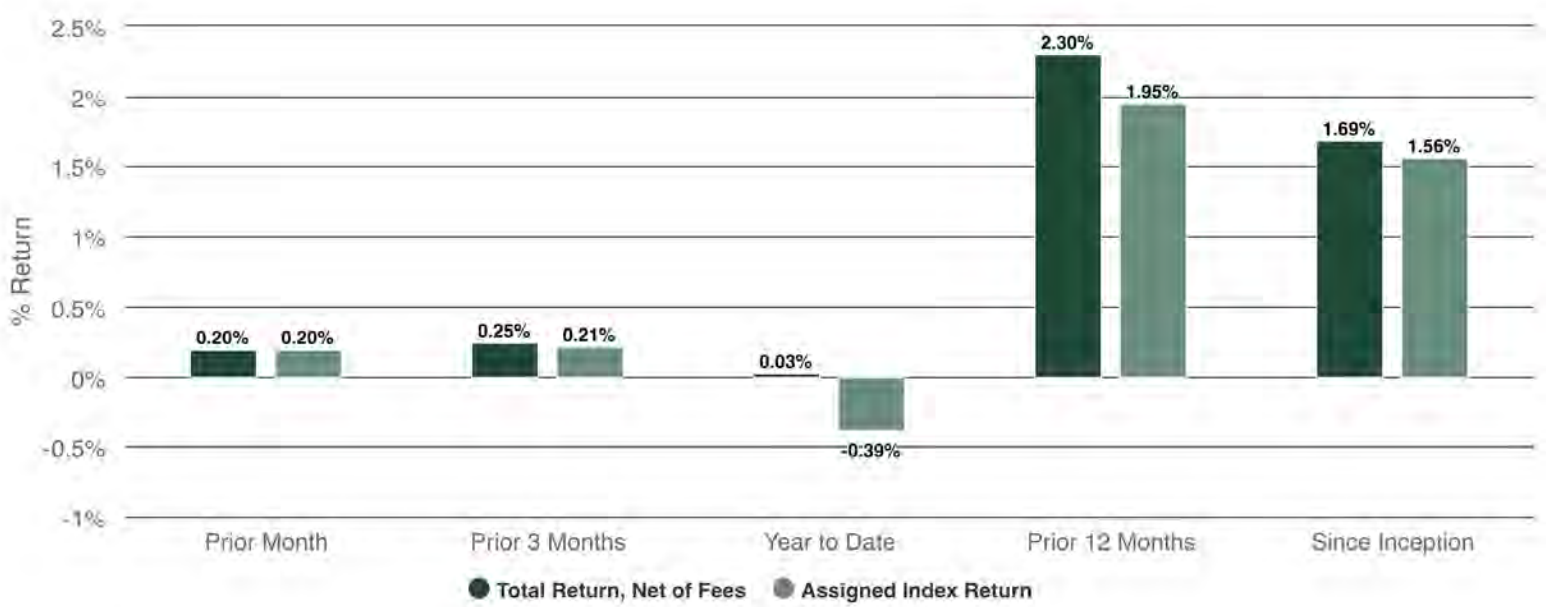
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Net of Fees Performance (366152)

As of 09/30/2026

Walnut Valley WD (331583)

Dated: 10/08/2026



Period	*Period Begin*	*Period End*	*Total Return, Net of Fees*	*Assigned Index Return*
Prior Month	08/01/2026	08/31/2026	0.20%	0.20%
Prior 3 Months	06/01/2026	08/31/2026	0.25%	0.21%
Year to Date	01/01/2026	09/30/2026	0.03%	-0.39%
Prior 12 Months	09/01/2025	08/31/2026	2.30%	1.95%
Since Inception	08/01/2009	09/30/2026	1.69%	1.56%

Account	*Index*	*Index Start Date*	*Index End Date*
Walnut Valley WD	ICE BofA 1-3 Year US Treasury Index	07/22/2002	08/31/2010
Walnut Valley WD	ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index	09/01/2010	---

Net of Fees (includes management and trading).

Returns for periods greater than a year have been annualized.

No Tax Adjustment.

Note that data will not exist prior to the performance inception date of: 08/01/2009.

Historical data exists for the options shown below, only available on historical data boundaries:

Begin Date	*End Date*	*Return Type*	*Fee Options*	*Tax Options*
08/01/2009	12/31/2023	Total Return	All Fees, Gross of Fees, Net of Fees	No Tax Adjustment

CHANDLER ASSET MANAGEMENT

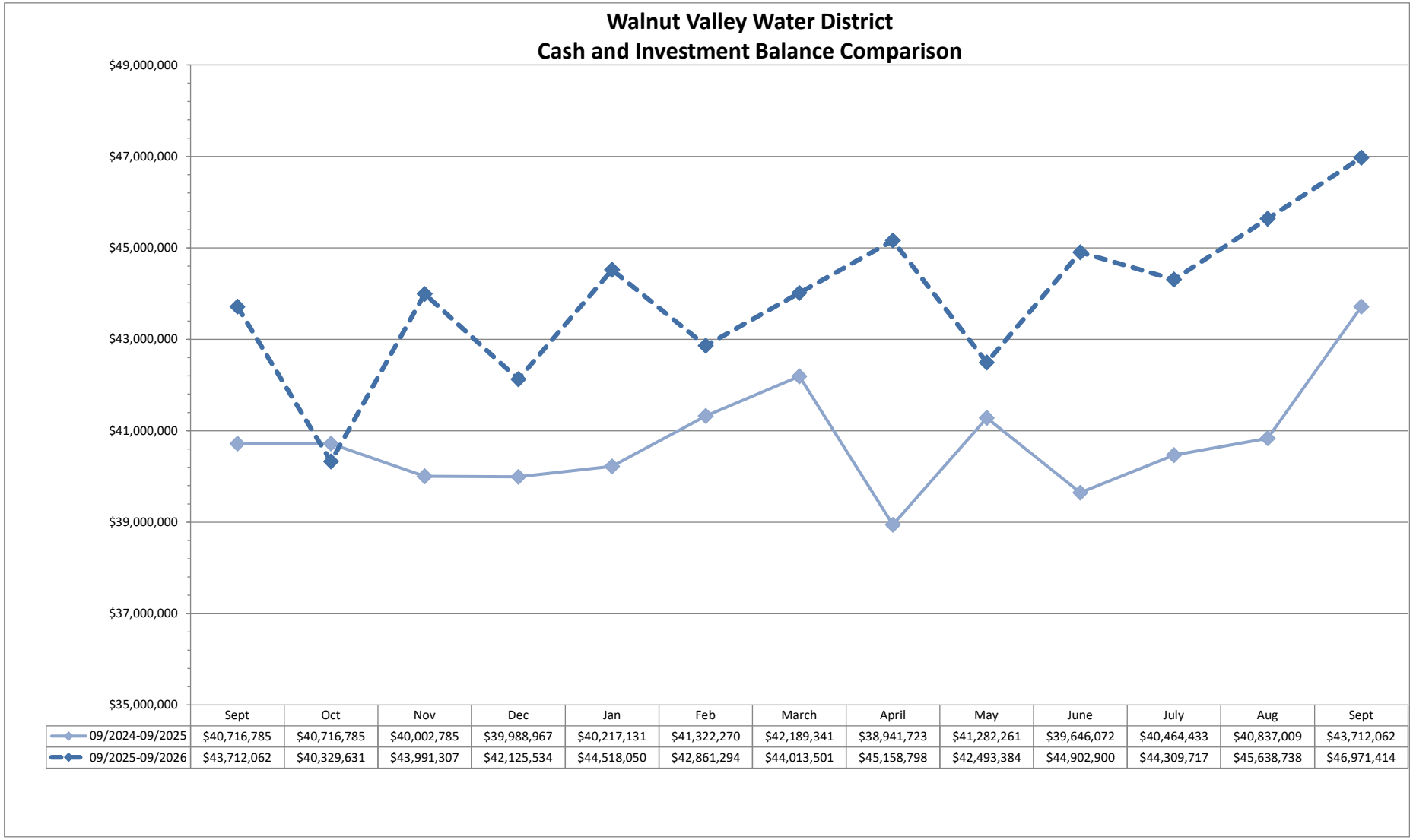
Net of Fees Performance (366152)

As of 09/30/2026

Walnut Valley WD (331583)

Dated: 10/08/2026

Reported Index Return is always Total Return.



	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept
09/2024-09/2025	$40,716,785	$40,716,785	$40,002,785	$39,988,967	$40,217,131	$41,322,270	$42,189,341	$38,941,723	$41,282,261	$39,646,072	$40,464,433	$40,837,009	$43,712,062
09/2025-09/2026	$43,712,062	$40,329,631	$43,991,307	$42,125,534	$44,518,050	$42,861,294	$44,013,501	$45,158,798	$42,493,384	$44,902,900	$44,309,717	$45,638,738	$46,971,414

Walnut Valley Water District
Revenue Bond - Held at US Bank
Life to Date
September 30, 2026

Bond Proceeds		$ 33,176,590.01
Disbursements:		
Cost of Issuance		
Urban Futures (Financial Advisors)	(51,250.00)	
US Bank (Trustee)	(7,200.00)	
Stradling Yocca Carlson and Rauth (Bond Counsel)	(71,500.00)	
Ava Communications Inc (Official Statement)	(1,450.00)	
Standard & Poor's Rating Services (Credit Rating)	(31,500.00)	
		(162,900.00)
Projects		
Administration Headquarters Phase 1	(27,897,207.88)	
Administration Headquarters Phase 2		
		(27,897,207.88)
Interest Income		1,344,753.86
District Payment of Principal and Interest		1,995,760.01
Interest Expense		(2,796,048.87)
Principal Payment		(495,000.00)
Ending Balance of Bond Funds		$ 5,165,947.13

Walnut Valley Water District
Revenue Bond - Held at US Bank
September 30, 2026

Beginning Balance of Bonds		$ 5,155,322.30
Receipts:		
Interest Income		10,624.83
Disbursements:		
Cost of Issuance	0.00	
Administration Headquarters Phase 1	0.00	
Administration Headquarters Phase 2	0.00	
Interest Expense	0.00	
Principal Payment	0.00	
		0.00
Ending Balance of Bond Funds		$ 5,165,947.13

WVWD – Staff Report

TO:	Board of Directors
FROM:	Interim General Manager
SUBMITTED BY:	Director of Engineering
DATE:	October 19, 2026
SUBJECT:	Receive and File the Puente Basin Watermaster Fortieth Annual Report for Fiscal Year 2025-26

☑ **Action/Discussion** ☐ **Fiscal Impact** ☐ **Resolution** ☐ **Information Only**

Recommendation

That the Board of Directors receive and file the Fortieth Annual Report for the Puente Basin Watermaster for Fiscal Year 2025-26.

Background Information

Each year, in accordance with the Puente Basin Judgment, the Puente Basin Watermaster prepares an annual report which contains the annual determinations and calculations, budget, and the Watermaster's activities for the prior fiscal year. Attached are copies of:

- Appendix B: Annual Pumping and Carry-Over
- Appendix C: Water Imported into Puente Basin and Import Return Flow Credits
- Appendix D: Annual Pumping Right at an Operating Safe Yield of 2,506 Acre-Feet for Fiscal Year 2026-27

Please note that the full report and past reports are available for review at the District office.

Attachments as noted

Appendix B
ANNUAL PUMPING AND CARRY-OVER (acre-feet)
2025-2026
Puente Basin Watermaster

Pumpers	(1) Pumper's Share of Operating Safe Yield	(2) Annual Pumping Right: Return Flow Credit	(3) Annual Pumping Right: Excess Pumping 2025-26	(4) Annual Pumping Right: Carry-over from 2025-26	(5) Annual Pumping Right: Leases	(6) Total (1)+(2)-(3) +(4)+(5)	(7) Water Pumped		(8) Annual Excess Pumping: Total	(9) Annual Excess Pumping: Allowable	(10) Annual Excess Pumping: Unauthorized	(11) Lost Carry-over (4)-(7)	(12) Carry-over to 2026-27 (6)-(7) -(11)
PRINCIPAL PRODUCERS													
City of Industry	1,100.0	0.0	0.0	1,100.0	0.0	2,200.0	548.7		0.0	0.0	0.0	551.3	1,100.0
Royal Vista Golf Course	306.0	NA[1/]	0.0	306.0	0.0	612.0	0.0	[2/]	0.0	30.6	0.0	306.0	306.0
Rowland Water District	550.0	0.0	0.0	550.0	0.0	1,100.0	215.4		0.0	0.0	0.0	334.6	550.0
Walnut Valley Water District	550.0	594.0	0.0	404.8	0.0	1,548.8	485.3		0.0	0.0	0.0	0.0	1,063.5
Subtotal	*2,506.0*	*594.0*	*0.0*	*2,360.8*	*0.0*	*5,460.8*	*1,249.4*		*0.0*	*30.6*	*0.0*	*1,191.9*	*3,019.5*
BASIN CLEAN-UP PUMPING													
BDP Corporation	NA	NA	NA	NA	NA	NA	176.0		NA	NA	NA	NA	NA
Malibu Grand Prix [3/]	---	---	---	---	---	---	---		---	---	---	---	---
Hamilton Standard Controls [4/]	---	---	---	---	---	---	---		---	---	---	---	---
Subtotal							*176.0*						
GRAND TOTAL	**2,506.0**	**594.0**	**0.0**	**2,360.8**	**0.0**	**5,460.8**	**1,425.4**		**0.0**	**30.6**	**0.0**	**1,191.9**	**3,019.5**

[1/] Not Applicable.

[2/] Due to sale of Airey Property, 12 acre-feet production from Airey well will not be attributed to Royal Vista Golf Course, formerly Los Angeles Royal Vista Golf Course.

[3/] CRWQCB has accepted a closure plan from MGP which is no longer producing groundwater.

[4/] United Technologies filed a Closure Report on 11/17/2000 and it was approved by CRWQCB on 1/9/2001.

Appendix C
WATER IMPORTED INTO PUENTE BASIN AND IMPORT RETURN FLOW CREDITS (acre-feet)
Puente Basin Watermaster

Producer	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Fiscal Year 2025-2026				Total Imports in 1984-85	Difference (4)-(5) [1/]	Calculated Import Return Flow	Allocation of Import Return Flow Credit [2/]
	Metropolitan Water	Reclaimed Water	Ground Water	Total				
DEFENDANTS								
City of Industry	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Royal Vista Golf Course	NA [3/]	NA	NA	NA	NA	NA	NA	NA
GRAND TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
PLAINTIFFS								
Rowland Water District	8,968.4	371.3	0.0	9,339.7	5,197.8	4,141.9	621.3	0.0
Walnut Valley Water District	5,219.46	391.94	0.0	5,611.4	6,630.9	0.0	0.0	621.3
GRAND TOTAL	**14,187.9**	**763.2**	**0.0**	**14,951.1**	**11,828.7**	**4,141.9**	**621.3**	**621.3**

[1/] The return flow credit is 15 percent of this amount, up to 750 acre-feet to the plaintiffs and defendants, each.

[2/] Allocated per direction of Rowland and Walnut pursuant to Paragraph 9, subparagraph B.

[3/] Not Applicable.

Appendix D
ANNUAL PUMPING RIGHT AT AN OPERATING
SAFE YIELD OF 2,506 ACRE-FEET FOR FISCAL YEAR 2026-27
Puente Basin Watermaster

Pumpers	(1) Pumper's Share of Operating Safe Yield (AF)	(2) Excess Pumping in 2025-26 (AF)	(3) Carry-over from 2025-26 (AF)	(4) Return Flow Credit For Water Imported into the Basin 2025-26 (AF)	(5) Annual Pumping Right (AF)
PRINCIPAL PRODUCERS					
City of Industry	550.0	0.0	1,100.0	0.0	1,650.0
Royal Vista Golf Course	306.0	0.0	306.0	NA[1/]	612.0
Rowland Water District	550.0	0.0	550.0	0.0	1,100.0
Walnut Valley Water District	550.0	0.0	1,063.5	621.3	2,234.8
GRAND TOTAL	**2,506.0**	**0.0**	**3,019.5**	**621.3**	**6,146.8**

[1/] Not Applicable.

WVWD – Staff Report

TO: Board of Directors
FROM: Interim General Manager
SUBMITTED BY: Operations Manager
DATE: October 19, 2026
SUBJECT: Authorize Professional Services Agreements with SoCal SCADA Solutions and Horizon Engineering Solutions

☑ **Action/Discussion** ☑ **Fiscal Impact** ☐ **Resolution** ☐ **Information Only**

Recommendation:

That the Board of Directors authorize the General Manager to execute separate Professional Services Agreements with SoCal SCADA Solutions LLC (SoCal SCADA) and Horizon Engineering Solutions LLC (Horizon) for SCADA System Integration and Operational Technology Support, effective October 19, 2026, through June 30, 2029, each with a fiscal year not-to-exceed amount of $100,000 and an aggregate not-to-exceed amount of $300,000 per agreement.

Background

The District's Supervisory Control and Data Acquisition (SCADA) system and related operational technology (OT) are essential to monitoring and controlling water-system facilities and require specialized integration, programming, configuration, troubleshooting, maintenance, and support.

SoCal SCADA and Horizon have been trusted District service providers for many years. Both are familiar with the District's SCADA system architecture, programming, equipment, communications, and operational requirements. Their demonstrated performance and familiarity preserve institutional knowledge, support efficient troubleshooting, changes, and urgent response, and reduce the orientation and investigation required of unfamiliar providers.

Staff recommends entering into separate multi-year agreements with both firms, effective October 19, 2026, through June 30, 2029. Each agreement includes a negotiated scope of services and rate schedule. SoCal SCADA will provide ongoing maintenance and as-needed SCADA integration and OT support, while Horizon will provide as-needed integration and OT support.

Transitioning from annual to multi-year agreements will improve service continuity, facilitate long-term planning, and reduce administrative efforts associated with annual contract renewals while maintaining fiscal-year expenditure limits and budgetary controls.

Retaining both firms strengthens service continuity given their staffing capacity and allows assignments based on expertise, availability, schedule, and cost, with proposals compared where appropriate. The nonexclusive agreements reduce reliance on one provider and allow the District to retain other qualified firms, including those offering more comprehensive services as needs evolve.

Both agreements have been reviewed by District Legal Counsel and incorporate provisions intended to protect the District's interests.

Key Agreement Provisions

The agreements include the following controls and protections:

- **Term and extensions:** Each agreement will become effective October 19, 2026, and expire June 30, 2029.
- **Compensation limits:** Each agreement establishes a fiscal-year not-to-exceed amount of $100,000 and an aggregate not-to-exceed amount of $300,000 over the contract term. Unused fiscal-year authorization will not carry forward to subsequent fiscal years.
- **Cybersecurity and system access:** Providers must follow District requirements for authorized access, confidentiality, change management, operational coordination, and security-incident reporting.
- **Work authorization:** Execution does not guarantee a minimum amount of work or compensation. Assignments require District authorization within delegated authority. Additional work or expenditures beyond an authorized amount require further written approval.
- **Urgent and emergency services:** Expedited authorization procedures allow timely response, with oral emergency direction confirmed in writing as soon as reasonably practicable. Emergency authorization does not increase agreement limits.
- **Rate adjustments:** Increases in rates are allowed but may not exceed the percentage permitted by the District's Purchasing and Procurement Policy. Adjustments require advance written notice and written District approval, are prospective, and may occur no more than once annually beginning with the first anniversary. Rate adjustments do not increase compensation limits.
- **Work product and documentation:** The District owns paid-for District-specific deliverables and receives editable programming, configurations, and documentation necessary to operate and maintain its systems.
- **Risk management and accountability:** The agreements include insurance, indemnification and recordkeeping requirements.
- **Termination and transition:** The District retains suspension and termination rights, including termination for convenience upon five days' written notice. Providers must cooperate in transitioning services and returning District information and operational materials.

Fiscal Impact

Each agreement establishes a fiscal-year not-to-exceed amount of $100,000 and an aggregate not-to-exceed amount of $300,000 over the contract term. The combined maximum authorization for both agreements is $200,000 per fiscal year and $600,000 over the contract term.

Actual expenditures will depend on services authorized and performed, with costs charged to the appropriate operating or capital budgets based on the nature of the work.

Expenditures in subsequent fiscal years remain subject to adopted budgets and available appropriations. Any increase to an agreement's fiscal-year or aggregate maximum will require a written amendment and approval in accordance with the District's Purchasing and Procurement Policy.

WVWD – Staff Report

TO: Board of Directors
FROM: Interim General Manager
SUBMITTED BY: Director of Engineering
DATE: October 19, 2026
SUBJECT: Approve Budget Transfer and Total Project Cost for PRV 1 Rehabilitation Project (P.N. 26-3893)

☒ **Action/Discussion** ☒ **Fiscal Impact** ☐ **Resolution** ☐ **Information Only**

Recommendation

That the Board of Directors:

1. Authorize the budget transfer of $16,172.96 from Line Item 40, PRV Rehabilitation Program FY2026-27 Capital Investment Program Budget to the PRV 1 Rehabilitation Project (P.N. 26-3893) increasing the project's budget appropriation from $233,000.00 to $249,172.96; and

2. Approve the total project cost of $249,172.96 for the PRV-1 Rehabilitation Project (P.N. 26-3893).

Background

The PRV 1 Rehabilitation Project on La Puente Avenue relocated the existing pressure reducing valve vault from the roadway to the sidewalk to improve safety, reduce traffic impacts, and enhance access for District operations and maintenance staff. The project also reconfigured the facility with steel assemblies to replace aging components, improve structural integrity and durability, and reduce long-term maintenance requirements.

On January 20, 2026, the Board authorized the use of On-Call Water System Repair and Construction Services for the PRV 1 Rehabilitation Project with a budget of $233,000.

Doty Bros. performed the work on a time-and-materials basis under the District's on-call services agreement. The project agreement was executed and the Notice to Proceed was issued on March 25, 2026. Construction began that day and was completed on May 13, 2026, in accordance with the contract documents.

Due to unforeseen field conditions encountered during construction, the new pipeline alignment required modification to match the existing pipeline geometry. In addition, the existing steel pipe was found to be severely corroded beyond the connection point and required replacement, resulting in additional pipe materials and excavation. Additional excavation was also necessary around the existing valve configuration, and soil caving occurred while shoring was adjusted to accommodate the revised alignment. A block wall was installed behind the vault to retain soil and prevent future sloughing. These unforeseen conditions required additional labor, materials, excavation, and pavement restoration, resulting in an extended project duration and increased project costs.

Fiscal Impact

Actual construction costs totaled $213,925.53 for labor and $35,247.43 for materials, resulting in a total project cost of $249,172.96. This amount exceeded the approved budget of $233,000 by $16,172.96. Staff recommends that the Board of Directors authorize the budget transfer of $16,172.96 from Line Item 40, PRV Rehabilitation Program in the FY2026-27 Capital Investment Program Budget to the PRV 1 Rehabilitation Project (P.N. 26-3893) increasing the project's budget appropriation from $233,000.00 to $249,172.96 and that the Board of Directors approve the total project cost of $249,172.96 for the PRV 1 Rehabilitation Project.

WVWD – Staff Report

TO:	Board of Directors
FROM:	Interim General Manager
SUBMITTED BY:	Director of Engineering
DATE:	October 19, 2026
SUBJECT:	Approve Budget Transfer and Total Project Cost for PRV 2 Rehabilitation Project (P.N. 26-3894)

☒ **Action/Discussion** ☒ **Fiscal Impact** ☐ **Resolution** ☐ **Information Only**

Recommendation

That the Board of Directors:

1. Authorize the budget transfer of $73,359.05 from Line Item 40, PRV Rehabilitation Program in the FY2026-27 Capital Investment Program Budget to the PRV 2 Rehabilitation Project (P.N. 26-3894) increasing the project's budget appropriation from $233,000.00 to $306,359.05; and

2. Approve the total project cost of $306,359.05 for the PRV 2 Rehabilitation Project (P.N. 26-3894).

Background

The PRV 2 Rehabilitation Project on La Puente Avenue relocated the existing pressure reducing valve vault from the roadway to the sidewalk to improve safety, reduce traffic impacts, and enhance access for District operations and maintenance staff. The project also reconfigured the facility with steel assemblies to replace aging components, improve structural integrity and durability, and reduce long-term maintenance requirements.

On January 20, 2026, the Board authorized the use of On-Call Water System Repair and Construction Services for the PRV 2 Rehabilitation Project with a budget of $233,000.

Doty Bros. performed the work on a time-and-materials basis under the District's on-call services agreement. The project agreement was executed and the Notice to Proceed was issued on March 25, 2026. Construction began that day and was completed on September 8, 2026, in accordance with the contract documents.

Construction encountered several unforeseen field constraints that complicated the work and increased costs. An existing valve did not fully shut the line, allowing continued flow that slowed progress and required overtime to complete the installation. The existing pipe diameter differed from the record plans, requiring procurement of a replacement transition coupling. An existing gas line was in conflict with the proposed vault location, preventing installation of the standard vault and necessitating procurement of a smaller vault. Together, these conditions required additional labor, replacement materials, and adjustments to the planned installation, resulting in increased costs.

Fiscal Impact

Construction labor costs totaled $209,587.29 and material costs totaled $57,437.76. In addition, the lowest responsive bid cost for the remaining grinding and overlay work, which is still pending completion, is $39,334.00. The total project cost is $306,359.05, exceeding the approved budget of $233,000.00 by $73,359.05. Staff recommends that the Board of Directors authorize the budget transfer of $73,359.05 from Line Item 40, PRV Rehabilitation Program, in the FY2026–27 Capital Investment Program budget to the PRV 2 Rehabilitation Project budget increasing the project's budget appropriation from $233,000.00 to $306,359.05 and that the Board of Directors approve the total project cost of $306,359.05 for the PRV 2 Rehabilitation Project.

WVWD – Staff Report

TO: Board of Directors
FROM: Interim General Manager
SUBMITTED BY: Operations Manager
DATE: October 19, 2026
SUBJECT: Seismic Controller Installation at Arbor Ridge Facility

☑ **Action/Discussion** ☑ **Fiscal Impact** ☐ **Resolution** ☐ **Information Only**

Recommendation

That the Board of Directors authorize the General Manager to proceed with the installation of seismic controllers and associated equipment at the Arbor Ridge facility, using the procurement and project delivery approach described in this staff report, at a total cost not to exceed $71,500.

Background

Seismic valve control systems detect severe ground shaking and automatically close designated reservoir valves through a battery-backed controller. These systems help prevent stored water from draining through damaged downstream pipelines, preserving supplies for emergency response and recovery.

The District has identified 28 cylindrical, aboveground steel reservoirs for installation of these systems. To date, 16 reservoirs have been equipped, including those previously identified as the highest priorities. Staff recommend proceeding with installation at Arbor Ridge Reservoirs A and B as the next phase of this effort.

The FY 2026–27 Capital Improvement Program (CIP) budget includes $78,000 for seismic controller upgrades. The proposed project includes purchasing three seismic controllers, installing the controllers and associated electrical equipment, and integrating the system with the District's SCADA system. The estimated project cost is summarized below.

Description	Cost	Vendor/Service Provider	Procurement Process
Materials	$2,300	Graybar Electrical Supply	General purchase
Seismic Controllers (3)	$57,400	AES Water Inc.	Sole Source
SCADA Programming/Integration	$2,300	Horizon Engineering	Service Contract
Installation of Controller and Equipment	$9,500	Morrow Meadows	Service Contract
Estimated Total	$71,500		

Staff proposes purchasing the seismic controllers directly from AES Water, Inc., and completing installation and SCADA integration through the District's existing service contracts.

AES Water's seismic controller design, electrical integration, and built-in control programming are proprietary to the manufacturer. Direct procurement supports compatibility with the District's existing seismic control systems and consistency in operation, maintenance, and technical support.

Morrow Meadows will install the controllers and associated equipment, and Horizon Engineering will complete SCADA programming and integration. Using these established service providers supports coordination with the District's existing electrical and control systems.

The District's Purchasing Policy establishes a $50,000 formal competitive bidding threshold for public works projects. Because the estimated total project cost exceeds that threshold, staff is presenting the proposed procurement approach for Board consideration and authorization.

Fiscal Impact

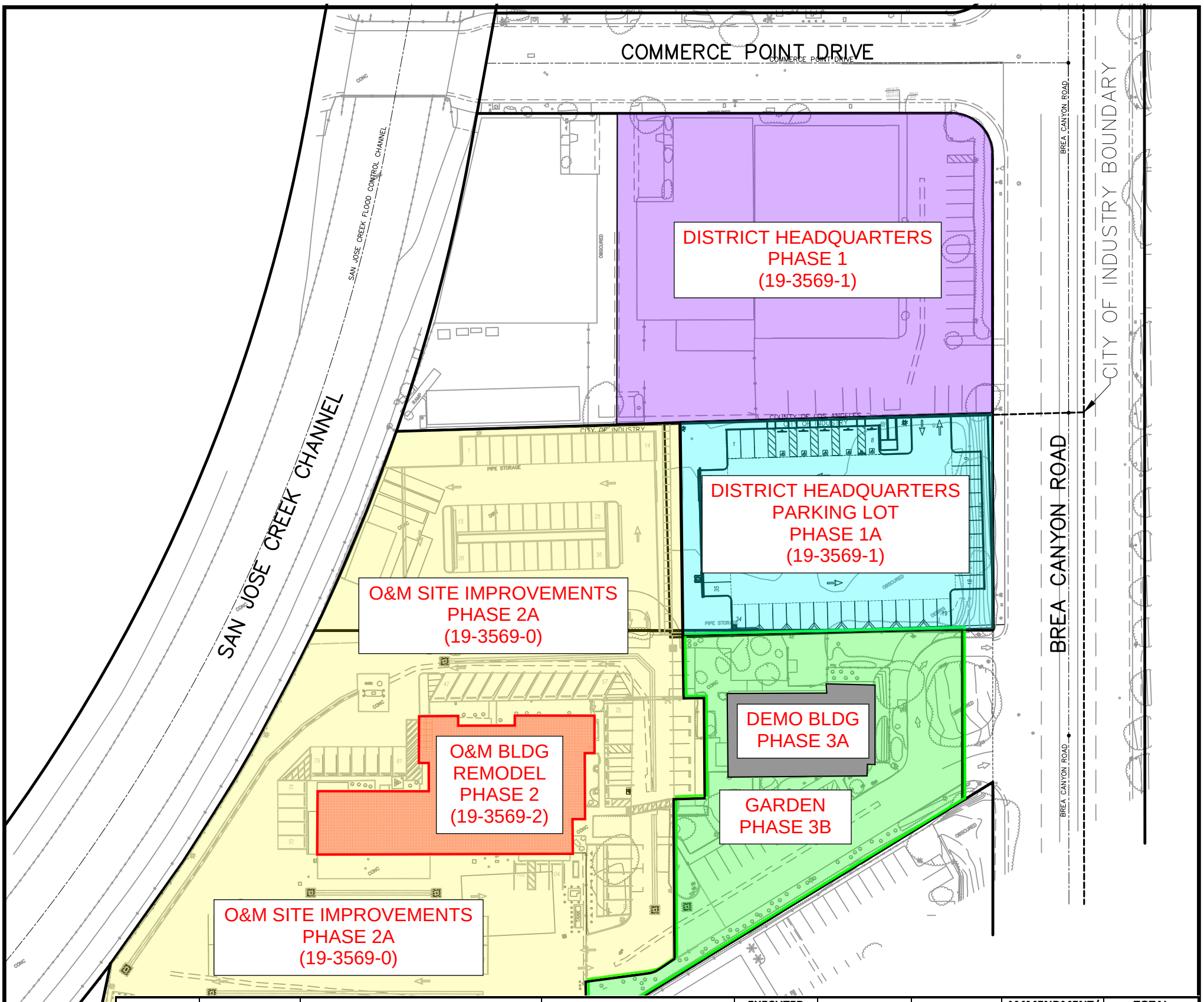
The estimated total project cost is $71,500, which is $6,500 below the $78,000 appropriated for seismic controller upgrades in the FY 2026–27 CIP budget. Sufficient funds are available within the approved budget.

ENGINEERING PROJECT STATUS REPORT

October 2026

1. District Headquarters Exhibit
2. O&M Site Improvements
3. Integrated Water Master Plan
4. SitelogIQ Energy Services
5. Diamond Bar Blvd – Complete Street Project
6. Spadra Recycled Water Reservoir





PROJECT NO.	PROJECT PHASE	PROJET NAME	CONTRACTED SERVICES	EXECUTED AGREEMENT DATE	AGREEMENT AMOUNT	AMMENDMENT/ CHANGE ORDER DATE	AMMENDMENT/ CHANGE ORDER AMNT	TOTAL AGREEMENT AMOUNT
19-3569-1	1	DISTRICT HEADQUARTERS	LCDG - Architect	1/18/2022	$442,100.00	8/21/2025	$190,807.12	$632,907.12
			CIVILTEC- Engr	10/14/2020	$77,995.00	8/21/2025	$43,870.00	$121,865.00
			SEAROCK - Constr Mgt	9/21/2023	$426,700.00	8/7/2025	$304,107.00	$730,807.00
			DPR - Contractor	6/21/2024	$19,612,768.00	8/28/2025	$3,049,127.61	$22,908,034.61
						8/27/2025	$225,538.00	
						9/18/2025	$235,945.00	
						11/20/2025	$64,643.00	
						6/15/2026	$20,601.00	
			DSK - Landscape Architect	7/26/2021	$33,750.00	8/21/2025	$10,050.00	$43,800.00
			M3 Offices, Inc.[2]	8/21/2025	$403,391.89	N/A		$403,391.89
	1A	DISTRICT HEADQUARTERS PARKING LOT[1]	CIVILTEC - Engr	5/22/2025	$56,280.00	N/A		$56,280.00
			DPR - Contractor	9/2/2025	$976,087.00	N/A		$976,087.00
			Project closed out August 2026					$28,015,224.53
19-3569-2	2	O & M BUILDING REMODEL[3]	LCDG-Architect	1/18/2022	$256,530.00	8/21/2025	$22,115.83	$327,250.83
						10/20/2025	$33,235.00	
						4/20/2026	$4,570.00	
						8/17/2026	$10,800.00	
			SEAROCK - Constr Mgt	8/18/2025	$305,200.00	N/A		$305,200.00
19-3569-0	2A	O & M SITE IMPROVEMENTS	CIVILTEC - Engr	10/14/2020	$77,995.00	8/21/2025	$113,108.00	$191,103.00
			DSK-Landscape Architect	7/26/2021	$33,750.00	8/21/2025	$10,050.00	$43,800.00
			PACIFIC HYDROTECH-Contractor	5/1/2025	$4,085,333.00	N/A		$4,085,333.00
	3A	DEMO FRONT BUILDING	N/A					
	3B	GARDEN	N/A					

[1] The Board of Directors approved a $1.5M budget for the project on 8/7/2025

[2] The Board of Directors approved a $550k budget for the FF&E on 8/21/2025

[3]The Board of Directors approved a $12M budget on 5/19/2026

WALNUT VALLEY WATER DISTRICT

DISTRICT HEADQUARTERS OVERALL EXHIBIT

REVISED 08/17/26

O&M SITE IMPROVEMENTS





PROGRESS STATUS:

- Approved by the Board on 05/01/25
- Excavation for storage building retaining wall in progress
- 69% Complete

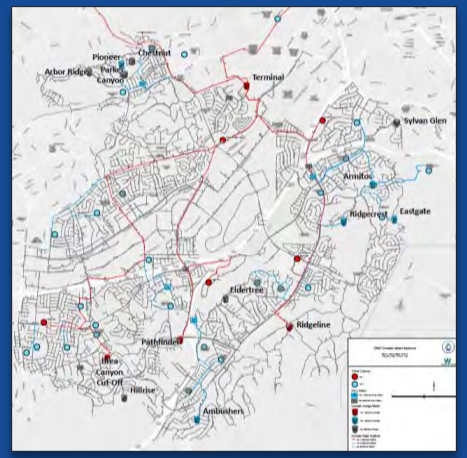
CONTRACT INFORMATION:

Contractor: Pacific Hydrotech Corporation

Schedule	Days
Award Date	05/01/25
Change Order	03/25/26
End	
Acceptance Work	

Contract Amount	Costs
Original	$4,085,333.00
Change Order	$34,313.92
Total	$4,119,646.92
Earning Previous Month	$45,625.00
Earnings to Date	$2,827,963.03

INTEGRATED WATER MASTER PLAN



Domestic Water System Critical Facilities



Recycled Water System Critical Facilities

PROGRESS STATUS:

- Approved by the Board on 02/18/25
- Returned to West Yost the final report with staff comments
- 99% Complete

CONTRACT INFORMATION:

Consultant: West Yost

Schedule	Days
Award Date	02/18/25
Change Order	None
End	
Acceptance Work	

Contract Amount	Costs
Original	$293,958.00
Change Order	None
Earning Previous Month	$0.00
Earnings to Date	$254,160.25

SITELOGIQ ENERGY SERVICES

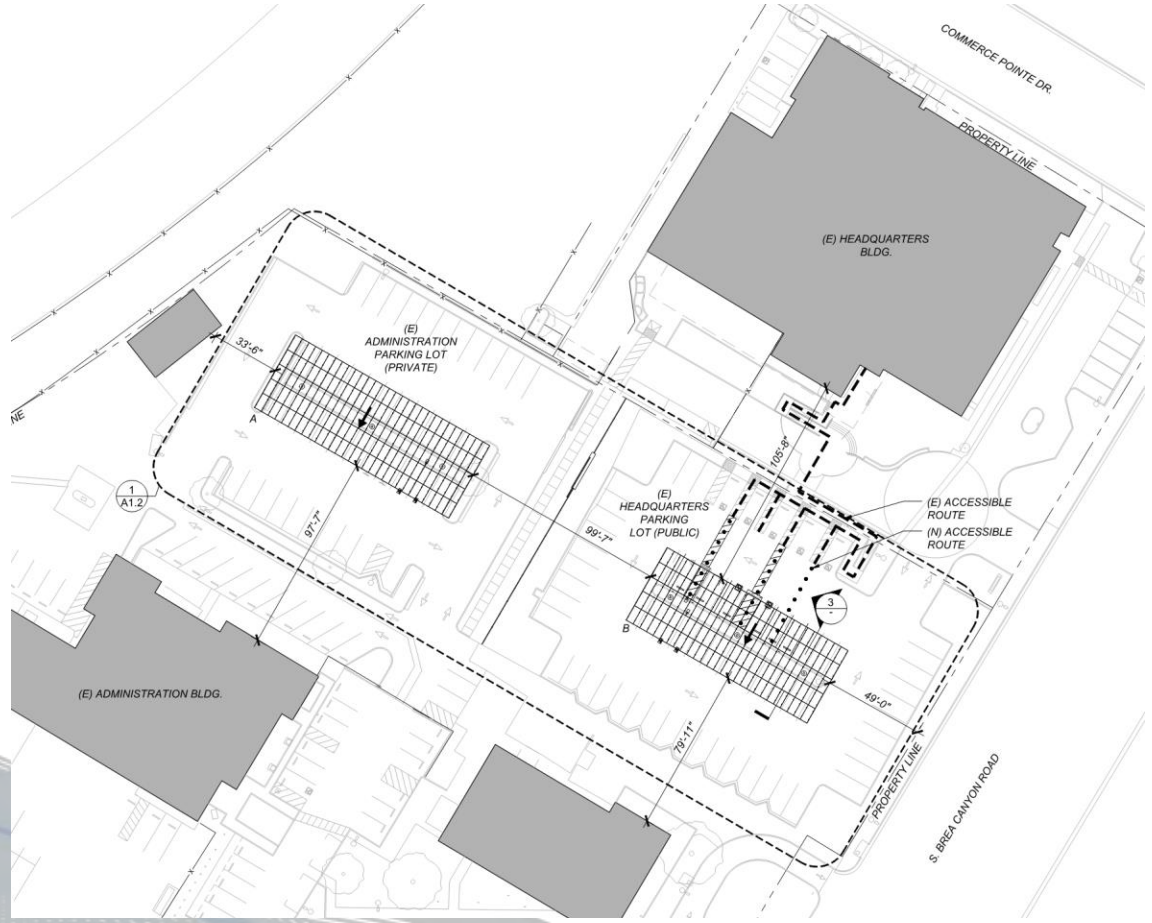
PROGRESS STATUS:

- 10/20/25 - Board Approved Letter of Agreement: $12,000
- 12/15/25 – Board Approved Execution of Energy Services Contract
- Potential cost sharing up to 50% eligible project costs for Electric Vehicle Charging Infrastructure Resiliency with Mobile Source Air Pollution Reduction Review Committee - $200k
- 37% Complete

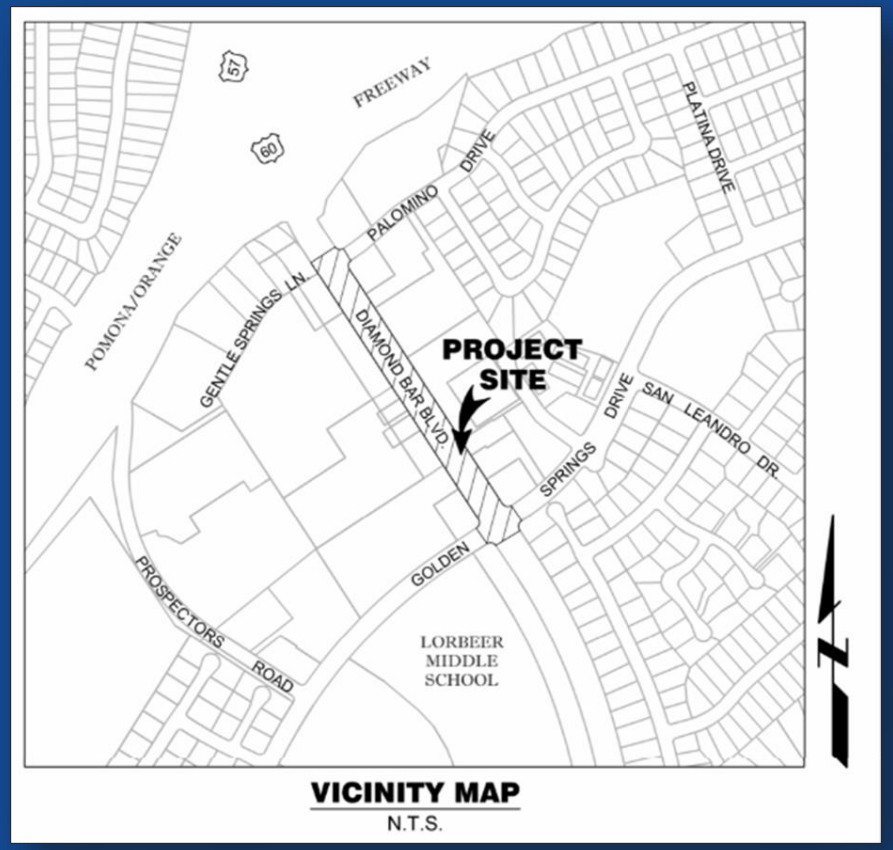
Project Cost	Board Approval
Total Solar Panel and EV Cost	$1,326,245
Estimated IRS Tax Credit on Solar Panels	$446,038
Estimated Net District Cost	**$880,207**

Schedule	Days
Award Date	12/15/25
Change Order	None
End	
Acceptance Work	

Contract Amount	Costs
Original	$1,326,245
Change Order	None
Previous Earnings	$0.00
Earnings to Date	$490,710.66



DIAMOND BAR BLVD COMPLETE STREET PROJECT



VICINITY MAP
N.T.S.

PROGRESS STATUS:

- Approved by the Board on 03/16/26
- Construction started 04/22/26
- Estimated date of completion: 12/18/26
- 9% Complete

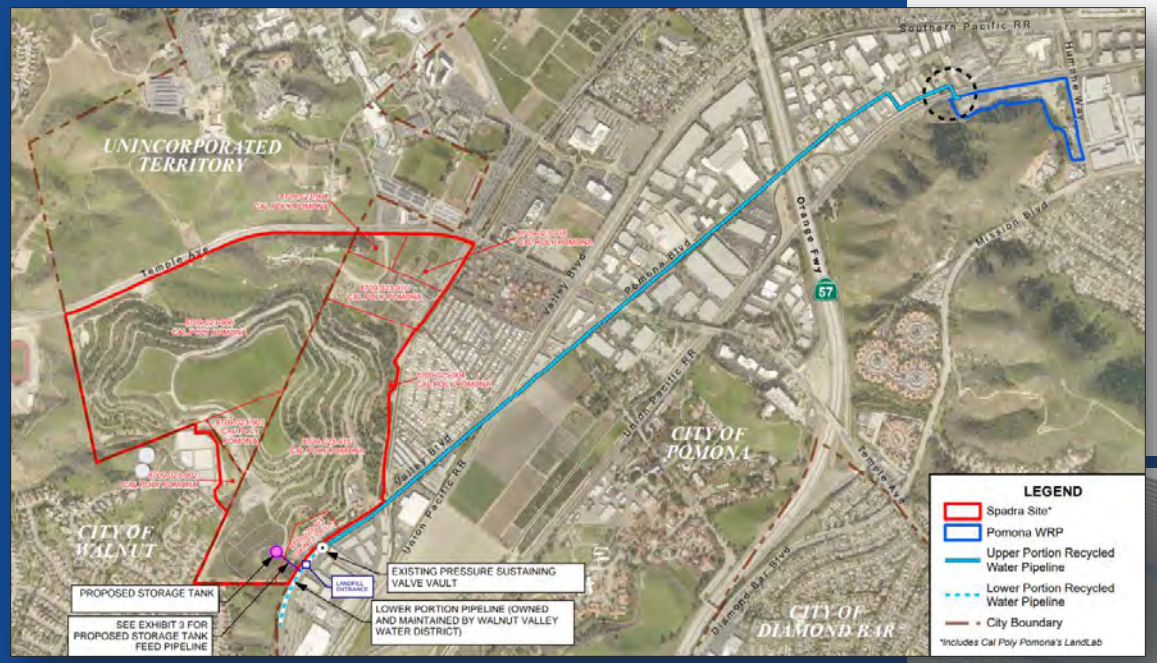
CONTRACT INFORMATION:

Contractor: Gentry Bros.

Schedule	Days
Award Date	03/16/26
Change Order	
End	
Acceptance Work	

Contract Amount	Costs
Original	$95,400.00
Change Order	None
Total	
Earning Previous Month	$0.00
Earnings to Date	$9,000.00

SPADRA RECYCLED WATER RESERVOIR



PROGRESS STATUS:

- Approved by the Board on 02/10/26
- Agreement executed on 02/25/26
- Draft PDR circulated 09/10/26 for staff review
- 23% Complete

CONTRACT INFORMATION:

Consultant: Lee + Ro

Schedule	Days
Award Date	02/10/26
Notice to Proceed	02/25/26
End	
Acceptance Work	

Contract Amount	Costs
Original	$ 229,636
Change Order	N/A
Revised	N/A
Earning Previous Month	$8,374.50
Earnings to Date	$52,267.00

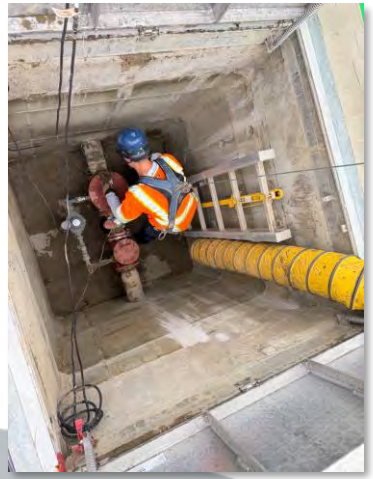
Monthly Operations Report

September 2026





North Side Transmission Main Repair







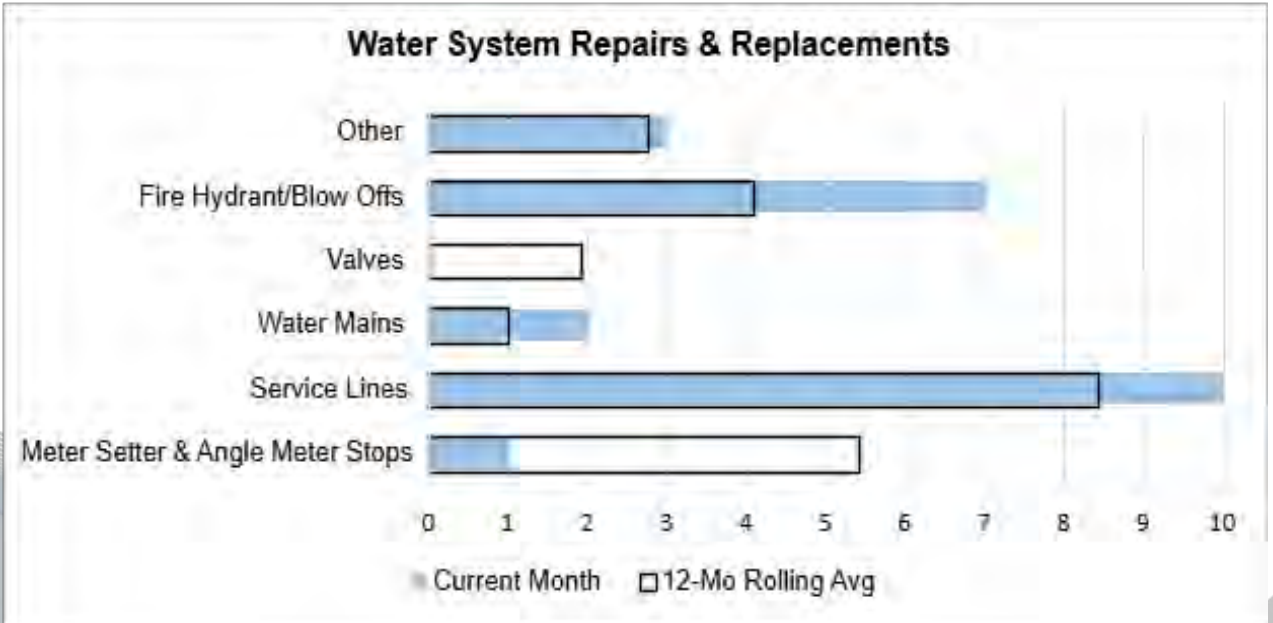
Large Meter Testing

Field Team Activities

Service Orders	Water System Repairs	Underground Service Alerts	Backflow Prevention Devices Tested	Service Disruptions
1,117	**23**	**658**	**131**	**7**
12-mo total: 10,581	12-mo total: 283	12-mo total: 6,531	12-mo total: 2,234	12-mo total: 112
Rolling avg: 882	Rolling avg: 24	Rolling avg: 544	Rolling avg: 186	Rolling avg: 9
▲ 26.7% vs avg	▼ 2.5% vs avg	▲ 20.9% vs avg	▼ 29.6% vs avg	▼ 25.0% vs avg







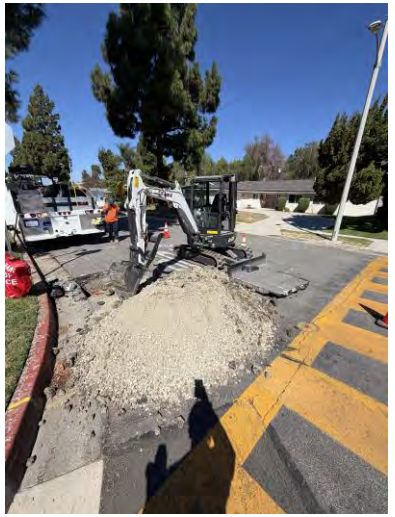
Water System Repair & Replacement Activities

The Field Team completed 12 water-system repair and replacement work events requiring excavation in September. The table below identifies the work dates, locations, and repair types.

Board Division	Work Date	Address	City	Repair Type
Division 1	9/22/2026	19855 E. Country Hollow Dr.	Walnut	Service Line Replacement
Division 1	9/23/2026	280 Paseo Tesoro	Walnut	Service Line & Saddle Replacement
Division 2	9/2/2026	23954 Palomino Dr.	Diamond Bar	Fire Hydrant Lateral Replacement
Division 2	9/17/2026	228 El Vado Rd.	Diamond Bar	Service Line Replacement
Division 2	9/24/2026	492 Charmingdale Rd.	Diamond Bar	Service Line Replacement
Division 3	9/28/2026	1101 S. Diamond Bar Blvd.	Diamond Bar	Service Line Replacement
Division 3	9/30/2026	2591 Blaze Trail	Diamond Bar	Service Line Replacement
Division 3	9/30/2026	2759 Steeplechase Ln.	Diamond Bar	Service Line Abandonment
Division 5	9/10/2026	22935 Dry Creek Rd.	Diamond Bar	Service Line Replacement
Division 5	9/11/2026	3900 Valley Blvd.	Walnut	Recycled Transmission Main Repair (North Side Line)
Division 5	9/16/2026	853 Silver Fir Rd.	Walnut	Service Line Repair
Division 5	9/29/2026	406 Deep Hill Rd.	Diamond Bar	Service Line & Saddle Replacement

23954 Palomino Dr.
Fire Hydrant Lateral Replacement





El Vado Rd. – Service Line Replacement



Maintenance & Facilities Team Activities

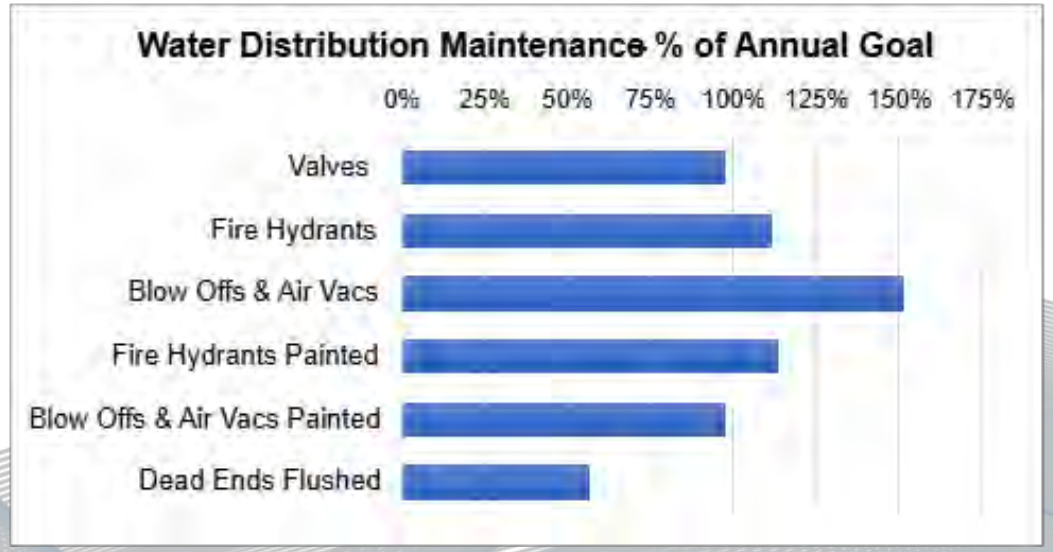
Water Distribution Maintenance	Warehouse, Facility & Fleet	Inventory Management
328	**89**	**402**
12-mo total: 4,578	12-mo total: 1,041	12-mo total: 7,051
Rolling avg: 382	Rolling avg: 87	Rolling avg: 588
▼ 14.0% vs avg	▲ 2.6% vs avg	▼ 31.6% vs avg

Parker Canyon Tree Trimming



HQ Irrigation System Recycled Water Tie-in





Maintenance & Repair Category	Current Month	Past 12 Months Total	12-Mo Rolling Avg
General Services Miscellaneous Tasks	63	828	69
Facility Maintenance	6	68	6
Fleet & Equipment Maintenance	11	93	8
Water Facility Maintenance	9	52	4
Total	**89**	**1,041**	**87**

Production Team Activities

Production & Storage Asset Maintenance

67

12-mo total: 897

Rolling avg: 75

▼ 10.4% vs avg

Operator Field Testing (on-site analyses)

551

12-mo total: 4,982

Rolling avg: 415

▲ 32.7% vs avg

Compliance Samples Collected for Lab Analysis

243

12-mo total: 2,086

Rolling avg: 174

▲ 39.8% vs avg

Number of Samples Analyzed by WVWD Lab

109

12-mo total: 1,392

Rolling avg: 116

▼ 6.0% vs avg

Water Quality Complaints

1

12-mo total: 12

Rolling avg: 1

0.0% vs avg

Distribution System - Average Disinfectant Residual (ppm)

1.99

Target: 1.75 - 3.0

Rolling avg: 2.10

Within Target Range

Reservoirs - Average Disinfectant Residual (ppm)

2.03

Target: 1.75 - 3.0

Rolling avg: 2.10

Within Target Range

Reservoirs - Average Nitrite Level (ppm)

0.023

Target: <0.05

Rolling avg: 0.024

Within Target Range

TTHMs - WVWD Terminal Storage Effluent (ppb)

38

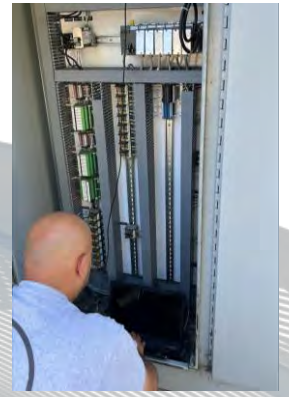
3-yr high: 45

Rolling avg: 34.0

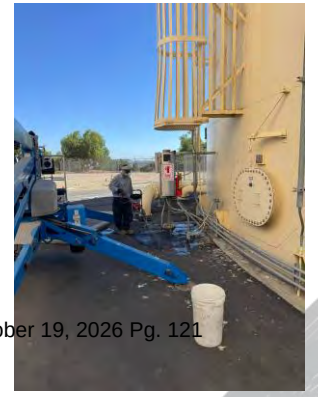
▲ 11.8% vs avg

Other notable work performed by the Production Team:

- Rebuilt Pathfinder 1200 Zone Pump #2 Cla-Val
- Completed the Relocation of Eastgate Tank A Chemical Feed Lines
- Repaired Pathfinder 1200 Zone Pump #3 Control Valve
- Replaced Terminal Storage Tank C Water Quality Analyzer Pump
- Replaced Terminal Storage Tank E Water Quality Analyzer Feed Line







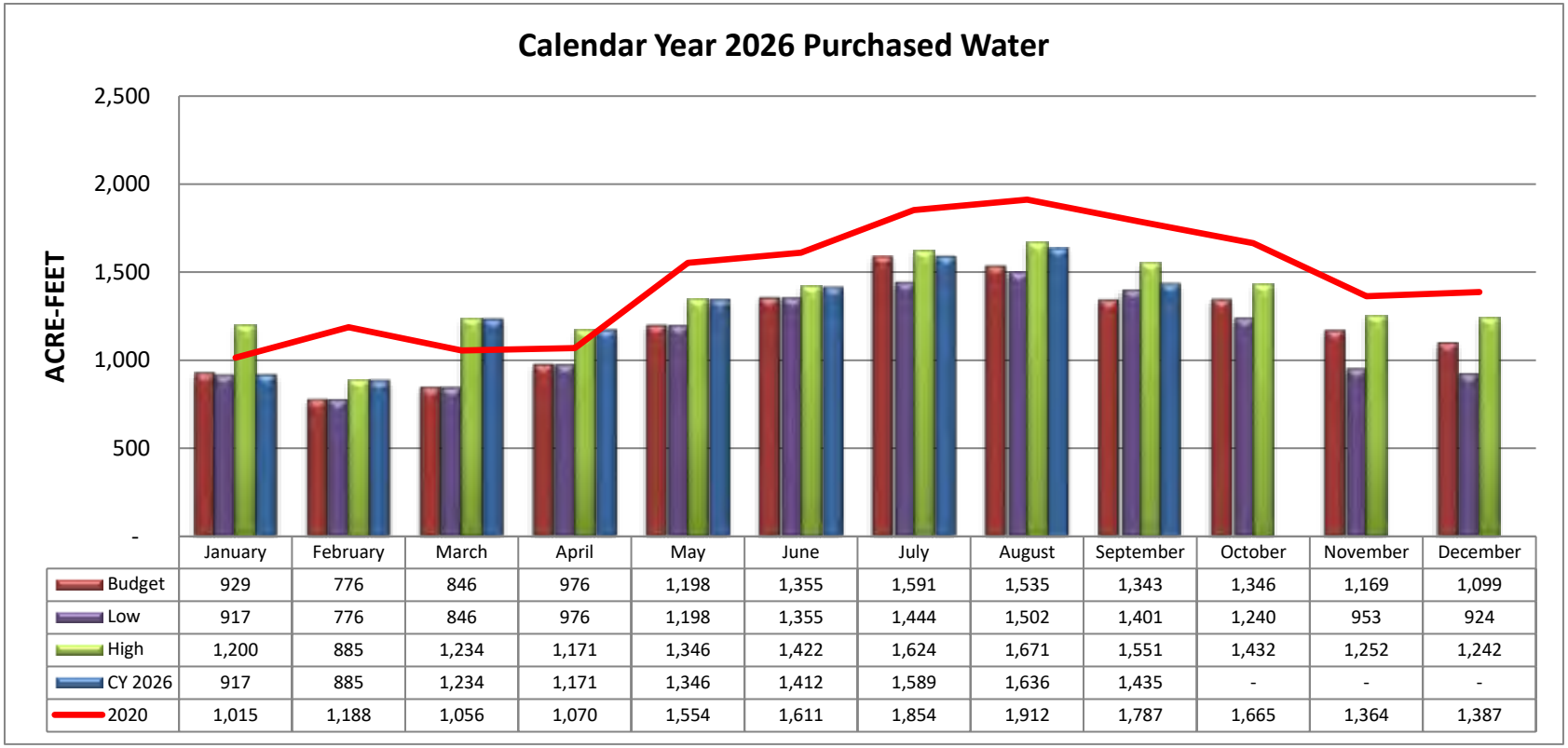
WALNUT VALLEY WATER DISTRICT
WATER SUPPLY AND CONSERVATION UPDATE
October 19, 2026

A	**Water Use** – Water usage for September 2026 was 1,434.86 acre-feet, a **decrease of 19.70%** compared to September 2020 and a **decrease of 30.47%** from September 2013. The average inflow into the system during the month was approximately 24.16 **cfs** (10,842.62 gallons per minute).	
B	**Recycled Water Use** – During the month of September, recycled water system delivered 2,632,910.13 **G.P.D.,** a decrease of 9.04**%** compared to the use in September 2025. Of the recycled water delivered, 39.93% was from the District wells and no potable make-up water was used.	
C	**Production Report** – attached are: ▪ Purchased Water Projections (Two total) ▪ Climate Summary ▪ Monthly Consumption Versus the 2013 & 2020 Baseline Years (Two total)	Exhibits

WALNUT VALLEY WATER DISTRICT

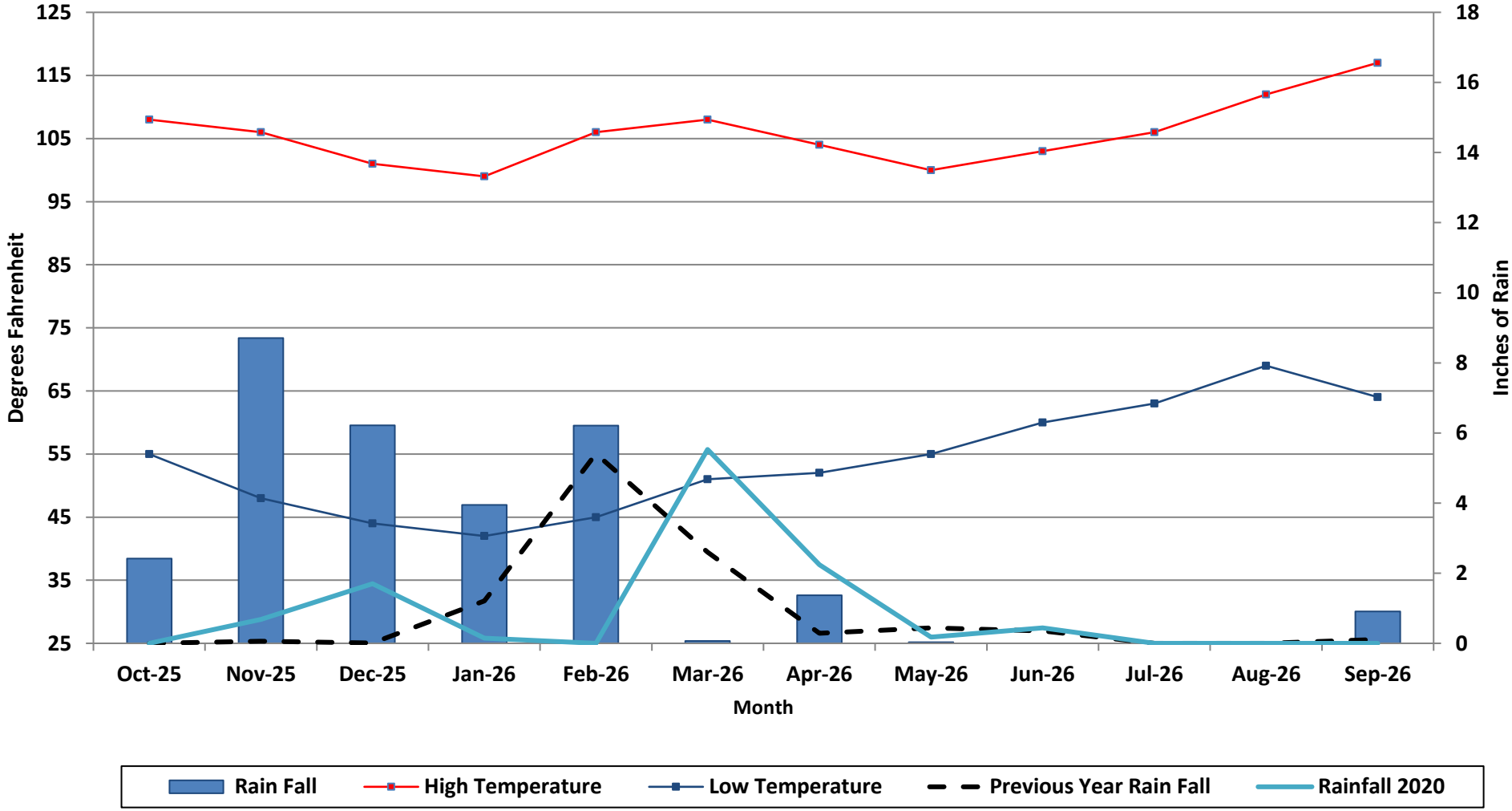
Calendar Year 2026 Purchased Water Estimate

Actual Purchases (AF)		Projected Purchases (AF)				Baseline Year Purchases	
Month	**Total**	**Budget**	**Low**	**High**	**Average**	**2013**	**2020**
January	917	929	917	1,200	1,015	1,156	1,015
February	885	776	776	885	828	1,123	1,188
March	1,234	846	846	1,234	1,016	1,496	1,056
April	1,171	976	976	1,171	1,104	1,700	1,070
May	1,346	1,198	1,198	1,346	1,262	1,904	1,554
June	1,412	1,355	1,355	1,422	1,396	2,082	1,611
July	1,589	1,591	1,444	1,624	1,553	2,149	1,854
August	1,636	1,535	1,502	1,671	1,603	2,309	1,912
September	1,435	1,343	1,401	1,551	1,462	2,064	1,787
October	-	1,346	1,240	1,432	1,306	1,858	1,665
November	-	1,169	953	1,252	1,116	1,569	1,364
December	-	1,099	924	1,242	1,077	1,401	1,387
Total	**11,625**	**14,163**	**13,532**	**16,031**	**14,739**	**20,810**	**17,461**
Remaining Projected Purchases		**3,614**	**3,117**	**3,926**	**3,499**		
Total Projected Purchases		**15,240**	**14,743**	**15,552**	**15,124**		



	January	February	March	April	May	June	July	August	September	October	November	December
Budget	929	776	846	976	1,198	1,355	1,591	1,535	1,343	1,346	1,169	1,099
Low	917	776	846	976	1,198	1,355	1,444	1,502	1,401	1,240	953	924
High	1,200	885	1,234	1,171	1,346	1,422	1,624	1,671	1,551	1,432	1,252	1,242
CY 2026	917	885	1,234	1,171	1,346	1,412	1,589	1,636	1,435	-	-	-
2020	1,015	1,188	1,056	1,070	1,554	1,611	1,854	1,912	1,787	1,665	1,364	1,387

Walnut Valley Water District
Climate Summary



Walnut Valley Water District
Monthly Consumption Versus 2013 and 2020 Baseline Years

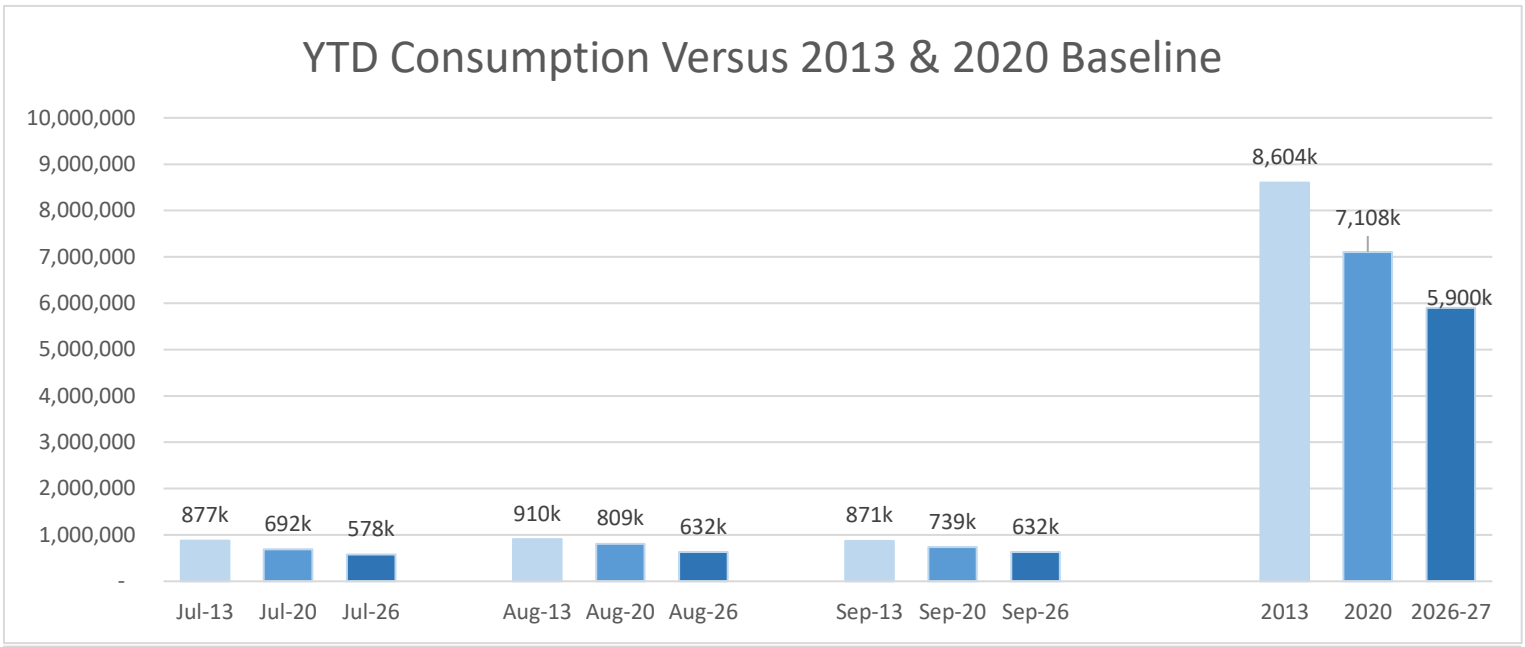
Consumption/Water Sales

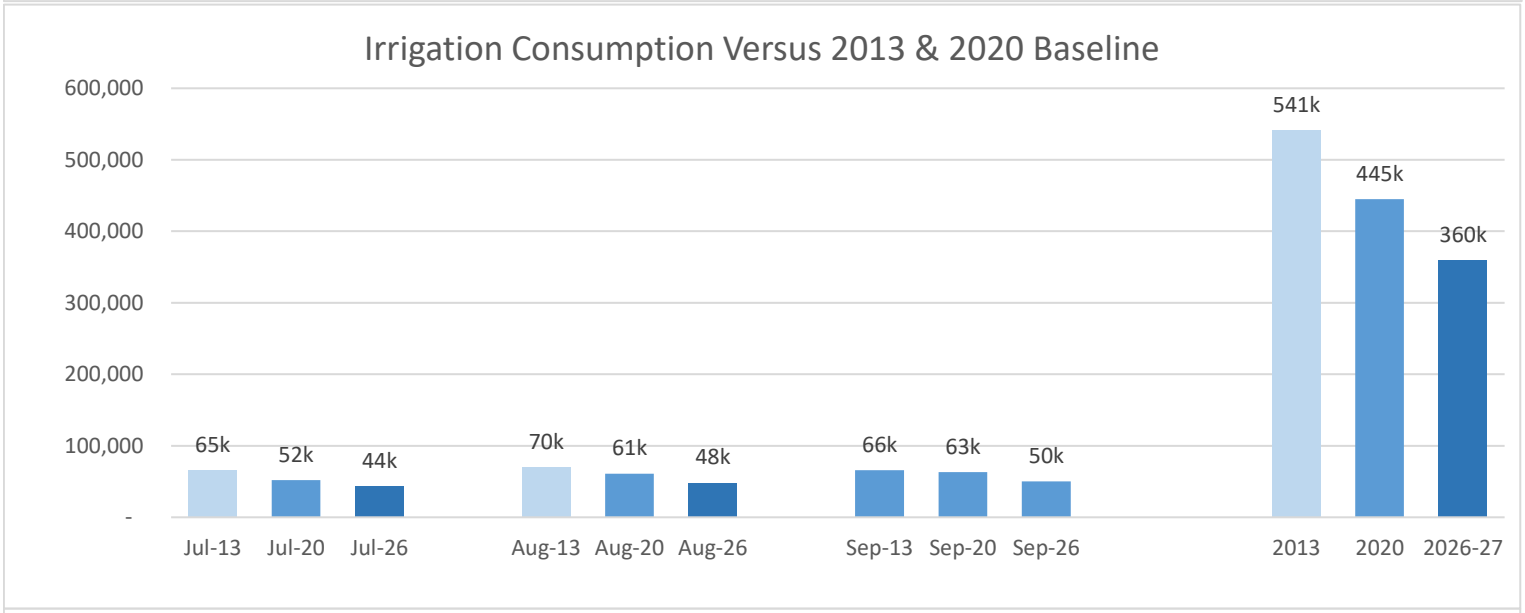
	July					August					September					YTD (FY 26-27)				
User Class	Jul-13	Jul-20	Jul-26	% Change 2013	% Change 2020	Aug-13	Aug-20	Aug-26	% Change 2013	% Change 2020	Sep-13	Sep-20	Sep-26	% Change 2013	% Change 2020	2013 YTD	2020 YTD	FY 26-27	% Change 2013	% Change 2020
COG	49,565	33,898	33,128	-33%	-2%	53,435	39,559	36,735	-31%	-7%	50,686	43,268	37,546	-26%	-13%	422,324	290,953	127,678	-70%	-56%
COM	95,283	63,924	64,320	-32%	1%	99,903	72,723	70,996	-29%	-2%	90,136	72,076	72,933	-19%	1%	897,980	691,216	264,114	-71%	-62%
IND	13,038	9,433	6,646	-49%	-30%	13,123	10,277	7,677	-41%	-25%	12,479	10,304	8,877	-29%	-14%	138,035	106,486	29,345	-79%	-72%
MUL	82,038	71,993	61,530	-25%	-15%	81,050	79,211	65,984	-19%	-17%	76,841	74,435	68,846	-10%	-8%	830,077	765,929	252,529	-70%	-67%
RES	637,352	512,618	412,013	-35%	-20%	662,005	607,146	450,563	-32%	-26%	640,601	538,828	443,672	-31%	-18%	6,315,415	5,252,925	1,642,731	-74%	-69%
	877,276	691,866	577,637	-34%	-17%	909,516	808,916	631,955	-31%	-22%	870,743	738,911	631,874	-27%	-14%	8,603,831	7,107,509	2,316,397	-73%	-67%
	IRRIGATION					IRRIGATION					IRRIGATION					YTD IRRIGATION				
User Class	Jul-13	Jul-20	Jul-26	% Change 2013	% Change 2020	Aug-13	Aug-20	Aug-26	% Change 2013	% Change 2020	Sep-13	Sep-20	Sep-26	% Change 2013	% Change 2020	2013 YTD	2020 YTD	FY 26-27	% Change 2013	% Change 2020
COG	32,727	25,224	21,573	-34%	-14%	35,845	28,580	23,624	-34%	-17%	32,995	31,574	24,393	-26%	-23%	256,047	198,588	80,486	-69%	-59%
COM	30,288	25,447	21,117	-30%	-17%	31,470	30,663	23,627	-25%	-23%	30,298	29,340	24,476	-19%	-17%	262,206	233,185	84,285	-68%	-64%
IND	2,001	1,283	764	-62%	-40%	2,318	1,689	853	-63%	-49%	2,089	1,962	1,365	-35%	-30%	19,847	11,810	3,545	-82%	-70%
RES	281	171	183	-35%	7%	322	166	222	-31%	34%	324	152	178	-45%	17%	2,955	1,492	699	-76%	-53%
	65,297	52,125	43,637	-33%	-16%	69,955	61,098	48,326	-31%	-21%	65,706	63,028	50,412	-23%	-20%	541,055	445,075	169,015	-69%	-62%
	RESIDENTIAL					RESIDENTIAL					RESIDENTIAL					YTD RESIDENTIAL				
Residential	Tier I	Tier II	Tier III	Total		Tier I	Tier II	Tier III	Total		Tier I	Tier II	Tier III	Total		Tier I	Tier II	Tier III	Total	
2013	277,522	274,324	85,506	637,352		278,209	284,325	99,471	662,005		277,208	275,700	87,693	640,601		3,143,658	2,457,048	714,709	6,315,415	
2020	209,156	255,409	48,053	512,618		213,223	316,022	77,901	607,146		209,651	270,505	58,672	538,828		2,400,403	2,408,228	444,294	5,252,925	
FY 26-27	140,924	213,637	57,453	412,014		142,090	234,380	74,094	450,564		142,169	228,924	72,579	443,672		425,183	676,941	204,126	1,306,250	
% Change 2013	-49%	-22%	-33%	-35%		-49%	-18%	-26%	-32%		-49%	-17%	-17%	-31%		-86%	-72%	-71%	-79%	
% Change 2020	-33%	-16%	20%	-20%		-33%	-26%	-5%	-26%		-32%	-15%	24%	-18%		-82%	-72%	-54%	-75%	

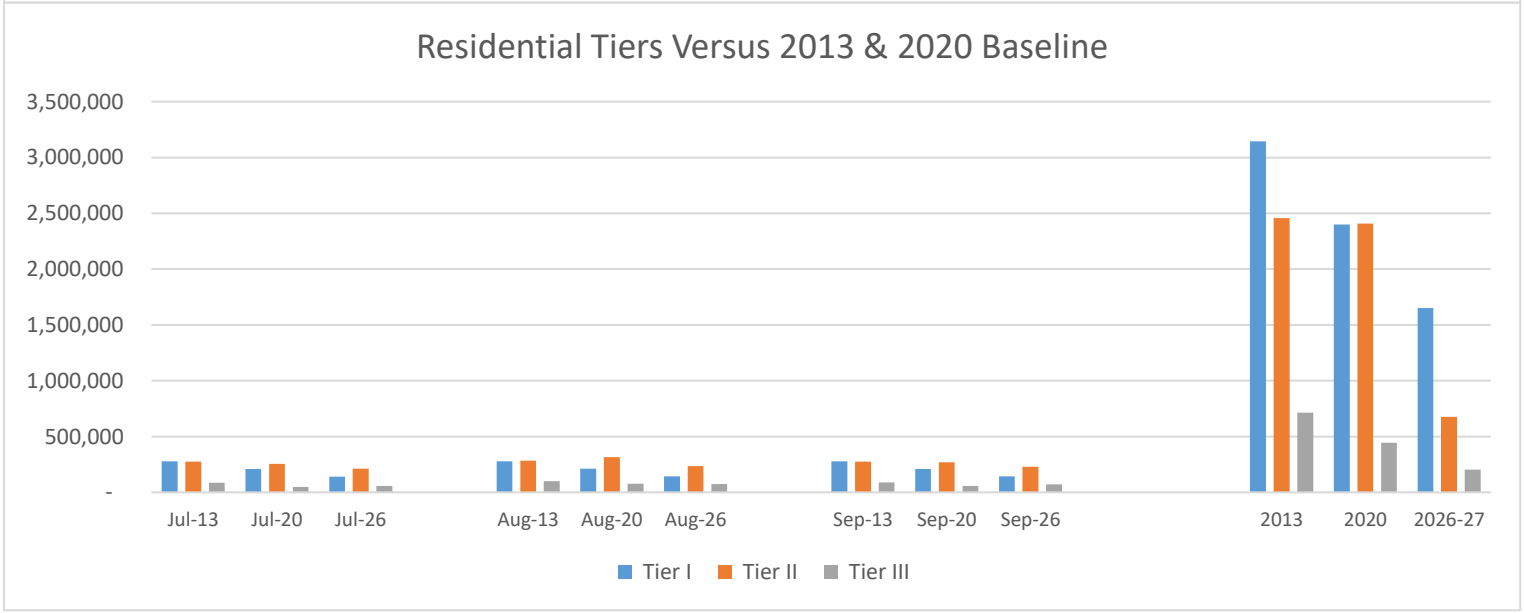
Water Purchases

	July	August	September	Total
2013	2,148.67	2,308.73	2,063.59	6,520.99
2020	1,853.69	1,912.15	1,786.74	5,552.58
FY 26-27	1,413.01	1,441.35	1,434.86	4,289.22
% Change 2013	-34%	-38%	-30%	-222%
% Change 2020	-24%	-25%	-20%	-190%

WALNUT VALLEY WATER DISTRICT
CONSUMPTION DATA - CURRENT YEAR VERSUS 2013 & 2020 BASELINE





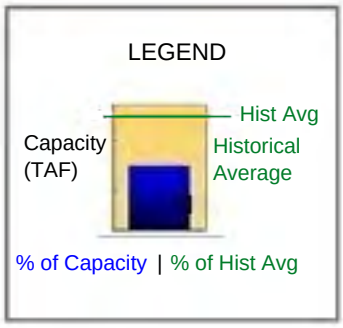


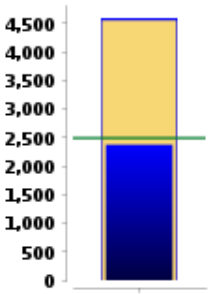


CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

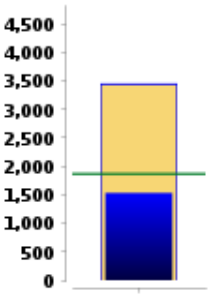
Midnight - October 14, 2026

CURRENT CONDITIONS

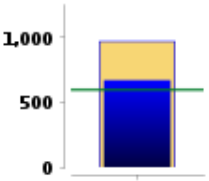




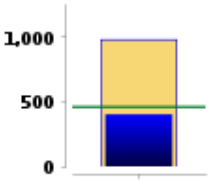
52% | 95%
Shasta



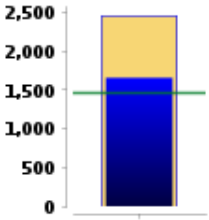
45% | 82%
Oroville



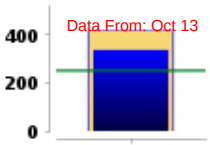
70% | 112%
New Bullards Bar



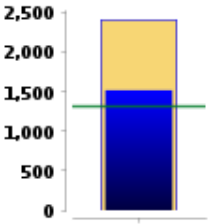
41% | 88%
Folsom



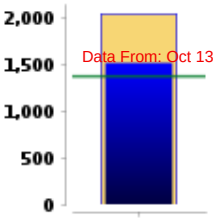
68% | 113%
Trinity



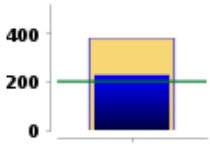
81% | 134%
Camanche



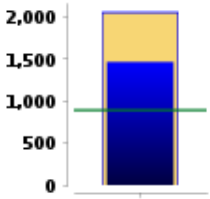
63% | 116%
New Melones



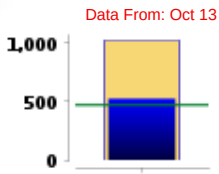
74% | 110%
Don Pedro



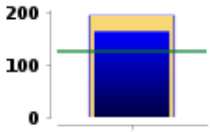
60% | 114%
Sonoma



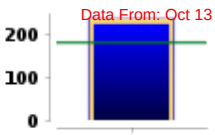
72% | 165%
San Luis



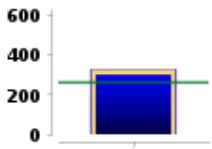
51% | 111%
McClure



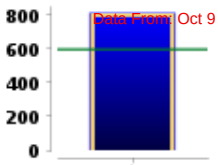
84% | 130%
Cachuma



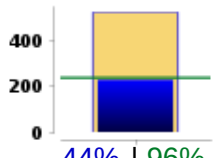
95% | 123%
Casitas



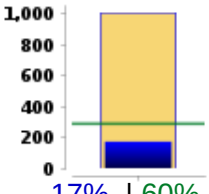
92% | 115%
Castaic



98% | 132%
Diamond Valley



44% | 96%
Millerton



17% | 60%
Pine Flat

The Metropolitan Water District of Southern California's

Water Supply Conditions Report

https://www.mwdh2o.com/WSCR

State Water Project
Water Year 2025-2026

2nd

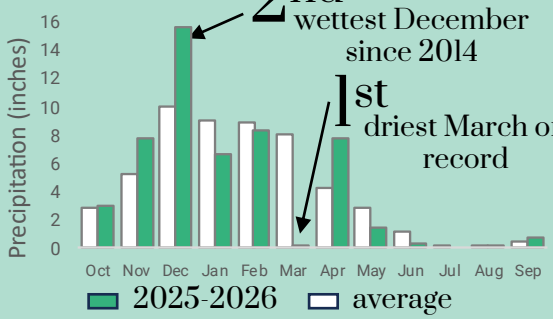
driest snowpack in history for northern Sierra behind record dry water year 2014-2015

Rain in the Northern Sierra 8-Station Area

97% of normal

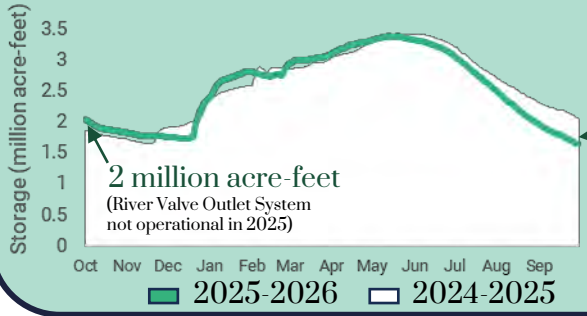
2nd wettest December since 2014

1st driest March on record



Lake Oroville

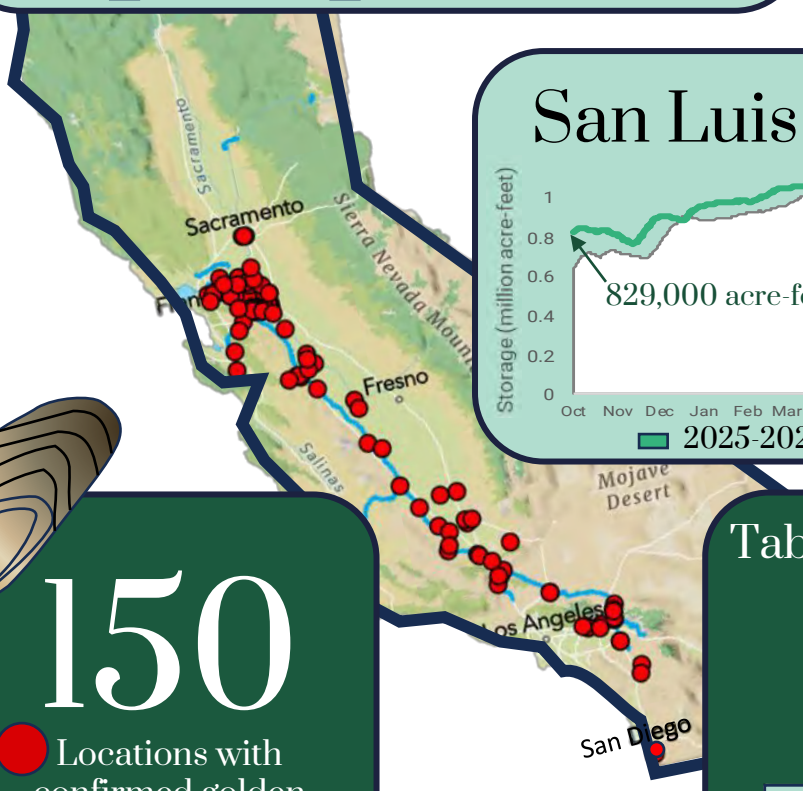
48% of capacity



1st

Warmest winter (Dec-Feb) in California in 131 years

Warmest March with 12.5° F above average



San Luis Reservoir

SWP Storage

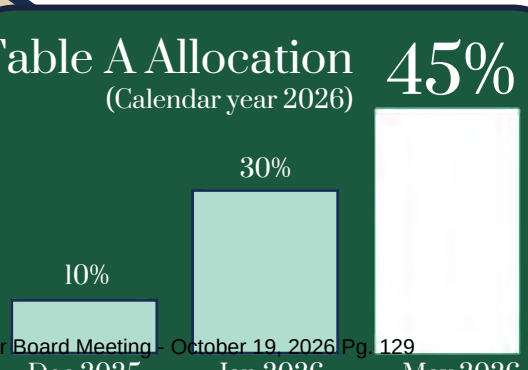
92% of capacity

150

Locations with confirmed golden mussel presence

Table A Allocation

(Calendar year 2026)



Questions? https://forms.cloud.microsoft/g/Gj3aReAuCm

The Metropolitan Water District of Southern California's

Water Supply Conditions Report

https://www.mwdh2o.com/WSCR

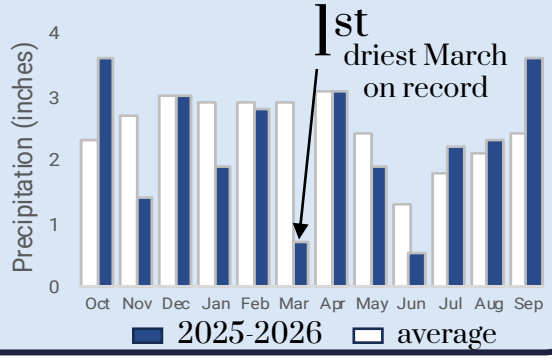
Colorado River Resources
Water Year 2025-2026

1st

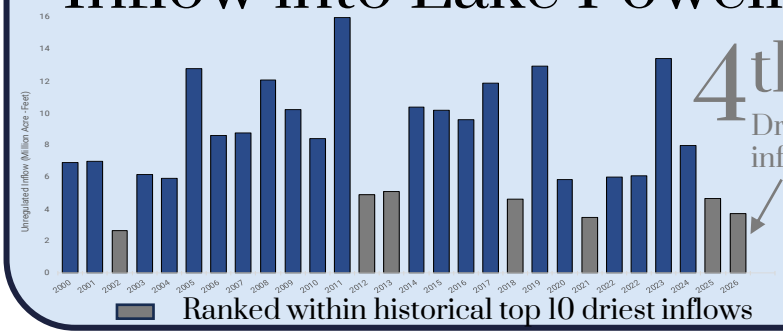
driest snowpack in history for Upper Colorado River Basin

Rain in the Upper Colorado River Basin

91% of normal



Inflow into Lake Powell

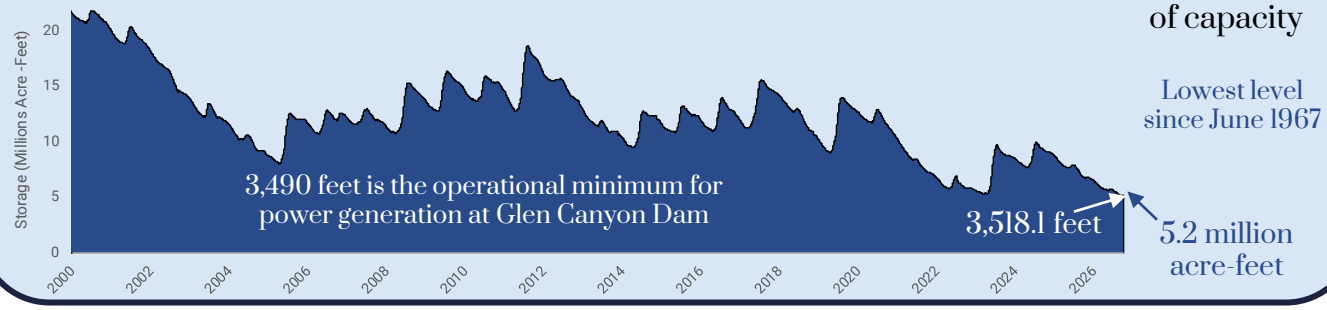


1st

Warmest winter (Dec-Feb) in Upper Colorado River Basin in 131 years

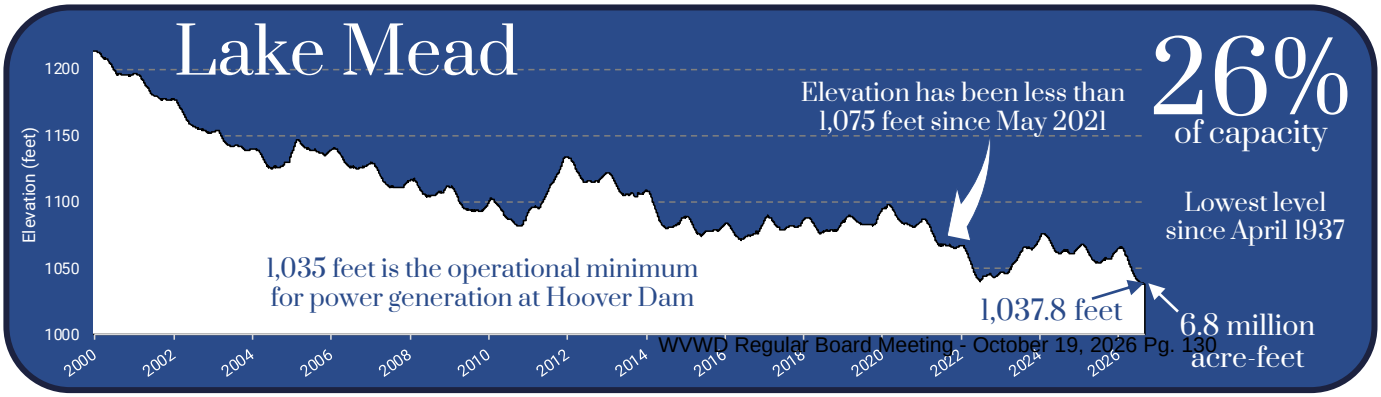
Lake Powell

22% of capacity



Lake Mead

26% of capacity



Questions? https://forms.cloud.microsoft/g/Gj3aReAuCm

WVWD – Staff Report

TO: Board of Directors
FROM: Interim General Manager
SUBMITTED BY: Director of Administrative Services
DATE: October 19, 2026
SUBJECT: Annual Review and Consideration of Revisions of Board Policies for Ethical Conduct Regarding Board of Directors Compensation and Expenses

☑ **Action/Discussion** ☐ **Fiscal Impact** ☐ **Resolution** ☐ **Information Only**

Recommendation

That the Board of Directors review the Board Policies for Ethical Conduct Regarding Board of Directors Compensation and Expenses and its respective exhibits (as listed below).

Policy/Exhibit		Last Reviewed by Board
Policies for Ethical Conduct Regarding Board of Directors Compensation and Expenses		Oct. 2025
Exhibit A	Director Expense Form	Oct. 2025
Exhibit B	IRS Accountable Plan	Oct. 2025
Exhibit C	Guidelines for Board Compensated Meetings and Activities	Oct. 2025
Exhibit D	Meal Expense Reimbursement Schedule/Guidelines	Oct. 2025
Exhibit E	Missing Receipt Affidavit Form	Oct. 2025

Background Information

As contained in the District's Policies for Ethical Conduct Regarding Board of Directors Compensation and Expenses, "The Personnel Committee shall, on an annual basis in the fourth quarter of each calendar year, review Exhibit A, Exhibit B, Exhibit C, Exhibit D, and Exhibit E." Additionally, "this policy in its entirety shall be reviewed by the Board of Directors on an annual basis."

The Committee is asked to review the current policy and exhibits and determine if there are revisions to be recommended for Board consideration. Staff and legal counsel have no recommended changes.

Fiscal Impact

No fiscal impact

WALNUT VALLEY WATER DISTRICT BOARD OF DIRECTORS COMPENSATION AND REIMBURSEMENT OF EXPENSES POLICY

1. STATEMENT OF DISTRICT POLICY:

It is the policy of the Walnut Valley Water District ("District") that members of the District's Board of Directors ("Directors") maintain the highest ethical standards of honesty and integrity. To assist Directors in meeting these standards, there must be clear policies guiding the Board with respect to Director expenses incurred in conducting District business and for reimbursement of such expenses. These policies set forth the basic ethical standards for Directors.

2. COMPENSATION FOR ATTENDANCE AT CONFERENCES, MEETINGS, SEMINARS, AND OTHER EVENTS:

A. General Principles

1. ***Per Diem*.** Directors will be compensated at the daily rate (i.e., *per diem)* determined by the Board consistent with applicable law and policy for attendance (whether in-person or by teleconference/video conferencing) at general meetings of the Board, committee meetings, and for attendance at approved conferences, meetings, seminars or other events in service to or on behalf of the District, as set forth in this policy (collectively, "Board Activities").

2. **Expense Reimbursement.** Directors will be reimbursed for the reasonable cost of meals, lodging, and travel expenses incurred in attending Board Activities in accordance with this policy.

B. Substantive Requirements

1. For a Director to be paid a lawfully established *per diem* for attendance at Board Activities or for reimbursement of expenses incurred in the attendance of Board Activities, it must be:

   a. A "meeting" as defined in subdivision (a) of Government Code Section 54952.2; or

   b. A Board-approved meeting, conference, organized educational activity, seminar, or other event, including those potential Board Activities listed on Exhibit "C" hereto related to District governance or business; or

   c. Other activities, seminars or events not listed on Exhibit "C" hereto that deal with substantive issues of importance to the District, which may be approved by the General Manager or President of the Board of Directors.

2. For purposes of this policy, reasonable and necessary travel time, including overnight accommodations, shall include one day prior to and/or after a Board Activity, provided*:*

   a. The Board Activity is held more than 50 miles from the District Office, or

   b. Upon General Manager review and approval, circumstances for attendance warrant an overnight stay prior to or following the conclusion of the Board Activity.

3. A Director's attendance at a Board Activity is subject to Board approval, unless delegated to the General Manager or Board President in accordance with subdivision 1(c), above, and may be modified or rescinded at any time by Board action. Any Director who incurs costs for attendance of an activity for which the Board has rescinded its approval, or who has incurred additional, unapproved costs at an approved Board Activity (including but not limited to nonrefundable charges), may be personally responsible for such costs after review and recommendation by the Personnel Committee.

4. Seven-Day Monthly Limit

   Water Code Section 20202 permits *per diem* compensation for attendance for up to a total of ten (10) days in any calendar month. However, by Resolution No. 01-13-592 and Ordinance No. 01-13-593, the Board of Directors adopted a 7-day limit on *per diem* compensation each calendar month. *Per diem* is capped at $150 per approved, compensable meeting.

C. Procedural Requirement

1. Written Compensation Request Required

   Compensation for attendance at Board Activities and reimbursement of expenses will be paid only upon the proper submission and approval of the required "Director Expense Form" (Exhibit A) and compliance with the Internal Revenue Service (IRS) Accountable Plan (Exhibit B). In the event a Director submits a request for reimbursement of an expense without an accompanying receipt, the Director must complete and submit a "Missing Receipt Affidavit Form" (Exhibit E) to be reimbursed. Any reimbursement in excess of substantiated expenses must be refunded.

2. Retroactive Board Approval

   While the Board should make reasonable best efforts to approve a Director's attendance prior to a Board Activity, retroactive Board approval may be made by ratification of attendance after the Board Activity, including overnight accommodations under Section B(2)(b), above, consistent with this policy.

3. Disclosure of Compensation

   A copy of each Director's submitted "Director Expense Form" shall be presented to the Board of Directors for approval at the next regular meeting of the Board following the submission. Submissions may be made available to the public, where required by law.

3. REIMBURSEMENT TO DIRECTORS FOR EXPENSES:

A. General Principles

1. Each member of the Board of Directors is encouraged to participate in those outside activities and organizations that in the judgment of the Board furthers the interests of the District.

2. Expenses incurred by Directors in connection with those activities set forth in the Guidelines for Board Compensated Meetings and Activities (Exhibit C) are

reimbursable, as noted, when authorized in advance or subsequently ratified by the Board, subject to the following:

a. Directors are prohibited from using District-issued credit cards for payment of any expenses related to a Board Activity not authorized under this policy and for any expenses not authorized under this policy.

b. A Director may submit a reimbursement request in accordance with Section 3(C)(1) of this policy to receive reimbursement for any approved, ratified expenses.

3. This policy is intended to result in no personal gain or loss to a Director.

a. All expenses must be reasonable and necessary, and Directors are expected to exercise prudence in all expenditures.

b. Reimbursement will be made only for actual disbursements and expenses that qualify as reimbursable expenses.

c. Expenses that are improper, unauthorized, not properly documented, or inconsistent with the prohibition against gifts of public funds set forth in the California Constitution, will not be reimbursed or accepted by the District. A Director bears the sole cost for any expenses that have not been approved, reimbursed, or accepted by the District.

d. Improper expenses that have been paid to a Director by the District shall be promptly refunded to the District or deducted from monies otherwise due to a Director in accordance with the Treasury "Safe Harbor" 120-day provision for an IRS Accountable Plan (Exhibit B).

B. Substantive Requirements

1. Transportation Expenses

Directors will be reimbursed for expenses incurred in traveling to and from Board Activities subject to Section 2 below and the provisions of this policy.

Mileage reimbursement will be limited to attendance at those Board Activities held outside the District's service area, with such reimbursements based on the current IRS mileage rate.

Google Maps or another comparable website that accurately provides distance information will be used to verify mileage to and from the District to the location of a Board Activity for which a request for mileage reimbursement is requested. A 5-mile deviation is allowed in consideration for when a given route might deviate from the norm due to traffic congestion, road construction, etc. If the deviation is greater than 5 miles, staff will verify the reason with the Director and note the explanation on the expense form.

2. Mode of Travel

   a. Directors must use the most economical mode and class of transportation reasonably consistent with scheduling needs and space requirements and the most direct and time-efficient route.

      i. When an extension in travel beyond the time required for District business results in increased costs to the District, the Director may be responsible for the increased costs and any other related expenses.

      ii. Upon approval of the Board in connection approval of a Director's monthly expense report, exceptions may be made for extenuating circumstances beyond the Director's control, such as delayed or canceled flights, inclement weather, medical necessity, or personal hardship.

   b. Directors are permitted to arrange their own transportation. Where possible, government tor group rates should be used in arranging travel. Directors are encouraged to discuss their travel needs as early as possible with District staff, who may make all final travel arrangements on behalf of the Director in accordance with the following:

      i. Air Travel: The lowest, refundable airfare shall be used for air travel. Any outstanding travel credits issued to a Director for District-related travel must be used before incurring new airfare expenses. Directors are expected to accept flights departing within two hours of their desired departure time. If cancellation of a reservation occurs due to a District-related reason, the District will incur any cancellation fee assessed. If cancellation of a reservation occurs due to the Director's personal request, the Director will be required to pay any cancellation fees. A Director who desires to drive their personal vehicle in lieu of air travel may be allowed to do so if reasonable and authorized. However, reimbursement amounts will be limited to the least expensive means of travel. Reimbursement requests for personal vehicle in lieu of air travel must include a printed copy of the quoted airfare that would have been reserved.

      ii. Car Rental: Directors at an out-of-town Board Activity should use public transportation or ride-sharing services when such use appears more economical than renting a car. Directors are the only individuals covered by insurance and non-Directors are prohibited from driving a District-provided rental car. Directors must appropriately fill the gas tank of a rental car before returning the rental car to avoid fuel surcharges. Fuel expenses will be reimbursed based on receipts provided. Where extended personal travel is part of District-related travel, rental car expenses will be prorated and reimbursed for only District-related business.

      iii. Privately-Owned Vehicles: Directors shall be reimbursed for use of privately-owned vehicles in the conduct of District business at the maximum allowable per mile rate established from time-to-time by the IRS, and subject to the provisions of this policy and provided all insurance requirements have been complied with.

Non-traditional means of transportation, such as electric scooter or electric bicycle rentals, shall not be permitted as a mode of transportation reimbursable by the District.

3. Meal Expense

Directors shall be reimbursed for the reasonable cost of meals, including tips, and incidental expenses in conjunction with approved Board Activities, and in the course of travel to and from subject to the following:

a. Reimbursement must be in accordance with the criteria set forth in the District's Meal Expense Reimbursement Schedule/Guidelines, attached hereto as Exhibit D.

b. Expenses incurred by or for a spouse, family member, or guest of a Director in connection with the Director's service or travel will not be allowed or reimbursed.

4. Overnight Accommodations

a. Where available, overnight accommodations shall be obtained at or in close proximity to the location of the Board Activity and at group rates published for such activity by the sponsor. Directors are expected to confirm their attendance at conferences early in the registration process to provide sufficient time to take advantage of any early reservation discounts when booking accommodations

b. No reimbursement shall be made for overnight accommodations for attendance at Board Activities that occur within 50 miles of the District office, unless such reimbursement is approved in advance by the Board.

5. Parking

a. Airport Parking – Long-term parking is encouraged for travel exceeding 24 hours, subject to time constraints, safety concerns, and inclement weather.

b. Hotel/Other Parking – Self-parking is encouraged, subject to time constraints, safety concerns, and inclement weather.

6. Communication Expenses

Telephone, facsimile, Internet, overnight, and/or courier expenses incurred in connection with approved District business will be reimbursed in accordance with this policy.

C. Procedural Requirements

1. Requests for Reimbursement

a. All requests for reimbursement shall be submitted, using the District's approved forms, by the first Friday of the month following the month in which the expenses were incurred.

b. Rather than reimbursing a Director for expenses after they have been incurred, the District may pay such expenses directly, so long as such payments are made in accordance with this policy.

2. Use of District Credit Card

The District may authorize the issuance of a credit card in the Director's name to be used solely for purposes of paying for approved travel and related expenses permitted pursuant to this policy or for security purposes to verify travel-related information.

a. District-issued credit cards shall remain in the District vault until such time as needed. A Director may check out their credit card for District-approved business, travel, or other related expenses up to two business days (48 hours) prior to the approved use. It is expected that Directors will return the credit card to the District for safekeeping within two business days (48 hours) following the approved business use.

b. Exceptions to this requirement may be authorized by the Board President or General Manager, who shall report that exception to the full Board at the next regular Board meeting.

3. Director Reports to Governing Board

At the next general meeting of the Board following a Board Activity, the Director who attended such Board Activity shall provide a brief written, oral, or joint report on attendance and the subject matter. If multiple Directors attend the same function, a joint report may be made.

4. District Records of Expense Reimbursements

To implement the reporting requirements of Government Code Section 53065.5, the District shall disclose at least annually in a public record all reimbursements paid by the District to each Director for each individual charge of $100 or more.

4. GOVERNING BOARD REVIEW

A. The Personnel Committee shall, on an annual basis in the fourth quarter of each calendar year, review the following:

1. Exhibit A - Director Expense Form
2. Exhibit B - IRS Accountable Plan
3. Exhibit C - Guidelines for Board Compensated Activities
4. Exhibit D - Meal Expense Reimbursement Schedule/Guidelines
5. Exhibit E - Missing Receipt Affidavit Form

B. This policy in its entirety shall be reviewed by the Board of Directors on an annual basis.

DIRECTOR EXPENSE FORM

NAME: Director Name **DATE: Month & Year**

No	Date	Title of Meeting / Description	Per Diem Request	Mileage (assumed as round trip unless noted)			
				From Location	To Location	Miles	Miles $
1			☐				$ -
2			☐				$ -
3			☐				$ -
4			☐				$ -
5			☐				$ -
6			☐				$ -
7			☐				$ -
8			☐				$ -
9			☐				$ -
10			☐				$ -
11			☐				$ -
12			☐				$ -
13			☐				$ -

Total Number of Miles: 0 X $0.76	$ -
Total Reimbursable Expenses	$ -
Total Meeting Compensation 0 X $150.00 per day	$ -
TOTAL	$ -

I certify the above is correct and accurate to the best of my knowledge

Signature

Date

* Mileage is reimbursed at IRS Standard Business Mileage Rate $0.760

**Directors are eligible for seven meeting days per month at $150 per day.

GSA Per diem rates

INTERNAL REVENUE SERVICE ACCOUNTABLE PLAN

General Rules for "Expense Reimbursement" Plans

The primary question regarding an employee reimbursement is whether the payment constitutes additional cash compensation that should be taxed as ordinary salary or wages, or whether it qualifies as a business-related "expense reimbursement" that can be excluded from reportable income.

Under IRS Code, Section 62(c), an arrangement is treated as an "expense reimbursement" if it requires the employee to:

(a) Substantiate the reimbursement, and
(b) Refund any reimbursement in excess of substantiated expenses.

This means that to qualify, a "reimbursement arrangement" must comply with both of the above Code provisions.

If all of the above rules and regulations are met, amounts paid are treated as paid under an "accountable expense reimbursement plan" (See below). If there is any conflict between this document and IRS statutes, regulations, or guidance, they shall prevail over this document.

Accountable Expense Reimbursement Plans

Governmental employees often receive reimbursements for a variety of business expenses, including automobile expenses (where employees use their own autos for government business) other travel costs, hotel and motel costs, meals and entertainment, etc. In such cases, the employee may receive reimbursement for actual costs incurred, a per diem allowance (e.g., a flat rate per day), or a monthly allowance or advance. If the expense reimbursements or allowances are not made in accordance with the IRS rules below, they may be considered "wages" subject to payroll tax withholding.

In order to qualify as an "accountable" plan, the reimbursement must meet the following two requirements:

1. Substantiation Requirement (Per Regulation 1.274-5T):

The governmental agency must require the employee to substantiate expenses incurred. That is, the employee should submit the following for each business related expense:

a. The **amount** of the expenditure.

b. The **time** and **place** of travel or entertainment.

c. The **business purpose** of the expenditure.

d. The **business relationship** to the person entertained, and the individuals' names.

Accountable Expense Reimbursement Plans (continued)

The following **documentation** should be attached to each expense report (per Regulation 1.274-5 (c)(2)(iii):

a. Receipts, paid bills, etc. for any lodging (hotel bills, etc.) regardless of amount, and

b. Receipts for any "nonlodging" travel or entertainment expenditure of $75.00 or more. (See Regulation 1.274-5(c)(2)(iii)(A)(2), IRS Notice 95-50 and Letter Ruling 200343025).

To ensure compliance and reduce risk of misuse, the District requires receipts for all expenses, unless impracticable (e.g., incidental expenses, public transit fares without receipt, etc.) Under these rules, generally, business expenses must be "substantiated" within 60 days after the expense is paid or incurred.

Observation: Because travel and entertainment expenses of government officials and employees can have a very high "political profile," it may be prudent to require documentation on all travel and entertainment expenditures, regardless of amount. The District reserves the right to deny expenses that were not approved or do not qualify for reimbursement under the District's Employee Reimbursement of Expenses Policy.

2. Requirement to Return Unsubstantiated Advances:

The employee must be required to return to the governmental agency any amount in excess of substantiated expense within a "reasonable period of time." A reasonable period of time depends on the facts and circumstances. Under the regulations, the Treasury has established a **"safe harbor"** for returning unsubstantiated advances:

- Excess advances must be returned within **120 days** after the expense is paid or incurred.
- In the case of allowances or advances, the expense must be incurred (to come under the safe harbor) within **30 days** after the allowance or advance is paid to the employee. (Code Sec. 62(c); Reg. 1.62-2(c)(2)(i); Reg. 1.62-2(d)(i); Reg. 1.62-2(e); Reg. 1.62-2(f)).

To the extent amounts are not paid under an "accountable plan" they constitute "wages" and are subject to income and payroll tax withholding when paid. If the government agency established an "accountable plan" but the employee fails to substantiate the expenses or return advances within a reasonable period, only the unsubstantiated or unreturned will be treated as taxable "wages."

WALNUT VALLEY WATER DISTRICT

Missing Receipt Affidavit Form

Please retain this form with the District’s financial records in case of an audit.

Name (printed): _____

I certify that I made the purchase shown below for District purposes but do not have a receipt due to: (check all that apply)

	Vendor did not provide a detailed receipt.
	I had a receipt but cannot locate it.
	I have a receipt, but it is not readable (e.g. not in English and/or not legible). This document is provided in order to describe the items purchased.
	Order was placed via telephone, fax, or internet, and vendor has not supplied an invoice.

Vendor Name		
City		
Date of Purchase		
Detailed Description of Purchase (Attach additional sheets if necessary.)		Item Amount
Total Purchase Amount		$

This document is in lieu of an invoice or receipt for this transaction. I certify that all items listed above (and on the attached, if applicable) were purchased and received for District business.

Director’s Signature: _____ Date: _____

NOTE: All information is required and must be typed or printed in ink. Use one affidavit per receipt.

POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION

WATER USE DISTRIBUTION & BILLING

AUGUST 2026

CONSUMPTION PER AGENCY (Per PWR Meter Reads)	*Water Consumption (Acre-feet)*	*Allocation %*
Pomona	570.386	27.323%
Walnut	912.080	43.691%
Rowland	605.108	28.986%
LaVerne	-	0.000%
TOTAL	**2,087.574**	**100.000%**

WATER PRODUCTION (ACTUAL)	*Water Consumption (Acre-feet)*	*Allocation %*
MWD	1,061.70	**50.478%**
TVMWD	1,041.60	**49.522%**
LaVerne	-	**0.000%**
Total	2,103.300	**100.000%**
PWR	**2,087.574**	
Difference	**15.726**	

CALCULATION OF AGENCY WATER CONSUMPTION

(Water consumption billed to each agency based on amount of water purchased from MWD & TVMWD)

	Connection / Description	Billing Difference Allocation *(Acre-feet)*	Adj. Agency Consumption *(Acre-Feet)*	Adj. Agency Consumption for Billing *(Rounded)*	Water Purchased - MWD	Water Purchased - TVMWD	Water Purchased - LaVERNE WELL	Total Water Purchased (Acre-feet)
					50.478%	*49.522%*	*0.000%*	*100.000%*
Pomona	570.386	4.297	574.683	574.7	290.1	284.6	-	574.7
Walnut	912.080	6.871	918.951	919.0	463.9	455.1	-	919.0
Rowland	605.108	4.558	609.666	609.7	307.7	301.9	-	609.7
LaVerne	-	-	-	-	-	-	-	-
TOTAL	**2,087.574**	**15.726**	**2,103.300**	**2,103.3**	**1,061.7**	**1,041.6**	**-**	**2,103.3**

BILLING CHARGES PER AGENCY

		MWD PM-15	TVMWD PM-21	MWD Capacity Reservation	TVMWD Connected Capacity	TVMWD Water Use Charge	Replacement	Admin Budget Assessment	MWD LRP Rebate Program	Billing Total
City of Pomona	Cons. (AF)	**290.1**	**284.6**						212.6	
	Allocation %			31.71%	52.00%	20.01%	25.00%	33.33%		
	Billing Rate	$ 1,560.00	$ 1,560.00	$ 26,490.35	$ 10,876.73	$ 11,266.11	$ -	$ -	$ (100.00)	
	Total	$ 452,536.27	$ 443,968.90	$ 8,400.09	$ 5,655.90	$ 2,254.35	$ -	$ -	$ (21,260.00)	**$ 891,555.51**
Walnut Valley Water District	Cons. (AF)	**463.9**	**455.1**						-	
	Allocation %			39.02%	28.00%	48.09%	25.00%	33.33%		
	Billing Rate	$ 1,560.00	$ 1,560.00	$ 26,490.35	$ 10,876.73	$ 11,266.11	$ -	$ -	$ (100.00)	
	Total	$ 723,631.51	$ 709,931.79	$ 10,336.53	$ 3,045.48	$ 5,417.87	$ -	$ -	$ -	**$ 1,452,363.18**
Rowland Water District	Cons. (AF)	**307.7**	**301.9**						-	
	Allocation %			29.27%	20.00%	31.90%	25.00%	33.33%		
	Billing Rate	$ 1,560.00	$ 1,560.00	$ 26,490.35	$ 10,876.73	$ 11,266.11	$ -	$ -	$ (100.00)	
	Total	$ 480,084.22	$ 470,995.32	$ 7,753.72	$ 2,175.35	$ 3,593.89	$ -	$ -	$ -	**$ 964,602.50**
City of LaVerne	Cons. (AF)	**-**	**-**						-	
	Allocation %			0.00%	0.00%	0.00%	0.00%	0.00%		
	Billing Rate	$ 1,560.00	$ 1,560.00	$ 26,490.35	$ 10,876.73	$ 11,266.11	$ -	$ -	$ (100.00)	
	Total	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
	Total (A.F.)	**1,061.7**	**1,041.6**							**2,103.3**
	Total ($)	$ 1,656,252.00	$1,624,896.01	$ 26,490.34	$ 10,876.73	$ 11,266.11	$ -	$ -	$ (21,260.00)	$ 3,308,521.19

MEMORANDUM

Via U.S. Electronic Mail

TO: ACWA Member Agency Board Presidents and General Managers
CC: ACWA Board of Directors

FROM: Karla Nemeth, ACWA Executive Director

DATE: September 28, 2026

SUBJECT: Proposed Amendments to ACWA's Bylaws by Written Ballot

ACWA will conduct a vote of the membership by electronic ballot on proposed Amended and Restated Bylaws, as recommended by the Board of Directors on September 25, 2026.

The voting will be conducted by electronic ballot consistent with the voting process used by members to elect Board Officers and region boards. Conducting the vote electronically provides all members an opportunity to participate, rather than limiting voting to members attending an ACWA conference, thereby promoting broader member participation and engagement.

Each member agency is entitled to one vote that will be cast by its authorized voting representative. Member agencies must designate their voting representative by submitting the attached Voting Representative Form by **Friday, October 30.**

Important Next Steps

1. **Designate voting representative:** Fill out the attached Voting Representative Form by Friday, October 30. Note: ACWA will also use this designee as the voting representative in next year's election for ACWA's Board Officers and region boards for the 2028-'29 term. You will have the opportunity to change the designation prior to the deadline for nominating candidates if desired.
2. **Review proposed Amended and Restated Bylaws:** These are available online at https://www.acwa.com/2026-bylaws/ as well as attached.
3. **Have designated voter prepare for the electronic voting:** Your designated voter will receive an email directly from Simply Voting on November 9. Have them add (vote@simplyvoting.com) to their safe-senders list to ensure delivery of the ballot. **Ballots must be submitted by December 18.**

More information on the proposed Amended & Restated Bylaws, voting process, and next steps is available at https://www.acwa.com/2026-bylaws/. For additional questions regarding the proposed Amended and Restated Bylaws or the voting process, please contact ACWA's General Counsel Joshua Nelson at 916-951-2859 or joshua.nelson@bbklaw.com or Senior Clerk of the Board Donna Pangborn at 916-669-2425 or donnap@acwa.com.

Attachments (Also see website link for these materials.):

1. Authorized Voting Representative Form
2. Proposed Amendments to ACWA's Bylaws Summary Table
3. Proposed Amended and Restated Bylaws (redline version)
4. Proposed Amended and Restated Bylaws (clean version)

ACWA
Association of California Water Agencies

2026 PROPOSED BYLAWS AMENDMENTS

AUTHORIZED VOTING REPRESENTATIVE FORM

ACWA members will vote by electronic ballot on proposed Amended and Restated Bylaws.

Key Details:

- **Electronic Voting:** Voting will be conducted electronically by each member agency's designated voter.
- **Designated Voter:** Each agency must **designate one voting representative by October 30.** To designate your agency's voter, please submit this **Authorized Voting Representative Form** by the deadline.
  Note: ACWA will also use the person designated below as the voting representative in next year's election for ACWA's Board Officers and region boards for the 2028–'29 term. You will have an opportunity to change the designation prior to the deadline for nominating candidates, if desired.
- **Default Voter:** If no representative is designated by the deadline, your agency's **General Manager** will be the authorized voter by default.
- **Ballot Distribution:** Authorized voters will receive an electronic ballot on November 9.

For more information about ACWA's elections, visit: **www.acwa.com/elections**.

The person designated below will cast our agency's vote for the proposed Amended and Restated Bylaws process in 2026 and the election of ACWA's President, Vice President and Region Board for the 2028–'29 term.		
Member Agency's Name		Agency's Phone No.
Authorized Voting Representative's **Name**	Authorized Voting Representative's **Email**	Authorized Voting Representative's **Phone No.**

Print Name of Member Agency's Authorized Signatory

X

Authorized Signatory Signature

Date

SUBMIT YOUR FORM

To: Donna Pangborn, Senior Clerk of the Board
Email: donnap@acwa.com
Mail: 980 9th Street, Suite 1000, Sacramento, CA 95814

SUBMISSION DEADLINE

OCT. 30, 2026

Proposed Amendments to the ACWA's Bylaws

Amendment 1: ARTICLE 4, Section 4.05, Special Meeting

Current Bylaw	Proposed Bylaw	Rationale
Section 4.05. Special Meetings. Special meetings may be called by the president upon the president's own volition or shall be called by the president when requested in writing by five directors. Prior to conducting such a special meeting, the president shall consult with the Executive Committee to ensure that adequate information is available to the Board of Directors for any necessary decisions; and where such meeting is called upon the president's own volition, the president shall also consult with the Executive Committee as to the necessity of the special meeting. Notice for special meetings shall be provided in the following manner: (1) upon 10 days' written notice sent by mail to each director and addressed to each at the address as shown upon the records of the Association; or (2) upon 48 hours' notice with notice provided by electronic means. When the meeting is called upon the president's own volition, the president shall choose the form of notice; when the meeting is called by a request of five directors, the five directors shall choose the form of notice and the president shall promptly call the meeting. No business except those items described in the notice shall be transacted at any special meeting, except by consent of three-fourths of the members of the Board of Directors present.	**Section 4.05. Special Meetings.** Special meetings may be called by the president upon the president's own volition or shall be called by the president when requested in writing by five directors. Prior to conducting such a special meeting, the president shall consult with the Executive Committee to ensure that adequate information is available to the Board of Directors for any necessary decisions; and where such meeting is called upon the president's own volition, the president shall also consult with the Executive Committee as to the necessity of the special meeting. However, the president's determination of necessity shall control. Notice for special meetings shall be provided in the following manner: (1) upon 10 days' written notice sent by mail to each director and addressed to each at the address as shown upon the records of the Association; or (2) upon 48 hours' notice with notice provided by electronic means. When the meeting is called upon the president's own volition, the president shall choose the form of notice; when the meeting is called by a request of five directors, the five directors shall choose the form of notice and the president shall promptly call the meeting. No business except those items described in the notice shall be transacted at any special meeting, except by consent of three-fourths of the members of the Board of Directors present.	Amendment to add the president's ultimate authority to schedule a special meeting if deemed necessary.

Note: Green text throughout this document reflects edits recommended by the Legal Affairs Bylaws and Procedures Subcommittee in response to its review and analysis of the proposed amendments to the Bylaws, consistent with Section 9.09 of ACWA's Bylaws. The ACWA Board included the LAC Workgroup's recommended edits as part of its recommendation to the members.

Amendment 2: ARTICLE 4, Section 4.06 Meetings by Electronic Communication

Current Bylaw	Proposed Bylaw	Rationale
Section 4.06. Meetings by Electronic Communication. Any meeting of the Board of Directors, region boards, or any committee may be conducted, in whole or in part, by telephone, electronic transmission, or by electronic video screen communication. A member of the Board of Directors, a region board, or any committee shall be deemed present in person at the meeting if the following apply: **(a)** Each director, region board, or committee member participating in the meeting can communicate concurrently with all other directors, region board, or committee members. **(b)** Each director, region board or, committee member is provided the means of participating in all matters before the board, region board, or committee, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Association.	**Section 4.06. ~~Meetings by Electronic Communication.~~ Alternatives to Traditional Meetings.** **(a)** Any meeting of the Board of Directors, region boards, or any committee may be conducted, in whole or in part, by telephone, electronic transmission, or by electronic video screen communication. A member of the Board of Directors, a region board, or any committee shall be deemed present in person at the meeting if the following apply: 1) Each director, region board, or committee member participating in the meeting can communicate concurrently with all other directors, region board, or committee members. 2) Each director, region board or, committee member is provided the means of participating in all matters before the board, region board, or committee, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Association. **(b)** To the extent permitted by applicable law and subject to all applicable requirements, any action that may be taken at a regular or special Board of Directors, a region board, or any committee may be approved by unanimous written consent of the members of that body.	Amendment to allow the flexibility to take action by written consent. LAC recommended this language be added to Article 4 instead of Article 9.

Amendment 3: ARTICLE 5, Regions

Current Bylaw	Proposed Bylaw	Rationale
Section 5.02. Officers (a) The officers of each region shall be a chair and vice chair and three to five region board members who shall be elected by the region in each odd-numbered year. A region may maintain a board of fewer than five but not less than three members as provided in the region's rules and regulations. The officers of the region board shall take office on January 1 of the calendar year following election and shall hold office for two years, or until their successors take office. Regions shall hold elections by electronic ballot. Association staff shall verify the legitimacy of the ballots**.**	**Section 5.02. Officers** (a) The officers of each region shall be a chair and vice chair and three to five region board members who shall be elected by the region in each odd-numbered year. A region may maintain a board of fewer than five but not less than three members as provided in the region's rules and regulations. The officers of the region board shall take office on January 1 of the calendar year following election and shall hold office for two years, or until their successors take office. Regions shall hold elections by electronic ballot. Five or more members of the Association from the region shall constitut~~ing~~ a quorum for the purposes of regional board elections. Association staff shall verify the legitimacy of the ballots**.**	Amendment to clarify the quorum for region board elections is five members.

Amendment 4: ARTICLE 6, Section 6.04, Meetings

Current Bylaw	Proposed Bylaw	Rationale
Section 6.04. Meetings. The Executive Committee shall hold regularly scheduled meetings as set by the president. Special meetings of the Executive Committee may be called by the president upon notice to the members of that committee or upon written request of three Executive Committee members. Notice for special Executive Committee meetings shall be provided to the entire Board: (1) upon five days' written notice sent by mail, or (2) upon 24 hours' notice with notice provided by electronic means; and all such meetings shall be open to the Board of Directors. Any meeting, regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission, as set forth in Section 4.06. All members of the Board of Directors may attend any meeting of the Executive Committee. Meetings of the Executive Committee may be closed to others at the discretion of the president or committee. Only members of the Executive Committee are allowed to vote on matters at a meeting of the committee.	**Section 6.04. Meetings.** The Executive Committee shall hold regularly scheduled meetings as set by the president. Special meetings of the Executive Committee may be called by the president upon notice to the members of that committee or upon written request of three Executive Committee members. Notice for special Executive Committee meetings shall be provided to the entire Board: (1) upon five days' written notice sent by mail, or (2) upon 24 hours' notice with notice provided by electronic means; and all such meetings shall be open to the Board of Directors. Any meeting, regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission, as set forth in Section 4.06. With the exception of closed sessions as designated by the Executive Committee, all members of the Board of Directors and Council of Past Presidents may attend any meeting of the Executive Committee. However, ~~Meetings of~~ the Executive Committee may ~~be~~ close~~d~~ its meetings to select or all non-members of the Committee ~~to others~~ at the discretion of the president or by a majority vote of the Executive C~~e~~ommittee. Any decision to close an Executive Committee meeting to others shall be final and not reversible except with the consent of party that decided to close the meeting.Only members of the Executive Committee are allowed to vote on Executive Committee matters. ~~at a meeting of the committee.~~	Amendment to limit attendance during closed session discussions involving personnel matters to preserve the confidentiality of sensitive employment information, protect the privacy rights of employees and applicants, and promote candid discussion by those with responsibility for making personnel decisions. Importantly, the Board of Directors could conduct its own closed session prior to any final action. This amendment ensures flexibility for the Executive Committee's internal deliberation and consideration while preserving ultimate Board decision-making authority.

Amendment 5, ARTICLE 8, Section 8.01, Council of Past Presidents

Current Bylaw	Proposed Bylaw	Rationale
Section 8.01. Council of Past Presidents. There shall be a Council of Past Presidents composed of all past presidents of the Association who serve on the council until each is no longer able to or wishes to serve. The council shall provide a mechanism for past presidents to continue to make valuable contributions to the Association. With approval of the Board of Directors, the president and/or executive director/secretary may assign specific responsibilities to the council from time to time. Members of the Council of Past Presidents are invited to attend and participate in the Association's Board and Executive Committee meetings, including attending closed sessions. With the exception of the immediate past president, members of the Council of Past Presidents are non-voting.	**Section 8.01. Council of Past Presidents.** There shall be a Council of Past Presidents composed of all past presidents of the Association who serve on the council until each is no longer able to or wishes to serve. The council shall provide a mechanism for past presidents to continue to make valuable contributions to the Association. With approval of the Board of Directors, the president and/or executive director/secretary may assign specific responsibilities to the council from time to time. Members of the Council of Past Presidents are invited to attend and participate in the Association's Board and Executive Committee meetings, including attending closed sessions of the Board. Members of the Council of Past Presidents may also attend ~~closed session~~ meetings the Executive Committee except as designated by the Executive Committee as further described in Section 6.04. With the exception of the immediate past president, members of the Council of Past Presidents are non-voting.	Amendment to clarify that the Council of Past Presidents may attend Board of Directors and Executive Committee meetings, with the exception of Executive Committee closed sessions as designated by the Executive Committee.

Amendment 6, Article 9, Section 9.08, Quorum

Current Bylaw	Proposed Bylaw	Rationale
Section 9.08. Quorum. The presence of the authorized representatives of at least 50 members of the Association at any meeting of the members shall constitute a quorum for transacting business. Actions taken by written ballot shall require the timely receipt of the written ballot from the authorized representatives of at least 50 members to constitute a quorum.	**Section 9.08. Quorum.** The presence of the authorized representatives of at least 50 members of the Association at any meeting of the members shall constitute a quorum for transacting business. Actions of the members of the Association taken by written ballot shall require the timely receipt of the written ballot from the authorized representatives of at least 50 members to constitute a quorum.	Amendment to clarify that the quorum for the region board elections is five, consistent with the quorum needed to conduct business at a region meeting, as established in Section 5.04, and with newly amended quorum language to elect region boards in Section 5.02.

PROPOSED AMENDED AND RESTATED BYLAWS of the Association of California Water Agencies

REDLINE

Amended and restated by the ACWA Members: December 4, 2024

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REDLINE

BYLAWS OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES

(As amended and restated by the Members on December 4, 2024)

ARTICLE 1 - General

Section 1.01. Name. The name of this California nonprofit corporation shall be the Association of California Water Agencies (hereinafter referred to as the Association).

Section 1.02. Principal Office. The principal office for the transaction of business of the Association shall be located in Sacramento, California.

Section 1.03. Purposes. The purposes of the Association shall be to work together with its members and others for the best interests of California and its citizens and landowners who use, need and depend upon water; to encourage the orderly development of the waters of the state; to seek means of obtaining and making available to all of California a dependable water supply of the best possible quality at the lowest possible cost, giving due consideration to environmental factors involved therein; to provide inspiration and leadership in meeting and solving the water supply problems of this state; to propose and advocate such policies and measures—local, state and federal—that serve the best interests of the Association, opposing those of contrary nature; to assist in promoting the health, safety and welfare of the employees of its members; and to do all other things that are in the best interests of its members.

REDLINE

ARTICLE 2 – Membership and Dues

Section 2.01. Membership.

(a) Members. Only a public district, public agency, or public organization created and operated for the purpose of controlling, treating, developing, acquiring, using or supplying water for any purpose for inhabitants or lands within the state of California, or for the protection, drainage or reclamation of lands within the state of California, may become a member of the Association. Such an entity will become a member upon written application, approval by the Board of Directors, and the payment of the required dues. Acceptance to membership shall authorize full participation in Association activities. Except as otherwise provided in Section 2.01(b) below, in no case may an organization other than a state, a political subdivision (as defined in § 1.103-1(b) of the Income Tax Regulations) of a state or an entity the income of which is excluded from gross income under § 115 of the Internal Revenue Code be a member of the Association. A member of the Association shall be in good standing if in compliance with all bylaws and requirements of membership, including timely payment of annual dues and emergency assessments.

(b) Honorary Life Members. Any person who has rendered conspicuous service in furthering the purposes of the Association may, by vote of the Board of Directors, be granted an honorary life membership in the Association without payment of dues or assessments. All past presidents of the Association shall automatically be honorary life members without vote of the Board of Directors. Honorary life members shall not be entitled to a vote or to hold office automatically because of their status as honorary life members.

(c) Termination of Members. Membership shall cease upon the failure of any member to pay the dues provided for in Section 2.02 of this Article. The membership of any member may be terminated at any time by such member sending written notification of its intention to withdraw to the Association's principal office. The Board of Directors may terminate the membership of any member upon 30 days' written notice by first-class mail when it is determined at any regular Board meeting or at any special Board meeting called for that purpose that continuance of such membership would not be in the best interests of the Association. Withdrawal or termination of membership ends any participation in Association activities and shall terminate a member's interest in the Association's assets.

Section 2.02. Dues. The annual dues of each member of the Association shall be established by the Board of Directors; provided, however, that any member may apply for a change in its dues because of conditions that differentiate such applicant from other members.

Section 2.03. Liability of Members. No member shall be liable for any obligation incurred by the Association with the following exception: (1) the payment of the annual dues while it remains a member;

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and (2) the payment of emergency assessments, which shall not exceed 10 percent of current annual dues for each member in any calendar year while it remains a member. No emergency assessment may be levied against any member during its first two years of membership in the Association.

ARTICLE 3 - Officers

Section 3.01. President and Vice President.

(a) **General.** The president and vice president of the Association shall be the elected officers of the Association. At the time of their election the president and vice president shall each be an elected or appointed member of the governing body or commission (as appropriate) of a member agency of the Association. The president and vice president shall be elected by the members of the Association by written ballot in each odd-numbered year before the Association's annual meeting, shall be announced at the Association's annual meeting, shall take office on January 1 of the calendar year following election, and shall hold office until such time as their successors take office or are appointed. An elected president shall not be permitted to succeed himself/herself to that office. Except as provided in this Article, should vacancies occur in either office of the president or vice president, the Board of Directors shall appoint persons to fill such offices for the unexpired terms thereof.

(b) **President.** The president shall preside at all meetings of the Board of Directors, the Executive Committee, and the general membership; shall appoint members of all committees, including the chair and vice chair of each, upon recommendation from members and regions (as communicated by the region chairs), with each such committee chair and vice chair ratified by the Board of Directors; and shall perform all other duties necessary to carry out the functions of the office. The president shall be a non-voting, *ex officio* member of each committee, but shall not be an *ex officio* member of the Election Committee or the region boards.

The president may be expelled from office with or without cause, upon the satisfaction of the following two events: (1) a two-thirds vote of the Board of Directors; and (2) a subsequent simple majority vote of the members of the Association during a meeting of the membership.

(c) **Vice President.** The vice president shall, in the absence of the president, assume all of the duties of that office and, if a vacancy occurs, succeed thereto for the unexpired term. The vice president shall sit as a member of the Executive Committee of the ACWA Joint Powers Insurance Authority and shall perform such other duties as assigned by the president. The vice president shall be a non-voting, *ex officio* member of each committee, but shall not be an *ex officio* member of the Election Committee or the region boards.

REDLINE

The vice president may be expelled from office with or without cause, upon the satisfaction of the following two events: (1) a two-thirds vote of the Board of Directors; and (2) a subsequent simple majority vote of the members of the Association during a meeting of the membership.

Section 3.02. Executive Director/Secretary and Controller/Treasurer.

(a) **General.** The executive director/secretary and controller/treasurer of the Association shall also be officers of the Association. The executive director/secretary shall be appointed by and hold office at the pleasure of the Board of Directors of the Association.

(b) **Executive Director/Secretary.** The executive director/secretary shall: (1) advise and assist the Board of Directors, all committees, the boards of each region, and the workgroups of each region; (2) be responsible for administering the total operations of the Association; (3) employ, direct, and release all employed staff in accordance with the policies adopted by the Board of Directors and consistent with the budget adopted by the Board of Directors; (4) provide relevant information to the Board of Directors needed by the Board to take actions; (5) give members notice and record minutes of all meetings of the membership, Board of Directors, and Executive Committee; and (6) have such other powers and perform such other duties as may be provided and assigned by the Board of Directors directly or through the president of the Board or the Executive Committee. The executive director/secretary, with the assistance of the controller/treasurer, shall render a report to the Board of Directors at the first meeting following the close of each calendar year showing the membership of the Association, the receipts and expenditures during the year, and the work accomplished during the previous year.

(c) **Controller/Treasurer.** The controller/treasurer shall report to and act under the direction of the executive director/secretary. The controller/treasurer shall be a signatory on all accounts held by the Association and shall act as a fiduciary for all assets of the Association.

ARTICLE 4 – Board of Directors

Section 4.01. **Membership.** The Board of Directors shall consist of:

(a) The Association president and vice president.

(b) The chair and vice chair of each region.

(c) The chair of each standing committee.

(d) The most immediate active past president.

(e) The vice president of the ACWA/Joint Powers Insurance Authority.

REDLINE

Section 4.02. Term of Office. The term of office of all members of the Board of Directors shall commence on January 1 of the calendar year following election of the president and vice president, except for those persons who serve on the Board of Directors by nature of their position as chairs of standing committees, whose terms shall instead commence upon their ratification by the Board of Directors. Except as provided in Article 4, Section 4.11, the term of office for all members of the Board of Directors shall terminate on December 31 of the following odd-numbered year two years later, or until their successors take office.

Section 4.03. Attendance Requirement. Any member of the Board of Directors who misses two consecutive regular Board meetings without being excused by the Board will no longer be a member of the Board of Directors.

Section 4.04. Regular Meetings. Regular meetings of the Board of Directors shall be held bimonthly at such times and places as the Board may determine.

Section 4.05. Special Meetings. Special meetings may be called by the president upon the president's own volition or shall be called by the president when requested in writing by five directors. Prior to conducting such a special meeting, the president shall consult with the Executive Committee to ensure that adequate information is available to the Board of Directors for any necessary decisions; and where such meeting is called upon the president's own volition, the president shall also consult with the Executive Committee as to the necessity of the special meeting. However, the president's determination of necessity shall control. Notice for special meetings shall be provided in the following manner: (1) upon 10 days' written notice sent by mail to each director and addressed to each at the address as shown upon the records of the Association; or (2) upon 48 hours' notice with notice provided by electronic means. When the meeting is called upon the president's own volition, the president shall choose the form of notice; when the meeting is called by a request of five directors, the five directors shall choose the form of notice and the president shall promptly call the meeting. No business except those items described in the notice shall be transacted at any special meeting, except by consent of three-fourths of the members of the Board of Directors present.

Section 4.06. ~~Meetings by Electronic Communication.~~ Alternatives to Traditional Meetings.

(a) Any meeting of the Board of Directors, region boards, or any committee may be conducted, in whole or in part, by telephone, electronic transmission, or by electronic video screen communication. A member of the Board of Directors, a region board, or any committee shall be deemed present in person at the meeting if the following apply:

~~(a)~~(1) Each director, region board, or committee member participating in the meeting can communicate concurrently with all other directors, region board, or committee members.

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~~(1)~~ (2) Each director, region board or, committee member is provided the means of participating in all matters before the board, region board, or committee, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Association.

(b) To the extent permitted by applicable law and subject to all applicable requirements, any action that may be taken at a regular or special Board of Directors, a region board, or any committee may be approved by unanimous written consent of the members of that body.

~~Section 4.06.~~Section 4.07. **Quorum**. At any meeting of the Board of Directors, the attendance of 50 percent of the voting members of the Board of Directors, or their permitted alternates as specified in these bylaws, shall constitute a quorum for the transaction of any business. The Board may hold a closed session for discussion of personnel matters; enforcement of violations of the code of conduct; pending or anticipated litigation or other legal matters, including, but not limited to, considering whether to file or join in an amicus brief; real property negotiations and discussions; and other confidential matters as determined by the Board to the extent permitted by applicable law. (See Board Policy 2.1.8.3.)

~~Section 4.07.~~Section 4.08. **Alternates.** Each region shall designate an alternate for each chair and vice chair, who shall meet the qualification requirements for chair and vice chair, to act at meetings of the Board of Directors when the chair or vice chair is unable to attend. The vice chair of each standing committee will be the alternate to act at meetings of the Board of Directors when the standing committee chair is unable to attend. An alternate may not act or vote on behalf of more than one member of the Board of Directors. A member of the Board of Directors may not act as an alternate for any other member.

~~Section 4.08.~~Section 4.09. **Vacancies for Standing Committee Chairs and Vice Chairs.** Should a vacancy occur in the office of any standing committee chair or vice chair before the end of the term, the president shall appoint a new committee chair or vice chair to fulfill the unexpired term of such committee chair or vice chair subject to ratification by the Board of Directors. A vacancy in the office of any such standing committee chair or vice chair as described in the previous sentence shall be deemed to exist when the chair or vice chair: (1) resigns the office; (2) no longer is an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member; or (3) is otherwise removed by a member agency of the Association.

~~Section 4.09.~~Section 4.10. **Duties, Authorities, and Delegation.** Subject to the provisions and limitations of California Nonprofit Corporation Law, other applicable laws, and the provisions of these bylaws, the Association's activities and affairs are to be exercised by or under the direction of the Association's Board of Directors. The Board of Directors is responsible for the overall supervision, control, and direction of the Association. The Board of Directors shall: (1) employ and release the executive director/secretary; (2) set performance expectations for the executive director/secretary; (3) receive, review, and consider approval of executive director/secretary recommended compensation, other terms and conditions of employment, and annual evaluations as prepared by the Executive Committee; (4)

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annually adopt a budget; and (5) set the level of dues for the Association. Except as to the duties listed in the previous sentence, and subject to Article 3, Section 2, the Board of Directors may delegate the supervision, control, and direction of the Association's affairs to any person or group, including a committee, provided the Association Board retains ultimate responsibility for the actions of such person or group. Where such powers are delegated, the delegation shall be documented in writing.

~~Section 4.10.~~Section 4.11. **Immediate Past President.** The immediate past president automatically assumes this position after serving as the Association's elected president and is a voting member of the Board of Directors and Executive Committee. The term of office for the immediate past president shall commence on January 1 of the calendar year following election of the president and vice president and shall terminate on December 31 of the following odd-numbered year two years later. In the event the most immediate active past president is unavailable to serve, the most recent and available active past president in succession shall serve in this capacity.

~~Section 4.11.~~Section 4.12. **Code of Conduct of Board Members.**

(a) The Board of Directors shall establish, and update as appropriate, a code of conduct for its Directors that recognizes the Association's commitment of integrity, respect, and fair representation to its members and the public they serve and establishes minimum ethical standards for the performance of the duties of office. (See Code of Conduct Policy, Board Policy Manual, Policy No. GO-2.1A.) The code shall be consistent with the procedural processes contained in the Code of Conduct Policy. (See sections 2.1.3A and 2.1.4A of Policy GO-2.1A of the Board Policy Manual.) The code shall be distributed to all new Directors and shall be distributed annually to all members of the Association.

ARTICLE 5– Regions

Section 5.01. Boundaries of Each Region.

(a) There shall be a maximum of 10 regions within the state. The Board of Directors shall determine the regional boundaries. Insofar as is practicable, the regions shall have a numerical balance in members of the Association; make geographic sense; and promote regional problem solving.

(b) A member of the Association may file a written petition to the Board of Directors requesting a change in regions. Such petition shall set forth the reasons for such requested change. The Board shall, within a reasonable time, act upon such petition and set forth the reasons for its action. Such action by the Board shall be based on factors in Section 5.01(a) above, as well as others deemed by the Board of Directors to be relevant to the decision.

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Section 5.02. Officers.

(a) The officers of each region shall be a chair and vice chair and three to five region board members who shall be elected by the region in each odd-numbered year. A region may maintain a board of fewer than five but not less than three members as provided in the region's rules and regulations. The officers of the region board shall take office on January 1 of the calendar year following election and shall hold office for two years, or until their successors take office. Regions shall hold elections by electronic ballot. Five or more members of the Association from the region shall constitute~~ing~~ a quorum for purposes of regional board elections. Association staff shall verify the legitimacy of the ballots.

(b) The officers of each region shall: (1) exercise the powers and perform duties of the region during the interim between region meetings; and (2) make recommendations to the president regarding appointments to committees. The chair and vice chair shall be the region's representatives to the Board of Directors.

(c) Each officer of a region shall be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Where an individual ceases to meet these criteria during the term of the office, the individual may not serve during the remaining term of that office unless that individual can again meet the criteria for the office and is appointed to complete the term. The region board may adopt more stringent criteria for board member qualifications as part of the region's rules and regulations.

(d) Should a vacancy occur in any of the region board positions before the end of the term, the remaining members of the region board shall appoint a new member. A vacancy in the office of any region board position shall be deemed to exist when a region board member: (1) resigns the office; (2) no longer is an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member of the Association to represent that member; or (3) is otherwise removed by a member agency of the Association.

Section 5.03. Nominating Committees. There shall be a nominating committee for each region consisting of three or more designees, each representing a member of the Association located within the region, appointed by the chair of the region and approved by the region board. Nominating committees shall be formed by February 28 of each odd-numbered year.

Section 5.04. Meetings. The meetings of each region shall be held at both the spring and fall conferences and at such other times and places as may be determined by the region chair. Representatives of five or more members of the Association from the region present at any region meeting shall constitute a quorum for purposes of conducting the business of the region. Any meeting,

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regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission, as set forth in Section 4.06.

Section 5.05. **Workgroups.** Workgroups may be appointed by the region chair as needed.

Section 5.06. **Rules.** Each region shall organize and adopt rules and regulations for the conduct of its meetings and affairs not inconsistent with the Articles of Incorporation or bylaws of the Association. Each region shall abide by the code of conduct adopted by the Board of Directors of the Association.

ARTICLE 6 – Executive Committee

Section 6.01. **Membership.** There shall be an Executive Committee consisting of the following: the president of the Association, who shall be the chair thereof; the vice president; the most immediate active past president; the chair of the Finance Committee; and three at-large representatives selected from and by the members of the Board of Directors. The election of the three at-large representatives to the Executive Committee shall occur at the first Board of Directors meeting held in each even-numbered year and the elected representatives shall serve immediately following their election and until such time as their successors take office. To the extent practical, the Executive Committee should be constituted so as to reflect the geographic extent of the Association and the functions of the members of the Association.

Section 6.02. **Powers.** The Executive Committee shall have the following authority:

(a) **Personnel.** Subject to the budget adopted by the Board of Directors, the Executive Committee shall perform the following personnel actions: (1) recommend compensation for the executive director/secretary to the Board of Directors for approval; (2) perform annual reviews of the executive director/secretary and submit that review to the Board of Directors; (3) review the classification and compensation plan and publicly posted salary schedule for Association employees submitted by the executive director/secretary, which shall be approved by the Board of Directors; (4) establish personnel policies for the conduct and behavior of employees, which shall be reviewable by the Board of Directors; and (5) undertake such other personnel actions as may be requested by the executive director/secretary in support of his or her oversight of all other personnel matters, which shall be reviewable by the Board of Directors, in closed session, upon request of the Board of Directors.

(b) **Delegation.** The Executive Committee may act pursuant to any authority specifically delegated to it by the Board of Directors. The delegation shall indicate whether the authority is still subject to the ultimate authority of the Board.

(c) **Authority to Act Between Meetings.** The Executive Committee may act for the Board of Directors between Board meetings when calling a special meeting of the Board of Directors is impracticable, provided that no such action of the Executive Committee shall be binding on the Board of Directors until authorized or approved by the Board. The

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Executive Committee has the authority to authorize actions recommended by the Legal Affairs Committee (such as the filing of letter briefs and amicus curiae briefs) by electronic means without the need for an in-person or telephonic meeting, but such actions shall be ratified by the Board of Directors at its next meeting.

Section 6.03. Reporting. The president, or any person designated by the president, shall report to the Board of Directors, at each regular Board meeting, any action taken by the Executive Committee since the last preceding regular Board meeting. The minutes of Executive Committee meetings, which at that time may still be in draft form, shall be mailed (using the U.S. Postal Service, express delivery, electronic means, or otherwise) to each member of the Board of Directors at least five days prior to Board meetings, except in cases in which the Executive Committee meets during or immediately prior to a conference of the Association or immediately prior to a Board meeting, in which case the minutes, which may still be in draft form, shall be mailed to each director promptly thereafter.

Section 6.04. Meetings. The Executive Committee shall hold regularly scheduled meetings as set by the president. Special meetings of the Executive Committee may be called by the president upon notice to the members of that committee or upon written request of three Executive Committee members. Notice for special Executive Committee meetings shall be provided to the entire Board: (1) upon five days' written notice sent by mail, or (2) upon 24 hours' notice with notice provided by electronic means; and all such meetings shall be open to the Board of Directors. Any meeting, regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission, as set forth in Section 4.06. With the exception of closed sessions as designated by the Executive Committee, all members of the Board of Directors and Council of Past Presidents may attend any meeting of the Executive Committee. However, ~~Meetings of~~ the Executive Committee may ~~be~~ close~~d~~ its meetings to select or all non-members of the Committee ~~to others~~ at the discretion of the president or by a majority vote of the Executive C~~c~~ommittee. Any decision to close an Executive Committee meeting to others shall be final and not reversible except with the consent of party that decided to close the meeting. Only members of the Executive Committee are allowed to vote on Executive Committee matters ~~at a meeting of the committee~~.

Section 6.05. Minutes. The minutes of the Executive Committee meetings shall be kept by the executive director/secretary at the Association's principal office. Actions of the Executive Committee shall be reported to the Board of Directors as provided in Section 3 of this Article and shall be available to any member of the Board of Directors upon request to the executive director/secretary.

ARTICLE 7 – Standing Committees

Section 7.01. Qualification. In order to serve on any Association standing committee, an individual must be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Where an individual ceases to meet these criteria during the term of the

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appointment, the individual may not serve during the remaining term of that appointment unless that individual can again meet the criteria for appointment and is appointed to complete the term.

Section 7.02. Term of Office. The term of office of standing committee members shall be two years commencing on January 1 of each even-numbered year. The term of office of standing committee chairs and vice chairs shall be approximately two years and shall commence as soon after January 1 of the even-numbered year as they may be appointed by the president and ratified by the then-seated Board of Directors, and shall terminate on December 31 of the odd-numbered year approximately two years later or until their successors are appointed and ratified.

Section 7.03. Meetings. Meetings of standing committees may be called at such times and places designated by the respective chair thereof except where provided otherwise by these bylaws. Any meetings of standing committees may be conducted, in whole or in part, by electronic transmission or by electronic video screen communication, as set forth in Section 4.06. Subject to the provisions of these bylaws and any actions that may be taken by the Board of Directors, the chairs of each standing committee may establish their own rules for the efficient operation of the committee they each chair. The chairs of each standing committee are authorized to create subcommittees and workgroups in order to complete the work of the committee.

Section 7.04. Committee Composition. Each limited standing committee shall have a membership composition that is comprised of members in the quantity and with qualifications as defined by the provisions of these bylaws. The committee chair position shall not be included in the maximum count for determining the committee composition total of any given limited committee. The committee chair shall, however, be a voting member of their respective committees subject to the rules and procedures of each committee. If the chair is absent, the vice chair shall fill the role of the chair during such absence.

Section 7.05. Agriculture Committee. There shall be an Agriculture Committee whose duty it shall be to recommend Association policy, positions and programs to the Board of Directors, State Legislative Committee, Federal Affairs Committee or other committees, as appropriate, regarding agricultural issues affecting the interests of the Association and its members. The committee shall consist of at least one member from each region.

Section 7.06. Business Development Committee. There shall be a Business Development Committee whose duty it is to develop and recommend to the Board of Directors programs and activities to be provided or administered by the Association that generate non-dues revenue and provide a service or benefit to member agencies. The committee shall consist of at least one member from each region and may include members from any of the other standing committees.

Section 7.07. Communications Committee. There shall be a Communications Committee whose duty it shall be to develop and make recommendations to the Board of Directors regarding a comprehensive internal and external communications program for the Association and to promote development of sound public information and education programs and practices among member agencies. The committee shall

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consist of no more than 40 members. The committee shall consist of at least one member from each region.

Section 7.08. Energy Committee. There shall be an Energy Committee whose duty it shall be to recommend policies and programs to the Board of Directors and to the State Legislative Committee and/or Federal Affairs Committee as appropriate. The committee shall consist of at least one member from each region.

Section 7.09. Federal Affairs Committee. There shall be a Federal Affairs Committee whose duty it shall be to review all federal legislative proposals and regulatory proposals affecting member agencies, after consulting with other appropriate committees, and to develop Association positions consistent with existing policy, where it has been established; recommend sponsorship of bills that will resolve problems or improve conditions for member agencies; and assist in the establishment of the Association's federal legislative program. The committee shall consist of at least one, but no more than five members from each region.

Section 7.10. Finance Committee. There shall be a Finance Committee whose duty it shall be to make recommendations to the Board of Directors regarding annual budgets, dues formula and schedules and other revenue-producing income, annual audit and selection of an auditor, and investment strategies. The committee shall consist of the president and vice president of the Association as *ex officio* members, either the chair or vice chair from each of the Association's 10 region boards, and one additional member from each region with experience in financial matters.

Section 7.11. Groundwater Committee. There shall be a Groundwater Committee whose duty it shall be to recommend policies and programs to the Board of Directors and to the State Legislative Committee and/or Federal Affairs Committee as appropriate. The committee shall consist of at least one member from each region.

Section 7.12. Legal Affairs Committee. There shall be a Legal Affairs Committee whose duty it shall be to support the mission of the Association, and more particularly to deal with requests for assistance involving legal matters of significance to member agencies, including but not limited to state and federal court litigation, water rights matters, selected regulatory and resources agency matters, proposed bylaw revisions, review of legislation as requested by the State Legislative Committee, etc. The committee shall consider matters and issues submitted to it in order to determine which ones are of major significance to the member agencies and, assuming a finding of major significance, recommend to the Board of Directors the position(s) which the committee believes the Association should take with respect thereto. The committee shall be composed of between 34 and 44 attorneys, each of whom shall be a member of the California Bar and shall be, or act as, counsel for a member agency, representing diverse interests within the Association, including but not limited to, different geographical areas throughout the state, large and small agencies, agricultural and urban agencies, agencies created under the various enabling statutes, etc. The committee shall consist of at least one member from each region.

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Section 7.13. Local Government Committee. There shall be a Local Government Committee whose duty it shall be to recommend policies to the State Legislative Committee, as appropriate, and Board of Directors on matters affecting water agencies as a segment of local government in California. The committee shall consist of at least one, but no more than three members from each region.

Section 7.14. Membership Committee. There shall be a Membership Committee whose duty it shall be to assist staff in developing membership recruitment and retention programs, make recommendations to the Board of Directors regarding membership policies, eligibility, and applications for membership and review and make recommendations to the Finance Committee regarding an equitable dues structure. The committee shall consist of at least one member from each region.

Section 7.15. State Legislative Committee. There shall be a State Legislative Committee whose duty it shall be to review all state legislative proposals affecting member agencies and to establish Association positions, consistent with existing policy, where it has been established; sponsor bills that will resolve problems or improve conditions for member agencies; and assist in the establishment of the Association's legislative program. The committee shall consist of members representing a variety of types of member agencies and at least one, but no more than four members from each region.

Section 7.16. Water Management Committee. There shall be a Water Management Committee whose duty it shall be to recommend policy and programs to the Board of Directors on any area of concern in water management. The committee shall consist of at least one, but no more than four members from each region.

Section 7.17. Water Quality Committee. There shall be a Water Quality Committee whose duty it shall be to develop and recommend Association policy, positions, and programs to the Board of Directors, to promote cost-effective state and federal water quality regulations that protect the public health, to enable interested member agencies to join together to develop and coordinate with other organizations, and to present unified comments regarding agricultural and domestic water quality regulations. The committee shall consist of at least one member from each region.

ARTICLE 8 – Special Councils, Committees, and Task Forces

Section 8.01. Council of Past Presidents. There shall be a Council of Past Presidents composed of all past presidents of the Association who serve on the council until each is no longer able to or wishes to serve. The council shall provide a mechanism for past presidents to continue to make valuable contributions to the Association. With approval of the Board of Directors, the president and/or executive director/secretary may assign specific responsibilities to the council from time to time. Members of the Council of Past Presidents are invited to attend and participate in the Association's Board and Executive Committee meetings, including attending closed sessions of the Board. Members of the Council of Past Presidents may also attend ~~closed sessions~~ meetings of the Executive Committee except as designated by the Executive Committee as further described in Section 6.04. With the exception of the immediate past president, members of the Council of Past Presidents are non-voting.

Section 8.02. Election Committee. There shall be an Election Committee consisting of eleven representatives established by February 28 of each odd-numbered year, whose purpose shall be to present qualified individuals for the offices of president and vice president of the Association. The Election Committee shall vet all candidates to determine if the eligibility criteria have been met. The Election Committee will endorse a preferred candidate for president and vice president before presenting an open ballot with all qualifying candidates to the members for a vote in the manner set forth in Section 9.10 and Section 9.11.

(a) Selection. The Election Committee shall be selected in the following manner:

(1) Each of the 10 currently seated Region Boards in the odd-numbered year shall appoint a representative from their respective regions to serve on the Election Committee.

(2) One representative appointed by the president in the odd-numbered year shall also serve on the Election Committee. Neither the president nor the vice president qualifies to be appointed to this position.

(b) Qualification. In order to serve on the Election Committee, an individual must be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Past presidents, who are Honorary Life Members of the Association, may also serve on the Election Committee without meeting stated qualifications unless otherwise disqualified. Where an individual ceases to meet these criteria during the election cycle, the individual may not continue to serve. When the disqualified member represented a Region Board, the affected Region Board shall select a replacement representative. When the disqualified member represented the President, the President shall select an alternate representative.

Section 8.03. Other Committees and Task Forces. Other committees and task forces may be appointed by the president from time to time as needed, consistent with and supportive of the mission of the Association.

ARTICLE 9 – Meetings of Members

Section 9.01. Meetings. Meetings of the members of the Association shall be held at the Association's conferences to provide a report to the members on the Association's activities during the past year, provide an overview of the Association's finances, announce the newly elected president and vice president of the Association in each odd-numbered year, and to transact such other proper business as may come before the meeting.

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Section 9.02. Special Meetings. Special meetings of the members of the Association may be called by the Board of Directors, the president of the Board of Directors, or by 5 percent or more of the members of the Association. Except when called by the Board, a request for a special meeting must be in writing and must be delivered in person or mailed by first-class mail addressed to the president of the Board at the principal office of the Association, with a copy to the executive director/secretary. The request must state the general nature of the business proposed to be transacted at the meeting.

A special meeting that has been called by written request of 5 percent of the member agencies of the Association to the Board of Directors shall be set by the Board of Directors on a date that is not less than 35 or more than 90 days after receipt of the request.

Section 9.03. Meetings by Remote Communication. Any meeting of the members may be conducted, in whole or in part, by electronic transmission by and to the Association or by electronic video screen communication. The member shall be deemed present in person at the meeting if the following apply:

(a) The Association implements reasonable measures to provide the member a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with those proceedings.

(b) If any member votes or takes other action at the meeting by means of electronic transmission to the Association or electronic video screen communication, a record of that vote or action is maintained by the Association.

(c) The Association verifies that each person participating remotely is an authorized representative of a voting member.

Section 9.04. Notice Requirements for Membership Meetings. Written notice of any membership meeting shall be given to each voting member of the Association. The notice shall state the date, time, and place of the meeting; the means by which members may participate; and the general nature of the business to be transacted. The member notification information shall also be posted on the Association's website.

Except as otherwise provided in these bylaws or California law, a written notice of regular membership meetings shall be given not less than 10 or more than 90 days before the date of the meeting to each member who, on the record date for notice of the meeting, is entitled to vote; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, that notice shall be given not less than 20 days before the meeting.

Section 9.05. Notice Requirements for Special Meetings. The executive director/secretary shall cause notice to be given to all members of the Association of the date, time, and place of the meeting and the general nature of the business to be transacted at the meeting. No business except that specified in the request and notice may be transacted at said special meeting. If notice of the requested special meeting

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is not given within 20 days after receipt of the request, the person or persons requesting the meeting may give the notice.

Section 9.06. Voting. Each member of the Association in good standing at the time of the annual or special meeting shall be entitled to one vote that shall be cast by its authorized representative. Each member must designate its authorized representative prior to the annual or special meeting. It is the member's responsibility to designate or update its authorized representative as needed. The Association may confirm with any member the identity of that member's authorized representative for the purpose of casting ballots in any election of president and vice president, amendments to these Bylaws, or other Association business that requires a vote. All questions, except amendments or revisions of these bylaws, shall be determined by a majority of the members present and voting. A roll call may be requested by any authorized representative.

Section 9.07. Amendment of Bylaws. These bylaws may be amended or revised by two-thirds of the member agencies of the Association present and voting at any meeting.

Section 9.08. Quorum. The presence of the authorized representatives of at least 50 members of the Association at any meeting of the members shall constitute a quorum for transacting business. Actions of the members of the Association taken by written ballot shall require the timely receipt of the written ballot from the authorized representatives of at least 50 members to constitute a quorum.

Section 9.09. Amendments, Revisions, and Resolutions. Before any amendments or revisions to the bylaws, or resolutions, may be considered at any meeting of the Association, any such amendment, revision, or resolution shall be submitted to the executive director/secretary at least 90 days prior to the first day of such meeting. The executive director/secretary shall promptly distribute any proposed amendments or revisions to the Legal Affairs Committee for the Legal Affairs Committee to develop an unbiased analysis of the amendments or revisions. Following development of an analysis for the proposed amendments or revisions, the executive director/secretary shall distribute copies of any resolutions, amendments or revisions, including any applicable analyses, to all members of the Association not less than 10 days or more than 90 days prior to presentation at such meeting. The written notice of the membership meeting shall be given to each voting member of the Association consistent with the provisions defined in Section 9.04. The 90-day rule may be suspended at any meeting of the Association by consent of three-fourths of the members present. Voting on resolutions, amendments, or revisions shall proceed as provided by Sections 9.06 and 9.07.

Section 9.10. Nomination of President and Vice President.

(a) **Qualification.** At the time of their election, the president and vice president of the Association shall each be an elected or appointed member of the governing body or commission (as appropriate) of a member agency of the Association.

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(b) **Nominating Resolutions.** All nominations for the positions of president and vice president shall be accompanied by an official resolution from the Association member agency on whose board the nominee serves. Said resolution shall be signed by an authorized signatory of the member agency's Board of Directors.

Section 9.11. Election of President and Vice President. Each member of the Association in good standing at the time a vote is cast is entitled to one vote for election of the president and vice president that shall be cast by its authorized representative by written ballot. The ballot and any related material may be sent by first class, registered, or certified mail or electronic transmission by the Corporation that meets the requirements of Corporations Code section 20, and responses may be returned to the Corporation by mail or electronic transmission. On any written ballot for the election of president or vice president, an authorized representative acting on behalf of the member may write in a qualified candidate for election. Nominating resolutions for write-in candidates must be received by the deadline for the return of ballots.

Section 9.12. Write-In Candidates. If a write-in candidate prevails in any election for president or vice president, such individual shall not be officially elected into such position until the Election Committee confirms that the individual meets the eligibility criteria and qualifications requirements.

Section 9.13. Run-off Election for President and Vice President. In the event a nominee does not receive a majority of the votes for president or vice president, a run-off election shall be held for the office or offices for which a majority of the votes have not been received. The run-off election shall only involve the nominees who received the two highest amounts of votes. The run-off election shall be conducted in the same manner as the initial election.

Section 9.14. Additional Procedures for Election of President and Vice President. The Board shall have the authority to adopt policies for elections ("Election Policy") of president and vice president setting forth the details for the election of such positions when not otherwise contrary to or covered by these bylaws.

Section 9.15. Action by Written Ballot. To the extent permitted by applicable law and subject to all applicable requirements, any action that may be taken at a regular or special member meeting of the members may be approved by written ballot if a ballot is sent to each member entitled to vote on the matter. If approved by the Board, ballots may be sent and returned by electronic transmission as permitted in the Corporations Code. Ballot format, solicitation and voting thresholds shall meet the requirements of the Corporations Code and be consistent with applicable provisions of these Bylaws.

ARTICLE 10–Indemnification of Directors, Officers, and Other Agents

Section 10.01. Right of Indemnity. To the fullest extent permitted by law, this Corporation shall indemnify its Directors, Officers, employees, and other persons described in Section 7237(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in

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connection with any "proceeding," as that term is used in that Section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in Section 7237(a) of the California Corporations Code.

Section 10.02. Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporations Code, the Board shall promptly determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification.

Section 10.03. Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these bylaws in defending any proceeding covered by those Sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

Section 10.04. Insurance. The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Officers, Directors, employees, and other agents, against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officer's, director's, employee's or agent's status as such.

ARTICLE 11 - Miscellaneous

Section 11.01. Conduct of Meetings. All meetings of the Association shall be conducted in accord with the code of conduct and in substantial accordance with the latest edition of Robert's Rules of Order Newly Revised unless the Board adopts alternate rules of conduct for itself and/or its committees, region boards, and region workgroups.

Section 11.02. Funds. The funds of the Association shall be used to further the aims and purposes of this Association. They shall be kept by the controller/treasurer and paid out by checks or other electronic means, which shall only be valid with two authorized signatures. The Board of Directors shall designate by resolution which persons, other than the controller/treasurer, may sign for expenditures. The Finance Committee shall implement procedures to ensure necessary internal controls over the receipt and expenditures of Association funds and arrange for an external audit. Audit reports shall be presented to the Board of Directors.

Section 11.03. Disposition of Assets upon Dissolution. The Association's properties and assets are irrevocably dedicated to the fulfillment of the Association's purposes as described in Article 2 of the Articles of Incorporation. No part of the Association's net earnings, properties and assets, on dissolution or otherwise, may inure to the benefit of any private person. Upon the dissolution of the Association, all

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debts thereof shall be paid and its affairs settled, and all remaining assets shall be distributed to the Association's member political subdivisions for a public purpose, consistent with the provisions of the California Nonprofit Corporation Law relating to mutual benefit corporations then in effect and with the Articles of Incorporation.

Section 11.04. Definitions. As used in these Bylaws, the terms "electronic transmission" and "notice provided by electronic means" shall refer to notice and other communications given by fax or e-mail.

Section 11.05. Conflicts Between Bylaws and Other Association Policies. To the extent permitted by applicable law, these Bylaws shall govern in the event there is a conflict between these Bylaws and another Association policy, rule, or procedure.

Amended comprehensively December 1, 2010
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AMENDED AND RESTATED BYLAWS of the Association of California Water Agencies

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Amended and restated by the ACWA Members: December 4, 2024

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BYLAWS OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES

(As amended and restated by the Members on December 4, 2024)

ARTICLE 1 - General

Section 1.01. Name. The name of this California nonprofit corporation shall be the Association of California Water Agencies (hereinafter referred to as the Association).

Section 1.02. Principal Office. The principal office for the transaction of business of the Association shall be located in Sacramento, California.

Section 1.03. Purposes. The purposes of the Association shall be to work together with its members and others for the best interests of California and its citizens and landowners who use, need and depend upon water; to encourage the orderly development of the waters of the state; to seek means of obtaining and making available to all of California a dependable water supply of the best possible quality at the lowest possible cost, giving due consideration to environmental factors involved therein; to provide inspiration and leadership in meeting and solving the water supply problems of this state; to propose and advocate such policies and measures—local, state and federal—that serve the best interests of the Association, opposing those of contrary nature; to assist in promoting the health, safety and welfare of the employees of its members; and to do all other things that are in the best interests of its members.

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ARTICLE 2 – Membership and Dues

Section 2.01. Membership.

(a) Members. Only a public district, public agency, or public organization created and operated for the purpose of controlling, treating, developing, acquiring, using or supplying water for any purpose for inhabitants or lands within the state of California, or for the protection, drainage or reclamation of lands within the state of California, may become a member of the Association. Such an entity will become a member upon written application, approval by the Board of Directors, and the payment of the required dues. Acceptance to membership shall authorize full participation in Association activities. Except as otherwise provided in Section 2.01(b) below, in no case may an organization other than a state, a political subdivision (as defined in § 1.103-1(b) of the Income Tax Regulations) of a state or an entity the income of which is excluded from gross income under § 115 of the Internal Revenue Code be a member of the Association. A member of the Association shall be in good standing if in compliance with all bylaws and requirements of membership, including timely payment of annual dues and emergency assessments.

(b) Honorary Life Members. Any person who has rendered conspicuous service in furthering the purposes of the Association may, by vote of the Board of Directors, be granted an honorary life membership in the Association without payment of dues or assessments. All past presidents of the Association shall automatically be honorary life members without vote of the Board of Directors. Honorary life members shall not be entitled to a vote or to hold office automatically because of their status as honorary life members.

(c) Termination of Members. Membership shall cease upon the failure of any member to pay the dues provided for in Section 2.02 of this Article. The membership of any member may be terminated at any time by such member sending written notification of its intention to withdraw to the Association's principal office. The Board of Directors may terminate the membership of any member upon 30 days' written notice by first-class mail when it is determined at any regular Board meeting or at any special Board meeting called for that purpose that continuance of such membership would not be in the best interests of the Association. Withdrawal or termination of membership ends any participation in Association activities and shall terminate a member's interest in the Association's assets.

Section 2.02. Dues. The annual dues of each member of the Association shall be established by the Board of Directors; provided, however, that any member may apply for a change in its dues because of conditions that differentiate such applicant from other members.

Section 2.03. Liability of Members. No member shall be liable for any obligation incurred by the Association with the following exception: (1) the payment of the annual dues while it remains a member;

and (2) the payment of emergency assessments, which shall not exceed 10 percent of current annual dues for each member in any calendar year while it remains a member. No emergency assessment may be levied against any member during its first two years of membership in the Association.

ARTICLE 3 - Officers

Section 3.01. President and Vice President.

(a) **General.** The president and vice president of the Association shall be the elected officers of the Association. At the time of their election the president and vice president shall each be an elected or appointed member of the governing body or commission (as appropriate) of a member agency of the Association. The president and vice president shall be elected by the members of the Association by written ballot in each odd-numbered year before the Association's annual meeting, shall be announced at the Association's annual meeting, shall take office on January 1 of the calendar year following election, and shall hold office until such time as their successors take office or are appointed. An elected president shall not be permitted to succeed himself/herself to that office. Except as provided in this Article, should vacancies occur in either office of the president or vice president, the Board of Directors shall appoint persons to fill such offices for the unexpired terms thereof.

(b) **President.** The president shall preside at all meetings of the Board of Directors, the Executive Committee, and the general membership; shall appoint members of all committees, including the chair and vice chair of each, upon recommendation from members and regions (as communicated by the region chairs), with each such committee chair and vice chair ratified by the Board of Directors; and shall perform all other duties necessary to carry out the functions of the office. The president shall be a non-voting, *ex officio* member of each committee, but shall not be an *ex officio* member of the Election Committee or the region boards.

The president may be expelled from office with or without cause, upon the satisfaction of the following two events: (1) a two-thirds vote of the Board of Directors; and (2) a subsequent simple majority vote of the members of the Association during a meeting of the membership.

(c) **Vice President.** The vice president shall, in the absence of the president, assume all of the duties of that office and, if a vacancy occurs, succeed thereto for the unexpired term. The vice president shall sit as a member of the Executive Committee of the ACWA Joint Powers Insurance Authority and shall perform such other duties as assigned by the president. The vice president shall be a non-voting, *ex officio* member of each committee, but shall not be an *ex officio* member of the Election Committee or the region boards.

The vice president may be expelled from office with or without cause, upon the satisfaction of the following two events: (1) a two-thirds vote of the Board of Directors; and (2) a subsequent simple majority vote of the members of the Association during a meeting of the membership.

Section 3.02. Executive Director/Secretary and Controller/Treasurer.

(a) **General.** The executive director/secretary and controller/treasurer of the Association shall also be officers of the Association. The executive director/secretary shall be appointed by and hold office at the pleasure of the Board of Directors of the Association.

(b) **Executive Director/Secretary.** The executive director/secretary shall: (1) advise and assist the Board of Directors, all committees, the boards of each region, and the workgroups of each region; (2) be responsible for administering the total operations of the Association; (3) employ, direct, and release all employed staff in accordance with the policies adopted by the Board of Directors and consistent with the budget adopted by the Board of Directors; (4) provide relevant information to the Board of Directors needed by the Board to take actions; (5) give members notice and record minutes of all meetings of the membership, Board of Directors, and Executive Committee; and (6) have such other powers and perform such other duties as may be provided and assigned by the Board of Directors directly or through the president of the Board or the Executive Committee. The executive director/secretary, with the assistance of the controller/treasurer, shall render a report to the Board of Directors at the first meeting following the close of each calendar year showing the membership of the Association, the receipts and expenditures during the year, and the work accomplished during the previous year.

(c) **Controller/Treasurer.** The controller/treasurer shall report to and act under the direction of the executive director/secretary. The controller/treasurer shall be a signatory on all accounts held by the Association and shall act as a fiduciary for all assets of the Association.

ARTICLE 4 – Board of Directors

Section 4.01. **Membership.** The Board of Directors shall consist of:

(a) The Association president and vice president.

(b) The chair and vice chair of each region.

(c) The chair of each standing committee.

(d) The most immediate active past president.

(e) The vice president of the ACWA/Joint Powers Insurance Authority.

Section 4.02. Term of Office. The term of office of all members of the Board of Directors shall commence on January 1 of the calendar year following election of the president and vice president, except for those persons who serve on the Board of Directors by nature of their position as chairs of standing committees, whose terms shall instead commence upon their ratification by the Board of Directors. Except as provided in Article 4, Section 4.11, the term of office for all members of the Board of Directors shall terminate on December 31 of the following odd-numbered year two years later, or until their successors take office.

Section 4.03. Attendance Requirement. Any member of the Board of Directors who misses two consecutive regular Board meetings without being excused by the Board will no longer be a member of the Board of Directors.

Section 4.04. Regular Meetings. Regular meetings of the Board of Directors shall be held bimonthly at such times and places as the Board may determine.

Section 4.05. Special Meetings. Special meetings may be called by the president upon the president's own volition or shall be called by the president when requested in writing by five directors. Prior to conducting such a special meeting, the president shall consult with the Executive Committee to ensure that adequate information is available to the Board of Directors for any necessary decisions; and where such meeting is called upon the president's own volition, the president shall also consult with the Executive Committee as to the necessity of the special meeting. However, the president's determination of necessity shall control. Notice for special meetings shall be provided in the following manner: (1) upon 10 days' written notice sent by mail to each director and addressed to each at the address as shown upon the records of the Association; or (2) upon 48 hours' notice with notice provided by electronic means. When the meeting is called upon the president's own volition, the president shall choose the form of notice; when the meeting is called by a request of five directors, the five directors shall choose the form of notice and the president shall promptly call the meeting. No business except those items described in the notice shall be transacted at any special meeting, except by consent of three-fourths of the members of the Board of Directors present.

Section 4.06. Alternatives to Traditional Meetings.

(a) Any meeting of the Board of Directors, region boards, or any committee may be conducted, in whole or in part, by telephone, electronic transmission, or by electronic video screen communication. A member of the Board of Directors, a region board, or any committee shall be deemed present in person at the meeting if the following apply:

(1) Each director, region board, or committee member participating in the meeting can communicate concurrently with all other directors, region board, or committee members.

(2) Each director, region board or, committee member is provided the means of participating in all matters before the board, region board, or committee, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Association.

(b) To the extent permitted by applicable law and subject to all applicable requirements, any action that may be taken at a regular or special Board of Directors, a region board, or any committee may be approved by unanimous written consent of the members of that body.

Section 4.07. Quorum. At any meeting of the Board of Directors, the attendance of 50 percent of the voting members of the Board of Directors, or their permitted alternates as specified in these bylaws, shall constitute a quorum for the transaction of any business. The Board may hold a closed session for discussion of personnel matters; enforcement of violations of the code of conduct; pending or anticipated litigation or other legal matters, including, but not limited to, considering whether to file or join in an amicus brief; real property negotiations and discussions; and other confidential matters as determined by the Board to the extent permitted by applicable law. (See Board Policy 2.1.8.3.)

Section 4.08. Alternates. Each region shall designate an alternate for each chair and vice chair, who shall meet the qualification requirements for chair and vice chair, to act at meetings of the Board of Directors when the chair or vice chair is unable to attend. The vice chair of each standing committee will be the alternate to act at meetings of the Board of Directors when the standing committee chair is unable to attend. An alternate may not act or vote on behalf of more than one member of the Board of Directors. A member of the Board of Directors may not act as an alternate for any other member.

Section 4.09. Vacancies for Standing Committee Chairs and Vice Chairs. Should a vacancy occur in the office of any standing committee chair or vice chair before the end of the term, the president shall appoint a new committee chair or vice chair to fulfill the unexpired term of such committee chair or vice chair subject to ratification by the Board of Directors. A vacancy in the office of any such standing committee chair or vice chair as described in the previous sentence shall be deemed to exist when the chair or vice chair: (1) resigns the office; (2) no longer is an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member; or (3) is otherwise removed by a member agency of the Association.

Section 4.10. Duties, Authorities, and Delegation. Subject to the provisions and limitations of California Nonprofit Corporation Law, other applicable laws, and the provisions of these bylaws, the Association's activities and affairs are to be exercised by or under the direction of the Association's Board of Directors. The Board of Directors is responsible for the overall supervision, control, and direction of the Association. The Board of Directors shall: (1) employ and release the executive director/secretary; (2) set performance expectations for the executive director/secretary; (3) receive, review, and consider approval of executive director/secretary recommended compensation, other terms and conditions of employment, and annual evaluations as prepared by the Executive Committee; (4) annually adopt a budget; and (5) set the level of

dues for the Association. Except as to the duties listed in the previous sentence, and subject to Article 3, Section 2, the Board of Directors may delegate the supervision, control, and direction of the Association's affairs to any person or group, including a committee, provided the Association Board retains ultimate responsibility for the actions of such person or group. Where such powers are delegated, the delegation shall be documented in writing.

Section 4.11. Immediate Past President. The immediate past president automatically assumes this position after serving as the Association's elected president and is a voting member of the Board of Directors and Executive Committee. The term of office for the immediate past president shall commence on January 1 of the calendar year following election of the president and vice president and shall terminate on December 31 of the following odd-numbered year two years later. In the event the most immediate active past president is unavailable to serve, the most recent and available active past president in succession shall serve in this capacity.

Section 4.12. Code of Conduct of Board Members.

(a) The Board of Directors shall establish, and update as appropriate, a code of conduct for its Directors that recognizes the Association's commitment of integrity, respect, and fair representation to its members and the public they serve and establishes minimum ethical standards for the performance of the duties of office. (See Code of Conduct Policy, Board Policy Manual, Policy No. GO-2.1A.) The code shall be consistent with the procedural processes contained in the Code of Conduct Policy. (See sections 2.1.3A and 2.1.4A of Policy GO-2.1A of the Board Policy Manual.) The code shall be distributed to all new Directors and shall be distributed annually to all members of the Association.

ARTICLE 5– Regions

Section 5.01. Boundaries of Each Region.

(a) There shall be a maximum of 10 regions within the state. The Board of Directors shall determine the regional boundaries. Insofar as is practicable, the regions shall have a numerical balance in members of the Association; make geographic sense; and promote regional problem solving.

(b) A member of the Association may file a written petition to the Board of Directors requesting a change in regions. Such petition shall set forth the reasons for such requested change. The Board shall, within a reasonable time, act upon such petition and set forth the reasons for its action. Such action by the Board shall be based on factors in Section 5.01(a) above, as well as others deemed by the Board of Directors to be relevant to the decision.

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Section 5.02. Officers.

(a) The officers of each region shall be a chair and vice chair and three to five region board members who shall be elected by the region in each odd-numbered year. A region may maintain a board of fewer than five but not less than three members as provided in the region's rules and regulations. The officers of the region board shall take office on January 1 of the calendar year following election and shall hold office for two years, or until their successors take office. Regions shall hold elections by electronic ballot. Five or more members of the Association from the region shall constitute a quorum for purposes of regional board elections. Association staff shall verify the legitimacy of the ballots.

(b) The officers of each region shall: (1) exercise the powers and perform duties of the region during the interim between region meetings; and (2) make recommendations to the president regarding appointments to committees. The chair and vice chair shall be the region's representatives to the Board of Directors.

(c) Each officer of a region shall be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Where an individual ceases to meet these criteria during the term of the office, the individual may not serve during the remaining term of that office unless that individual can again meet the criteria for the office and is appointed to complete the term. The region board may adopt more stringent criteria for board member qualifications as part of the region's rules and regulations.

(d) Should a vacancy occur in any of the region board positions before the end of the term, the remaining members of the region board shall appoint a new member. A vacancy in the office of any region board position shall be deemed to exist when a region board member: (1) resigns the office; (2) no longer is an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member of the Association to represent that member; or (3) is otherwise removed by a member agency of the Association.

Section 5.03. Nominating Committees. There shall be a nominating committee for each region consisting of three or more designees, each representing a member of the Association located within the region, appointed by the chair of the region and approved by the region board. Nominating committees shall be formed by February 28 of each odd-numbered year.

Section 5.04. Meetings. The meetings of each region shall be held at both the spring and fall conferences and at such other times and places as may be determined by the region chair. Representatives of five or more members of the Association from the region present at any region meeting shall constitute a quorum for purposes of conducting the business of the region. Any meeting,

regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission, as set forth in Section 4.06.

Section 5.05. Workgroups. Workgroups may be appointed by the region chair as needed.

Section 5.06. Rules. Each region shall organize and adopt rules and regulations for the conduct of its meetings and affairs not inconsistent with the Articles of Incorporation or bylaws of the Association. Each region shall abide by the code of conduct adopted by the Board of Directors of the Association.

ARTICLE 6 – Executive Committee

Section 6.01. Membership. There shall be an Executive Committee consisting of the following: the president of the Association, who shall be the chair thereof; the vice president; the most immediate active past president; the chair of the Finance Committee; and three at-large representatives selected from and by the members of the Board of Directors. The election of the three at-large representatives to the Executive Committee shall occur at the first Board of Directors meeting held in each even-numbered year and the elected representatives shall serve immediately following their election and until such time as their successors take office. To the extent practical, the Executive Committee should be constituted so as to reflect the geographic extent of the Association and the functions of the members of the Association.

Section 6.02. Powers. The Executive Committee shall have the following authority:

(a) Personnel. Subject to the budget adopted by the Board of Directors, the Executive Committee shall perform the following personnel actions: (1) recommend compensation for the executive director/secretary to the Board of Directors for approval; (2) perform annual reviews of the executive director/secretary and submit that review to the Board of Directors; (3) review the classification and compensation plan and publicly posted salary schedule for Association employees submitted by the executive director/secretary, which shall be approved by the Board of Directors; (4) establish personnel policies for the conduct and behavior of employees, which shall be reviewable by the Board of Directors; and (5) undertake such other personnel actions as may be requested by the executive director/secretary in support of his or her oversight of all other personnel matters, which shall be reviewable by the Board of Directors, in closed session, upon request of the Board of Directors.

(b) Delegation. The Executive Committee may act pursuant to any authority specifically delegated to it by the Board of Directors. The delegation shall indicate whether the authority is still subject to the ultimate authority of the Board.

(c) Authority to Act Between Meetings. The Executive Committee may act for the Board of Directors between Board meetings when calling a special meeting of the Board of Directors is impracticable, provided that no such action of the Executive Committee shall be binding on the Board of Directors until authorized or approved by the Board. The

Executive Committee has the authority to authorize actions recommended by the Legal Affairs Committee (such as the filing of letter briefs and amicus curiae briefs) by electronic means without the need for an in-person or telephonic meeting, but such actions shall be ratified by the Board of Directors at its next meeting.

Section 6.03. Reporting. The president, or any person designated by the president, shall report to the Board of Directors, at each regular Board meeting, any action taken by the Executive Committee since the last preceding regular Board meeting. The minutes of Executive Committee meetings, which at that time may still be in draft form, shall be mailed (using the U.S. Postal Service, express delivery, electronic means, or otherwise) to each member of the Board of Directors at least five days prior to Board meetings, except in cases in which the Executive Committee meets during or immediately prior to a conference of the Association or immediately prior to a Board meeting, in which case the minutes, which may still be in draft form, shall be mailed to each director promptly thereafter.

Section 6.04. Meetings. The Executive Committee shall hold regularly scheduled meetings as set by the president. Special meetings of the Executive Committee may be called by the president upon notice to the members of that committee or upon written request of three Executive Committee members. Notice for special Executive Committee meetings shall be provided to the entire Board: (1) upon five days' written notice sent by mail, or (2) upon 24 hours' notice with notice provided by electronic means; and all such meetings shall be open to the Board of Directors. Any meeting, regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission, as set forth in Section 4.06. With the exception of closed sessions as designated by the Executive Committee, all members of the Board of Directors and Council of Past Presidents may attend any meeting of the Executive Committee. However, the Executive Committee may close its meetings to select or all non-members of the Committee at the discretion of the president or by a majority vote of the Executive Committee. Any decision to close an Executive Committee meeting to others shall be final and not reversible except with the consent of party that decided to close the meeting. Only members of the Executive Committee are allowed to vote on Executive Committee matters .

Section 6.05. Minutes. The minutes of the Executive Committee meetings shall be kept by the executive director/secretary at the Association's principal office. Actions of the Executive Committee shall be reported to the Board of Directors as provided in Section 3 of this Article and shall be available to any member of the Board of Directors upon request to the executive director/secretary.

ARTICLE 7 – Standing Committees

Section 7.01. Qualification. In order to serve on any Association standing committee, an individual must be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Where an individual ceases to meet these criteria during the term of the appointment, the individual may not serve during the remaining term of that appointment unless that individual can again meet the criteria for appointment and is appointed to complete the term.

Section 7.02. Term of Office. The term of office of standing committee members shall be two years commencing on January 1 of each even-numbered year. The term of office of standing committee chairs and vice chairs shall be approximately two years and shall commence as soon after January 1 of the even-numbered year as they may be appointed by the president and ratified by the then-seated Board of Directors, and shall terminate on December 31 of the odd-numbered year approximately two years later or until their successors are appointed and ratified.

Section 7.03. Meetings. Meetings of standing committees may be called at such times and places designated by the respective chair thereof except where provided otherwise by these bylaws. Any meetings of standing committees may be conducted, in whole or in part, by electronic transmission or by electronic video screen communication, as set forth in Section 4.06. Subject to the provisions of these bylaws and any actions that may be taken by the Board of Directors, the chairs of each standing committee may establish their own rules for the efficient operation of the committee they each chair. The chairs of each standing committee are authorized to create subcommittees and workgroups in order to complete the work of the committee.

Section 7.04. Committee Composition. Each limited standing committee shall have a membership composition that is comprised of members in the quantity and with qualifications as defined by the provisions of these bylaws. The committee chair position shall not be included in the maximum count for determining the committee composition total of any given limited committee. The committee chair shall, however, be a voting member of their respective committees subject to the rules and procedures of each committee. If the chair is absent, the vice chair shall fill the role of the chair during such absence.

Section 7.05. Agriculture Committee. There shall be an Agriculture Committee whose duty it shall be to recommend Association policy, positions and programs to the Board of Directors, State Legislative Committee, Federal Affairs Committee or other committees, as appropriate, regarding agricultural issues affecting the interests of the Association and its members. The committee shall consist of at least one member from each region.

Section 7.06. Business Development Committee. There shall be a Business Development Committee whose duty it is to develop and recommend to the Board of Directors programs and activities to be provided or administered by the Association that generate non-dues revenue and provide a service or benefit to member agencies. The committee shall consist of at least one member from each region and may include members from any of the other standing committees.

Section 7.07. Communications Committee. There shall be a Communications Committee whose duty it shall be to develop and make recommendations to the Board of Directors regarding a comprehensive internal and external communications program for the Association and to promote development of sound public information and education programs and practices among member agencies. The committee shall consist of no more than 40 members. The committee shall consist of at least one member from each region.

Section 7.08. Energy Committee. There shall be an Energy Committee whose duty it shall be to recommend policies and programs to the Board of Directors and to the State Legislative Committee and/or Federal Affairs Committee as appropriate. The committee shall consist of at least one member from each region.

Section 7.09. Federal Affairs Committee. There shall be a Federal Affairs Committee whose duty it shall be to review all federal legislative proposals and regulatory proposals affecting member agencies, after consulting with other appropriate committees, and to develop Association positions consistent with existing policy, where it has been established; recommend sponsorship of bills that will resolve problems or improve conditions for member agencies; and assist in the establishment of the Association's federal legislative program. The committee shall consist of at least one, but no more than five members from each region.

Section 7.10. Finance Committee. There shall be a Finance Committee whose duty it shall be to make recommendations to the Board of Directors regarding annual budgets, dues formula and schedules and other revenue-producing income, annual audit and selection of an auditor, and investment strategies. The committee shall consist of the president and vice president of the Association as *ex officio* members, either the chair or vice chair from each of the Association's 10 region boards, and one additional member from each region with experience in financial matters.

Section 7.11. Groundwater Committee. There shall be a Groundwater Committee whose duty it shall be to recommend policies and programs to the Board of Directors and to the State Legislative Committee and/or Federal Affairs Committee as appropriate. The committee shall consist of at least one member from each region.

Section 7.12. Legal Affairs Committee. There shall be a Legal Affairs Committee whose duty it shall be to support the mission of the Association, and more particularly to deal with requests for assistance involving legal matters of significance to member agencies, including but not limited to state and federal court litigation, water rights matters, selected regulatory and resources agency matters, proposed bylaw revisions, review of legislation as requested by the State Legislative Committee, etc. The committee shall consider matters and issues submitted to it in order to determine which ones are of major significance to the member agencies and, assuming a finding of major significance, recommend to the Board of Directors the position(s) which the committee believes the Association should take with respect thereto. The committee shall be composed of between 34 and 44 attorneys, each of whom shall be a member of the California Bar and shall be, or act as, counsel for a member agency, representing diverse interests within the Association, including but not limited to, different geographical areas throughout the state, large and small agencies, agricultural and urban agencies, agencies created under the various enabling statutes, etc. The committee shall consist of at least one member from each region.

Section 7.13. Local Government Committee. There shall be a Local Government Committee whose duty it shall be to recommend policies to the State Legislative Committee, as appropriate, and Board of Directors on matters affecting water agencies as a segment of local government in California. The committee shall consist of at least one, but no more than three members from each region.

Section 7.14. Membership Committee. There shall be a Membership Committee whose duty it shall be to assist staff in developing membership recruitment and retention programs, make recommendations to the Board of Directors regarding membership policies, eligibility, and applications for membership and review and make recommendations to the Finance Committee regarding an equitable dues structure. The committee shall consist of at least one member from each region.

Section 7.15. State Legislative Committee. There shall be a State Legislative Committee whose duty it shall be to review all state legislative proposals affecting member agencies and to establish Association positions, consistent with existing policy, where it has been established; sponsor bills that will resolve problems or improve conditions for member agencies; and assist in the establishment of the Association's legislative program. The committee shall consist of members representing a variety of types of member agencies and at least one, but no more than four members from each region.

Section 7.16. Water Management Committee. There shall be a Water Management Committee whose duty it shall be to recommend policy and programs to the Board of Directors on any area of concern in water management. The committee shall consist of at least one, but no more than four members from each region.

Section 7.17. Water Quality Committee. There shall be a Water Quality Committee whose duty it shall be to develop and recommend Association policy, positions, and programs to the Board of Directors, to promote cost-effective state and federal water quality regulations that protect the public health, to enable interested member agencies to join together to develop and coordinate with other organizations, and to present unified comments regarding agricultural and domestic water quality regulations. The committee shall consist of at least one member from each region.

ARTICLE 8 – Special Councils, Committees, and Task Forces

Section 8.01. Council of Past Presidents. There shall be a Council of Past Presidents composed of all past presidents of the Association who serve on the council until each is no longer able to or wishes to serve. The council shall provide a mechanism for past presidents to continue to make valuable contributions to the Association. With approval of the Board of Directors, the president and/or executive director/secretary may assign specific responsibilities to the council from time to time. Members of the Council of Past Presidents are invited to attend and participate in the Association's Board and Executive Committee meetings, including attending closed sessions of the Board. Members of the Council of Past Presidents may also attend meetings of the Executive Committee except as designated by the Executive Committee as further described in Section 6.04. With the exception of the immediate past president, members of the Council of Past Presidents are non-voting.

Section 8.02. Election Committee. There shall be an Election Committee consisting of eleven representatives established by February 28 of each odd-numbered year, whose purpose shall be to present qualified individuals for the offices of president and vice president of the Association. The Election Committee shall vet all candidates to determine if the eligibility criteria have been met. The Election

Committee will endorse a preferred candidate for president and vice president before presenting an open ballot with all qualifying candidates to the members for a vote in the manner set forth in Section 9.10 and Section 9.11.

(a) **Selection.** The Election Committee shall be selected in the following manner:

(1) Each of the 10 currently seated Region Boards in the odd-numbered year shall appoint a representative from their respective regions to serve on the Election Committee.

(2) One representative appointed by the president in the odd-numbered year shall also serve on the Election Committee. Neither the president nor the vice president qualifies to be appointed to this position.

(b) **Qualification.** In order to serve on the Election Committee, an individual must be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Past presidents, who are Honorary Life Members of the Association, may also serve on the Election Committee without meeting stated qualifications unless otherwise disqualified. Where an individual ceases to meet these criteria during the election cycle, the individual may not continue to serve. When the disqualified member represented a Region Board, the affected Region Board shall select a replacement representative. When the disqualified member represented the President, the President shall select an alternate representative.

Section 8.03. Other Committees and Task Forces. Other committees and task forces may be appointed by the president from time to time as needed, consistent with and supportive of the mission of the Association.

ARTICLE 9 – Meetings of Members

Section 9.01. **Meetings.** Meetings of the members of the Association shall be held at the Association's conferences to provide a report to the members on the Association's activities during the past year, provide an overview of the Association's finances, announce the newly elected president and vice president of the Association in each odd-numbered year, and to transact such other proper business as may come before the meeting.

Section 9.02. **Special Meetings.** Special meetings of the members of the Association may be called by the Board of Directors, the president of the Board of Directors, or by 5 percent or more of the members of the Association. Except when called by the Board, a request for a special meeting must be in writing and must be delivered in person or mailed by first-class mail addressed to the president of the Board at

the principal office of the Association, with a copy to the executive director/secretary. The request must state the general nature of the business proposed to be transacted at the meeting.

A special meeting that has been called by written request of 5 percent of the member agencies of the Association to the Board of Directors shall be set by the Board of Directors on a date that is not less than 35 or more than 90 days after receipt of the request.

Section 9.03. Meetings by Remote Communication. Any meeting of the members may be conducted, in whole or in part, by electronic transmission by and to the Association or by electronic video screen communication. The member shall be deemed present in person at the meeting if the following apply:

(a) The Association implements reasonable measures to provide the member a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with those proceedings.

(b) If any member votes or takes other action at the meeting by means of electronic transmission to the Association or electronic video screen communication, a record of that vote or action is maintained by the Association.

(c) The Association verifies that each person participating remotely is an authorized representative of a voting member.

Section 9.04. Notice Requirements for Membership Meetings. Written notice of any membership meeting shall be given to each voting member of the Association. The notice shall state the date, time, and place of the meeting; the means by which members may participate; and the general nature of the business to be transacted. The member notification information shall also be posted on the Association's website.

Except as otherwise provided in these bylaws or California law, a written notice of regular membership meetings shall be given not less than 10 or more than 90 days before the date of the meeting to each member who, on the record date for notice of the meeting, is entitled to vote; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, that notice shall be given not less than 20 days before the meeting.

Section 9.05. Notice Requirements for Special Meetings. The executive director/secretary shall cause notice to be given to all members of the Association of the date, time, and place of the meeting and the general nature of the business to be transacted at the meeting. No business except that specified in the request and notice may be transacted at said special meeting. If notice of the requested special meeting is not given within 20 days after receipt of the request, the person or persons requesting the meeting may give the notice.

Section 9.06. Voting. Each member of the Association in good standing at the time of the annual or special meeting shall be entitled to one vote that shall be cast by its authorized representative. Each

member must designate its authorized representative prior to the annual or special meeting. It is the member's responsibility to designate or update its authorized representative as needed. The Association may confirm with any member the identity of that member's authorized representative for the purpose of casting ballots in any election of president and vice president, amendments to these Bylaws, or other Association business that requires a vote. All questions, except amendments or revisions of these bylaws, shall be determined by a majority of the members present and voting. A roll call may be requested by any authorized representative.

Section 9.07. Amendment of Bylaws. These bylaws may be amended or revised by two-thirds of the member agencies of the Association present and voting at any meeting.

Section 9.08. Quorum. The presence of the authorized representatives of at least 50 members of the Association at any meeting of the members shall constitute a quorum for transacting business. Actions of the members of the Association taken by written ballot shall require the timely receipt of the written ballot from the authorized representatives of at least 50 members to constitute a quorum.

Section 9.09. Amendments, Revisions, and Resolutions. Before any amendments or revisions to the bylaws, or resolutions, may be considered at any meeting of the Association, any such amendment, revision, or resolution shall be submitted to the executive director/secretary at least 90 days prior to the first day of such meeting. The executive director/secretary shall promptly distribute any proposed amendments or revisions to the Legal Affairs Committee for the Legal Affairs Committee to develop an unbiased analysis of the amendments or revisions. Following development of an analysis for the proposed amendments or revisions, the executive director/secretary shall distribute copies of any resolutions, amendments or revisions, including any applicable analyses, to all members of the Association not less than 10 days or more than 90 days prior to presentation at such meeting. The written notice of the membership meeting shall be given to each voting member of the Association consistent with the provisions defined in Section 9.04. The 90-day rule may be suspended at any meeting of the Association by consent of three-fourths of the members present. Voting on resolutions, amendments, or revisions shall proceed as provided by Sections 9.06 and 9.07.

Section 9.10. Nomination of President and Vice President.

(a) **Qualification.** At the time of their election, the president and vice president of the Association shall each be an elected or appointed member of the governing body or commission (as appropriate) of a member agency of the Association.

(b) **Nominating Resolutions.** All nominations for the positions of president and vice president shall be accompanied by an official resolution from the Association member agency on whose board the nominee serves. Said resolution shall be signed by an authorized signatory of the member agency's Board of Directors.

Section 9.11. Election of President and Vice President. Each member of the Association in good standing at the time a vote is cast is entitled to one vote for election of the president and vice president that shall be cast by its authorized representative by written ballot. The ballot and any related material may be sent by first class, registered, or certified mail or electronic transmission by the Corporation that meets the requirements of Corporations Code section 20, and responses may be returned to the Corporation by mail or electronic transmission. On any written ballot for the election of president or vice president, an authorized representative acting on behalf of the member may write in a qualified candidate for election. Nominating resolutions for write-in candidates must be received by the deadline for the return of ballots.

Section 9.12. Write-In Candidates. If a write-in candidate prevails in any election for president or vice president, such individual shall not be officially elected into such position until the Election Committee confirms that the individual meets the eligibility criteria and qualifications requirements.

Section 9.13. Run-off Election for President and Vice President. In the event a nominee does not receive a majority of the votes for president or vice president, a run-off election shall be held for the office or offices for which a majority of the votes have not been received. The run-off election shall only involve the nominees who received the two highest amounts of votes. The run-off election shall be conducted in the same manner as the initial election.

Section 9.14. Additional Procedures for Election of President and Vice President. The Board shall have the authority to adopt policies for elections ("Election Policy") of president and vice president setting forth the details for the election of such positions when not otherwise contrary to or covered by these bylaws.

Section 9.15. Action by Written Ballot. To the extent permitted by applicable law and subject to all applicable requirements, any action that may be taken at a regular or special member meeting of the members may be approved by written ballot if a ballot is sent to each member entitled to vote on the matter. If approved by the Board, ballots may be sent and returned by electronic transmission as permitted in the Corporations Code. Ballot format, solicitation and voting thresholds shall meet the requirements of the Corporations Code and be consistent with applicable provisions of these Bylaws.

ARTICLE 10–Indemnification of Directors, Officers, and Other Agents

Section 10.01. Right of Indemnity. To the fullest extent permitted by law, this Corporation shall indemnify its Directors, Officers, employees, and other persons described in Section 7237(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that Section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in Section 7237(a) of the California Corporations Code.

Section 10.02. Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporations Code, the Board shall promptly determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification.

Section 10.03. Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these bylaws in defending any proceeding covered by those Sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

Section 10.04. Insurance. The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Officers, Directors, employees, and other agents, against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officer's, director's, employee's or agent's status as such.

ARTICLE 11 - Miscellaneous

Section 11.01. Conduct of Meetings. All meetings of the Association shall be conducted in accord with the code of conduct and in substantial accordance with the latest edition of Robert's Rules of Order Newly Revised unless the Board adopts alternate rules of conduct for itself and/or its committees, region boards, and region workgroups.

Section 11.02. Funds. The funds of the Association shall be used to further the aims and purposes of this Association. They shall be kept by the controller/treasurer and paid out by checks or other electronic means, which shall only be valid with two authorized signatures. The Board of Directors shall designate by resolution which persons, other than the controller/treasurer, may sign for expenditures. The Finance Committee shall implement procedures to ensure necessary internal controls over the receipt and expenditures of Association funds and arrange for an external audit. Audit reports shall be presented to the Board of Directors.

Section 11.03. Disposition of Assets upon Dissolution. The Association's properties and assets are irrevocably dedicated to the fulfillment of the Association's purposes as described in Article 2 of the Articles of Incorporation. No part of the Association's net earnings, properties and assets, on dissolution or otherwise, may inure to the benefit of any private person. Upon the dissolution of the Association, all debts thereof shall be paid and its affairs settled, and all remaining assets shall be distributed to the Association's member political subdivisions for a public purpose, consistent with the provisions of the California Nonprofit Corporation Law relating to mutual benefit corporations then in effect and with the Articles of Incorporation.

Section 11.04. Definitions. As used in these Bylaws, the terms "electronic transmission" and "notice provided by electronic means" shall refer to notice and other communications given by fax or e-mail.

Section 11.05. Conflicts Between Bylaws and Other Association Policies. To the extent permitted by applicable law, these Bylaws shall govern in the event there is a conflict between these Bylaws and another Association policy, rule, or procedure.

Amended comprehensively December 1, 2010
Amended May 9, 2012
Amended May 7, 2014
Amended December 2, 2015
Amended November 29, 2017
Amended & Restated November 30, 2022
Amended & Restated December 4, 2024

CLEAN