

CUCAMONGA VALLEY WATER DISTRICT BOARD OF DIRECTORS MEETING AGENDA

March 24, 2026 – 5:00 p.m.

District Office, Board Room
10440 Ashford Street; Rancho Cucamonga, California

OUR MISSION

The mission of the Cucamonga Valley Water District is to provide high quality, safe and reliable water and wastewater services, while practicing good stewardship of natural and financial resources.

1. CALL TO ORDER / FLAG SALUTE

2. ADDITIONS/DELETIONS TO AGENDA

3. PUBLIC COMMENT

*Members of the public may comment on any item **not listed** on the agenda. For items listed on the agenda, comments may be provided during Public Comment or at the time the item is addressed by the Board. Comments related to noticed public hearing items will be heard at the time the public hearing is conducted. Speakers are requested to keep their comments to no more than five (5) minutes. The President may reduce the time to not less than three (3) minutes depending upon the number of speakers wishing to address the Board. Under the provisions of the Brown Act, the Board is prohibited from taking action on items not listed on the agenda.*

4. GENERAL MANAGER/CEO REPORTS

- A) District Updates
- B) IEUA Board Meeting Agenda

John Bosler, General
Manager/CEO

5. CONSENT CALENDAR

All matters listed under the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless members of the Board request specific items be removed for separate action.

- A) Approve Minutes of March 10, 2026 Regular Board Meeting.
- B) Approve Minutes of March 12, 2026 Special Board Meeting.
- C) Approve Board Calendar of Events.

- D) Receive and File the Cash and Investment Report for the month ending February 28, 2026.
- E) Receive and File March 2026 Government & Public Affairs Report.

- 6. BUDGET TRANSFER – WATERLINE IN ALMOND STREET Tuan Truong,
Engineering Manager
APPROVE A BUDGET TRANSFER OF \$205,000 FROM CP24011 AND \$795,000 FROM CP23025 FOR A TOTAL OF \$1,000,000 TO CP26031 – WATERLINE IN ALMOND STREET FROM VIA VERDE TO CARNELIAN

- 7. MID-YEAR FINANCIAL RESULTS REPORT Jennifer Fillinger,
Finance Manager
REVIEW AND FILE THE MID-YEAR FINANCIAL RESULTS REPORT ENDING DECEMBER 31, 2025

- 8. BOARD COMMITTEE REPORT
 - A) March 9, 2026 Engineering Committee
 - B) March 11, 2026 Finance Committee

- 9. BOARD MEMBER REPORTS

- 10. ADJOURN

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary (909) 987-2591, 48 hours prior to the scheduled meeting so that the District can make reasonable arrangements. Pursuant to Government Code Section 54957.5, any writing that: (1) is a public record; (2) relates to an agenda item for an open session of a regular meeting of the Board of Directors; and (3) is distributed less than 72 hours prior to that meeting, will be made available for public inspection at the time the writing is distributed to the Board of Directors. Any such writing will be available for public inspection at the District offices located at 10440 Ashford Street, Rancho Cucamonga, CA 91729. In addition, such writing may also be posted on the District's web site.



AGENDA
BOARD OF DIRECTORS REGULAR MEETING OF THE
INLAND EMPIRE UTILITIES AGENCY*

WEDNESDAY, MARCH 18, 2026
10:00 AM

AGENCY HEADQUARTERS
BOARD ROOM
6075 KIMBALL AVENUE, BUILDING A
CHINO, CALIFORNIA 91708

***A MUNICIPAL WATER DISTRICT**

[VIEW THE MEETING LIVE ONLINE AT IEUA.ORG](http://IEUA.ORG)

[TELEPHONE ACCESS: \(415\) 856-9169 / Conf Code: 994 723 597#](tel:4158569169)

The public may participate and provide public comment during the meeting by attending the meeting in-person or by dialing the number provided above. Comments may also be submitted by email to the Director of Board and Administrative Services Denise Garzaro at recordingsecretary@ieua.org prior to the completion of the Public Comment section of the meeting. Comments will be distributed to the Board of Directors.

CALL TO ORDER

ROLL CALL

FLAG SALUTE

PUBLIC COMMENT

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those wishing to address the Board on any matter, whether or not it appears on the agenda, are requested to email the Recording Secretary prior to the public comment section or request to address the Board during the public comments section of the meeting. Comments will be limited to three minutes per speaker.

ADDITIONS TO THE AGENDA

In accordance with Section 54954.2 of the Government Code (Brown Act), additions to the agenda require 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, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.

NEW AND PROMOTED EMPLOYEE INTRODUCTIONS

1. CONSENT ITEMS

NOTICE: All matters listed under the Consent Calendar are considered to be routine and non-controversial and will be acted upon by the Board by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Board votes unless any Board members, staff or the public requests specific items be discussed and/or removed from the Consent Calendar for separate action.

A. MINUTES

Approve the minutes of the February 3, and February 19, 2026 Special Board Meetings and February 4, and February 18, 2026 Board Meetings.

B. APPROVE REPORT ON GENERAL DISBURSEMENTS

Staff recommends that the Board approve the total disbursements for the month of January 2026 in the amount of \$20,931,769.86.

C. RATIFY GRANT APPLICATIONS

Staff recommends that the Board:

1. Ratify the submitted requests for Congressionally Directed Spending to Senators Schiff and Padilla and Community Project Requests submitted to Congressmembers Aguilar, Cisneros, Kim, and Chu for IEUA's Agencywide Physical Security Upgrades Project;
2. Ratify the application to the California Governor's Office of Emergency Services State and Local Cybersecurity Grant Program for the Cybersecurity Operational Technology Network Infrastructure Improvements Project; and
3. Authorize the Interim General Manager or their designee to execute the funding agreements and all related documents.

D. ADOPT POSITIONS ON STATE LEGISLATION (COMMUNITY & LEG)

Staff recommends that the Board adopt positions on the following bills:

Bill Number	Author	Bill Title	Position Recommendation
SB 872	McNerney (D)	Climate Change: Funding Priorities	Ratify Support
SB 935	Choi (R)	Local Agency Design-Build Projects: Authorization	Support
AB 2215	Calderon (D)	Urban Water Management Planning	Ratify Support

2. ACTION ITEMS

A. APPROVE CONTRACT AMENDMENT FOR OPERATIONAL TECHNOLOGY SUPPORT

Staff recommends that the Board:

1. Approve a contract amendment with Royal Industrial Solutions for TechConnect support for a not-to-exceed amount of \$896,145, from \$1,203,146 to \$2,099,291 (75% increase); and
2. Authorize the Interim General Manager to execute the contract amendment, subject to non-substantive changes.

B. [AWARD CONSTRUCTION CONTRACT FOR CENTRAL PLANT COOLING TOWER REPLACEMENT PROJECT](#)

Staff recommends that the Board:

1. Reject the bid protest received from MMJ Construction, Inc. for the Central Plant Cooling Tower Replacement Project, No. EN23003;
2. Award a construction contract to Liberty Climate Control, Inc. for the Central Plant Cooling Tower Replacement Project, No. EN23003, in the amount of \$1,874,850; and
3. Authorize the Interim General Manager to execute the contract, subject to non-substantive changes.

3. INFORMATION ITEMS

A. [FISCAL YEAR 2026/27 REGIONAL WASTEWATER PROGRAM PROPOSED BUDGET AMENDMENT \(WRITTEN/POWERPOINT\)](#)

B. [TEN-YEAR CAPITAL IMPROVEMENT PLAN FOR FISCAL YEAR 2026/27 THROUGH FISCAL YEAR 2035/36 \(WRITTEN/POWERPOINT\)](#)

4. RECEIVE AND FILE INFORMATION ITEMS

A. [FEDERAL LEGISLATIVE REPORT FROM CARPI AND CLAY \(WRITTEN\) \(COMMUNITY & LEG\)](#)

B. [STATE LEGISLATIVE REPORT AND MATRIX FROM WEST COAST ADVISORS \(WRITTEN\) \(COMMUNITY & LEG\)](#)

C. [PUBLIC OUTREACH AND COMMUNICATION \(WRITTEN\)\(COMMUNITY & LEG\)](#)

D. [RP-1 SOLIDS THICKENING PROJECT UPDATE MARCH 2026 \(POWERPOINT\)](#)

E. [RP-5 EXPANSION PROJECT UPDATE MARCH 2026 \(POWERPOINT\)](#)

F. [FISCAL YEAR 2025/26 SECOND QUARTER BUDGET VARIANCE, PERFORMANCE AND BUDGET TRANSFERS UPDATES \(WRITTEN/POWERPOINT\)](#)

G. [TREASURER'S REPORT OF FINANCIAL AFFAIRS \(WRITTEN/POWERPOINT\)](#)

5. AGENCY REPRESENTATIVES' REPORTS

A. [SANTA ANA WATERSHED PROJECT AUTHORITY REPORT \(WRITTEN\)](#)

March 3, and March 17, 2026 Santa Ana Watershed Project Authority Commission Meetings.

B. [METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA REPORT \(WRITTEN\)](#)

March 10, 2026 Metropolitan Water District of Southern California Board Meeting.

C. [REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT](#)

The next Regional Sewerage Program Policy Committee Meeting is scheduled for April 2, 2026.

- D. [CHINO BASIN WATERMASTER REPORT \(WRITTEN\)](#)
February 26, 2026 Chino Basin Watermaster Board Meeting and March 13, 2026 Special Board Meeting.
- E. [CHINO BASIN DESALTER AUTHORITY REPORT \(WRITTEN\)](#)
March 5, 2026 Chino Basin Desalter Authority Special Board Meeting.
- F. [INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY REPORT](#)
The next Inland Empire Regional Composting Authority Board meeting is scheduled for May 4, 2026.

6. GENERAL MANAGER'S REPORT

- A. [GENERAL MANAGER'S REPORT \(WRITTEN\)](#)

7. BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

8. DIRECTORS' COMMENTS

9. CLOSED SESSION

- A. [PURSUANT TO GOVERNMENT CODE SECTION 54956.9\(D\)\(2\) - CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION](#)
Two Cases
- B. [PURSUANT TO GOVERNMENT CODE SECTION 54956.9\(D\)\(1\) - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION](#)
Inland Empire Utilities Agency, et al. v. LS-Fontana LLC, et al., United States Central District Court of California - Eastern Division Case No. 5:25-cv-00809-KK-DTBx
- C. [PURSUANT TO GOVERNMENT CODE SECTION 54957 - PUBLIC EMPLOYMENT](#)
General Manager
- D. [PURSUANT TO GOVERNMENT CODE SECTION 54957 - PUBLIC EMPLOYEE APPOINTMENT](#)
Acting General Manager

ADJOURN

Declaration of Posting

I, Denise Garzaro, CMC, Director of Board and Administrative Services of the Inland Empire Utilities Agency*, a Municipal Water District, hereby certify that, per Government Code Section 54954.2, a copy of this agenda has been posted at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA and on the Agency's website at www.ieua.org at least seventy-two (72) hours prior to the meeting date and time above.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Recording Secretary at (909) 993-1736 or recordingsecretary@ieua.org, 48 hours prior to the scheduled meeting so that IEUA can make reasonable arrangements to ensure accessibility.

**MINUTES OF A REGULAR MEETING OF THE
CUCAMONGA VALLEY WATER DISTRICT
BOARD OF DIRECTORS
March 10, 2026**

A regular meeting of the Cucamonga Valley Water District Board of Directors was called to order at 5:00 p.m. by President Reed. He led the Pledge of Allegiance.

CALL TO ORDER
5:00 p.m.

In Attendance:

Board Randall James Reed, President
 James V. Curatalo, Jr., Vice President
 Mark Gibboney, Director
 Kevin Kenley, Director
 Jimmie Moffatt, Director

Staff John Bosler, General Manager/CEO
 Jeff Ferre, BB&K, Legal Counsel

Bill Barrington, Lead Customer Service Representative
Cynthia Cisneros, Deputy Director of Executive Services
Eduardo Espinoza, Assistant General Manager
Jennifer Fillinger, Finance Manager
Eric Grubb, Government Affairs Manager
Mike Maestas, Deputy Director of Operations
Tiffany Nguyen, Deputy Director of Human Resources & Risk Mgmt.
Citlalli Ochoa, Assistant Engineer
Jiwon Seung, Assistant Engineer
Christian Stevenson, Senior Associate Engineer
Tuan Truong, Engineering Manager
Taya Victorino, Executive Services Administrator/District Clerk

Guests None

ADDITIONS/DELETIONS TO THE AGENDA

None.

ADDITIONS/
DELETIONS

PUBLIC COMMENT

None.

PUBLIC COMMENT

GENERAL MANAGER/CEO REPORTS

A) District Updates

Mr. John Bosler, General Manager/CEO, reported the following:

- The District recently hired Citlalli Ochoa as an Assistant Engineer.
- Shared a timelapse video of the construction of Reservoir 5B.

GENERAL
MANAGER/CEO
REPORTS

The Board collectively welcomed Citlalli and wished her success in her career at the District.

CONSENT CALENDAR

- A) Approve Minutes of the February 24, 2026 Regular Board Meeting.
- B) Approve Board Calendar of Events.
- C) Receive and File the January 2026 Water Production Report.

CONSENT
CALENDAR

PASSED 5-0

On a motion by Director Kenley, and seconded by Director Moffatt to approve the Consent Calendar as submitted. **Passed 5-0.**

BOARD COMMITTEE REPORT

- A) February 3, 2026 Engineering Committee
President Reed reported the notes accurately reflect what occurred at the meeting.
- B) February 17, 2026 Water Resources Committee
Vice President Curatalo reported the notes accurately reflect what occurred at the meeting.

COMMITTEE
REPORTS

BOARD MEMBER REPORTS

Director Kenley

- Nothing additional to report at this time.

Director Gibboney

- Attended Senator Eloise Gomez Reyes’s swearing in ceremony on February 28 at San Bernardino Valley College.

Director Moffatt

- Nothing additional to report at this time.

Vice President Curatalo

- Nothing additional to report at this time.

President Reed

- Traveled to Washington, DC with Eric Grubb March 3-5 to meet with our Congressmembers and lobby for grant funding for the District.

BOARD MEMBER
REPORTS

CLOSED SESSION

At 5:06 p.m. President Reed announced that after a brief recess a closed session would be held pursuant to:

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9

Receipt of claim: Claimant City of Rancho Cucamonga – Claim No. C240705

Closed session was called to order at 5:08 p.m.

In attendance were the entire Board, the General Manager/CEO, Legal Counsel (Ferre), Assistant General Manager, Deputy Director of Executive Services, Executive Services Administrator/District Clerk, Deputy Director of Human Resources & Risk Management, and the Deputy Director of Operations.

RECONVENE/REPORT ON CLOSED SESSION

The regular meeting reconvened at 5:12 p.m. at which time Mr. Jeff Ferre announced that under closed session on a motion by Vice President Curatalo, seconded by Director Moffatt, the Board voted to reject the claim and authorize the General Manager/CEO to reject any subsequent claims, and allow ACWA/JPIA to handle the claim on the District's behalf moving forward.

RECONVENE/
REPORT

ADJOURNMENT

There being no further business to come before the Board, President Reed adjourned the at 5:12 p.m.

ADJOURNED
AT 5:12 p.m.

John Bosler
Secretary/General Manager

ATTEST:

Randall James Reed
President

**MINUTES OF A SPECIAL MEETING/WORKSHOP OF THE
CUCAMONGA VALLEY WATER DISTRICT
BOARD OF DIRECTORS
March 12, 2026**

A special meeting of the Cucamonga Valley Water District Board of Directors was called to order at 5:00 p.m. by President Reed. President Reed led the Pledge of Allegiance.

CALL TO ORDER
5:00 p.m.

In Attendance:

Board Randall James Reed, President
 James V. Curatalo, Jr., Vice President
 Mark Gibboney, Director
 Kevin Kenley, Director (*arrived 5:07 p.m.*)
 Jimmie Moffatt, Director

Staff John Bosler, General Manager/CEO

 Chad Brantley, CFO/Director of Finance
 Cindy Cisneros, Deputy Director of Executive Services
 Amanda Coker, Deputy Director of Engineering
 Eduardo Espinoza, Assistant General Manager
 Jennifer Fillinger, Finance Manager
 Michael Maestas, Deputy Director of Operations
 Tiffany Nguyen, Deputy Director of Human Resources & Risk Mgmt.
 Taya Victorino, Executive Services Administrator/District Clerk

PUBLIC COMMENT

None

PUBLIC COMMENT

BOARD OF DIRECTORS PLANNING SESSION

The Board of Directors conducted a strategic planning session to review and discuss future District matters and goals.

BOARD PLANNING
SESSION

This is an information item only. No Board action was taken.

INFORMATION
ONLY

ADJOURNMENT

There being no further business to come before the Board, President Reed adjourned the meeting at 6:08 p.m.

ADJOURNED
AT 6:08 p.m.

John Bosler
Secretary/General Manager

ATTEST:

Randall James Reed
President



Cucamonga Valley®
Water District

Service Beyond Expectation

BOARD OF DIRECTORS CALENDAR OF EVENTS

DATE OF EVENT 2026	EVENT DETAILS	CURATALO	GIBBONEY	KENLEY	MOFFATT	REED	BOSLER*
March 19	CBWM Advisory Committee Meeting Rancho Cucamonga, CA / Virtual	Yes Appr Feb. 10	Yes Appr Feb. 10	Yes Appr Feb. 10	Yes Appr Feb. 10	Yes Appr Feb. 10	
March 25	2026 CBP Ad Hoc Meeting Rancho Cucamonga, CA					Yes Appr Feb. 10	Yes
March 26	CBWM Board Meeting Rancho Cucamonga, CA / Virtual	Yes Appr Feb. 10	Yes Appr Feb. 10	Yes Appr Feb. 10	Yes Appr Feb. 10	Yes Appr Feb. 10	
March 26	IEUA Sewer Technical Committee Chino, CA / Virtual			Yes Appr Feb. 10		Yes Appr Feb. 10	
April 1	IEUA Board Meeting Chino, CA / Virtual	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes
April 2	IEUA Regional Sewer Policy Committee Chino, CA / Virtual			Yes Appr Mar. 10		Yes Appr Mar. 10	
April 9	CBWM Appropriative Pool Meeting Rancho Cucamonga, CA / Virtual	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes

* For scheduling and Board information purposes only
(Please note all Committee and Board Meetings are not listed on the Calendar of Events)

BOARD OF DIRECTORS CALENDAR OF EVENTS

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(Last Revised 03-18-26)

DATE OF EVENT 2026	EVENT DETAILS	CURATALO	GIBBONEY	KENLEY	MOFFATT	REED	BOSLER*
April 9	Water Savvy Landscape Workshop Rancho Cucamonga, CA						
April 11	CVWD Water Savvy Garden Tour Rancho Cucamonga, CA						
April 15	IEUA Board Meeting Chino, CA / Virtual	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes
April 16	CBWM Advisory Committee Rancho Cucamonga, CA / Virtual	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes
April 16	Rancho Cucamonga State of the City Event Rancho Cucamonga, CA		Yes Appr Jan. 13	Yes Appr Jan. 27		Yes Appr Jan. 13	Yes
April 20	ASBCSD Dinner Meeting TBD				Yes Appr Mar. 10	Yes Appr Mar. 10	
April 22	CBP Ad Hoc Meeting Rancho Cucamonga, CA					Yes Appr Mar. 10	

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BOARD OF DIRECTORS CALENDAR OF EVENTS

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DATE OF EVENT 2026	EVENT DETAILS	CURATALO	GIBBONEY	KENLEY	MOFFATT	REED	BOSLER*
April 23	CBWM Board Meeting Rancho Cucamonga, CA / Virtual	Yes Appr Mar. 10	Yes Appr Mar. 10	Ye Yes Appr Mar. 10s	Yes Appr Mar. 10	Yes Appr Mar. 10	Yes
April 23	IEUA Earth Day Event Chino, CA						
April 30	IEUA Sewer Technical Committee Virtual			Yes Appr Mar. 10		Yes Appr Mar. 10	Yes
April 30	VIP RC Chamber & Welcome Center Event Rancho Cucamonga, CA		Yes Appr Feb. 24			Yes Appr Feb. 24	

POST EVENT APPROVAL (BOARD CALENDAR OF EVENTS)

DATE OF EVENT 2025	EVENT DETAILS	CURATALO	GIBBONEY	KENLEY	MOFFATT	REED	BOSLER*
March 2	Meeting re Regional Matters Teleconference	Yes					Yes

* For scheduling and Board information purposes only
(Please note all Committee and Board Meetings are not listed on the Calendar of Events)

BOARD OF DIRECTORS CALENDAR OF EVENTS

Page 4 of 5
(Last Revised 03-18-26)

DATE OF EVENT 2026	EVENT DETAILS	CURATALO	GIBBONEY	KENLEY	MOFFATT	REED	BOSLER*
March 4	Meeting re Regional Matters Teleconference				Yes		Yes
March 9	ASBCSD Board Meeting Virtual					Yes	
March 11	Meeting re Regional Matters Teleconference	Yes					Yes
March 16	Meeting re Regional Matters Teleconference	Yes					Yes
March 20	Senator Dutton Memorial Ceremony Rancho Cucamonga, CA					Yes	

* For scheduling and Board information purposes only
(Please note all Committee and Board Meetings are not listed on the Calendar of Events)

UPCOMING DISTRICT & COMMUNITY EVENTS

05/05 to 05/07/26	ACWA Spring Conference (Sacramento)
05/16/2026	CVWD Open House & Water Fair
07/02/2026	Office Closed for Independence Day
08/13/2026	Water Savvy Landscape Workshop
09/07/2026	Office Closed for Labor Day
11/04//2026	Water Savvy Landscape Workshop
12/01 to 12/03/26	ACWA Fall Conference (Anaheim)

STAFF REPORT

Date: March 24, 2026

To: Board of Directors
From: John Bosler, General Manager/CEO
Agenda Title: **Cash and Investment Report – February 28, 2026**

Purpose

Government Code section 53646 states that the treasurer or chief fiscal officer may render to the legislative body of the local agency a statement of investments on a quarterly basis. The District adopted a stricter standard of reporting on a monthly basis in its Investment Policy which demonstrates the commitment to provide timely and transparent financial reporting.

Background/Analysis

The total unrestricted cash balance of \$40,038,536 (LAIF, CAMP, & Cash), indicated in the report is sufficient to meet CVWD's estimated expenditure requirements for the next six months. The book value (at historical cost) of unrestricted cash and investments is \$111,806,585 of which \$19,698,664 is the amount owed to the Inland Empire Utilities Agency for Sewer Capital Capacity Fees collected from developers on their behalf.

The market value of non-cash investments held in the portfolio is subject to fluctuations due to changing market conditions. The District expects to hold investments to maturity which means these market gains or losses will not be realized due to an early sale. All investment activity for the period and the entire investment portfolio complies, in all aspects, with CVWD's Investment Policy as approved by the Board of Directors on January 13, 2026.

Alignment with Strategic Goals

Providing a detailed monthly Investment Report supports the District's values of Accountability and Communication by providing financial transparency of the performance and amount of the investments held.

Fiscal Impact

None

Recommendation

Staff recommends the Board of Directors approve the Investment Report as presented.

Attachment: Cash and Investment Report, February 28, 2026

Submitted by: Chad Brantley, CFO / Director of Finance

Prepared By: Vivian Pedroza, Accountant I

A nighttime photograph of a modern building with a wet plaza in the foreground. The plaza is reflective, showing the building and palm trees. There are several palm trees in the scene, and a few white spherical objects on the plaza. The building has a mix of red and white walls. The sky is dark blue.

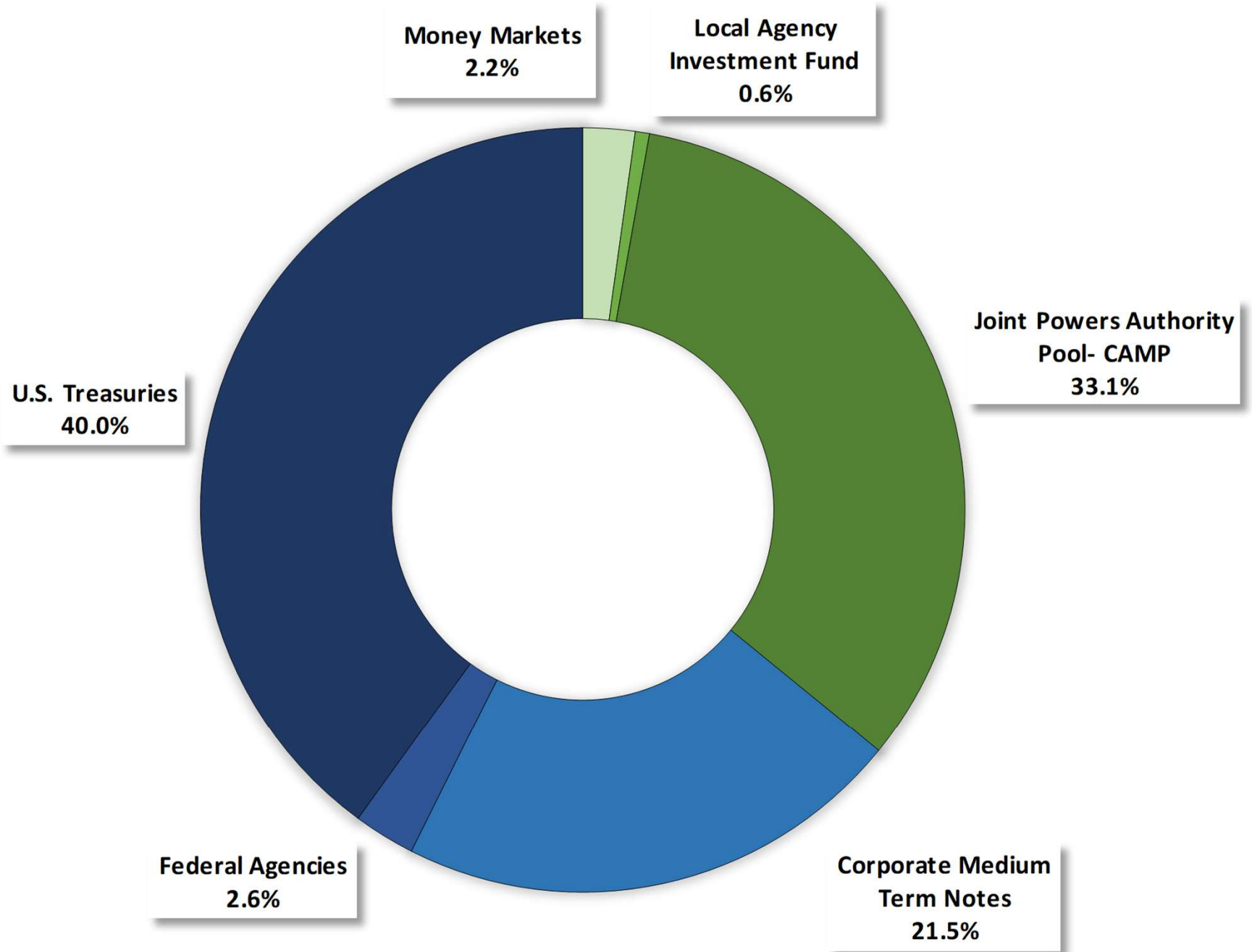
Investment Report

As of February 28, 2026

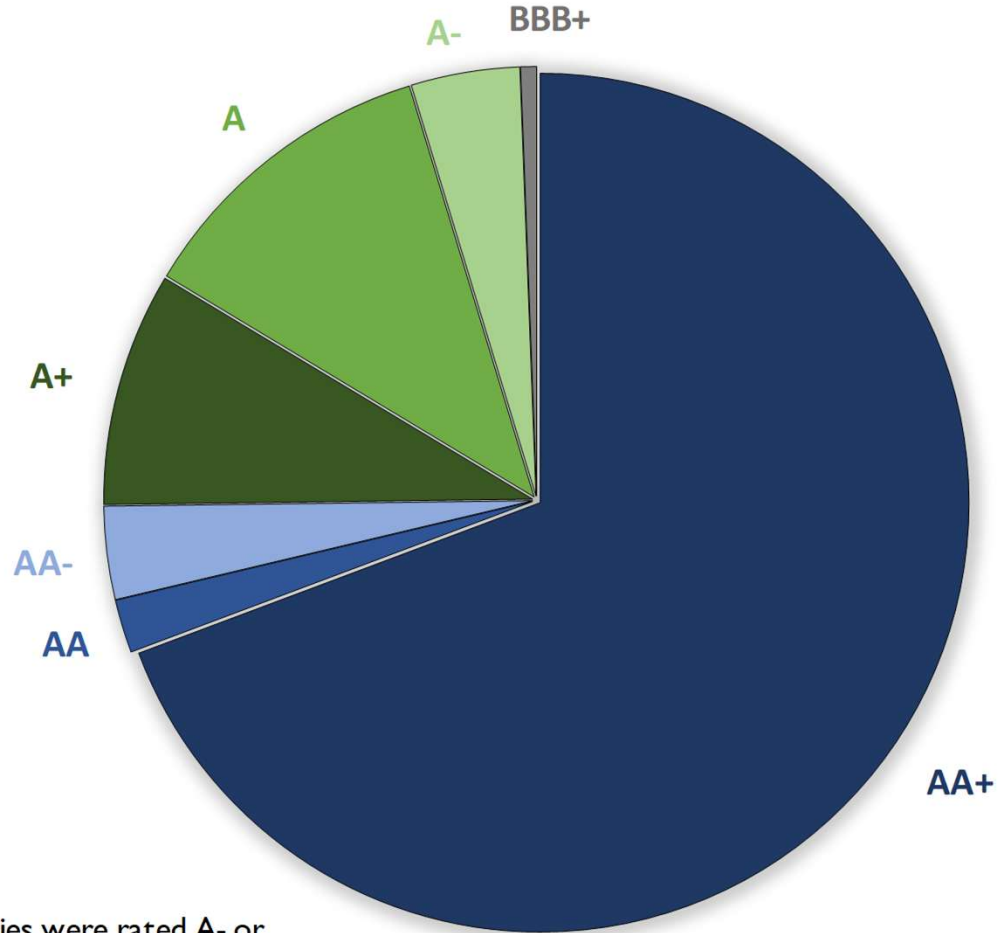
Summary of Portfolio Assets

Category	Par Value	Book Value	Market Value	% of Portfolio (Book)	Yield-to-Maturity
Cash & Equivalents					
Checking Accounts	\$ 122,610	\$ 122,610	\$ 122,610	0.1%	0.0%
Sweep Account	1,540,647	1,540,647	1,540,647	1.4%	3.6%
Money Market Account	772,627	772,627	772,627	0.7%	3.3%
Local Agency Investment Fund	645,504	645,504	645,504	0.6%	3.9%
Joint Powers Authority Pool- CAMP	36,957,148	36,957,148	36,957,148	33.1%	3.8%
Total Cash & Equivalents:	\$ 40,038,536	\$ 40,038,536	\$ 40,038,536	35.9%	
Investments:					
Corporate Medium Term Notes	24,400,000	24,065,203	24,596,883	21.5%	4.0%
Federal Agencies	2,855,000	2,861,430	2,889,967	2.6%	4.0%
U.S. Treasuries	45,685,000	44,841,416	45,841,694	40.0%	3.9%
Total Investments:	\$ 72,940,000	\$ 71,768,049	\$ 73,328,544	64.1%	
Total Cash & Investments	\$ 112,978,536	\$ 111,806,585	\$ 113,367,080	100.0%	3.9%

Portfolio Allocation



Portfolio Credit Quality Breakdown

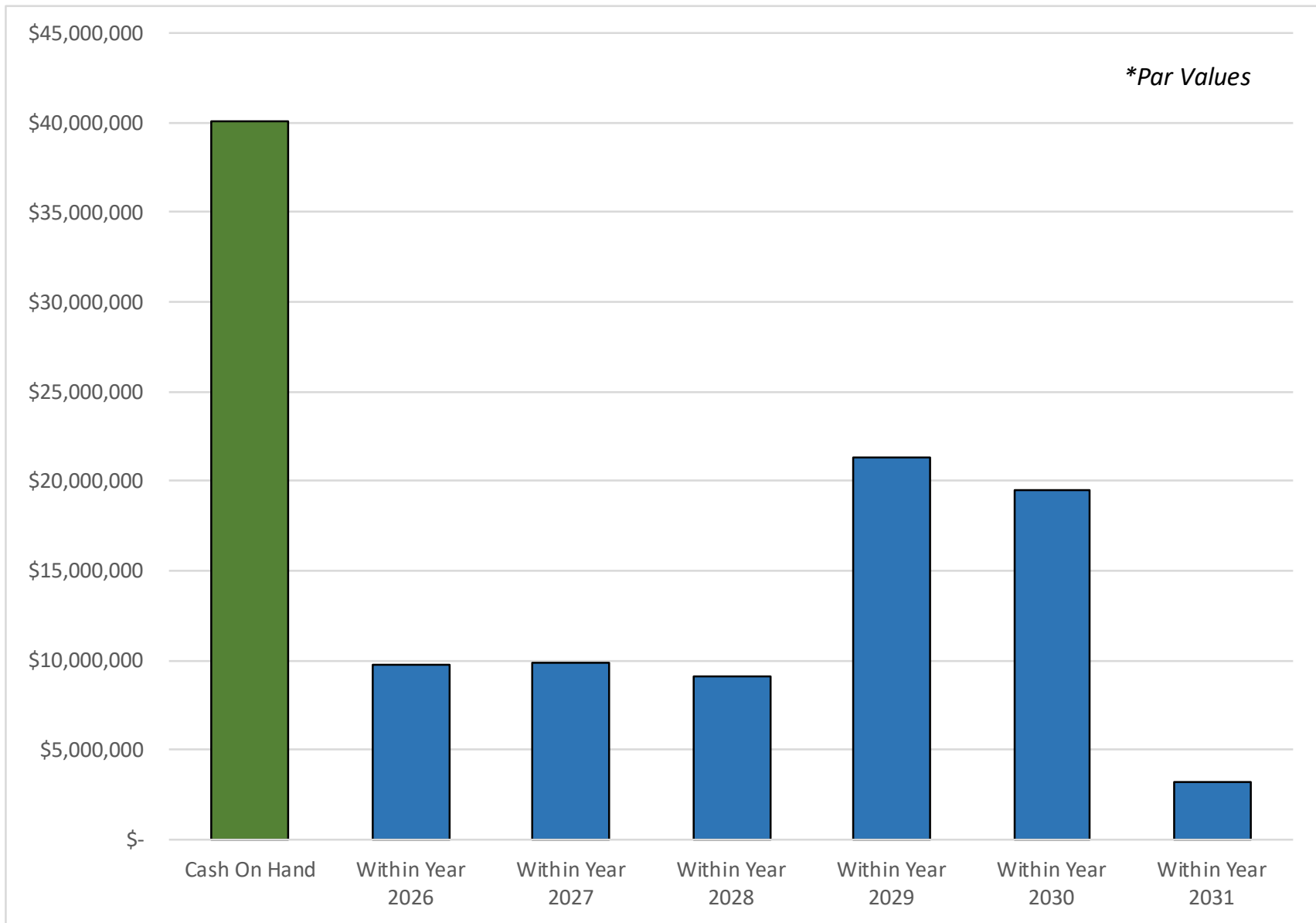


*BBB+ securities were rated A- or higher at the time of purchase

AA+	AA	AA-	A+	A	A-	BBB+
69.3%	2.0%	3.5%	8.8%	11.7%	4.1%	0.6%

S&P Credit Ratings

Maturity Schedule



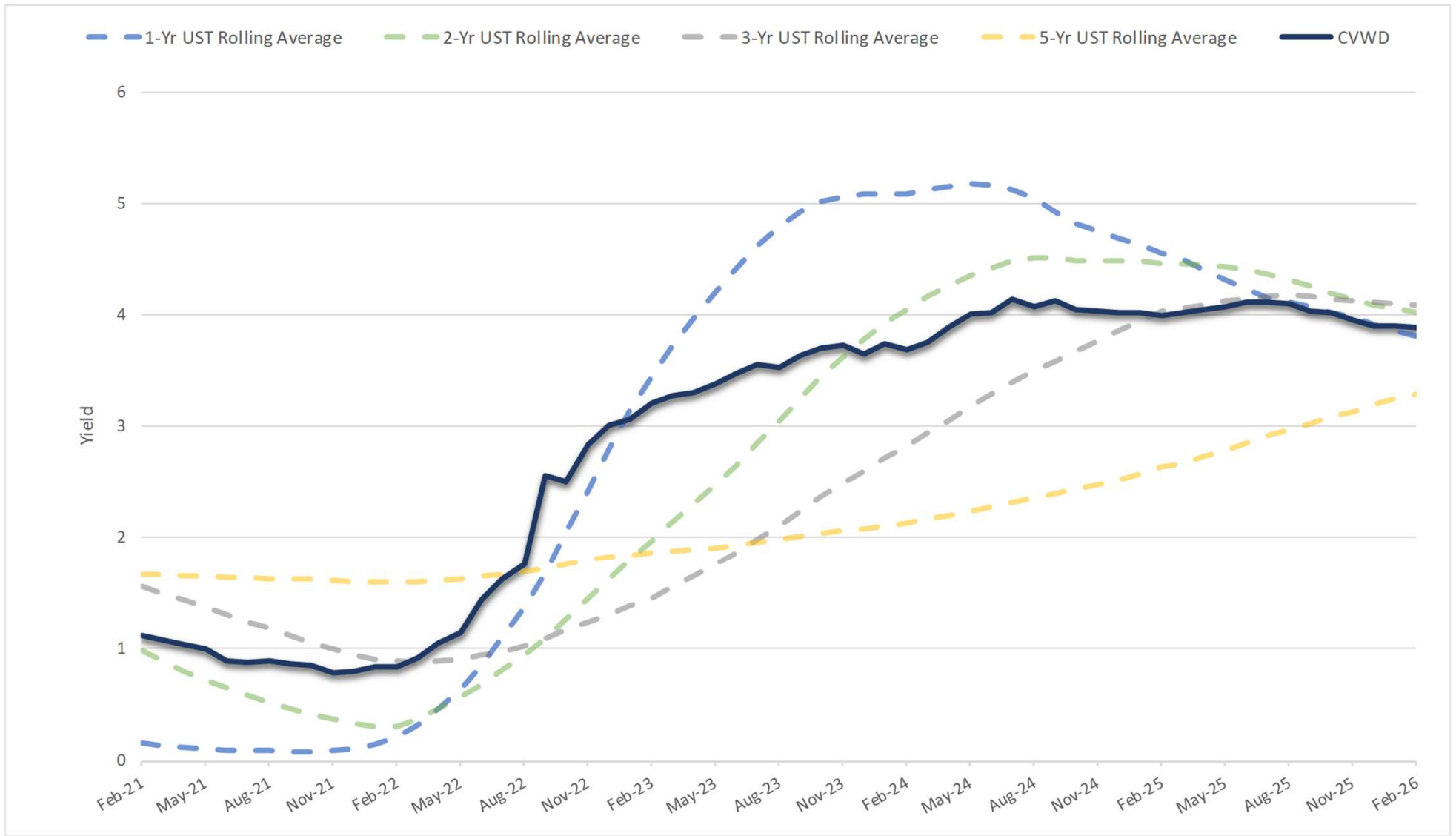
Weighted Average Maturity (WAM):
1,077.52 days or 2.95 years



Supplemental Information

As of February 28, 2026

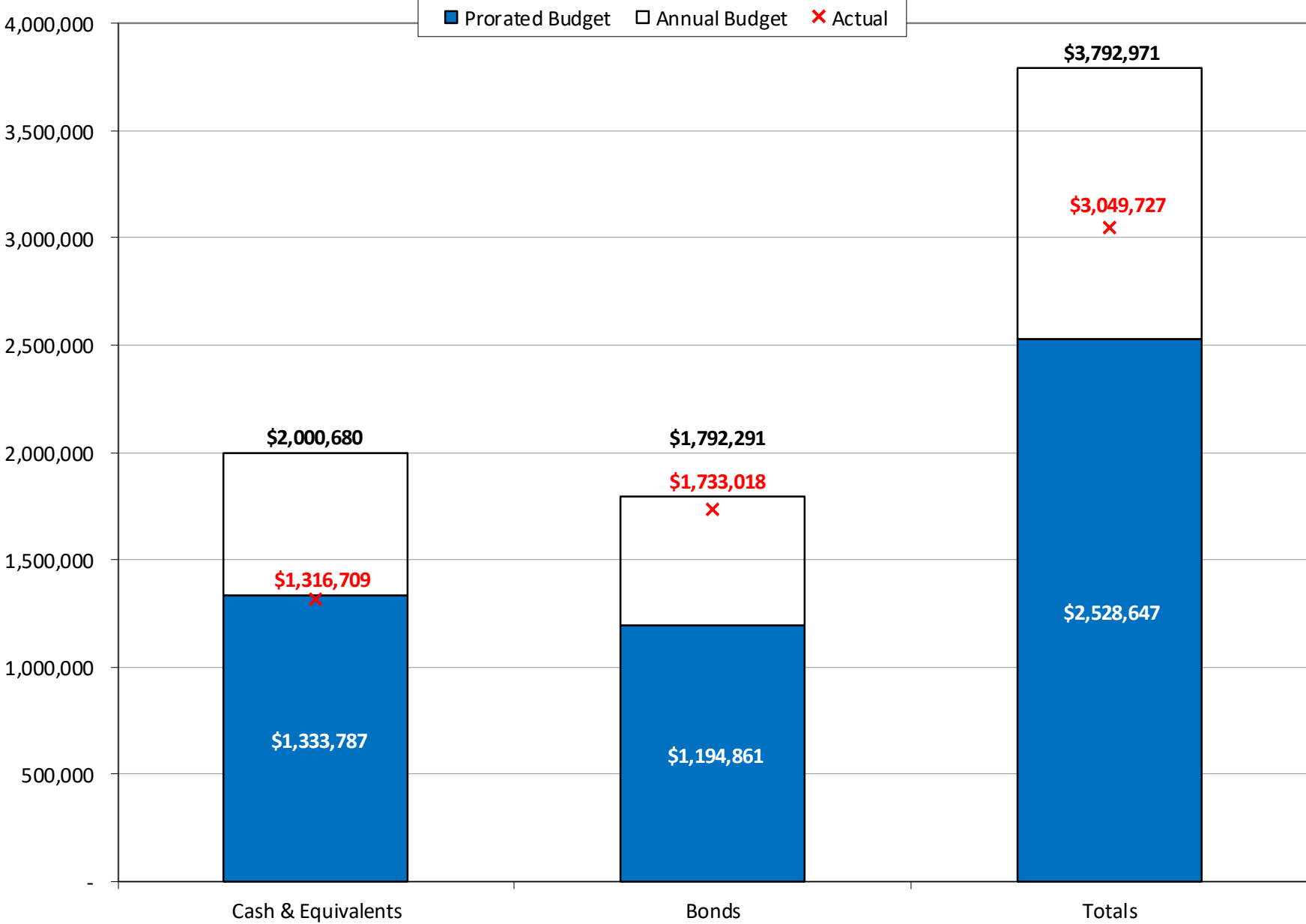
Yields



Current Yields

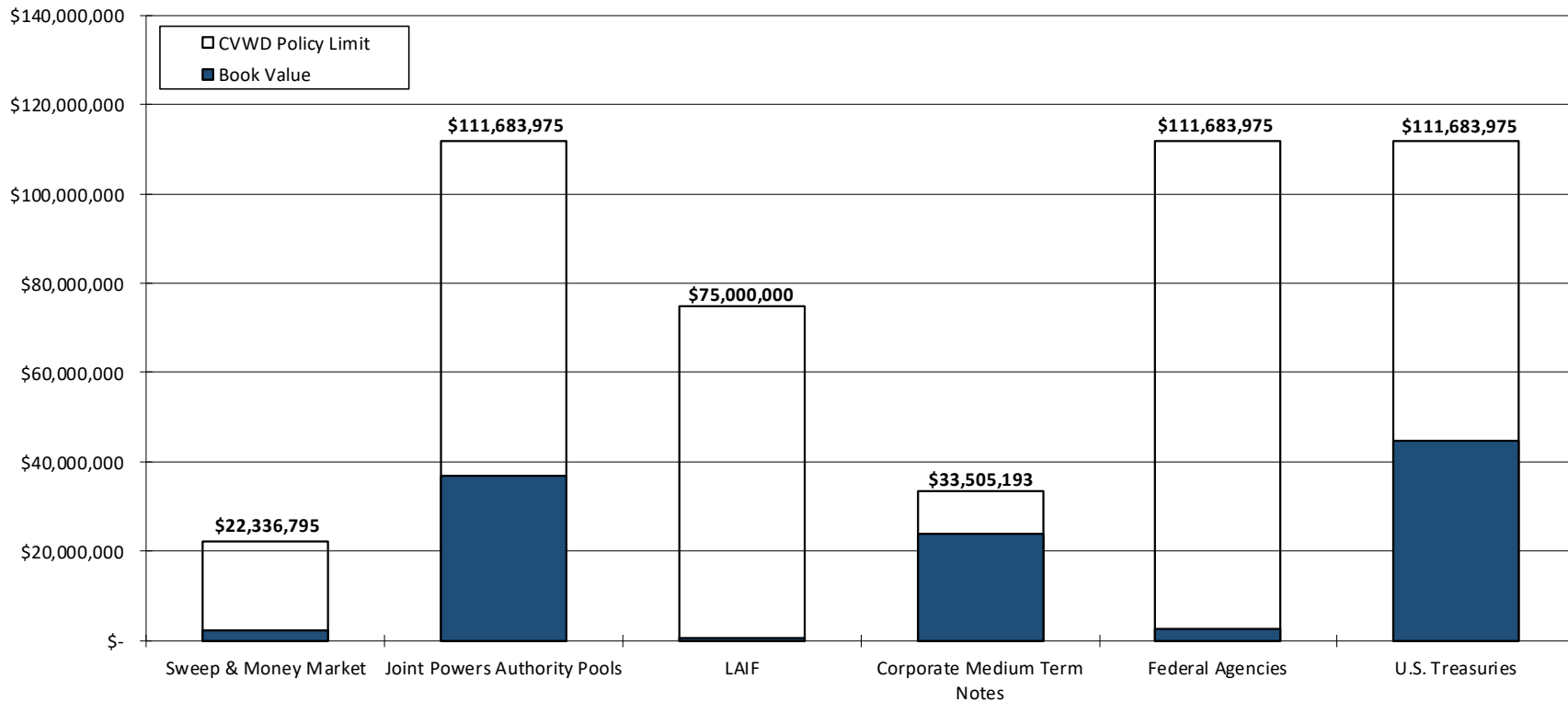
CVWD	1 Yr. UST	2 Yr. UST	3 Yr. UST	5 Yr. UST
3.9%	3.8%	4.0%	4.1%	3.3%

Interest Income: Budget v. Actuals



*Actual includes \$257,115 in amortized bond premiums/discounts

Investment Type Balance vs. Policy Limits



Investment Type	Book Value	CVWD Policy Limit	Description of Limit	In Compliance?
Sweep & Money Market	\$ 2,313,274	\$ 22,336,795	Up to 20% of portfolio	<input checked="" type="checkbox"/>
Joint Powers Authority Pools	36,957,148	111,683,975	Up to 100% of portfolio	<input checked="" type="checkbox"/>
LAIF	645,504	75,000,000	Up to \$75 Million	<input checked="" type="checkbox"/>
Corporate Medium Term Notes	24,065,203	33,505,193	Up to 30% of portfolio	<input checked="" type="checkbox"/>
Federal Agencies	2,861,430	111,683,975	Up to 100% of portfolio	<input checked="" type="checkbox"/>
U.S. Treasuries	44,841,416	111,683,975	Up to 100% of portfolio	<input checked="" type="checkbox"/>
Total Portfolio	\$ 111,683,975*			

*Total portfolio value above excludes checking account balance of \$122,610



Transactions & Holdings

GENERAL FUND UNRESTRICTED
Portfolio Management
Portfolio Summary
February 28, 2026

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Mat./Call	YTM
Checking Account	122,610.00	122,610.00	122,610.00	0.11	1	1	0.000
Money Market Account	2,313,274.17	2,313,274.17	2,313,274.17	2.06	1	1	3.478
Joint Powers Authority Pool	36,957,148.07	36,957,148.07	36,957,148.07	32.83	1	1	3.830
Local Agency Investment Funds	645,503.58	645,503.58	645,503.58	0.57	1	1	3.871
Medium Term Notes	24,400,000.00	24,596,883.00	24,351,563.34	21.63	1,705	856	3.968
Federal Agency Bullets	2,855,000.00	2,889,967.60	2,861,167.46	2.54	1,800	1,754	4.045
Treasury Coupon Securities	45,685,000.00	45,841,693.30	45,311,268.29	40.25	1,636	1,098	3.909
Investments	112,978,535.82	113,367,079.72	112,562,534.91	100.00%	1,073	672	3.886

Total Earnings	February 28 Month Ending
Current Year	355,497.09
Average Daily Balance	116,871,259.38
Effective Rate of Return	3.97%


Chad Brantley CFO, Director of Finance 3/16/2026

GENERAL FUND UNRESTRICTED
Portfolio Management
Portfolio Details - Investments
February 28, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Mat./Call	Maturity Date
Checking Account												
WELLS CHECKING	10111	Wells Fargo Co			122,610.00	122,610.00	122,610.00		0.000	0.000	1	
Subtotal and Average			134,114.89		122,610.00	122,610.00	122,610.00		0.000	0.000	1	
Money Market Account												
82525287S	10344	Invesco Stit Govt & Agency			772,627.45	772,627.45	772,627.45	3.300	3.255	3.300	1	
2018A RB IMPROV	10448	US Bankcorp NTS			0.00	0.00	0.00	0.010	0.010	0.010	1	
WELLS SWEEP	10112	Wells Fargo Co			1,540,646.72	1,540,646.72	1,540,646.72	3.567	3.518	3.567	1	
2009 COP RES	10131	Wells Fargo Co			0.00	0.00	0.00	0.010	0.010	0.010	1	
2009 CREB RES	10136	Wells Fargo Co			0.00	0.00	0.00	0.010	0.010	0.010	1	
Subtotal and Average			3,345,846.87		2,313,274.17	2,313,274.17	2,313,274.17		3.430	3.478	1	
Joint Powers Authority Pool												
PFM CAMP	10113	PFM			36,957,148.07	36,957,148.07	36,957,148.07	3.830	3.778	3.830	1	
Subtotal and Average			41,185,338.21		36,957,148.07	36,957,148.07	36,957,148.07		3.778	3.830	1	
Local Agency Investment Funds												
LAIF GENERAL	10007	Local Agency Investment Fund			645,503.58	645,503.58	645,503.58	3.871	3.818	3.871	1	
LAIF 09 COP RES	10134	Local Agency Investment Fund			0.00	0.00	0.00	0.784	0.773	0.784	1	
LAIF 2018A RB	10450	Local Agency Investment Fund			0.00	0.00	0.00	0.339	0.334	0.339	1	
Subtotal and Average			645,503.58		645,503.58	645,503.58	645,503.58		3.818	3.871	1	
Medium Term Notes												
00724PAF6	10626	ADOBE INC		04/18/2024	500,000.00	513,350.00	496,410.48	4.800	4.996	5.065	1,130	04/04/2029
02079KKBK2	10691	ALPHABET INC		02/18/2026	1,000,000.00	1,006,580.00	1,002,779.74	4.100	3.982	4.037	1,812	02/15/2031
023135BX3	10585	Amazon.com Inc		12/20/2022	500,000.00	497,300.00	496,949.67	1.000	4.301	4.361	42	05/12/2026
025816CM9	10512	American Express Credit Corp		12/03/2021	500,000.00	492,875.00	499,854.56	1.650	1.672	1.695	248	11/04/2026
04636NAA1	10506	Astrazeneca Finance LLC		08/20/2021	500,000.00	496,785.00	500,041.53	1.200	1.148	1.164	88	05/28/2026
09290DAA9	10629	BLACKROCK FUNDING INC		05/06/2024	500,000.00	513,200.00	496,048.19	4.700	4.927	4.995	1,081	03/14/2029
06406RBA4	10515	Bank of New York Mellon		01/28/2022	1,000,000.00	985,200.00	1,000,218.72	2.050	1.996	2.024	331	01/26/2027
06051GMT3	10666	Bank of America		08/13/2025	500,000.00	507,095.00	504,012.88	4.623	4.195	4.253	800	05/09/2029
06051GHX0	10671	Bank of America		10/23/2025	500,000.00	479,705.00	479,272.73	2.884	4.050	4.106	1,331	10/22/2030
14913UAJ9	10655	Caterpillar Finl Service		05/19/2025	1,000,000.00	1,032,280.00	1,012,875.55	4.850	4.316	4.376	1,094	02/27/2029
17275RBR2	10628	Cisco Sys Inc		05/06/2024	500,000.00	514,915.00	498,086.13	4.850	4.926	4.994	1,062	02/26/2029
172967LW9	10627	CIT Bank		05/06/2024	500,000.00	500,740.00	484,058.88	4.075	5.430	5.505	784	04/23/2029
191216CU2	10601	Coca-Cola Co		02/17/2023	500,000.00	487,210.00	483,024.45	1.450	4.403	4.464	457	06/01/2027
194162AT0	10657	Colgate Palmolive		05/19/2025	1,000,000.00	1,015,400.00	995,749.16	4.200	4.254	4.314	1,522	05/01/2030
532457CQ9	10641	ELI LILLY & CO		08/14/2024	1,000,000.00	1,013,770.00	1,001,263.72	4.200	4.102	4.159	1,231	08/14/2029
427866BH0	10617	Hershey Co		11/06/2023	500,000.00	505,080.00	492,511.17	4.250	4.959	5.028	765	05/04/2028

Portfolio GEN2
AP
PM (PRF_PM2) 7.2.5

GENERAL FUND UNRESTRICTED
Portfolio Management
Portfolio Details - Investments
February 28, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Mat./Call	Maturity Date
Medium Term Notes												
437076CN0	10521	Home Depot Inc		04/20/2022	500,000.00	495,560.00	497,646.90	2.875	3.287	3.333	379	04/15/2027
438516CE4	10517	Honeywell International		03/17/2022	1,000,000.00	974,260.00	984,405.38	1.100	3.016	3.058	365	03/01/2027
24422EWW7	10616	John Deere Capital Corp		11/06/2023	500,000.00	512,360.00	496,696.05	4.900	5.199	5.271	733	03/03/2028
46647PEG7	10654	JPMorgan Chase Bank NA		05/16/2025	1,000,000.00	1,044,410.00	1,022,398.58	5.581	4.761	4.827	1,513	04/22/2030
58933YBC8	10602	Merck & Co. Inc.		02/17/2023	500,000.00	488,600.00	483,528.61	1.700	4.513	4.576	435	06/10/2027
58933YBH7	10618	Merck & Co. Inc.		11/06/2023	500,000.00	503,975.00	490,500.22	4.050	4.952	5.021	778	05/17/2028
30303M8S4	10643	META PLATFORMS INC.		08/15/2024	1,500,000.00	1,524,165.00	1,502,560.57	4.300	4.186	4.244	1,232	08/15/2029
61747YFK6	10652	Morgan Stanley		05/16/2025	1,000,000.00	1,027,970.00	1,009,158.84	5.173	4.773	4.839	1,052	01/16/2030
654106AJ2	10544	Nike Inc		06/23/2022	500,000.00	495,125.00	494,616.49	2.750	3.805	3.858	391	03/27/2027
665859AW4	10522	Northern Trust Corp		05/25/2022	500,000.00	501,705.00	501,628.28	4.000	3.643	3.694	435	05/10/2027
637639AQ8	10663	National Secs Clearing Corp		05/20/2025	1,000,000.00	1,029,180.00	1,001,561.19	4.700	4.594	4.658	1,511	05/20/2030
808513BF1	10583	Charles Schwab		12/20/2022	500,000.00	499,615.00	499,556.85	0.900	4.676	4.741	10	03/11/2026
857477CF8	10656	State Street Corp		05/19/2025	1,000,000.00	1,046,210.00	1,031,368.56	5.684	4.439	4.501	996	11/21/2029
87612EBM7	10514	Target Corp		01/26/2022	1,000,000.00	984,890.00	1,000,630.11	1.950	1.848	1.873	320	01/15/2027
882508CG7	10632	TEXAS INSTRUMENTS INC		05/15/2024	500,000.00	512,270.00	496,902.86	4.600	4.771	4.837	1,075	02/08/2029
89236TKQ7	10664	Toyota Motor Mtn		11/06/2023	500,000.00	508,450.00	494,742.50	4.625	5.187	5.259	682	01/12/2028
89788JAH2	10674	TRUIST BANK		10/23/2025	900,000.00	901,143.00	900,180.40	4.136	4.073	4.130	800	10/23/2029
931142ERO	10507	Walmart		09/23/2021	1,000,000.00	985,510.00	1,000,323.39	1.050	0.974	0.988	169	09/17/2026
Subtotal and Average			24,051,656.64		24,400,000.00	24,596,883.00	24,351,563.34	3.914	3.968	856		
Federal Agency Bullets												
3137HNWH7	10684	Federal Home Loan Mtg Corp		11/20/2025	1,000,000.00	1,014,580.00	1,003,381.95	4.163	4.027	4.082	1,699	10/25/2030
3137HPUA9	10705	Federal Home Loan Mtg Corp		01/29/2026	855,000.00	869,637.60	858,243.22	4.220	4.077	4.133	1,767	01/01/2031
3137HQDM0	10706	Federal Home Loan Mtg Corp		02/26/2026	1,000,000.00	1,005,750.00	999,542.29	3.948	3.877	3.931	1,798	02/01/2031
Subtotal and Average			1,968,778.86		2,855,000.00	2,889,967.60	2,861,167.46	3.989	4.045	1,754		
Treasury Coupon Securities												
91282CCJ8	10504	U.S. Treasury		07/02/2021	1,250,000.00	1,238,462.50	1,249,970.85	0.875	0.870	0.882	121	06/30/2026
91282CCJ8	10597	U.S. Treasury		12/19/2022	2,000,000.00	1,981,540.00	1,981,871.12	0.875	3.771	3.823	121	06/30/2026
91282CEW7	10603	U.S. Treasury		02/16/2023	1,200,000.00	1,196,772.00	1,187,173.94	3.250	4.078	4.135	486	06/30/2027
91282CFM8	10604	U.S. Treasury		02/16/2023	1,200,000.00	1,212,756.00	1,200,273.03	4.125	4.052	4.108	578	09/30/2027
91282CFB2	10613	U.S. Treasury		09/12/2023	2,000,000.00	1,980,780.00	1,953,627.69	2.750	4.492	4.555	517	07/31/2027
91282CJF9	10619	U.S. Treasury		11/14/2023	1,000,000.00	1,037,420.00	1,005,188.76	4.875	4.591	4.655	975	10/31/2028
9128284V9	10624	U.S. Treasury		11/15/2023	2,650,000.00	2,618,544.50	2,557,739.47	2.875	4.400	4.461	898	08/15/2028
91282CHQ7	10625	U.S. Treasury		02/13/2024	3,000,000.00	3,051,570.00	2,996,381.49	4.125	4.123	4.180	883	07/31/2028
91282CKG5	10631	U.S. Treasury		05/15/2024	1,000,000.00	1,021,020.00	989,676.89	4.125	4.439	4.501	1,126	03/31/2029
91282CHU8	10633	U.S. Treasury		05/31/2024	1,000,000.00	1,003,160.00	997,790.45	4.375	4.820	4.887	167	08/15/2026
91282CJW2	10634	U.S. Treasury		05/03/2024	1,475,000.00	1,499,662.00	1,451,210.25	4.000	4.557	4.620	1,067	01/31/2029

GENERAL FUND UNRESTRICTED
Portfolio Management
Portfolio Details - Investments
February 28, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Mat./Call	Maturity Date
Treasury Coupon Securities												
91282CFC0	10642	U.S. Treasury		08/14/2024	2,500,000.00	2,436,625.00	2,415,252.49	2.625	3.669	3.720	1,248	07/31/2029
91282CFJ5	10644	U.S. Treasury		10/04/2024	3,750,000.00	3,712,200.00	3,694,483.98	3.125	3.540	3.589	1,279	08/31/2029
91282CFL0	10645	U.S. Treasury		10/04/2024	3,750,000.00	3,804,187.50	3,784,834.58	3.875	3.540	3.590	1,309	09/30/2029
91282CFC0	10646	U.S. Treasury		11/13/2024	500,000.00	487,325.00	473,925.41	2.625	4.267	4.327	1,248	07/31/2029
91282CLH2	10649	U.S. Treasury		01/17/2025	2,500,000.00	2,500,925.00	2,494,163.92	3.750	4.177	4.235	183	08/31/2026
91282CHK0	10651	U.S. Treasury		02/06/2025	500,000.00	506,915.00	497,906.51	4.000	4.136	4.193	852	06/30/2028
91282CHR5	10667	U.S. Treasury		08/20/2025	2,275,000.00	2,321,933.25	2,290,397.84	4.000	3.777	3.830	1,613	07/31/2030
91282CHF1	10669	U.S. Treasury		08/20/2025	2,385,000.00	2,409,875.55	2,378,785.51	3.750	3.764	3.817	1,552	05/31/2030
91282CPA3	10675	U.S. Treasury		11/19/2025	2,500,000.00	2,512,800.00	2,492,544.14	3.625	3.645	3.696	1,674	09/30/2030
91282CJQ5	10686	U.S. Treasury		01/22/2026	3,000,000.00	3,029,760.00	2,987,380.91	3.750	3.793	3.846	1,766	12/31/2030
91282CPD7	10687	U.S. Treasury		01/22/2026	3,000,000.00	3,014,760.00	2,973,749.12	3.625	3.778	3.831	1,705	10/31/2030
91282CPW5	10690	U.S. Treasury		02/18/2026	1,250,000.00	1,262,700.00	1,256,939.94	3.750	3.576	3.625	1,797	01/31/2031
Subtotal and Average			45,540,020.34		45,685,000.00	45,841,693.30	45,311,268.29		3.855	3.909	1,098	
Total and Average			116,871,259.38		112,978,535.82	113,367,079.72	112,562,534.91		3.833	3.886	672	

**GENERAL FUND UNRESTRICTED
Purchases Report
Sorted by Security Type - Fund
February 1, 2026 - February 28, 2026**

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM	Ending Book Value
Medium Term Notes													
02079KBK2	10691	100	MTN	ALPH	1,000,000.00	02/18/2026	08/13 - 02/13	1,002,800.00	Received	4.100	02/15/2031	4.037	1,002,779.74
				Subtotal	1,000,000.00			1,002,800.00	0.00				1,002,779.74
Federal Agency Bullets													
3137HQDM0	10706	100	FAC	FHLMC	1,000,000.00	02/26/2026	03/01 -	999,541.00	Received	3.948	02/01/2031	3.931	999,542.29
				Subtotal	1,000,000.00			999,541.00	0.00				999,542.29
Treasury Coupon Securities													
91282CPW5	10690	100	TRC	USTR	1,250,000.00	02/18/2026	07/31 - 01/31	1,256,982.42	Received	3.750	01/31/2031	3.625	1,256,939.94
				Subtotal	1,250,000.00			1,256,982.42	0.00				1,256,939.94
				Total Purchases	3,250,000.00			3,259,323.42	0.00				3,259,261.97

Received = Accrued Interest at Purchase was received by report ending date.

GENERAL FUND UNRESTRICTED
Maturity Report
Sorted by Maturity Date
Amounts due during February 1, 2026 - February 28, 2026

CUSIP	Investment #	Fund	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date	Rate at Maturity	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
037833EB2	10577	100	MTN	APPLE	1,250,000.00	02/08/2026	09/30/2022	0.700	1,250,000.00	4,375.00	1,254,375.00	4,375.00
912828P46	10595	100	TRC	USTR	2,000,000.00	02/15/2026	12/19/2022	1.625	2,000,000.00	16,250.00	2,016,250.00	16,250.00
Total Maturities					3,250,000.00				3,250,000.00	20,625.00	3,270,625.00	20,625.00

MARCH 2026

GOVERNMENT & PUBLIC AFFAIRS REPORT



SAVE THE DATE

Date	Activity	Location	Comments
February 1- April 30, 2026	Water Savvy Landscape Contest	-	CVWD's Water Savvy Landscape Contest opened February 1st and will close on April 30th. This program promotes outdoor water use efficiency by recognizing customers whose landscapes are both beautiful and water-wise.
April 9, 2026	Waterwise and Blooming Bright Landscape Workshop	The Frontier Project	CVWD will host a Waterwise and Blooming Bright landscape workshop on April 9th. Customers that attend will learn how to choose the right plants, properly plant them, and design a beautiful landscape that thrives while using less water.
April 11, 2026	Water Savvy Garden Tour	CVWD Service Area	CVWD will host a Water Savvy Garden Tour on Saturday, April 11th, showcasing up to 15 water-efficient gardens along the tour route.
May 16, 2026	Open House and Water Fair	CVWD/ The Frontier Project	CVWD's Open House and Water Fair will take place on May 16th, 2026. This event will feature department displays, water efficiency tools and programs, vehicle displays, family-friendly activities, giveaways, and more.
May 16, 2026	Feathered Friends and Flow-Friendly Gardens Landscape Workshop	The Frontier Project	CVWD will host a Feathered Friends and Flow-Friendly Gardens landscape workshop on May 16th. Customers that attend will learn how to create a bird-friendly landscape that uses less water, including which plants attract songbirds, how to design habitat layers, and ways to support local wildlife in their backyard.

EVENT RECAP

Date	Activity	Number of Attendees	Description
February 18, 2026	Congressman Aguilar Check Presentation	40	CVWD hosted Congressman Pete Aguilar for a ceremonial check presentation recognizing \$1.092 million in federal funding supporting the District's Baseline Waterline Replacement Project.
March 18, 2026	Fifth Grade Poster Contest Awards Ceremony	350	CVWD celebrated local student artists at the 37th annual Fifth Grade Poster Contest Awards Ceremony . Students received certificates of recognition, giveaways, and more. Vivian Palma from East Heritage Elementary School was selected as the grand prize winner and received an Apple iPad, sponsored by Edison.

SOCIAL MEDIA OVERVIEW

Summary from 2/1/2026 - 2/28/2026

	NUMBER OF POSTS	POST ENGAGEMENTS	POST IMPRESSIONS	NUMBER OF FOLLOWERS
Facebook	12	142	35,572	1,617
X (Twitter)	11	4	302	1,385
Instagram	11	451	24,900	2,021
LinkedIn	1	265	1,174	1,506

Engagements: The number of times people have engaged with posts through likes, comments, shares and more.
 Impressions: The number of times users have seen our posts.

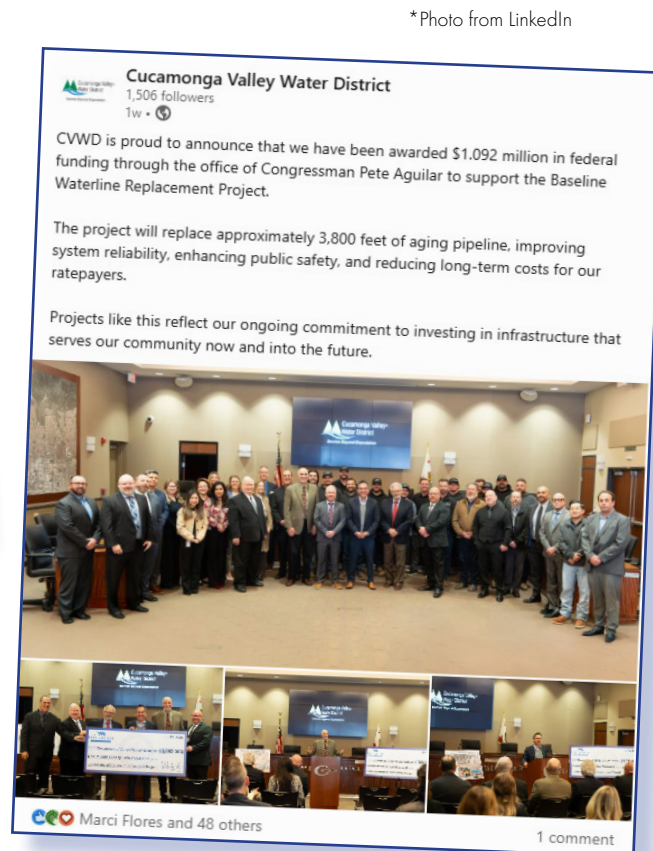
Facebook.com/CVWDwater
 Instagram: @CVWDwater
 X: @CVWDwater



SOCIAL MEDIA: TOP PERFORMING POSTS



*Photo from Instagram



*Photo from LinkedIn

<u>2026 Legislative Calendar & Deadlines</u>	
April 6, 2026	Legislature reconvenes from Spring Recess
April 24, 2026	Last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house
May 1, 2026	Last day for policy committees to hear and report to the floor nonfiscal bills introduced in their house
May 8, 2026	Last day for policy committees to meet prior to June 1
May 15, 2026	Last day for fiscal committees to hear and report to the floor bills introduced in their house
May 29, 2026	Last day for each house to pass bills introduced in that house
June 1, 2026	Committee meetings may resume
June 15, 2026	Budget Bill must be passed by midnight
July 2, 2026	Last day for policy committees to meet and report bills Summer Recess begins upon adjournment of session provided Budget Bill has been passed
August 3, 2026	Legislature reconvenes from Summer Recess
August 14, 2026	Last day for fiscal committees to meet and report bills
August 21, 2026	Last day to amend bills on the floor
August 31, 2026	Last day for each house to pass bills Final Recess begins upon adjournment
September 30, 2026	Last day for Governor to sign or veto bills passed by the Legislature

FEDERAL LEGISLATIVE UPDATE AND GRID

Cucamonga Valley Water District Federal Update

February 27, 2026

Federal Appropriations Update

Earlier this month, Congress passed five of the six remaining Fiscal Year (FY) 2026 appropriations bills. The package included the following bills: Defense; Financial Services–General Government; Labor–HHS–Education; State–Foreign Operations; and Transportation–HUD. The Homeland Security (HS) appropriations bill was not a part of the package as Congressional Republicans and Democrats could not come to an agreement on language in the bill related to U.S. Immigration and Customs Enforcement (ICE) activities. As a result, Congress passed a short-term Continuing Resolution (CR) for the HS appropriations bill to allow for more time for negotiations. The short-term CR expired on February 13th, and since Congress was unable to act on the funding bill, the Department of Homeland Security is currently in a shutdown. DHS will continue to be shut down until Congress is able to come to an agreement on the bill.

Even though there is still one outstanding FY26 appropriations bill, Congress is also turning the page to begin work on the FY27 appropriations bills. On February 25, the House Appropriations Committee provided guidance to House Members on FY27 programmatic, language and Community Project Funding (CPF) requests. The Senate Appropriations Committee has yet to release its FY27 guidance to Senators.

LEGISLATIVE ACTIVITY

House Passes Voter ID Legislation. On February 11, the House passed the *Safeguard American Voter Eligibility (SAVE) Act* ([S. 1383](#)), which would require documentary proof of U.S. citizenship to register to vote in federal elections and mandate presentation of valid photo identification to cast a ballot, by a 218-213 vote. Acceptable proof of citizenship would include a U.S. passport, Real ID-compliant driver's license indicating citizenship, military ID with supporting birth documentation, or other government-issued photo ID paired with documents such as a birth or naturalization certificate. Mail-in registrants would have to present documentation in person before registration is finalized. The measure would also require states to provide voter rolls to the Department of Homeland Security for citizenship verification. The bill faces significant hurdles in the Senate, where 60 votes would be required to overcome the filibuster. Senate Majority Leader John Thune has indicated there are currently insufficient votes to change Senate rules to advance the measure.

House and Senate Committees Hold Hearings with Army Corps Civil Works Leadership. On February 24 and 25, the [House Transportation and Infrastructure Subcommittee on Water Resources and Environment](#) and the [Senate Environment and Public Works Committee](#) convened hearings to examine proposals for a *Water Resources Development Act (WRDA) of 2026* and conduct oversight of the U.S. Army Corps of Engineers Civil Works program. Assistant Secretary of the Army for Civil Works Adam Telle and Lieutenant General William H. “Butch” Graham, Jr., Chief of Engineers and Commanding General, testified at both hearings. Assistant Secretary Telle highlighted the Administration’s WRDA 2026 priorities and the recent announcement of the “Building Infrastructure, Not Paperwork” initiative, which is intended to streamline permitting, refocus on core missions, strengthen fiscal discipline, and accelerate infrastructure delivery. Lieutenant General Graham focused on implementation of prior WRDAs and improvements in cost estimation, risk management, and early industry engagement to keep projects on schedule and within budget. Lawmakers in both hearings stressed the importance of preserving the biennial WRDA cycle, ensuring timely implementation of *WRDA 2024* and prior acts, and maintaining oversight of project prioritization and backlog management.

Senate EPW Committee Releases Draft TSCA Reform Bill Ahead of Hearing. On February 26, Senate Environment and Public Works Committee Chair Shelley Moore Capito released a [discussion draft](#) of the *Toxic Substances Control Act Fee Reauthorization and Improvement Act of 2026*. The proposal would reauthorize and revise the Environmental Protection Agency’s (EPA) authority to collect industry fees under the *Toxic Substances Control Act (TSCA)*, which is set to expire on September 30. The proposal outlines a tiered review framework, would limit reliance on “hypothetical circumstances” in risk determinations, and would seek to clarify how EPA evaluates “unreasonable risk.” It would also require consideration of company-submitted exposure and risk mitigation data, establish an accreditation program for third-party assessors to review applications, and direct EPA to apply existing safer chemical criteria to new substances. Certain categories of chemicals, including PFAS, would be excluded from expedited review pathways. The Committee is scheduled to hold a [hearing](#) on March 4 to examine the draft bill.

Senator Padilla Introduces Bills to Strengthen Water Resilience and Supply. Senator Alex Padilla (D-CA) has introduced two bills aimed at improving water supply reliability and drought resilience in California and across the West. The *Making Our Communities Resilient through Enhancing Water for Agriculture, Technology, the Environment, and Residences (MORE WATER) Act (S. 3738)* would reauthorize expiring Bureau of Reclamation recycling programs and create a new multi-benefit water conveyance grant program. It would also support habitat restoration for threatened and endangered fish species and authorize grants covering up to 30 percent of canal restoration costs to improve the capacity of major systems such as the California Aqueduct. The *Growing Resilient Operations from Water Savings and Municipal-Agricultural Reciprocally-beneficial Transactions (GROW SMART) Act (S. 3737)* would authorize \$35 million over seven years for Reclamation to fund voluntary agricultural water-efficiency demonstration projects and partnerships between farmers and municipal, industrial, or commercial entities. The bill intends to support pilot innovative water-saving practices while incorporating risk-management tools, shared storage arrangements, and other mechanisms designed to protect farm viability during drought or market downturns

CONGRESSIONAL LETTERS

Senators Urge Withdrawal of Proposed 2025 WOTUS Rule. Senator Adam Schiff (D-CA) led 15 of his Senate colleagues in sending a [letter](#) to EPA Administrator Lee Zeldin and Assistant Secretary of the Army for Civil Works Adam Telle urging their agencies to abandon their proposed 2025 Waters of the United States (WOTUS) rule under the *Clean Water Act*. The senators argue the proposal—intended to implement the Supreme Court’s decision in *Sackett v. EPA*—goes beyond the Court’s holding by further narrowing federal jurisdiction over wetlands, tributaries, and intermittent streams. The letter contends the rule is legally unnecessary, inconsistent with congressional intent, and would shift pollution control and flood mitigation burdens to downstream communities and states.

Central Valley Lawmakers Urge Newsom to Reconsider Delta Pumping Limits. On February 9, Representatives Jim Costa (D-CA), Adam Gray (D-CA), David Valadao (R-CA), and Vince Fong (R-CA) sent a [letter](#) to California Governor Gavin Newsom urging him to reverse a temporary limit on water pumping in the Sacramento-San Joaquin River Delta. The lawmakers argue that implementation of the Port Chicago water quality standard could result in the loss of up to 600,000 acre-feet of water this winter for farms and communities served by the State Water Project and Central Valley Project. The letter also states that changing environmental conditions and updated scientific understanding have undermined the rule’s original rationale and that current reservoir releases to meet the standard could also reduce cold-water supplies later in the year for salmon protection.

FEDERAL AGENCY ACTIONS AND PERSONNEL CHANGES

President Trump Delivers State of the Union Address. On February 24, President Trump delivered the first [State of the Union address](#) of his second term, speaking for about one hour and 48 minutes—the longest in history before a joint session of Congress. The speech outlined his Administration’s record and priorities for the year ahead, including the economy, trade and tariffs, taxes, immigration, health care, energy, elections, AI, and foreign policy.

Supreme Court Allows California to Use New Congressional Map in 2026 Election. On February 4, the Supreme Court of the United States declined to block California’s newly adopted congressional map, clearing the way for the state to use the lines in upcoming elections while litigation continues in the lower courts. In a [one-sentence order](#), the Court rejected an emergency request in *Tangipa v. Newsom* to require the state to retain its prior map for the 2026 election. In January, a three-judge district court panel ruled 2-1 to deny a preliminary injunction, concluding that partisan considerations predominated.

Supreme Court Strikes Down Tariffs Imposed Under IEEPA. On February 20, the Supreme Court of the United States ruled 6-3 that President Trump lacked authority under the *International Emergency Economic Powers Act* (IEEPA) to impose sweeping tariffs through a

series of executive orders. The [decision](#) invalidates both the “trafficking” tariffs targeting China, Canada, and Mexico and the broader “reciprocal” tariffs applied to imports from most countries. Writing for the majority, Chief Justice John Roberts concluded that IEEPA’s authorization to “regulate” importation does not include the power to impose tariffs and that Congress did not clearly delegate such economically significant authority. The Court did not address whether importers must be refunded for duties already collected. Within hours of the ruling, President Trump signed a [proclamation](#) invoking Section 122 of the *Trade Act of 1974* to impose a 10% ad valorem import duty effective February 24. The Administration stated the action is intended to address current account deficits, stem dollar outflows, and incentivize domestic production. Certain goods are excluded from the temporary duty, including specified critical minerals, energy products, pharmaceuticals, select electronics, certain vehicles and aerospace products, informational materials, USMCA-compliant goods from Canada and Mexico, goods subject to existing Section 232 measures, and certain CAFTA-DR textiles. In a separate executive order, the President reaffirmed the suspension of duty-free de minimis treatment for low-value shipments, which will also be subject to the Section 122 tariff. On February 21, President Trump announced he would raise the temporary global tariff rate to 15%, the statutory maximum under Section 122, citing the Supreme Court’s decision. The Administration also indicated it may pursue additional tariff actions under other statutory authorities, including Section 301 investigations by the Office of the U.S. Trade Representative.

Army Corps Launches “Building Infrastructure, Not Paperwork” Initiative. On February 23, Assistant Secretary of the Army for Civil Works Adam Telle [announced](#) a new reform effort aimed at accelerating project delivery within the Army’s Civil Works program. The initiative directs the Army Corps of Engineers to refocus on core water resources missions, prioritize high-impact infrastructure projects, shorten permitting timelines, and reduce internal regulatory and paperwork requirements that delay project completion. The plan includes 27 actions organized around five areas: maximizing infrastructure delivery, cutting red tape, improving efficiency, strengthening transparency and accountability, and prioritizing projects that provide the greatest national benefit.

CEQ Launches “CE Works” Pilot to Streamline NEPA Reviews. The Council on Environmental Quality (CEQ) [announced](#) a “CE Works” pilot program, a digital platform designed to streamline categorical exclusion (CE) determinations under the *National Environmental Policy Act*. Developed with the General Services Administration, the tool creates a standardized digital workflow for agencies to apply, review, and document CEs, with the goal of accelerating federal permitting for infrastructure and energy projects. The pilot will begin with the Bureau of Land Management’s Moab Field Office, with broader rollout anticipated.

EPA Finalizes Rescission of Greenhouse Gas Endangerment Finding and Vehicle GHG Standards. On February 12, the Environmental Protection Agency finalized a [rule](#) rescinding the 2009 Greenhouse Gas Endangerment Finding under Section 202(a) of the *Clean Air Act* and repealing all greenhouse gas (GHG) emission standards for light-, medium-, and heavy-duty on-highway vehicles and engines. The 2009 finding had served as the legal prerequisite for regulating GHG emissions from new motor vehicles and engines. With its rescission, EPA states it no longer has statutory authority to prescribe GHG standards for these sources. Accordingly, the final rule removes all existing and future regulatory requirements related to the

measurement, control, and reporting of GHG emissions for highway vehicles and engines, including prior model years. EPA has stated that the rule affects only greenhouse gas standards and does not alter existing regulations governing traditional criteria air pollutants.

Treasury Proposes New Data Collection System for Federal Aid Programs. On February 4, the Department of the Treasury proposed creating a new government-wide data system to collect and store detailed information tied to Treasury-administered financial assistance programs, including State and Local Fiscal Recovery Funds, Capital Projects Fund, Emergency Rental Assistance, Homeowner Assistance Fund, and small business credit programs. Treasury states the system would be used for compliance oversight, fraud prevention, audits, and research. The proposal would allow Treasury to collect and maintain personal and financial information related to program beneficiaries, subrecipients, contractors, and associated individuals. Comments are due by March 6, 2026.

##

FEDERAL LEGISLATION

Bill Number	Author	Bill Title	Description/Impact to CVWD	Position
H.R. 3717	Harder	Golden Mussel Eradication and Control Act of 2025	This bill would create a task force with state and local partners to eradicate golden mussels, including a grant program.	Support
H.R. 2656	Torres/ Valadao	Removing Nitrate and Arsenic in Drinking Water Act	This bill would create new grant funding for nitrate and arsenic reduction.	Support
H.R. 2766/ S. 2014	Fallon/ Cornyn	Special Districts Fairness and Accessibility Act	This bill would allow the District to receive federal assistance which we are currently unavailable to receive.	Support
S. 322	Padilla	Improving Atmospheric River Forecasts Act	This bill would provide for better forecasting of atmospheric rivers and may lead to additional water being captured throughout the state, in particular for the State Water Project.	Support
S. 3609/H.R. 582	Padilla/Huffman & Obernolte	Community Protection Wildfire Resilience Act	This bill proposes an investment of \$1 billion per year (through fiscal year 2029) to move beyond traditional forest cleaning methods and focus on protecting the built environment.	Support

**THE FOLLOWING PAGES ARE THE LEGISLATIVE
REPORT FROM IEUA'S MOST RECENT BOARD
MEETING FOR YOUR INFORMATION**



February 23, 2026

To: Inland Empire Utilities Agency

From: Michael Boccadoro
Beth Olhasso

RE: February Report

Overview:

A massive storm helped slow the early melt that was occurring in the sierras during “Dry January” as water managers are calling the precipitation-free month. While the storm brought upwards of 11 feet of snow to the sierras, overall snowpack is still in less than optimal condition. Currently, the snowpack sits at just 60 percent of April 1 average and 73 percent of normal for this date, with new storms expected as February comes to a close.

Reservoir levels remain strong, as much of the melting snow has been captured and reservoirs are being managed for flood control. Lake Oroville is sitting at 80 percent capacity, 126 percent of normal; Lake Shasta is sitting at 79 percent of capacity, 112 percent of average; while San Luis Reservoir is at 83 percent of capacity, 105 percent of average for this time of year.

The State Water Contractors have released its annual report highlighting targeted investments in research that will help more adaptively manage water throughout the state. Key projects included research on how pesticides are affecting juvenile salmon: river temperature forecasting and fish movements near export facilities.

Good news is being shared on the Bay-Delta Plan Update. The State Water Resources Control Board has indicated that there are unlikely to be any major revisions to the long-awaited update. Adoption is on track for the fall.

For the third year in a row, the Governor proposed not only cutting staff positions funded by the General Fund, but also staff funded by “special funds,” or fee-based positions. The Legislature rejected many of these cuts in the 2025-26 budget, yet they are back again this year. The Legislative Analyst’s Office (LAO) has released a report outlining the risks of eliminating these positions.

The LAO has also revised its budget outlook after several months of significantly higher revenues coming into the state. While the revenues will not address all of the fiscal issues plaguing the state, the strong returns will help ease some of the cuts necessary to balance a budget.

A record low number of bills was introduced ahead of the February 20 bill introduction deadline. Legislation on Golden Mussels, Proposition 218, groundwater recharge, subsidence and conveyance repairs, low-income rate assistance, and data centers will all start to work their way through the legislative process in the coming months. Bills must be in print for 30 days before they can be heard in committee.

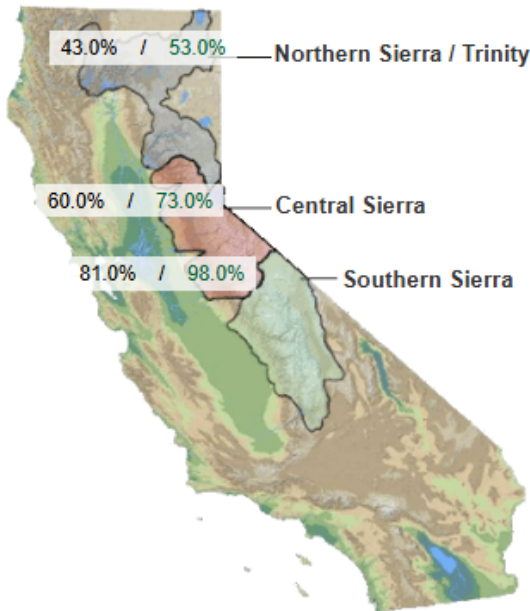
Inland Empire Utilities Agency Status Report – February 2026

Water Supply Conditions

While the snowpack has rebounded to 73 percent of normal, most of that snow is in the Southern Sierra (98 percent normal). The northern Sierra, which replenishes the state’s major storage reservoirs, is at 53 percent of normal and just 43 percent of April 1 average. Another storm, this time a warmer atmospheric river, is predicted to hit the northern part of the state in coming days. Water managers are hoping it doesn’t melt too much snow.

Reservoirs are still being managed for flood control, and as a result there is little room to store additional runoff should warm precipitation melt a lot of snow. San Luis reservoir is at 105 percent of historical average and 83 percent capacity. Lake Oroville is at 80 percent capacity, 126 percent of normal; Lake Shasta is sitting at 79 percent of capacity, 112 percent of average for this time of the year.

% Apr 1 Avg. / % Normal for this Date



Change Date :

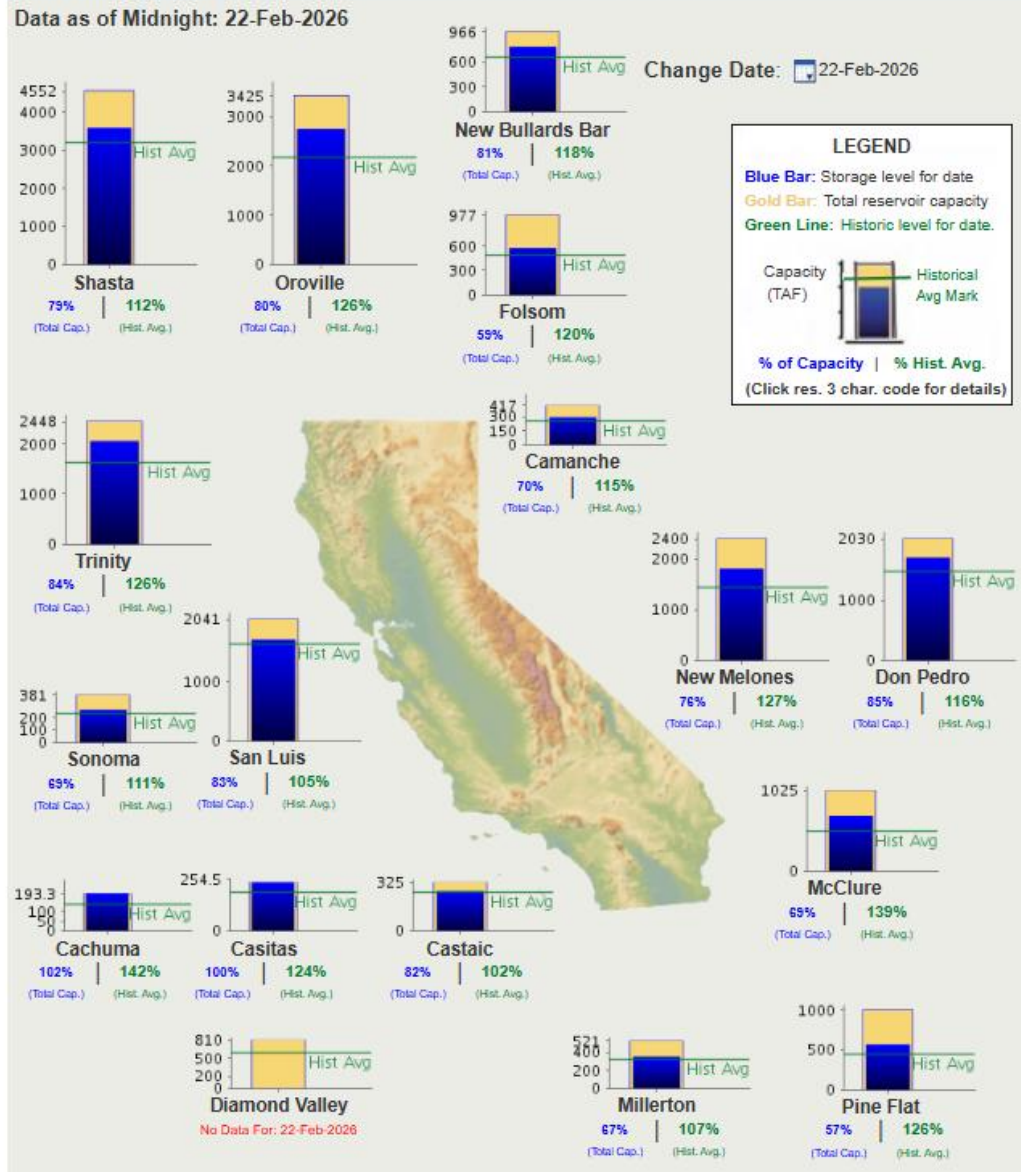
NORTH	
Data For: 23-Feb-2026	
Number of Stations Reporting	33
Average snow water equivalent	11.6"
Percent of April 1 Average	43%
Percent of normal for this date	53%

CENTRAL	
Data For: 23-Feb-2026	
Number of Stations Reporting	54
Average snow water equivalent	16.7"
Percent of April 1 Average	60%
Percent of normal for this date	73%

SOUTH	
Data For: 23-Feb-2026	
Number of Stations Reporting	26
Average snow water equivalent	19.8"
Percent of April 1 Average	81%
Percent of normal for this date	98%

STATEWIDE SUMMARY	
Data For: 23-Feb-2026	
Number of Stations Reporting	113
Average snow water equivalent	16.0"
Percent of April 1 Average	60%
Percent of normal for this date	73%

CURRENT CONDITIONS: MAJOR WATER SUPPLY RESERVOIRS:22-FEB-2026



State Water Contractors Release Science Report

The State Water Contractors (SWC) has released its 2024–25 Science Report, highlighting another year of targeted investments in research designed to improve water management across California.

The annual report outlines how the SWC Science Program is advancing “actionable science” to inform operations of the State Water Project and support ecosystem health in the Sacramento-San Joaquin Delta. Since launching in 2018, the program has invested more than \$16 million in management-relevant research, with approximately \$3.2 million allocated this fiscal year alone. More than half of this year’s funding is focused on habitat and ecology, with additional investments addressing non-operational stressors, Delta outflow, and science development. A smaller portion supported compliance-related efforts.

Among the featured projects:

- **Pesticides and Salmon Health:** Researchers are developing models to understand how mixtures of pesticides may affect juvenile Chinook salmon behavior and survival, particularly their vulnerability to predators.
- **River Temperature Forecasting:** New predictive tools aim to help managers anticipate temperature changes under current and future climate conditions—critical for temperature-sensitive fish species.
- **Fish Movement Near Export Facilities:** Studies are examining how environmental conditions influence salmon distribution and mortality near major water export pumps, providing insight into potential operational improvements.

Beyond research funding, the SWC Science Program continues to emphasize collaboration and transparency. Staff participated in scientific panels and conferences, supported partner initiatives such as those led by the Delta Stewardship Council, and worked to share findings with agencies and policymakers.

Looking ahead, the program plans to launch a new online Science Portal to make research more accessible, host a 2026 Spring Symposium focused on contaminants and ecological management, and roll out a new outreach series, “Nerdy by Nature,” to spotlight emerging science. Overall, the 2024–25 report underscores SWC’s continued commitment to bridging science and water management—ensuring that research directly informs decisions affecting both California’s water supply reliability and the health of its ecosystems.

Bay-Delta Plan on Track

A long-awaited update to California’s Bay-Delta Plan is moving toward potential adoption this fall, with no major changes expected from the proposal released in December.

State Water Resources Control Board staff are reviewing thousands of public comments to determine whether refinements to the basin plan amendment language or environmental analysis are needed. So far, staff have indicated that only technical refinements — not sweeping revisions — appear likely. Updated basin plan language will be released for public comment, but no new comments will be accepted on the staff report itself.

The board is aiming to complete its work in time for members to consider adoption in the fall, though specific release dates have not been finalized.

The proposal has highlighted ongoing tensions between environmental groups and regional water agencies. Conservation advocates argue the plan should establish firm, enforceable minimum flow requirements, while water agencies favor voluntary agreements as the primary implementation strategy. A recent three-day hearing underscored those divisions.

Although the formal public comment period has closed, staff remain open to meeting with stakeholders.

State officials have spent years working to update flow and habitat rules for the Sacramento River and Delta. The Sacramento–Delta portions of the Bay-Delta Plan have not been

significantly revised since the mid-1990s, and the San Joaquin River section was last updated in 2018.

Legislative Analyst's Office Weighs in on Governor's Staffing Cuts Proposal

Legislators are once again weighing a proposal from the Governor to eliminate hundreds of vacant environmental positions as part of the state's 2026–27 budget — a move that could save tens of millions of dollars annually but raises concerns about long-term impacts to environmental programs and delay the issuance of permits and other regulatory actions needed to move water and wastewater throughout the state.

In a new report, the Legislative Analyst's Office (LAO) reviews the Governor's proposal to permanently eliminate 349 unfilled environmental positions across multiple state departments. The administration estimates the change would save roughly \$45 million per year, including about \$19 million from the General Fund and \$25 million from special funds.

However, the Joint Legislative Budget Committee has already expressed reservations, declining to concur with the proposed eliminations. Lawmakers have raised concerns that even vacant positions can represent critical capacity — particularly in areas such as environmental permitting, pollution enforcement, and natural resource management.

The LAO notes that eliminating these roles could reduce the state's flexibility to respond to future workload demands or statutory obligations. While some of the positions have remained unfilled for extended periods, they were originally authorized to support ongoing environmental protection efforts.

In its recommendations, the LAO advises the Legislature to maintain 216 positions funded through special funds, since preserving them would not directly affect the General Fund. For the remaining 133 General Fund-supported positions, the LAO suggests lawmakers weigh the value of maintaining environmental capacity against the state's broader budget challenges. The debate underscores a familiar tension in Sacramento: balancing fiscal discipline with the state's environmental commitments. As budget negotiations continue, lawmakers will need to decide whether near-term savings justify potential reductions in long-term program capacity.

State Revenue Update: Strong Tax Collections Lift Current Outlook — But Risks Loom

California's revenue picture has brightened in the near term, according to a new forecast from the LAO, but long-term uncertainty remains a concern for state budget planners.

The updated outlook anticipates that revenues from the “Big Three” taxes — personal income, corporate, and sales taxes — are now likely to exceed the assumptions in the Governor's 2026–27 Budget for the current fiscal year and align closely with expectations for the budget year. This improvement is driven primarily by strong income tax receipts, which surged thanks to a booming stock market and increased earnings, particularly in the tech sector.

Despite these gains, analysts caution that this strength may not last. Historically, revenue spikes tied to asset price booms — like those fueled by rapid stock market growth — have been followed by sharp downturns. The LAO notes that while recent collections have surprised on the

upside, the risk of a future revenue reversal remains high. Structural budget challenges could resurface as early as 2027-28, with projected deficits continuing unless broader fiscal strategies are adopted.

For lawmakers and budget watchers, the message is clear: near-term gains offer some breathing room, but long-term planning must remain cautious in light of California's historically volatile revenue base.

Legislative Update

The 2026 California Legislative Session saw the lowest number of bill introductions in the past twenty years. This is the first 2-year Session in which the bill introduction limits were lowered to 35 bills per Member per 2-year Session. Previously, the Assembly limit was 50 bills per Member and the Senate was 40 bills per Member.

By contrast, the 2023 Legislative Session saw a higher number of bill introductions than normal, and the highest number in over a decade, while the 2024 Session returned those introduction numbers to more normal levels. In 2025, there were 2,350 bills introduced by the February 21 deadline. In 2026, there were 1,798 bills introduced by the February 20 deadline.

Some of the key bills introduced recently include:

ACWA Sponsored Legislation:

SB 1153 (Caballero) focuses on disaster preparedness for urban water suppliers and public water systems in the face of increasing wildfire risk. The bill would add wildfire readiness requirements to state law, aiming to help water utilities better anticipate, prepare for, and respond to wildfire-related emergencies that can disrupt service and threaten public health.

SB 899 (Grove) would authorize additions to California's wildfire prevention law, tasking the Wildfire and Forest Resilience Task Force with work on reducing wildfire smoke impacts and improving forest resilience.

AB 2180 (Ward) attempts to address the "proportionality" issue raised in recent Proposition 218 court cases. This bill would authorize a local government to demonstrate the proportional cost of the service attributable to the parcel by any method that reasonably allocates the ascertainable cost of providing service to all parcels, if substantiated.

State Water Contractors Sponsored Legislation:

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

Under the revised language, SB 872 would direct a portion of the state's Greenhouse Gas Reduction Fund (GGRF) toward critical water system upgrades over the next two decades — beginning in the 2026–27 fiscal year through 2046–47. Key provisions include:

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

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

The SWC are also expected to amend spot bills to address groundwater recharge and the State Water Project's accelerated carbon free energy requirements.

CASA & WateReuse CA:

CASA and WateReuse CA are looking to co-sponsor legislation to add more capacity to the Clean Water State Revolving Fund and make it easier for agencies to get larger loans or reduce burdensome requirements in the contract. The associations are working with the Environmental Safety & Toxic Materials Committee on language. Committee bills do not follow the same bill introduction deadlines as member-introduced bills.

Other significant legislation:

WCA and IEUA staff are working through the 1700 bills recently introduced and look forward to bringing further reports on:

- **AB 1881 (Ramos)** and **AB 2218 (Kalra)** on tribal water rights
- **SB 1001 (Archuletta)** Identification cards for utility workers to allow access during emergencies.
- **AB 2036 (Ransom)**, **AB 1772 (Papan)**, **AB 1894 (Rubio)** that will all address Golden Mussels
- **AB 2619 (Papan)** addressing water use at data centers
- **SB 1125 (Menjivar)** low-income water rate assistance

These are just a few bills that will start to work their way through the legislature in the coming months.

Two-Year Bills:

AB 35 (Alvarez) would provide an Administrative Procedures Act Exemption for Proposition 4 bond funds. The legislation will help get bond funds out faster. The bill has over 40 co-authors and has not received a single no vote. It has moved to the Senate where it will likely sit until later in the spring.

Early Budget Action: The legislature passed and the Governor signed a "Budget Bill Jr." that provides the APA exemption for Prop 4 funds allocated in the 2025-26 budget. This action eases some of the pressure to get AB 35 passed quickly.

STAFF REPORT

Date: March 24, 2026

To: Board of Directors
From: John Bosler, General Manager/CEO
Agenda Title: **Budget Transfer – Waterline in Almond St from Via Verde St to Carnelian St**

Purpose

Staff is recommending a budget transfer totaling \$1,000,000 to CP2603 I Waterline in Almond St from Via Verde St to Carnelian St.

Background/Analysis

The existing waterlines on Almond Street between Carnelian and Sapphire, installed in 1957, have reached the end of their useful life and were scheduled for replacement in FY 2027. The City's upcoming street improvement project from Carnelian to Via Verde, which is intended to provide emergency access, has accelerated the timeline, and requires pipeline realignment due to grade changes. To save costs and reduce redundant work (like excavation, backfill and compaction), the City and District will coordinate construction under a Cooperative Agreement approved on February 24, 2026 (Attachment II).

The City will construct new roadway improvements, including drainage, lighting, and a multi-purpose trail, while CVWD will replace waterlines, valves, and hydrants. A temporary bypass is required to maintain service during construction, with the City sharing 50% of the cost under the Cooperative Agreement.

On February 10, 2026, both agencies received bids. Following evaluation of the bids, staff recommends that the City serve as lead agency to construct both the City and CVWD improvements, with CVWD reimbursing its share of costs under the approved Cooperative Agreement. The City's lowest responsive and responsible bidder for the District's portion was Gentry General Engineering at \$820,015.

Staff is requesting a budget transfer of \$1,000,000 to fund the City's reimbursement as outlined in the Cooperative Agreement and provide a 10% contingency for potential change orders. The funding for this transfer was identified in the current Fiscal Year Capital Improvement Project Budget as follows:

- Transfer \$205,000 from CP240 I LWMWTP Wilson Ave Roadway Improvement, the project is near completion and has sufficient available funds.
- Transfer \$795,000 from CP23025-Etiwanda Waterline Extension, which is currently on hold due to the City's Grade Separation Project. The City's project is anticipated to remain on hold for the next five (5) years because of funding constraints.

March 24, 2026

Budget Transfer CP26031 - Waterline in Almond St from Via Verde St to Carnelian St

Page 2

This item was presented to the Engineering Committee on March 9, 2026 and to the Finance Committee on March 11, 2026, respectively.

Alignment with Strategic Goals

CVWD actively pursues opportunities to leverage the value of District assets and works with its regional partners to provide reliable water and wastewater services to the community.

Fiscal Impact

If approved, this item will transfer \$205,000 from CP24011 and \$795,000 from CP23025 to CP26031 for a total Project Budget of \$1,000,000.

Recommendation

Staff recommends that the Board of Directors approve the budget transfer of \$205,000 from CP24011 and \$795,000 from CP23025 to CP26031 for a total Project Budget of \$1,000,000.

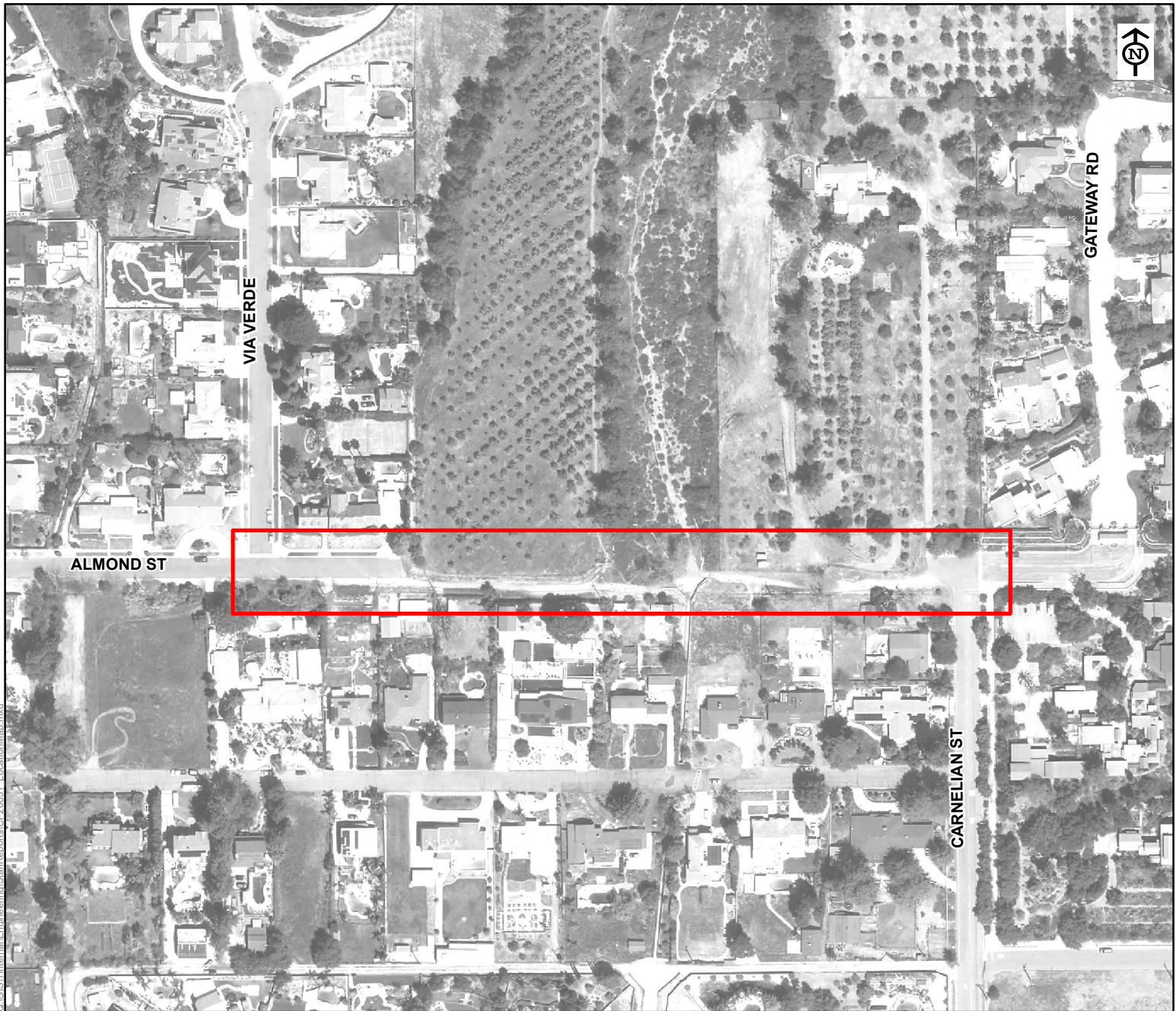
Attachments

Attachment I: Location Map

Attachment II: Approved Cooperative Agreement – City of Rancho Cucamonga for the Almond Street Improvement Project

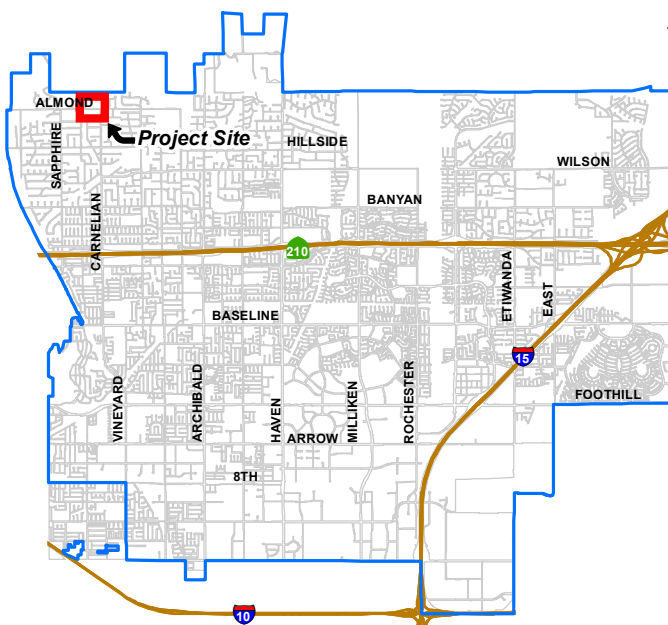
Submitted By: Eduardo Espinoza, PE, Assistant General Manager

Prepared By: Tuan Truong, PE, Engineering Manager



© 2018 Internal/Engineering/Staff/Reservoirs/CP26031_LocationMap.mxd

INDEX MAP
NOT TO SCALE



VICINITY MAP

**CP26031 - Construct waterline in Almond St
from Via Verde St to Carnelian St**



Service Beyond Expectation

City of Rancho Cucamonga
CONTRACT NUMBER
2026-014

**COOPERATIVE AGREEMENT
BETWEEN THE CUCAMONGA VALLEY WATER DISTRICT AND
THE CITY OF RANCHO CUCAMONGA
FOR THE ALMOND STREET IMPROVEMENT PROJECT**

1. Parties and Date

THIS COOPERATIVE AGREEMENT (“Agreement”) is made and is effective this 4th day of February, 2026, by and between CUCAMONGA VALLEY WATER DISTRICT, a public agency (“CVWD”) and the CITY OF RANCHO CUCAMONGA, a municipal corporation (“City”).

2. Recitals

2.1 The parties desire to cooperate and jointly participate in a project known as the Almond Street Improvements Project, located from Carnelian Street to Via Verde Street, as described herein (“Project”). Work to be performed by the City shall consist of street improvements including constructing a new roadway, temporary bypass structure, box culvert, curb, gutter, multi-purpose trail, street lighting, grading, and other ancillary improvements (“City Project”). Work to be performed by CVWD shall consist of replacing two (2) existing mainline waterlines and water valves, installing fire hydrants, pipe zone excavation and compaction, full trench excavation, and trench restoration and compaction, and other ancillary improvements in Almond Street west of Carnelian Street (“CVWD Project”). Optionally, the City shall perform all work, subject to reimbursement by CVWD for all work necessary to complete the CVWD Project.

2.2 The Project is located within the jurisdictional boundaries of both CVWD and the City and will be of benefit to both parties.

2.3 The parties desire to set forth their respective responsibilities and obligations in regard to each Party's participation and funding of the Project.

2.4 The City will prepare all plans, specifications, and estimates for the City Project and will advertise bidding for the construction of the Project in accordance with applicable law. Said bid documents for the City Project shall include the Temporary Bypass Structure which the City will be responsible for installing. CVWD will be responsible for fifty percent (50%) of the cost of the Temporary Bypass Structure regardless of whether CVWD elects to proceed with the alternate bid item process as set forth below.

2.5 CVWD will prepare all plans, specifications, and estimates for the CVWD Project which will be included as an alternate bid item in the advertisement for bids for the Project. CVWD shall provide approved final drawings and specifications to the City for inclusion in the bid documents at least ten (10) calendar days prior to the date the City issues a notice inviting bids for the Project as described in Section 2.4. The City shall provide at least thirty (30) calendar days' prior written notice to CVWD of the date scheduled for issuance of the notice inviting bids.

2.6 Following completion of the Project and payment of all costs required herein, City shall own and be responsible for all improvements constructed as part of the City Project, and CVWD will own and be responsible for all improvements constructed as part of the CVWD Project.

3. Terms

3.1 Effective Date. This Agreement shall be made effective upon execution by both parties and shall remain in effect until terminated pursuant to Section 3.6 or Section 3.7.3.

3.2 Total Project Cost. The total cost of the Project is estimated to be Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000) ("Total Estimated Cost"). The Total Estimated Cost includes the cost of design, construction, construction engineering/management, survey services, and materials testing services for both the City Project and CVWD Project portions of the Project. "Bid Schedule A" in City's bidding documents will be the base bid and will include all City Project work and "Bid Schedule B" will include all CVWD Project work. The CVWD Project will be listed as additive alternate bid items in "Bid Schedule B". The cost for construction management services for the Project is estimated to be \$300,000.

3.3 The City shall provide CVWD with a copy of all bids received for the Project as said bids are delineated for Bid Schedule A and Bid Schedule B. The City shall also provide CVWD with its determination as to the lowest responsive and responsible bidder for the Project to which the City anticipates awarding the contract for the Project. CVWD shall notify City in writing within ten (10) calendar days after CVWD's receipt of the bids from the City as to whether it elects to proceed with Option 1 or Option 2, as set forth below in Sections 3.4 through 3.6.

3.4 **Option 1** – If CVWD notifies the City that it has selected Option 1, then the following procedures will be implemented. The City will award a contract for both the City Project and CVWD Project, in accordance with applicable law. Notwithstanding the foregoing, the City reserves all rights to reject any or all bids and to waive errors and irregularities in any bid. Under Option 1, CVWD designates the City as the "Lead Agency" to coordinate and construct the Project, and the following provisions shall apply.

3.4.1 The City will be responsible for all construction costs in Bid Schedule A and CVWD will be responsible for all construction costs in Bid Schedule B, except for the Temporary Bypass Structure, which will be included in Bid Schedule A as a separate bid item. The cost for the Temporary Bypass Structure will be split equally between the City and CVWD. CVWD's fifty percent (50%) share of the costs set forth herein for the Temporary Bypass Structure shall be referred to as the "CVWD Bypass Cost Share." The estimated cost for the Temporary Bypass Structure is One Hundred Thousand Dollars (\$100,000). CVWD will also be responsible for its prorata share of the cost of construction support services including but not limited to construction engineering/management in connection with the Temporary Bypass Structure and Bid

Schedule B. The CVWD cost share for these services in connection with the Temporary Bypass Structure and Bid Schedule B will be proportional to the cost of the CVWD construction cost share as described above versus the overall construction cost.

3.4.2 CVWD's Responsibilities. CVWD shall:

3.4.2.1 Make payments for the construction costs and services set forth in Section 3.4.1 within thirty (30) calendar days following receipt of an invoice reflecting such costs from the City, as set forth in Section 3.4.3.4. In the event CVWD disputes the amount of the invoice, CVWD shall notify the City in writing, and the parties shall exercise good faith efforts to resolve the matter.

3.4.2.2 Approve costs for work done as a result of change orders or extra work as approved by both CVWD and the City.

3.4.2.3 Promptly forward any claims or stop notices received that relate to the Project, to the City.

3.4.2.4 Provide all necessary inspection and materials testing services necessary to complete CVWD Project.

3.4.3 The City's Responsibilities. The City shall:

3.4.3.1 Provide CVWD with complete documentation for successful California Environmental Quality Act ("CEQA") compliance, and comply with all requirements of CEQA applicable to the City Project.

3.4.3.2 Provide all necessary construction management services necessary to complete the Project.

3.4.3.3 Provide all necessary inspection and materials testing services necessary to complete the City Project.

3.4.3.4 Issue progress payments to the Project contractor(s), process construction Change Orders as may be necessary, and record a Notice of Completion for the Project.

3.4.3.5 Provide invoices to CVWD as progress payments against costs outlined in Section 3.4.1 for funds paid to the Project contractor(s) and consultant(s) on a monthly basis.

3.4.3.6 Include CVWD, its officials, officers, employees and agents as indemnitees in all contracts for the Project.

3.5 **Option 2** - If CVWD notifies the City that it has selected Option 2, then CVWD shall bid, award a contract, and perform the CVWD Project separately from the

contracting and performance of the City Project by the City, and the following provisions shall apply.

3.5.1 The City will be responsible for the cost and construction of the City Project, and CVWD will be responsible for the cost and construction of the CVWD Project including but not limited to design, construction management, inspection, and surveying and geotechnical engineering services. The CVWD Project will be bid as a separate project by CVWD. CVWD will still be obligated to pay the CVWD Bypass Cost Share for the cost for the Temporary Bypass Structure from Bid Schedule A which will be split equally between the City and CVWD.

3.5.2 Each party will serve as the Lead Agency for their respective Project and each agrees to work cooperatively to coordinate the schedule and phasing of the improvements for both Projects.

3.5.3 CVWD's Responsibilities. CVWD shall:

3.5.3.1 Provide complete documentation for successful California Environmental Quality Act ("CEQA") compliance and comply with all requirements of CEQA applicable to the CVWD Project.

3.5.3.2 Provide all construction management and inspection services with regards to the CVWD Project.

3.5.3.3 Advertise, award and fund the construction of the CVWD Project in accordance with applicable law.

3.5.3.4 Coordinate with the City's Contractor for the City Project to plan and manage construction related activities related to the CVWD Project.

3.5.3.5 Issue progress payments to the CVWD Project contractor(s), process construction Change Orders as may be necessary, and record a Notice of Completion for the CVWD Project.

3.5.3.6 Make payments for the CVWD Bypass Cost Share within thirty (30) days following receipt of an invoice from the City, as set forth in Section 3.5.4.6. In the event CVWD disputes the amount of an invoice, CVWD shall notify the City, and the parties shall exercise good faith efforts to resolve the matter.

3.5.3.7 Complete construction of the CVWD Project within sixty (60 working days) from the scheduled start date provided by the City via written notification. Said completion date shall be subject to any change orders, extra work or other adjustments as may be approved by CVWD. CVWD shall provide written notice to the City of any such adjustments. In the event the City has a concern regarding how such an adjustment may impact the schedule for the City Project, the City shall notify CVWD in writing, and the parties shall exercise good faith efforts to resolve such concerns.

3.5.3.8 Include the City, its officials, officers, employees and agents as indemnitees in all contracts for the CVWD Project.

3.5.4 The City's Responsibilities. The City shall:

3.5.4.1 Provide complete documentation for successful California Environmental Quality Act ("CEQA") compliance and comply with all requirements of CEQA applicable to the City Project.

3.5.4.2 Provide all construction management and inspection services with regards to the City Project.

3.5.4.3 Coordinate with the CVWD's Contractor for the CVWD Project to plan and manage construction related activities related to the City Project.

3.5.4.4 Approve costs for work done as a result of change orders or extra work relating to the Temporary Bypass Structure as approved by the City and CVWD.

3.5.4.5 Issue progress payments to the City Project contractor(s), process construction Change Orders as may be necessary, and record a Notice of Completion for the City Project.

3.5.4.6 Provide invoices to the CVWD as progress payments against costs outlined in Section 3.5.1 for funds paid to the City Project contractor(s).

3.5.4.7 Complete the construction of the Temporary Bypass Structure and Concrete Box Culvert within forty (40 working days) starting upon the scheduled start date.

3.5.5 The parties agree that the following work tasks are critical paths for the City Project and the CVWD Project and, therefore, further agree to incorporate the following language into their respective construction contracts for the Projects as scheduling requirements: "The parties agree to coordinate their respective contractor's schedules prior to the start of construction of either Project. Further, the parties agree that each will provide at least fifteen (15) business days' notice to the other of the anticipated completion of each critical path task below.

- Construction of the Temporary Bypass Structure and Concrete Box Culvert (City)
- Construction of the Waterline Replacements (CVWD)"

3.5.6 Both parties will work in good faith to resolve any delays by either the City Project contractor(s) or CVWD Project contractor(s) and any resulting impacts to the Project costs.

3.6 If CVWD fails to select Option 1 or 2 within the specified time, or within such other period as agreed to in writing, then CVWD shall be deemed to have terminated this Agreement, without further liability on the part of either party to the other except as outlined in Section 3.7.3.

3.7 General Provisions.

3.7.1 To the fullest extent permitted by law, the City shall indemnify, defend, save and hold harmless CVWD, its elected officials, officers, directors, employees, agents, and volunteers from and against any and all loss, damages, liability, claims, allegations of liability, suits, costs and expenses for damages of any nature whatsoever, including but not limited to bodily injury, death, personal injury, property damages, or any claims to the extent caused by the active negligence or willful misconduct of the City, its elected officials, officers, directors, employees, agents, volunteers, contractors or subcontractors in the performance of its obligations pursuant to this Agreement, and shall include reasonable attorneys' fees and other reasonable costs incurred in defending any such claim.

3.7.2 To the fullest extent permitted by law, CVWD shall indemnify, defend, save and hold harmless the City, its elected officials, officers, directors, employees, agents, and volunteers from and against any and all loss, damages, liability, claims, allegations of liability, suits, costs and expenses for damages of any nature whatsoever, including but not limited to bodily injury, death, personal injury, property damages, or any claims to the extent caused by the active negligence or willful misconduct of CVWD, its elected officials, officers, directors, employees, agents, volunteers, contractors or subcontractors in the performance of its obligations pursuant to this Agreement, and shall include reasonable attorneys' fees and other reasonable costs incurred in defending any such claim.

3.7.3 Unless sooner terminated earlier by either party, this Agreement shall automatically terminate forty-five (45) days after both of the following have occurred: (1) the Notice(s) of Completion for the Project have been duly recorded; and (2) all payment obligations of the City and CVWD have been met. Either party may terminate this Agreement, for cause, based on a material breach by the other party, following written notice of such breach to the other party and a reasonable opportunity for cure. In addition, either party may terminate this Agreement, without cause, provided the terminating party provides at least sixty (60) days advance written notice to the other party, and the terminating party satisfies its monetary obligations under this Agreement that were incurred up to the date of the notice. This Agreement is subject to the availability of funds appropriated for this purpose, and nothing herein shall be construed as obligating the parties to expend funds at any time in excess of applicable appropriations.

3.7.4 All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

To CVWD:
Cucamonga Valley Water District
10440 Ashford Street
P.O. Box 683 91729
Attn: Tuan Truong

To City:
City of Rancho Cucamonga
10500 Civic Center Dr.
P.O. Box 807, CA 91729
Attn: Jason Welday

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address.

3.7.5 Each party shall at all times comply with all applicable local, State, and federal laws, statutes and regulations including, but not limited to, Labor Code Sections 1720 through 1861.

3.7.6 If any legal action or other proceeding is brought in connection with this Agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees and other related costs, in addition to any other relief to which the party is entitled.

3.7.7 If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall constitute in full force and effect.

3.7.8 This Agreement contains the entire Agreement between the parties and supersedes any prior oral or written statements or agreements between the parties. This Agreement may be amended at any time by written agreement of the parties.

3.7.9 This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

3.7.10 This Agreement shall be governed by the laws of the State of California. Venue for any legal action shall be San Bernardino County, California.

[SIGNATURES ON THE FOLLOWING PAGE]

**SIGNATURE PAGE TO
COOPERATIVE AGREEMENT
BETWEEN THE CUCAMONGA VALLEY WATER DISTRICT AND
THE CITY OF RANCHO CUCAMONGA
FOR THE ALMOND STREET IMPROVEMENTS PROJECT**

**CUCAMONGA VALLEY WATER
DISTRICT
A PUBLIC AGENCY**

Signed by:
By: John Bosler
E746A75569BB46B...
John Bosler
General Manager/CEO

**CITY OF RANCHO CUCAMONGA
A MUNICIPAL CORPORATION**

DocuSigned by:
By: L. Dennis Michael
E1ED487E5A09421...
L. Dennis Michael
Mayor, City of Rancho Cucamonga

Attest:

Signed by:
By: Kim Sevy
486C7E48497049D...
Kim Sevy
City Clerk

Approved as to Form:

Signed by:
By: Nick Chirelli
F7C4C9ECCADB492...
City Attorney

Recommended for Approval:

DocuSigned by:
By: Jason Welday
0C5D5FFDA7CB4EE...
Jason C. Welday, PE
Director of Engineering Services/City Engineer

STAFF REPORT

Date: March 24, 2026

To: Board of Directors
From: John Bosler, General Manager/CEO
Agenda Title: **Financial Results Report – December 31, 2025**

Purpose

Staff has prepared financial operating statements for the Water Fund, Sewer Fund, and Recycled Water Fund, comparing actual results to the budget to help the Board evaluate the District's financial performance. The amounts represented in the reports have been reviewed and adjusted by staff in accordance with generally accepted accounting principles. Amounts reported are compiled before the annual audit and are intended to be used as an estimate only.

Background/Analysis

The data represented in the report reflects the results of operations for the six-month period ended December 31, 2025. The District continues to focus on operating within its overall budget objectives for each of the funds. Total Water Fund revenues are 1% below the budget for the period and expenses are 3% under the budget for the period.

Water sales are 2% below the budget. Consumption forecasts indicated that 21,808 acre feet would be sold through December. However, 21,033 acre feet have been sold, which is 4% below the budget.

The Source of Supply expense category is 6% above the budget. Actual water purchases (9,472 AF) were 14% above the budgeted forecast (8,295 AF). The Pumping expense category is 12% below the budget. Overall groundwater was budgeted to be 13,229 acre feet as compared to an actual of 12,806 acre feet.

Sewer Fund revenues are 6% above the budget and corresponding sewer expenses are 5% below the budgeted forecasts for the period. Recycled water revenues are 1% below the budget while corresponding recycled water expenses are 5% below forecasts for the period.

There are no other significant events to report to the Board for the period. The Net Operating Income for the period is recognized at 5% above the budget for the Water Fund and 22% above for the Recycled Water Fund. The Net Operating Loss was 99% lower than the budget for the Sewer Fund.

Alignment with Strategic Goals

Approval of the Financial Results Report aligns with the CVWD core value of *accountability* by highlighting the efforts the District makes to maintain financial transparency and practice good stewardship of financial resources.

Fiscal Impact

There is no fiscal impact.

Recommendation

It is recommended that the Board of Directors receive and file the 2026 Mid-Year Financial Results Report dated December 31, 2025.

Attachments: Financial Results Report – December 31, 2025
PowerPoint Presentation

Submitted by: Chad Brantley, CFO / Director of Finance
Prepared By: Jennifer Fillinger, Finance Manager



Financial Results Report

DECEMBER 31, 2025

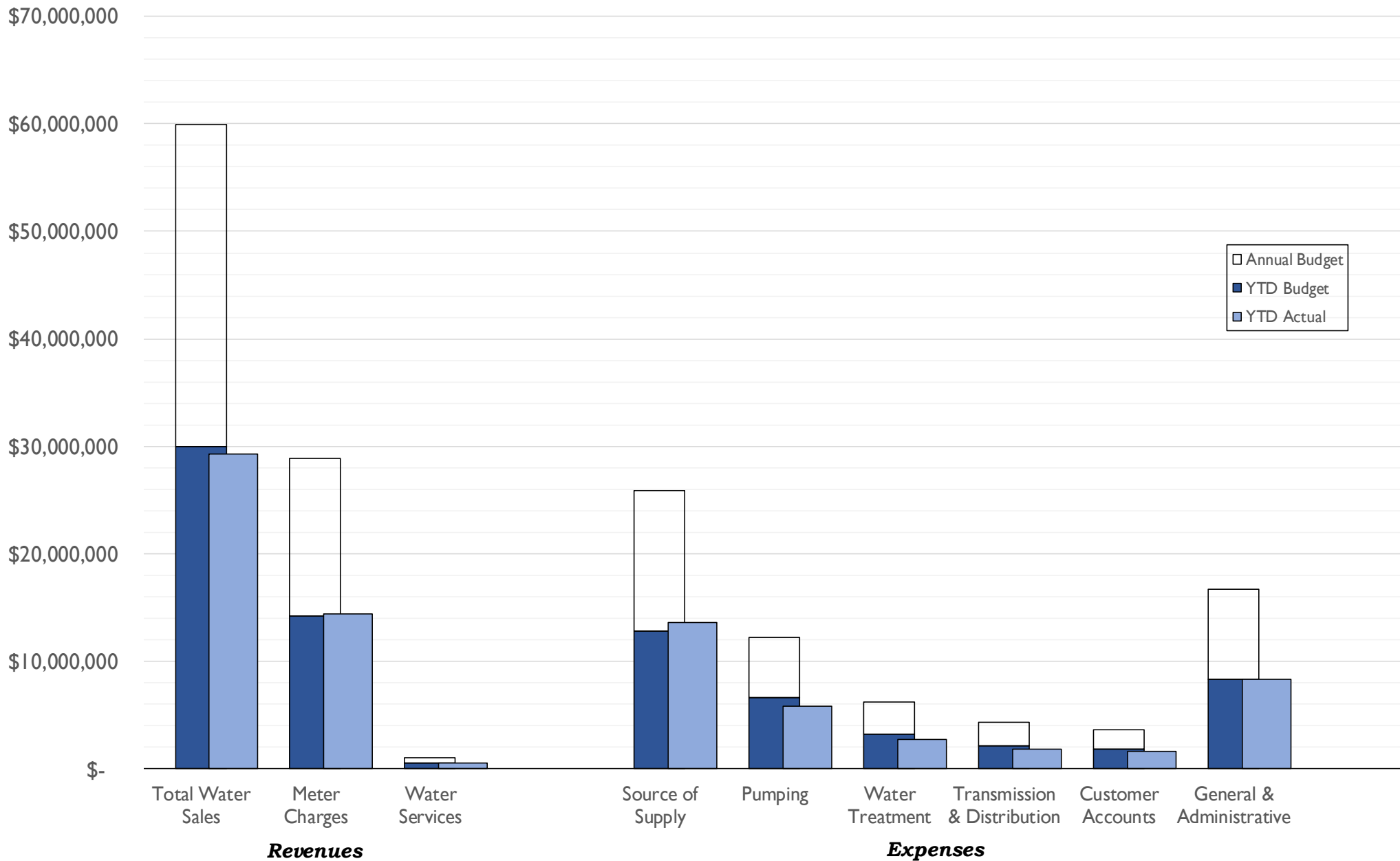


Water Fund (Unaudited)

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>Variance YTD</u>	<u>% Variance</u>
Operating Revenues					
Water Sales	\$ 49,515,302	\$ 27,792,760	\$ 27,171,123	\$ (621,637)	(2%)
Sales to Others	5,517,693	194,143	174,343	(19,800)	(10%)
Sales to Fontana Water Company	4,859,136	2,025,078	1,957,458	(67,620)	(3%)
Meter Charges	28,887,814	14,254,245	14,402,392	148,147	1%
Water Services	1,022,314	511,137	534,118	22,981	4%
Total Operating Revenues	89,802,259	44,777,363	44,239,434	(537,929)	(1%)
Operating Expenses					
Source of Supply	25,891,706	12,772,404	13,574,162	(801,758)	(6%)
Pumping	12,182,984	6,608,206	5,819,499	788,707	12%
Water Treatment	6,204,369	3,222,230	2,712,045	510,185	16%
Transmission & Distribution	4,288,053	2,143,941	1,831,581	312,360	15%
Customer Accounts	3,675,201	1,827,764	1,676,881	150,883	8%
General & Administrative	16,693,289	8,322,562	8,289,083	33,479	0%
Total Operating Expenses	68,935,602	34,897,107	33,903,251	993,856	3%
Net Operating Income/(Loss)	\$ 20,866,657	\$ 9,880,256	\$ 10,336,183	\$ 455,927	5%



Water Fund- Amended Budget v. Actuals

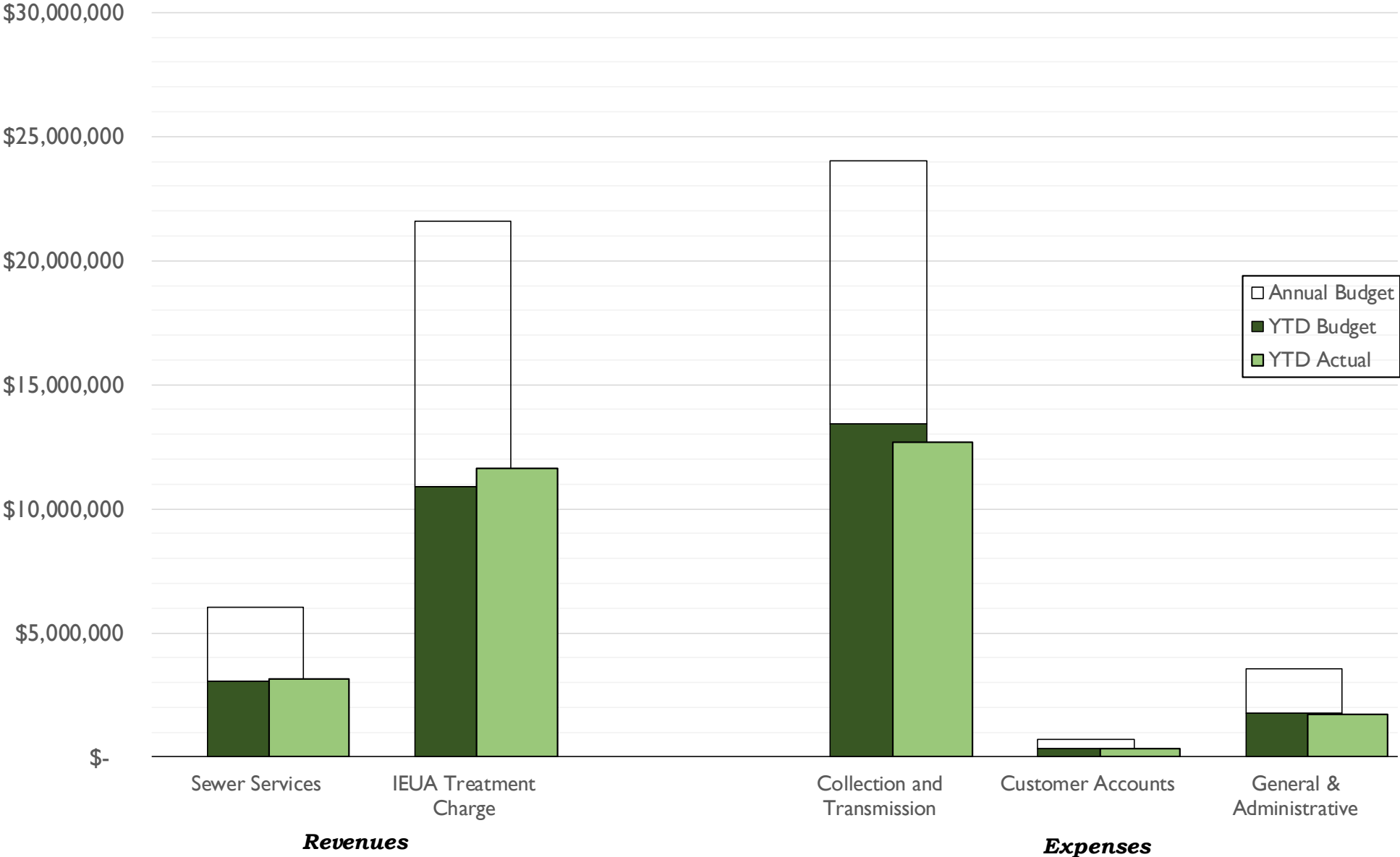


Sewer Fund (Unaudited)

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>Variance YTD</u>	<u>% Variance</u>
Operating Revenues					
Sewer Services	\$ 6,035,803	\$ 3,046,051	\$ 3,120,082	\$ 74,031	2%
IEUA Treatment Charge	21,591,825	10,898,220	11,633,888	735,668	7%
Total Operating Revenues	<u>27,627,628</u>	<u>13,944,271</u>	<u>14,753,970</u>	<u>809,699</u>	<u>6%</u>
Collection and Transmission	24,012,249	13,423,326	12,702,798	720,528	5%
Customer Accounts	704,499	350,450	329,614	20,835	6%
General & Administrative	3,544,637	1,766,697	1,736,586	30,112	2%
Total Operating Expenses	<u>28,261,385</u>	<u>15,540,473</u>	<u>14,768,998</u>	<u>771,475</u>	<u>5%</u>
Net Operating Income/(Loss)	<u>\$ (633,757)</u>	<u>\$ (1,596,202)</u>	<u>\$ (15,028)</u>	<u>\$ 1,581,174</u>	<u>99%</u>



Sewer Fund- Amended Budget v. Actuals

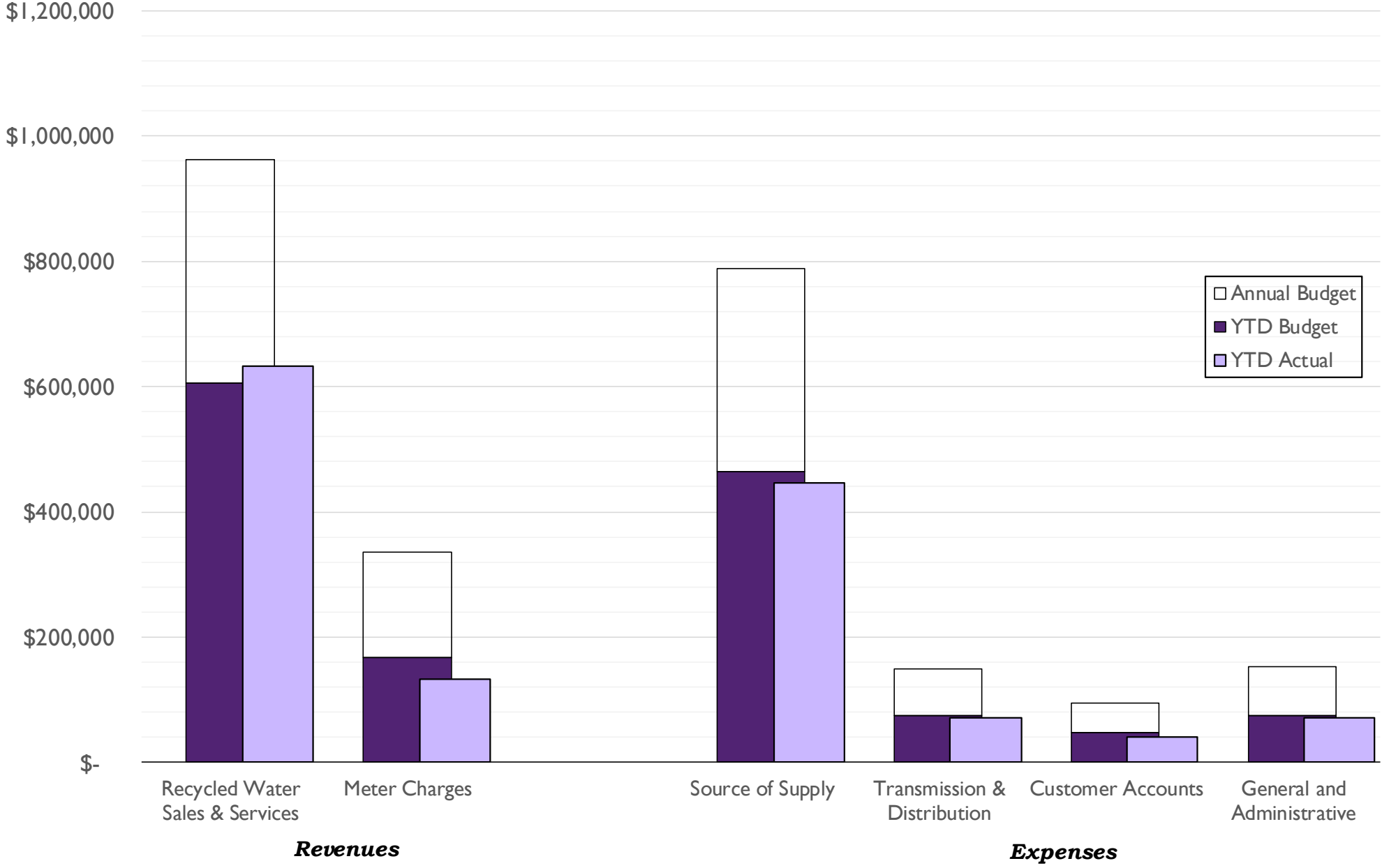


Recycled Water Fund (Unaudited)

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>Variance YTD</u>	<u>% Variance</u>
Operating Revenues					
Recycled Water Sales & Services	\$ 962,660	\$ 605,040	\$ 633,698	\$ 28,658	5%
Meter Charges	335,916	167,951	132,566	(35,385)	(21%)
Total Operating Revenues	1,298,576	772,991	766,264	(6,727)	(1%)
Operating Expenses					
Source of Supply	788,740	463,658	445,450	18,208	4%
Transmission & Distribution	148,306	74,150	71,814	2,336	3%
Customer Accounts	95,611	47,447	40,052	7,395	16%
General and Administrative	153,566	74,570	70,526	4,044	(45%)
Total Operating Expenses	1,186,223	659,825	627,842	31,983	5%
Net Operating Income/(Loss)	\$ 112,353	\$ 113,166	\$ 138,422	\$ 25,256	22%



Recycled Water- Amended Budget v. Actuals

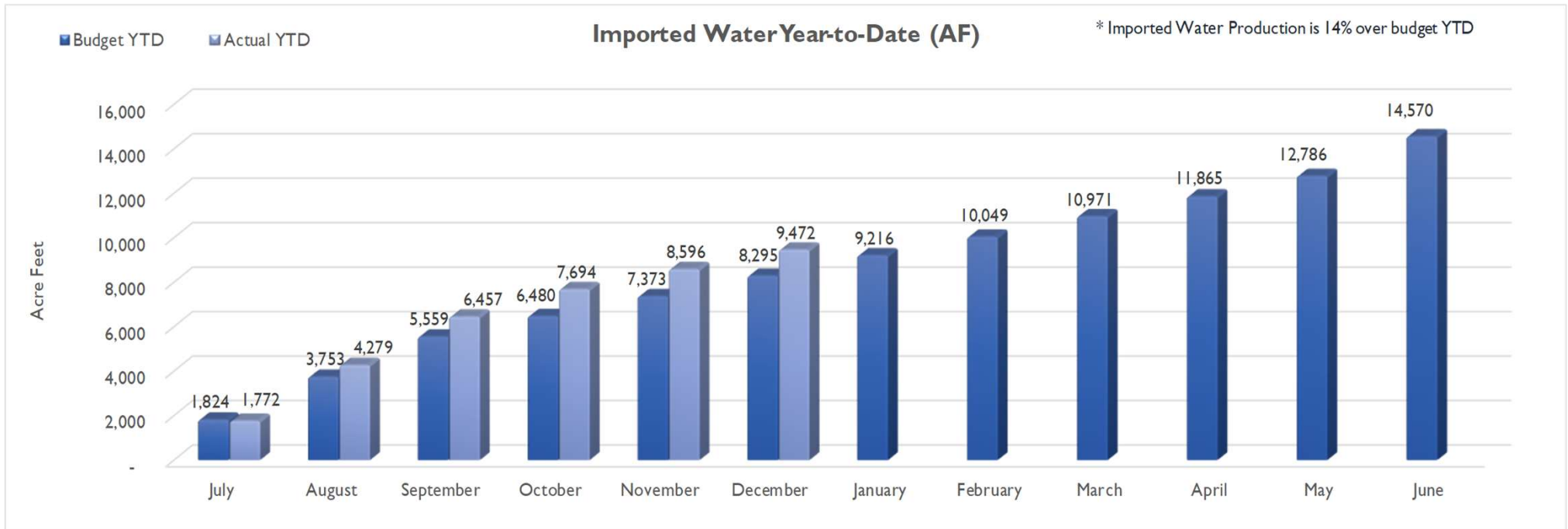
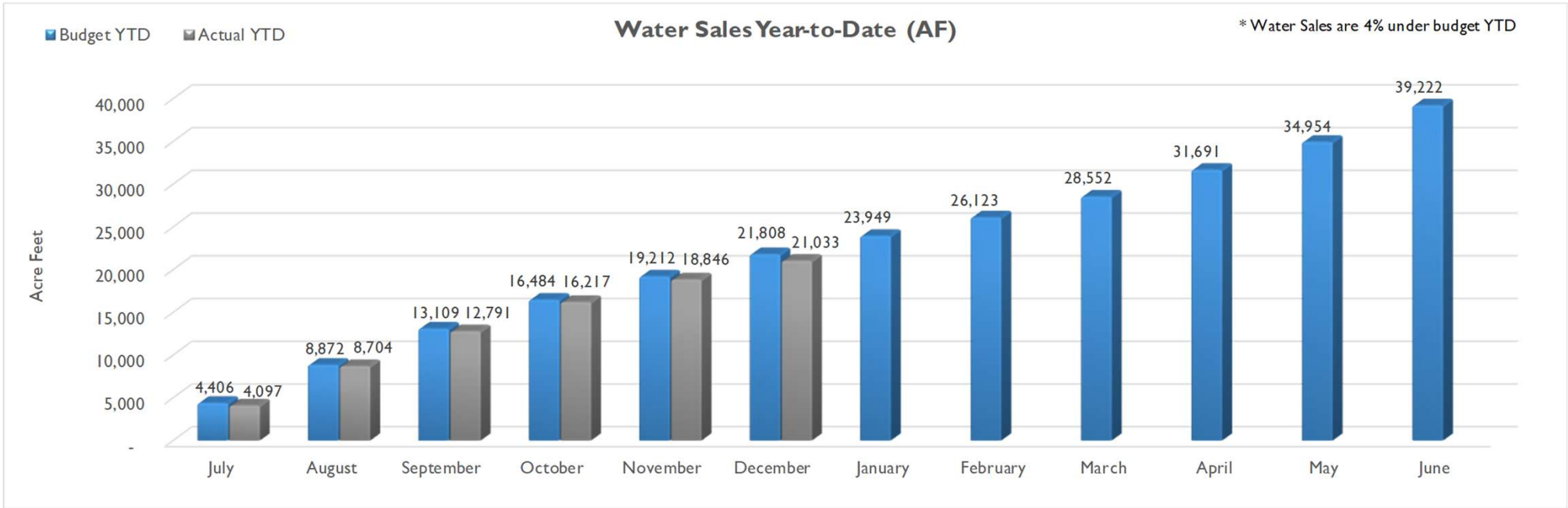




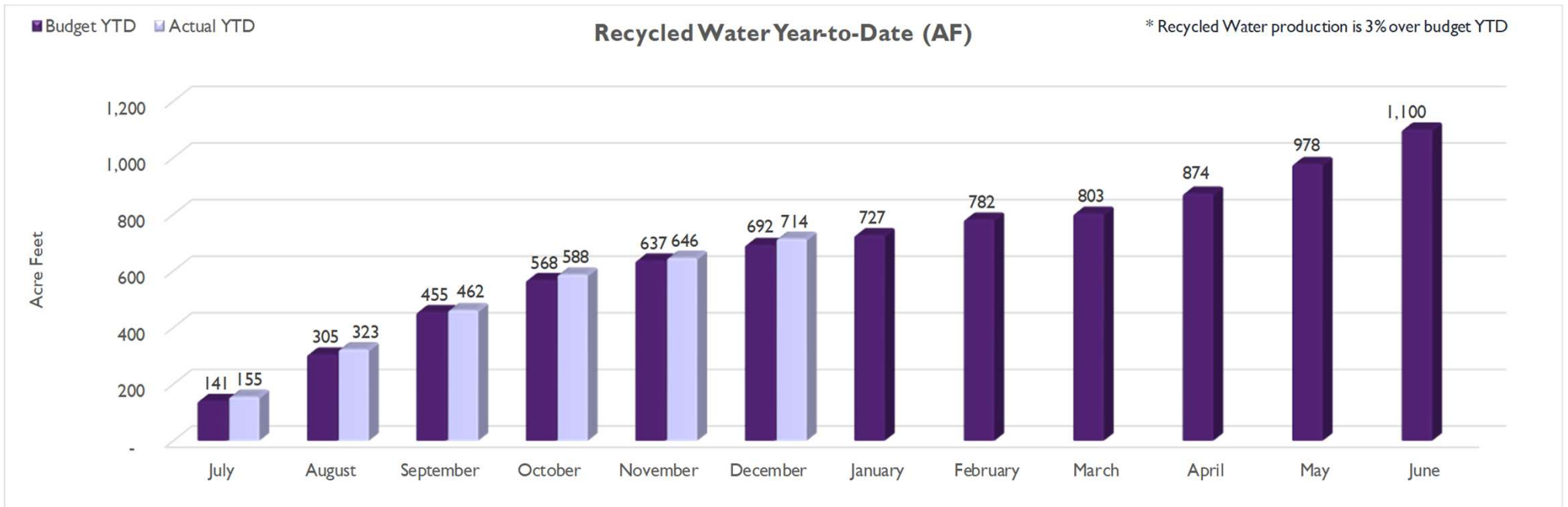
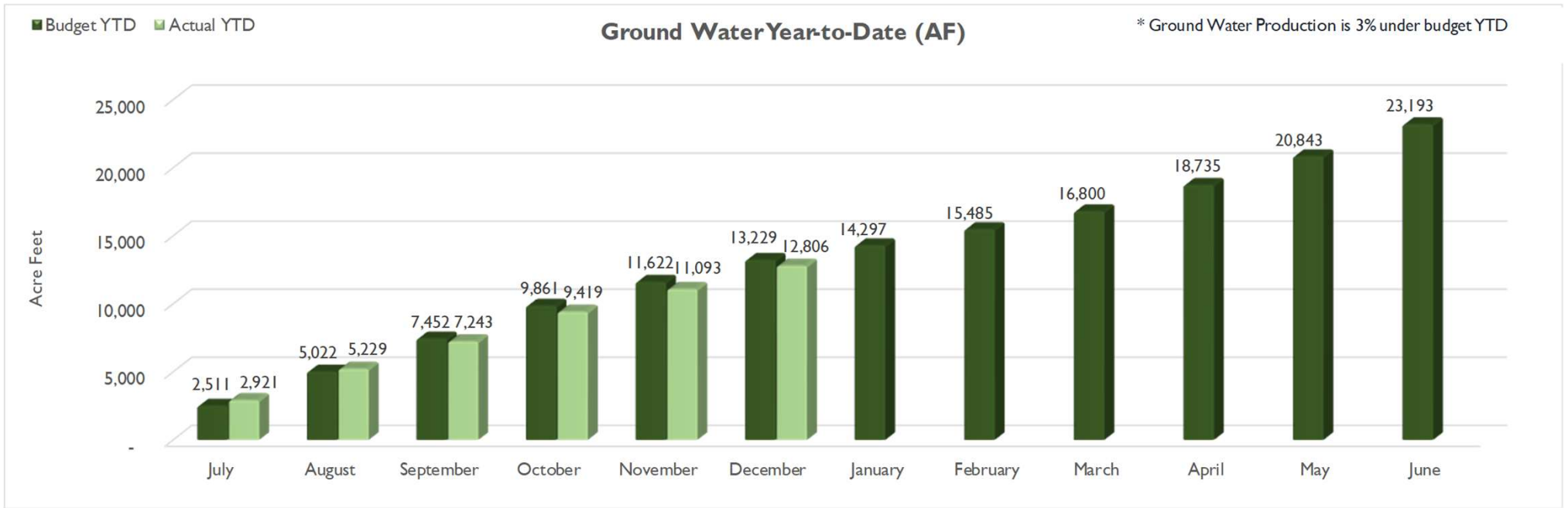
Supplemental Information



Amended Water Sales & Production YTD



Amended Water Sales & Production YTD



Expenses by Account- All Funds

	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>Variance YTD</u>	<u>% Variance</u>
Imported Water	\$ 9,708,422	\$ 10,782,466	\$ (1,074,045)	(11%)
Wages	8,824,202	8,669,867	154,335	2%
Benefits	4,688,469	4,517,808	170,661	4%
Utilities	6,026,267	5,031,663	994,604	17%
Chemicals	1,121,905	939,333	182,572	16%
All Other Materials	1,475,163	1,146,019	329,144	22%
Outside Services	1,837,420	1,531,624	305,797	17%
Assessments	2,955,986	2,772,123	183,863	6%
All Other	1,782,526	1,829,851	(47,325)	(3%)
Sewer Treatment Services	12,213,385	11,633,888	579,497	5%
Recycled Water	463,658	445,450	18,208	4%
Total	<u>\$ 51,097,404</u>	<u>\$ 49,300,092</u>	<u>\$ 1,797,312</u>	<u>4%</u>

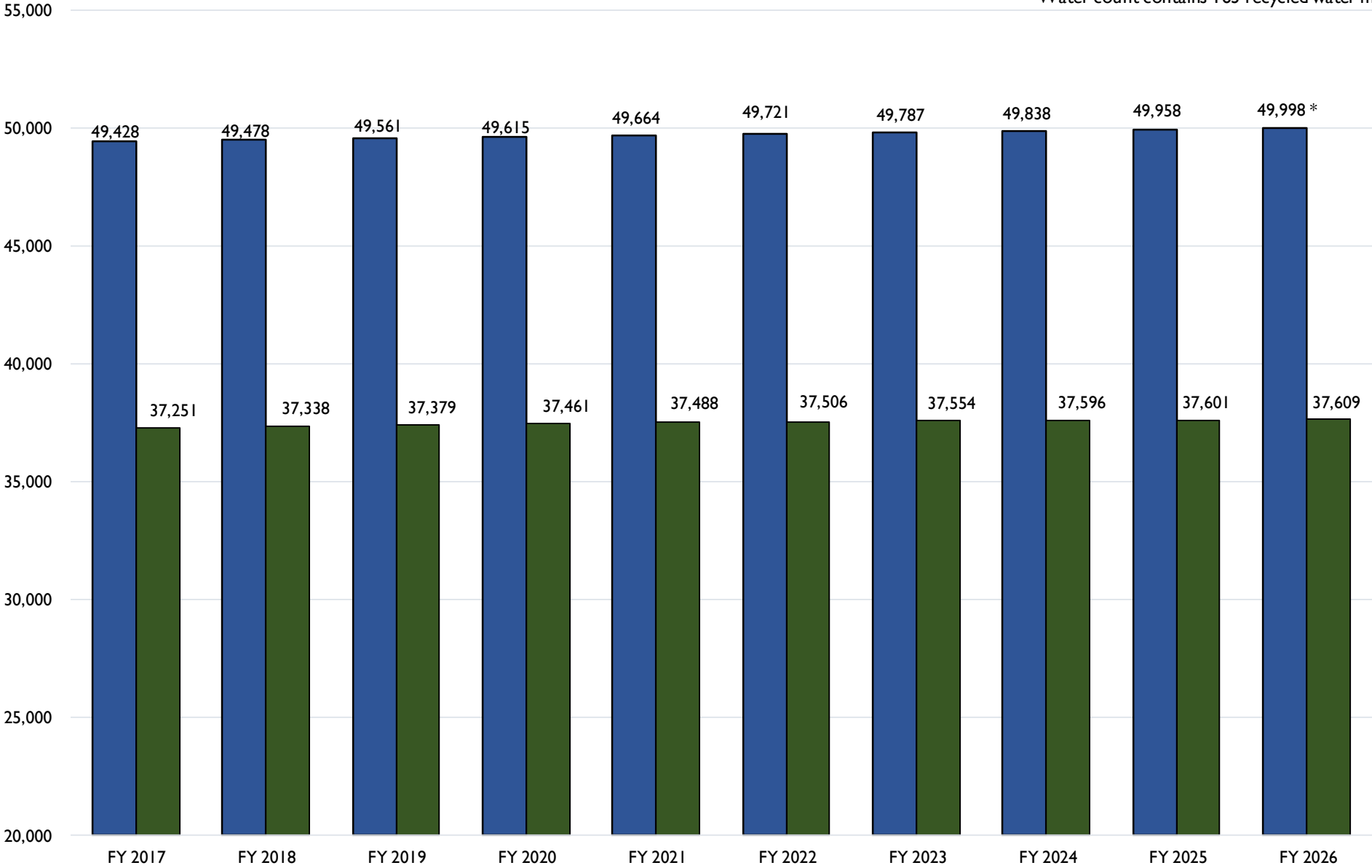


Customer Count

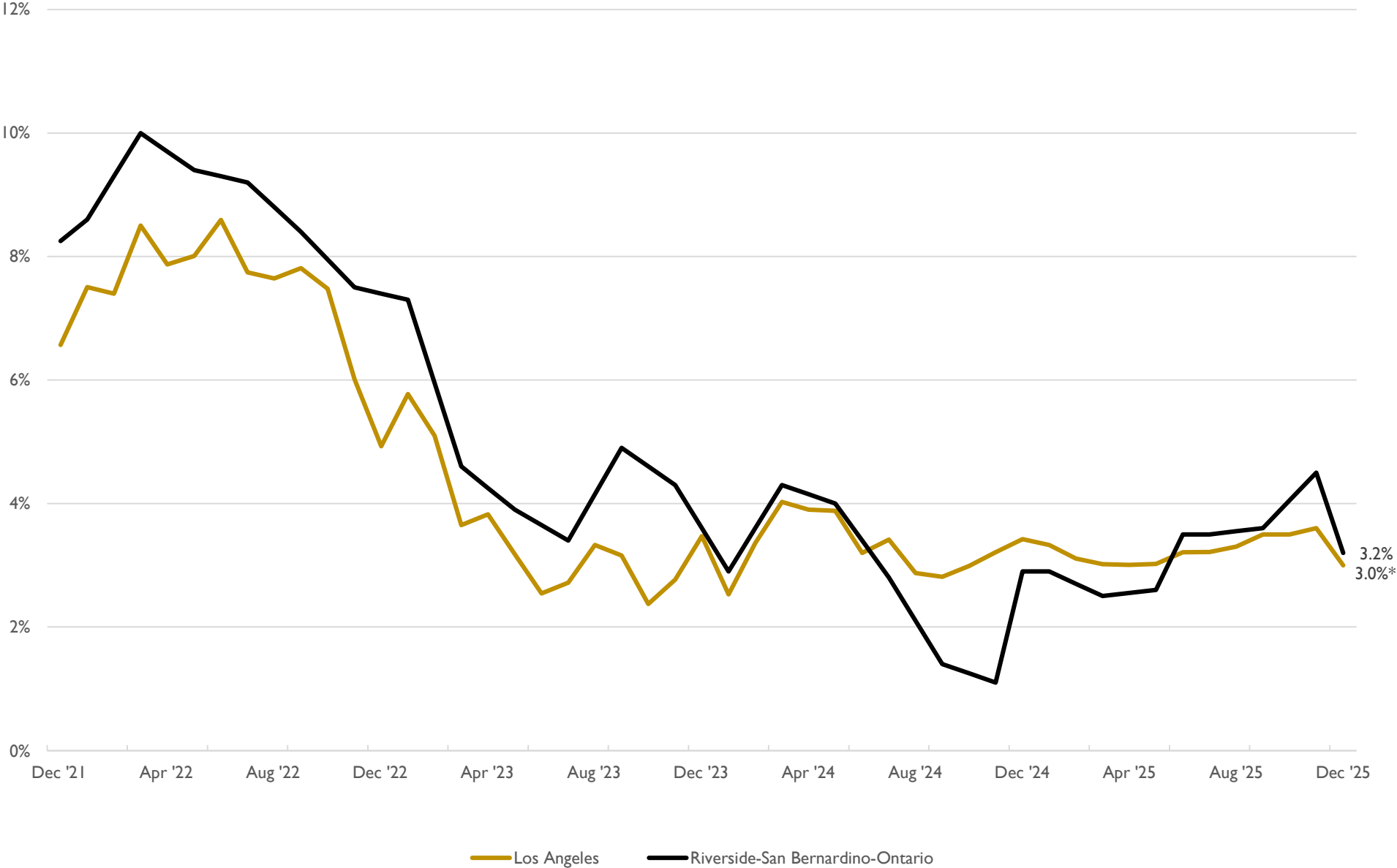
New Water Svcs= 40 New Sewer Svcs= 8

■ Total Water ■ Total Sewer

*Water count contains 163 recycled water meters



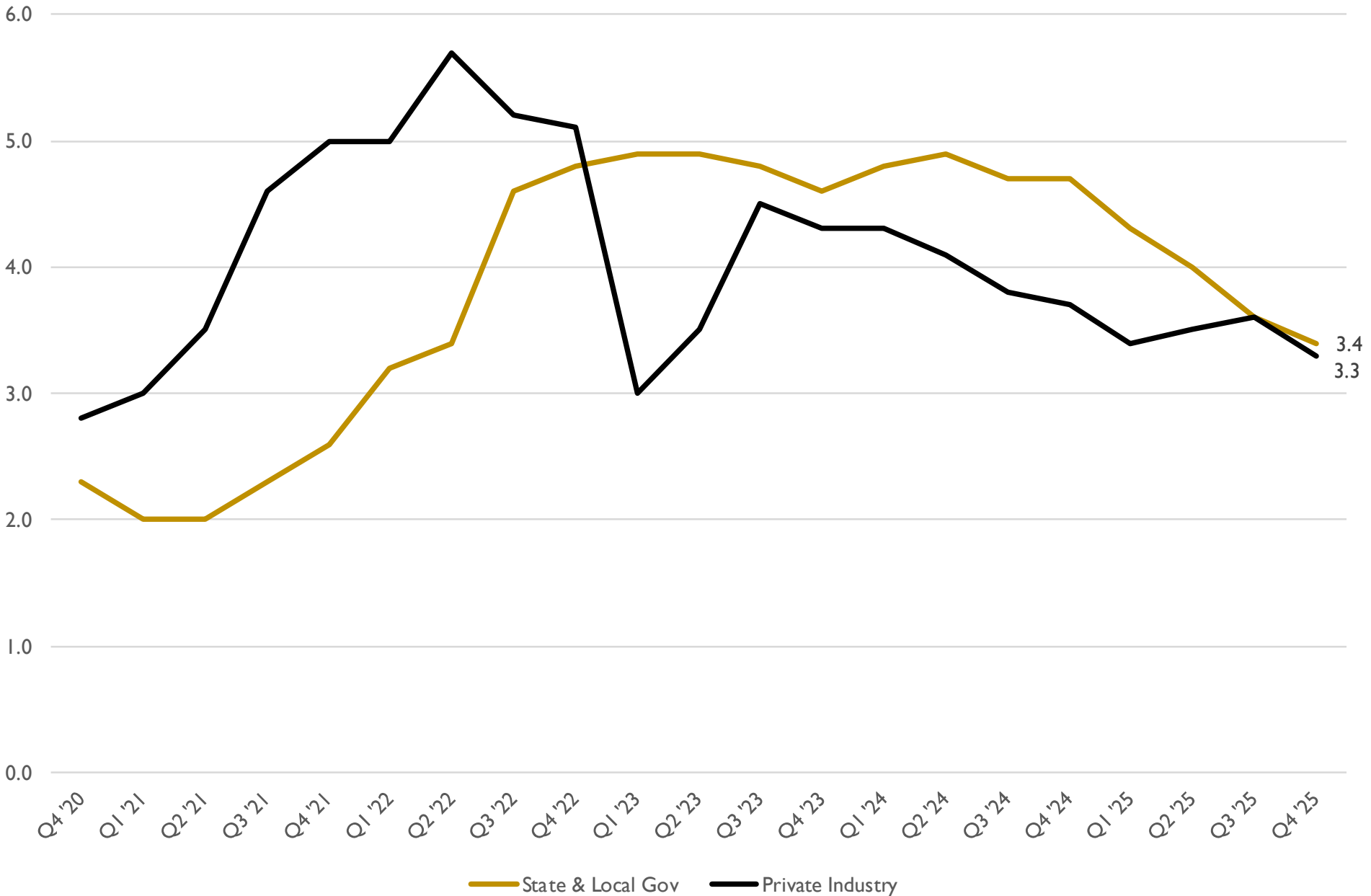
Consumer Price Index



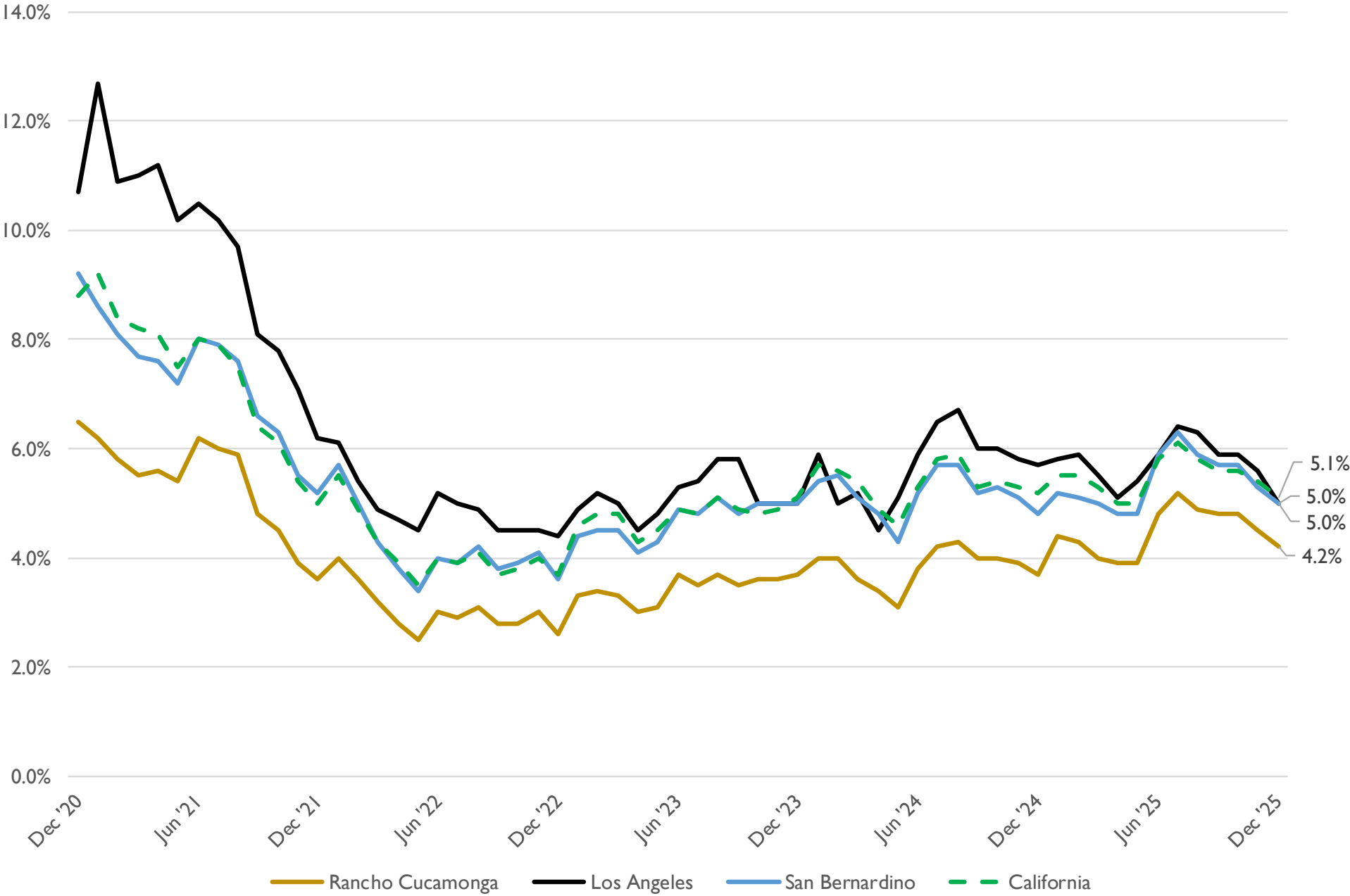
*Riverside-San Bernardino-Ontario ECI data is released every odd month. The December number reflects data from January to provide a more accurate measurement.



Employment Cost Index



Unemployment Rates



Mid-Year Financial Results Report FY2026

Presented to: Board of Directors
March 24, 2026

Operating Revenues – Water Fund

Six Months Ending December 31, 2025

Revenues	YTD Budget	YTD Actual	Variance	% Variance
Water Sales	\$ 27,792,760	\$ 27,171,123	\$ (621,637)	(2%)
Meter Charges	14,254,245	14,402,392	148,147	1%
Water Services	511,137	534,118	22,981	4%
Sales to Others	194,143	174,343	(19,800)	(10%)
Sales to Fontana WC	2,025,078	1,957,458	(67,620)	(3%)
Total Operating Revenues	\$ 44,777,363	\$ 44,239,434	\$ (537,929)	(1%)

Operating Expenses – Water Fund

Six Months Ending December 31, 2025

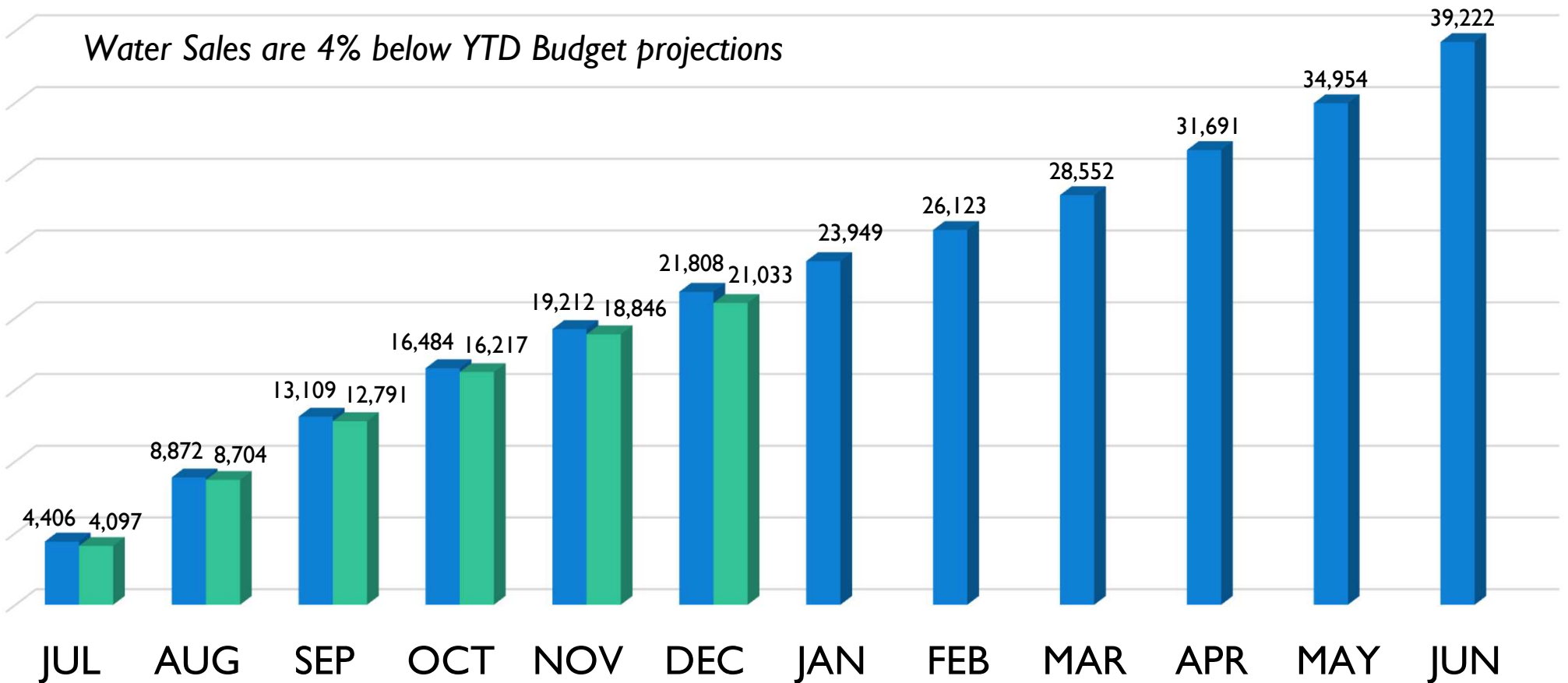
Expenses	YTD Budget	YTD Actual	Variance	% Variance
Source of Supply	\$ 12,772,404	\$ 13,574,162	\$ (801,758)	(6%)
Pumping	6,608,206	5,819,499	788,707	12%
Water Treatment	3,222,230	2,712,045	510,185	16%
Transmission & Distribution	2,143,941	1,831,581	312,360	15%
Customer Accounts	1,827,764	1,676,881	150,883	8%
General & Administrative	8,322,562	8,289,083	33,479	0%
Total Operating Expenses	34,897,107	33,903,251	993,856	3%
Net Operating Income	\$ 9,880,256	\$ 10,336,183	\$ 455,927	5%

YTD Water Sales (AF)

■ Budget YTD

■ Actual YTD

Water Sales are 4% below YTD Budget projections

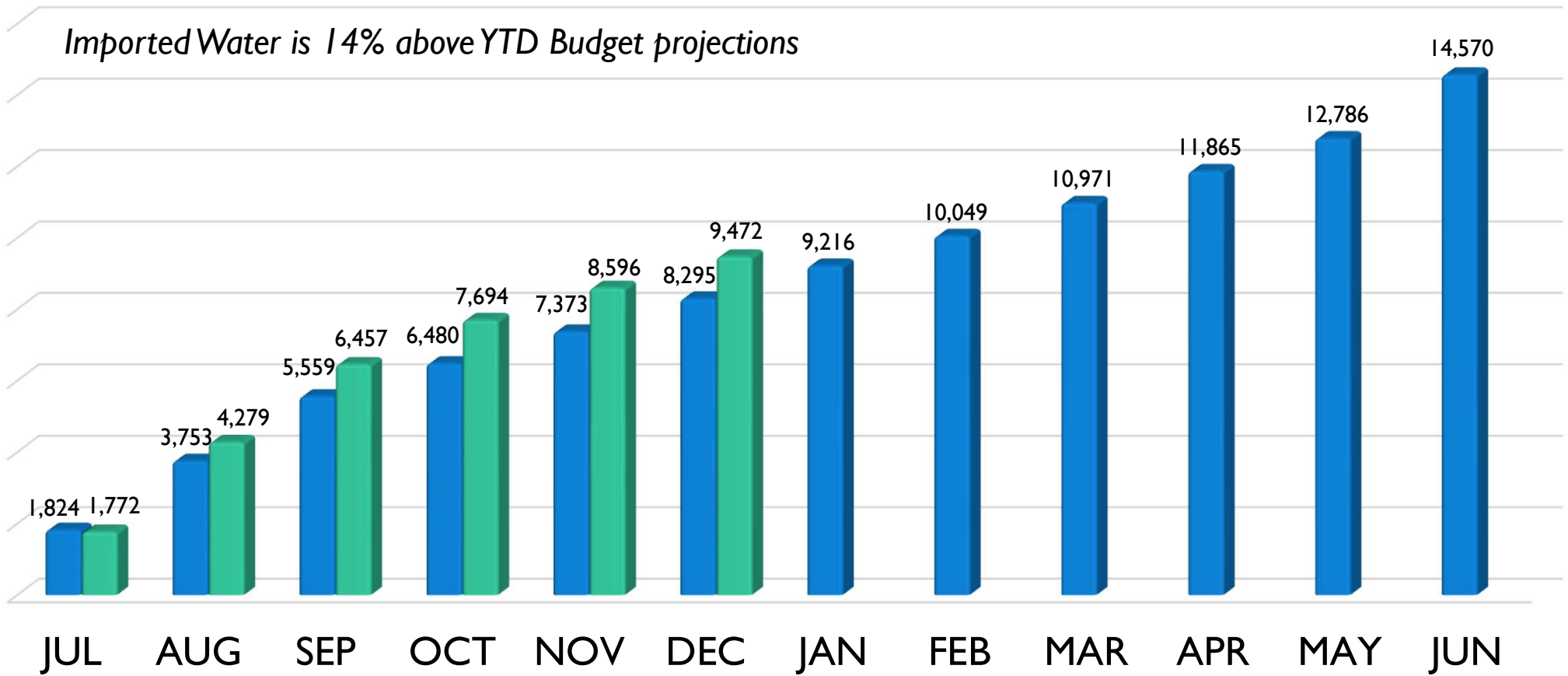


YTD Imported Water (AF)

■ Budget YTD

■ Actual YTD

Imported Water is 14% above YTD Budget projections

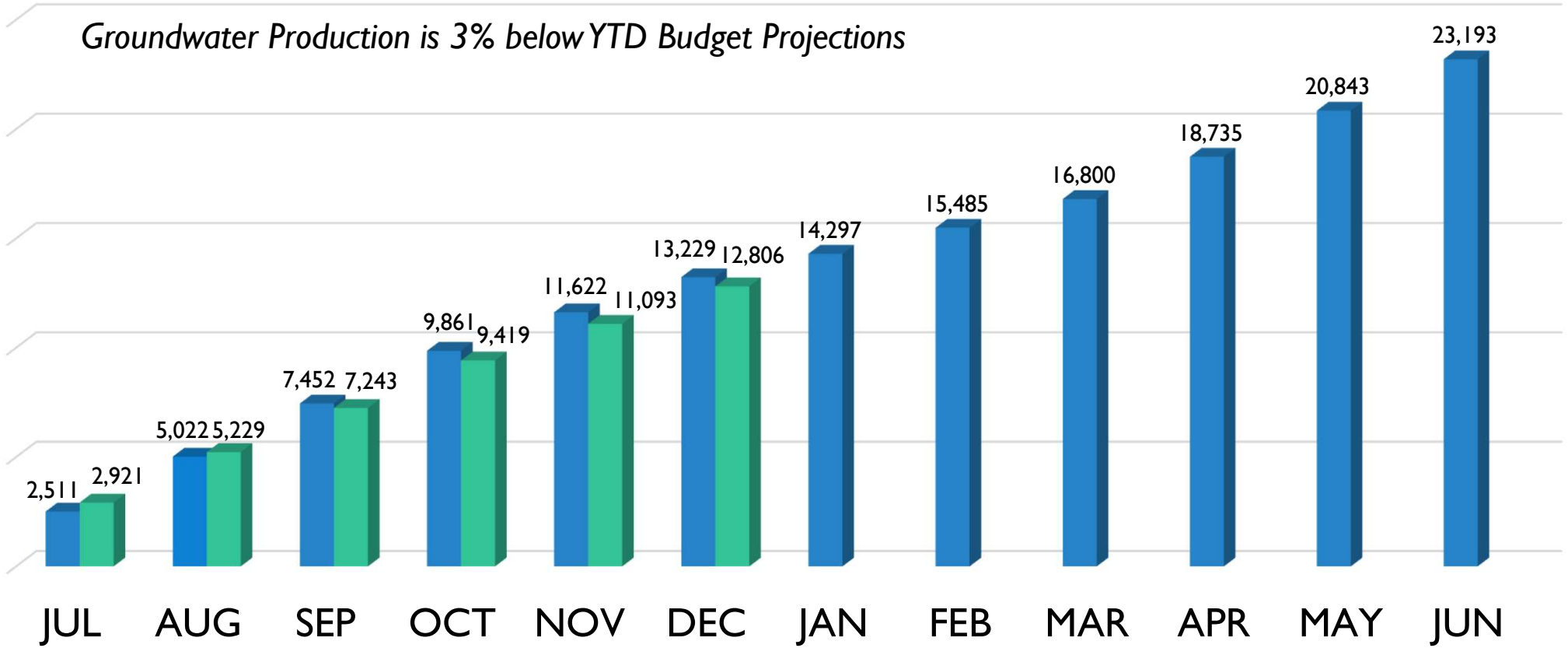


YTD Groundwater Supply (AF)

■ Budget YTD

■ Actual YTD

Groundwater Production is 3% below YTD Budget Projections



Other Fund Revenues & Expenses

- Sewer Fund

Six Months Ending December 31, 2025

	YTD Budget	YTD Actual	Variance	% Variance
Operating Revenues	\$ 13,944,271	\$ 14,753,970	\$ 809,699	6%
Operating Expenses	15,540,473	14,768,998	771,475	5%
Net Operating Income	\$ (1,596,202)	\$ (15,028)	\$ 1,581,174	99%

- Recycled Water Fund

Six Months Ending December 31, 2025

	YTD Budget	YTD Actual	Variance	% Variance
Operating Revenues	\$ 772,991	\$ 766,264	\$ (6,727)	(1%)
Operating Expenses	659,825	627,842	31,983	5%
Net Operating Income	\$ 113,166	\$ 138,422	\$ 25,256	22%

Expenses – All Funds by Account

Six Months Ending December 31, 2025

	YTD Budget	YTD Actual	Variance	% Variance
Imported Water	\$ 9,708,422	\$ 10,782,466	\$ (1,074,044)	(11%)
Wages	8,824,202	8,669,867	154,335	2%
Benefits	4,688,469	4,517,808	170,661	4%
Utilities	6,026,267	5,031,663	994,604	17%
Chemicals	1,121,905	939,333	182,572	16%
All Other Materials	1,475,163	1,146,019	329,144	22%
Outside Services	1,837,420	1,531,624	305,797	17%
Assessments	2,955,986	2,772,123	183,863	6%
All Other	1,782,526	1,829,851	(47,325)	(3%)
Sewer Treatment Services	12,213,385	11,633,888	579,497	5%
Recycled Water	463,658	445,450	18,208	4%
Total Expenses	\$ 51,097,404	\$ 49,300,092	\$ 1,797,312	4%

Recommendations

- Staff recommends that the Board of Directors receive and file the 2026 Mid-Year Financial Results Report.

ENGINEERING COMMITTEE NOTES

March 9, 2026

Attendees:

Committee members:	Randall Reed (Chair) and Kevin Kenley
Staff members:	John Bosler, Eduardo Espinoza, Amanda Coker, Cindy Cisneros, Taya Victorino, Tuan Truong, Jenn Fillinger, Christian Stevenson, Citlalli Ochoa, Jiwon Seung
Members of the Public:	None

Call to Order: 5:00 p.m.

Public Comment: None

Additions/Deletions to Agenda: None

1. Budget Transfer for Almond Street Project

- Staff presented a budget transfer for the CP26031 Waterline in Almond Street from Via Verde Street to Carnelian Street project. The existing waterlines were installed in 1957 and have reached the end of their useful life. They were originally scheduled for replacement in FY2027 but are being expedited due to the City of Rancho Cucamonga's upcoming street improvement project in the area. To save costs and reduce redundant work, the City will serve as lead agency to construct both City and CVWD improvements, with CVWD reimbursing its share of costs under an approved Cooperative Agreement. The City's lowest responsive and responsible bidder for the District's portion was Gentry General Engineering at \$820,015. The \$1,000,000 budget transfer will fund the reimbursement and provide a 10% contingency for potential change orders. This would transfer \$205,000 from CP24011 LVMWTP Wilson Ave Roadway Improvement (near completion and has sufficient available funds) and \$795,000 from CP23025-Etiwanda Waterline Extension (currently on hold due to the City's funding constraints).
- The committee concurred with staff's recommendation to forward this item to the Finance Committee and Board of Directors for consideration and approval.

2. CP23026 Reservoir 6 and Almond Street Waterline Replacement

- Staff presented an award of contract for the CP23026 Reservoir 6 and Almond St Waterline Replacement Project. The existing waterlines were built in 1957 and have reached the end of their service lives. The project will construct approximately 850 linear feet of two (2) new 16-inch cement mortar lined and coated waterlines to replace approximately 400 linear feet of existing 14-inch and 16-inch waterlines. The existing waterlines are located in a ravine,

ENGINEERING COMMITTEE NOTES

March 9, 2026

making them very difficult to access for maintenance and repairs, so Staff has proposed an alternative pipeline alignment to improve accessibility, which requires an exchange of property interests: Property owner Randy Davis will grant the District an easement for installation of waterlines, and the District will grant Randy Davis a license to allow certain improvements within that easement. Because the new pipeline alignment is located in an unimproved ravine, a Draft Initial Study and Mitigated Negative Declaration has been prepared in accordance with the California Environmental Quality Act. Staff issued a Request for Bids on January 15, 2026, and received eight (8) responsive bids on February 12, 2026, of which the lowest responsive and responsible bidder is Norstar Plumbing & Engineering, Inc. at a price of \$813,893.

- The committee discussed the historical flooding at the location of the existing waterlines and the immediate need for this project.
- The committee concurred with staff's recommendation to forward this item to the Board of Directors for consideration and approval.

Meeting Adjourned at 5:12 p.m.

FINANCE COMMITTEE NOTES

March 11, 2026

Attendees:

Committee members: Randall Reed (Chair) and Jimmie Moffatt

Staff members: John Bosler, Chad Brantley, Amanda Coker, Taya Victorino, Tiffany Nguyen, Jennifer Fillinger, Tuan Truong, Andrea Dutton, Brandon Koh, and Vivian Pedroza.

Members of the Public: None

Call to Order: 9:07 a.m.

Public Comment: None

Additions/Deletions to Agenda: None

1. Mid-Year Financial Results Report – 12/31/2025

- Staff provided a detailed report on the financial results of District operations for the six months ended December 31, 2025.
- Water Sales Revenues have been slightly lower than expected due to precipitation in the fall months.
- Net Operating Income in the Water Fund for the six-month period is 5% above the prorated projections in the Budget. Water Sales are below budgeted projections by 1% and costs for all funds combined are currently 4% under budget.
- The Committee forwarded the report to the full Board of Directors for review and approval.

2. Budget Transfer – Waterline in Almond St from Via Verde to Carnelian

- Staff presented a recommendation for a Budget Transfer of \$1,000,000 to complete construction work under a cooperative agreement with the City of Rancho Cucamonga for roadway improvements on Almond Street.
- This project will replace the waterlines, valves, and hydrants in connection with roadway improvements, drainage, lighting and a multipurpose trail.
- The City of Rancho Cucamonga will serve as the lead agency to construct all the improvements.

FINANCE COMMITTEE NOTES

March 11, 2026

- The budget transfer will move \$205,000 from CP24011 Wilson Avenue Roadway Improvements project and \$795,000 from CP23025 Etiwanda Waterline Extension project.
- The Committee approved the budget transfer and forwarded the item to the full Board of Directors for review and approval.

Meeting Adjourned at 9:19 a.m.