

AGENDA

EAST ORANGE COUNTY WATER DISTRICT (EOCWD)

Thursday, January 22, 2026
East Orange County Water District
185 N. McPherson Road, Orange CA 92869

4:00 p.m.

Members of the public shall be permitted to speak as to both agendized and non-agendized items. Those wishing to speak may verbally indicate their desire to comment at the time the public comment item is called. Members of the public wishing to attend the meeting that require other reasonable modifications or accommodation to facilitate such attendance should contact Ms. Prado at (714) 538-5815 or the e-mail provided as soon as feasible, but not less than 24 hours, before the meeting to make such request.

1. **Call Meeting to Order; Pledge of Allegiance – Director Davert**
2. **Addition of Items Arising After Posting of Agenda Requiring Immediate Action**
(Requires 2/3 vote or unanimous vote if less than 2/3 of members are present)
Recommendation: Determine by motion need to take immediate action on item(s) and that the need for action came to the District's attention after posting of the Agenda and that such item(s) be added to the Agenda.
3. **Public Communications to the Board:** Opportunity for members of the public to comment on agendized and non-agendized items. Each speaker and comment is limited to three minutes. Interested speakers who verbally indicate their desire to speak during this item shall be afforded an opportunity to address the Board. At the discretion of the Board President, comments on a particular agendized item may be deferred until that item is heard

CONSENT CALENDAR (Items 4-7) All matters on the Consent Calendar are to be approved by one motion, without separate discussion on these items, unless a Board member or District staff request that specific items be removed from the Consent Calendar for separate consideration.

4. Minutes of Regular Board Meeting held December 11, 2025.
Recommendation: Approve minutes as presented.
5. Wholesale and Retail Water Usage Report
Recommendation: Informational.
6. Schedule of Disbursements
Recommendation: Receive and File.

7. Financial Statements
Recommendation: Receive and File.

MATTERS FOR CONSIDERATION

8. 2026 Strategic Plan
Recommendation: Approve the plan.
9. Public Hearing and Consideration for Approval of Ordinance 2026-01
Recommendation: Following Public Hearing, consider adoption of Ordinance 2026-01 as written or as modified by the Board.

MISCELLANEOUS ITEMS

10. Monthly Legislative & Outreach Report
Recommendation: Receive and File.
11. General Manager's Report
Recommendation: Receive and File.
12. Directors' reports on meetings attended at District expense (Government Code Section 53232.3) and Directors' comments. Directors or staff may ask questions for clarification, make brief announcements, and make brief reports on their own activities. Directors may provide a reference to staff or other resources for factual information, request staff to report back at a subsequent meeting concerning a matter, or direct staff to place a matter on a future agenda (Government Code § 54954.2)

RECESS TO CLOSED SESSION

13. Conference with Legal Counsel - Existing Litigation (Govt Code § 54956.9(d)(1)) – East Orange County Water District v. Pacific Bell, et. al. (Orange County Superior Ct. Case No. 30-2022-01290371-CU-OR-CJC

RECONVENE IN OPEN SESSION

ADJOURNMENT

Adjourning to the next Regular Meeting scheduled for **February 19, 2026** at 4:00 p.m., at East Orange County Water District, 185 N. McPherson Orange, CA 92869 or as noticed pursuant to findings of the Board.

Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the East Orange County Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board are available for public inspection in the District's office, 185 N. McPherson Road, Orange, California ("District Office"). If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available at the reception desk of the District Office during business hours at the same time as they are distributed to the Board members, except that if such writings are distributed less than one hour prior to, or during, the meeting, they will be available in the meeting room of the District Office.

Disability-related accommodations: The East Orange County Water District Board of Directors meeting room is wheelchair accessible. If you require any special disability-related accommodations (e.g., access to an amplified sound system, etc.) please contact Sylvia Prado in the District Office at (714) 538-5815 during business hours at least seventy-two (72) hours prior to the scheduled meeting. This agenda can be obtained in alternative format upon written request to Sylvia Prado in the District Office, at least seventy-two (72) hours prior to the scheduled meeting.

MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE EAST ORANGE COUNTY WATER DISTRICT (EOCWD)

December 11, 2025

1. Call to Order. A Regular Meeting of the Board of Directors of the East Orange County Water District, held at the District Office, located at 185 N. McPherson Road in the City of Orange, California, was called to order by President GEORGE MURDOCH at 4:00 p.m. on December 11, 2025. Director MARILYN THOMS led the Pledge of Allegiance. JEFFREY HOSKINSON, Secretary, recorded the minutes of the meeting.

The following Directors attended the meeting: DOUGLASS DAVERT, KARIN MARQUEZ, GEORGE MURDOCH, JOHN SEARS, and MARILYN THOMS.

Also present were:

DAVID YOUNGBLOOD	General Manager
JERRY MENDZER	Operations Manager
BOBBY YOUNG	Engineering Manager
SYLVIA PRADO	Office Manager
JEFF HOSKINSON	District Secretary and Legal Counsel
CHAD WANKE	Orbis Public Affairs

Other staff and members of the public may have attended but are not listed above.

2. Addition of Items Arising After Posting of Agenda Requiring Immediate Action.
(Requires 2/3 vote or unanimous vote if less than 2/3 of members are present).

ACTION TAKEN: None.

3. Public Communications to the Board. None.

CONSENT CALENDAR. The Board, on motion from DAVERT, seconded by SEARS, approved the Consent Calendar by a unanimous vote as follows:

4. **Minutes:** THE MINUTES OF THE REGULAR BOARD MEETING HELD OCTOBER 23, 2025, WERE APPROVED AS PRESENTED;
5. **Wholesale and Retail Water Usage Report:** THE BOARD RECEIVED AND FILED THE WHOLESALE AND RETAIL WATER USAGE REPORT;
6. **Schedules of Disbursements:** THE BOARD APPROVED THE SCHEDULE OF DISBURSEMENTS AS SUBMITTED;
7. **Financial Statements:** THE BOARD RECEIVED AND FILED THE FINANCIAL STATEMENTS; and

8. **Conference and Meeting Requests:** THE BOARD AUTHORIZED ATTENDANCE AT URBAN WATER INSTITUTE 2026 SPRING CONFERENCE IN FEBRUARY 2026 AS DESIRED; and
9. **Local Hazard Mitigation Plan Approval:** THE BOARD APPROVED THE PLAN AS PRESENTED WITH AUTHORIZATION TO THE GENERAL MANAGER TO MAKE ANY NECESSARY CHANGES PENDING FINAL AGENCY REVIEW; and
10. **6MG Reservoir Vault Improvement Project Change Order:** THE BOARD RATIFIED THE FINAL CONTRACT CHANGE ORDER IN THE AMOUNT OF \$22,533.40, TO DOTY BROS CONSTRUCTION COMPANY, FOR A TOTAL CONTRACT VALUE OF \$79,488.40, FOR UNFORESEEN ADDITIONAL WORK RELATED TO THE PROJECT.

MATTERS FOR CONSIDERATION.

11. Advanced Metering Infrastructure (AMI) Project Update. General Manager Youngblood presented the item, providing an update on ongoing coordination with EPA regarding meter relocation requirements and an associated contract change. It was noted that the original contract was structured with a primary meter installer, as establishing a separate direct subcontractor relationship would have triggered additional review processes between the District, the subcontractor, and EPA. EPA agreed that the proposed approach maintained compliance with the project intent, NEPA filings, and EPA review standards. The change order is primarily due to the need to relocate certain meters located in backyards.

ACTION TAKEN: The Board, on motion by SEARS, seconded by THOMS, by unanimous vote approved a change order for the Project in an amount not to exceed \$371,563 with Keystone Utility Systems to relocate several water meters located throughout the Retail Zone as part of the AMI Project.

12. 2026 Board Meeting Dates. General Manager Youngblood presented the item, summarizing the regular Board meeting schedule for the 2026 Calendar year.

ACTION TAKEN: Information only, no action taken.

13. Board Compensation. General Manager Youngblood introduced the item, summarizing that the last increase to Board compensation occurred in December 2021, brought the rate to \$175 per meeting for all meetings. The Board may now consider, if at all, an increase of up to 5% per calendar year, allowing for a maximum of \$212.71 per meeting. After discussion with proposals ranging from no increase to \$210, the Board reached concurrence on a proposed rate of \$200 per meeting be considered at a noticed public hearing at a subsequent meeting consistent with statutory requirements.

ACTION TAKEN: Discussion only, no action taken.

MISCELLANEOUS ITEMS.

14. Monthly Legislative & Outreach Report. Consultant Chad Wanke provided an update and overview as to his written report. President MURDOCH inquired as to the Yorba Linda Water District PFAS absorption study, to which Director DAVERT provided a brief summary.

ACTION TAKEN: The Board, on motion by SEARS, seconded by MARQUEZ, by unanimous vote received and filed the report.

15. General Manager's Report. General Manager Youngblood presented his report, including a discussion on conversations with a neighborhood representative of a community considering a septic-to-sewer conversion project. General Counsel Hoskinson provided a brief update on Senate Bill ("SB") 707, which involved changes to the Ralph M. Brown Act.

Additional updates were provided as to maintenance assistance with Villa Park, as well as a change to the representation at Urban Water Institute ("UWI"), for which Director DAVERT had volunteered.

ACTION TAKEN: The Board, on motion by SEARS, seconded by THOMS, by unanimous vote received and filed the report.

16. Directors' reports on meetings attended at District expense (Government Code Section 53232.3) and Directors' comments. The Directors reported attendance as set forth in the agenda, as follows:

President Murdoch
10/6 EOCWD Engineering & Operations Committee
10/7 ACWA Regions 8, 9 & 10 Event Workgroup Meeting
10/9 ACWA Region 10 Fall Conference Planning Meeting
10/13 ACWA Conferences Subcommittee Meeting
10/14 ACWA Chair and Vice Chair Meeting: Committee Assignments
10/20 ACWA Special Videoconference Board of Directors Meeting
10/23 ACWA A.C.E. Subcommittee Meeting
10/23 EOCWD Regular Board Meeting
10/28 ACWA Fall Conference Finance Session Planning
10/29 City of Tustin/EOCWD Meeting

11/3 ACWA Special Videoconference Board of Directors Meeting
11/3 2026 – 2027 ACWA Region Chair & Vice Chair Orientation
11/5 ACWA State Legislative Committee – Region 10 Prep
11/12 ACWA Business Development Committee Meeting
11/13 EOCWD Employee Appreciation Luncheon
11/13 Joint ACWA Regions 8, 9 & 10 Event Reception
11/14 Joint ACWA Regions 8, 9 & 10 Event
11/17 ACWA Region 10 Pre-Conference Coordination Meeting
11/18 EOCWD Engineering & Operations Committee Meeting
11/21 ACWA Board Meeting; Sacramento, CA
11/24 ACWA Region 10 Fall Conference Program Coordination Meeting

Vice President Thoms

10/3 Water Advisory Committee of Orange County (WACO)
10/6 EOCWD Engineering & Operations Committee
10/7 ISDOC Executive Committee Meeting
10/23 EOCWD Regular Board Meeting
10/30 ISDOC Quarterly Luncheon
11/7 Water Advisory Committee of Orange County (WACO)
11/4 ISDOC Executive Committee Meeting
11/13 EOCWD Employee Appreciation Luncheon
11/14 Joint ACWA Regions 8, 9 & 10 Event
11/18 EOCWD Engineering & Operations Committee Meeting

Director Davert

10/23 EOCWD Regular Board Meeting

Director Sears

10/3 Water Advisory Committee of Orange County (WACO)
10/23 EOCWD Regular Board Meeting
10/30 ISDOC Quarterly Luncheon
11/7 Water Advisory Committee of Orange County (WACO)
11/13 EOCWD Employee Appreciation Luncheon
11/13 Joint ACWA Regions 8, 9 & 10 Event Reception
11/14 Joint ACWA Regions 8, 9 & 10 Event

Director Marquez

10/23 EOCWD Regular Board Meeting

11/13 EOCWD Employee Appreciation Luncheon
11/13 Joint ACWA Regions 8, 9 & 10 Event Reception
11/14 Joint ACWA Regions 8, 9 & 10 Event

Director SEARS reported on the WACO meeting, which included a presentation relative to water affordability and the demands of Chromium 6 treatment.

Director THOMS commented on a social media presentation at the Annual ACWA Conference, where employees of an agency were involved in a taped altercation in line at Knott's Berry Farm, and the employees were identified and the agency thereafter threatened.

President MURDOCH referenced the list of ACWA meetings and provided an ACWA update including updates the Executive Director search and the establishment of new committees at ACWA.

President MURDOCH announced the passing of President Emeritus William VanderWerff, with Director SEARS providing a remembrance of Mr. VanderWerff's lengthy service to EOCWD, followed by comments from Director DAVERT and President MURDOCH.



ADJOURNMENT.

The Board adjourned the meeting at approximately 4:51 p.m. to a Regular Meeting to be held at 4:00 p.m. on **Thursday, January 22, 2026**, at the District Office located at 185 North McPherson, Orange, California, 92869.

Respectfully submitted,

Jeffrey A. Hoskinson

DRAFT



MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER *PNY*

SUBJECT: WHOLESALE AND RETAIL WATER USAGE REPORT

DATE JANUARY 22, 2026

Background

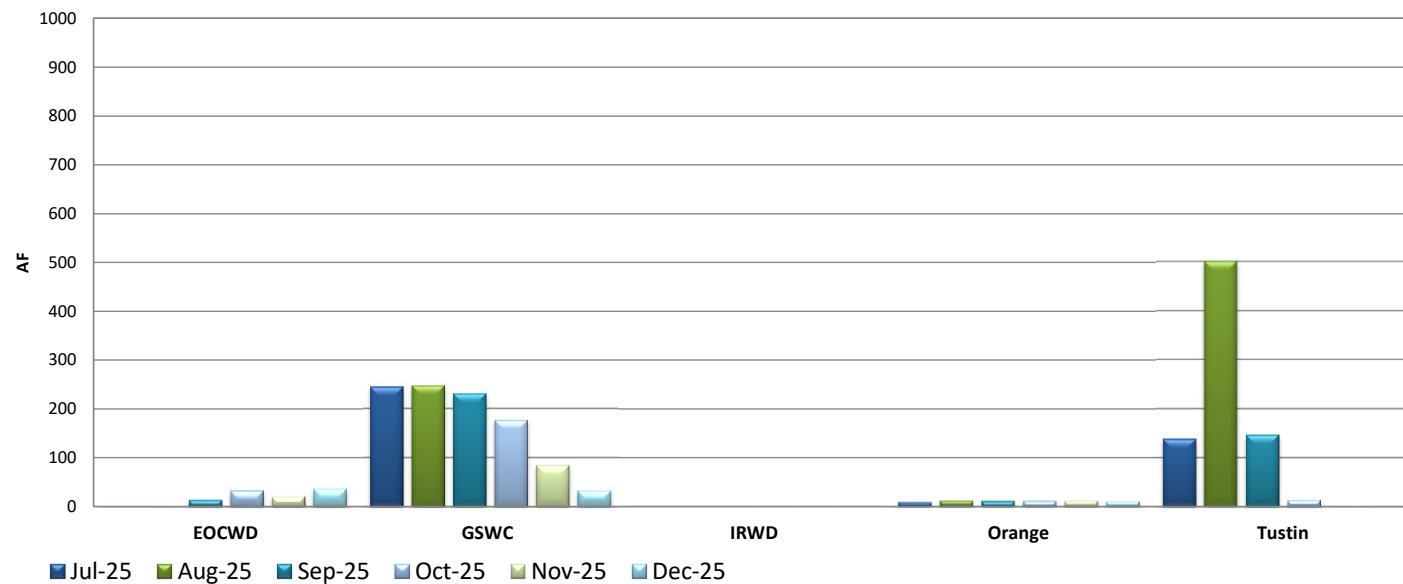
Monthly report on wholesale and retail water usage for the fiscal year through November.

Recommendation

Informational.

Attachment(s): Wholesale and Retail Usage Reports
East Well Levels Report

Wholesale Zone Water Demand
Total Monthly Sales for December 2025 = 81.5 AF
Total YTD Sales for July 2025 - June 2026 = 1991.3 AF



EOCWD IMPORTED WATER DELIVERY BALANCE - FY25/26

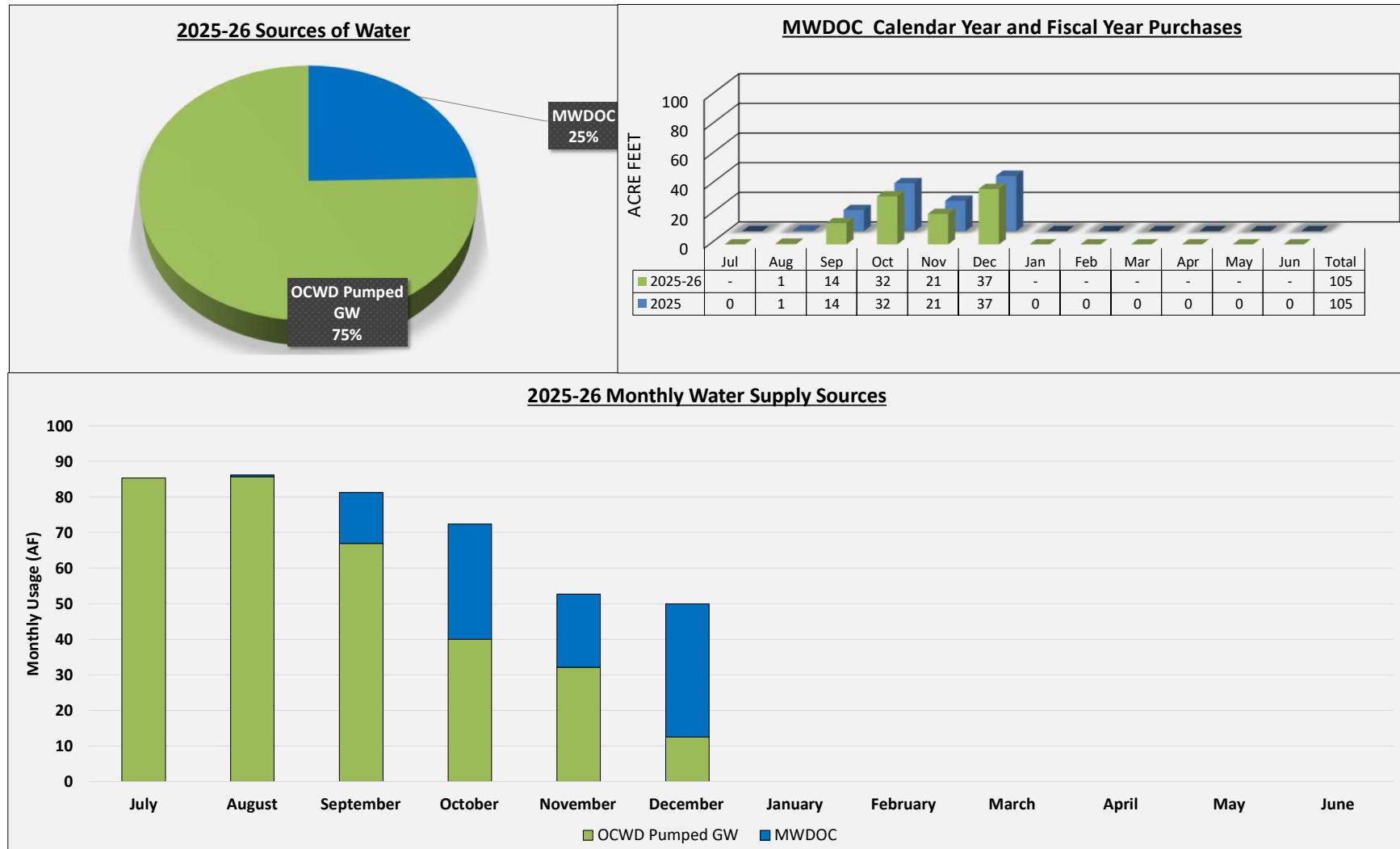
(Acre-feet)

	OC-43	OC-48				OC-70				TOTAL DELIVERIES BY AGENCY						
	MWD Tustin	Retail Zone	Golden State	Tustin	MWD Total	IRWD Jamboree	Orange	Retail Zone	Golden State	Tustin	MWD Total	IRWD OPA	Orange	Retail Zone	Golden State	Tustin
JUL	3.1	0.0	31.3	105.5	136.8	0.0	8.7	0.0	213.4	30.4	252.5	0.0	8.7	0.0	244.7	139.0
AUG	148.0	0.0	34.0	317.2	351.2	0.0	12.2	0.5	213.6	36.0	262.3	0.0	12.2	0.5	247.6	501.2
SEP	31.6	0.0	28.6	89.9	118.5	0.0	11.3	14.3	202.8	25.6	254.0	0.0	11.3	14.3	231.4	147.1
OCT	1.2	0.0	27.2	2.3	29.5	0.0	11.2	32.4	149.8	9.9	203.3	0.0	11.2	32.4	177.0	13.4
NOV	0.3	20.6	7.2	0.0	27.8	0.0	11.4	0.0	78.1	0.2	89.7	0.0	11.4	20.6	85.3	0.5
DEC	0.2	22.3	3.6	0.5	26.4	0.0	10.1	15.1	29.7	0.0	54.9	0.0	10.1	37.4	33.3	0.7
JAN																
FEB																
MAR																
APR																
MAY																
JUN																
Total	184.4	42.9	131.9	515.4	690.2	0.0	64.9	62.3	887.4	102.1	1116.7	0.0	64.9	105.2	1019.3	801.9

East Orange County Retail Zone Water Usage Report

East Orange County Retail Zone Overview of Usage FY 2025-26 Monthly Water Use

Type of Supply	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWDOC	-	1	14	32	21	37	-	-	-	-	-	-	105
OCWD Pumped GW	85.3	85.7	66.9	40.0	32.1	12.5	-	-	-	-	-	-	323
Total	85	86	81	72	53	50	-	-	-	-	-	-	428
2025 MWDOC Usage	0	1	14	32	21	37	0	0	0	0	0	0	105

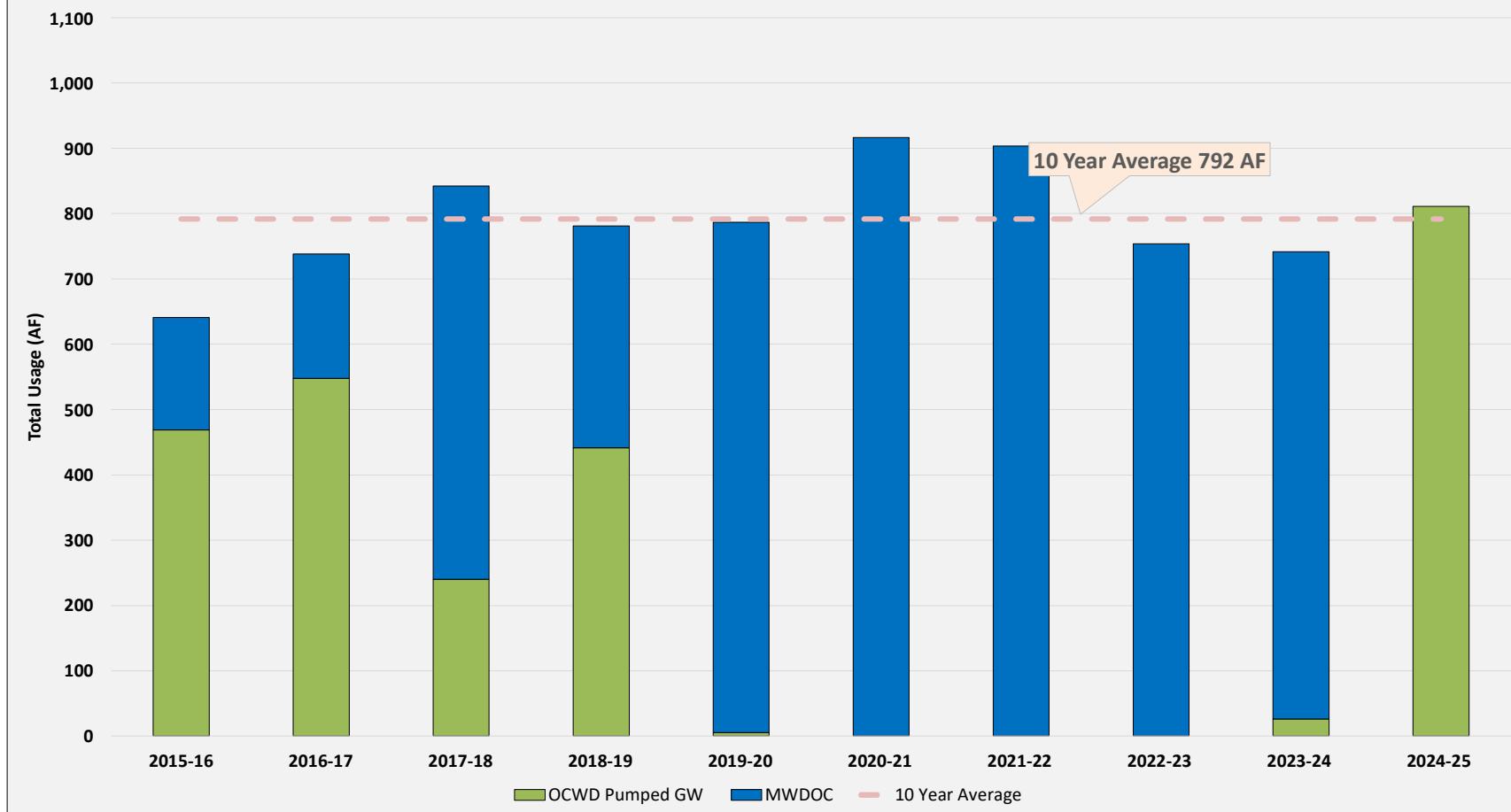


East Orange County Retail Zone Water Usage Report

Annual Water Usage

Type of Supply	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Average
MWDOC	172.1	190.2	602.1	340.0	781.8	916.4	903.3	753.9	715.3	0.0	537.5
OCWD Pumped GW	468.8	547.8	240.2	441.3	5.2	0.0	0.0	0.0	26.3	811.0	254.1
Total	641	738	842	781	787	916	903	754	742	811	792

10 Year Water Supply Sources

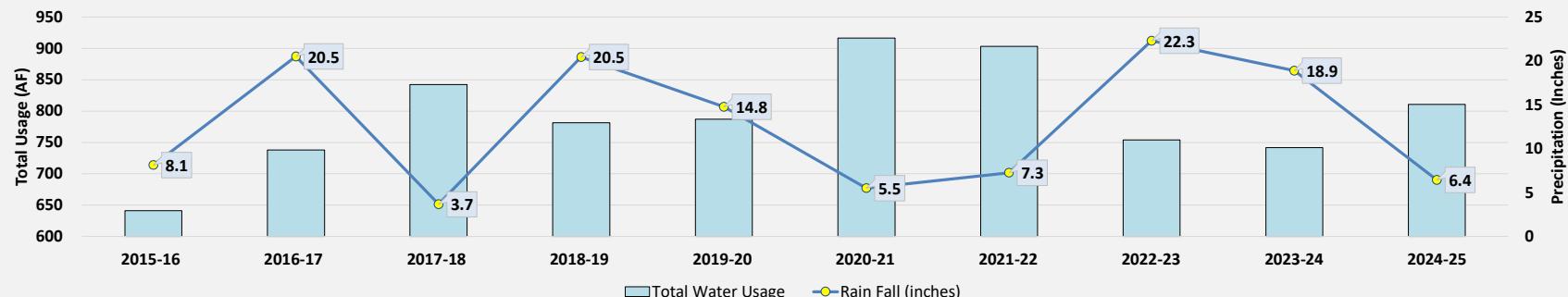


East Orange County Retail Zone Water Usage Report

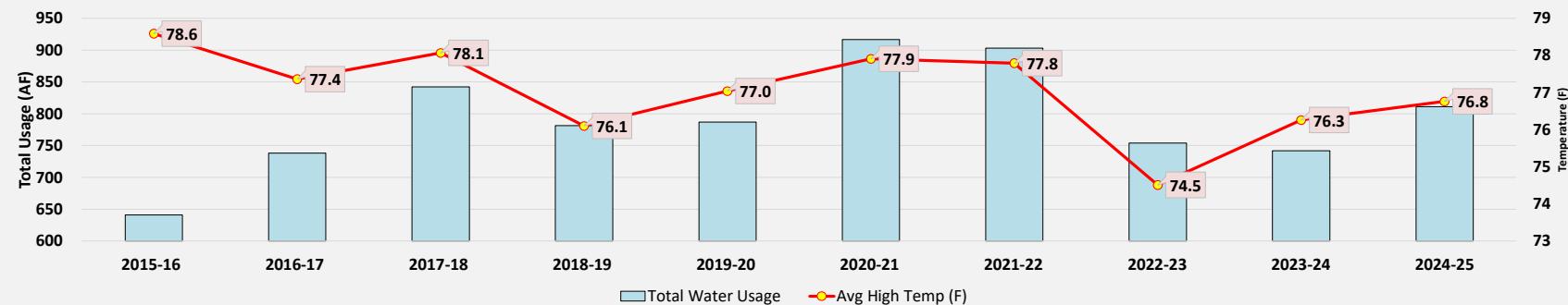
Water Usage Variables

Type of Supply	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Average
Rain Fall (inches)	8.1	20.5	3.7	20.5	14.8	5.5	7.3	22.3	18.9	6.4	12.8
Avg High Temp (F)	78.6	77.4	78.1	76.1	77.0	77.9	77.8	74.5	76.3	76.8	77.0
OC Unemployment %	4.2%	3.8%	3.2%	2.9%	5.8%	8.1%	4.2%	3.2%	3.8%	4.0%	4.3%
Total Water Usage	641	738	842	781	787	916	903	754	742	811	792

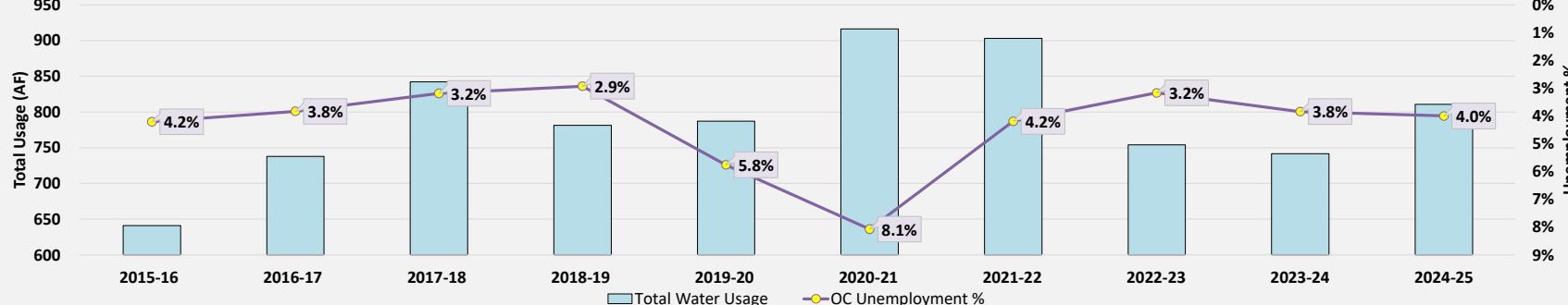
10 Year Water Usage VS Precipitation (SNA #121 Station)



10 Year Water Usage VS Average High Temperature (Santa Ana Fire Station)



10 Year Water Usage VS L.A. Metro Annual Average Unemployment Percentages



East Orange County Retail Zone Water Usage Report

East Orange County Retail Zone Detailed Usage Historical Monthly Potable Usage (Fiscal Year, July-June)

Fiscal Year	July	August	September	October	November	December	January	February	March	April	May	June	Total
2019-20 Usage	82	87	86	83	68	46	47	56	38	52	67	76	787
2020-21 Usage	90	99	93	90	74	68	62	54	43	64	84	95	916
2021-22 Usage	100	102	89	76	73	48	55	62	69	72	78	79	903
2022-23 Usage	84	87	81	68	57	53	39	45	38	60	70	72	754
2023-24 Usage	82	85	76	77	65	57	38	35	39	48	66	73	742
2024-25 Usage	79	95	81	72	62	61	59	49	43	64	70	77	811
Average of Last 6 FYs	86	93	84	78	67	55	50	50	45	60	72	79	819
Monthly Usage Percentage	11%	11%	10%	10%	8%	7%	6%	6%	6%	7%	9%	10%	100%

Water Usage By Source

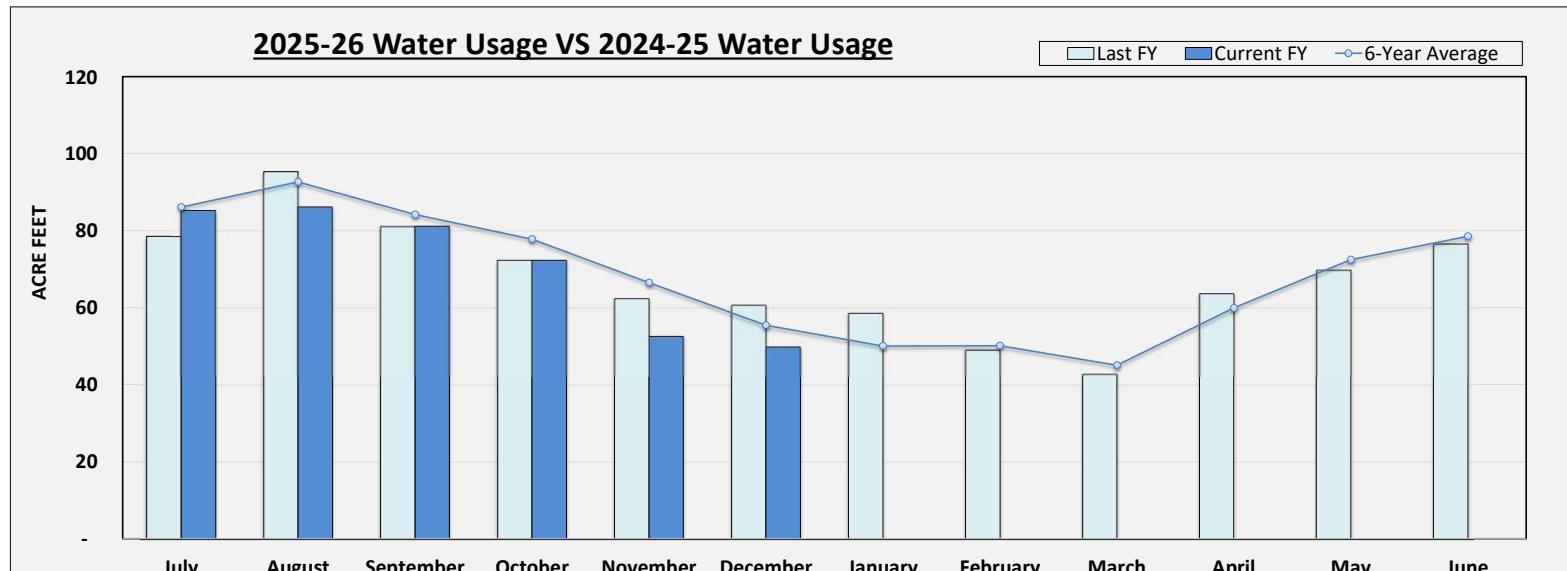
Imported	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWD via EO Wholesale	-	0.5	14.3	32.4	20.6	37.4							105.2
Water from IRWD during OC-70 shutdown	-	-	-	-	-	-							-
CPTP	-	-	-	-	-	-							-
MWD In-Lieu*	-	-	-	-	-	-							-
Imported Total	-	1	14	32	21	37	-	-	-	-	-	-	105.2

*In-lieu totals are subtracted from imported totals

Local	July	August	September	October	November	December	January	February	March	April	May	June	Total
OCWD Pumped GW	85.3	85.7	66.9	40.0	32.1	12.5							322.5
Less Fill up Reservoir	-	-	-	-	-	-							-
Less CPTP	-	-	-	-	-	-							-
OCWD to Tustin	-	-	-	-	-	-							-
OCWD to GSWC	-	-	-	-	-	-							-
Local Total (minus reservoir)	85.3	85.7	66.9	40.0	32.1	12.5	-	-	-	-	-	-	322.5
Total Usage 2025-26	85	86	81	72	53	50	-	-	-	-	-	-	428

FY 24-25 versus FY 25-26

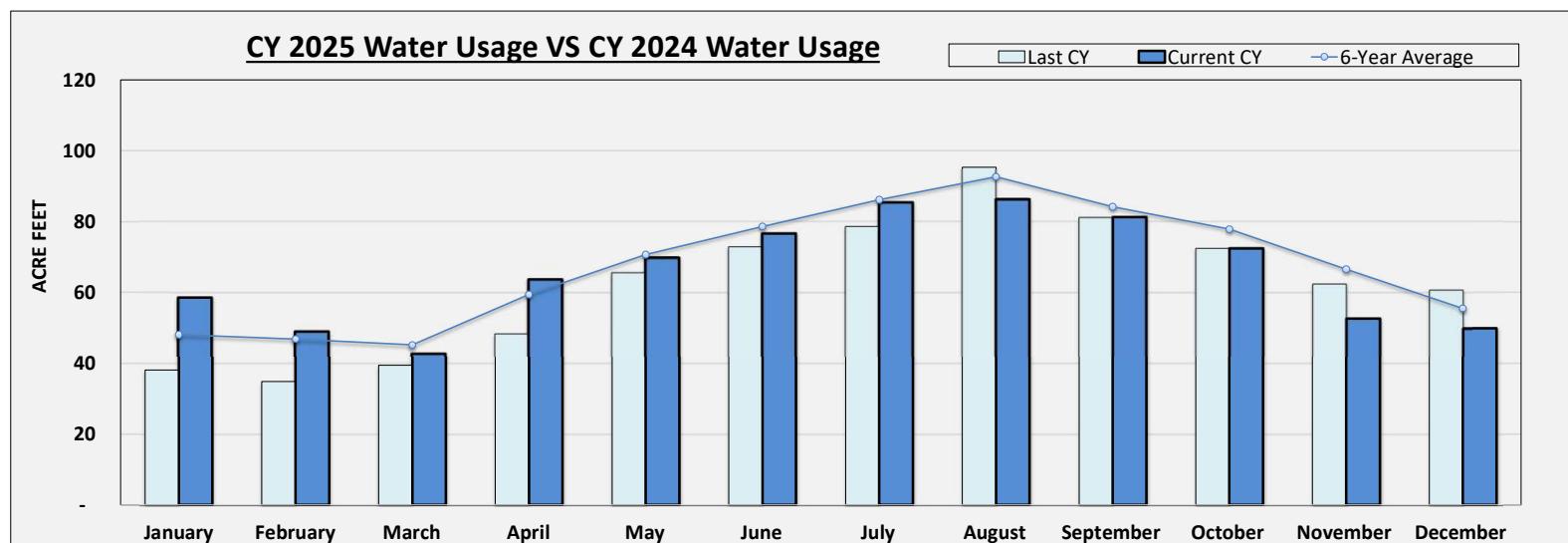
+9% -10% +0% +0% -16% -18%



East Orange County Retail Zone Water Usage Report

Historical Monthly Potable Usage (Calendar Year)

Calendar Year	January	February	March	April	May	June	July	August	September	October	November	December	Total
2019	47	29	43	61	59	77	82	87	86	83	68	46	767
2020	47	56	38	52	67	76	90	99	93	90	74	68	849
2021	62	54	43	64	84	95	100	102	89	76	73	48	891
2022	55	62	69	72	78	79	84	87	81	68	57	53	846
2023	39	45	38	60	70	72	82	85	76	77	65	57	766
2024	38	35	39	48	66	73	79	95	81	72	62	61	750
6 year Average	48	47	45	59	71	79	86	93	84	78	67	55	811
Total Water Usage 2024	59	49	43	64	70	77	85	86	81	72	53	50	788
2025 VS 2024 Usage	+54%	+41%	+9%	+32%	+6%	+5%	+9%	-10%	+0%	+0%	-16%	-18%	



Population	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2024 Usage (AF)	38	35	39	48	66	73	79	95	81	72	62	61	750
2024 GPCD	117	118	121	153	201	230	240	292	257	222	197	186	195
2025 Usage (AF)	59	49	43	64	70	77	85	86	81	72	53	50	788
2025 GPCD	180	167	131	202	214	243	261	264	257	222	167	153	205
CY over CY change in GPCD	+63	+49	+11	+49	+13	+12	+21	-28	+0	+0	-31	-33	+10

Population	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
2024-25 Usage (AF)	79	95	81	72	62	61	59	49	43	64	70	77	811
2024-25 GPCD	240	292	257	222	197	186	179	166	131	202	214	242	211
2025-26 Usage (AF)	85	86	81	72	53	50	-	-	-	-	-	-	428
2025-26 GPCD	261	264	257	222	167	153	-	-	-	-	-	-	221
FY over FY change in GPCD	+21	-28	+0	+0	-31	-33							+10

*Cumulative through the end of the last month shown

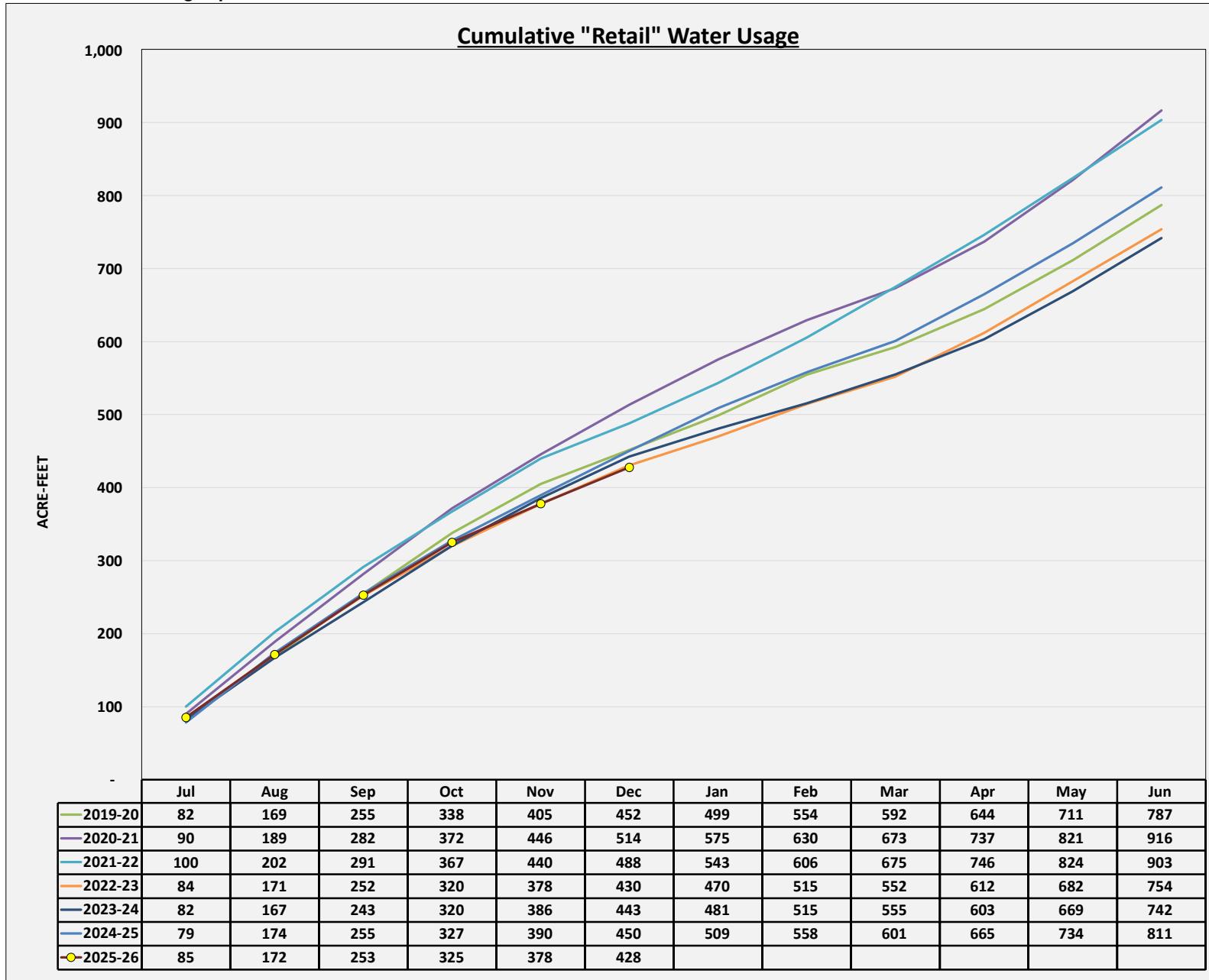
*GPCD = (Total Monthly Production - Fill up Reservoir)/ Population/days in the month

*For the months of July 2022 through September 2022, groundwater usage was not delivered to customers and is not counted towards GPCD

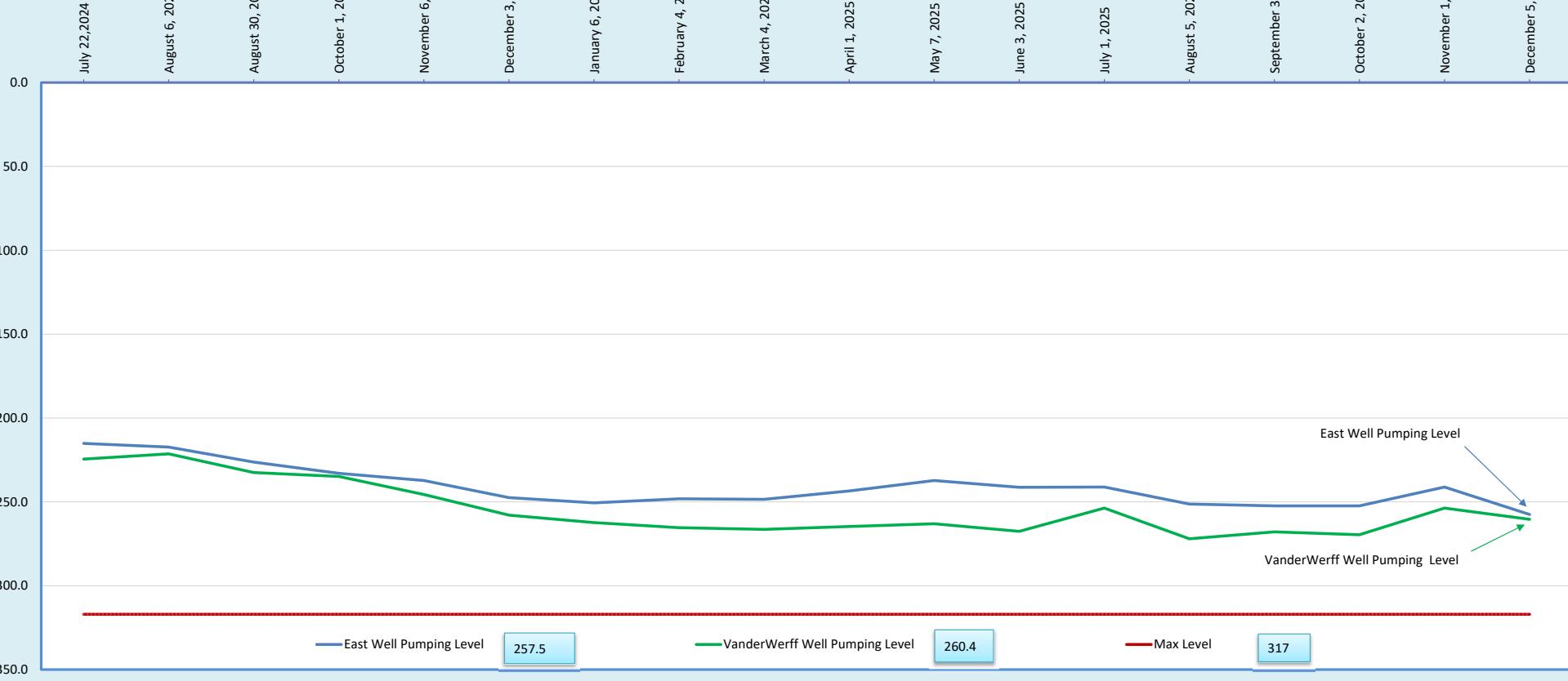


East Orange County Retail Zone Water Usage Report

Cumulative Water Usage by Fiscal Year



VanderWerff Well and East Well Pumping Water Levels





MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER *AS*

SUBJECT: MONTHLY DISBURSEMENTS

DATE: JANUARY 22, 2026

Background

Monthly disbursements.

Recommendation

Receive and File.

Attachment(s): Monthly disbursements report

East Orange County Water District

Summary of Disbursements
December 5, 2025 - January 15, 2026

CHECK PAYMENTS:

Wholesale Zone, Retail Zone, and ID1 Bill Payments	\$	773,483.52
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WIRE PAYMENTS:

MWDCO - Water Deliveries payment for October 2025	\$	390,375.19
MWDCO - Water Deliveries payment for November 2025	\$	227,088.71
ACWA JPIA - Workers' Compensation Program Payment	\$	11,833.51

ACH PAYMENTS:

AT&T Mobility - Wireless Phone Plan Payment; Oct - Nov	\$	683.21
AT&T Mobility - Wireless Phone Plan Payment; Nov-Dec	\$	649.90
CR&R, Inc; November Services	\$	519.63
CR&R, Inc; December Services	\$	519.63
Southern California Edison	\$	13,656.01
SoCalGas	\$	29.70
Umpqua Bank - District Credit Card Payment	\$	12,862.20

TOTAL OF CHECK PAYMENTS / WIRES / ACH **\$1,431,701.21**

EMPLOYEE PAYROLL 12/10/2025

Direct Deposit	\$	69,075.24
Payroll Taxes	\$	32,770.90
EFT - CalPERS	\$	16,048.82
	<hr/>	
		\$ 117,894.96

EMPLOYEE PAYROLL 12/22/2025

Direct Deposit	\$	57,025.70
Payroll Taxes	\$	27,755.48
EFT - CalPERS	\$	16,242.99
	<hr/>	
		\$ 101,024.17

DIRECTORS' PAYROLL 1 - October Activity

Printed Checks	\$	2,347.31
Payroll Taxes	\$	482.54
	<hr/>	
		\$ 2,829.85

DIRECTORS' PAYROLL 2 - November Activity

Printed Checks	\$	2,631.34
Payroll Taxes	\$	579.30
	<hr/>	
		\$ 3,210.64

TOTAL OF PAYROLL **\$ 224,959.62**

DISBURSEMENT TOTAL **\$ 1,656,660.83**

FUNDS TRANSFERRED:

Citizens Business Bank to Local Agency Investment Fund (LAIF) \$ 3,000,000.00



Check Disbursements
December 2025

Check Date	Check No.	Payee Name	Description	Check Amount
12/12/2025	26512	ACWA Joint Powers Insurance Authority	Employee Medical/Vision/Dental Insurance - January 2026	31,916.60
12/12/2025	26513	Best Best & Krieger, LLP	Legal Services through 11/30/25 Reservoir Cell	1,395.00
12/12/2025	26514	Cintas Corporation No. 3	Uniforms	969.28
12/12/2025	26515	City Of Tustin	Const. Meter - 09/15/25-11/17/25 (to clean sewer system)	1,382.06
12/12/2025	26516	Clinical Laboratory of San Bernardino, Inc.	Laboratory Analysis (water quality) October 2025	1,870.00
12/12/2025	26517	County Of Orange	Encroachment Permit	753.59
12/12/2025	26518	Ferguson Enterprises, LLC	Vault Maintenance & Replacement	2,161.63
12/12/2025	26519	Generator Services Co, Inc.	Rental Generator- 11/01/25-11/30/25 150KVA	1,349.76
12/12/2025	26520	Grainger	Office & Field Supplies	103.28
12/12/2025	26521	Great America Networks, Inc	Office Phones 12/01/25-12/31/25	356.94
12/12/2025	26522	Haaker Equipment Company	Vehicle Maintenance	1,572.27
12/12/2025	26523	Hach Company	Water Quality	1,018.44
12/12/2025	26524	Irvine Pipe Supply	Vehicle Maintenance	165.15
12/12/2025	26525	Lauren Schade	RZ Customer Desposit Refund	236.45
12/12/2025	26526	Nigro & Nigro, PC	Final Audit Work - June 30, 2025	15,250.00
12/12/2025	26527	Orbis Public Affairs	Consulting Services November 2025	2,250.00
12/12/2025	26528	O'Reilly Auto Enterprises, LLC	Vehicle Maintenance	745.44
12/12/2025	26529	Plumbers Depot, Inc.	Small Tools	3,130.65
12/12/2025	26530	SC Fuels	Fuel - November 2025	3,781.58
12/12/2025	26531	Solv-Business Solutions	Accounting AP Checks	300.78
12/12/2025	26532	South Coast Air Quality Management District	AQMD Renewal & Emission Fees FY 25/26	736.57
12/12/2025	26533	Standard Insurance Company	Life Insurance Premium 12/01/25-12/31/25	906.85
12/12/2025	26534	Starting Line Advisory	November 2025 Advisory Services	9,043.12
12/12/2025	26535	Total Exterminating, Inc.	Rodent Control - Peter's Canyon Res	570.00
12/12/2025	26536	USA Blue Book	Water Quality	73.12
12/12/2025	26537	Vulcan Materials Company	Cold Mix Material	604.98
12/12/2025	26538	Waterline Technologies, Inc.	Water Quality	1,945.90
12/16/2025	26539	State Water Resources Control Board	Annual Permit Fee - 07/01/25-06/30/26	24,780.00
12/16/2025	26540	State Water Resources Control Board	Water System Annual Fees - 07/01/25-06/30/26	12,716.82
12/19/2025	26541	Atkinson, Andelson, Loya, Ruud & Romo	October 2025 Legal Fees	6,912.00
12/19/2025	26542	Carollo Engineers, Inc	6mg Reservoir Replacement PDR	33,637.00
12/19/2025	26543	Champion Paving, Inc.	Asphalt Repairs	19,500.00
12/19/2025	26544	Cintas Corporation No. 3	Uniforms	88.69
12/19/2025	26545	Doty Bros Equipment Co.	6mg Reservoir - Existing Vault Replacement	22,533.40
12/19/2025	26546	HSG, LLC	LHMP,RRA and ERP Updates 10/01/25-11/30/25	32,353.10
12/19/2025	26547	JAN-PRO Franchise Development of Southern California	Monthly Janitorial Service - December 2025	847.53
12/19/2025	26548	Matrix Computer Service	IT Support 10/18/25-11/21/25	4,945.00
12/19/2025	26549	Orange County Sanitation District	November 2025 Sewer Permits	1,182.04
12/19/2025	26550	Plumbers Depot, Inc.	Small Tools	428.49
12/19/2025	26551	PTI Sand & Gravel	Main & Service Line Maintenance	1,702.22
12/19/2025	26552	Softscapes Corporation	Maintenance & Landscape Services for November 2025	450.00
12/19/2025	26553	Sunbelt Rentals	Equipment Rental	137.21
12/19/2025	26554	Sunkist Solutions, LLC	Professional Services - August to November 2025	4,582.50
12/19/2025	26555	T.E. Roberts, Inc.	Lemon Heights Wet Well and Lift Station	16,530.63
12/19/2025	26556	Total Exterminating, Inc.	Rodent Control - Peter's Canyon Res	285.00
12/19/2025	26557	Townsend Public Affairs, Inc.	Consulting Services for December 2025	4,000.00
12/19/2025	26558	Underground Service Alert	USA Location - Nov 2025	519.54
12/19/2025	26559	Verizon Wireless	Wireless 11/26/25-12/25/25	295.05
12/19/2025	26560	Waterline Technologies, Inc.	Water Quality	561.20
12/19/2025	26561	Xerox Corporation	Copier - Monthly Maintenance 10/21/25-11/21/25	125.16

Total \$ 273,702.02



Check Disbursements
January 2026

Check Date	Check No.	Payee Name	Description	Check Amount
1/6/2026	26562	Ayala Engineering	Manhole Rehabilitation	19,875.00
1/6/2026	26563	Cintas Corporation No. 3	Uniforms	95.24
1/6/2026	26564	City Of Orange-Water	10/19/25-12/15/25 Water Usage for 185 & 210	521.39
1/6/2026	26565	Clinical Laboratory of San Bernardino, Inc.	Laboratory Analysis (water quality) November 2025	1,630.00
1/6/2026	26566	Communications Lab	Professional Services for November 2025	5,000.00
1/6/2026	26567	Doty Bros Equipment Co.	Abandon Waterline - Saint Marks & East Well	46,051.81
1/6/2026	26568	Draw Tap Gis, LLC	GIS - Block Support Pricing (40hrs) - 10/07/25-10/06/26	6,000.00
1/6/2026	26569	EEC Environmental	FOG Program 09/1/25-10/31/25	5,207.38
1/6/2026	26570	Grainger	Small Tools	89.70
1/6/2026	26571	Hach Company	Water Quality	464.97
1/6/2026	26572	Hill Brothers Chemical Co	Chemicals for WZ Reservoir	1,760.44
1/6/2026	26573	Plumbers Depot, Inc.	Small Tools	122.69
1/6/2026	26574	Southland Pipe Corp.	Vault Maintenance	548.45
1/6/2026	26575	Waterline Technologies, Inc.	Water Quality	506.30
1/14/2026	26576	Atkinson, Andelson, Loya, Ruud & Romo	November 2025 Legal Fees	2,021.00
1/14/2026	26577	City Of Orange	Vehicle Maintenance	10,521.87
1/14/2026	26578	Communications Lab	Professional Services for December 2025	5,000.00
1/14/2026	26579	Dopudja & Wells Consulting Inc.	Master Plan Update - Billing through 11/30/25	31,192.50
1/14/2026	26580	Foothill Sentry, Inc.	Display Color Ad Jan 2026	503.00
1/14/2026	26581	Great America Networks, Inc	Office Phones 01/01/26-01/31/26	356.88
1/14/2026	26582	JAN-PRO Franchise Development of Southern Cali	Monthly Janitorial Service - Jan 2026	847.53
1/14/2026	26583	Keystone Metering Systems Inc	Advanced Metering Infrastructure	73,231.85
1/14/2026	26584	Means Consulting, LLC	Strategic Planning 2025 - December 31,2025	2,450.00
1/14/2026	26585	Orbis Public Affairs	Consulting Services December 2025	2,250.00
1/14/2026	26586	Paradise Drinking Waters	Bottled Water (Office & Field)	79.55
1/14/2026	26587	Petty Cash	Petty Cash Expense - Nov 2025 to Jan 7, 2026	234.10
1/14/2026	26588	Standard Insurance Company	Life Insurance Premium 01/01/026-01/31/26	906.85
1/14/2026	26589	Townsend Public Affairs, Inc.	Consulting Services for January 2026	4,000.00
1/14/2026	26590	W.M. Lyles Co.	On-Call SCADA Integration Support Services billed thru 1	7,537.50
1/14/2026	26591	Xerox Corporation	Copier - Monthly Maintenance 11/21/25-12/25/25	129.34
1/14/2026	26592	Orange County Water District	Water Producing Facility 93-335-31-A & 93-02-1-B (07/0	225,635.84
1/15/2026	26593	ACWA - Workers Comp	ACWA Worker's Comp 2nd Qtr 2025	12,279.14
1/15/2026	26594	Aztec Technology Corporation	Storage Container	3,751.85
1/15/2026	26595	Cintas Corporation No. 3	Unifprms	285.72
1/15/2026	26596	County Of Orange	Communication Charges - 01/01/26-03/31/2026	957.87
1/15/2026	26597	Fiore Industrial Electrical Services	Vanderwerff Well Maintenance	1,610.78
1/15/2026	26598	G O Rodriguez Trucking, Inc.	Spoils Hand Off	4,400.82
1/15/2026	26599	Hach Company	Water Quality	683.32
1/15/2026	26600	Home Depot Credit Services	Misc. Hardware, Materials & Tools/Maintenance	1,439.78
1/15/2026	26601	McMaster-Carr Supply Company	Vanderwerff Well Maintenance	181.32
1/15/2026	26602	Multi W Systems, Inc.	Lift Station Pump	11,435.00
1/15/2026	26603	Orange County Sanitation District	OCHCA Fog/BMP Inspections Q1 2025-2026	281.15
1/15/2026	26604	Pete's Road Service, Inc.	Vehicle Maintenance	44.00
1/15/2026	26605	Ricardo Sanchez	Employee Reimbursement - Wastewater Treatment Cours	175.20
1/15/2026	26606	SC Fuels	Fuel - December 2025	5,398.80
1/15/2026	26607	Softscapes Corporation	Maintenance & Landscape Services for December 2025	450.00
1/15/2026	26608	SWRCB Fees	Water Treatment Operator Certificate Renewal	60.00
1/15/2026	26609	Total Exterminating, Inc.	Rodent Control - Peter's Canyon Res	285.00
1/15/2026	26610	Underground Service Alert	USA Location - Dec 2025	657.54
1/15/2026	26611	Verizon Wireless	Wireless 11/26/25-12/25/25	285.03
1/15/2026	26612	Watertalent, LLC	Temporary Backflow Operator	348.00

Total \$ 499,781.50

East Orange County Water District
Citizens Business Bank
Prior Month's Checks To Ratify
Directors' Payroll*

Payment for meeting activity in the month of October 2025

Date	Check No.	Amount	Payable To
12/11/2025	523	\$ 159.51	Board Director
12/11/2025	524	\$ 905.40	Board Director
12/11/2025	525	\$ 484.84	Board Director
12/11/2025	526	\$ 797.56	Board Director
		<u><u>\$ 2,347.31</u></u>	Total Payroll Checks
		<u><u>\$482.54</u></u>	ADP taxes
		<u><u><u>\$2,829.85</u></u></u>	Total Payroll

Payment for meeting activity in the month of November 2025

Date	Check No.	Amount	Payable To
12/11/2025	527	\$ 319.03	Board Director
12/11/2025	528	\$ 1,189.43	Board Director
12/11/2025	529	\$ 484.83	Board Director
12/11/2025	530	\$ 638.05	Board Director
		<u><u>\$ 2,631.34</u></u>	Total Payroll Checks
		<u><u>\$579.30</u></u>	ADP taxes
		<u><u><u>\$3,210.64</u></u></u>	Total Payroll

*Note: Payroll is processed by ADP (Automatic Data Processing)

**East Orange County Water District
Employee Payroll*
Month of December 2025**

	Check Date	Check Amount	Payable To
Auto Deposit	12/10/2025	\$ 13,069.62	General Manager
Auto Deposit	12/10/2025	\$ 9,392.96	Engineering Manager
Auto Deposit	12/10/2025	\$ 5,514.69	Operations Manager
Auto Deposit	12/10/2025	\$ 4,190.18	GIS Manager
Auto Deposit	12/10/2025	\$ 6,304.73	Operations Supervisor
Auto Deposit	12/10/2025	\$ 2,545.64	Water Distribution Operator III
Auto Deposit	12/10/2025	\$ 3,988.32	Water Distribution Operator II
Auto Deposit	12/10/2025	\$ 1,976.22	Water Distribution Operator I
Auto Deposit	12/10/2025	\$ 3,431.98	Wastewater Collections Lead Operator
Auto Deposit	12/10/2025	\$ 2,446.11	Wastewater Collections Operator II
Auto Deposit	12/10/2025	\$ 2,076.36	Wastewater Collections Operator II
Auto Deposit	12/10/2025	\$ 2,829.38	Wastewater Collections Operator I
Auto Deposit	12/10/2025	\$ 4,273.15	Office Manager
Auto Deposit	12/10/2025	\$ 2,591.03	Administrative Assistant II
Auto Deposit	12/10/2025	\$ 2,503.96	Administrative Assistant I
Auto Deposit	12/10/2025	<u><u>\$ 1,940.91</u></u>	Part Time Administrative Assistant
		<u><u>\$ 69,075.24</u></u>	Sub Total
			ADP Taxes
			Employee CalPERS Electronic Funds Transfer
			Employer CalPERS Electronic Funds Transfer
			Employee CalPERS PEPRA Electronic Funds Transfer
			Employer CalPERS PEPRA Electronic Funds Transfer
		<u><u>\$ 3,588.86</u></u>	CalPERS PERS 457 - Voya
		<u><u>\$48,819.72</u></u>	Sub Total
	12/10/2025	\$117,894.96	Total Payroll
Auto Deposit	12/22/2025	\$ 7,472.87	General Manager
Auto Deposit	12/22/2025	\$ 5,513.31	Engineering Manager
Auto Deposit	12/22/2025	\$ 5,534.96	Operations Manager
Auto Deposit	12/22/2025	\$ 4,108.80	GIS Manager
Auto Deposit	12/22/2025	\$ 4,413.04	Operations Supervisor
Auto Deposit	12/22/2025	\$ 3,115.13	Water Distribution Operator III
Auto Deposit	12/22/2025	\$ 3,706.35	Water Distribution Operator II
Auto Deposit	12/22/2025	\$ 1,935.73	Water Distribution Operator I
Auto Deposit	12/22/2025	\$ 4,191.90	Wastewater Collections Lead Operator
Auto Deposit	12/22/2025	\$ 2,469.72	Wastewater Collections Operator II
Auto Deposit	12/22/2025	\$ 2,076.36	Wastewater Collections Operator II
Auto Deposit	12/22/2025	\$ 2,073.61	Wastewater Collections Operator I
Auto Deposit	12/22/2025	\$ 3,506.34	Office Manager
Auto Deposit	12/22/2025	\$ 2,591.03	Administrative Assistant II
Auto Deposit	12/22/2025	\$ 2,503.98	Administrative Assistant I
Auto Deposit	12/22/2025	<u><u>\$ 1,812.57</u></u>	Part Time Administrative Assistant
		<u><u>\$ 57,025.70</u></u>	Sub Total
			ADP Taxes
			Employee CalPERS Electronic Funds Transfer
			Employer CalPERS Electronic Funds Transfer
			Employee CalPERS PEPRA Electronic Funds Transfer
			Employer CalPERS PEPRA Electronic Funds Transfer
		<u><u>\$ 3,822.90</u></u>	CalPERS PERS 457 - Voya
		<u><u>\$43,998.47</u></u>	Total Transfers
	12/22/2025	\$101,024.17	Total Payroll
		<u><u>\$218,919.13</u></u>	Grand Total Payroll

*Note: Payroll is processed by ADP (Automatic Data Processing)



MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER *ABY*

SUBJECT: FINANCIAL STATEMENTS

DATE JANUARY 22, 2026

Background

Monthly Financial Statements for Wholesale Zone, Retail Zone, and ID1 (wastewater).

Recommendation

Receive and File.

Attachment(s): Financial Statements for November 2025



November 2025

Financial Reporting

Prepared by



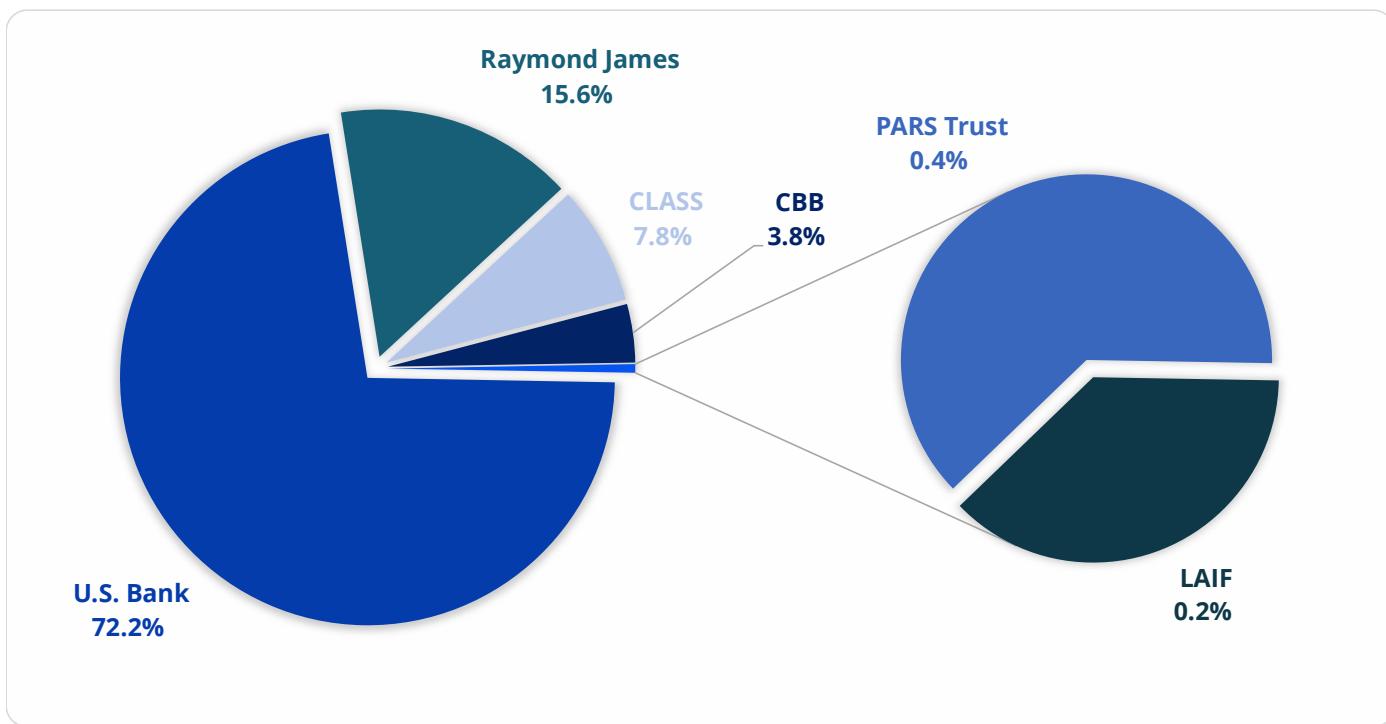
**No assurance is provided on the financial statements. These statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States are not included.*

Cash & Investments as of November 30, 2025

District

	Type	Estimated Monthly Yield		Book Value	Market Value	% Portfolio
		Yield				
U.S. Bank	Investment	3.11%	\$	37,179,989	\$ 37,583,300	72.2%
Raymond James	Investment	3.29%		8,041,224	8,044,898	15.6%
CA Cooperative Liquid Assets Securities System (CLASS)	CLASS	4.04%		4,008,016	4,008,810	7.8%
Local Agency Investment Fund (LAIF)	LAIF	4.15%		109,031	109,241	0.2%
Citizens Business Bank (CBB)	Checking	NA		1,897,532	1,897,532	3.7%
PARS Pension Trust	115 Trust	2.06%		181,655	181,655	0.4%
Citizens Business Bank (CBB)	Money Market	0.05%		66,413	66,413	0.1%
Total Cash & Investments			\$	51,483,859	\$ 51,891,849	100.0%

Investment Allocation



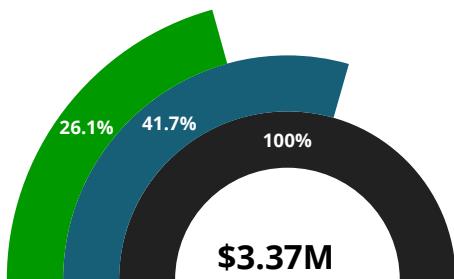
Cash & Investment Balances by Fund



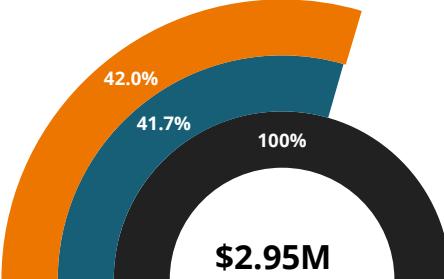
November 2025 Financials - Dashboard

District

Revenue v. Budget (No WZ Pass-Through)



Expense v. Budget (No WZ Pass-Through)

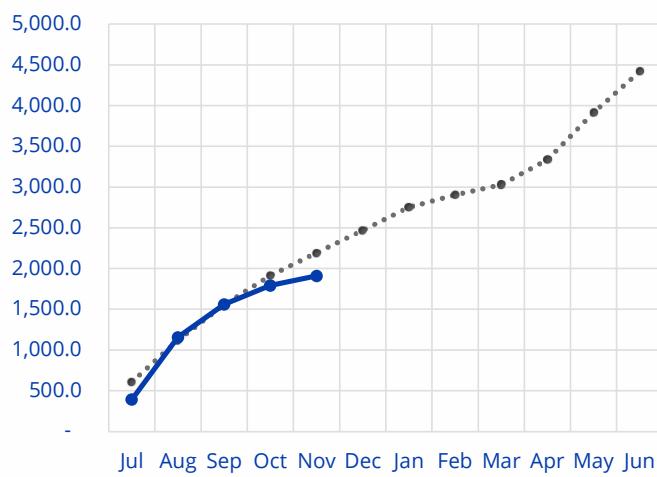


YTD Revenue	YTD Target	Total Budget
\$3,370,700	\$5,386,000	\$12,926,400

YTD Expense	YTD Target	Total Budget
\$2,951,490	\$2,926,625	\$7,023,900

Wholesale Water Sold in Acre-Feet (AF)

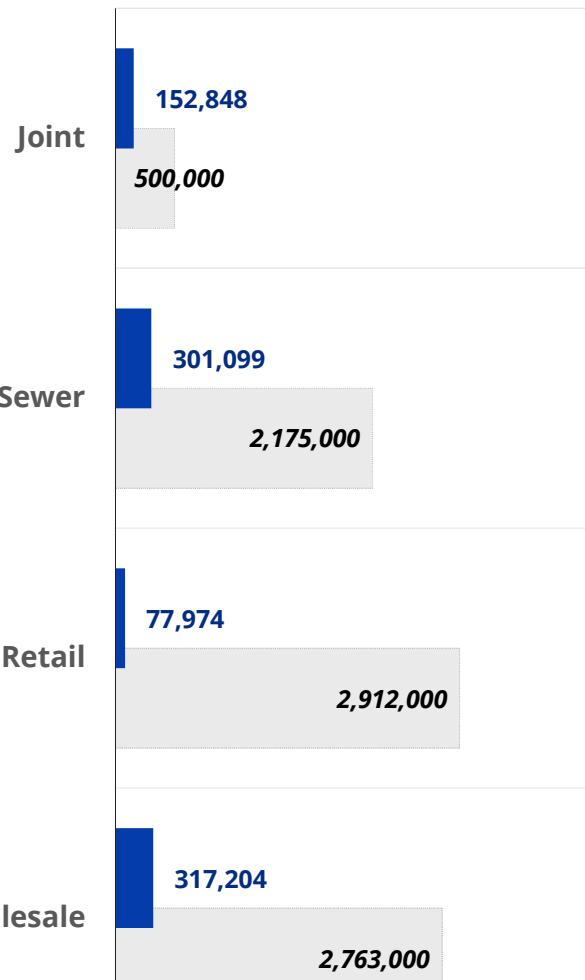
..... FY 2025 ● FY 2026



Capital Improvement Program

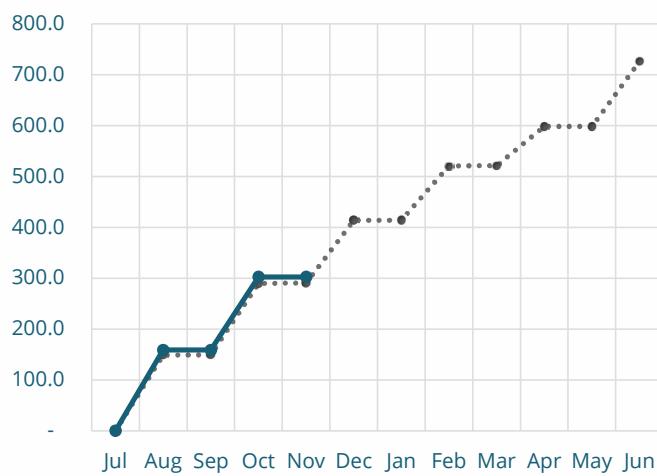
YTD Actual v. Budget

■ YTD Actual ■ Annual Budget



Retail Water Sold in Acre-Feet (AF)

..... FY 2025 ● FY 2026



November 2025 Financials - Summary

District

		A Period Actuals Nov 2025	B Fiscal Year to Date Nov 2025	C Adopted Budget FY 2026	D = C - B Remaining Budget FY 2026	E = B / C YTD % of Budget
1	Sewer Service Fees	\$ 712,667	\$ 761,354	\$ 4,292,600	\$ 3,531,246	17.7%
2	Wholesale Water Fixed Charges	52,897	264,795	630,200	365,405	42.0%
3	Retail Water Variable Charges	160	653,050	1,794,900	1,141,850	36.4%
4	Retail Water Fixed Charges	194,065	433,645	1,667,200	1,233,555	26.0%
5	MET / MWDOC Pass-Through Charges	227,089	3,297,155	3,988,700	691,545	82.7%
6	Property Tax Receipts	374,559	453,003	2,326,700	1,873,697	19.5%
7	Interest Revenue	66,576	481,431	1,774,000	1,292,569	27.1%
8	Other Revenue	36,006	323,422	440,800	117,378	73.4%
9	Total Revenue	1,664,020	6,667,855	16,915,100	10,247,245	39.4%
10	Retail Water Supply	74,390	465,446	965,100	499,654	48.2%
11	Wholesale Pass-Through Supply	227,089	3,297,155	3,988,700	691,545	82.7%
12	Staffing Resources	229,893	1,337,594	3,342,700	2,005,106	40.0%
13	Operations & Maintenance	100,295	498,081	1,404,500	906,419	35.5%
14	General & Administrative	120,785	650,369	1,311,600	661,231	49.6%
15	Total Expense	752,452	6,248,645	11,012,600	4,763,955	56.7%
16	Net Income / (Loss) from Operations	\$ 911,567	\$ 419,210	\$ 5,902,500	\$ 5,483,290	7.1%
17	Grant Funding Receipts	-	40,344	1,000,000	959,656	4.0%
18	Capital Improvement Program	(170,151)	(849,125)	(8,350,000)	(7,500,875)	10.2%
19	Internal Loan Receipts	-	-	334,815	334,815	0.0%
20	Internal Loan Payments	-	-	(334,815)	(334,815)	0.0%
21	Debt Service	(187,128)	(216,082)	(1,403,430)	(1,187,348)	15.4%
22	Net Change in Cash	\$ 554,288	\$ (605,653)	\$ (2,850,930)	\$ (2,245,277)	21.2%

Variance Analysis:

Line 1 - The first major installment of sewer service fee receipts have been received in November and another major installment is expected in December. This line item varies from the expected budget target throughout the fiscal year due to the timing of these receipts through the property tax roll.

Line 3 & 4 - The Retail Water Variable and fixed meter charges are billed bi-monthly on even numbered months. The Retail Water fixed capital improvement charge is collected on the property tax roll. The timing of billing and collecting these charges can cause actual results to vary from the expected budget target throughout the fiscal year.

Line 5 - The adopted budget included 2000 AF of wholesale water sales. As of the current reporting period, 1909 AF of wholesale water has been sold.

Line 6 - The first major installment of property tax receipts were received in November and another major installment is expected in December. This line item varies from the expected budget target throughout the fiscal year due to the timing of these receipts through the property tax roll.

Line 11 - The adopted budget planned for 2000 AF of wholesale water purchases. As of the current reporting period, 1909 AF of wholesale water has been purchased for wholesale activities.

Line 14 - In October 2025, the District paid \$113K for the annual general and liability insurance policy that covers the entire fiscal year.

November 2025 Financials - Operating Detail

District

		A	B	C	D = C - B	E = B / C
		Period Actuals	Fiscal Year to Date	Adopted Budget	Remaining Budget	YTD % of Budget
		Nov 2025	Nov 2025	FY 2026	FY 2026	41.7%
1	District Charges					
2	Sewer Service Fees	\$ 712,667	\$ 761,354	\$ 4,292,600	\$ 3,531,246	17.7%
3	Wholesale Water Fixed Charges	52,897	264,795	630,200	365,405	42.0%
4	Retail Water Variable Charges	160	653,050	1,794,900	1,141,850	36.4%
5	Retail Water Fixed Charges	194,065	433,645	1,667,200	1,233,555	26.0%
6	Total District Charges	959,789	2,112,844	8,384,900	6,272,056	25.2%
7	Wholesale Pass-Through Charges					
8	MET / MWDOC Water Sales	164,331	2,664,171	2,923,200	259,029	91.1%
9	MET / MWDOC Fixed Costs Recovery	62,758	632,984	1,065,500	432,516	59.4%
10	Total Wholesale Pass-Through Charges	227,089	3,297,155	3,988,700	691,545	82.7%
11	Other Revenue					
12	Property Tax Receipts	374,559	453,003	2,326,700	1,873,697	19.5%
13	Interest Revenue	66,576	481,431	1,774,000	1,292,569	27.1%
14	Developer Fees and Charges	17,670	252,223	200,000	(52,223)	126.1%
15	Miscellaneous Revenue	18,337	71,199	240,800	169,601	29.6%
16	Total Other Revenue	477,142	1,257,855	4,541,500	3,283,645	27.7%
17	Total Revenue	1,664,020	6,667,855	16,915,100	10,247,245	39.4%
18	Retail Water Supply					
19	Retail Fixed Costs Allocation	13,059	83,925	142,100	58,175	59.1%
20	Retail Water Purchases from Wholesale	28,663	94,567	204,700	110,133	46.2%
21	OCWD Replenishment Assessments	22,823	219,955	469,300	249,345	46.9%
22	Groundwater Energy	9,844	66,999	149,000	82,001	45.0%
23	Total Retail Water Supply	74,390	465,446	965,100	499,654	48.2%
24	Wholesale Pass-Through Supply					
25	MET / MWDOC Water Purchases	164,331	2,664,171	2,923,200	259,029	91.1%
26	MET / MWDOC Fixed Costs	62,758	632,984	1,065,500	432,516	59.4%
27	Total Wholesale Pass-Through Supply	227,089	3,297,155	3,988,700	691,545	82.7%
28	Staffing Resources					
29	Employee Compensation	183,618	987,986	2,470,700	1,482,714	40.0%
30	Health and Retirement Benefits	46,275	315,774	837,100	521,326	37.7%
31	CalPERS Unfunded Minimum Payments	-	33,834	34,900	1,066	96.9%
32	Total Staffing Resources	229,893	1,337,594	3,342,700	2,005,106	40.0%
33	Operations & Maintenance					
34	Water System Maintenance	43,695	269,785	682,100	412,315	39.6%
35	Water Quality	8,410	55,414	165,800	110,386	33.4%
36	Sewer System Maintenance	(6,617)	43,596	175,000	131,404	24.9%
37	System Fees and Permits	38,233	38,915	64,800	25,885	60.1%
38	Vehicle and Equipment	16,574	90,369	316,800	226,431	28.5%
39	Total Operations & Maintenance	100,295	498,081	1,404,500	906,419	35.5%
40	General & Administrative					
41	Professional Services	37,524	244,297	601,700	357,403	40.6%
42	District Office Expenses	47,801	124,577	239,900	115,323	51.9%
43	District Insurance	-	113,912	123,400	9,488	92.3%
44	Dues and Memberships	3,537	62,199	64,100	1,901	97.0%
45	Community Outreach and Noticing	5,495	30,924	77,900	46,976	39.7%
46	Board of Directors	10,693	30,375	65,300	34,925	46.5%
47	Education, Training and Travel	1,127	8,412	21,000	12,588	40.1%
48	Miscellaneous Expense	14,610	35,672	118,300	82,628	30.2%
49	Total General & Administrative	120,785	650,369	1,311,600	661,231	49.6%
50	Total Expense	752,452	6,248,645	11,012,600	4,763,955	56.7%
51	Net Income / (Loss) from Operations	\$ 911,567	\$ 419,210	\$ 5,902,500	\$ 5,483,290	7.1%

November 2025 Financials - Capital Improvement Program District

ID	Project Description	A	B	C	D = C - B	E = B / C
		Period Actuals Nov 2025	Fiscal Year to Date Nov 2025	Adopted Budget FY 2026	Remaining Budget FY 2026	YTD % of Budget
Wholesale System						
WZ-02	WZ Reservoir Backup Generators	\$ -	\$ -	\$ 245,000	\$ 245,000	0.0%
WZ-03	Cathodic Protection Improvements	-	-	100,000	100,000	0.0%
WZ-04	6MG Res. Pipeline & Vault Improv	42,033	176,712	200,000	157,967	21.0%
WZ-05	WZ Reservoir Management Systems	-	-	1,500,000	1,500,000	0.0%
WZ-06	Peters Canyon Res Sesmic Phase 1	34,222	99,248	500,000	465,778	6.8%
WZ-10	WZ Master Plan Update	-	31,859	118,000	118,000	0.0%
WZ-17	WZ Valve Replacements Program	9,386	9,386	50,000	40,614	18.8%
WZ-18	WZ Hydrants Replacement Program	-	-	50,000	50,000	0.0%
Total Wholesale System		85,641	317,204	2,763,000	2,445,796	11.5%
Retail System						
RZ-04	Brae Glen Pipeline Replacement	-	-	500,000	500,000	0.0%
RZ-05	Orange Knoll PRV Station	-	-	250,000	250,000	0.0%
RZ-08	Barrett/Hinton Srvc Relocations	-	-	225,000	225,000	0.0%
RZ-10	RZ Master Plan Update	-	44,296	112,000	112,000	0.0%
RZ-12	St. Jude/Panorama View Pipeline	-	-	225,000	225,000	0.0%
RZ-15	Advanced Metering Infrastructure	2,048	4,048	1,200,000	1,197,953	0.2%
RZ-16	Vista Panorama PS Replacement	-	25,117	350,000	350,000	0.0%
RZ-17	RZ Valve Replacements Program	754	3,406	25,000	24,246	3.0%
RZ-18	RZ Hydrant Replacements Program	-	1,107	25,000	25,000	0.0%
Total Retail System		2,801	77,974	2,912,000	2,834,026	2.7%
Sewer System						
SS-03	Lemon Heights Drive LS Rehab	16,531	26,454	-	(16,531)	NA
SS-06	Cured in Place Pipe (CIPP)	-	17,150	400,000	400,000	0.0%
SS-07	Manhole Additions, R, F & Covers	-	82,500	200,000	200,000	0.0%
SS-08	Manhole Rehab and Replacements	19,875	19,875	400,000	380,125	5.0%
SS-10	Sewer Vehicles & Equipment	-	92,384	1,000,000	1,000,000	0.0%
SS-11	SSMP Update and Spill Response	-	62,736	175,000	175,000	0.0%
Total Sewer System		36,406	301,099	2,175,000	1,873,901	13.8%
Joint Projects						
JP-01	SCADA System Improvements	11,000	11,000	-	(11,000)	NA
JP-02	Springbrook ERP Implementation	-	110	-	(110)	NA
JP-03	Local HMP, AWIA, RRA & ERP	34,303	106,518	250,000	143,482	42.6%
JP-09	Vehicles & Equipment Shared	-	35,221	-	(35,221)	NA
JP-10	Main Office Warehouse Replace	-	-	250,000	250,000	0.0%
Total Joint Projects		45,303	152,848	500,000	347,152	30.6%
Capital Improvement Program Total		\$ 170,151	\$ 849,125	\$ 8,350,000	\$ 7,500,875	10.2%

November 2025 CIP Expenditures by System





MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER *Ray*

SUBJECT: STRATEGIC PLAN 2026

DATE: JANUARY 22, 2025

Background

The Strategic Plan defines the vision, mission, values, and goals for EOCWD. While the core services of the District do not change, efforts are periodically focused through a strategic planning process. With several organizational changes, new external challenges and an intensified capital improvement plan an update to prior planning efforts was undertaken. Over the past several months, the District has worked with Ed Means to develop the draft plan, conduct a workshop to review the plan and provide the final plan incorporating all the prior input.

A draft plan was circulated to the Board last month. We now have a final plan developed and ready for approval. The plan is attached for the Board reference.

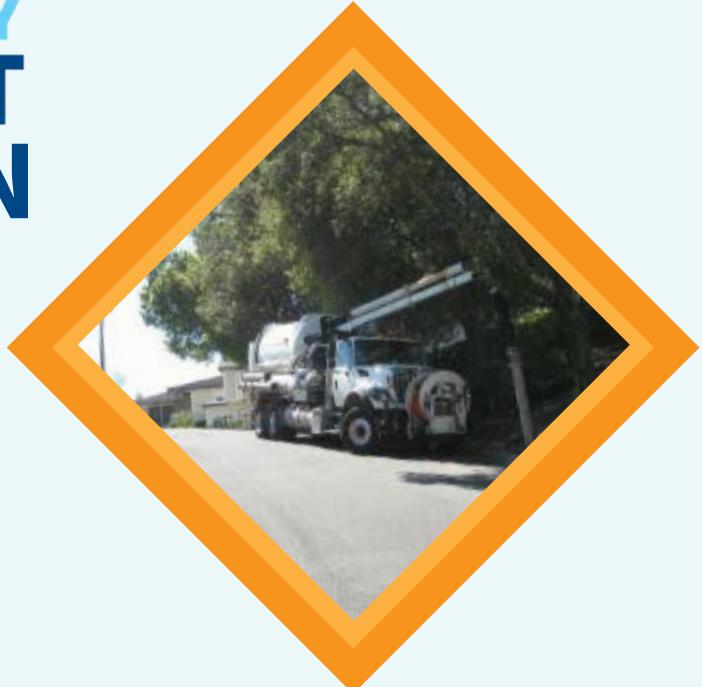
Recommendation

Approve 2026 Strategic Plan

Attachment(s): 2026 Strategic Plan



EOCWD
EAST ORANGE COUNTY
WATER DISTRICT
STRATEGIC PLAN
2026-30



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MESSAGE FROM THE BOARD

Welcome to the East Orange County Water District's (EOCWD) 5-Year Strategic Plan. This document is a blueprint for how EOCWD will respond to current challenges and make the best of future opportunities for the benefit of our customers. It confirms our mission and goals as a public agency dedicated to providing high quality water service to the more than 90,000 residents in the EOCWD service area. It outlines the specific goals, strategies, and objectives we will pursue to move us from where we are to where we want to be.

EOCWD is a locally governed, public wholesale and retail water district formed in 1961 encompassing an area of approximately 10,000 acres. It is a member of the Municipal Water District of Orange County, which is a member of the Metropolitan Water District and therefore entitled to receive Colorado River and Northern California imported water. This treated imported water is delivered to a portion of the incorporated areas of the cities of Tustin and Orange and the adjoining unincorporated communities of North Tustin, Lemon Heights, Cowan Heights, Orange Park Acres and Panorama Heights. In addition, in July of 1985, the District assumed the operations of Orange County Water Works District # 8 and became a retail water provider.

The EOCWD Board of Directors and staff are charting a course for continued success in the future through the development and execution of this Strategic Plan. The Plan defines the vision, mission, values, goals and 5-year business strategy for EOCWD. Our commitments to the communities we serve fall into four areas: Water and sewer service and infrastructure reliability, Community representation and engagement, Financial integrity, and Professional workforce. These commitments are established as the four goals of the plan. Our Board actions will consistently support these commitments, and we will track our progress against this plan, revisiting the plan on a recurring basis to adjust as conditions warrant.

EOCWD will continue to provide the excellent customer service for which we are known. To ensure our services remain reliable and valued, EOCWD will continue to invest in significant water and wastewater facilities during this Strategic Plan period including replacing the Peters Canyon Reservoir. The delivery of these capital projects will need to occur seamlessly with the routine service obligations of the District as described in this plan.

EOCWD will be conducting a rate study to determine the long-term needs for investment in the retail and wholesale water systems as well as the wastewater system and how best to ensure adequate capital is available to support the needed investments. The setting of rates will be an important EOCWD activity in this 5-year Strategic Plan period.

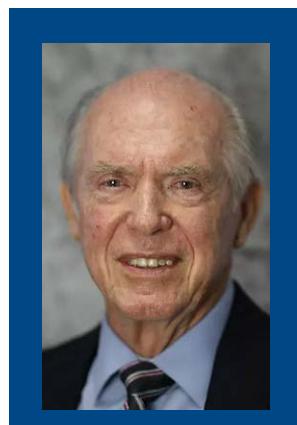


BOARD OF DIRECTORS



Director George Murdoch
President

Director Marilyn Thoms
Vice President



Director Douglass S. Davert

Director Karin Marquez

Director John L. Sears

MESSAGE FROM

THE GENERAL MANAGER

While our core business remains constant over time, this plan directs how we will take on the complex issues and challenges we face in the next several years. In developing this Strategic Plan, we focused on four priority areas:

- Water and sewer service and infrastructure reliability
- Community representation and engagement
- Financial integrity
- Professional workforce

Why these four? These four areas summarize the “big picture” of what we need to do – and do well – so that we achieve our mission to: “Provide our customers with reliable, high-quality water services featuring hometown service, fiscal discipline, and direct accountability”. Why this order? This is a logical order of what we have determined to be the highest priority as a District, however, the priority of individual areas will shift in emphasis over the course of this plan as events dictate. Strategic planning is an ongoing process. We will continue to periodically review the Strategic Plan in conjunction with our budget process to readjust as changing conditions dictate. With the support of the Board, I am confident this plan will help us achieve the expectations of those we serve in the months and years to come.

Respectfully submitted,



David Youngblood P.E.
General Manager



INTRODUCTION

Strategic Planning is a structured process to prioritize issues. Due to the reality of finite resources, staff must be focused on the key issues that are critical to its mission. The Strategic Plan Process consists of the following activities:

- Review background documents
- Review current operating environment – strengths, weaknesses, opportunities, & threats
- Review Vision, Mission, Values and establish Goals
- Develop Strategies and Objectives
- Develop staffing and resource needs in conjunction with the Annual Budgeting Process
- Regularly update the Plan

The planning process enabled the EOCWD board and staff to step back from daily activities and deliberate on ways to achieve the EOCWD mission. The Strategic Plan was developed under the guidance of the Board of Directors and senior management representing all of the EOCWD's functions. This team met over a two-month period following the steps in the bullet items above. The focus of the staff's strategic deliberations was the key issues EOCWD will face in the next five-year planning horizon (and beyond). Workshops were held with the Board and the Senior Management staff to identify strengths, weaknesses, opportunities and threats (SWOT Analysis) that the plan should consider. A workshop was held with the Board of Directors on August 4, 2025 to verify the vision, mission, goals and values statements and review the four goals that set the framework for the strategies and objectives development by the management team. The Board adopted the plan on **XXXX**. The five-year Strategic Plan will be implemented and tracked through the Budget process.

Hometown Service. Fiscal Discipline. Direct Accountability



VISION & MISSION

DISTRICT **VISION**

“Support our customers’ high quality of life by providing valued water and sewer services”

DISTRICT **MISSION**

“Provide our customers with reliable, high-quality water and sewer services featuring hometown service, fiscal discipline, and direct accountability”



DISTRICT VALUES

EOCWD will embody the following core values in the setting and implementation of its policies and practices:

INTEGRITY AND ETHICAL BEHAVIOR

EOCWD will consistently adhere to high moral and ethical principles



COMMUNITY

EOCWD will cooperatively work together and with stakeholders to further the mission and goals of the organization



CUSTOMER SERVICE

EOCWD will professionally and responsively serve the needs of its customers



RESPECT

EOCWD will work with our stakeholders in a respectful, professional, and courteous fashion



DISCIPLINED (FISCALLY AND OPERATIONALLY)

EOCWD will be good stewards of the facilities, people, and financial resources entrusted to it



CREATIVE

EOCWD will encourage and value the introduction of new ideas and methods

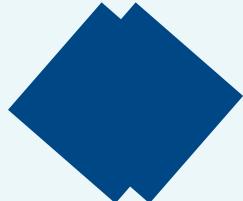


TRANSPARENT

EOCWD will engage its stakeholders and interact with them in a fair, open and honest manner

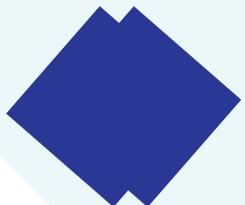


GOALS, STRATEGIES, & OBJECTIVES



GOAL 1

EOCWD will provide safe, reliable, and environmentally-sustainable water and sewer services and infrastructure that meet the needs of the community



GOAL 2

EOCWD will provide responsive local governance, value and outreach to the communities we serve



GOAL 3

EOCWD will manage our financial assets to provide and maintain reliable water and sewer services



GOAL 4

EOCWD will maintain workforce expertise to ensure service quality, continuity, and reliability

Management and staff have identified specific strategies and measurable objectives for each goal area to ensure the proper actions are taken to fulfill the commitment implicit in the goal area. The strategies and objectives listed below include both current and new activities. They are not listed in any priority. The implementation of these strategies and objectives will be further detailed through specific memoranda.

GOAL 1: WATER AND SEWER SERVICE RELIABILITY – EOCWD will provide safe, reliable, and environmentally-sustainable water and sewer services and infrastructure that meet the needs of the community

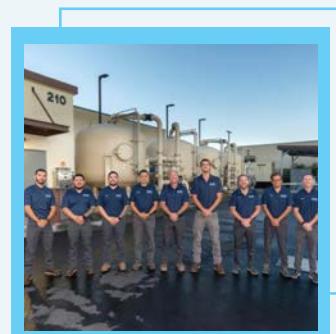
Strategy 1 – Provide proper management, development, and replacement of infrastructure

- Objective 1 Execute current capital improvement plan
- Objective 2 Update the Water Master Plan and Capital Improvement Program
- Objective 3 Update the Wastewater Master Plan and Capital Improvement Program
- Objective 4 Complete the 2030 Urban Water Management Plan
- Objective 5 Develop a replacement strategy for Peters Canyon Reservoir including an appropriate land use policy for the site
- Objective 6 Implement the grant to install automated meter reading (AMI) capability



Strategy 2 – Operate the system to achieve service level standards

- Objective 1 Continue to generate and share system performance and condition information with the Board
- Objective 2 Regularly review to determine progress
- Objective 3 Provide 100% compliance with Safe Drinking Water Act standards
- Objective 4 Manage the sewer collection system to prevent or mitigate spills



- Objective 6 Optimize system operations to minimize nitrification; continue involvement in MWDOC nitrification workgroup
- Objective 7 Evaluate incentives to convert septic to sewer
- Objective 8 Continue valve and hydrant exercise program
- Objective 9 Evaluate appropriate mitigation steps to manage fire risk
- Objective 10 Assess merits of expanding asset management programs at EOCWD

Strategy 3 – Ensure adequate supplies of water to meet EOCWD demands

- Objective 1 Track and advocate at Orange County Water District (OCWD) for EOCWD groundwater interests
- Objective 2 Protect supply and reliability of local groundwater
- Objective 3 Track and advocate at Municipal Water District of Orange County regarding imported water supplies
- Objective 4 Support and track OCWD PFAS litigation efforts



GOAL 2: COMMUNITY REPRESENTATION AND ENGAGEMENT – EOCWD will provide responsive local governance, value, and outreach to the communities we serve

Strategy 1 – Maintain alliances to support the interests of EOCWD

- Objective 1 Update the Communications Plan (which includes messaging on new CIP projects, facility development, water quality issues, etc.)
- Objective 2 Refresh the District website
- Objective 3 Consider cooperative opportunities with local agencies
- Objective 4 Proactively advocate for District interests in regulatory and legislative processes
- Objective 5 Support Board participation in the governance of regional and state-wide organizations
- Objective 6 Track opportunities to provide shared services
- Objective 7 Evaluate representation on the Orange County Sanitation District Board



Strategy 2 – Maintain excellent customer service

- Objective 1 Measure and report customer satisfaction
- Objective 2 Work with wholesale customers to resolve potential water quality problems
- Objective 3 Provide opportunities for customer education
- Objective 4 Leverage available funding from regional, state, and federal agencies

Strategy 3 – Promote water use efficiency and public education

- Objective 1 Provide regular contact via social media, website, etc.
- Objective 2 Provide opportunities for customer education
- Objective 3 Leverage available funding from regional, state, and federal agencies

GOAL 3: FINANCIAL INTEGRITY – EOCWD will manage our financial assets to provide and maintain reliable water and sewer services

Strategy 1 – Ensure that adequate financial capacity exists to maintain District assets

- Objective 1 Manage within the budget to the extent practical
- Objective 2 Receive a satisfactory audit outcome each year
- Objective 3 Maintain adequate insurance coverage
- Objective 4 Conduct a water and sewer cost of service study at least every five years
- Objective 5 Update the Finance Plan
- Objective 6 Maintain adequate level of reserves



Strategy 2 – Ensure the District operations are efficient and effective

- Objective 1 Track and report progress against the Strategic Plan
- Objective 2 Optimize sewer system cleanings
- Objective 3 Define appropriate SCADA system improvements
- Objective 4 Track and implement appropriate cybersecurity improvements



GOAL 4: PROFESSIONAL WORKFORCE – EOCWD will maintain workforce expertise to ensure service quality, continuity, and reliability

Strategy 1 – Develop long-term strategy to retain staff

Objective 1 Maintain staff morale

Objective 2 Maintain competitive compensation and benefits

Objective 3 Maintain an awareness of staffing needs and plan accordingly

Strategy 2 – Staff development

Objective 1 Provide appropriate training opportunities including cross training

Objective 2 Support and incentivize staff to advance certifications

Strategy 3 – Optimize administrative support systems

Objective 1 Develop a document management system

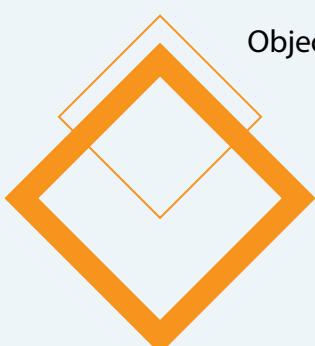
Objective 2 Evaluate asset management plan needs

Objective 3 Develop on-line policy manual

Objective 4 Develop a handbook for new Directors

Objective 5 Develop Standard Operating Procedures for key activities

Objective 6 Develop an AI use policy



NEXT STEPS

The plan is intended to be a living document and will be reviewed and updated annually to remain current. It will be used in planning and budgeting the activities of EOCWD.

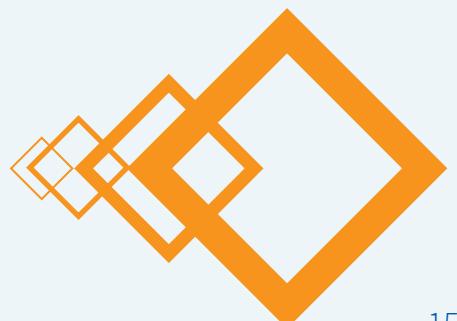
Executive Team & Consultant Support

David Youngblood P.E., General Manager

Jerry Mendzer, Operations Manager

Bobby Young P.E., Engineering Manager

Edward Means, Means Consulting LLC





MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER *ABY*

SUBJECT: DIRECTOR COMPENSATION

DATE JANUARY 22, 2026

Background

Ordinance 2021-1 was adopted in 2021 and sets the compensation for members of the Board of Directors at \$175 per day of service for all meetings per the attached Ordinance 2021-1. Following discussion at the December Board meeting, the Board agreed that a new ordinance should be prepared.

Staff surveyed a dozen local agencies and found per meeting compensation ranges from \$150 to \$320 per meeting. Overall Board compensation costs range from \$22,000 to \$37,000 per Board member on average with several topping \$50,000 per Board member. It is important to note that most of these agencies offer significant compensation outside of the meeting attendance compensation. These include life, vision, dental and medical insurance along with retirement benefits. These benefits can exceed per diem compensation attendance and certainly account for a large percentage of the total compensation.

Following presentation of the above information at the December Board meeting, the Board provided direction that a per diem compensation of \$200 (max. of 10 meetings per month) should be incorporated into the new ordinance. Since Board members are provided no benefits beyond the per diem, staff anticipate a cost per Board member of \$10,080 per year based on four meetings per month. This new per diem still keeps our Board costs to significantly less than half of the average agency.

Recommendation

Conduct Public Hearing to consider Ordinance 2026-01

Attachment(s): Ordinance 2026-01

ORDINANCE NO. 2026-01

ORDINANCE OF THE BOARD OF DIRECTORS OF EAST ORANGE COUNTY WATER DISTRICT INCREASING THE COMPENSATION OF THE BOARD OF DIRECTORS FOR ATTENDANCE AT MEETINGS

WHEREAS, the East Orange County Water District (“EOCWD”) Board of Directors (“Board”) previously passed and adopted, on or about December 16, 2021, Ordinance 2021-01 to establish, in accordance with California Water Code Sections 20200, *et seq.*, compensation for individual members (“Directors”) of the Board for each day’s attendance at meetings of the Board or for each day’s service rendered as a Director at the request of the Board; and

WHEREAS, Ordinance 2021-01 established compensation for the Board at a rate of \$175 per day of service as defined within such Ordinance;

WHEREAS, the Board has not changed the compensation amount for meetings since 2021, a period of four years; and

WHEREAS, the Board is permitted to increase compensation, through adoption of an ordinance following a noticed public hearing, by an amount of no more than five percent for each calendar year since the last increase; and

WHEREAS, the Board desires to increase Director compensation for those meetings that are compensable meetings pursuant to this Ordinance and in accordance with Water Code Section 20200, *et seq.*

NOW, THEREFORE, BE IT ORDAINED BY THE EAST ORANGE COUNTY WATER DISTRICT BOARD OF DIRECTORS AS FOLLOWS:

Section 1. Purpose. This Ordinance is enacted to (1) authorize an increase in the compensation per day for Directors of the Board as permitted pursuant to Water Code Section 20200 *et seq.*, and (2) fully define the nature of compensable meetings.

Section 2. Increase of Compensation. The amount of compensation to each Director for attendance at a “Compensable Meeting,” as defined in Section 3, shall be increased to \$200 per day of service.

Section 3. Compensable Meetings. The performance of official duties for which a Director may receive per diem compensation for a Compensable Meeting shall include:

- A. Attendance at any regular or special meetings of the EOCWD Board;
- B. Attendance at a meeting of any committee or ad hoc committee of the Board. Such committees may include the Engineering & Operations Committee and the Administration & Finance Committee;
- C. Attendance at meetings of agencies or groups for which the Director has been appointed by the Board. Such agencies shall include Orange County Water District, Municipal Water District of Orange County, Association of California Water Agencies, Local Agency Formation Commission, Independent Special Districts of Orange County and Water Advisory Committee of Orange County, and such other agencies as may be approved by the Board President;
- D. Attendance at other water/wastewater public agencies meetings when an agenda item specifically relates to East Orange County Water District, when formally requested to attend by either the Board President, General Manager, or the Board. Such agencies may include, but are not necessarily limited to, neighboring water districts, the Metropolitan Water District of Southern California, the State Water Resources Control Board and the Santa Ana Regional Water Quality Control Board, Region 8;
- E. The first day of attendance at a conference, seminar or similar gathering that involves a discussion on issues of interest to the District with prior approval of the Board President (if the conference is a multiple day conference, only one day of per diem will be compensated); and
- F. Board Members may attend one Homeowner's Association Meeting (HOA) or one civic group meeting per month within the territory served by the District if such meeting has on its agenda an item that specifically deals with water/wastewater topics, and such attendance is approved in advance by the Board President.

Section 4. Teleconferencing. Participation at any public agency meeting that is covered under Section 3 by teleconference, or equivalent means, shall be considered as a day of service for the purpose of this Ordinance.

Section 5. Limitations.

A. The fee paid to Directors shall be made for no more than one meeting per day, and the maximum number of days for which any Director may receive compensation pursuant to this Ordinance shall be ten (10) in any calendar month.

B. Notwithstanding the provisions of this Ordinance, any Director that receives compensation from any other entity for attendance and/or participation at any meeting, conference, seminar, or other activity identified in Section 3 shall not be compensated by EOCWD for the same activity.

Section 6. Director Reimbursements. In addition to the compensation described in Sections 2 of this Ordinance and subject to applicable State law, Directors expenses shall be reimbursed if they are reasonable and necessary to conduct EOCWD's business pursuant to provisions of EOCWD's reimbursement policies adopted by the Board, as then in effect.

Section 7. Appointments. Board members will be assigned Committee and Agency appointments in January of each year that follows the election of a Board President and Vice President in December of the preceding year, or at such other times as may be determined by the Board President from time to time. The Board President is delegated authority to make such appointments. The Board President may appoint alternate representatives in addition to each regular representative assigned to an agency of committee, however, the alternate representative shall not be entitled to per diem compensation when the designated representative is also present. For each meeting described above in Section 2, the compensated Board member shall provide a brief report on the meeting attended at the next regularly scheduled Board meeting.

Section 8. Effective Date. This Amendment shall be effective upon sixty (60) days after adoption, and shall supersede Ordinance No. 2021-01 upon the Effective Date thereof.

PASSED AND ADOPTED at a regular meeting of the Board of Directors held the 22nd day of January, 2026.

George Murdoch, President
EAST ORANGE COUNTY WATER DISTRICT
and of the Board of Directors thereof

Jeffrey A. Hoskinson, Secretary
EAST ORANGE COUNTY WATER DISTRICT
and the Board of Directors thereof

**STATE OF CALIFORNIA
COUNTY OF ORANGE**

I, **Jeffrey A. Hoskinson**, Secretary of the Board of Directors of East Orange County Water District, do hereby certify that the foregoing **Ordinance No. 2026-01** was adopted by the Board of Directors of said District at a regular board meeting held on January 22, 2026. A recorded vote of the Board is as follows:

AYES:_____

NOES:_____

ABSENT:_____

Jeffrey A. Hoskinson, Secretary
EAST ORANGE COUNTY WATER DISTRICT and
the Board of Directors thereof

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: LEGISLATIVE AND OUTREACH REPORT *DJY*
DATE: JANUARY 22, 2026

Background

Attached is most recent monthly report from ORBIS Public Affairs along with the last two months of reports from Townsend Public Affairs. Additionally, a copy of our outreach is also attached.

Recommendation

Receive and File.

Attachment(s): Townsend Legislative Report & Current Legislative Matrix
ORBIS Public Affairs Report
Foothills Sentry Outreach Ad

MONTHLY LEGISLATIVE UPDATE

To: East Orange County Water District
From Townsend Public Affairs
Date: January 16, 2026
Subject: December - January Legislative Monthly Report

STATE UPDATE

California has entered the second year of its two-year legislative session, a pivotal period marked by impending changes in state leadership, including the anticipated transition from Governor Newsom's administration. Following a turbulent 2025 defined by the Los Angeles wildfires, major CEQA reforms, and ongoing tensions with the federal government, the Legislature now turns to a 2026 session that presents no fewer challenges. The State faces a growing budget deficit even as policymakers commit to advancing solutions on critical priorities such as housing, affordability, and public health.

DEPARTMENT OF FINANCE DECEMBER 2025 BULLETIN

The California Department of Finance released the December 2025 Finance Bulletin, pointing to generally stable economic conditions accompanied by stronger-than-expected General Fund revenue performance. At the national level, the U.S. unemployment rate increased to 4.6% in November, the highest level since September 2021, reflecting slower job growth and continued disruptions tied to the federal government shutdown. Employment gains for the year remain well below 2024 levels, with job growth concentrated largely in private education and health services.

In California, labor market conditions continued to soften as the state's unemployment rate rose to 5.6% in September, extending a series of job losses throughout 2025. While several sectors posted modest gains, including education, health services, leisure and hospitality, and government, those increases were offset by continued losses in professional services, manufacturing, and trade-related industries. These trends suggest ongoing pressure in sectors sensitive to higher interest rates and slower consumer demand.

Despite these labor market headwinds, state revenue performance remained resilient. Preliminary General Fund agency cash receipts exceeded the Budget Act forecast by \$454 million in November, driven primarily by stronger personal income tax collections. Withholding and estimated payments continued to outperform expectations, while refunds came in below forecast. On a cumulative basis since April, General Fund receipts are \$9.1 billion above projections, providing a stronger near-term fiscal position than anticipated at the start of the fiscal year.

Overall, the bulletin indicates that California enters the first half of 2026 with a degree of fiscal cushion, but with economic indicators that warrant continued monitoring. Sustained strength in personal income taxes may help offset labor market softening in the near term, though prolonged employment weakness or further declines in consumer and business activity could place downward pressure on revenues later in the fiscal year.

Budget pressures will have an impact on how the Legislature reacts to various policy proposals as well as on potential opportunities to secure funding for priority projects. These pressures could impact priorities important to EOCWD.

CAP AND INVEST AUCTION REVENUES

In its December 9 publication, the Legislative Analyst's Office (LAO) reported preliminary results from the November 2025 Cap and Invest quarterly auction, noting that the California Air Resources Board (CARB) expects the state to receive approximately \$844 million in revenue, to be deposited into the Greenhouse Gas Reduction Fund (GGRF). This figure is nearly comparable to the August auction results and slightly below the quarterly revenue assumption used in this year's budget, which projected roughly \$870 million per quarter. Compared to the auction this time last year, revenues dropped by approximately \$150 million. If this trend continues, the LAO indicates that the total 2025-26 GGRF revenues could fall roughly \$100 million below budget assumptions, potentially necessitating early or mid-year budget adjustments to discretionary allocations.

The LAO highlights that if auction revenues continue at recent levels, the GGRF could generate around \$3.4 billion in auction revenue in 2026-27, with an anticipated \$600 million in interest income. Even with both revenue sources, total funds may fall short of the \$4.3 billion statutory allocation, potentially creating funding gaps for program commitments. Auctions will resume in February and May of 2026.

Looking ahead to the 2026-27 fiscal year, SB 840 (Limón) modifies the allocation of GGRF revenues, shifting some funding from a percentage-based to a fixed-dollar allocation and altering the funding sequence. Under the new statutory structure, the allocations approved by SB 840 would require roughly \$4.3 billion annually to fully fund identified programs, discretionary appropriations, and administrative costs. In addition, statutory legislative intent expressed through SB 840 and AB 102 identifies up to \$1.5 billion in potential discretionary uses, including support for fire protection costs, transit passes, and climate innovation.

GOVERNOR RELEASES 2026-27 BUDGET PROPOSAL

On January 9, Department of Finance Director Joe Stephenshaw presented Governor Newsom's final January Budget Proposal for the 2026-27 Budget, setting the stage for state funding negotiations with the Legislature. Revenue volatility, a modest deficit, federal policy uncertainty, and fiscal prudence were front and center as the Director indicated any major spending changes would be released with the May Revision once the State fully accounts for revenues and spending over the coming months.

During the Governor's State of the State Address on January 8, he provided a preview of his January Budget with an optimistic outlook on progress towards shared goals of his Administration and the Legislature. This preview highlighted funding initiatives in education, workforce

development, climate resilience, and a reauthorization of the CalCompetes Tax Credit for innovation and business growth in the state.

Considering potential changes in revenue compared to projections, Director Stephenshaw reiterated that there would be no new adjustments or significant discretionary spending increases. The majority of new expenditures are driven by constitutional requirements due to increased revenue in the budget year. The Director indicated Governor Newsom would present the May Revision, as it would be his final budget presentation during his tenure as Governor and would more accurately reflect the state's fiscal positioning.

Key Themes and Budget Highlights:

Total spending under the Governor's proposed budget is \$348.9 billion, including \$248.3 billion from the General Fund. Because the budget projects revenues of \$42.3 billion above the 2025–26 Budget Act across the 2025–26 and 2026–27 budget window, the State Constitution triggers additional required allocations. These include increased funding under Proposition 98, which establishes minimum funding levels for K–14 education, and contributions under Proposition 2 to the Public School System Stabilization Account, the state's constitutional rainy-day fund for schools and community colleges.

A modest deficit of \$2.9 billion is projected for the 2026–27 budget year, driven largely by increases in constitutionally and statutorily required spending. Director Stephenshaw noted that the shortfall is largely addressed by reducing planned deposits to the Budget Stabilization Account in the 2025–26 fiscal year. Last November, the Legislative Analysts Office (LAO) projected a \$17.6 billion deficit – a nearly \$15 billion contrast to the Governor's estimates. Director Stephenshaw noted the difference is accounted for mostly by the LAO's broader economic outlook, anticipating a sharper decline in stock market performance, driving down state revenues.

To prepare for anticipated future deficits and ongoing revenue volatility, the proposed budget increases total state reserves to \$23 billion, including an approximately \$3 billion deposit to the rainy-day fund, while suspending a scheduled \$2.8 billion deposit in 2025–26. This adjustment accounts for nearly the entire projected deficit. The Director emphasized that the budget solution avoids new taxes or programmatic cuts and generally maintains prior investment levels.

Despite this approach, significant fiscal risks remain as the state moves toward finalizing the budget. Stock market volatility, particularly within the technology sector and emerging artificial intelligence (AI) industries, combined with uncertainty surrounding federal policy, including the potential impacts of tariffs and restrictive monetary policy, could affect revenue performance.

WATER

As California continues to face increasingly severe weather extremes, including droughts, floods, and rising temperatures, the Administration has sought to build more resilient water systems through targeted climate investments. While overall natural resources funding is significantly reduced in the proposed budget, several adjustments are included to support water resilience statewide:



- \$9.5 million in ongoing General Fund support for the Department of Water Resources to maintain 24-hour river forecasting and snow course measurement activities that are critical to water supply forecasting. This funding offsets recent federal reductions in these areas.
- \$14 million one-time General Fund for the Department of Water Resources Delta Levees Program to support mitigation activities required for the implementation of levee safety projects in the Delta.
- \$25 million one-time, consisting of \$9.5 million from Proposition 1 and \$15.5 million from Proposition 4, for the Department of Water Resources to implement the Eastside Bypass Control Structure Fish Passage Rock Ramp project.

CLIMATE CHANGE

With respect to climate, natural resources, and infrastructure, the Budget maintains prior-year commitments rather than introducing new large-scale initiatives. Since 2019, the state has committed \$39.1 billion to climate-related investments, including clean energy, transportation, wildfire resilience, and climate adaptation projects. The Administration emphasizes implementation and delivery of these investments.

This budget continues these commitments and initiatives on the heels of the reauthorization of the Cap-and-Invest program to allocate funds to the Greenhouse Gas Reduction Fund, broken down into three tiers in order of funding priority:

Tier 1: Manufacturing Tax Credit, State Operations, State Responsibility Area Backfill, and the Legislative Counsel Climate Bureau.

Tier 2: \$1 billion for High-Speed Rail and \$1 billion for discretionary funding. Of the \$1 billion in discretionary funding, \$250 million is reserved in 2026-27 for various investments identified in SB 840. The remaining \$750 million from the \$1 billion in discretionary funding supports the CAL FIRE General Fund backfill.

Tier 3: Previous percentage-based continuous appropriations are now capped dollar amounts, with proportionately related allocations that adjust downwards as necessary to ensure Tiers 1 and 2 are fully funded. The 2026-27 proposed budget also maintains the 2025 Budget Act commitment to CAL FIRE with \$1.25 billion in 2026-27, \$500 million in 2027-28, and \$500 million in 2028-29.

Climate Bond

Continuing the rollout of funding from the 2024 Climate Bond, the Governor's Budget proposes to allocate \$2.1 billion in 2026-27 for projects that protect communities and natural resources from the impacts of climate change. Out of this amount, \$314 million will be dedicated to wildfire and landscape resilience through local fire prevention grants, fire resilience, and risk reduction projects.

The Safe Drinking Water, Drought, Flood, and Water Resilience category receives the largest allocation from the bond to support infrastructure to improve drinking water quality, increase water supply reliability, recharge groundwater, protect against drought, and fortify flood control systems.



For wildfire and forest resilience, bond funding is dedicated to reducing wildfire risk and improving forest health, particularly in areas vulnerable to catastrophic fire. Projects include forest thinning and vegetation management to reduce fuel loads, restoration of degraded forest ecosystems, and fire risk reduction activities in Wildland-Urban Interface (WUI) zones. Coastal Resilience funding supports projects along California's coast that guard against sea level rise, coastal flooding, and erosion. Grants may be directed toward wetland and dune restoration, shoreline stabilization, and bay shoreline flood management. It also provides resources to support local planning efforts, enabling coastal communities to update their hazard mitigation plans.

Below is a more detailed chart of the Climate Bond Expenditure Plan:

CLIMATE BOND EXPENDITURE PLAN		
Investment Category	Bond Allocation	2026-27 Proposed
Safe Drinking Water, Drought, Flood & Water Resilience	\$3.8 billion	\$792 million
Wildfire & Forest Resilience	\$1.5 billion	\$314 million
Coastal Resilience	\$1.2 billion	\$107 million
Extreme Heat Mitigation	\$450 million	\$241 million
Biodiversity & Nature Based Solutions	\$1.2 billion	\$199 million
Climate Smart Agriculture	\$200 million	\$89 million
Outdoor Access	\$700 million	\$35 million
Clean Air & Energy	\$850 million	\$326 million
Total	\$10 billion	\$2.1 billion

FEDERAL UPDATES

LEGISLATIVE BRANCH ACTIVITY:

Congress Sees Minimal Progress on FY26 Funding Bills, Efforts Ongoing in Both Chambers

Efforts were ongoing in December to finalize the appropriations process for Fiscal Year 2026 as [HR 5371](#) the continuing resolution (CR), which reopened the federal government is set to expire on January 30, 2026. The House and the Senate remain stalled on advancing a minibus package combining between three and five of the nine remaining full-year appropriations bills left to pass.

The House is working towards a smaller set of three to four bills, while the Senate is seeking to advance five bills covering Defense, Labor-HHS-Education, Transportation-HUD, Commerce-Justice-Science, and Interior programs. The Senate's proposal would contain the vast majority of



discretionary spending alongside Community Projects Funding and Congressionally-Directed Spending requests, also known as earmarks. Some Senators are keeping the Senate from advancing their minibus over the size of the packages, objections to the inclusion of earmarks, and previous legislative promises given during the first shutdown by Senate Majority Leader John Thune.

In parallel, Democrats have not yet been included in negotiating the bills, which require 60 votes in the Senate and therefore must be bipartisan. Aside from the policy language usually attached to the legislation, leadership has not yet finalized topline funding numbers for each bill and some of the larger funding accounts, which would allow committee staff to begin compiling floor-ready legislation. It generally takes six weeks for staff to draft and vet floor-ready bills once topline numbers have been agreed to. In theory, a tighter timeline is attainable if appropriators are able to finalize more detailed negotiations, but the shortened timeframe increases the risk of a second, albeit partial, government shutdown.

House Passes Permitting Reform Efforts, Work Expected to Continue Into 2026

During the two weeks of session in December, the House worked through a number of permitting reform bills intended to streamline and reform the National Environmental Review Act (NEPA) environmental review process for certain infrastructure projects and bring federal law into compliance with a Supreme Court decision regarding the definition of Waters of the United States (WOTUS).

On December 9, the House passed [HR 4503](#), the ePermit Act, on a bipartisan vote. The bill would digitize and streamline National Environmental Policy Act (NEPA) reviews for certain federally subsidized projects. The measure would require the Council on Environmental Quality (CEQ) to develop and implement software that would centralize data relevant to a project, allowing multiple agencies and offices to access it and avoid redundant work.

On December 11, the House passed [HR 3898](#), the PERMIT Act, which would limit the scope of the Clean Water Act by creating exclusions for certain projects and waterways that could be considered “navigable” and making other changes to the definition of Waters of the United States (WOTUS). The Environmental Protection Agency recently released a [proposed rule](#) making additional modifications to WOTUS definitions.

On December 12, the House passed [HR 3668](#), the Improving Interagency Coordination for Pipeline Reviews Act, which would centralize environmental review authority for interstate natural gas pipeline projects with the Federal Energy Regulatory Commission (FERC).

The week of December 15, the House passed [HR 4776](#), the SPEED Act, a bipartisan NEPA reform package that would notably create effective equivalency for CEQA and NEPA reviews and limit the types of projects subject to a full NEPA review, and [HR 3632](#), the Power Plant Reliability Act of 2025, would allow FERC to delay power plant retirements and has the potential to bias generation towards older, and potentially less efficient, fossil fuel power sources.

[HR 3616](#), the Reliable Power Act, would create a new process for determining and prioritizing grid stability when the federal government, via the North American Electric Reliability Corporation (NERC) and FERC, assesses the grid impacts of new regulations imposed by other federal agencies or states. Under the bill, FERC would be required to review the proposals and provide recommendations on how to prevent a negative impact on bulk-power systems. The agencies wouldn't be allowed to finalize the proposals without FERC approval.



The Senate is anticipated to consider the bills in the Spring as the House continues to work on regulatory reforms to make federally funded construction easier.

Housing for the 21st Century Act Introduced, Promises Housing Policy Reforms

On December 11, [HR 6644](#), the Housing for the 21st Century Act, was introduced by House Financial Services Committee Chairman French Hill and Ranking Member Maxine Waters. The Committee also provided [an analysis](#) of the legislation.

The introduction of the bill follows the Chairman's successful effort to remove [S 2651](#), the ROAD to Housing Act, from the 2026 National Defense Authorization Act, which became law in mid-December. The Housing for the 21st Century Act has significant overlap with housing policy changes, though it is significantly less prescriptive than the Road to Housing Act.

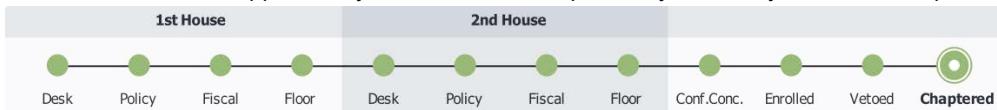
The bill would require the Department of Housing and Urban Development (HUD) to produce zoning recommendations, reclassify housing projects exempt from NEPA reviews, order the government to create policy definitions for middle-income and workforce housing, update HOME Investment Partnerships, reform Community Development Block Grants (CDBG) and make them contingent on reviews of local land use policies, and creates baseline policies for manufactured homes.

The Committee on Financial Services included the Housing for the 21st Century Act in a December 17 [markup](#). The Chairman expressed confidence that the bill would be brought for a vote on the floor in Spring 2026.

East Orange County Water District Legislative Matrix

AB 263 **(Rogers, D)** Scott River: Shasta River: watersheds.

Status: 09/26/2025 - Approved by the Governor. Chaptered by Secretary of State - Chapter 130, Statutes of 2025.

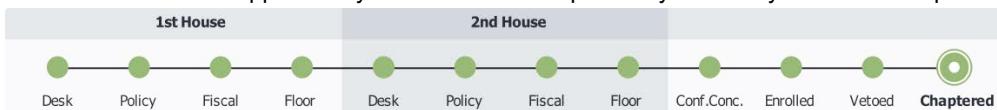


Location: 09/26/2025 - Assembly CHAPTERED

Summary: Current law provides that an emergency regulation adopted by the State Water Resources Control Board following a Governor's proclamation of a state of emergency based on drought conditions, for which the board makes specified findings, may remain in effect for up to one year, as provided, and may be renewed if the board determines that specified conditions relating to precipitation are still in effect. This bill would provide that specified emergency regulations adopted by the board for the Scott River and Shasta River watersheds shall remain in effect until January 1, 2031, or until permanent rules establishing and implementing long-term instream flow requirements are adopted for those watersheds, whichever occurs first. (Based on 09/26/2025 text)

AB 288 **(McKinnor, D)** Employment: labor organization and unfair practices.

Status: 09/30/2025 - Approved by the Governor. Chaptered by Secretary of State - Chapter 139, Statutes of 2025.

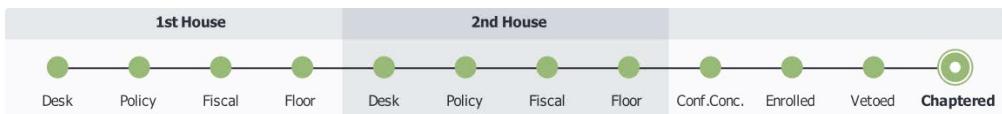


Location: 09/30/2025 - Assembly CHAPTERED

Summary: Current law declares the public policy of the state regarding labor organization, including, among other things, that it is necessary for a worker to have full freedom of association, self-organization, and designation of representatives of their own choosing, to negotiate the terms and conditions of their employment, and to be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection. Current law establishes the Public Employment Relations Board (PERB) in state government as a means of resolving disputes and enforcing the statutory duties and rights of specified public employers and employees under various acts regulating collective bargaining. Under existing law, PERB has the power and duty to investigate an unfair practice charge and to determine whether the charge is justified and the appropriate remedy for the unfair practice. The federal National Labor Relations Act (NLRA) establishes a comprehensive statutory scheme regulating unfair labor practices on the part of employers and labor organizations in industries affecting interstate commerce, and vests in the National Labor Relations Board (NLRB) the power to conduct elections to determine employee representatives and to prevent unfair labor practices affecting commerce. The California Public Records Act requires that public records, as defined, be available to the public for inspection and made promptly available to any person. This bill would expand PERB's jurisdiction by authorizing a worker, under specified circumstances, to petition PERB to protect and enforce prescribed rights, including, among other circumstances, if the worker is employed in a position subject to the NLRA but the NLRB expressly or impliedly cedes jurisdiction, as specified. The bill would authorize PERB to, among other things, decide unfair labor practice cases, as specified, pursuant to a specified timeline and order all appropriate relief for a violation, including civil penalties, as prescribed. In order to pursue relief from PERB, the bill would require a covered worker or their representative to file an unfair practice charge or petition that includes specified information, including, where applicable, the original charge or petition filed with the NLRB. The bill would require PERB to hold the supporting documentation and evidence confidential and maintain it as part of its investigatory file and would exempt this documentation and evidence from the California Public Records Act. (Based on 09/30/2025 text)

AB 293 **(Bennett, D)** Groundwater sustainability agency: transparency.

Status: 10/06/2025 - Approved by the Governor. Chaptered by Secretary of State - Chapter 359, Statutes of 2025.



Location: 10/06/2025 - Assembly CHAPTERED

Summary: Current law requires a groundwater sustainability plan to be developed and implemented for each medium- or high-priority basin by a groundwater sustainability agency. Current law authorizes any local agency or combination of local agencies overlying a groundwater basin to decide to become a groundwater sustainability agency for that basin, as provided. Current law requires members of the board of directors and the executive, as defined, of a groundwater sustainability agency to file statements of economic interests with the Fair Political Practices Commission using the commission's online system for filing statements of economic interests. This bill would require each groundwater sustainability agency to publish the membership of its board of directors on its internet website, or on the local agency's internet website, as provided. The bill would also require each groundwater sustainability agency to publish a link on its internet website or its local agency's internet website to the location on the Fair Political Practices Commission's internet website where the statements of economic interests, filed by the members of the board and executives of the agency, can be viewed. (Based on 10/06/2025 text)

AB 339 ([Ortega, D](#)) Local public employee organizations: notice requirements.

Status: 10/13/2025 - Approved by the Governor. Chaptered by Secretary of State - Chapter 687, Statutes of 2025.



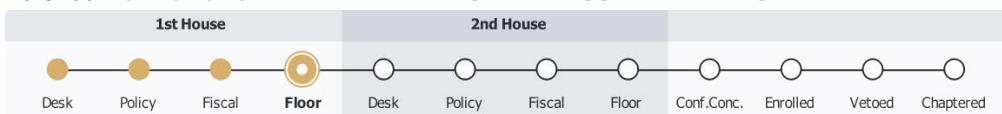
Location: 10/13/2025 - Assembly CHAPTERED

Summary: The Meyers-Milias-Brown Act contains various provisions that govern collective bargaining of local represented employees and delegates jurisdiction to the Public Employment Relations Board to resolve disputes and enforce the statutory duties and rights of local public agency employers and employees. Current law requires the governing body of a public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations. Current law requires the governing body of a public agency, and boards and commissions designated by law or by the governing body, to give reasonable written notice, except in cases of emergency, as specified, to each recognized employee organization affected of any ordinance, rule, resolution, or regulation directly relating to matters within the scope of representation proposed to be adopted by the governing body or the designated boards and commissions. This bill would require the governing body of a public agency, and boards and commissions designated by law or by the governing body of a public agency, to give the recognized employee organization no less than 45 days' written notice before issuing a request for proposals, request for quotes, or renewing or extending an existing contract to perform services that are within the scope of work of the job classifications represented by the recognized employee organization, subject to certain exceptions. The bill would require the notice to include specified information, including the anticipated duration of the contract. (Based on 10/13/2025 text)

AB 362 ([Ramos, D](#)) Water policy: California tribal communities.

Status: 01/12/2026 - From inactive file. Ordered to third reading.

Calendar: [01/16/26 #87 A-THIRD READING FILE - ASSEMBLY BILLS](#)

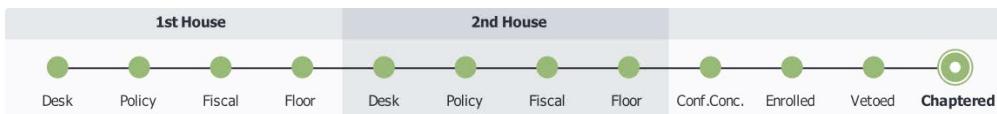


Location: 01/12/2026 - Assembly THIRD READING

Summary: The Porter-Cologne Water Quality Control Act establishes a statewide program for the control of the quality of all the waters in the state and makes certain legislative findings and declarations. Current law defines the term "beneficial uses" for the purposes of water quality as certain waters of the state that may be protected against quality degradation, to include, among others, domestic, municipal, agricultural, and industrial supplies. This bill would add findings and declarations related to California tribal communities, as defined, and the importance of protecting tribal water use. The bill would add tribal water uses as waters of the state that may be protected against quality degradation for purposes of the defined term "beneficial uses." (Based on 04/21/2025 text)

AB 367 ([Bennett, D](#)) Water: County of Ventura: fire suppression.

Status: 10/13/2025 - Approved by the Governor. Chaptered by Secretary of State - Chapter 690, Statutes of 2025.



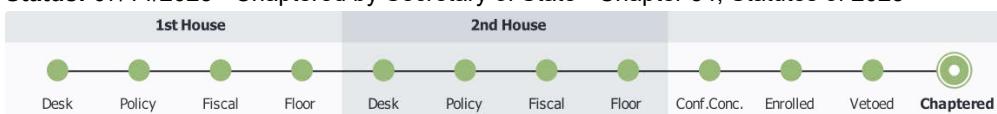
Location: 10/13/2025 - Assembly CHAPTERED

Summary: Would, beginning July 1, 2030, require a water supplier, as defined, to have access to sufficient backup energy sources to operate critical fire suppression infrastructure, as defined, needed to supply water for at least 24 hours for the purpose of fire suppression in high or very high fire hazard severity zones in the County of Ventura, or to have access to alternative sources of water supplied by a different water supplier or agency that can serve this same purpose of supplying backup water to critical wells and water pumps for 24 hours, as provided. The bill would require the water supplier to take various actions, including annually inspecting critical fire suppression infrastructure and backup energy sources and notifying the Ventura County Office of Emergency Services within 3 business days of any reduction in its water delivery capacity that could substantially hinder firefighting operations or significantly delay the replenishment of reservoirs. The bill would require, if any fire damages and makes uninhabitable more than 10 residential dwellings within the service area of a water supplier, a report be made by the Ventura County Fire Department in cooperation with the water supplier, as specified. By levying new requirements on the Ventura County Fire Department, this bill would create a state-mandated local program. (Based on 10/13/2025 text)

AB 370

(Carrillo, D) California Public Records Act: cyberattacks.

Status: 07/14/2025 - Chaptered by Secretary of State - Chapter 34, Statutes of 2025



Location: 07/14/2025 - Assembly CHAPTERED

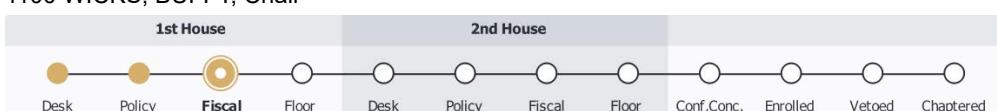
Summary: The California Public Records Act requires state and local agencies to make their records available for public inspection, except as specified. Current law requires each agency, within 10 days of a request for a copy of records, to determine whether the request seeks copies of disclosable public records in possession of the agency and to promptly notify the person of the determination and the reasons therefor. Current law authorizes that time limit to be extended by no more than 14 days under unusual circumstances, and defines "unusual circumstances" to include, among other things, the need to search for, collect, and appropriately examine records during a state of emergency when the state of emergency currently affects the agency's ability to timely respond to requests due to staffing shortages or closure of facilities, as provided. This bill would also expand the definition of unusual circumstances to include the inability of the agency, because of a cyberattack, to access its electronic servers or systems in order to search for and obtain a record that the agency believes is responsive to a request and is maintained on the servers or systems in an electronic format. (Based on 07/14/2025 text)

AB 405

(Addis, D) Fashion Environmental Accountability Act of 2025.

Status: 05/23/2025 - In committee: Hearing postponed by committee. (Set for hearing on 01/22/2026)

Calendar: 01/22/26 A-APPROPRIATIONS SUSPENSE Upon adjournment of Session - 1021 O Street, Room 1100 WICKS, BUFFY, Chair



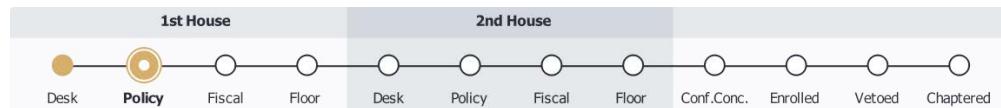
Location: 01/09/2026 - Assembly APPR. SUSPENSE FILE

Summary: Would enact the Fashion Environmental Accountability Act of 2025 and would require fashion sellers to carry out effective environmental due diligence, as provided. The bill would vest the Department of Toxic Substances Control with jurisdiction over fashion sellers' compliance with ensuring that a fashion seller's covered fashion products, as defined, do not contain any regulated chemicals, as defined, above thresholds the act would establish, as provided. The bill would authorize the department to adopt regulations to implement, enforce, interpret, or make specific portions of the act under its jurisdiction, as provided. The bill would vest the state board with jurisdiction over a fashion seller's environmental due diligence under the act pertaining to emissions of greenhouse gases. The bill would require a fashion seller, in carrying out its effective environmental due diligence, to comply with certain environmental guidelines that, at a minimum, require the fashion seller to, among other things, embed responsible business conduct in its policies and management systems, identify areas of significant risks of societal and ecological harms from its own activities and its supply chain relationships, identify, prioritize, and assess the significant potential and actual adverse impacts of those risks, and cease, prevent, or mitigate those risks, as provided. The bill would require a fashion seller, beginning July 1, 2027, and annually thereafter, to submit to the department and the state board an Environmental Due Diligence Report pertaining to the effective environmental due diligence performed by the fashion seller for the prior calendar year, as provided. The bill would specify that fashion sellers are reporting entities for purposes of above-described public disclosure requirement for

emissions of greenhouse gases and would require the disclosure be reported on their Environmental Due Diligence Report. The bill would require a fashion seller, in carrying out its environmental due diligence, to establish, on or before July 1, 2027, a quantitative baseline for their emissions of greenhouse gases and targets for reductions in the emissions of greenhouse gases in the near-term and long-term covering their scopes 1, 2, and 3 emissions, as provided. (Based on 05/01/2025 text)

AB 497 (Wilson, D) San Francisco Bay/Sacramento-San Joaquin Delta Estuary Water Quality Control Plan: update: substitute environmental document: exemption.

Status: 01/06/2026 - Re-referred to Com. on W. P., & W.

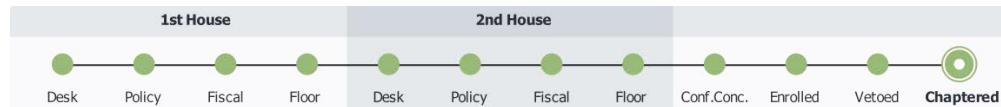


Location: 01/05/2026 - Assembly Water, Parks and Wildlife

Summary: The Porter-Cologne Water Quality Control Act establishes a statewide program for the control of the quality of all the waters in the state and makes certain legislative findings and declarations. Current law establishes the State Water Resources Control Board to exercise the adjudicatory and regulatory functions of the state in the field of water resources. Pursuant to its authority, the board adopted the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta Plan) that, among other things, establishes objectives to protect the beneficial uses of the water and prevent nuisance within the waters specified in the Bay-Delta Plan. The California Environmental Quality Act (CEQA), requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. This bill would require the board to adopt an update to the Bay-Delta Plan that addresses the Sacramento River and its tributaries, Sacramento-San Joaquin Delta (Delta) eastside tributaries, and the Delta no later than August 31, 2026. The bill would exempt the board from the requirements to prepare, provide for review, transmit to state agencies, and include written or oral responses to comments on a specified draft substitute environmental document, as provided. (Based on 01/05/2026 text)

AB 538 (Berman, D) Public works: payroll records.

Status: 10/11/2025 - Approved by the Governor. Chaptered by Secretary of State - Chapter 616, Statutes of 2025.

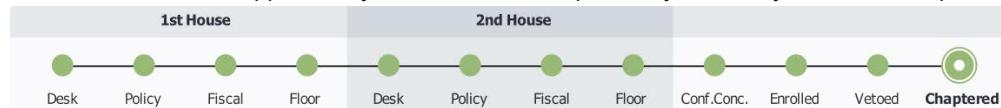


Location: 10/11/2025 - Assembly CHAPTERED

Summary: Current law requires the Labor Commissioner to investigate allegations that a contractor or subcontractor violated the law regulating public works projects, including the payment of prevailing wages. Current law requires each contractor and subcontractor on a public works project to keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the contractor or subcontractor in connection with the public work. Current law requires certified copies of records to be available upon request by the public and sets forth a process for the public to request the records either through the awarding body or the Division of Labor Standards Enforcement. Current law makes any contractor, subcontractor, agent, or representative who neglects to comply with the requirements to keep accurate payroll records guilty of a misdemeanor. This bill would require the awarding body, if a request is made by the public through the awarding body and the body is not in possession of the certified records, to obtain those records from the relevant contractor and make them available to the requesting entity. The bill would authorize the Division of Labor Standards Enforcement to enforce certain penalties if a contractor fails to comply with the awarding body's request within 10 days of receipt of the notice. (Based on 10/11/2025 text)

AB 754 (Connolly, D) Floating home marinas: rent caps: County of Marin.

Status: 10/10/2025 - Approved by the Governor. Chaptered by Secretary of State - Chapter 498, Statutes of 2025.



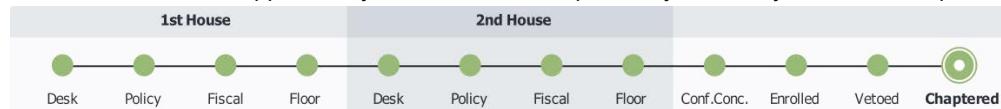
Location: 10/10/2025 - Assembly CHAPTERED

Summary: The Floating Home Residency Law prescribes various terms and conditions on tenancies in floating home marinas, as defined. Current law, until January 1, 2030, prohibits management of a floating home marina located in the Counties of Alameda, Contra Costa, or Marin from increasing the gross rental rate for a tenancy for

a floating home berth in a floating home marina more than 3% plus the percentage change in the cost of living, or 5%, whichever is lower, of the lowest gross rental rate charged for a tenancy at any time during the 12 months prior to the effective date of the increase. Current law prohibits management of a floating home marina from increasing the rent of a new homeowner that purchases a floating home in the marina if the purchase qualifies as an in-place transfer, as defined. This bill would, until January 1, 2038, prohibit management of a floating home marina located in the County of Marin from increasing the above-described rent more than the percent change in the cost of living, as specified, over the course of any 12-month period. The bill would require management to provide notice of any rental rate increases to each homeowner, as specified. The bill would specify that its provisions apply to rent increases for a tenancy in a floating home marina occurring on or after July 1, 2025. The bill would provide that in the event that management increases the rent by more than the amount specified above between July 1, 2025, and January 1, 2026, then the applicable rent on January 1, 2026, is the rent as of July 1, 2025, plus the maximum permissible increase, and that management is not liable to the homeowner for any corresponding rent overpayment. (Based on 10/10/2025 text)

AB 790 (Ávila Farias, D) Homelessness: single women with children.

Status: 10/10/2025 - Approved by the Governor. Chaptered by Secretary of State - Chapter 499, Statutes of 2025.



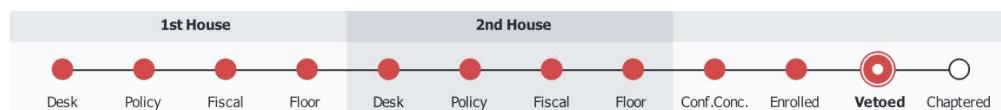
Location: 10/10/2025 - Assembly CHAPTERED

Summary: Current law requires cities, counties, and continuums of care receiving state funding to address homelessness on or after January 1, 2024, to include families, people fleeing or attempting to flee domestic violence, and unaccompanied women within the vulnerable populations for whom specific system supports are developed to maintain homeless services and housing delivery. Current law also requires the cities, counties, and continuums of care to develop analyses and goals with victim service providers to address the specific needs of the above-described population with data measures not included within the Homeless Management Information System, in accordance with federal policies and specified guidelines. Current law requires the Interagency Council on Homelessness to set and measure progress on goals to prevent and end homelessness among domestic violence survivors and their children and among unaccompanied women in California. This bill would specifically include women with children in the populations described above. The bill would require the cities, counties, and continuums of care developing the analyses and goals described above to the Interagency Council on Homelessness. (Based on 10/10/2025 text)

AB 823 (Boerner, D) Solid waste: plastic microbeads: plastic glitter.

Status: 10/11/2025 - Vetoed by Governor. Consideration of Governor's veto pending.

Calendar: 01/16/26 #55 A-GOVERNOR'S VETOES

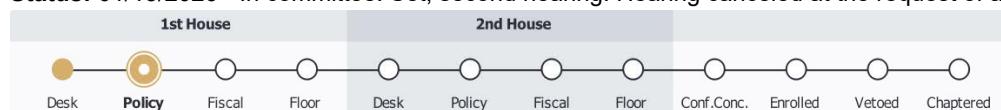


Location: 10/11/2025 - Assembly VETOED

Summary: The Plastic Microbeads Nuisance Prevention Law prohibits a person, as defined, from selling or offering for promotional purposes in this state a personal care product containing plastic microbeads that are used to exfoliate or cleanse in a rinse-off product, including, but not limited to, toothpaste. Existing law exempts a product containing less than one part per million (ppm) by weight of plastic microbeads from the prohibition. The Plastic Microbeads Nuisance Prevention Law imposes a civil penalty not to exceed \$2,500 per day for each violation of the prohibition, as provided, and authorizes the Attorney General and local officials to enforce the prohibition. This bill would, on and after January 1, 2029, prohibit a person from selling, offering for sale, distributing, or offering for promotional purposes in this state a personal care product containing plastic glitter, or a personal care product in a non-rinse-off product or a cleaning product containing one ppm or more by weight of plastic microbeads that are used as an abrasive, as specified. The bill would authorize, until January 1, 2030, a person to continue to sell, offer for sale, distribute, or offer for promotional purposes in this state an existing stock of personal care products containing plastic glitter, as specified. By adding these prohibitions to the Plastic Microbeads Nuisance Prevention Law, the bill would impose the civil penalty for violations of these prohibitions. (Based on 09/05/2025 text)

AB 1218 (Soria, D) Copper theft.

Status: 01/13/2026 - In committee: Set, second hearing. Hearing canceled at the request of author.



Location: 12/16/2025 - Assembly Public Safety

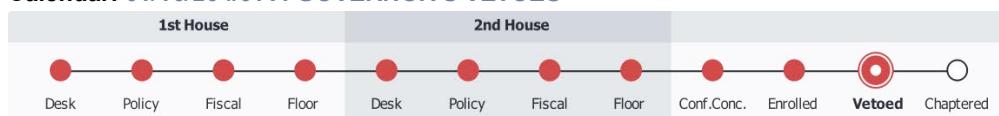
Summary: Under existing law it is grand theft to steal copper materials valued at more than \$950. A violation of this provision is punishable either as a misdemeanor or a felony by imprisonment in county jail and specified fines. This bill would make it a crime to unlawfully possess copper materials, as specified. The bill would define what it means to "unlawfully possess" copper materials to include possessing without documentation proving lawful possession. The bill would prescribe the information that constitutes proof of lawful possession, as specified, including the identity of the seller and the date of the transaction. By expanding the scope of a crime, this bill would impose a state-mandated local program. The bill would also prohibit a person from falsifying any record intending to show proof of lawful possession. By creating a new crime, this bill would impose a state-mandated local program. Existing law prohibits any collector or dealer of metals to purchase certain junk metals, as specified, without first ascertaining that the seller legally possesses the materials. Existing law also requires the dealer to obtain evidence of the identity of the seller, including, but not limited to, the seller's name and address. This bill would require any collector or dealer of metals to ascertain the location from which the purchased material was obtained. Existing law makes it a crime for a person who is engaged in the salvage, recycling, purchase, or sale of scrap metal to possess certain items that have been stolen or obtained by theft or extortion, as specified, and requires that the person knew or reasonably should have known that the property was stolen or failed to report possession of the items, as specified. This bill would additionally prohibit a person who is engaged in the salvage, recycling, purchase, or sale of scrap metal, as specified, from possessing certain items knowing that those items were possessed without proof of lawful possession. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason. (Based on 03/24/2025 text)

AB 1373

(Soria, D) Water quality: state certification.

Status: 10/11/2025 - Vetoed by Governor. Consideration of Governor's veto pending.

Calendar: 01/16/26 #61 A-GOVERNOR'S VETOES



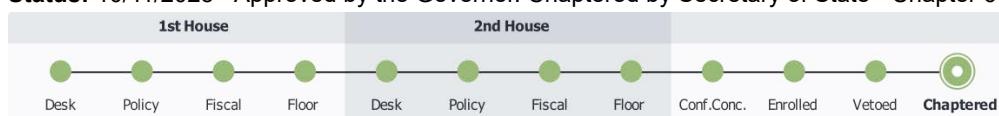
Location: 10/11/2025 - Assembly VETOED

Summary: Under existing law, the State Water Resources Control Board and the California regional water quality control boards prescribe waste discharge requirements in accordance with the Federal Water Pollution Control Act and the Porter-Cologne Water Quality Control Act. Under federal law, any applicant seeking a federal license or permit for an activity that may result in any discharge into the navigable waters of the United States is required to first seek a state water quality certification, as specified. The Porter-Cologne Water Quality Control Act authorizes the state board to certify or provide a statement to a federal agency, as required pursuant to federal law, that there is reasonable assurance that an activity of any person subject to the jurisdiction of the state board will not reduce water quality below applicable standards. The federal act provides that if a state fails or refuses to act on a request for this certification within a reasonable period of time, which shall not exceed one year after receipt of the request, then the state certification requirements are waived with respect to the federal application. This bill would require the state board, if requested by the applicant within 14 days of an initial draft certification being issued, to hold a public hearing at least 21 days before taking action on an application for certification for a license to operate a hydroelectric facility, as provided. The bill would, if a public hearing is requested on the draft certification, prohibit the authority to issue a certification for a license to operate a hydroelectric facility from being delegated. The bill would authorize the state board to include in its fee schedule for hydroelectric facility applicants an amount up to the reasonable costs incurred by the state board in implementing these provisions. (Based on 09/16/2025 text)

AB 1466

(Hart, D) Groundwater adjudication.

Status: 10/11/2025 - Approved by the Governor. Chaptered by Secretary of State - Chapter 643, Statutes of 2025.



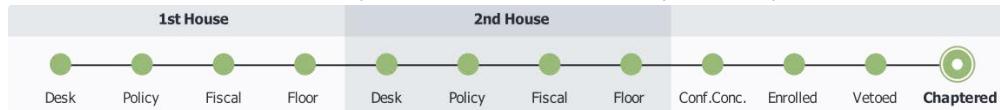
Location: 10/11/2025 - Assembly CHAPTERED

Summary: Current law establishes procedures for the comprehensive adjudication of groundwater rights in civil court. Under current law, if the court finds that claims of right to extract or divert only minor quantities of water, as defined, would not have a material effect on the groundwater rights of other parties, the court may exempt those claimants from the proceedings, except as specified. Current law further prescribes that a judgment in a comprehensive adjudication to determine rights to extract groundwater in a basin is not binding on, among others, claimants whose claims have been exempted. This bill would authorize a court, in lieu of the exemption process

described above, to treat persons with claims of right to extract or divert only minor quantities of water separately from other parties to the comprehensive adjudication. (Based on 10/11/2025 text)

SB 31 (McNerney, D) Water quality: recycled water.

Status: 10/13/2025 - Approved by the Governor. Chaptered by Secretary of State. Chapter 736, Statutes of 2025.

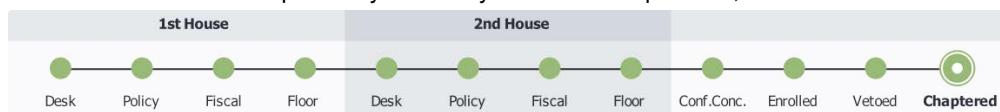


Location: 10/13/2025 - Senate CHAPTERED

Summary: The Water Recycling Law generally provides for the use of recycled water. Current law requires any person who, without regard to intent or negligence, causes or permits an unauthorized discharge of 50,000 gallons or more of recycled water in or on any waters of the state to immediately notify the appropriate regional water board. This bill would, for the purposes of the above provision, redefine "recycled water" and provide that water discharged from a decorative body of water during storm events is not to be considered an unauthorized discharge if recycled water was used to restore levels due to evaporation. (Based on 10/13/2025 text)

SB 72 (Caballero, D) The California Water Plan: long-term supply targets.

Status: 10/01/2025 - Chaptered by Secretary of State - Chapter 210, Statutes of 2025



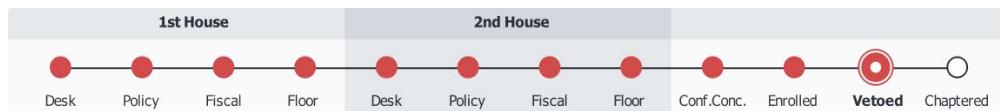
Location: 10/01/2025 - Senate CHAPTERED

Summary: Current law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as "The California Water Plan." Current law requires the department to include a discussion of various strategies in the plan update, including, but not limited to, strategies relating to the development of new water storage facilities, water conservation, water recycling, desalination, conjunctive use, and water transfers, that may be pursued in order to meet the future needs of the state. Current law requires the department to establish an advisory committee to assist the department in updating the plan. This bill would revise and recast certain provisions regarding The California Water Plan to, among other things, require the department to expand the membership of the advisory committee to include, among others, tribes, labor, and environmental justice interests. The bill would require the department, as part of the 2033 update to the plan, to update the interim planning target for 2050, as provided. The bill would require the target to consider the identified and future water needs for all beneficial uses, including, but not limited to, urban uses, agricultural uses, tribal uses, and the environment, and ensure safe drinking water for all Californians, among other things. The bill would require the plan to include specified components, including a discussion of the estimated costs, benefits, and impacts of any project type or action that is recommended by the department within the plan that could help achieve the water supply targets. (Based on 10/01/2025 text)

SB 224 (Hurtado, D) Department of Water Resources: water supply forecasting.

Status: 10/03/2025 - Vetoed by Governor. Consideration of Governor's veto pending.

Calendar: 01/16/26 #9 S-GOVERNOR'S VETOES

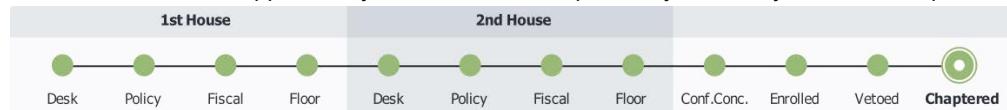


Location: 10/03/2025 - Senate VETOED

Summary: Current law requires the Department of Water Resources to gather and correlate information and data pertinent to an annual forecast of seasonal water crop. Current law also requires the department to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as "The California Water Plan." This bill would require the department, on or before January 1, 2027, to update its water supply forecasting models and procedures to address the effects of climate change and implement a formal policy and procedures for documenting the department's operational plans and the department's rationale for its operating procedures, including the department's rationale for water releases from reservoirs. The bill would also require the department to establish, and publish on the department's internet website, the specific criteria that it will employ to determine when its updated water supply forecasting model has demonstrated sufficient predictive capability to be ready for use in each of the watersheds. The bill would require the department, on or before January 1, 2028, and annually thereafter, to prepare and submit to the Legislature a report on its progress toward implementing the new forecasting model and to post the report on the department's internet website. (Based on 09/13/2025 text)

SB 394**(Allen, D) Water theft: fire hydrants.**

Status: 10/10/2025 - Approved by the Governor. Chaptered by Secretary of State. Chapter 540, Statutes of 2025.



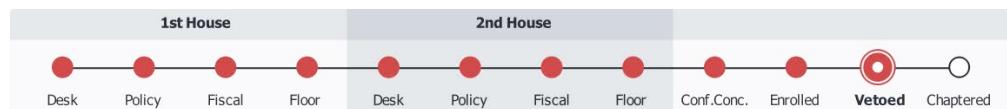
Location: 10/10/2025 - Senate CHAPTERED

Summary: Current law authorizes a utility to bring a civil action for damages against any person who commits, authorizes, solicits, aids, abets, or attempts certain acts, including, diverting or causing to be diverted, utility services by any means whatsoever. Current law creates a rebuttable presumption that there is violation of these provisions if, on premises controlled by the customer or by the person using or receiving the direct benefit of utility service, certain actions occur, including that there is an instrument, apparatus, or device primarily designed to be used to obtain utility service without paying the full lawful charge for the utility. This bill would add to the list of acts for which a utility may bring a civil cause of action under these circumstances to include tampering with a fire hydrant, fire hydrant meter, or fire detector check, or connecting to, diverting water from, or causing water to be diverted from, a fire hydrant without authorization from the utility that owns the fire hydrant, except as provided. (Based on 10/10/2025 text)

SB 454**(McNerney, D) State Water Resources Control Board: PFAS Mitigation Program.**

Status: 10/01/2025 - Vetoed by Governor. Consideration of Governor's veto pending.

Calendar: [01/16/26 #6 S-GOVERNOR'S VETOES](#)

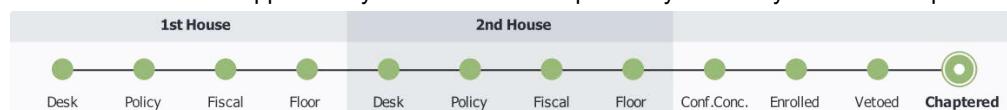


Location: 10/01/2025 - Senate VETOED

Summary: Current law designates the State Water Resources Control Board as the agency responsible for administering specific programs related to drinking water, including, among others, the California Safe Drinking Water Act and the Emerging Contaminants for Small or Disadvantaged Communities Funding Program. This bill, which would become operative upon an appropriation by the Legislature, would enact a perfluoroalkyl and polyfluoroalkyl substances (PFAS) mitigation program. As part of that program, the bill would create the PFAS Mitigation Fund in the State Treasury and would authorize certain moneys in the fund to be expended by the state board, upon appropriation by the Legislature, for specified purposes. The bill would authorize the state board to seek out nonstate, federal, and private funds designated for PFAS remediation and treatment and deposit the funds into the PFAS Mitigation Fund. The bill would continuously appropriate these funds to the state board for specified purposes. The bill would authorize the state board to establish accounts within the PFAS Mitigation Fund. The bill would authorize the state board to expend moneys from the fund in the form of a grant, loan, or contract, or to provide assistance services to water suppliers and sewer system providers, as those terms are defined, for multiple purposes, including, among other things, to cover or reduce the costs for water suppliers associated with treating drinking water to meet the applicable state and federal maximum PFAS contaminant levels. (Based on 09/12/2025 text)

SB 466**(Caballero, D) Drinking water: primary standard for hexavalent chromium: exemption.**

Status: 10/03/2025 - Approved by the Governor. Chaptered by Secretary of State. Chapter 320, Statutes of 2025.

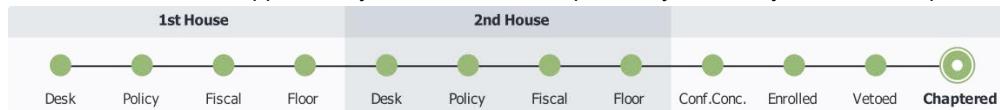


Location: 10/03/2025 - Senate CHAPTERED

Summary: The California Safe Drinking Water Act requires the State Water Resources Control Board to adopt primary drinking water standards for contaminants in drinking water based upon specified criteria and requires a primary drinking water standard to be established for hexavalent chromium. Current law authorizes the state board to grant a variance from primary drinking water standards to a public water system. This bill would prohibit a public water system that meets the total chromium maximum contaminant level (MCL) enforceable standard for drinking water in California from being determined, held, considered, or otherwise deemed in violation of the primary drinking water standard for hexavalent chromium while implementing a state board approved compliance plan or while state board action on the proposed and submitted compliance plan is pending, except as provided. (Based on 10/03/2025 text)

SB 595**(Choi, R) Local government: investments and financial reports.**

Status: 10/03/2025 - Approved by the Governor. Chaptered by Secretary of State. Chapter 323, Statutes of 2025.

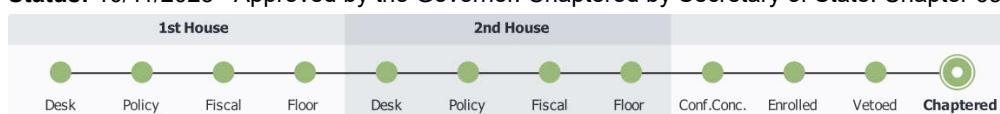


Location: 10/03/2025 - Senate CHAPTERED

Summary: Current law regulates the investment of public funds by local agencies, as defined. Current law authorizes the legislative body of a local agency, as specified, that has money in a sinking fund or in its treasury not required for the immediate needs of the local agency to invest the money as it deems wise or expedient in certain securities and financial instruments, subject to various requirements. These permissible investments include commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical rating organization that is issued by entities meeting certain criteria, if the eligible commercial paper has a maximum maturity of 270 days or less. This bill would revise the maximum maturity periods for the investments in prime quality commercial paper to 397 days. (Based on 10/03/2025 text)

SB 598 (Durazo, D) Public contracts: local water infrastructure projects: Construction Manager/General Contractor project delivery method.

Status: 10/11/2025 - Approved by the Governor. Chaptered by Secretary of State. Chapter 655, Statutes of 2025.



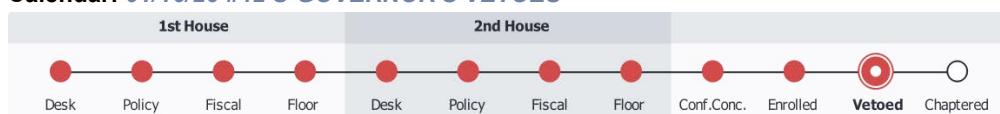
Location: 10/11/2025 - Senate CHAPTERED

Summary: Current law defines the Construction Manager/General Contractor project delivery method (CM/GC method) as a project delivery method in which a construction manager is procured to provide preconstruction services during the design phase of a project and construction services during the construction phase of the project. Under current law, the method allows the contract for construction services to be entered into at the same time as the contract for preconstruction services or at a later time. Current law authorizes the Metropolitan Water District of Southern California to utilize the CM/GC method for regional recycled water projects or other water infrastructure projects under specified conditions. Pursuant to existing law, certain information required to be submitted as part of the CM/GC method is required to be verified under oath. Current law makes the provisions described above pertaining to the CM/GC method effective only until January 1, 2028, and inoperative as of that date. This bill would, until January 1, 2031, authorize a local agency, as defined, upon approval of its governing body, to similarly use the CM/GC method for a regional recycled water project or other water infrastructure project undertaken by the district to alleviate water supply shortages attributable to drought or climate change. The bill would require that authorization to apply to no more than 15 capital outlay projects for each local agency and would require a local agency to award a contract pursuant to the bill on a best value basis or to the lowest responsible bidder. (Based on 10/11/2025 text)

SB 682 (Allen, D) Environmental health: product safety: perfluoroalkyl and polyfluoroalkyl substances.

Status: 10/13/2025 - Vetoed by Governor. Consideration of Governor's veto pending.

Calendar: 01/16/26 #42 S-GOVERNOR'S VETOES



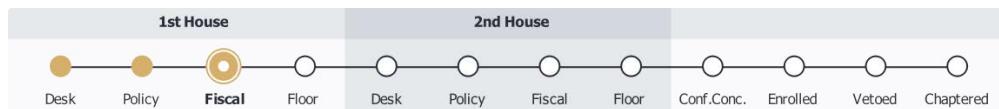
Location: 10/13/2025 - Senate VETOED

Summary: Would, on and after January 1, 2028, prohibit a person from distributing, selling, or offering for sale a cleaning product, dental floss, juvenile product, food packaging, or ski wax, as provided, that contains intentionally added perfluoroalkyl and polyfluoroalkyl substances (PFAS), as defined, except for previously used products and as otherwise preempted by federal law. The bill would, until January 1, 2031, exempt certain components of a cleaning product from this prohibition, as specified. The bill would clarify that, on and after January 1, 2028, a cleaning product is required to comply with certain regulations adopted by the California Air Resources Board regarding volatile organic compounds in consumer products and would prohibit the use of a regulatory variance to comply with those regulations, as specified. The bill would, on and after January 1, 2030, prohibit a person from distributing, selling, or offering for sale cookware that contains intentionally added PFAS, except for previously used products and as otherwise preempted by federal law. The bill would authorize the department, on or before January 1, 2029, to adopt regulations to carry out these provisions. (Based on 09/18/2025 text)

SB 742 (Pérez, D) Electricity: electrical infrastructure: permanently abandoned transmission facilities: emergency response: liaisons.

Status: 01/15/2026 - Read second time and amended. Re-referred to Com. on APPR. Set for hearing January 20.

Calendar: 01/20/26 S-APPROPRIATIONS 10 a.m. - 1021 O Street, Room 2200 CABALLERO, ANNA, Chair



Location: 01/12/2026 - Senate Appropriations

Summary: Current law requires electrical corporations to construct, maintain, and operate their electrical lines and equipment in a manner that will minimize the risk of catastrophic wildfire, as specified. Current law requires electrical corporations to annually prepare and submit wildfire mitigation plans to the Office of Energy Infrastructure Safety for review and approval. This bill would require the commission, on or before January 1, 2027, 2028, to update a general order to require each electrical corporation to remove all permanently abandoned transmission facilities, as specified. This bill would require that an electrical corporation's wildfire mitigation plan also include an accounting of all transmission facilities, including permanently abandoned transmission facilities, and include a plan for how and when each permanently abandoned transmission facility will be removed and the wildfire mitigation measures that are being implemented to prevent hazards, as provided. (Based on 01/15/2026 text)



PUBLIC AFFAIRS

Local Government Affairs Report

Prepared for the
East Orange County Water District Board of Directors

January 22nd, 2026

Due to the recent holiday season activity was limited and several agencies of interest cancelled meetings.

OC LAFCO:

- Project Applications
 - During the current fiscal year, OC LAFCO staff resources have been attributed to an application filed by the Three Arch Bay Community Service District (Three Arch Bay CSD). Three Arch Bay CSD seeks to provide park and recreation services, including lifeguard services, maintenance of recreation facilities, and organization of recreational programs. OC LAFCO must first approve the exercise of any new service by a district. The application is expected to be presented to the Commission for consideration during the initial months of 2026.
 - In December 2025, OC LAFCO staff received an application from the City of Irvine for the proposed annexation of approximately 1.97 acres located in two unincorporated “notch areas” located north of the intersection of Bee Canyon Access Road and Portola Parkway. Staff expects to present the application to the Commission for consideration in early summer.
 - In 2026, OC LAFCO staff anticipate receiving two additional annexation applications from the cities of Anaheim and Cypress.

COUNTY OF ORANGE:

- Landfill Tipping Fees and Organic Waste- Negotiations continue between the County of Orange and a coalition of cities and sanitation districts regarding landfill tipping fees, known as the Waste Infrastructure System Enhancements (WISE) agreements. Final approval by the Board of Supervisors is anticipated in early 2026, after which each jurisdiction will work to complete their respective Prop 218 hearings and approve the rate increases prior to the new fees going into effect July 1, 2026.
- Phase II of Orange County's Climate Action Plan (CAP), a comprehensive roadmap detailing potential projects and programs to reduce greenhouse gas and other emissions from various sources, is on track to come to the Board of Supervisors in January. Key initiatives within the CAP included increasing stormwater capture and infiltration, reducing the amount of organic waste going to landfills by 75 percent and improving edible food recovery by 20 percent, and exploring the feasibility of regional anaerobic digestion and conversion technology facilities. The County is required to have a completed CAP in order to apply for and secure Proposition 4 grants for these targeted programs.

Orange County Board of Supervisors:

- At the January 13th, 2026 Orange County Board of Supervisors meeting-
 - The Board selected Supervisor Doug Chaffee as the Board Chair and Supervisor Katrina Foley as the Board Vice Chair.
 - Supervisor Sarmiento appointed Gary Collins to the North Tustin Advisory Council. Mr. Collins is the founder and owner of Arroyo Irrigation, Inc. and has a BS in Irrigation Science from Cal Poly Pomona. Arroyo Irrigation serves both public and private clients throughout the Western United States.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC):

- Board member Randall Crane was selected to replace fellow MWDOC Board member Larry Dick on the Metropolitan Water District (Metropolitan) Board of Directors. Director Dick was first appointed to the Metropolitan Board in 2003, making him the longest-tenured MWDOC representative to Metropolitan

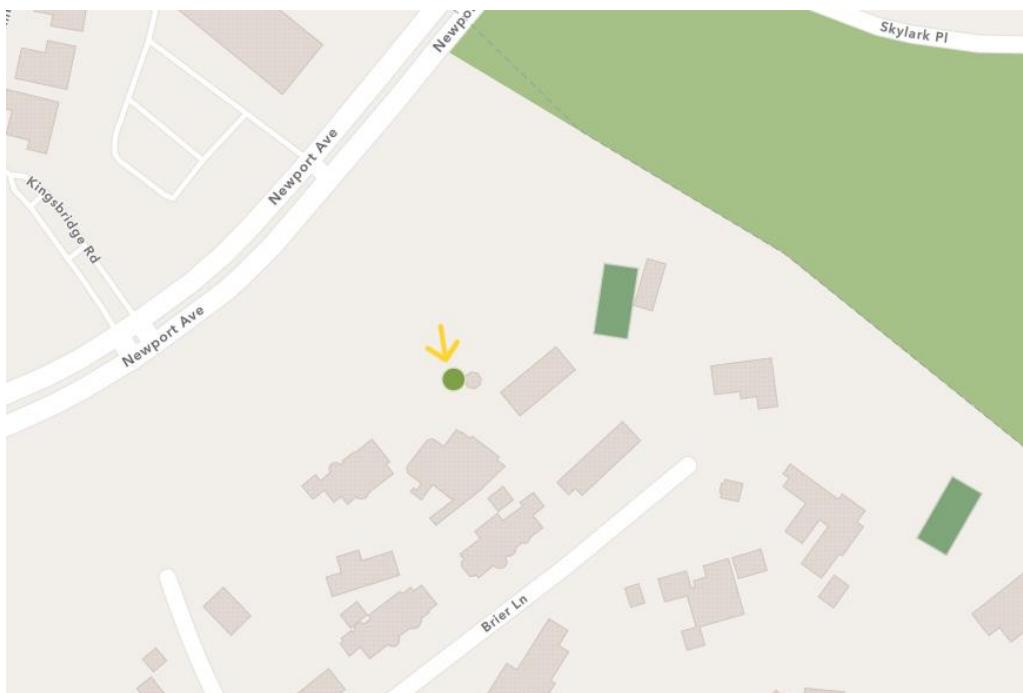
CPUC:

- Proceeding: A2207001 - Application of California-American Water Company California-American Water Company who has recently approached several cities in the EOCWD District's service area about potential purchases of the municipal water system has reopened their ratesetting request. The item is- An application of California-American Water Company (U210W) for Authorization to Increase its Revenues for Water Service by \$19,892,400 or 5.30% in the year 2026.

OTHER LOCAL ITEMS OF NOTE:

- **Southern California Edison**

Grid Hardening efforts in EOCWD Service Area. Single Planned Covered Conductor. SCE is strengthening its system by replacing bare wire with covered conductors, which are power lines with durable protective coating to help prevent sparks when objects such as animals or flying tree branches during strong winds come in contact with the line. The Site is located on the map and indicated by the yellow arrow.



- **Moulton Niguel Water District**

The Moulton Niguel Water District Board of Directors appointed Laguna Niguel resident Brian Parker to fill the vacancy created by the resignation in late November of longtime Board member Duane Cave.

- **EPA**

The EPA is inviting all interested parties to learn more about their proposed plan to contain and treat contaminated groundwater in North Orange County. They are accepting public comments on this plan from January 5, 2026, to February 19, 2026. A full set of the documents used to create the Proposed Plan (including the site's [Administrative Record](#)) can be found [here](#), including the site's [Remedial Investigation/Feasibility Study report](#).

There are several options for public participation:

1. Three public meetings will be held in January 2026 to explain the plan and accept formal public comments regarding the plan. The same presentation will be delivered at each meeting and public comments received at the meeting will be entered into the site's official record.

Meeting Dates and Locations:

- Wednesday, January 21, 2026, 6:00 p.m. to 7:00 p.m. at Buena Park Community Center, 6688 Beach Blvd., Buena Park, CA
 - Thursday, January 22, 2026, 5:30 p.m. to 7:30 p.m. at Fullerton Community Center, 340 W. Commonwealth Ave., Fullerton, CA
 - Thursday, January 29, 2026, 5:00 p.m. to 7:00 p.m. at Brookhurst Community Center, 2271 Crescent Ave., Anaheim, CA
2. Written comments can be mailed to the address below and must be postmarked no later than February 19, 2026:

Amanda Cruz
Remedial Project Manager
EPA Region 9
Mail Stop: SFD-10-1
75 Hawthorne St.
San Francisco, CA 94105

3. Emailed comments should be sent no later than February 19th, 2026 to: cruz.amanda@epa.gov

All materials presented at the meetings are linked below.

- [view a pre-recorded presentation](#)
- A summary of the Proposed Plan ([English](#) and [Spanish](#))
- The Full Plan [read the full Proposed Plan](#)

- **Orange County City Manager Changes**

Mitzi Ortiz the Aliso Viejo City Manager passed away suddenly on December 22. Ms. Ortiz was appointed City Manager in August of 2024 after almost a decade as the City Clerk. The Finance Director Ann Eifert will serve as Acting City Manager while the City Council decides on a course of action to select a permanent City Manager.

SAVE WATER



Learn more at eocwd.com



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER *Any*
SUBJECT: GENERAL MANAGER'S REPORT
DATE JANUARY 22, 2026

Background

This report is intended to provide a summary along with some discussion on the current District activities. General Manager will highlight items of interest and provide background on those items of interest to the Board.

- AMI Update
- Board Room Improvements
- Crown Castle License Agreement

Recommendation

Receive and File.

Attachment(s): District Activities Report
Operations Monthly Report
Report on Issued & Pending Permits

EAST ORANGE COUNTY WATER DISTRICT ACTIVITIES REPORT

January 2026

The following report is a summary of the District's activities over the past month.

SYSTEMS STATUS - OPERATIONS AND MAINTENANCE

1) SEWER

Activities & Accomplishments are included in the attached Monthly Report.

EOCWD Sewer Spills – one spill occurred on July 16th when a contractor hit a GSWC water line while trenching to install a new sewer lateral. The Lemon Heights lift station was unable to keep up with the flow of water from the water main break causing an overflow at an EOCWD manhole. The total sewer spill resulted in a release of 39 gallons. Staff was able to capture the entire spill.

Private Sewer Spills – on September 24th a nearby resident reported a sewer spill at a private manhole behind a shopping center near Walnut Ave. and Newport Ave. The cause of the spill was found to be a blockage from asphalt debris. Asphalt was found inside the private manhole and sewer lateral as a result of asphalt overlay work. The estimated spill volume was 360 gallons. Staff spent considerable time clearing the blockage and removing the debris thereby preventing it from moving into EOCWD's system. An invoice was sent to the property management company for the staff time and equipment costs.

Support Services for City of Villa Park – On October 31st staff responded to a sewer spill at Prado Woods. Staff cleared the blockage, restored flow and performed cleanup.

City of Villa Park Proposals – at the request of the City, staff provided proposals to perform maintenance on one lift station, perform annual cleaning service, and perform video inspection of the City's sewer system. The City is currently reviewing the proposals.

2) WHOLESALE

WZ Water Demands – See separate Board item.

Monitored daily operations of reservoir chlorination systems at Andres and Newport reservoirs.

Submitted monthly, quarterly, and annual reports to SWRCB.

Reviewed weekly water quality data.

In August, installation of the new inlet meter vault at the 6 MG reservoir site was completed.

The road work at the 6 MG reservoir site was completed in November.

In December, staff replaced one production meter in the upper wholesale zone along with associated piping within the meter vault serving the City of Tustin.

Low Water Demands - staff purchased 2 reservoir mixers which are to be installed at the 6 MG reservoir to help maintain consistent water quality within the reservoir. The mixers are expected to be delivered within the next 2 weeks and installed by the end of January.

3) RETAIL

RETAIL

Activities & Accomplishments are included in the attached Monthly Water Asset Report.

RZ Water Demands – See attachment.

Monitored daily operations of PFAS treatment plant and booster station.

System Leaks – on July 18th, staff responded to a reported mainline break within the Stonehenge development. Staff found a crack in the 6" water main and installed a repair clamp. The repair did not require a water outage.

On August 14th, staff responded to a reported leak at the south end of St. Marks Drive. The section of mainline which is located in an easement between properties was isolated. A temporary high line was run and the 3 affected customers were reconnected to the highline so that they could maintain water service during the repair work. Due to the age, condition, and depth of the existing main, a contractor was brought in to abandon approximately 400 feet of pipe and relocate 3 service connections to the 8" main on St. Marks Drive. The contract also ran new customer service lines from the new meter locations and reconnected the customers.

On November 28th, staff responded to a reported leak on St. Marys Drive. A galvanized service line was found to be leaking and required immediate repair. A new section of 1" copper tubing was

installed. Only one home was affected during the repair.

Valve Replacement - During the performance of valve exercising work in December, staff discovered a broken mainline isolation valve for Orange Knoll. While performing the preparation work to replace the valve, staff also discovered a section of steel water main in very poor condition along with an old service connection which needed to be abandoned. Staff also replaced a wharf head hydrant with a standard fire hydrant.

PERMIT STATUS

See attached Permit Status sheet for Sewer, Wholesale, and Retail permits.

CAPITAL PROJECT STATUS UPDATE

Updates provided at E&O Committee meeting.

DISTRICT GENERAL ACTIVITIES

1) Public Safety Power Shutoff (PSPS)

None to report.

2) GIS Newsletter

No Update.

3) Safety

Staff completed training on the following topics during the months of October and November:

- Back Injuries Prevention
- Emergency Preparedness
- Skin protection
- Energy Drinks
- Backing Up Hazards
- Eye Protection

4) Engineering & Operations Committee

There was no Engineering & Operations Committee Meeting in December.

5) Administrative & Finance Committee

There was no Admin and Finance Committee meeting in December.



Monthly Sewer Asset Report

December 2025

As of: 1/9/2026

Sewer Gravity Main Work

Worktype	Workflows Completed	Footage Completed
CCTV Inspection	34	8,930
Main Cleaning	290	68,647
Main Lining	0	0
Main Repair	0	0
Main Replace	0	0
Managers Form	0	0
Pipe Edit	0	0
Root Foaming	0	0
Grand Total	324	77,576

FOG Work

Worktype	Workflows Completed
BMP GRE Inspection	2
BMP GRE Violation Follow-up	4
BMP Inspection	4
BMP Violation Follow-up	6
FOG Permitting	0
GRE Inspection	2
GRE Violation Follow-up	4
Initial Inspection	3
Operational Status Investigation	0
Other Entity Inspection	0
Private Sewer Investigation	0
Grand Total	25

Easement Work

Worktype	Workflows Completed
Easement Inspection	0

Lateral Work

Worktype	Workflows Completed
Lateral Connection Edit	0

Water Hydrants

Worktype	Workflows Completed	Water Used in Gallons	Water Used in CCF
Hydrant Meter Read	0	0	0

Manhole Work

Worktype	Workflows Completed
Manhole Edit	0
Manhole Inspection	182
Manhole Rehab	0
Manhole Repair	0
Roach Spray	0
Grand Total	182

SSO Report

Worktype	Workflows Completed
SSO Report	0

Monthly Water Asset Report

December 2025

As of: 1/9/2026

Meter Work		Hydrant Work		Facilities Work	
Workflow	Work Completed	Workflow	Work Completed	Workflow	Work Completed
Broken Meter Box	0	Fire Flow Test	0	Barret Reservoir Site	0
Meter Changeout	1	Hydrant Flushing	0	Maintenance	0
Meter Connect	1	Hydrant Installation	0	Newport Reservoir Site	0
Meter Disconnect	1	Hydrant Maintenance	0	PFAS Treatment Plant	0
Meter Installation	0	Hydrant Meter Install	0	Repairs	0
Meter Investigation	0	Hydrant Meter Read	0	Reservoir Cleaning	0
Meter Leak	0	Hydrant Meter Removal	0	Vista Panorama Reservoir Site	0
Meter Read	6	Grand Total		Well Meter Read	0
Meter Re-read	0			Grand Total	
Miscellaneous Meter Work	0			0	
Grand Total	9				

Valve Work		Production Meter Work		Lateral Work	
Workflow	Work Completed	Workflow	Work Completed	Workflow	Work Completed
Main Line Restore	0	Production Meter Changeout	0	Lateral Inspection	0
Main Line Shut Down	0	Production Meter Maintenance	0	Lateral Installation	0
Valve Exercise	1	Production Meter Repairs	0	Lateral Leak	1
Valve Repair/Replace	0	Production Meter Test	1	Lateral Replacement	0
Valve Shut Down	0	Grand Total		Grand Total	
Grand Total	1			1	

Water Site Work		Water Distribution Line Work		Sample Work	
Workflow	Work Completed	Workflow	Work Completed	Workflow	Work Completed
Rounds	46	Main Leak Report	0	In-House WQ Data	75
Site Inspection	2	Water Main Repair	0	Sample Site Edit	0
Site Maintenance	4	Grand Total		THM / HAA5	5
Site Repairs	1			Truesdail	0
Grand Total	53			Grand Total	
				80	

Pressure Reducing Station Work		Air Vac Work		Pump Work	
Workflow	Work Completed	Workflow	Work Completed	Workflow	Work Completed
Pressure Reducing Station	1	Air Vac Maintenance	0	Pump and Motor Maintenance	0
				Rounds	0
				Grand Total	
				0	

Monthly Customer and Locate Work Report

December 2025

As of: 1/9/2026

Customer Work

Workflow	Work Completed
Construction Inspection	0
Customer Door Tag	46
Customer High Water Bill Investigation	3
Customer Investigation	2
Customer Leak	2
Customer Water Quality Investigation	0
Preconstruction	0
Water Pressure Investigation	2
Grand Total	55

DigTicket Work

Workflow	Work Completed
Tickets completed by Sewer	288
Tickets completed by Water	66
Grand Total	354



PERMITS ISSUED FOR MONTH OF:

Nov-25

Received	Address	Type of Development	APN	Date Issued	Regional CFCC (OCSan) Fees	EOCWD Sewer Capacity Fees	Sewer PC&I Fees	Total Sewer Fees	WZ Meter Fees	RZ Meter Fees
4/30/25	10642 Crawford Canyon Rd. Sa	ADU (N)	393-121-18	11/18/25	\$ 1,244.25	\$ 2,838.75	\$ -	\$ 4,083.00	\$ 289.02	\$ 2,145.80
					Totals	\$ 1,244.25	\$ 2,838.75	\$ -	\$ 4,083.00	\$ 289.02
<i>Due to OCSAN</i> \$ 1,182.04										

APPLICATIONS RECEIVED

Received	Address	Type of Development	APN	Permit Status
11/14/25	11661 Pincian Way. Santa Ana	ADU (N)	502-232-05	Pending customer response
11/19/25	12344 Circula Panorama, Sant	SFR (R)	094-221-23	Pending customer payment signature
11/13/25	200 S. A St. Tustin, CA 92705	ADU (N)	401-362-01	Pending customer response

PERMITS ISSUED FOR MONTH OF:

Dec-25

Received	Address	Type of Development	APN	Date Issued	Regional CFCC (OCSan) Fees	EOCWD Sewer Capacity Fees	Sewer PC&I Fees	Total Sewer Fees	WZ Meter Fees	RZ Meter Fees
10/27/25	18901 Fairhaven Ave. SA	SFR (N)	393-011-20	12/15/25	\$ 1,241.00	\$ -	\$ -	\$ 1,241.00	\$ -	\$ -
12/1/25	1372 SE Skyline Dr. SA	SFR (N)	103-154-30	12/8/25	\$ 1,241.00	\$ -	\$ -	\$ 1,241.00	\$ 719.00	\$ -
12/8/25	14271 Olive Tree Dr. SA	SFR (R)	401-392-12	12/11/25	\$ 1,241.00	\$ -	\$ -	\$ 1,241.00	\$ -	\$ -
12/1/25	13281 Ethelbee Way, SA	ADU (N)	395-251-15	12/16/25	\$ 1,354.31	\$ 5,169.60	\$ -	\$ 6,523.91	\$ 526.33	\$ -
					Totals	\$ 5,077.31	\$ 5,169.60	\$ -	\$ 10,246.91	\$ 1,245.33
					<i>Due to OCSAN</i>	\$ 4,823.44				

APPLICATIONS RECEIVED

Received	Address	Type of Development	APN	Permit Status
12/16/25	14211 Dall Ln. Tustin	ADU (N)	401-442-06	Pending Customer Response
12/4/25	10112 Sunrise Ln. SA	SFR (N)	503-621-10	Pending Customer Response
12/15/25	14091 S. C St. Tustin	ADU (N)	402-371-17	Pending Customer Response
12/15/25	11871 Arroyo Ave. SA	ADU (N)	502-151-05	Pending Customer Payment and Signature



MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER *Any*

SUBJECT: DIRECTOR'S REPORTS

DATE: JANUARY 22, 2026

Background

Board members represented the District at the following meetings in December:

President Murdoch

12/2-12/4 ACWA Conference; San Diego
12/11 EOCWD Regular Board Meeting
12/12 ACWA Special Videoconference Board of Directors Meeting

Vice President Thoms

12/1-12/4 ACWA Conference; San Diego
12/9 ISDOC Executive Committee Meeting
12/11 EOCWD Regular Board Meeting
12/12 Water Advisory Committee of Orange County (WACO)

Director Davert

12/11 EOCWD Regular Board Meeting

Director Sears

12/2-12/4 ACWA Conference; San Diego
12/11 EOCWD Regular Board Meeting
12/12 Water Advisory Committee of Orange County (WACO)

Director Marquez

12/2-12/4 ACWA Conference; San Diego
12/1 EOCWD Regular Board Meeting

Recommendation

Informational.