President
Robert Ybarra
Vice President
Larry Smith
Treasurer
James Tickemyer
Secretary
Sarah Wargo
Directors
Dr. Blair M Ball
Chander Letulle
Mickey Valdivia

General Manager
Lance Eckhart, PG, CHG
Legal Counsel
Holland Stewart

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223

SAN GORGONIO PASS WATER AGENCY
A California State Water Project Contractor

Regular Meeting of the Board of Directors and Pass Water Agency Foundation Board

November 16, 2026 at 6:00 p.m.

AGENDA

This meeting is being held virtually and in person.
Link and telephone option provided is available for the convenience of the public.

TO JOIN VIA ZOOM: Zoom Link Board Meeting
TO JOIN THE MEETING BY TELEPHONE
CALL: 669-900-6833 | MEETING ID: 926 3191 5535

Members of the public who wish to comment on any item within the jurisdiction of the Agency or any item on the agenda may submit comments by emailing mcabral@sgpwa.com or may do so during the meeting. Comments will become part of the Board meeting record.
***In order to reduce feedback, please mute your audio when you are not speaking.**

Assistance for those with disabilities: If you have a disability and need accommodation to participate in the meeting, please contact the Clerk of the Board at (951) 845-2577, at least 24 hours in advance of the meeting to ensure availability of the requested service of accommodation. You may also contact the Clerk of the Board in writing at San Gorgonio Pass Water Agency, 1210 Beaumont Avenue, Beaumont, CA 92223.

Esta reunión se llevará a cabo virtualmente y en persona.
El enlace y la opción telefónica proporcionada
es para la comodidad del público.

PARA UNIRSE VÍA ZOOM: Zoom Link Board Meeting
PARA UNIRSE A LA JUNTA CON LA OPCIÓN TELEFONICA
LLAMAR: 669-900-6833 | ID DE REUNIÓN: 926 3191 5535

Los miembros del público que deseen comentar sobre cualquier tema dentro de la jurisdicción de la Agencia o cualquier tema en la agenda pueden enviar comentarios por correo electrónico a mcabral@sgpwa.com o pueden hacerlo durante la reunión. Los commentarios pasarán a formar parte del registro de la reunión de la Junta.
***Para reducir los comentarios, silencia el audio cuando no estés hablando.**

Asistencia para personas con discapacidad: Si usted tiene una discapacidad y necesita asistencia para ser partícipe de la junta, por favor de contactar a la Secretaria de la Junta Directiva al (951) 845-2577, por lo mínimo con 24 horas de anticipo de la junta para asegurar la disponibilidad del servicio o asistencia que requiere. También puede contactar a la secretaria de la junta directiva por escrito al San Gorgonio Pass Water Agency, 1210 Beaumont Avenue, Beaumont, CA 92223.

1. **Call to Order, Invocation and Pledge of Allegiance**

2. **Roll Call**

3. **Adjustment and Adoption of Agenda**

4. **Public Comment:**
   Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. There will be an opportunity to comment on specific agenda items, as the items are addressed. Speakers are requested to keep their comments to no more than five (5) minutes. Under the Brown Act, no action or discussion shall take place on any item not appearing on the agenda, except that the Board or staff may briefly respond to statements made or questions posed for the purpose of directing statements or questions to staff for follow-up.

5. **PASS WATER AGENCY FOUNDATION BOARD**
   A. Consideration and Approval of the Fiscal Year 2026-27 Operating Budget, (pg. 4)
   B. Consideration and Adoption of the Purchasing and Contract Authorization Policy, (pg.7)

*****Adjourn as Pass Water Agency Foundation Board; Continue as SGPWA Board***

6. **Consent Calendar:**
   If any board member requests that an item be removed from the Consent Calendar, it will be removed so that it may be acted upon separately.
   A. Approve Minutes of the November 2, 2026, Regular Meeting of the San Gorgonio Pass Water Agency Board of Directors, (pg. 11)
   B. Approval of the Finance and Budget Committee Meeting Report, for October 2026, (pg.15)
   C. Adopt Resolution No. 2026-09, CalPERS Salary Schedule for Fiscal Year 2026-27, (pg.82)
   D. Consideration of the First Amendment to the Memorandum of Understanding Between San Gorgonio Pass Water Agency and San Bernardino Valley Municipal Water District for the Purchase of 2025 Surplus Water and the Development of a Multi-Year Water Transfer Package, (pg. 86)

7. **Reports – Staff**
   A. General Manager's Report
   B. General Counsel's Report

8. **Informational Presentations and Updates:**
   A. Water Conditions Report, (pg. 95)
   B. Sites Reservoir Benefits, (pg. 105)

9. New Business – Discussion and Possible Action

A. Discussion and Possible Action Regarding the Removal of Water Education for Latino Leaders (WELL) from the Agency's Industry Associations and Related Updates to the Board Handbook, (pg. 119)

10. Reports – Directors and Committees

11. Board Requests for Future Agenda Items

12. Announcements

A. Special Meeting of the Finance & Budget Committee, November 19, 2026 at 4:00 p.m.
B. Office closed November 25-27, 2026 in observance of the Thanksgiving holiday
C. Association of California Water Agencies (ACWA) Fall Conference, December 1-3, 2026
D. Regular Board Meeting, December 7, 2026 at 1:30 p.m.
E. Water Conservation & Education Committee Meeting, December 8, 2026 at 1:30 p.m.

13. Adjournment

Pending Agenda Items:

Request	*Requester*	*Date of Request*	*Status*
Agency/Foundation Infrastructure Needs Informational	Ball	5/18/2026	
Review of Precious Finance & Budget Proceedings	Ball	6/15/2026	
Presentation on Agency's Historical Involvement (Timeline) in Sites & DCP	Valdivia	10/19/2026	
BOD Health Insurance	Wargo	10/19/2026	

(1) Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, during regular business hours. When practical, these public records will also be made available on the Agency's website, accessible at: www.sgpwa.com **(2)** Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

San Gorgonio Pass Water Agency

DATE: November 16, 2026

TO: Pass Water Agency Foundation Board of Directors

FROM: Lance Eckhart, General Manager

BY: Jennifer Ustation, Chief Financial Officer

SUBJECT: Consideration and Approval of the FY 2026-27 Operating Budget

RECOMMENDATION

Staff recommends that the Foundation Board of Directors approve the proposed Fiscal Year 2026–27 Operating Budget, including $35,118 in anticipated revenues and $10,500 in planned expenditures.

BACKGROUND

The Pass Water Agency Foundation supports community initiatives consistent with its established purposes. Establishing an annual operating budget provides a financial framework for allocating Foundation resources, supporting planned activities, and maintaining appropriate financial oversight.

Staff has prepared the proposed FY 2026–27 Operating Budget for the Board's consideration.

ANALYSIS

The proposed FY 2026–27 Operating Budget establishes a financial plan for the fiscal year ending June 30, 2027.

The Foundation's primary revenue source is the annual cell tower revenue transfer from the San Gorgonio Pass Water Agency, supplemented by interest earnings.

The proposed budget includes the following:

Category	**FY 2026–27 Proposed**
Beginning Cash Balance	$52,572
Revenues	
Cell Tower Revenue	$34,218
Interest Income	$900
Total Revenues	**$35,118**
Expenditures	
Community Sponsorships	$3,000
Education / Conferences	$4,000
Events / Outreach	$3,000

Administrative / Filing	$500
Total Expenditures	**$10,500**
Projected Ending Cash Balance	**$77,190**

The proposed budget anticipates revenues exceeding expenditures by approximately $24,618, increasing the Foundation's projected ending cash balance to approximately $77,190.

The budget provides funding for community sponsorships, educational opportunities, outreach activities, and administrative expenses. The proposed expenditures are intended to support Foundation activities while preserving available resources for future initiatives.

The budget is prepared on a cash basis for financial planning purposes.

The Foundation Ad-Hoc Committee reviewed the budget on November 9, 2026, and recommended to forwarding to the Board for approval.

FISCAL IMPACT

Approval of the FY 2026–27 Operating Budget would establish planned expenditures totaling $10,500, supported by anticipated revenues of $35,118 and existing Foundation resources.

The proposed budget projects an ending cash balance of approximately $77,190 as of June 30, 2027.

ACTION

Approve the FY 2026-27 Operating Budget.

ATTACHMENT

FY 2026–27 Proposed Operating Budget

PASS WATER AGENCY FOUNDATION — FY 2026–27 PROPOSED BUDGET

Fiscal year July 1, 2026 – June 30, 2027 | Cash basis planning

Category	FY 2025–26 Actual	FY 2026–27 YTD*	FY 2026–27 Proposed
Beginning cash balance	25,843.83	52,571.72	52,571.72
REVENUE			
SGPWA cell tower transfer	33,221.62	34,218.27	34,218.00
Interest income	0.00	221.57	900.00
Total revenues	33,221.62	34,439.84	35,118.00
EXPENDITURES			
Community sponsorships	2,750.00	250.00	3,000.00
Education / conferences	3,718.73	0.00	4,000.00
Events / outreach	0.00	0.00	3,000.00
Administrative / filing	25.00	0.00	500.00
Total expenditures	**6,493.73**	**250.00**	**10,500.00**
Net annual change	**26,727.89**	**34,189.84**	**24,618.27**
Projected ending cash	**52,571.72**	**86,761.56**	**77,189.99**

San Gorgonio Pass Water Agency

DATE: November 16, 2026

TO: Pass Water Agency Foundation Board of Directors

FROM: Lance Eckhart, General Manager

BY: Jennifer Ustation, Chief Financial Officer

SUBJECT: **Consideration and Adoption of the Purchasing and Contract Authorization Policy**

RECOMMENDATION

Staff recommends that the Foundation Board of Directors adopt the Purchasing and Contract Authorization Policy, establishing purchasing procedures, delegated approval authority, and financial reporting requirements for Foundation expenditures.

BACKGROUND

The Pass Water Agency Foundation supports community initiatives consistent with its established purposes. As the Foundation continues its operations, establishing formal purchasing procedures will help ensure appropriate financial oversight, transparency, and accountability.

Staff has developed a Purchasing and Contract Authorization Policy to provide a practical framework for managing Foundation purchases and contracts while maintaining appropriate Board oversight.

ANALYSIS

The proposed policy establishes purchasing procedures, approval thresholds, and internal controls for Foundation expenditures. The policy is intended to streamline routine purchasing activities while ensuring that larger financial commitments remain subject to Board approval.

Key provisions include:

- **Purchasing Authority:** Delegates authority to the San Gorgonio Pass Water Agency General Manager to approve Foundation purchases and contracts up to $5,000 per transaction, subject to available funding and applicable restrictions.
- **Board Approval:** Requires advance Foundation Board approval for purchases and contracts exceeding $5,000.
- **Competitive Purchasing:** Recommends two informal price quotes for purchases between $1,000.01 and $5,000 and two written quotes for purchases exceeding $5,000, where practical.
- **Financial Controls:** Establishes documentation requirements, separates purchasing approval from bank-signing authority, and provides safeguards against conflicts of interest.

- **Reporting and Oversight:** Requires quarterly financial reporting to the Board, with purchasing activity and financial commitments also reported at the semiannual Board meetings in December and June.
- **Committee Review:** Establishes Ad-Hoc Committee reviews in November and May, prior to the respective Foundation Board meetings if needed.
- **Annual Review:** Requires the Board to review the policy annually and retains the Board's authority to amend or revoke delegated purchasing authority.

The proposed policy balances administrative efficiency with appropriate financial controls and Board oversight. The Foundation Ad-Hoc Committee reviewed this policy on November 9, 2026 and recommended moving forward to the Board for approval.

Legal counsel has reviewed and approved this policy for the Foundation.

FISCAL IMPACT

Adoption of the Purchasing and Contract Authorization Policy would not result in a direct fiscal impact. The policy establishes purchasing authority and financial controls for the administration of Foundation funds.

ACTION

Approve the Purchasing and Contract Authorization Policy for the Pass Water Agency Foundation.

ATTACHMENT

Pass Water Agency Foundation Purchasing and Contract Authorization Policy

Purchasing and Contract Authorization Policy

Proposed for Board Adoption | Effective Date: _____

1. Purpose

Establish practical controls over Foundation purchases, contracts, and expenditures while permitting timely routine operations. This policy applies to Foundation funds and does not replace the San Gorgonio Pass Water Agency procurement policy.

2. Authority

The Foundation Board of Directors retains ultimate authority over Foundation expenditures. Subject to Board approval of this policy, the Board delegates to the San Gorgonio Pass Water Agency General Manager authority to approve and execute Foundation purchases and contracts up to $5,000 per transaction, provided the expenditure is consistent with the Foundation's purposes, available funds, and any applicable donor restrictions. This delegation does not appoint the General Manager as a Foundation officer.

3. Purchasing Requirements

Purchases up to $1,000: General Manager approval; competitive quotes are not required. Purchases from $1,000.01 through $5,000: General Manager approval; two informal price quotes are recommended where practical. Purchases over $5,000: advance Foundation Board approval; two written quotes are recommended where practical. The Board may select a vendor based on price, qualifications, quality, and other documented considerations.

4. Contracts and Spending Limits

The dollar limits apply to the full anticipated cost of a purchase or contract, including amendments, renewals committed at signing, taxes, delivery, and related charges. Transactions shall not be divided to avoid approval limits. Any amendment causing the aggregate commitment to exceed $5,000 requires prior Board approval. Multi-year agreements require Board approval if their total committed value exceeds $5,000.

5. Payment Controls

Purchases and contract approvals are separate from bank-signing authority. Payments must be supported by an invoice, receipt, or equivalent documentation and verified against the approval. The Treasurer, or another Board-authorized signer, shall release disbursements under the Foundation's bank authorization rules. No individual should both initiate and independently approve and reconcile the same payment when practical. The Treasurer shall provide the Board a periodic listing of disbursements and account balances.

6. Exceptions

For a time-sensitive expenditure needed to prevent material harm to Foundation property or operations, the General Manager may request expedited approval from the Board President and

Treasurer, but no commitment over $5,000 may be made without Board approval in a manner permitted by the Bylaws and applicable law. A sole-source purchase may be approved at the applicable dollar threshold when the reason is documented.

7. Conflicts and Restrictions

No purchase may benefit an interested director or officer without compliance with the Foundation's conflict-of-interest and self-dealing requirements. Restricted gifts and grant funds must be used according to their terms. Applicable law and the Bylaws control in case of conflict.

8. Reporting and Review

The General Manager or Treasurer shall report purchases and commitments made under delegated authority to the Board through quarterly financial reports provided to Board members via email and available to the public upon request and at the Board's semiannual meetings in December and June, respectively.

The Foundation Ad-Hoc Committee shall meet each year in November and May, respectively, to review purchasing activity, financial commitments, and other Foundation business prior to the Board meetings. If the Committee Chair determines, in consult with the General Manager or Treasurer, that no Foundation business requires a Committee meeting in either November or May, the Chair may cancel the meeting.

The Foundation Board shall review this policy annually and may amend or revoke delegated purchasing authority at any time.

Adopted by the Board of Directors on: _____

Board President: _____ Secretary: _____

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223

Official Minutes
Board of Directors Regular Meeting
November 2, 2026

THIS MEETING WAS HELD IN PERSON,
WITH PUBLIC AVAILABILITY PROVIDED VIA ZOOM.

1. Call to Order, Invocation, and Pledge of Allegiance

The San Gorgonio Pass Water Agency Board of Directors meeting was called to order by President Robert Ybarra at 1:30 p.m., Monday, November 2, 2026, at the office of the Agency. Director Mickey Valdivia provided the invocation and Treasurer James Tickemyer led the Pledge of Allegiance.

2. Roll Call

President Ybarra requested a roll call.

Board Present:	Robert Ybarra, President Larry Smith, Vice-President James Tickemyer, Treasurer Sarah Wargo, Secretary Blair M Ball, Director Mickey Valdivia, Director
Absent:	Chander Letulle, Director
Staff Present:	Lance Eckhart, General Manager Maricela Cabral, Executive Assistant/Clerk of the Board Emmett Campbell, Director of Water Resources Matt Howard, Operations Manager
Consultant Present:	Holland Stewart, Legal Counsel

A quorum was present.

3. Adoption and Adjustment of Agenda

The agenda was adopted as published.

4. Public Comment

No public comment received.

5. Consent Calendar

A. Approve Minutes of the October 19, 2026, Regular Meeting of the San Gorgonio Pass Water Agency Board of Directors

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B. Approve Amendment No. 1 to the 2016 Water Exchange Agreement between San Gorgonio Pass Water Agency and Crestline-Lake Arrowhead Water Agency

On a motion by Director Valdivia, seconded by Treasurer Tickemyer, the board approved the Consent Calendar as presented.
Approved by the following vote:
Ayes: Valdivia, Wargo, Smith, Tickemyer, Ball, Ybarra
Noes: None
Absent: Letulle
Motion passed 6-0.

6. Reports

A. General Manager's Report

General Manager, Lance Eckhart reported on the following:

1. Highlighted a publication by Public Policy Institute of California entitled, "Priorities for California's Water"
2. Agency Operator Jose Romero passed his Distribution 4 and Treatment 2 certifications through the State Water Resources Control Board.
3. Agency will host the California Regional Water Quality Control Board meeting on November 10, 2026.
4. Agency recognition at the October 2026 Cal LAFCO Conference. Ms. Eslamboly with CV Strategies, highlighted a published article featuring the Agency's GAP Funding Program and its partnership with Riverside County Supervisor Gutierrez. Supervisor Gutierrez received the Mike Gotch Excellence in Public Service Sward for his involvement in the Agency's Heli-Hydrant Program.

Vice President Smith requested the Agency remain actively involved in discussions surrounding statewide water policy priorities and ensure its interests, including the Sites Reservoir Project, are represented.

B. Legal Counsel's Report

Counsel Stewart had no report.

7. Informational Presentations and Updates:

A. Sites Reservoir Overview

General Manager Eckhart provided an update on the Sites Reservoir Project, including upcoming water rights proceedings and a tentative Special Board Meeting scheduled for December 14, 2026, to consider the Agency's continued participation.

Emmett Campbell, Director of Water Resources, presented an overview of the project's operations, infrastructure, and integration with the State Water Project. He highlighted the use of approximately 200 miles of existing canal infrastructure and the participation of 30 entities.

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Board discussion included the project's history, existing infrastructure, coordination with the Delta Conveyance Project, water delivery operations, and environmental considerations.

8. New Business – Discussion and Possible Action:

A. Authorize the General Manager to Purchase 1,500 Acre-feet of water at a rate of $150 per acre-foot from Crestline-Lake Arrowhead Water Agency, and complete all necessary documentation

General Manager Eckhart presented a proposed agreement to purchase up to 1,500 acre-feet of carryover water from Crestline-Lake Arrowhead Water Agency (CLAWA) at $150 per acre-foot, for a maximum cost of $225,000.

On a motion by Vice President Smith, seconded by Treasurer Tickemyer, the board approved and authorized the General Manager to purchase 1,500 Acre-feet of water at a rate of $150 per acre-foot from Crestline-Lake Arrowhead Water Agency, and complete all necessary documentation.
Approved by the following roll call vote:
Ayes: Valdivia, Wargo, Smith, Tickemyer, Ball, Ybarra
Noes: None
Absent: Letulle
Motion passed 6-0.

B. Authorize the General Manager to File the Notice of Completion for the Brookside East Heli-Hydrant Facility Project

Emmett Campbell, Director of Water Resources, reported that construction of the Brookside East Heli-Hydrant Facility Project, located near Brookside Avenue and Beaumont Avenue, has been completed and the facility is operational. He noted the project is among six Heli-Hydrant facilities completed using approximately $1.8 million in American Rescue Plan Act (ARPA) funding.

On a motion by Director Valdivia, seconded by Secretary Wargo, the board approved and authorized the General Manager to File the Notice of Completion for the Brookside East Heli-Hydrant Facility Project.
Approved by the following roll call vote:
Ayes: Valdivia, Wargo, Smith, Tickemyer, Ball, Ybarra
Noes: None
Absent: Letulle
Motion passed 6-0.

9. Reports - Directors and Committee Report

The following meetings were reported by the Board members identified beside each item:

- October 14, 2026, Beaumont-Cherry Valley Water District Board Meeting (Ball)
- October 20, 2026, Cabazon Water District Board Meeting (Wargo)
- October 20, 2026, Beaumont City Council Meeting (Valdivia)
- October 21, 2026, Onsite Well Visit with General Manager (Ybarra)

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- October 22, 2026, Banning State of the City (Ball, Wargo, Ybarra)
- October 22, 2026, High Valley Water District Board Meeting (Wargo)
- October 22, 2026, HCN Trunk or Treat (Wargo, Ybarra)
- October 27, 2026, Banning City Council Meeting (Valdivia, Wargo)
- October 29, 2026, Special Meeting of the Finance & Budget Committee (Valdivia, Ybarra)

Director Smith had nothing to report.

Director Ball reported he recently met with staff to discuss concerns and proposed recommendations relating to Board procedures and the Pass Water Agency Foundation. He indicated the matters would be referred to the appropriate committees for further review and encouraged timely committee meetings.

10. Topics for Future Agendas

Director Ball requested legal clarification regarding the Pass Water Agency Foundation's governing documents, its authority to accept property for infrastructure purposes, and its relationship to the Agency's enabling Act.

Director Valdivia expressed concern regarding additional legal expenses for matters previously discussed. Treasurer Tickemyer stated that authorization for legal work should come from the Board collectively rather than individual directors.

General Manager Eckhart noted that the matter had been considered during the Foundation's formation. General Counsel Stewart indicated that he would coordinate with Agency leadership before proceeding with any additional legal review. He will also research and bring the information back to the foundation board.

11. Announcements

President Ybarra reviewed the following announcements:

A. Office closed November 11, 2026 in observance of Veterans Day.
B. Pass Water Agency Foundation & Regular Board Meeting, November 16, 2026 at 6:00 p.m.
C. Finance & Budget Committee Meeting, November 19, 2026 at 4:00 p.m.
D. ACWA Fall Conference, December 1-3, 2026

12. Adjournment

There being no further business to discuss, President Ybarra adjourned the meeting at 2:39 p.m. The next regularly scheduled meeting is Monday, November 16, 2026, at 6:00 p.m.

Maricela V. Cabral, MPA, CMC
Deputy Secretary of the Board

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San Gorgonio Pass Water Agency

DATE: November 16, 2026

TO: Board of Directors

FROM: Lance Eckhart, General Manager

BY: Jennifer Ustation, Chief Financial Officer

SUBJECT: Report from the Finance and Budget Committee

RECOMMENDATION

The Board ratifies the actions of the Finance and Budget Committee as listed below.

PREVIOUS CONSIDERATION

The Finance and Budget Committee of the San Gorgonio Pass Water Agency met on October 22, 2026. During that meeting, the Committee took the following actions:

Accepted the following items:

Item 5A: Investment Report for the Quarter Ending September 30, 2026.

Item 5B: Payments as listed in the Check History reports for Accounts Payable and Payroll for the month of September 2026.

Item 5C: The Bank Reconciliation for September 2026.

Item 5D: The Budget Report for September 2026.

Item 5E: The GAP Funding and Heli-Hydrant Report for September 2026.

Item 5F: The Treasury Report for September 2026.

Item 5G: The Cash Reconciliation Report for the Quarter Ending September 30, 2026.

Approved the following item:
Item 4A: Minutes of September 24, 2026, meeting of the Committee.

Item 5H: Payment of the Legal Invoice for September 2026.

Item 5I: Reserve Allocation Report for the Quarter Ending September 30, 2026.

BACKGROUND

The Finance & Budget Committee reviewed the necessary financial material during this meeting and took the actions listed above.

ACTION

The Board ratifies the actions of the Finance and Budget Committee as listed above.

ATTACHMENTS

Minutes
Investment Report
Check History Report
Bank Reconciliation
Budget Report
Gap Funding Report
Heli-Hydrant Report
Treasury Report
Cash Reconciliation Report
Pending Legal Invoice Report
Reserve Allocation Report
Presentation

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223

Official Minutes
Finance & Budget Committee Meeting
September 24, 2026

THIS MEETING WAS HELD IN PERSON AND VIA ZOOM.

Committee Members Present: Mickey Valdivia, Chair
James Tickemyer, Treasurer
Robert Ybarra, President

Staff Present: Lance Eckhart, General Manager
Jennifer Ustation, Chief Financial Officer

1. Call to Order, Pledge of Allegiance and Roll Call

The San Gorgonio Pass Water Agency Finance and Budget Committee Meeting was called to order by Chair Mickey Valdivia at 4:00 p.m., Thursday, September 24, 2026, at the office of the Agency. Chair Valdivia led the Pledge of Allegiance and requested a roll call. A quorum was present.

2. Adoption and Adjustment of Agenda

The agenda was adopted as published.

3. Public Comment

No public comment received.

4. Approval of the Minutes

A. Approval of the Minutes of the Finance & Budget Committee Meeting, August 27, 2026

On a motion by Treasurer Tickemyer, seconded by President Ybarra, the Committee approved the August 27, 2026, minutes with the appropriate correction to relocate the statement under the legal invoice item.
Approved by the following vote:
Ayes: Valdivia, Tickemyer, Ybarra
Noes: None
Absent: None
Motion passed 3-0.

5. New Business – Discussion and Possible Action

A. Ratification of Paid Invoices and Monthly Payroll for August 2026

Ms. Ustation reviewed August paid invoices and payroll, reporting accounts payable of $3,878,834.87 and payroll of $82,732.34, for total disbursements of $3,961,567.21. The Committee discussed federal advocacy services related to Sites Reservoir, County Line Road expenses, professional services, and water agency membership costs. Staff also explained that payroll reporting had been revised to show aggregate payroll totals rather than individual net payments.

B. Review of Bank Reconciliation for August 2026

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Ms. Ustation reviewed the August bank reconciliation, reporting approximately $3.07 million in cash receipts, $16,353 in sweep account interest, and an ending general ledger balance of approximately $5.56 million. She noted that certain receipts were being accrued to the previous fiscal year.

C. Review of Budget Report for August 2026

Ms. Ustation reviewed the August budget report and noted limited activity early in the fiscal year. General Fund revenue included water sales, interest, and an annual cell tower lease payment, with increased expenses attributable to annual services, audit costs, and the purchase of a subsurface pipe locator for County Line Road. She reported interest income in the consigned fund and noted that Debt Service Fund expenditures exceeded current revenues, as anticipated pending property tax receipts and planned bond payments.

D. Gap Funding Report and Heli-Hydrant Report

Ms. Ustation reviewed the funding reports and reported final payments from Banning Heights Mutual Water Company and High Valleys Water District, satisfying their outstanding program balances. She noted no new heli-hydrant funding activity for August.

E. Review of Treasurer's Report for August 2026

Ms. Ustation presented the August Treasurer's Report, noting a total investment portfolio of approximately $175.7 million, a portfolio yield of 3.76 percent, and approximately $444,700 in monthly interest income. She reported that the portfolio remained sufficiently liquid to meet the Agency's financial obligations.

On a motion duly made and seconded, the Committee accepted items 5.A through 5.E.
Approved by the following vote:
Ayes: Valdivia, Tickemyer, Ybarra
Noes: None
Absent: None
Motion passed 3-0.

F. Review of Pending Legal Invoices for August 2026

Ms. Ustation presented the August legal invoices in the amount of approximately $11,549. The Committee reviewed the invoices and approved payment.

On a motion duly made and seconded, the Committee approved item 5.F.
Approved by the following vote:
Ayes: Valdivia, Tickemyer, Ybarra
Noes: None
Absent: None
Motion passed 3-0.

G. Review of Updated Credit Card Policy

Ms. Ustation reviewed proposed revisions to the Agency's Credit Card Policy in connection with the transition to the Cal-Card program. Updates included purchasing controls, cardholder authorization forms, receipt documentation,

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reconciliation procedures, security provisions, and administration by the Chief Financial Officer. Staff requested that the Committee recommend the revised policy to the Board for approval.

On a motion duly made and seconded, the Committee recommended forwarding the updated credit card policy to the Board for approval.
Approved by the following vote:
Ayes: Valdivia, Tickemyer, Ybarra
Noes: None
Absent: None
Motion passed 3-0.

H. Review of Updated Investment Policy

Ms. Ustation presented updates to the Agency's Investment Policy, last revised in 2021, to incorporate current statutory references and provisions relating to authorized dealers, permissible investments, collateralization, portfolio review, and reporting. She discussed submitting the policy to the California Municipal Treasurers Association for certification following Board approval.

On a motion duly made and seconded, the Committee recommended forwarding the updated Investment Policy to the Board for approval.
Approved by the following vote:
Ayes: Valdivia, Tickemyer, Ybarra
Noes: None
Absent: None
Motion passed 3-0.

6. Committee Member Comments

Committee members expressed appreciation for staff's financial management and investment performance and discussed the importance of maintaining reserves to support future infrastructure and water supply obligations.

7. Announcements

Chair Valdivia reviewed the following announcements:
A. Regular Board Meeting, October 5, 2026, at 1:30 p.m.
B. Regular Board Meeting, October 19, 2026, at 6:00 p.m.
C. Finance & Budget Committee Meeting, October 22, 2026, at 4:00 p.m.

8. Adjournment

There being no further business to discuss, Chair Valdivia adjourned the Finance & Budget Committee meeting at 4:41 p.m.

Maricela V. Cabral, MPA, CMC
Deputy Secretary of the Board

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pfm asset management

San Gorgonio Pass Water Agency

Investment Performance Review
For the Quarter Ended September 30, 2026

Client Management Team

Monique Spyke, Managing Director
Robert Montoya, Relationship Manager
Jeremy King, Key Account Manager
Rachael Miller, Client Consultant

PFM Asset Management
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Market Update

Current Market Themes



- U.S. growth remains resilient, supported by consumer spending and AI investment
  - Core inflation remains sticky while elevated oil prices and rising input costs leave risks skewed to the upside
  - Labor-market conditions remain balanced, although hiring momentum continues to slow
  - AI-related investment continues to support domestic demand and potential productivity growth, although its long-term impact on employment and inflation remains uncertain



- Federal Reserve (Fed) hikes rates by 25 basis points
  - September dot plot shows 16 of 18 officials projecting one or more hikes this year
  - Economy viewed as strong enough to absorb the hike, allowing the Fed to continue to focus on inflation side of its mandate
  - Hike characterized as removing accommodation as opposed to tightening conditions



- Inflation, resilient growth, and a hawkish Fed lift yields to multi-year highs
  - All-in yields remain attractive, particularly on short end where market pricing reflects a more aggressive tightening path than our base case
  - Expanding fiscal deficits, heavy Treasury and corporate issuance, strong growth, and rising term premia pressure long-end yields
  - Credit spreads widen off historically tight levels amid a surge in rate volatility

Source: Details on market themes and economic indicators provided throughout the body of the presentation. Bloomberg Finance L.P., as of September 30, 2026.

September Hike Reinforces a Higher-for-Longer Policy Path

Hawkish Decision and Projections

- Unanimous vote to raise federal funds target range by 25 basis points to 3.75% - 4.00%
- Economic resilience allowed Fed to remain focused on inflation
- The "dot plot" showed 16 of 18 participants expect one or more hikes in 2026

Hawkish Press Conference

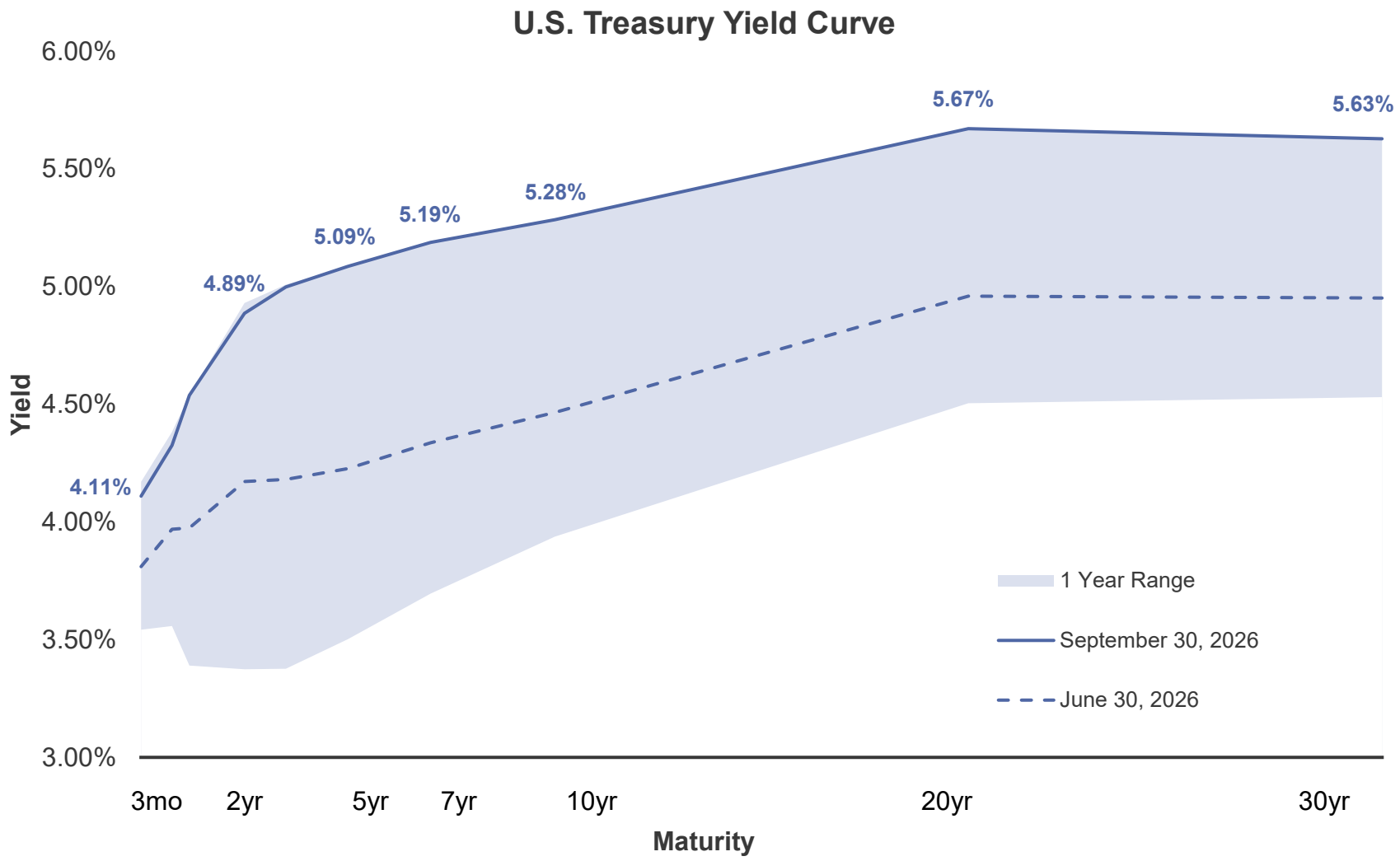
- Inflation has not moved toward the 2% target "clearly and at sufficient speed"
- The hike removes "a dose of accommodation" but is not yet restrictive
- Fed remains data-dependent

Potential Paths for Fed Policy

Category	No Additional Hikes	One Additional Hike	Two or More Hikes
Inflation	*Cooling Convincingly*	*Sticky, Moderating*	*Reaccelerating, Broadening*
Labor Market	*Cooling*	*Solid, Resilient*	*Tightening*
Consumer Spending	*Weakening*	*Resilient*	*Strong*
Growth	*Softening*	*Solid, Above-trend*	*Accelerating*

Source: Bloomberg Finance L.P., Federal Reserve, and Kevin Warsh. As of September 30, 2026.

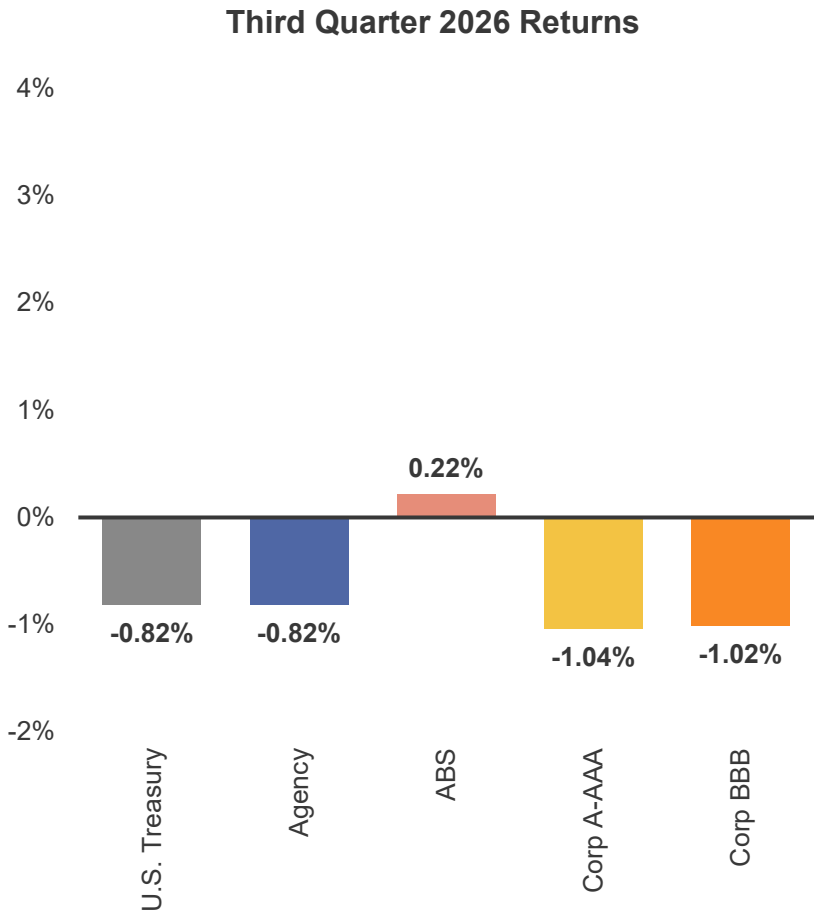
Treasury Yields Rise Across the Curve

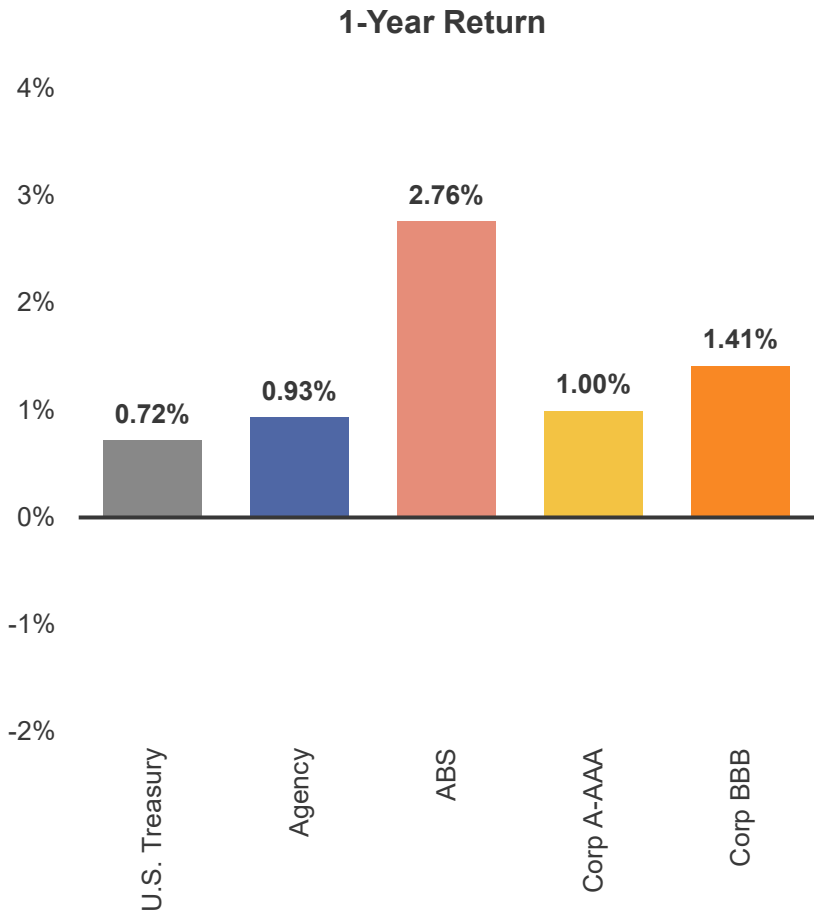


Source: Bloomberg Finance L.P., as of September 30, 2026.

Fixed-Income Index Total Returns in 3Q 2026

1-5 Year Indices





Source: ICE BofA Indices. ABS indices are 0-5 year, based on weighted average life. As of September 30, 2026.

Factors to Consider for 6-12 Months

Monetary Policy (Global):



- The Federal Reserve raised rates by 25 basis points in September, its first increase since July 2023.
- Chair Warsh described the labor market as "consistent with full employment", allowing the Fed to focus on the inflation side of its dual mandate.
- The "dot plot" showed one additional hike in 2026 with risks skewed towards more increases in 2027.
- Global monetary policy became more synchronized, with the Fed, ECB, and Bank of Japan raising rates in September.

Economic Growth (Global):



- Global growth remained uneven as elevated price pressures, higher borrowing costs, and geopolitical uncertainty continued to weigh on activity.
- U.S. economic activity remained resilient, supported by consumer spending and increased business investment in technology, software, and AI-related infrastructure.
- Risks remain skewed to the downside, although near-trend growth remains our base case.

Inflation (U.S.):



- Core inflation remained sticky, with limited improvement across underlying measures and continued pressure across core goods and services.
- Oil-price volatility increased uncertainty around headline inflation and the potential for broader pressure on business input costs.
- Risks remain to the upside, while a gradual return toward the Fed's target remains our base case.

Financial Conditions (U.S.):



- Financial conditions tightened as Treasury yields and interest-rate volatility increased, although corporate fundamentals and investor demand remained supportive.
- Equity markets remained supported, although gains were concentrated in large-cap technology companies and AI-related investment.
- Credit remained broadly available, but elevated issuance and historically tight spreads reduced the cushion against weaker economic conditions.
- Risks remain balanced, with strong capital markets offset by heavy Treasury supply, expanding fiscal deficits, and rising term premia.

Consumer Spending (U.S.):



- Consumer spending remained resilient given steady employment conditions and wealth gains.
- Slower job creation and moderating wage and income growth may weigh on household purchasing power.
- A lower saving rate and higher energy costs leave consumers with less cushion against future pressures.
- Risks remain skewed to the downside, although continued spending growth remains our base case.

Labor Markets (U.S.):



- Labor-market conditions remained broadly balanced, although hiring momentum continued to slow across several sectors.
- Job creation remained near the breakeven rate needed to keep unemployment stable, suggesting normalization rather than sharp deterioration.
- Higher labor-force participation contributed to a modest increase in unemployment, while moderating wage growth may weigh on household income.
- Risks remain skewed toward gradual softening and additional slack, although a material rise in unemployment is not our base case.

● **Current outlook** ○ **Outlook one quarter ago**

Stance Unfavorable to Risk Assets | **Negative** | **Slightly Negative** | **Neutral** | **Slightly Positive** | **Positive** | **Stance Favorable to Risk Assets**

Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg Finance L.P. and FactSet. The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (9/30/2026) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.

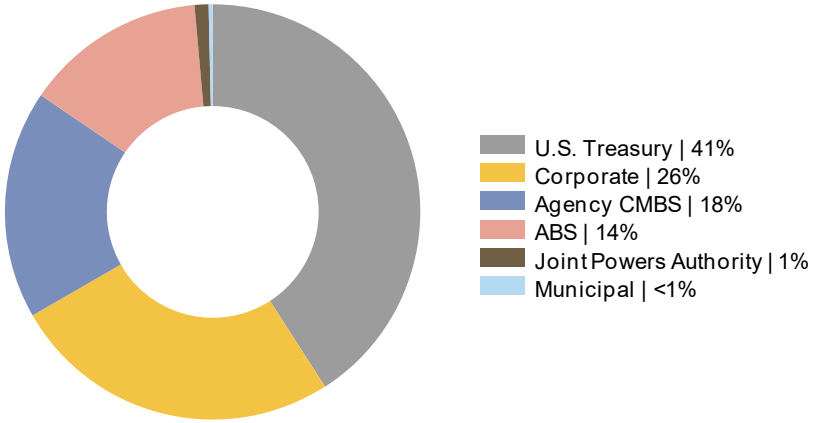
Portfolio Review:
CA-SAN GORGONIO PASS WATER AGENCY

Portfolio Snapshot - CA-SAN GORGONIO PASS WATER AGENCY[1]

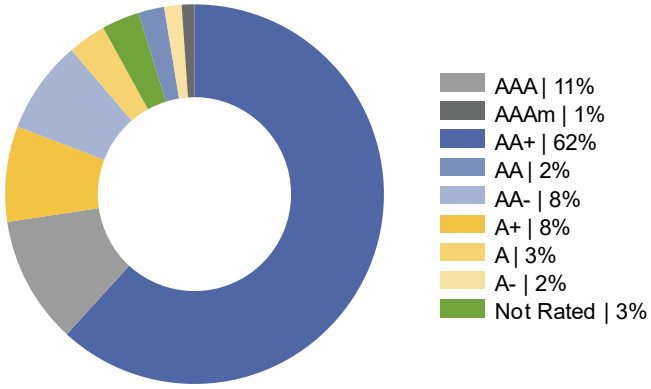
Portfolio Statistics

Total Market Value	$101,182,723.81
Managed Account Sub-Total	*$99,458,199.88*
Accrued Interest	*$634,093.59*
Pool	*$1,090,430.34*
Portfolio Effective Duration	2.50 years
Benchmark Effective Duration	2.44 years
Yield At Cost	4.25%
Yield At Market	5.05%
Portfolio Credit Quality	AA

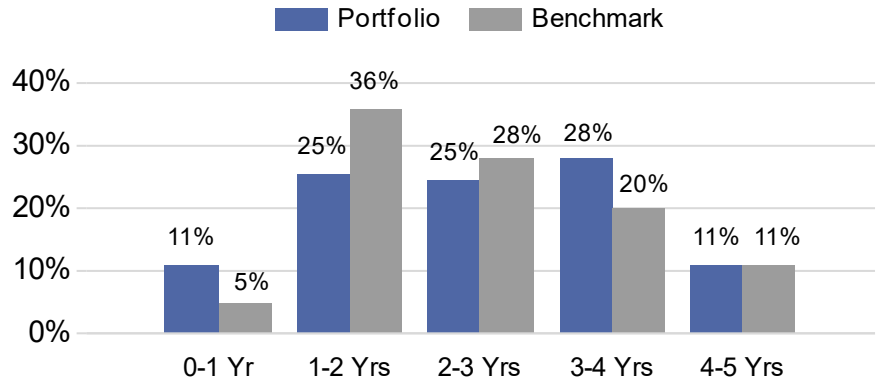
Sector Allocation



Credit Quality - S&P

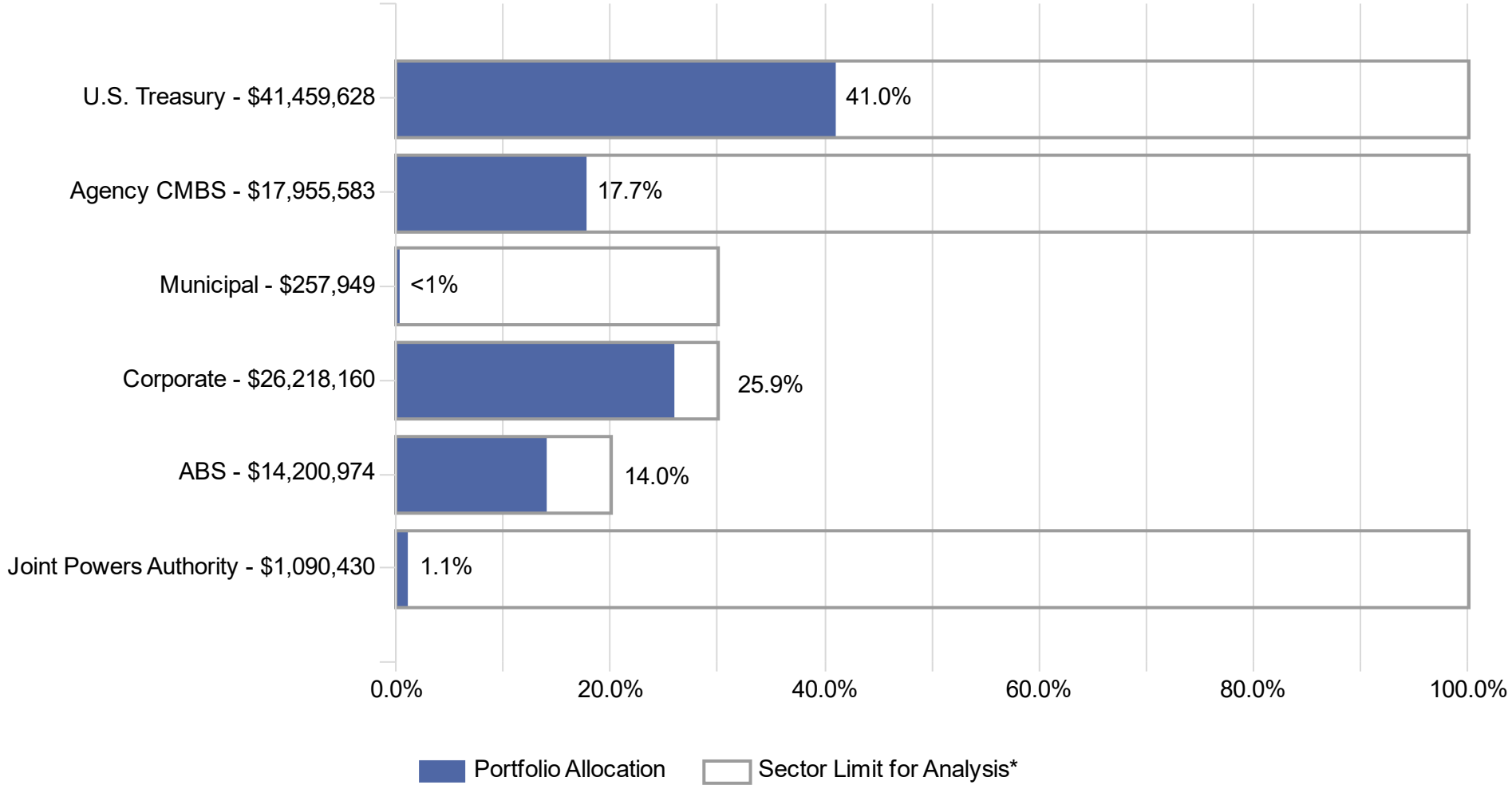


Duration Distribution



1. *Total market value includes accrued interest and balances invested in CAMP, as of September 30, 2026.*
Yield and duration calculations exclude balances invested in CAMP.
The portfolio's benchmark is the ICE BofA 1-5 Year U.S. Treasury Index. Source: Bloomberg Financial LP.
An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

Sector Allocation Analytics



For informational/analytical purposes only and is not provided for compliance assurance. Includes accrued interest.
**Sector Limit for Analysis is as derived from our interpretation of your most recent Investment Policy as provided.*

Certificate of Compliance

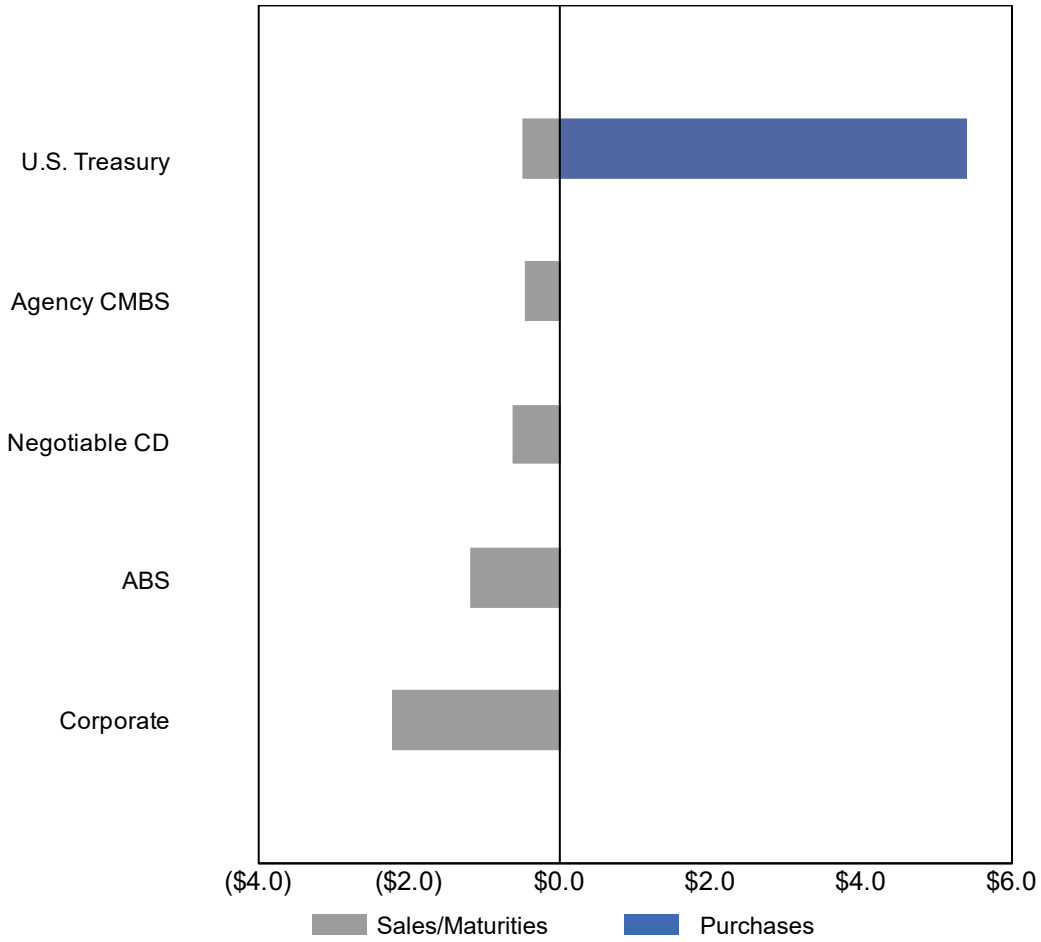
During the reporting period for the quarter ended September 30, 2026, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc.*

Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Financial LP Asset and Investment Management ("AIM").

Portfolio Activity - CA-SAN GORGONIO PASS WATER AGENCY

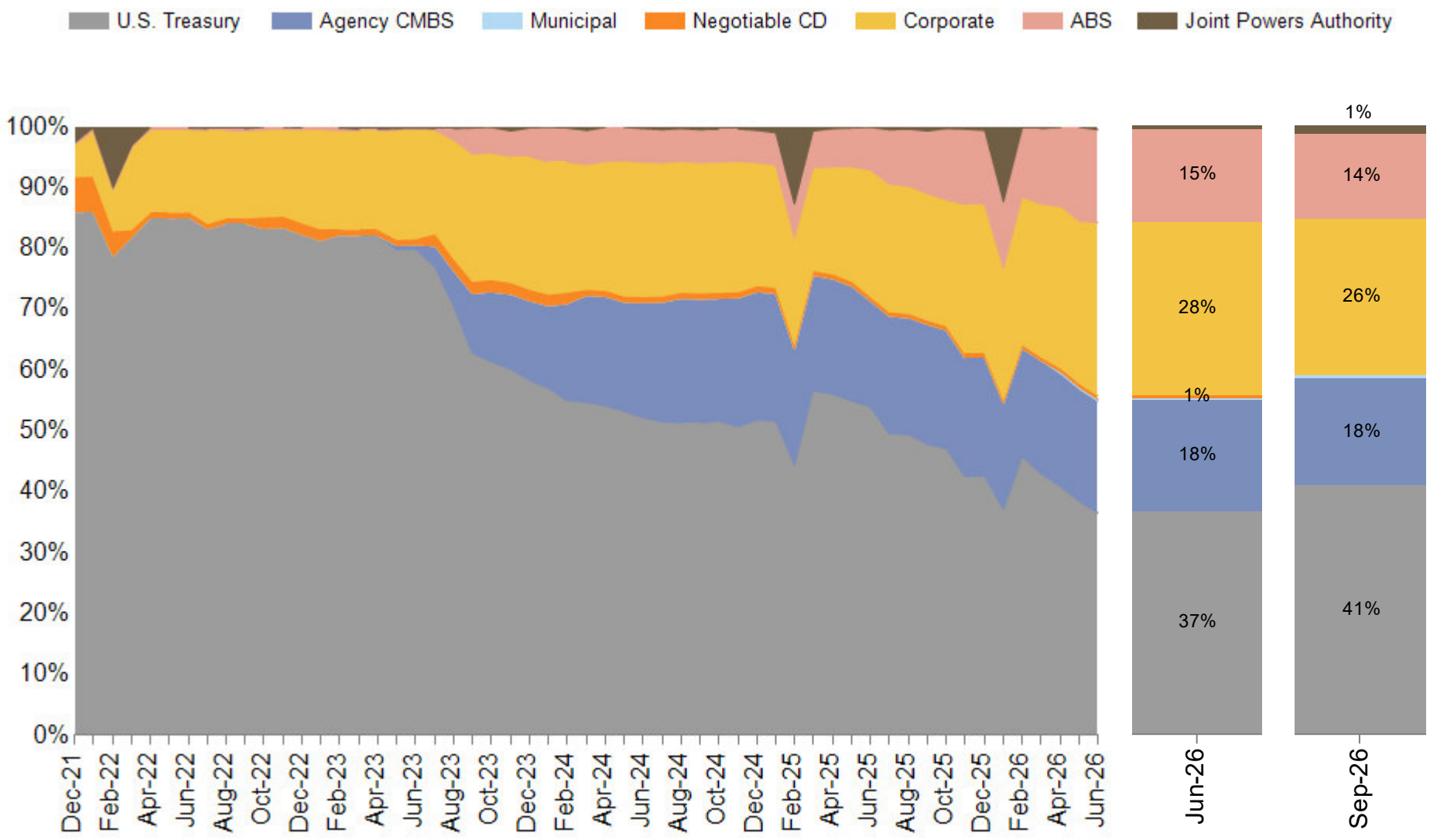
Net Activity by Sector
($ millions)



Sector	Net Activity
U.S. Treasury	$4,944,403
Agency CMBS	($432,120)
Negotiable CD	($600,000)
ABS	($1,174,459)
Corporate	($2,216,488)
Total Net Activity	**$521,336**

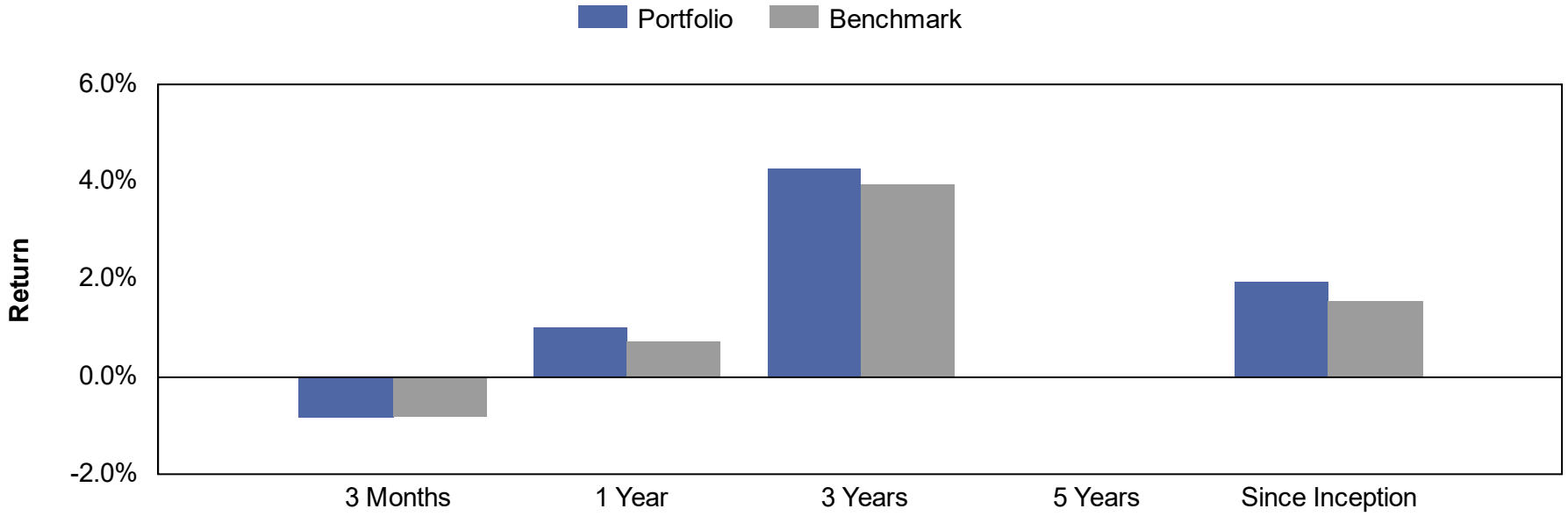
Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

Historical Sector Allocation - CA-SAN GORGONIO PASS WATER AGENCY



Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM.

Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception[1]
Interest Earned[2]	$1,039,961	$3,906,831	$8,125,476	-	$9,263,231
Change in Market Value	($1,914,151)	($3,029,686)	$736,392	-	($2,447,998)
Total Dollar Return	**($874,190)**	**$877,145**	**$8,861,868**	**-**	**$6,815,233**
Total Return[3]					
Portfolio	-0.86%	1.00%	4.27%	-	1.93%
Benchmark[4]	-0.82%	0.72%	3.94%	-	1.56%
Difference	-0.04%	0.28%	0.33%	-	0.37%

1. *The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is December 31, 2021.*
2. *Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.*
3. *Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.*
4. *The portfolio's benchmark is the ICE BofA 1-5 Year U.S. Treasury Index. Source: Bloomberg Financial LP.*

Issuer Distribution

Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
U.S. Treasury	**41.4%**	
United States Treasury	41.4%	AA / Aa / AA
Agency CMBS	**17.9%**	
Federal Home Loan Mortgage Corp	17.4%	AA / Aa / AA
Federal National Mortgage Association	0.5%	AA / Aa / AA
Municipal	**0.3%**	
State of Hawaii	0.3%	AA / Aa / AA
Corporate	**26.2%**	
Adobe Inc	0.9%	A / A / NR
Alphabet Inc	1.4%	AA / Aa / NR
Amazon.com Inc	1.2%	AA / A / AA
Bank of America Corp	0.2%	A / A / AA
Bank of New York Mellon Corp	1.2%	AA / Aa / AA
BlackRock Inc	1.2%	AA / Aa / NR
Caterpillar Inc	0.7%	A / A / A
Charles Schwab Corp	0.7%	A / A / A
Cisco Systems Inc	1.2%	AA / A / NR
Citigroup Inc	1.7%	A / Aa / AA
Deere & Co	0.4%	A / A / A
Depository Trust & Clearing Corp	1.4%	AA / Aa / NR
Eli Lilly & Co	0.6%	AA / Aa / NR
Home Depot Inc	0.6%	A / A / A
HSBC Holdings PLC	0.6%	A / A / A
JPMorgan Chase & Co	1.1%	A / A / AA
Kenvue Inc	0.5%	A / A / NR
Mastercard Inc	0.5%	A / Aa / NR
Meta Platforms Inc	1.5%	AA / Aa / NR

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
Corporate	**26.2%**	
Morgan Stanley	1.5%	A / Aa / AA
Novartis AG	1.1%	AA / Aa / NR
NVIDIA Corp	0.7%	AA / Aa / NR
PepsiCo Inc	0.7%	A / A / NR
Salesforce Inc	0.8%	A / A / NR
Texas Instruments Inc	0.6%	A / Aa / NR
TotalEnergies SE	0.8%	A / Aa / NR
Toyota Motor Corp	0.7%	A / A / A
Visa Inc	1.1%	AA / Aa / NR
Walmart Inc	0.3%	AA / Aa / AA
ABS	**14.2%**	
Ally Auto Receivables Trust	0.2%	AAA / NR / AAA
American Express Co	0.5%	AAA / NR / AAA
BA Credit Card Trust	1.4%	AAA / Aaa / AAA
Bank of America Corp	0.3%	NR / Aaa / AAA
Capital One Financial Corp	0.7%	AAA / NR / AAA
Chase Auto Owner Trust	0.5%	NR / Aaa / AAA
Citigroup Inc	0.7%	AAA / Aaa / NR
Fifth Third Auto Trust	0.1%	AAA / Aaa / NR
Ford Credit Auto Owner Trust	0.4%	AAA / Aaa / NR
GM Financial Consumer Automobile Receiv	0.1%	AAA / Aaa / AAA
Honda Auto Receivables Owner Trust	2.3%	AAA / Aaa / AAA
Hyundai Auto Receivables Trust	1.7%	AAA / NR / AAA
JPMorgan Chase & Co	2.2%	AAA / NR / AAA
Kubota Credit Owner Trust	0.2%	NR / Aaa / AAA
Toyota Auto Receivables Owner Trust	1.7%	AAA / Aaa / AAA

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
ABS	**14.2%**	
USAA Auto Owner Trust	0.2%	AAA / Aaa / NR
Verizon Master Trust	0.8%	NR / Aaa / AAA
Total	**100.0%**	

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

Important Disclosures

- This information is for institutional investor use only, not for further distribution to retail investors, and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the Trust's investment objectives, risks, charges and expenses before investing in the Trust. This and other information about the Trust is available in the Trust's current Information Statement, which should be read carefully before investing. A copy of the Trust's Information Statement may be obtained by calling 1-800-729-7665 or is available on the Trust's website at www.camponline.com. While the Cash Reserve Portfolio seeks to maintain a stable net asset value of $1.00 per share and the CAMP Term Portfolio seeks to achieve a net asset value of $1.00 per share at the stated maturity, it is possible to lose money investing in the Trust. An investment in the Trust is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Trust are distributed by U.S. Bancorp Investments, Inc., member FINRA (www.finra.org) and SIPC (www.sipc.org). PFM Asset Management is a division of U.S. Bancorp Asset Management, Inc., which serves as administrator and investment adviser to the Trust. U.S. Bancorp Asset Management, Inc. is a direct subsidiary of U.S. Bank N.A. and an indirect subsidiary of U.S. Bancorp. U.S. Bancorp Investments, Inc. is a subsidiary of U.S. Bancorp and affiliate of U.S. Bank N.A.

- Generally, PFMAM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services. There may be differences in the values shown for investments due to accrued but uncollected income and the use of differing valuation sources and methods. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFMAM believes the prices to be reliable, the values of the securities may not represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for a registered investment company or local government investment program is contained in the appropriate fund offering documentation or information statement.

- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.

- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. **Past performance is not indicative of future returns.**

- ICE Bank of America Indices provided by Bloomberg Financial Markets.

- Money market fund/cash balances are included in performance and duration computations.

- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.

- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.

- MBS maturities are represented by expected average life.

San Gorgonio Pass Water Agency
Check History Report
September 1 through September 30, 2026

ACCOUNTS PAYABLE

Date	Number	Name	Amount
09/03/2026	122498	ALBERT WEBB ASSOCIATES	76,572.15
09/03/2026	122499	AVI-SPL	678.75
09/03/2026	122500	BEAUMONT-CHERRY VALLEY WATER DISTRICT	607.54
09/03/2026	122501	THE FERGUSON GROUP	2,625.00
09/03/2026	122502	LENITY TECHNOLOGY	2,156.36
09/03/2026	122503	PUBLIC AGENCY RETIREMENT SERVICES	3,469.02
09/03/2026	122504	SANTA ANA WATERSHED PROJ. AUTHORITY	15,018.00
09/03/2026	122505	SAN BERNARDINO VALLEY MUNI WATER DISTRICT	20,184.00
09/03/2026	122506	SOUTH MESA WATER COMPANY	27.00
09/03/2026	122507	STANDARD INSURANCE COMPANY	1,073.47
09/03/2026	122508	UNLIMITED SERVICES	437.00
09/03/2026	122509	UNDERGROUND SERVICE ALERT	10.00
09/03/2026	122510	VERIZON BUSINESS	60.04
09/03/2026	122511	WATER RESOURCES ECONOMICS	4,973.75
09/03/2026	122512	WASTE MGT CORPORATE SERVICES	143.78
09/03/2026	122513	ZANJERO WATER CONSULTING	2,600.00
09/09/2026	122514	ACWA JPIA	1,942.85
09/09/2026	122515	GF ADVOCACY, LLC	2,500.00
09/09/2026	122516	MACRO COMMUNICATIONS	630.00
09/14/2026	122517	EARTHCAM, INC	637.92
09/14/2026	122518	T. R. HOLLIMAN	420.00
09/14/2026	122519	PROVOST & PRITCHARD	4,952.50
09/14/2026	122520	BEST BEST & KRIEGER	0.00
09/14/2026	122521	BEST BEST & KRIEGER	0.00
09/14/2026	122522	BEST BEST & KRIEGER	42,094.69
09/21/2026	122523	CV STRATEGIES	24,162.50
09/21/2026	122524	THE FERGUSON GROUP	962.50
09/21/2026	122525	FRONTIER COMMUNICATIONS	460.07
09/21/2026	122526	LOR GEOTECHNICAL GORUP	1,296.00
09/21/2026	122527	MATTHEW PISTILLI LANDSCAPE SERVICES	530.00
09/21/2026	122528	PUBLIC AGENCY RETIREMENT SERVICES	3,469.03
09/21/2026	122529	SOUTH MESA WATER COMPANY	120,000.00
09/21/2026	122530	VALLEY OFFICE EQUIPMENT, INC.	910.24
09/28/2026	122531	ACWA BENEFITS	1,413.74
09/28/2026	122532	AUTOMATION PRIDE	100.00
09/28/2026	122533	BEACON ECONOMICS, LLC	19,440.00
09/28/2026	122534	CITY OF BEAUMONT	110.80
09/28/2026	122535	ERNST & YOUNG LLP	3,545.00
09/28/2026	122536	FISH WINDOW CLEANING	130.00
09/28/2026	122537	LAND ENGINEERING CONSULTANTS	13,366.00
09/28/2026	122538	MORONGO BAND OF MISSION INDIANS	18,669.00
09/28/2026	122539	PE INSTRUMENTS	1,127.04
09/28/2026	122540	PROVOST & PRITCHARD	3,369.20
09/28/2026	122541	SOUTH MESA WATER COMPANY	27.00
09/28/2026	122542	SOUTHERN CALIFORNIA EDISON	478.84
09/28/2026	122543	WELLS FARGO ELITE CREDIT CARD	27,292.05
09/02/2026	901409	EMPLOYMENT DEVELOPMENT DEPARTMENT	3,957.47
09/02/2026	901410	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	18,111.25

San Gorgonio Pass Water Agency
Check History Report
September 1 through September 30, 2026

ACCOUNTS PAYABLE (CON'T)

Date	Number	Name	Amount
09/02/2026	901411	CALPERS RETIREMENT	11,018.71
09/02/2026	901412	CAL PERS RETIREMENT - SIP-457	3,564.00
09/02/2026	901413	PAYCHEX	231.75
09/02/2026	901414	JAMES N. TICKEMYER - REIMBURSEMENT	792.58
09/02/2026	901415	SARAH C. WARGO - REIMBURSEMENT	171.48
09/02/2026	901416	ROBERT G. YBARRA - REIMBURSEMENT	440.99
09/08/2026	901417	CALPERS FINANCIAL REPORTING	70.00
09/18/2026	901418	COVENANT GOVT AFFAIRS, LLC	15,000.00
09/17/2026	901419	EMPLOYMENT DEVELOPMENT DEPARTMENT	3,580.67
09/17/2026	901420	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	15,155.02
09/17/2026	901421	CALPERS RETIREMENT	10,486.26
09/17/2026	901422	CAL PERS RETIREMENT - SIP-457	3,564.00
09/17/2026	901423	PAYCHEX	201.45
09/17/2026	901424	MATTHEW E. HOWARD - REIMBURSEMENT	1,522.56
09/17/2026	901425	SARAH C. WARGO - REIMBURSEMENT	354.30
09/22/2026	901426	CALPERS HEALTH	16,430.74
09/22/2026	901427	CALPERS FINANCIAL REPORTING	350.00
09/23/2026	901428	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,102.65
09/23/2026	901429	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	4,781.34
09/23/2026	901430	PAYCHEX	171.15
09/30/2026	901431	DEPARTMENT OF WATER RESOURCES	13,091,561.00
09/29/2026	901432	PAYCHEX	49.67
		TOTAL ACCOUNTS PAYABLE CHECKS	13,627,341.87

PAYROLL

Date	Number	Name	Amount
9/1/26		TOTAL PAYROLL 08/16-08/31/26	49,064.97
9/16/26		TOTAL PAYROLL 09/01-09/15/26	35,455.41
9/23/26		QTRLY BUYOUT	13,460.04
		TOTAL PAYROLL	97,980.42
		TOTAL DISBURSEMENTS FOR SEPTEMBER 2026	13,725,322.29

NOTES

*Reimbursements to Staff and Directors may include medical, wellness, travel or office expenditures.
Check and expenditure series numbers:

121xxx	Accounts payable checks
802xxx	Payroll direct deposits to employees
900xxx	Electronic Funds Transfers

SAN GORGONIO PASS WATER AGENCY
New Vendors List
October 2026

Vendor - Name and Address	Expenditure Type
Old Address: 14641 Countrywood Lane, Irvine, CA 92604 New Address: 14252 Culver Drive Su. A-549, Irvine, CA 92604	SWP Maint & Repair [Instrument Calibration]

SAN GORGONIO PASS WATER AGENCY
BANK RECONCILIATION
September 30, 2026

BANK STATEMENT BALANCE (CHECKING ACCOUNT) -	September 30, 2026	$	1,621,895.00
SWEEP ACCOUNT DEBIT (Balance)	September 30, 2026	$	16,188,814.84

LESS: OUTSTANDING CHECKS

CHECK NUMBER	AMOUNT	CHECK NUMBER	AMOUNT
		122537	13,366.00
122526	1,296.00	122538	18,669.00
122531	1,413.74	122539	1,127.04
122532	100.00	122540	3,369.20
122533	19,440.00	122541	27.00
122534	110.80	122542	478.84
122535	3,545.00	122543	27,292.05
122536	130.00	901431-DWR	13,091,561.00
	26,035.54		13,155,890.13

TOTAL OUTSTANDING CHECKS		(13,181,925.67)
ADJUSTED **BANK STATEMENT** BALANCE - September 30, 2026		$ 4,628,784.17
BALANCE PER **GENERAL LEDGER** AT END OF PRIOR MONTH		$ 5,562,052.26
CASH RECEIPTS FOR CURRENT MONTH		2,778,652.84
INTEREST INCOME (Sweep Interest)		13,403.35
CASH DISBURSEMENTS FOR CURRENT MONTH		
ACCOUNTS PAYABLE — Checks	(424,672.83)	
SERVICE CHARGE — Misc. ACH	(1.97)	
ACCOUNTS PAYABLE — ACHs	(13,202,669.04)	(13,627,343.84)
PAYROLL — Prior Month: 16th-EOM	(49,064.97)	
PAYROLL — This Month: 1st-15th	(48,915.47)	(97,980.44)
TRANSFERS		
FROM LAIF & CAMP TO CHECKING ACCT		10,000,000.00
FROM CHECKING ACCT TO LAIF & CAMP		
BALANCE PER **GENERAL LEDGER** - September 30, 2026		$ 4,628,784.17

REPORT PREPARED BY:

Scott Tirrell

10/5/26
Date

SAN GORGONIO PASS WATER AGENCY
DEPOSIT RECAP
FOR THE MONTH OF SEPTEMBER 2026

DATE	RECEIVED FROM	DESCRIPTION	AMOUNT
DEPOSIT TO CHECKING ACCOUNT			
9/10/26	RIVERSIDE COUNTY	ARPA GRANT REIMBURSEMENT	899,089.84
9/15/26	BCVWD	WATER SALES AUG26	532,665.00
9/25/26	DWR	DAVIS DOLWIG	77,099.00
9/25/26	SMWC	GAP FUNDING REIMBURSEMENT	449,904.00
9/30/26	CITY OF BANNING	WATER SALES JUN26	798,000.00
9/30/26	CITY OF BEAUMONT	COST SHARE FY26	21,895.00
		TOTAL FOR SEPTEMBER 2026	2,778,652.84

SAN GORGONIO PASS WATER AGENCY

Local Water Purchases and Deliveries
Calendar Year 2026
DRAFT - Subject to Change
October 5, 2026

ORDERS (AF)					
City of Banning		**BCVWD**		**YVWD**	
Replenish	Pre-Stored	Replenish	Pre-Stored	Direct	Pre-Stored*
1,500	500	11,200	5,300	200	0

	Delivery Point					**Pre-Stored Water**					
Month	Brookside East	LSGC	Noble Connect.	SBVMWD	Total	SGPWA Transfers-In	SGPWA Transfers-Out	SGPWA Balance	Banning Transfers-In	BCVWD Transfers-In	YVWD Transfers-In
Bal. Prior Year						Bal. Prior Year		2,519			
Jan	553		774		1,327	553		3,072			
Feb	595		1,286	8	1,889	595		3,667			
Mar	872		1,283	51	2,206	872		4,539			
Apr	279		864	23	1,166	279		4,818			
May	253		1,372		1,625	253		5,071			
Jun	976		1,448		2,424	976	4,000	2,047	2,000	2,000	
Jul	732		1,013		1,745	732		2,779			
Aug	895		1,335		2,230	895		3,674			
Sep	858		217		1,075	858		4,532			
Oct					0						
Nov					0						
Dec					0						
TOTALS	6,013	0	9,592	81	15,686	6,013	4,000		2,000	2,000	0

Billing Detail										
Month	City of Banning			BCVWD			YVWD			Totals
	Deliveries	Transfers-in	Total	Deliveries	Transfers-in	Total	Deliveries	Transfers-in	Total	
Jan			0	774		774			0	774
Feb			0	1,286		1,286	8		8	1,294
Mar			0	1,283		1,283	51		51	1,334
Apr			0	864		864	23		23	887
May			0	1,372		1,372			0	1,372
Jun		2,000	2,000	1,448	2,000	3,448			0	5,448
Jul			0	1,013		1,013			0	1,013
Aug			0	1,335		1,335			0	1,335
Sep			0	217		217			0	217
Oct			0			0			0	0
Nov			0			0			0	0
Dec			0			0			0	0
TOTALS	0	2,000	2,000	9,592	2,000	11,592	81	0	81	13,673

*Pre-stored water for YVWD will be delivered thru the Brookside East facility.

San Gorgonio Pass Water Agency
Budget Highlights

September 2026

General Fund (Green Bucket)

Income

Water sales total $936,852 year-to-date, or 12.5% of the annual budget. Interest income totals $370,284, or 24.7%, approximately in line with the 25.0% point in the fiscal year. Other miscellaneous income totals $35,089, or 78.0% of the annual budget, reflecting the one-time cell tower lease payment noted in August. No tax revenue, government contributions, or grant revenue has been recorded year to date.

Expenses

All expense categories for the General Fund are well within budget. Within categories, there are some line items worth noting:
Previously mentioned:

- Payroll Services
- Office Expense
- Tools Purchase and Maintenance
- LAFCO Cost Share
- County Line Recharge

Financial Modeling and Nexus Rate Study is at 26.4% of the budget, just above the 25% threshold.

SAWPA Regional Projects are at 75.1% of the budget. This is a one-time annual payment and should not have any other expenses this fiscal year.

Public Information and Education accounts for 30.8% of the budget, including the cost of the Beacon Economics report. This account will be monitored as the year continues.

Heli-Hydrant Construction is at 58.6% of the budget and is expected to be completed within the next month.

Consigned – SWP Support Fund (Orange Bucket)

Income

Interest income totals $281,416, or 31.3% of the annual budget, and remains above 25% for the fiscal year. No unitary tax revenue or expenses have been recorded year-to-date.

Debt Service Fund (Red Bucket)

Income

Interest income totals $829,437, or 29.6% of the budget. DWR credits total $77,099. Tax revenue for FY 2026-27 is not expected until October or November.

Expenses

Previously mentioned:

- State Water Contractor Dues

State Water Contract Audit is $3,545, or 44.3% of the budget. These costs are shared and should not exceed the budget amount.

State Water Contract Payment is $15,054,559, or 42.2% of the budget. September payment includes principal payments on the bonds, so it is higher than in other months. This line item will be monitored throughout the year.

Funding Programs

Gap Funding

There was no new Gap Funding activity in September.

Heli-Hydrant Funding

A payment of $120,000 was made to Sout Mesa Water Company for their Heli-Hydrant project, bringing the total to $180,000 to date.

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2026 - JUNE 30, 2027
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2026

		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
	GENERAL FUND					
	INCOME				% of Budget Year:	25.0%
						Over budget
						Under budget
1	WATER SALES	7,500,000		7,500,000	936,852.00	**12.5%**
2	OTHER WATER SALES	0		0	0.00	
3	TAX REVENUE	13,738,842		13,738,842	0.00	**0.0%**
4	INTEREST	1,500,000		1,500,000	370,284.47	**24.7%**
5	GOV'T CONTRIBUTIONS	245,000		245,000	0.00	**0.0%**
6	GRANT REVENUE	1,000,000		1,000,000	0.00	**0.0%**
7	OTHER MISCELLANEOUS INCOME	45,000		45,000	35,089.21	78.0%
8	**TOTAL GENERAL FUND INCOME**	24,028,842	0	24,028,842	1,342,225.68	**5.6%**
						Under budget
	EXPENSES					Over budget
	COMMODITY PURCHASE					
12	PURCHASED WATER FOR DELIVERY	2,900,000		2,900,000	0.00	0.0%
13	PURCHASED WATER FOR BANKING (FUTURE SALE)	0		0	0.00	#DIV/0!
14	**TOTAL COMMODITY PURCHASE**	2,900,000	0	2,900,000	0.00	0.0%
	SALARIES AND EMPLOYEE BENEFITS					
17	SALARIES	921,645		921,645	194,306.52	21.1%
18	PAYROLL TAXES	91,111		91,111	13,644.53	15.0%
19	PAYROLL SERVICES	15,000		15,000	6,663.72	44.4%
20	RETIREMENT	300,165		300,165	33,136.73	11.0%
21	OTHER POST-EMPLOYMENT BENEFITS (OPEB)	200,000		200,000	38,208.87	19.1%
22	HEALTH INSURANCE	83,677		83,677	18,320.04	21.9%
23	ACWA BENEFITS	15,750		15,750	2,325.69	14.8%
24	DISABILITY INSURANCE	9,000		9,000	1,393.17	15.5%
25	WORKERS COMPENSATION INSURANCE	7,000		7,000	0.00	0.0%
26	SGPWA STAFF MEDICAL REIMBURSEMENT	25,775		25,775	2,375.08	9.2%
27	EMPLOYEE EDUCATION	7,000		7,000	0.00	0.0%
28	**TOTAL SALARIES AND EMPLOYEE BENEFITS**	1,676,123	0	1,676,123	310,374.35	18.5%

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2026 - JUNE 30, 2027
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2026

		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
	GENERAL FUND					
	EXPENSES				% of Budget Year:	25.0%
	ADMINISTRATIVE AND PROFESSIONAL SERVICES					Under budget
	DIRECTOR EXPENDITURES					Over budget
33	DIRECTORS FEES	285,000		285,000	32,581.20	11.4%
34	DIRECTORS TRAVEL AND EDUCATION	80,000		80,000	9,734.27	12.2%
35	DIRECTORS MEDICAL	77,770		77,770	3,658.46	4.7%
	OFFICE EXPENDITURES					
37	OFFICE EXPENSE	51,880		51,880	13,702.27	26.4%
38	POSTAGE	1,000		1,000	117.90	11.8%
39	TELEPHONE	15,465		15,465	1,719.39	11.1%
40	UTILITIES	7,000		7,000	877.39	12.5%
	SERVICE EXPENDITURES					
42	COMPUTER, WEBSITE AND PHONE SUPPORT	100,000		100,000	10,288.70	10.3%
43	GENERAL MANAGER AND STAFF TRAVEL	50,000		50,000	7,595.39	15.2%
44	SUCCESSION PLANNING	65,000		65,000	0.00	0.0%
45	INSURANCE AND BONDS	87,740		87,740	1,942.85	2.2%
46	ACCOUNTING AND AUDITING	24,500		24,500	12,500.00	51.0%
47	LEGAL SERVICES	350,000		350,000	42,094.69	12.0%
48	DUES AND ASSESSMENTS	130,000		130,000	13,330.00	10.3%
49	SOFTWARE	75,000		75,000	3,775.63	5.0%
50	OTHER PROFESSIONAL SERVICES	26,532		26,532	8,546.25	32.2%
51	BANK CHARGES	1,000		1,000	5.00	0.5%
52	MISCELLANEOUS EXPENSES	1,000		1,000	0.00	0.0%
	MAINTENANCE AND EQUIPMENT EXPENDITURES					
53	TOOLS PURCHASE AND MAINTENANCE	8,000		8,000	19,199.44	240.0%
54	MAINTENANCE AND REPAIRS - VEHICLE	45,000		45,000	3,358.81	7.5%
55	MAINTENANCE AND REPAIRS - BUILDING	50,000		50,000	7,822.96	15.6%
56	MAINTENANCE AND REPAIRS - FIELD	70,000		70,000	1,996.19	2.9%
	COUNTY EXPENDITURES					
58	LAFCO COST SHARE	11,000		11,000	12,922.80	117.5%
59	ELECTION EXPENSE	150,000		150,000	0.00	0.0%
60	TAX COLLECTION CHARGES	70,000		70,000	0.00	0.0%
61	**TOTAL ADMINISTRATIVE AND PROFESSIONAL SERVICES**	1,832,887	0	1,832,887	207,769.59	11.3%

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2026 - JUNE 30, 2027
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2026

		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
	GENERAL FUND					
	EXPENSES				% of Budget Year:	25.0%
	CONSULTING AND ENGINEERING SERVICES					Under budget
	PLANS & CONSTRUCTION					Over budget
65	INFRASTRUCTURE PLAN - Phase 2	0		0	0.00	#DIV/0!
66	BACKBONE INFRASTRUCTURE STUDY AND DESIGN	1,000,000		1,000,000	14,371.25	1.4%
67	BUNKER HILL BANKING AND RECOVERY PROGRAM	10,000		10,000	0.00	0.0%
68	COUNTY LINE RECHARGE	100,000		100,000	80,136.60	80.1%
	BEAUMONT BASIN RECHARGE	750,000		750,000	42,797.65	5.7%
69	SMALL SYSTEM ASSISTANCE PROGRAM	200,000		200,000	28,164.50	14.1%
70	SIGNAGE AND FRONTAGE BROOKSIDE EAST	150,000		150,000	0.00	0.0%
71	MONITORING WELL DRILLING	0		0	0.00	#DIV/0!
72	HELI-HYDRANT	100,000		100,000	3,097.50	3.1%
	OTHER PROJECTS					
74	WATER BANKING INVESTIGATIONS	2,000,000		2,000,000	0.00	0.0%
75	SAN GORGONIO GSA	500,000		500,000	10,066.00	2.0%
76	YUCAIPA GSA VERBENIA GSA	30,000		30,000	0.00	0.0%
77	FLUME MONITORING AND SUPPORT	30,000		30,000	0.00	0.0%
	STUDIES AND REPORTS					
79	FINANCIAL MODELING + NEXUS RATE STUDY	55,000		55,000	14,510.55	**26.4%**
80	USGS STUDIES AND MONITORING	430,000		430,000	2,585.00	0.6%
81	LOCAL SUPPLIES	50,000		50,000	0.00	0.0%
82	LOCAL RECHARGE FEASIBILITY STUDIES	100,000		100,000	5,860.00	5.9%
83	UWMP SUPPORT AND ANNUAL REPORT COMPLETION	100,000		100,000	3,080.00	3.1%
	ASSET MANAGEMENT	100,000		100,000		
	GENERAL ENGINEERING SERVICES					
85	ON-CALL ENGINEERING SERVICES	0		0	0.00	#DIV/0!
86	GRANT SUPPORT SERVICES	100,000		100,000	13,475.00	13.5%
87	STATE + FEDERAL ADVOCACY	500,000		500,000	20,000.00	4.0%
88	SAWPA REGIONAL PROJECTS	20,000		20,000	15,018.00	**75.1%**
89	GENERAL ENGINEERING and ENVIRONMENTAL	350,000		350,000	11,855.00	3.4%
90	**TOTAL CONSULTING AND ENGINEERING SERVICES**	6,675,000	0	6,675,000	265,017.05	4.0%

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2026 - JUNE 30, 2027
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2026

		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
	GENERAL FUND					
	EXPENSES				% of Budget Year:	25.0%
						Under budget
	CONSERVATION AND EDUCATION					Over budget
98	SCHOOL EDUCATION PROGRAMS	70,000		70,000	0.00	0.0%
99	PUBLIC INFORMATION AND EDUCATION	260,000		260,000	80,122.58	**30.8%**
100	SPONSORSHIPS	20,000		20,000	750.00	3.8%
101	TRANSFER TO PASS WATER AGENCY FOUNDATION	35,000		35,000	0.00	0.0%
102	65th ANNIVERSARY CELEBRATION	50,000		50,000	0.00	0.0%
103	**TOTAL CONSERVATION AND EDUCATION**	435,000	0	435,000	80,872.58	18.6%
	MAJOR AND CAPITAL EXPENDITURES					
	BUILDING AND EQUIPMENT					
107	BUILDING	50,000		50,000	0.00	0.0%
109	FURNITURE AND OFFICE EQUIPMENT	25,000		25,000	0.00	0.0%
110	OTHER EQUIPMENT	20,000		20,000	0.00	0.0%
111	VEHICLES	86,491		86,491	0.00	0.0%
	OTHER ITEMS					
113	SITES RESERVOIR	900,000		900,000	0.00	0.0%
114	NEW PROPERTY	50,000		50,000	0.00	0.0%
115	COUNTY LINE RECHARGE - CONSTRUCTION	900,000		900,000	80,796.60	9.0%
	WELL DRILLING	750,000		750,000	0.00	0.0%
	HELI-HYDRANT CONSTRUCTION	375,000		375,000	219,731.35	**58.6%**
	FACILITY UPGRADES	500,000		500,000		0.0%
117	**TOTAL MAJOR AND CAPITAL EXPENDITURES**	3,656,491	0	3,656,491	300,527.95	8.2%
119	**TRANSFERS TO OTHER FUNDS**					
121	**TOTAL GENERAL FUND EXPENSES**	17,175,501	0	17,175,501	1,164,561.52	6.8%
123	**GENERAL FUND NET INCOME YTD**	6,853,341	0	6,853,341	177,664.16	

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2026 - JUNE 30, 2027
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2026

		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
	CONSIGNED - SWP SUPPORT FUND					
					% of Budget Year:	25.0%
	INCOME					Over budget
						Under budget
	INCOME					
130	UNITARY TAX REVENUE ALLOCATED	10,015,475		10,015,475	0.00	**0.0%**
131	INTEREST	900,000		900,000	281,416.20	31.3%
132	OTHER INCOME	0		0		
133	**TOTAL SWP SUPPORT FUND INCOME**	10,915,475	0	10,915,475	281,416.20	**2.6%**
	EXPENSES					Under budget
						Over budget
	EXPENDITURES					
139	TAX COLLECTION CHARGES	25,039		25,039	0.00	0.0%
140	OTHER EXPENSES	0		0		
141	**TOTAL SWP SUPPORT FUND EXPENSES**	25,039	0	25,039	0.00	0.0%
143	**TRANSFERS TO OTHER FUNDS**					
145	**CONSIGNED - SWP SUPPORT FUND NET INCOME YTD**	10,890,436	0	10,890,436	281,416.20	

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2026 - JUNE 30, 2027
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2026

		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
	DEBT SERVICE FUND					
					% of Budget Year:	25.0%
	INCOME					Over budget
						Under budget
153	TAX REVENUE	34,270,507		34,270,507	0.00	**0.0%**
154	INTEREST	2,800,000		2,800,000	829,437.21	29.6%
155	CONTRIBUTIONS - GOVERNMENT	0		0		
156	DWR CREDITS - BOND COVER, OTHER	3,715,000		3,715,000	77,099.00	**2.1%**
157	**TOTAL DEBT SERVICE FUND INCOME**	40,785,507	0	40,785,507	906,536.21	**2.2%**
						Under budget
	EXPENSES					Over budget
161	SWP PURCHASED WATER	6,300,000		6,300,000	1,348,907.00	21.4%
162	SALARIES	621,245		621,245	147,295.56	23.7%
163	PAYROLL TAXES	45,000		45,000	7,401.94	16.4%
164	BENEFITS	400,000		400,000	36,209.06	9.1%
165	TRAVEL EXPENSE STAFF	5,000		5,000		
166	SWP UTILITIES	12,000		12,000	1,904.01	15.9%
167	STATE WATER CONTRACT AUDIT	8,000		8,000	3,545.00	**44.3%**
168	STATE WATER CONTRACTOR DUES	55,000		55,000	66,251.00	120.5%
169	STATE WATER LEGAL SERVICES	1,000		1,000	0.00	0.0%
170	DELTA CONVEYANCE FINANCING AUTHORITY	0		0	0.00	0.0%
171	WATER TREATMENT EXPENSE	122,471		122,471	12,028.00	9.8%
172	EBX CONTRACT OPERATIONS	400,000		400,000	0.00	0.0%
173	SWP ENGINEERING AND MAINTENANCE	200,000		200,000	2,777.04	1.4%
174	WATER TRANSFERS	4,200,000		4,200,000	0.00	0.0%
175	STATE WATER CONTRACT PAYMENTS	35,649,018		35,649,018	15,054,559.00	**42.2%**
176	TAX COLLECTION CHARGES	170,000		170,000	0.00	0.0%
177	**TOTAL DEBT SERVICE FUND EXPENSES**	48,188,734	0	48,188,734	16,680,877.61	**34.6%**
179	**TRANSFERS FROM RESERVES**			0.00	0.00	
181	**DEBT SERVICE NET INCOME YTD**	-7,403,227	0	-7,403,227	-15,774,341.40	

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2026 - JUNE 30, 2027
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2026

		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
	FUNDING PROGRAMS					
	GAP FUNDING PROGRAM				% of Budget Year:	25.0%
	INCOME					Over budget
						Under budget
185	CABAZON WATER DISTRICT	0		0	0.00	
186	SOUTH MESA WATER COMPANY	0		0	449,904.00	#DIV/0!
187	HIGH VALLEYS WATER DISTRICT	0		0	908,627.50	#DIV/0!
188	BANNING HEIGHTS MUTUAL WATER CO.	0		0	1,387,511.95	
191	**TOTAL INCOME**	0	0	0	2,746,043.45	#DIV/0!
	EXPENSES					Under budget
						Over budget
194	CABAZON WATER DISTRICT	0		0	0.00	
195	SOUTH MESA WATER COMPANY	4,500,000		4,500,000	0.00	0.0%
196	HIGH VALLEYS WATER DISTRICT	0		0	0.00	#DIV/0!
197	BANNING HEIGHTS MUTUAL WATER CO.	0		0	0.00	#DIV/0!
198	**TOTAL EXPENSE**	4,500,000	0	4,500,000	0.00	0.0%
202	**GAP FUNDING PROGRAM NET BALANCE YTD**	-4,500,000	0	-4,500,000	2,746,043.45	
	HELI-HYDRNAT FUNDING PROGRAM					
	INCOME					
208	CABAZON WATER DISTRICT			0	0.00	
210	SOUTH MESA WATER COMPANY			0	0.00	
212	HIGH VALLEYS WATER DISTRICT			0	0.00	
214	BANNING HEIGHTS MUTUAL WATER CO.			0	0.00	
216	**TOTAL INCOME**	0	0	0	0.00	
	EXPENSES					
222	SOUTH MESA WATER COMPANY	300,000		300,000	180,000.00	
224	HIGH VALLEYS WATER DISTRICT			0	0.00	
226	BANNING HEIGHTS MUTUAL WATER CO.			0	0.00	
228	**TOTAL EXPENSE**	300,000	0	300,000	180,000.00	
232	**HELI-HYDRANT FUNDING PROGRAM NET BALANCE YTD**	-300,000	0	-300,000	-180,000.00	

San Gorgonio Pass Water Agency
List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
ACWA	Association of California Water Agencies	Affinity organization that provides conferences, training, lobbying and insurance services for water agencies in California
ACWA JPIA	ACWA Joint Powers Insurance Agency	Designation for payments made for property, liability and workers compensation insurance
ACWABE	ACWA Benefits	Designation for dental, vision and life insurance
ALWEAS	Albert Webb Associates	Provides engineering consulting services
ARPA	American Rescue Plan Act	Grants from the Federal Government, channeled to counties, to fund specific projects.
AVEK	Antelope Valley-East Kern Water Agency	State Water Contractor
BBK	Best Best & Krieger	Provides legal counsel
BCVWD	Beaumont-Cherry Valley Water District	Provides retail water service in Beaumont
BHMWC	Banning Heights Mutual Water Company	Mutual water company within Agency boundaries
CalPERS	California Public Employees Retirement System	Provides retirement and health insurance services for public agencies in California
CAMP	California Asset Management Plan	Financial entity that advises and manages investments for public agencies in California
COBRA	Consolidated Omnibus Budget Reconciliation Act	Designation for continued health coverage
CONTEM	Control Temp, Inc.	Provides building maintenance for heating and air conditioning
CWD	Cabazon Water District	Retail water agency within Agency boundaries
CY	Calendar Year	12-month reporting period that coincides with the calendar year
DUCCLE	Ducking Clean	Provides building maintenance for outside cleaning - gutters and solar panels
DWR	Department of Water Resources	Branch of the California government that is responsible for managing the SWP
EBE	East Branch Enlargement	Construction projects along the East Branch of the SWP to increase capacity
EBX	East Branch Extension	Infrastructure from East Branch of SWP to SGPWA service area
EDD	Employee Development Department	State of California department for collection of employment taxes
EFTPS	Electronic Federal Tax Payment System	Federal system for collection of employment taxes
ERSC	Engineering Services of Southern California	Provides engineering consulting services
ESRI	ESRI	Provides mapping services
FSA	Flexible Spending Account	Pre-tax deduction for health and dependent-care expenses
FY	Fiscal Year	12-month accounting cycle used for financial reporting
GSA	Groundwater Sustainability Act	or Groundwater Sustainability Agency; required under SGMA to manage groundwater
GSP	Groundwater Sustainability Plan	Plan required under SGMA to manage groundwater assets
HCN	HCN Bank	Local regional bank; formerly the Bank of Hemet
HdL Coren & Cone		Provide tax revenue consulting services

San Gorgonio Pass Water Agency
List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
HOX	Homeowners Exemption	Exemption for homeowners; also a tax revenue income received by the Agency
HVWD	High Valleys Water District	Mutual water company within Agency boundaries
IERCD	Inland Empire Resources Conservation District	Special District that provides conservation education
LAFCO	Local Agency Formation Commission	Branch of Riverside County government; reviews district and agency formation
LAIF	Local Agency Investment Fund	Financial organization sponsored by the state California for public agencies to investment surplus money on a short-term basis
LAMMA	Local Agency Money Market Account	Investment account provided by HCN for local agencies
LEC	Land Engineering Consultants	Consulting firm based in Calimesa that provides engineering services to the Agency.
MAPILA	Matthew Pistilli Landscape Services	Provides landscape and gardening services
NAPCFC	Napa County Flood Control and Water Conservation	A state water contractor, particpated in water transfer to SGPWA
OAP	Off-Aqueduct Power	DWR invoice for specific facilities that are not directly part of the SWP aqueduct
OPEB	Other Post-Employment Benefits	
PARS	Public Agency Retirement Services	Provider of defined contribution plans, of which the Agency participates
PPIC	Public Policy Institute of California	Think tank on issues in California
PROPRI	Provost & Pritchard	Provides engineering and other consulting services
RC	Riverside County	
RDV	Redevelopment	
RPTTF	Redevelopment Property Tax Trust Fund	Proceeds of redevelopment properties that are sold and distributed to County entities.
SAWPA	Santa Ana Watershed Project Authority	Coordinates activities to protect the Santa Ana watershed
SBE	State Board of Equalization	AKA Unitary taxes
SBVMWD	San Bernardino Valley Municipal Water District	State Water Contractor in San Bernardino County and a partner with EBX
SCADA	Supervisory Control and Data Acquisition	Electronic monitoring and control system used by DWR and other water purveyors
SCWC	Southern California Water Coalition	
SGMA	Sustainable Groundwater Management Act	A legislative package that requires local agencies to form GSAs and develop GSPs.
SMIF	Surplus Money Investment Fund	State of California depository for government funds that are not currently needed
SMWC	South Mesa Water Company	Retail water agency within Agency boundaries
SRJP	Sites Reservoir Joint Powers Authority	Joint powers authority formed to construct and manage Sites Reservoir
STAINS	Standard Insurance Company	Disability insurance provider
SWC	State Water Contractors	Professional organization representing districts and agencies that have a water supply contract with the state of California

San Gorgonio Pass Water Agency
List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
SWP	State Water Project	System of reservoirs, aqueducts, and pump stations that distributes water throughout the state of California; governed by agreements called water supply contracts
TSAB	Tehachapi Second After-Bay	A DWR facility that SGPWA participates in
UNIVAR	Univar Solutions, Inc.	Provides EarthTec copper sulfte solution for water treatment
USGS	U.S. Geological Survey	Federal agency that provides groundwater data and modeling
UWMP	Urban Water Management Plan	
WEF	Water Education Foundation	
Weka, Inc.	Construction firm	Bid approved to construct County Line Recharge facility
WSRB	Water System Revenue Bonds	Bonds sold by the state of California to pay for SWP construction
YTD	Year to Date	
YVWD	Yucaipa Valley Water District	Retail water district with part of its service area within Agency boundaries
		Version 260408

San Gorgonio Pass Water Agency
Gap Funding Program
Summary Report
Report Date: October 13, 2026

OVERALL Current Balance: 957,475.11 (Owed to Agency)

Cabazon Water District	(CWD owes us) - Current Balance: 0.00
Gap Funding Maximum: 1,300,000	
Approximate Project Cost: 1,700,000.00	Approximate Gap Funding Available: 1,300,000.00
Payments Made to CWD: 1,576,885.54	Payments Received from CWD: 1,576,885.54

South Mesa Water Company	(SMWC owes us) - Current Balance: 957,475.11
Gap Funding Maximum: 7,000,000	
Approximate Project Cost: 10,300,000.00	Approximate Gap Funding Available: 6,042,524.89
Payments Made to SMWC: 6,325,017.13	Payments Received from SMWC: 5,367,542.02

High Valleys Water District	(HVWD owes us) - Current Balance: 0.00
Gap Funding Maximum: 1,000,000	
Approximate Project Cost: 1,000,000.00	Approximate Gap Funding Available: 1,000,000.00
Payments Made to HVWD: 908,627.50	Payments Received from HVWD: 908,627.50

Banning Heights Mutual Water Co.	(BHMWC owes us) - Current Balance: 0.00
Gap Funding Maximum: 1,500,000	
Approximate Project Cost: 3,756,000.00	Approximate Gap Funding Available: 1,500,000.00
Payments Made to BHMWC: 1,487,511.95	Payments Received from BHMWC: 1,487,511.95

(12/19/25)	1/14/26	300,974.25	10/29/25	100,000.00
2/16/26	2/18/26	288,140.70		

San Gorgonio Pass Water Agency
Heli-Hydrant Funding Program
Summary Report
Report Date: October 13, 2026

OVERALL Current Balance: 180,000.00 (Owed to Agency)

Cabazon Water District	(Owed to us) - Current Balance: 0.00
Heli-Hydrant Maximum: 600,000	
	Heli-Hydrant Funding Available: 600,000.00
Payments Made to CWD: 600,000.00	Payments Received: 600,000.00

South Mesa Water Company	(Owed to us) - Current Balance: 180,000.00
Heli-Hydrant Maximum: 300,000	
	Heli-Hydrant Funding Available: 120,000.00
Payments Made to SMWC: 180,000.00	Payments Received: 0.00

7/20/26	60,000.00
9/21/26	120,000.00

High Valleys Water District	(Owed to us) - Current Balance: 0.00
Heli-Hydrant Maximum: 600,000	
	Heli-Hydrant Funding Available: 600,000.00
Payments Made to HVWD: 600,000.00	Payments Received: 600,000.00

8/18/25	120,000.00	12/9/25	120,000.00
10/13/25	240,000.00	2/27/26	480,000.00
11/3/25	240,000.00		

Banning Heights Mutual Water Co.	(Owed to us) - Current Balance: 0.00
Heli-Hydrant Maximum: 300,000	
	Heli-Hydrant Funding Available: 300,000.00
Payments Made to BHMWC: 0.00	Payments Received: 0.00

10/20/25	0.00

SAN GORGONIO PASS WATER AGENCY
Monthly Treasurer's Investment Report

For the Month Ended: September 30, 2026

Total Portfolio	**$175,380,268.91**	**Portfolio Yield**	**3.80%**	**Monthly Interest**	**$504,565.30**

Investment and Cash Holdings	Beginning Balance	Purchases / Deposits	Sales / Withdrawals/Market Change	Interest Income	Ending Balance	Current Avg Yield
Wells Fargo	$1,600,000.00	$12,778,652.84	($12,770,161.19)	$13,403.35	$1,621,895.00	N/A
Wells Fargo Sweep	$5,626,851.86	$12,770,161.19	($2,208,198.21)		$16,188,814.84	3.54%
LAIF	$46,235,627.68		($10,000,000.00)		$36,235,627.68	3.87%
CAMP Investment Portfolio	$101,526,841.97	$6,632,709.20	($8,036,222.30)	$425,301.35	$100,548,630.22	3.87%
CAMP Liquidity	$20,719,440.57			$65,860.60	$20,785,301.17	3.87%
Other Investments	$0.00				$0.00	
Total Portfolio	**$175,708,762.08**	**$32,181,523.23**	**($33,014,581.70)**	**$504,565.30**	**$175,380,268.91**	**3.80%**

Treasurer's Certification

Pursuant to California Government Code Section 53607, this report summarizes investment transactions made during the month under the authority delegated to the Treasurer by the Board of Directors.

I certify that the investment transactions reported above were made in accordance with the Agency's adopted Investment Policy and applicable provisions of the California Government Code.

CFO: _____ Date: 10/14/2026

SAN GORGONIO PASS WATER AGENCY

LEGAL INVOICES
ACCOUNTS PAYABLE INVOICE LISTING

VENDOR	INVOICE NBR	COMMENT	AMOUNT
BEST, BEST & KRIEGER	260930	LEGAL SERVICES SEPTEMBER 2026	35,187.58
TOTAL PENDING INVOICES FOR APPROVAL SEPTEMBER 2026			35,187.58

Past Pending Invoices files are located in this folder:
ttodd > Accounting Activity + Supporting Documentation
Other files in this folder:
Numbering Invoices
Numbering AJEs
New Vendors List (previous years)
Other Vendor information

SAN GORGONIO PASS WATER AGENCY
RESERVE ALLOCATION REPORT
FY 2026-27
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2027

	JUN 30, 26	SEP 30, 26	DEC 31, 26	MAR 31, 27	JUN 30, 27
RESTRICTED					
STATE WATER CONTRACT FUND	**88,452,080**	**85,026,709**			
UNRESTRICTED					
GENERAL FUND					
OPERATIONS	3,500,000	3,500,000			
NEW INFRASTRUCTURE	43,229,793	43,229,793			
Adjustments/Additions		-4,591,570			
Expenditures	-3,364,463				
Ending Balance	39,865,330	38,638,223	0	0	0
ADDITIONAL WATER	4,839,711	4,839,711			
Adjustments/Additions					
Expenditures					
Ending Balance	4,339,711	4,839,711	0	0	0
RATE STABILIZATION					
Previous Balance	150,000	150,000			
Expenditures					
Ending Balance	150,000	150,000	0	0	0
REPLACEMENTS	3,969,940	3,969,940			
UNEXPECTED LEGAL SERVICES	150,000	150,000			
SUB-TOTAL GENERAL FUND	**51,974,981**	**51,247,874**	**0**	**0**	**0**
UNRESTRICCTED					
CONSIGNED SWP FUND	33,630,648	39,815,282			
Net Changes	5,985,746	247,979			
Ending Balance	**39,616,394**	**40,063,261**	**0**	**0**	**0**
Gap Funding and Heli-Hydrant Programs	**-3,703,519**	**-957,475**			
TOTAL UNRESTRICTED RESERVES	**87,887,856**	**90,353,659**			
TOTAL RESERVES	**176,339,936**	**175,380,369**		**0**	**0**
CASH LOCATION					
Petty Cash	100	100			
Wells Fargo Checking Account	9,172,199	17,810,710			
LAIF	45,918,133	36,235,628			
CAMP - Liquidity	20,523,188	20,785,301			
CAMP - PFM - Investments	101,226,318	100,548,630			
TOTAL CASH	**176,839,938**	**175,380,369**	**0**	**0**	**0**



Finance and Budget Committee Meeting

October 29, 2026

Check History Report

Accounts Payable Checks	$13,627,341.87
Total Payroll	$97,980.42
Total Disbursements for September	$13,725,322.29
New Vendors – PE Instruments (Address Change Only)	

Bank Reconciliation for September 2026

General Ledger Beg Balance	**$5,562,052.26**
Cash Receipts	$2,778,652.84
Sweep Interest Income	$ 13,403.35
Cash Disbursements	($ 13,725,324.28)
Transfer from LAIF /CAMP	$10,000,000.00
Balance per General Ledger	**$ 4,628,784.17**

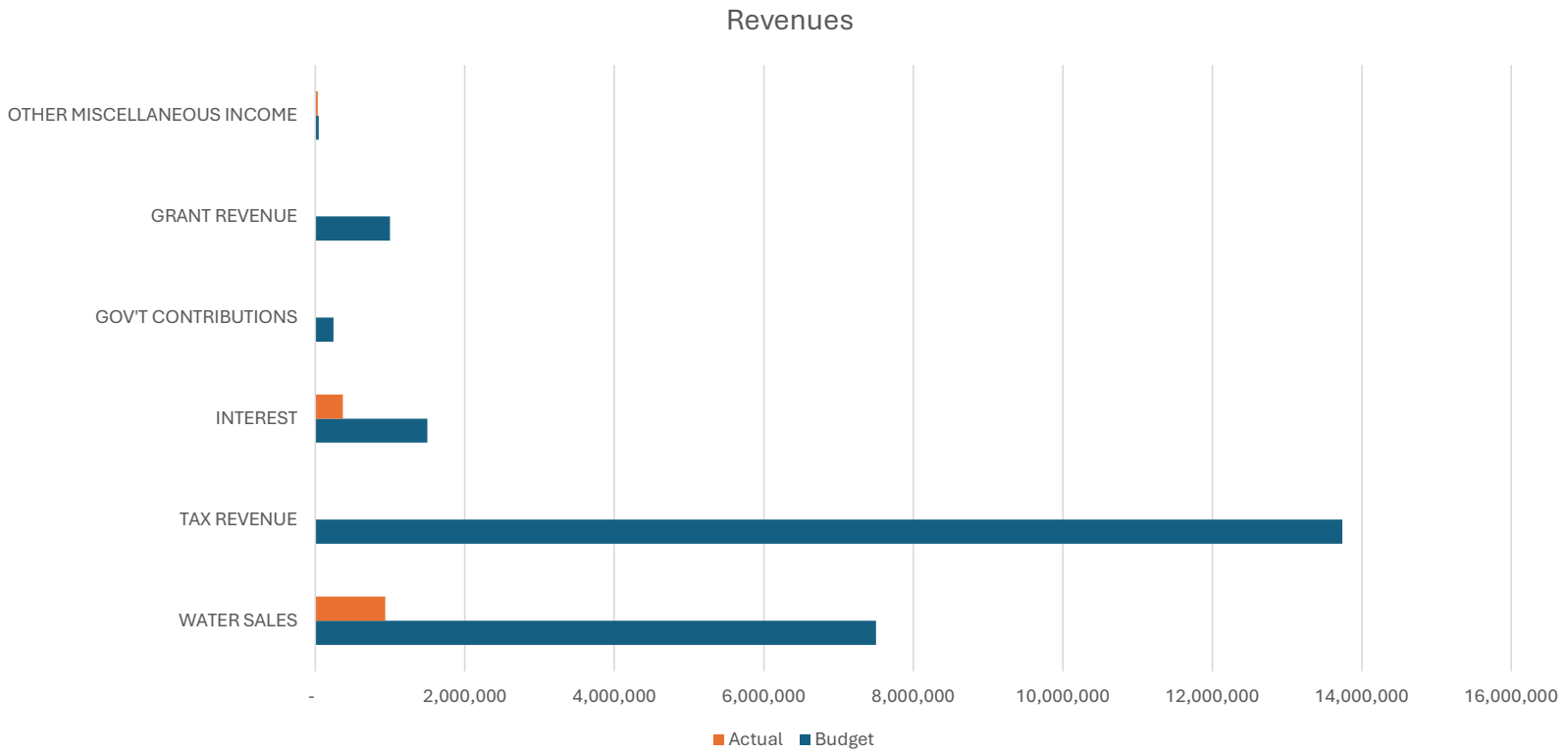
**Detail of Cash Receipts and Water Delivery in Packet*



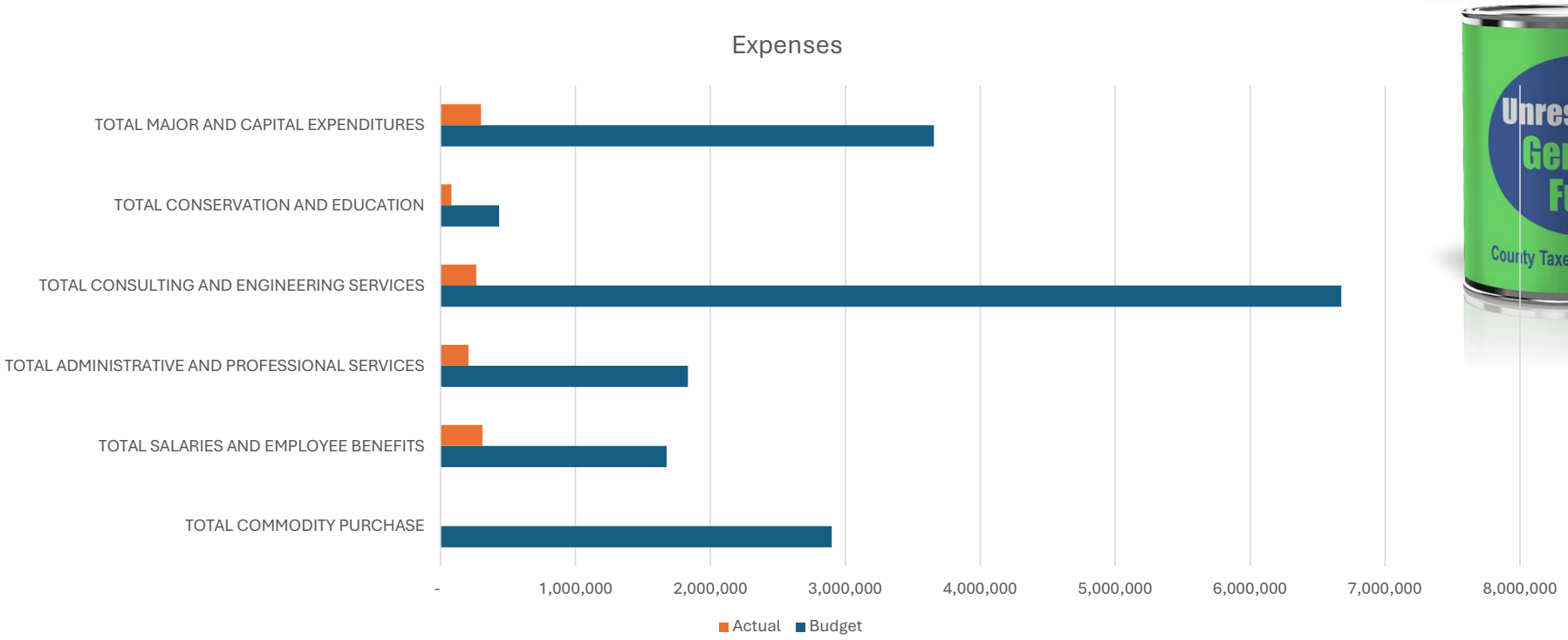
Budget Report for September 2026

General Fund – Green Bucket



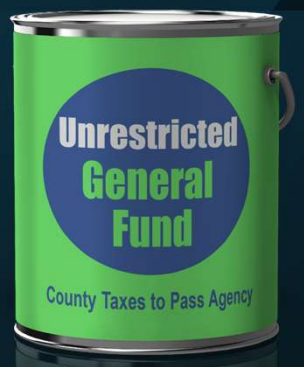


Expenses By Category – General Fund (Green Bucket)





Overall General Fund (Green Bucket) Results



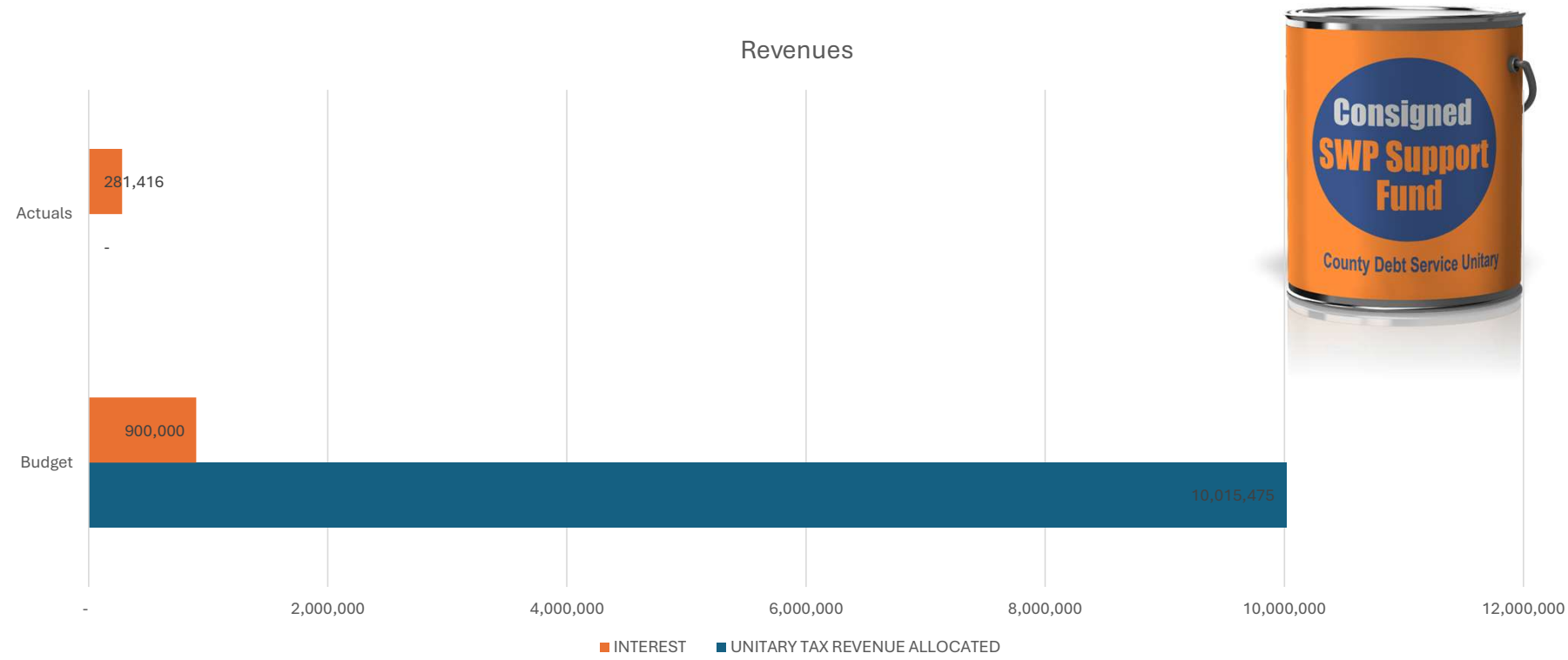
Revenues were $1.3M or 5.6% of budget.

Expenditures were $1.2M or 6.8% of budget.

Net Income $178K

- All expense categories for the General Fund are well within budget.
- Line items with excess expenses in September:
  - Financial Modeling and Nexus Rate Study
  - SAWPA Regional Projects
  - Public Information and Education
  - Heli-Hydrant Construction

Consignment Fund (Orange Bucket)



Overall Orange Bucket

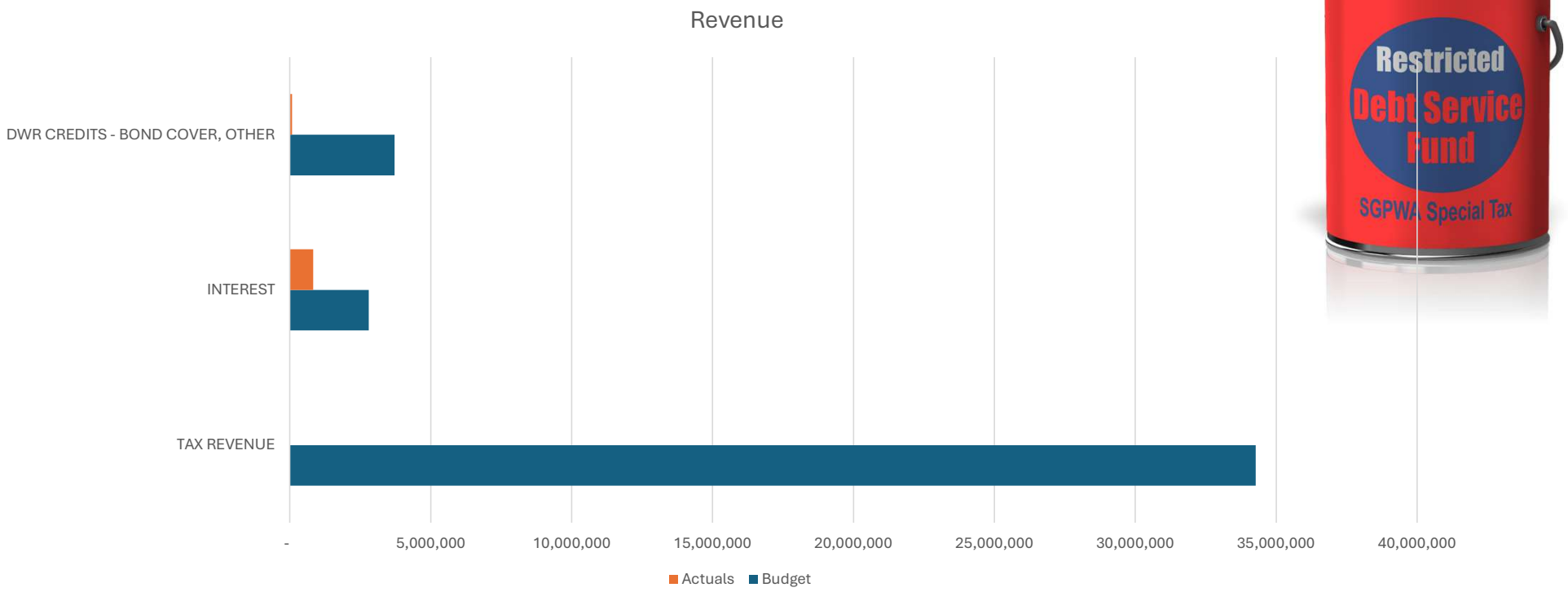


Revenues are $281K or 2.6% of budget

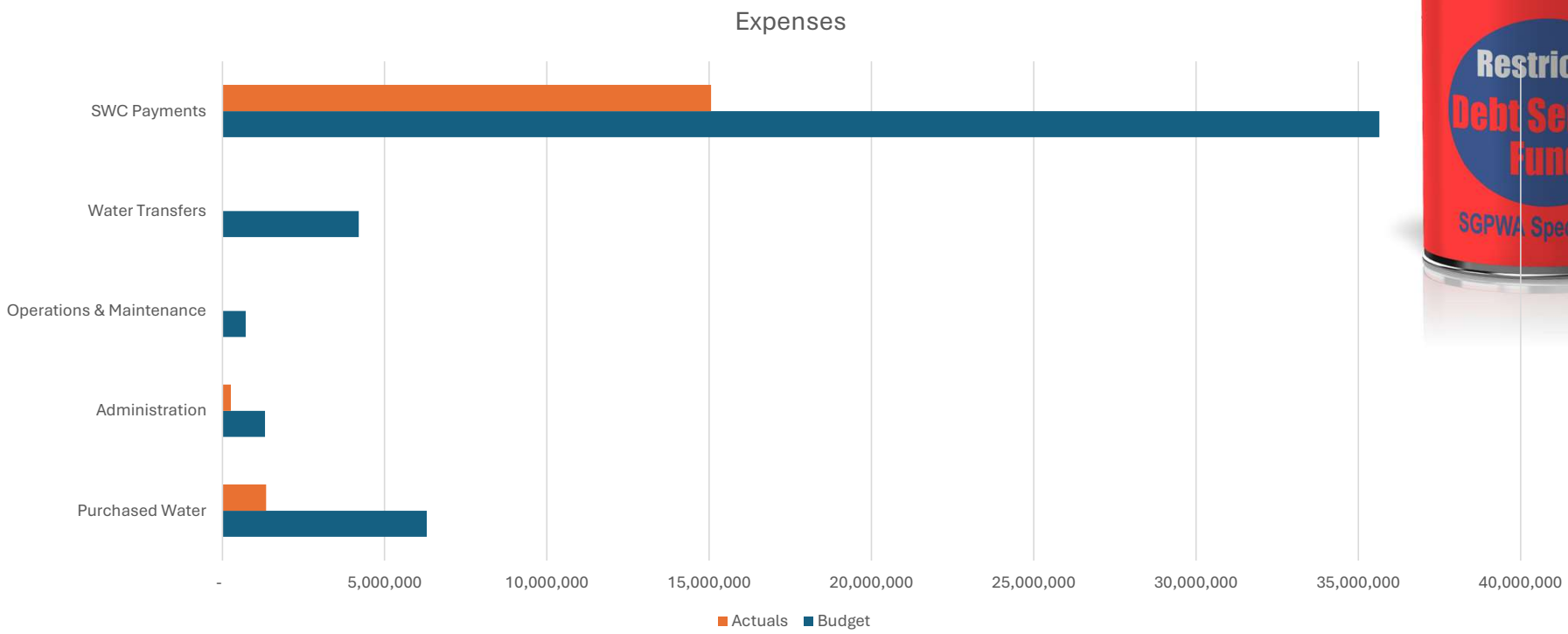
No expenses for September

Net Income $281K

Debt Service Fund (Red Bucket)



Expenses – Debt Service Fund (Red Bucket)



Overall Debt Service Fund (Red Bucket)

Revenues are $907K or 2.2% of budget.

Expenditures are $17M or 34.6% of budget.

Net Income is -$16M



- Expenditures exceed revenue in this fund which is common for this time of year. Property taxes are expected to start offsetting costs in October or November.

GAP and Heli-Hydrant Funding Update

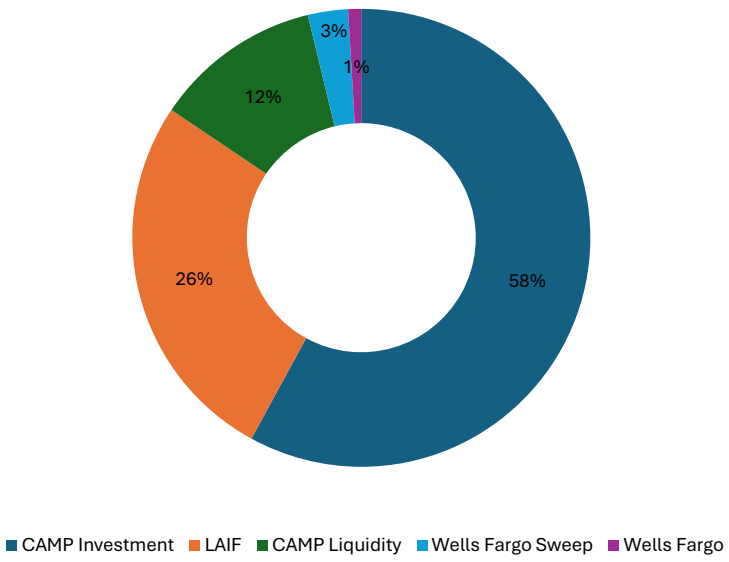
- $120,000 payment made to South Mesa Water Company for Heli-Hydrant project

Monthly Treasurer's Investment Report

September 30, 2026

TOTAL PORTFOLIO	PORTFOLIO YIELD	MONTHLY INTEREST
$175.4M	3.80%	$505K

Portfolio Allocation



September Activity & Highlights

Beginning portfolio	$175.7M
Purchases / deposits	$32.2M
Sales / withdrawals / market change	($33.0)
CAMP Investment yield	3.87%
LAIF yield	3.87%
CAMP Liquidity yield	3.87%
Wells Fargo Sweep yield	3.54%

Portfolio remained highly liquid while earning a 3.80% average yield.

Cash and Investment Balances

September 30, 2026 | FY 2026–27 First Quarter

TOTAL CASH AND INVESTMENTS **$175.38M**

BALANCES BY FUND

Restricted – Debt Service	**$85.03M**
Unrestricted – General	**$51.25M**
Unrestricted – Consigned SWP	**$40.06M**
GAP Funding Program	**($0.96M)**

LOCATION OF CASH & INVESTMENTS

CAMP – PFM Investments	**$100.55M**
Local Agency Investment Fund	**$36.24M**
CAMP – Liquidity	**$20.79M**
Wells Fargo Checking	**$17.81M**
Petty Cash	**$100**

Balances reflect the Agency's September 30, 2026 cash reconciliation report. Amounts shown in millions are rounded.

Committee Action

Accept items 5A-5G

Legal Invoice

- Best, Best & Kreiger – Legal Services for September 2026 $35,187.58

Committee Action

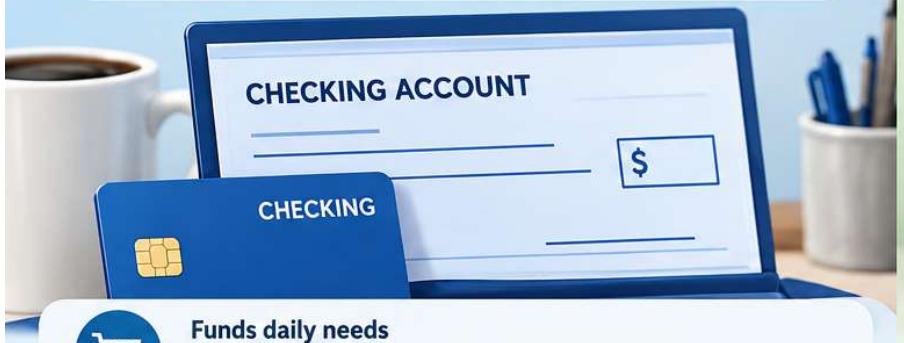
Approve Items 5H

The Annual Budget and Reserves: A Simple Way to Think About It

Just like a household uses a checking account for everyday expenses and a savings account for the future, governments use an annual budget to fund ongoing operations and reserves to prepare for unexpected needs and long-term priorities.

Annual Budget = Checking Account

Pays for day-to-day expenses



Funds daily needs
Pays for regular services and operations, such as employee salaries, supplies, utilities, and maintenance.

Used within a set period
The annual budget covers a one-year period (the fiscal year).

Based on expected revenues
Planned spending is based on the revenues the government expects to receive during the year.

Regularly monitored
Actual revenues and expenditures are tracked throughout the year and compared to the budget.

Reserves = Savings Account

Provides financial security for the future



Provides a financial cushion
Helps the government respond to unexpected events, such as economic downturns, natural disasters, or emergencies.

Supports long-term needs
Can be used for future capital projects, major equipment replacements, or other long-term priorities.

Not for everyday expenses
Reserves are not part of the annual budget and are not used to fund regular day-to-day operations.

Built and maintained over time
Reserves are established through policy and planned contributions to ensure financial stability.

Key Takeaway

The annual budget and reserves work together. The budget pays for today's services, while reserves help ensure the government can continue to provide services tomorrow, even when the unexpected happens.

RESERVE ALLOCATION | FY 2026–27

As of September 30, 2026 • First quarter

TOTAL CASH & RESERVES **$175.38M**

Reserve allocation

Restricted • State Water Contract	**$85.03M**
General Fund reserves	**$51.25M**
Consigned SWP Fund	**$40.06M**
GAP / Heli-Hydrant programs	**($0.96M)**

General Fund reserve detail

New infrastructure	**$38.64M**
Additional water	**$4.84M**
Replacements	**$3.97M**
Operations	**$3.50M**
Rate stabilization	**$0.15M**
Unexpected legal services	**$0.15M**

Quarter change: total reserves decreased $1.46M from June 30, 2026 ($176.84M).

Source: SGPWA Reserve Allocation Report, September 30, 2026 | Amounts rounded

Committee Action

Approve Items 5I

San Gorgonio Pass Water Agency

DATE: November 16, 2026

TO: Board of Directors

FROM: Lance Eckhart, General Manager

BY: Jennifer Ustation, Chief Financial Officer

SUBJECT: Annual Adoption of CalPERS Salary Schedule for FY 2026-27

RECOMMENDATION

Staff recommends that the Board of Directors adopt the Agency's salary schedule for Fiscal Year 2026-27 in accordance with California Public Employees' Retirement System (CalPERS) requirements.

BACKGROUND

CalPERS regulations require public agencies to establish and approve employee pay schedules that are publicly available. Under California Code of Regulations, Title 2, Section 570.5, pay schedules must be approved by the governing body and identify the pay rates for each position.

The Agency annually presents its salary schedule to the Board to maintain compliance with CalPERS requirements and ensure that the adopted pay rates are properly documented.

ANALYSIS

The Board provides oversight of employee compensation through several processes, including:

- Adoption of the Agency's salary schedule;
- Consideration and approval of annual cost-of-living adjustments;
- Approval of the General Manager's employment agreement; and
- Adoption of the Agency's annual operating budgets.

The General Manager administers employee compensation within the authority established by the Board to support the recruitment and retention of qualified employees. The proposed FY 2026-27 salary schedule reflects the Agency's authorized position classifications and applicable salary ranges for the fiscal year.

Annual adoption of the salary schedule is an administrative action intended to document the Agency's established compensation structure and ensure compliance with CalPERS reporting requirements. Adoption of the schedule does not independently authorize additional positions, salary increases, or expenditures beyond those previously approved by the Board.

FISCAL IMPACT

There is no additional fiscal impact associated with this action. Employee compensation expenditures are incorporated into the Agency's adopted FY 2026-27 General Fund, Consigned-SWP Support Fund, and Debt Service Fund budgets.

Adoption of the salary schedule documents the Agency's authorized pay rates for CalPERS purposes and does not modify previously approved budget appropriations.

ACTION

Adopt the Agency's FY 2026-27 salary schedule.

ATTACHMENTS

1. Resolution 2026-09, Adopting the Updated FY 2026-27 Salary Schedule
2. FY 2026-27 Agency Salary Schedule

RESOLUTION NO. 2026-09

RESOLUTION OF THE BOARD OF DIRECTORS OF SAN GORGONIO PASS WATER AGENCY ADOPTING THE UPDATED FISCAL YEAR 2026-27 PUBLICLY AVAILABLE PAY SCHEDULE AS REQUIRED BY CALPERS

WHEREAS, San Gorgonio Pass Water Agency (Agency) is a CalPERS contracting agency subject to the Public Employees Retirement Law and the regulations thereunder; and

WHEREAS, CalPERS regulations require that employee salaries be included on a publicly available pay schedule as defined in California Code of Regulations, Title 2, Section 570.5; and

WHEREAS, one of the requirements of Section 570.5 is that the Agency's salary schedule be adopted by resolution of the Board of Directors; and

WHEREAS, the compensation paid to Agency employees has been previously approved by the Board in accordance with Agency policy and in compliance with applicable public meeting laws; and

WHEREAS, solely for the purpose of complying with Section 570.5, it has been determined that it is in the Agency's best interest to have the salary schedules approved by the Board of Directors which reflect previously approved compensation amounts.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Gorgonio Pass Water Agency hereby adopts the updated fiscal year 2025-26 salary schedule for Agency employees attached hereto as Exhibit 1 and incorporated herein by this reference, with an effective date of July 1 of the applicable fiscal year.

ADOPTED AND APPROVED this 16th day of November, 2026.

_____
Robert Ybarra
President, Board of Directors
San Gorgonio Pass Water Agency

ATTEST:

_____
Maricela Cabral
Clerk of the Board
San Gorgonio Pass Water Agency

San Gorgonio Pass Water Agency
Position Payrate Schedule
FY 2026-2027

July 1, 2026 - June 30, 2027

Position Title	Pay Rate Range			Time Base
General Manager	$23,702	--	$33,733	Monthly
Chief Financial Officer	$15,882	--	$22,924	Monthly
Operations Manager	$11,809	--	$17,897	Monthly
Director of Water Resources	$11,455	--	$17,166	Monthly
Executive Assistant/Board Clerk	$9,226	--	$15,366	Monthly
Water System Operator II	$8,161	--	$9,904	Monthly
Senior Administrative & Finance Coordinator	$7,074	--	$9,078	Monthly
Administrative & Finance Coordinator	$6,222	--	$7,999	Monthly

This complies with CCR 570.5 requirements for pay schedule information, effective August 10, 2011.

San Gorgonio Pass Water Agency

DATE: November 16, 2026

TO: Board of Directors

FROM: Lance Eckhart, General Manager

BY: Emmett Campbell, Director of Water Resources

SUBJECT: Consideration of the First Amendment to the Memorandum of Understanding Between San Gorgonio Pass Water Agency and San Bernardino Valley Municipal Water District for the Purchase of 2025 Surplus Water and the Development of a Multi-Year Water Transfer Package

RECOMMENDATION

Authorize the General Manager to execute the First Amendment to the Memorandum of Understanding ("MOU") between San Gorgonio Pass Water Agency ("SGPWA") and San Bernardino Valley Municipal Water District ("SBVMWD"), extending the term of the MOU through December 31, 2027.

PREVIOUS CONSIDERATIONS

November 3, 2025 - Board of Directors Meeting: the Board of Directors authorized execution of the MOU for the Purchase of 2025 Surplus Water and the Development of a Multi-Year Water Transfer Package between SGPWA and SBVMWD, along with a budget adjustment to accommodate the proposed transfer.

BACKGROUND AND ANALYSIS

SGPWA and SBVMWD entered into the MOU in November 2025 to establish a framework for the purchase of up to 5,000 acre-feet of SBVMWD's 2025 surplus State Water Project water for future delivery to SGPWA and to initiate development of a comprehensive Multi-Year Water Transfer Agreement ("Multi-Year Agreement"). The Multi-Year Agreement is intended to replace the Agencies' 2018 Surplus Water Agreement with a more flexible arrangement consistent with the State Water Project's Water Management Tools Amendment.

The MOU contemplated completion of the Multi-Year Agreement by the end of 2026 and is currently scheduled to expire on December 31, 2026. Development of the Multi-Year Agreement requires coordination between both Agencies and the Department of Water Resources, as well as negotiation of transfer terms and completion of any necessary environmental review and approvals.

Due to competing priorities and staff commitments at both Agencies, development of the Multi-Year Agreement has not progressed as initially anticipated. Additionally, there has been no immediate operational need requiring the Parties to finalize the agreement. Both Agencies remain interested in pursuing the Multi-Year Agreement and propose extending

the existing MOU by one year to allow additional time to complete the necessary coordination, negotiations, and approvals.

The proposed First Amendment would revise Section 4 of the MOU to extend its expiration date from December 31, 2026, to December 31, 2027. All other provisions of the MOU would remain unchanged, including the 2025 surplus water transaction, the framework for negotiating the Multi-Year Agreement, and the termination provisions.

The extension would preserve the existing framework while allowing both Agencies to continue working toward a long-term transfer arrangement without having to establish a new MOU.

STRATEGIC PLAN NEXUS

The MOU between SGPWA and SBVMWD helps advance various aspects of the Agency's Strategic Plan, including:

- Strategic Goal 1: Align with the current and future water landscape, supporting the region's long-term needs by diversifying the local supply portfolio and advancing water sustainability.
    - ✓ Objective 2 – Establish relationships and expand collaborative opportunities at the local, regional, state, tribal, and federal levels that will enhance the water supplying the region.
    - ✓ Objective 3 – Seek opportunities in the California water market to maximize the beneficial use of Agency water assets.

FISCAL IMPACT

Approval of the First Amendment would not, by itself, authorize additional expenditures or require a new budget adjustment. The amendment only extends the term of the existing MOU; the financial provisions of the original MOU would remain unchanged.

ACTION

Authorize the General Manager to execute the First Amendment to the MOU between SGPWA and SBVMWD, extending the term through December 31, 2027.

ATTACHMENTS

1. First Amendment to Memorandum of Understanding Between San Bernardino Valley Municipal Water District and San Gorgonio Pass Water Agency for the Purchase of 2025 Surplus Water and the Development of a Multi-Year Water Transfer Package

2. Memorandum of Understanding for the Purchase of 2025 Surplus Water and the Development of a Multi-Year Water Transfer Package Between the San Gorgonio Pass Water Agency and San Bernardino Valley Municipal Water District

FIRST AMENDMENT TO MEMORANDUM OF UNDERSTANDING
BETWEEN
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
AND
SAN GORGONIO PASS WATER AGENCY
FOR THE PURCHASE OF 2025 SURPLUS WATER AND THE DEVELOPMENT OF A MULTI-YEAR WATER TRANSFER PACKAGE

This First Amendment to Memorandum of Understanding ("First Amendment") is made and effective this ____ day of _____, 2026 ("First Amendment Effective Date"), by and between the San Bernardino Valley Municipal Water District ("San Bernardino Valley") and the San Gorgonio Pass Water Agency (the "Pass Agency"). San Bernardino Valley and the Pass Agency are each sometimes individually referred to herein as a "Party" and collectively as the "Parties."

Recitals

A. The Parties entered into a Memorandum of Understanding dated November 3, 2025, regarding the 2025 transfer and purchase of surplus water and the development of a multi-year water transfer agreement ("MOU"); and

B. The Parties now desire to amend the MOU to extend the term of the MOU.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the Parties hereto agree as follows:

MOU

1. Term. Section 4 of the MOU shall be deleted in its entirety and replaced as follows:

   "This MOU will take effect upon the Effective Date and will remain in force until December 31, 2027, unless earlier terminated pursuant to Section 5 below."

2. Continuing Effect of MOU. Except as amended by this First Amendment, all provisions of the MOU as amended shall remain in full force and effect and shall govern the actions of the Parties under this First Amendment. Whenever the term "MOU" or "Memorandum of Understanding" appears in the original MOU from and after the First Amendment Effective Date of this First Amendment, it shall mean the MOU as amended.

[*Signatures on following page*]

DRAFT

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment as of the First Amendment Effective Date.

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT	**SAN GORGONIO PASS WATER AGENCY**
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

DRAFT

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MEMORANDUM OF UNDERSTANDING
BETWEEN
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
AND
SAN GORGONIO PASS WATER AGENCY
FOR THE PURCHASE OF 2025 SURPLUS WATER AND THE DEVELOPMENT OF A MULTI-YEAR WATER TRANSFER PACKAGE

This Memorandum of Understanding ("MOU") is entered into and effective this 3rd day of November, 2025 ("Effective Date"), by and between the San Bernardino Valley Municipal Water District ("San Bernardino Valley") and the San Gorgonio Pass Water Agency (the "Pass Agency"). San Bernardino Valley and the Pass Agency are each sometimes referred to herein as a "Party" and collectively as the "Parties."

Recitals

A. San Bernardino Valley is a municipal water district, formed to develop and manage long-term water supplies for the San Bernardino valley area, including importing water under its State Water Project ("SWP") contract and managing groundwater storage within its service area; and

B. Pass Agency is a regional water agency created in 1961 by the California State Legislature pursuant to Water Code Appendix 101: San Gorgonio Pass Water Agency Law, Act 9099, empowered to acquire, import, and distribute water resources, including up to 17,300 acre feet annually under its SWP contract, to promote water supply reliability and regional resilience; and

C. In 2025, San Bernardino Valley identified up to 12,500 acre-feet ("AF") of surplus SWP supplies, which San Bernardino Valley intends to recharge within its own service area; and

D. The Parties entered into a Surplus Water Agreement in 2018. Because that agreement predates the Water Management Tools Amendment to the SWP contract with the California Department of Water Resources ("DWR"), both Parties now wish to preserve the intent of the Surplus Water Agreement while replacing it with a new comprehensive, multi-year transfer agreement; and

E. The Pass Agency desires to purchase up to 5,000 AF of the surplus water for delivery in a future year, and the Parties intend that Pass Agency will purchase the water at a rate of $200/AF; and

F. Because DWR has advised that such an arrangement requires development of a multi-year transfer agreement, the Parties intend that this MOU serve as an initial step, to be followed by negotiation of a definitive multi-year transfer package

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subject to DWR approval and environmental review under the California Environmental Quality Act ("CEQA"); and

G. The Parties anticipate that a future multi-year transfer agreement may include bi-directional transfers, a term of up to twenty (20) years, and use of various SWP supply components (e.g., Table A, Carryover, Article 21), but acknowledge that all such terms remain subject to future negotiation, approval by each Party's respective Board of Directors, and approval by DWR; and

H. The Parties therefore wish to memorialize their mutual understandings regarding the 2025 transfer and establish a framework for future discussions, while preserving full flexibility until a definitive agreement is executed.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the Parties hereto agree as follows:

MOU

1. Purpose. This MOU establishes the intent of the Parties with respect to the 2025 purchase of up to 5,000 AF of San Bernardino Valley's surplus water supplies and outlines the commitment to pursue a future multi-year transfer agreement.

2. 2025 Transfer Concept.

    a. San Bernardino Valley will recharge up to 5,000 AF of its own surplus SWP supplies in 2025 within its service area.

    b. The Pass Agency will agree to purchase this recharge water at a rate of $200/AF plus estimated transportation variable costs, contingent upon, among other things, compliance with CEQA and receipt of approvals from DWR for the future multi-year transfer agreement.

    c. The Pass Agency will provide a good faith deposit of up to $2,000,000 (5,000 AF x $200/AF, plus estimated transportation variable costs) with San Bernardino Valley after the water has been recharged.

    d. Return deliveries to the Pass Agency through SWP facilities will total 85% of the recharged surplus amount, up to 4,250 AF to account for typical losses. The Parties acknowledge that the purchase price will be based on 5,000 AF of recharge, notwithstanding that the delivered amount will be less.

    e. San Bernardino Valley will offer return water to the Pass Agency no later than April 1 of each year, and the Pass Agency will provide its response no later than April 15 of the same year.

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f. The return water will be delivered to the Pass Agency within ten (10) years. If, at the end of the ten-year period, any portion of the return water remains undelivered, San Bernardino Valley will return the balance of the Pass Agency's prepaid account associated with this transfer of 5,000 AF.

g. For calendar year 2025, the Pass Agency will reimburse San Bernardino Valley for its transportation variable costs to a specific reach on the East Branch Extension ("Point of Transfer"). In the year when the Pass Agency takes delivery of the return water, San Bernardino Valley will reimburse transportation costs up to the same Point of Transfer. Thereafter, Pass Agency will be responsible for all transportation variable costs from the Point of Transfer to the designated delivery point within the Pass Agency service area. Each Party will submit an invoice to the other Party for reimbursement. The reimbursing Party will pay within 45 days of receipt of the invoice. In the event that this MOU terminates pursuant to Section 5 below, San Bernardino Valley will reimburse the Pass Agency for its costs incurred under this section.

3. Multi-Year Transfer Negotiations. The Parties agree to negotiate in good faith toward a multi-year transfer agreement, which may include, but not be limited to:

   a. Bi-directional transfers; and

   b. A term of up to twenty (20) years; and

   c. Various SWP supply components (Table A, Carryover, Article 21); and

   d. Carryover storage sharing component in San Luis Reservoir; and

   e. No obligation to transfer water in any given year; and

   f. Annual approval of transfers under the agreement (cost, volume, and terms) will be considered and approved by each Party's respective Board of Directors.

4. Term. This MOU will take effect upon the Effective Date and will remain in force until December 31, 2026, unless earlier terminated pursuant to Section 5 below.

5. Termination.

   a. Termination With or Without Cause. Because this MOU is intended to express the non-binding intent of the Parties, either Party may terminate this MOU at any time, with or without cause, upon thirty (30) days' prior written notice to the other Party.

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b. Execution of Multi-Year Transfer Agreement. This MOU will automatically terminate upon the execution of a definitive multi-year transfer agreement by the Parties that is then approved by DWR, as contemplated herein.

c. Failure to Execute Multi-Year Transfer Agreement. This MOU will automatically terminate if a definitive multi-year transfer agreement is not executed by the Parties, or is not approved by DWR.

d. CEQA Compliance. This MOU will terminate if environmental review under CEQA determines that the contemplated actions cannot proceed, or if necessary CEQA approvals are not obtained.

e. Effect of Termination. Upon termination of this MOU, the Pass Agency will not be deemed to have purchased the 2025 recharge water, San Bernardino Valley will have no obligation to deliver or return any water to the Pass Agency, and neither party will have any further obligation to the other with respect to the 2025 recharge water. Additionally, San Bernardino Valley will return the good faith deposit to the Pass Agency, along with any other monies paid by the Pass Agency to San Bernardino Valley pursuant to this MOU, within 30 days of termination.

6. General Provisions.

a. Nothing in this MOU will be construed to limit either Party's independent rights and authorities under law.

b. Each Party will bear its own costs associated with this MOU, unless otherwise agreed in writing.

c. This MOU may only be amended in writing signed by both Parties.

d. This MOU does not create any joint venture, partnership, or other legal entity between the Parties.

e. All notices, requests, demands, or other communications required or permitted under this MOU will be in writing to the addresses as follows:

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

General Manager
San Bernardino Valley Municipal Water District
380 East Vanderbilt Way
San Bernardino, CA 92408
Telephone: (909) 387-9200
Facsimile: (909) 387-9247

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SAN GORGONIO PASS WATER AGENCY

General Manager
San Gorgonio Pass Water Agency
1210 Beaumont Avenue
Beaumont, CA 92223
Telephone: (951) 845-2577
Facsimile: (951) 845-0281

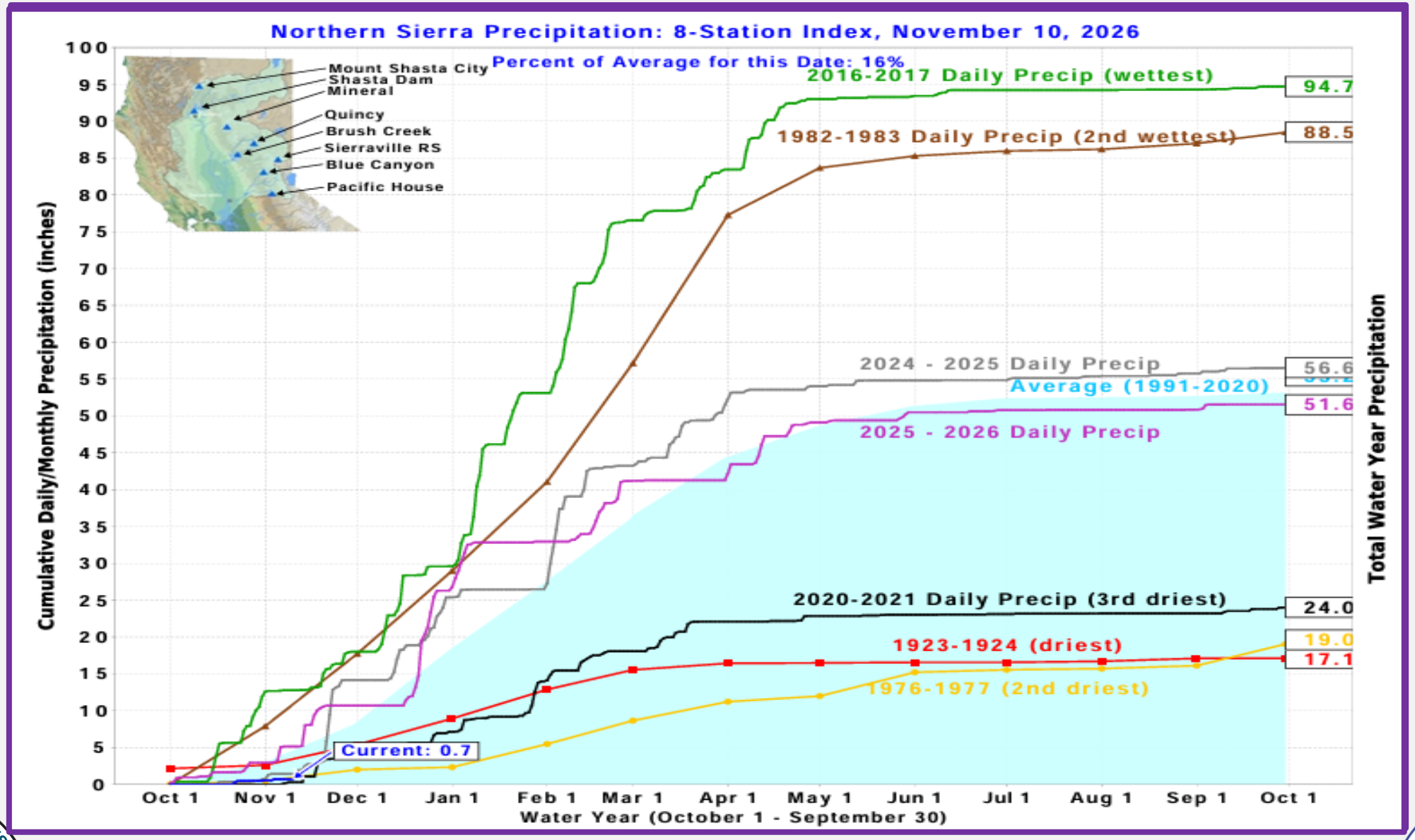
IN WITNESS WHEREOF, the Parties have executed this Memorandum of Understanding by their duly authorized representatives as of the Effective Date.

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT	SAN GORGONIO PASS WATER AGENCY
By: Signed by: Heather Dyer 12CC2489422C4D1...	By: DocuSigned by: 82EF629E307240E...
Dated: 11/5/2025	Dated: 11/5/2025

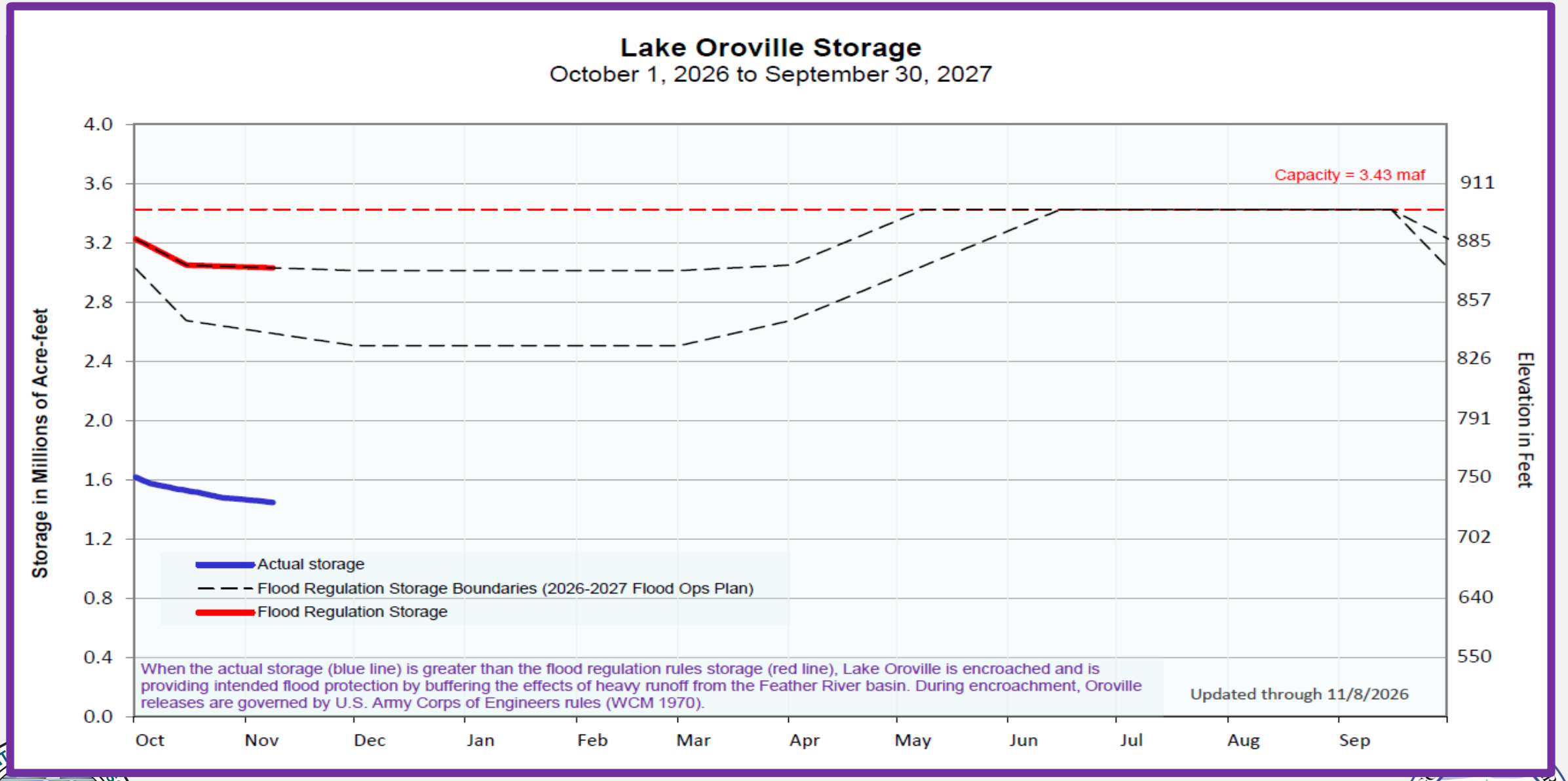


Water Conditions Report

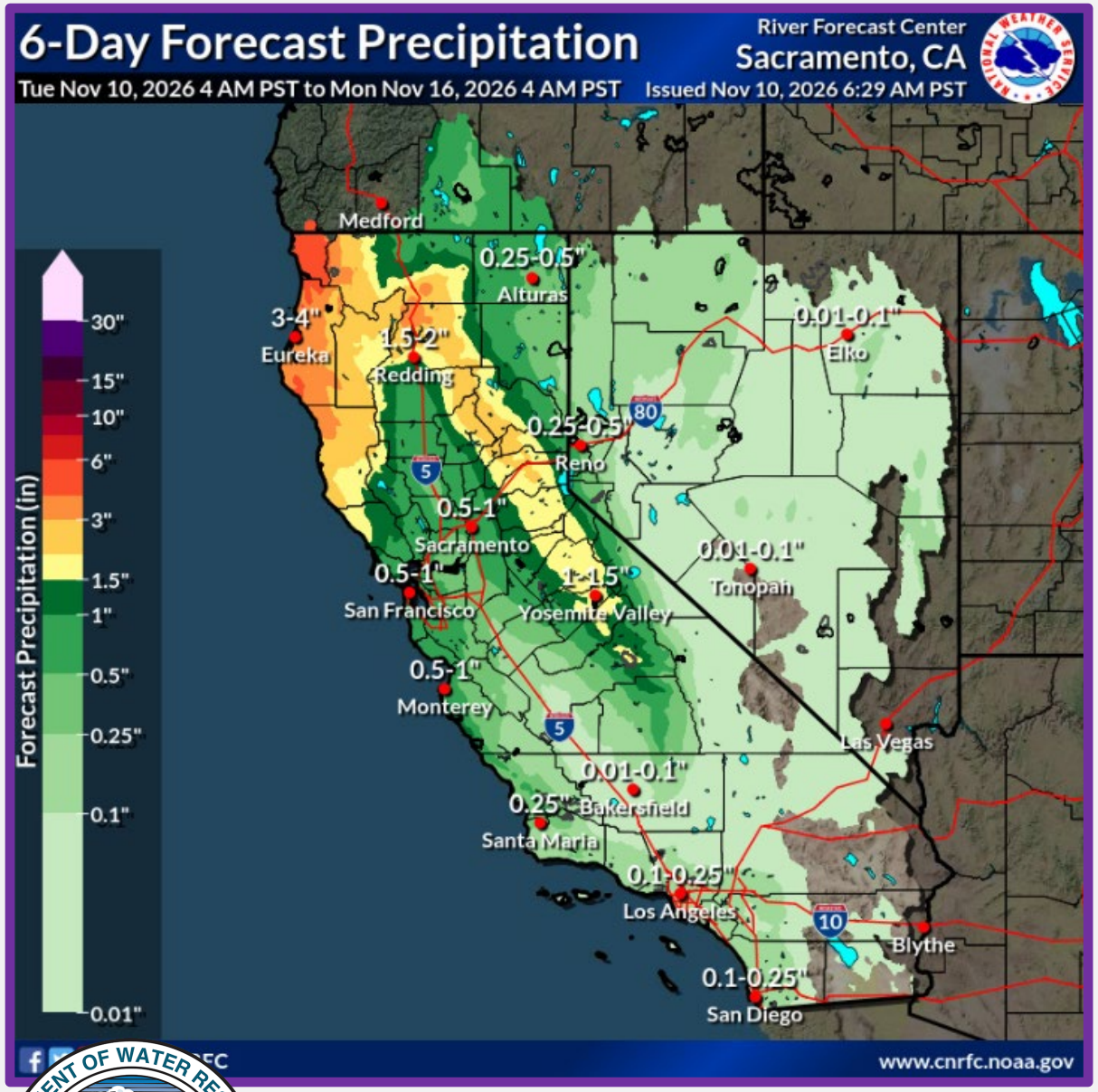
Board of Directors Meeting
November 16, 2026

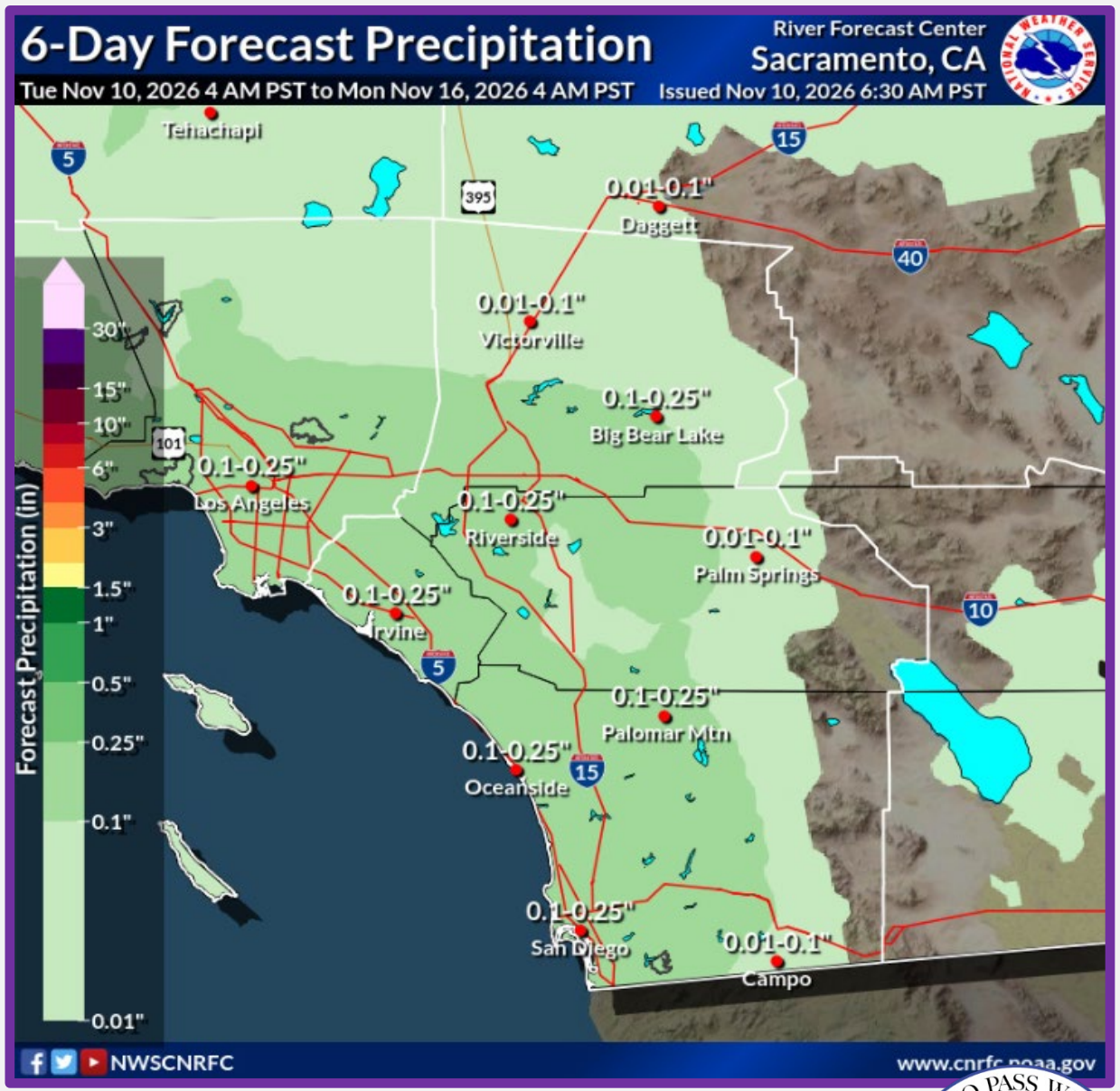


State Precipitation Stations – North Sierra



Current Reservoir Conditions



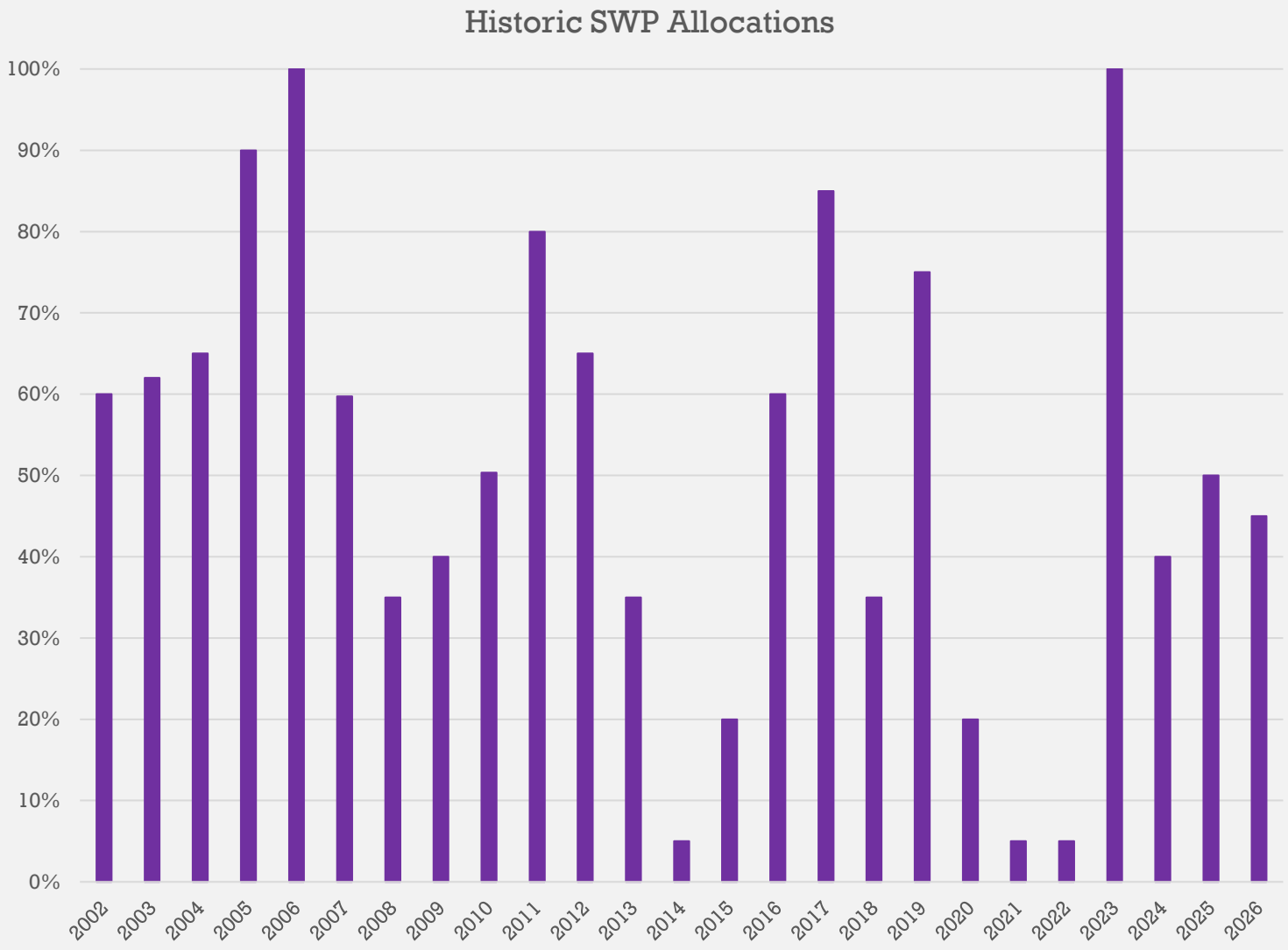


Forecasted Hydrologic Conditions

SWP Allocation Timeline

2026 Table A Allocation Timeline
December 1, 2025: 10% allocation
January 29, 2026: 30% allocation
May 14, 2026: 45% allocation

SGPWA Portfolio @ 45%		
Source	Total (AF)	Delivered
SWP – Carryover	50	✓
SWP – Table A	7,785	✓
SWP – Ventura	4,500	✓
Non-SWP - Nickel Water	1,700	✓
County of Napa Transfer	3,000	✓
CLAWA Transfer	1,500	✓
Total Available Supply	18,535	



2026 SWP Allocation & Portfolio Update

Water Orders 2026

Total Water Orders: 16,200 AF

BCVWD
- 14,000 AF
  - *11,200 AF (Demands)* ✓
  - *2,800 AF (Banking)* ✓

YVWD
- 200 AF
  - *200 AF (Direct Demand)* ✓

City of Banning
- 2,000 AF
  - *1,500 AF (Demands)* ✓
  - *500 AF (Banking)* ✓

SGPWA
- TBD (Future Supply)

Water Orders 2027

Total Water Orders: 16,200 AF

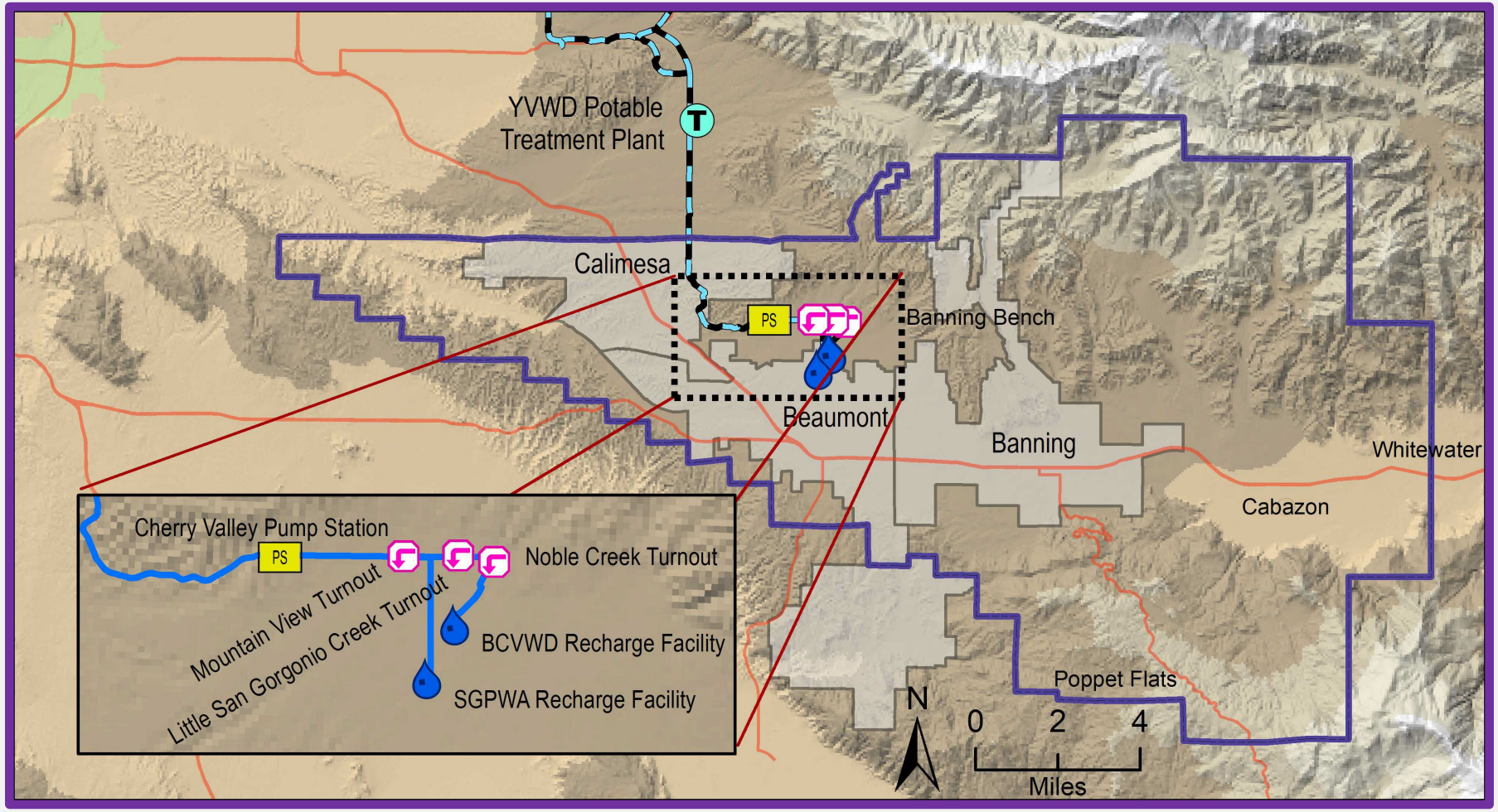
BCVWD
- 14,000 AF
  - *11,200 AF (Demands)*
  - *2,800 AF (Banking)*

YVWD
- 200 AF
  - *200 AF (Direct Demand)*

City of Banning
- 2,000 AF
  - *1,500 AF (Demands)*
  - *500 AF (Banking)*

SGPWA
- TBD (Future Supply)

2026 and 2027 SWP Water Orders

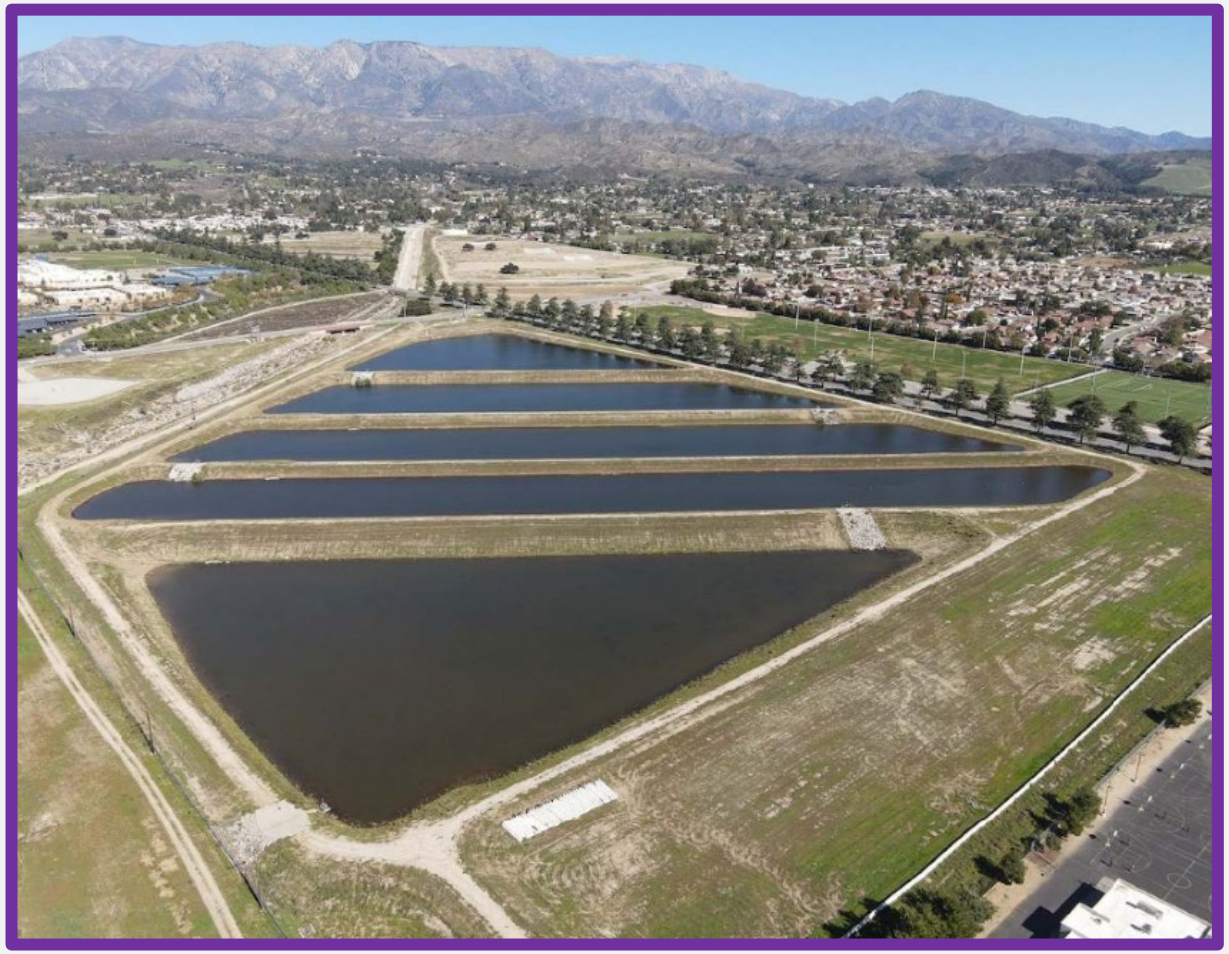


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
Recharge	1,327	1,881	2,155	1,143	1,625	2,424	1,745	2,230	1,075	288	*1,100*	-	*16,993*
Direct	0	8	51	23	0	0	0	0	0	0	*0*	-	*82*

**Estimated*
**From Local Storage*

Local Deliveries 2026 (acre-feet)

Subject to Final Verification



Brookside East Recharge Facility



BCVWD Recharge Facilities

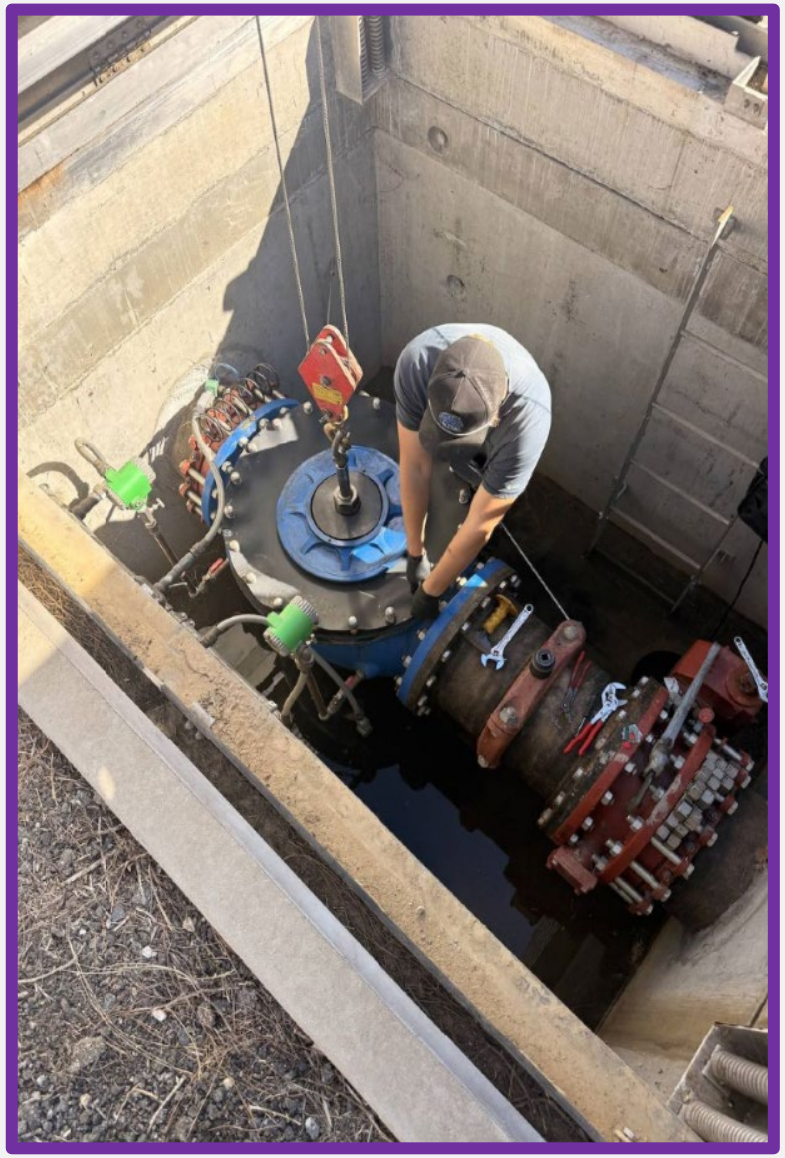
November Recharge Photos

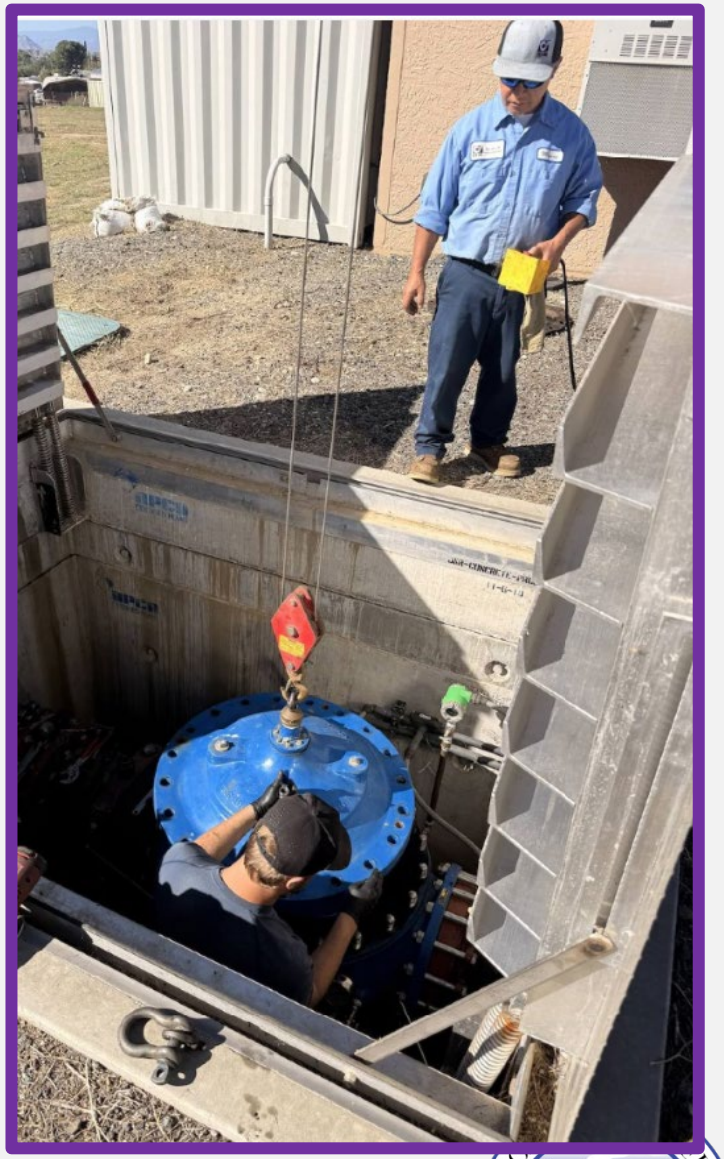
Cla-Val Valve Inspections

- Mountain View and Noble Creek turnouts Cla-Val annual inspections were performed on October 19 and November 3, 2026

-Inspections included: overall valve condition assessment and internal parts cleaning/replacement

-Overall condition of both valves are great, with a recommendation for continued annual inspections from Cla-Val





Mountain View Valve Maintenance







Noble Creek Valve Maintenance

Sites Reservoir Benefits

BOARD OF DIRECTORS

NOVEMBER 16, 2026

An acre-foot is…

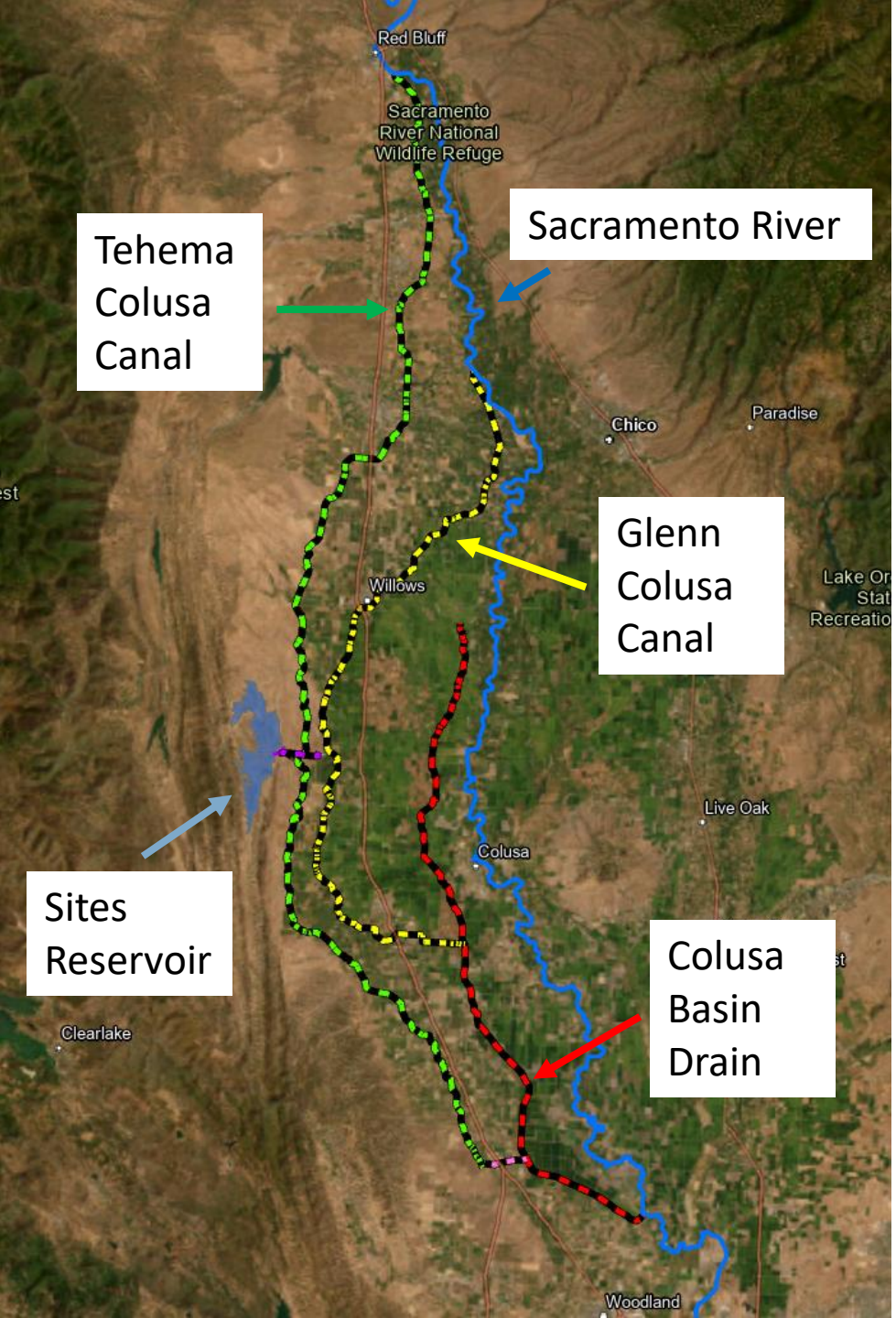
- A unit of volume
- Equal to 325,000 gallons
- Enough water for approximately 3 households each year



Sites Reservoir Overview Recap

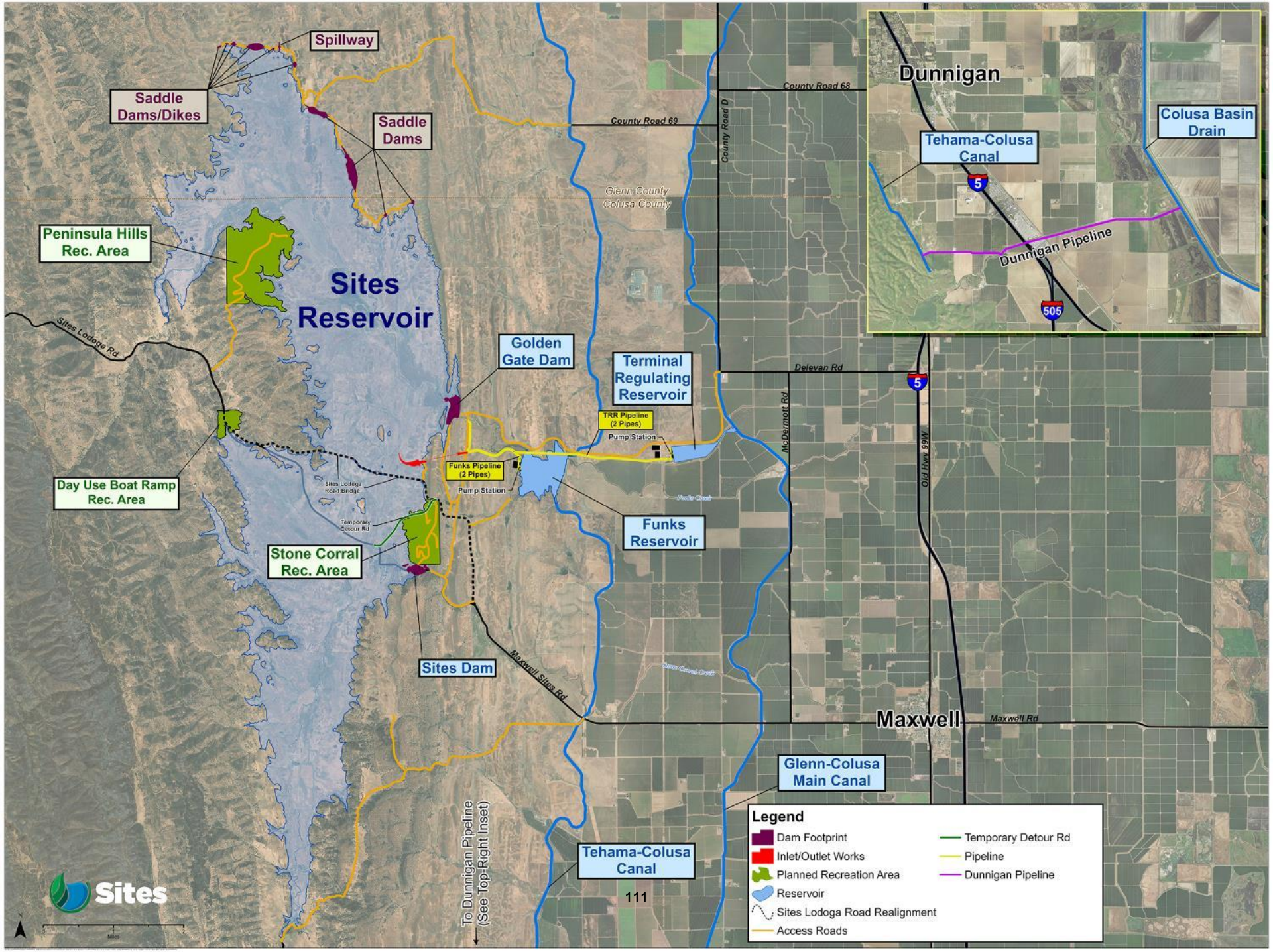


Sites Reservoir utilizes existing infrastructure to divert water from the Sacramento River in wet years. In dry years Sites Reservoir releases water back to the Sacramento River through existing infrastructure.



Three major canals already exist and will be utilized to move water to and from Sites Reservoir. The Tehema Colusa Canal, Glenn Colusa Canal, and the Colusa Basin Drain


State Water Project to SGPWA service area
Sacramento–San Joaquin River Delta
San Luis Reservoir
State Water Project
SGPWA Service Area
Lassen National Forest
Nevada
Mendocino National Forest
Chico
Reno
Tahoe National Forest
Carson City
Sacramento
Santa Rosa
Toiyabe National Forest
Fairfield
Stanislaus National Forest
Antioch
Stockton
San Francisco
Modesto
Fremont
San Jose
Inyo National Forest
Sierra National Forest
Salinas
Fresno
Visalia
Death Valley National Park
Sequoia National Forest
San Luis Obispo
Bakersfield
Santa Maria
Lompoc
Lancaster
Palmdale
Victorville
Santa Barbara
Santa Clarita
Oxnard
Los Angeles
Riverside
Long Beach
Murrieta
Inyo National Forest
Jose
Los Banos
Sierra National Forest
Salinas
Fresno
Sequoia National Park
Soledad
Greenfield
King City
Hanford
Visalia
Tulare
Porterville
Avenal
Delano
Ridgecrest
Bakersfield
San Luis Obispo
Carrizo Plain National Monument
California City
Santa Maria
Lompoc
Los Padres National Forest
Lancaster
Palmdale
Santa Barbara
Simi Valley
Thousand Oaks
Oxnard
Angeles National Forest
Channel Islands National Park
Los Angeles
Ontario
Riverside
Banning
Corona
Anaheim
Long Beach
Santa Ana
Menifee


Spillway
Saddle Dams/Dikes
Saddle Dams
Peninsula Hills Rec. Area
Sites Reservoir
Sites Lodoga Rd
Golden Gate Dam
Terminal Regulating Reservoir
TRR Pipeline (2 Pipes)
Pump Station
Funks Pipeline (2 Pipes)
Pump Station
Day Use Boat Ramp Rec. Area
Sites Lodoga Road Bridge
Temporary Detour Rd
Stone Corral Rec. Area
Funks Reservoir
Sites Dam
Maxwell Sites Rd
Maxwell
Maxwell Rd
Glenn-Colusa Main Canal
Tehama-Colusa Canal
To Dunnigan Pipeline (See Top-Right Inset)
County Road 69
County Road 68
County Road D
Glenn County
Colusa County
Delevan Rd
McDermott Rd
Old Hwy 99W
5
Dunnigan
Tehama-Colusa Canal
Colusa Basin Drain
Dunnigan Pipeline
505
Legend
Dam Footprint
Inlet/Outlet Works
Planned Recreation Area
Reservoir
Sites Lodoga Road Realignment
Access Roads
Temporary Detour Rd
Pipeline
Dunnigan Pipeline
Sites

Sites Reservoir Project Profile

Location: 1 hour north of Sacramento (Maxwell)

Reservoir capacity: 1.47 million acre-feet (MAF)

Maximum diversion capacity: 4,190 cubic feet per second (cfs) across two diversion pathways

Maximum annual diversion: 984,000 AF (water right)

Downstream release capacity: 1,000 cfs through the Dunnigan Pipeline

SGPWA's Sites Reservoir Participation



PARTICIPATION IN THE RESERVOIR: 6.19%



PARTICIPATION IN DOWNSTREAM FACILITIES: 7.38%



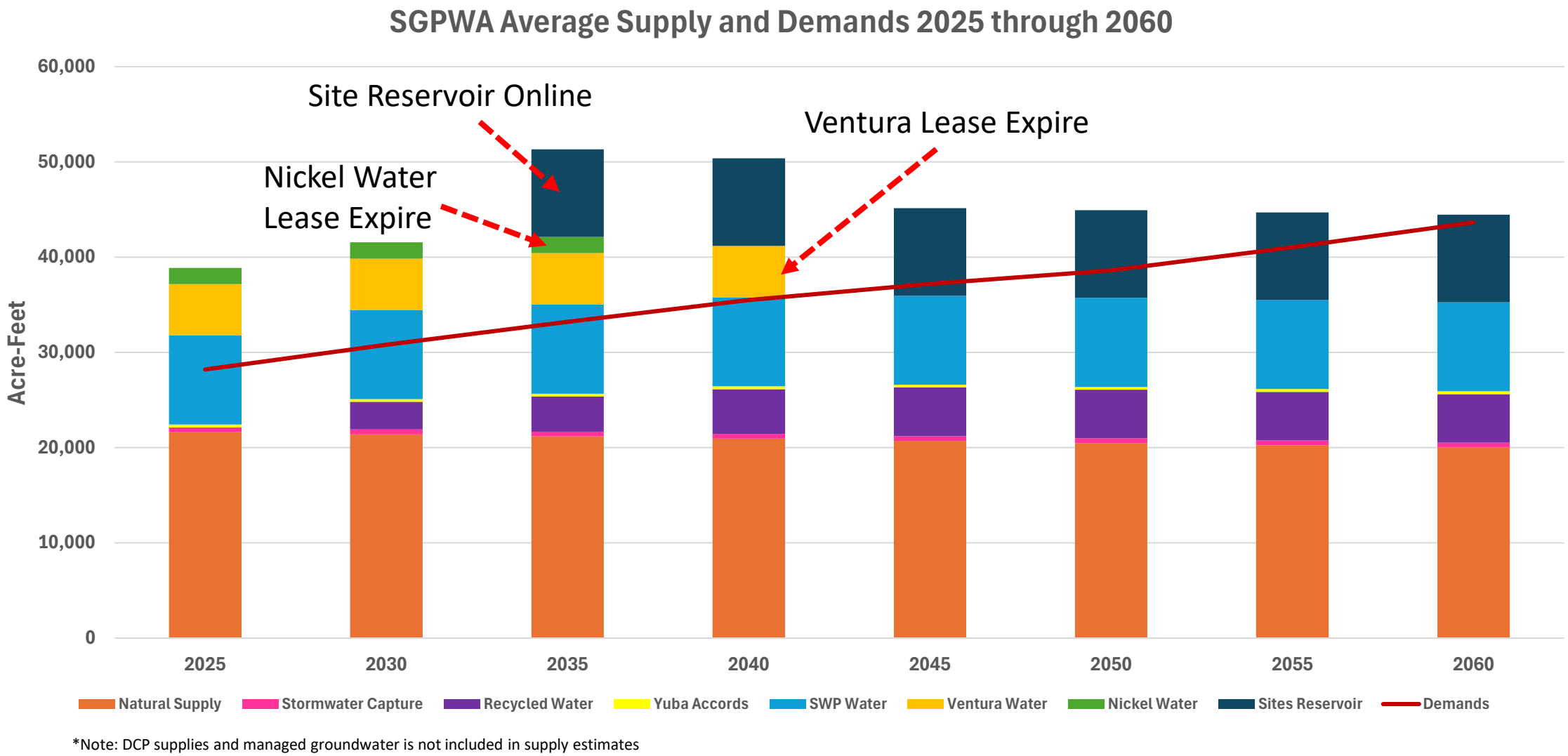
RESERVOIR STORAGE ALLOCATION: 87,276 ACRE-FEET



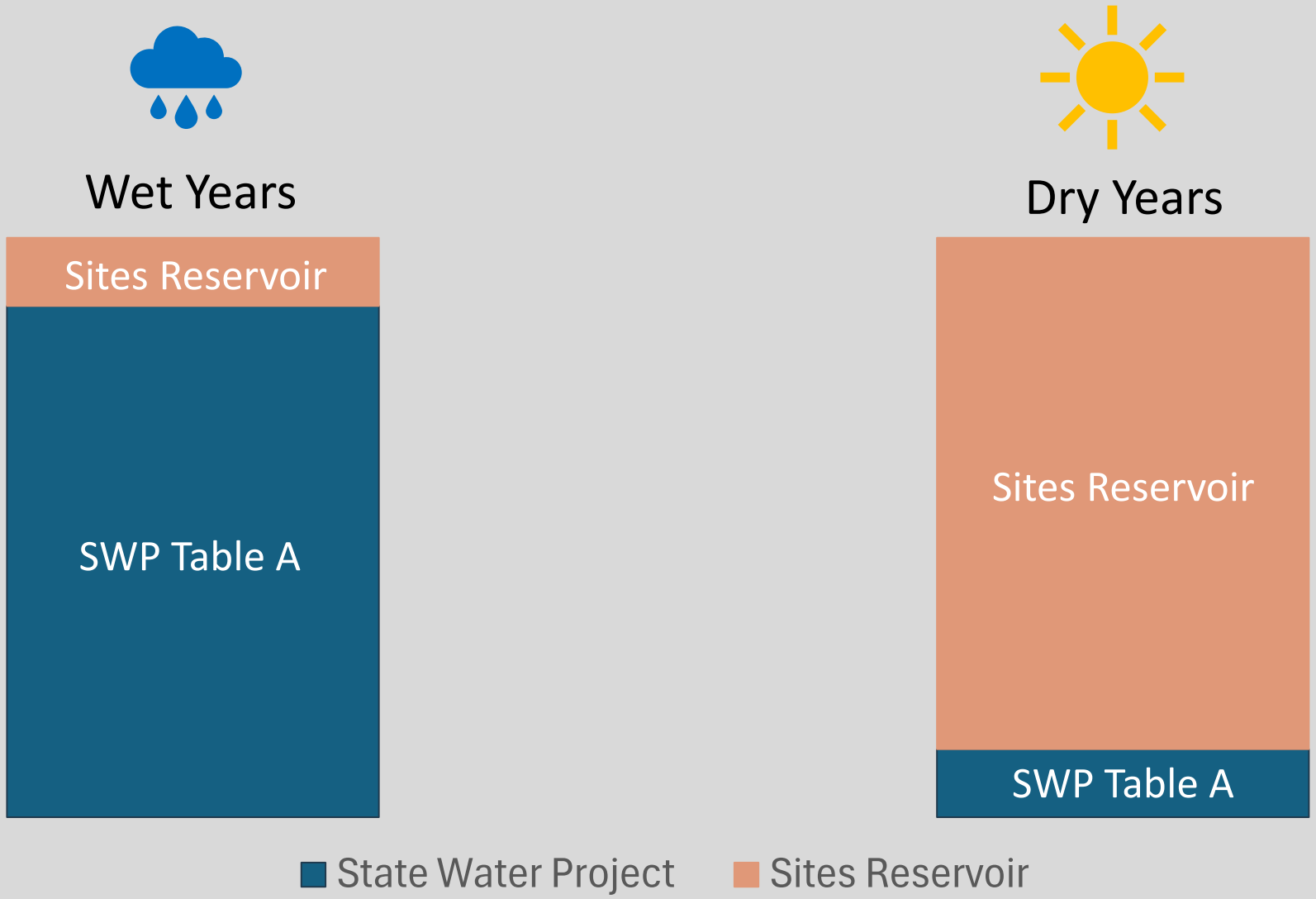
NEW AVERAGE ANNUAL SUPPLY: 9,200 ACRE-FEET

Sites Reservoir has many benefits

- New water supply
- Dry year water supply reliability
- Aboveground water bank
- Environmental water for wildlife refuges
- Operational flexibility through transfers and exchanges
- Captures and stores high flows for future use



*Note: DCP supplies and managed groundwater is not included in supply estimates


Wet Years
Sites Reservoir
SWP Table A
Dry Years
Sites Reservoir
SWP Table A
State Water Project
Sites Reservoir

What does Sites Reservoir provide SGPWA?

- A new water supply
- Dry year supply reliability
- Water bank with flexible storage
- Permanent water supply investment
- Wet and dry year supply diversification
- Transfer and Exchange Opportunities



Questions?

San Gorgonio Pass Water Agency

DATE: November 16, 2026

TO: Board of Directors

FROM: Lance Eckhart, General Manager

BY: Maricela V. Cabral, Executive Assistant/Clerk of the Board

SUBJECT: **Discussion and Possible Action Regarding the Removal of Water Education for Latino Leaders (WELL) from the Agency's Industry Association and Related Updates to the Board Handbook**

RECOMMENDATION

Staff makes no recommendation. This item is presented at the request of Director Ball for Board discussion and direction.

BACKGROUND

Director Ball requested consideration of removing the Water Education for Latino Leaders (WELL) from the Agency's list of industry associations in the Board Handbook.

The Board Handbook Committee considered the request on November 11, 2026 and voted 2-1 against recommending removal of WELL from the list. Committee Chair Tickemyer requested the item be brought before the full Board for discussion, with acknowledgment of the Committee's vote against recommending removal.

ACTION

The Board may consider whether WELL should remain on the Agency's industry association list and provide direction to staff regarding any corresponding revisions to the Board Handbook.