San Diego County Water Authority

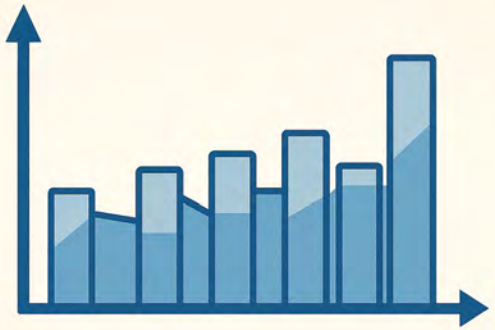
CY 2027 Rates & Charges Development Update

April 23, 2026

Administrative & Finance Committee

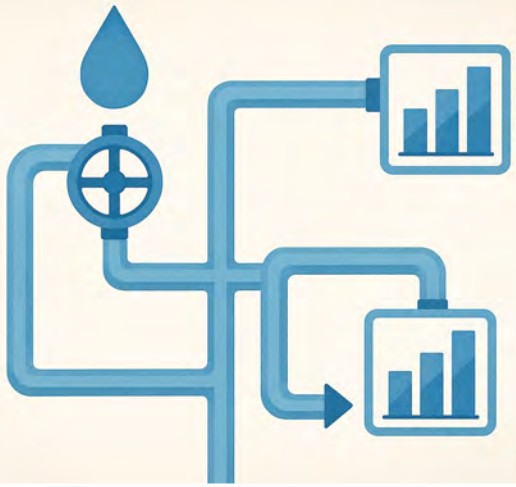
Pierce Rossum
Financial Planning Manager

Factors Impacting CY27 Rate Development and Roadmap



Water Sales & Purchase Assumptions

Budget & Financial Needs



MWD and Rate Design

Factors Impacting CY27 Rate Development & Roadmap

Water Sales & Purchase Assumptions

3rd Party Water Deals

- Two 21yr Agreements totaling 20,000 AF/yr
  + 60,000 AF of prepaid Deferred Deliveries

New Water Sales Forecast (Survey)

- Meaningful increase to CWA demands, despite relatively flat “Regional Demand”
- Delays of Local Supply Development increases demand on CWA
- Decreased Surface Water availability increases demand on CWA

Water Deals Provide Cost Sharing and Flexibility

21yr agreement provides short, moderate, and long-term financial benefits.

- CY ’26: 16,250AF of new delivered sales + 17,500AF of prepaid deferred deliveries
  - *Doesn’t change adopted ‘26 rates, but ensures stronger financial starting point for ’27 rates*
- CY ’27: 17,500AF of new delivered sales + 17,500AF of prepaid deferred deliveries
- Water Transfer Revenues to be largely offset by cost of supplies
- Annual deliveries of exchange water through 2047
- Additional prepaid deferred deliveries through 2029
  - Received funds provide liquidity and improve days of cash, but should be held until service is rendered to avoid future unfunded liability

Accounting Care – Water Delivery Agreement Payments

Annual Payments for Water

- Water Requested -> Water Delivered -> Payment Received -> Revenue Recognized (GAAP) (same as for MAs)

Prepayments

- Invoice Annually -> Payment Received -> No Recognition of Revenue -> Deposited into a Reserve Fund
  - ✓ Prepaid Water Program Reserve Fund (New)

- Water Requested -> Water Delivered -> Revenue Recognized (GAAP)

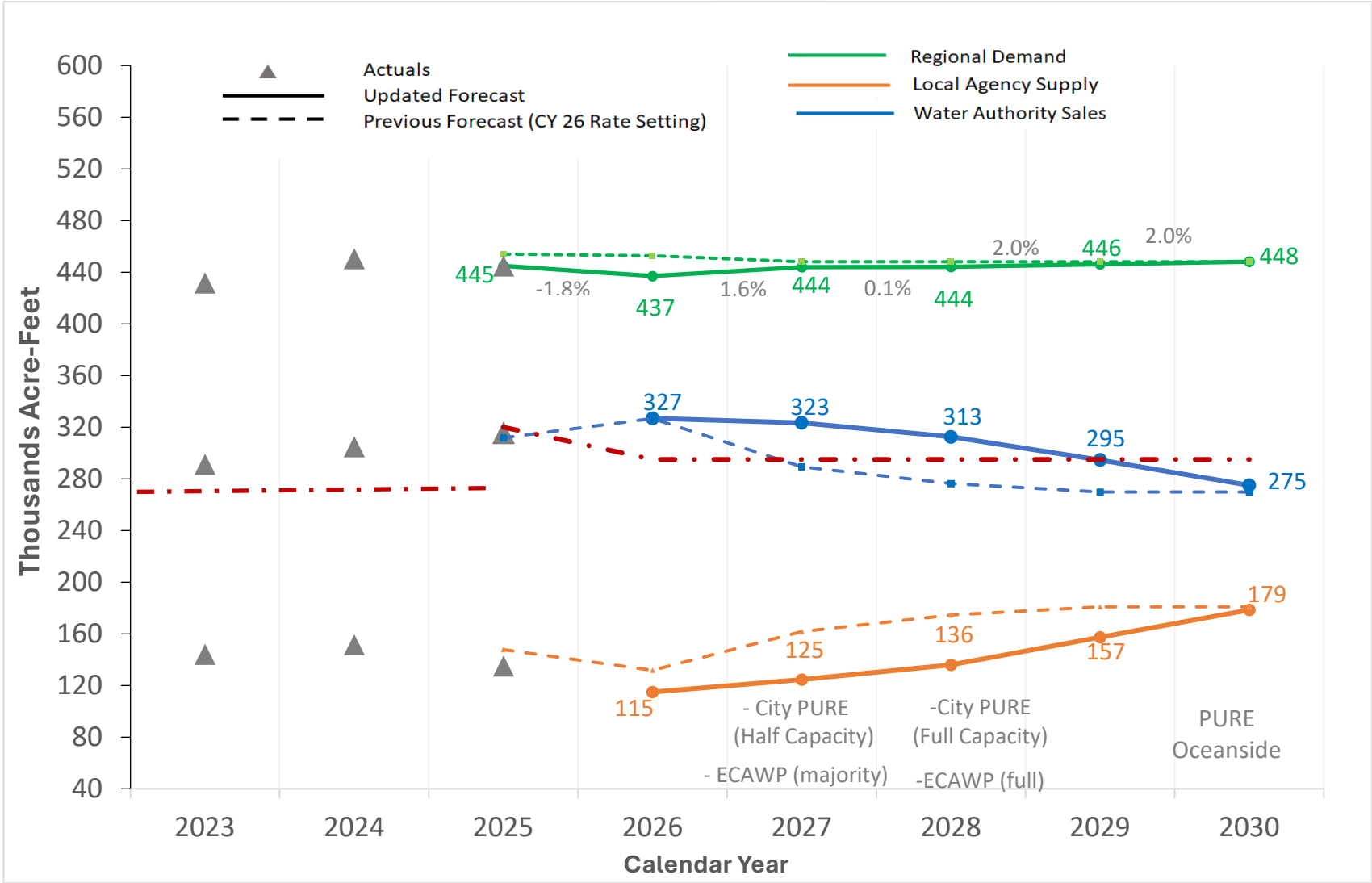
KEY TAKEAWAY – PRUDENT TO NOT USE THE CASH UNTIL THE WATER IS DELIVERED

New Demand Survey Sees Higher Demand on Authority

Despite flat Regional Demand, "roll back" to CWA occurs due to delays of new Local Supply Production and Supply availability.

With 3rd Party Deals, no unallocated supplies expected within 3yr roadmap

Existing storage will be drawn, as available, when above contracted obligations



Factors Impacting CY27 Rate Development & Roadmap

Financial Impacts

Preliminary Budget Updates

- New Labor Agreement
- Updates to projected debt expense

Debt Paydown & Forecasting

- $17M paydown of Commercial Paper in February ‘26
- Additional paydown to be included in FY’27
- New Money Issuance scheduled for September ’26
- Savings from future refundings are not included

Factors Impacting CY27 Rate Development & Roadmap

MWD & Rate Design

Permanent Special Agriculture Water Rate

- Requires ~$3M of property tax allocation to maintain historical discount

MWD Adopted CY'27 and CY'28 Rates & Charges

- 6.2% on Rates & Charges + 22% increase on Property Tax
- Noteworthy financial impact primarily due to Treatment (15.7% increase)

MWD Fixed Treatment Pass Through

- New $10.5M fixed charge from MWD
- Volumetric rate decreasing by 28%

Review of MWD Treatment Fixed Charge Passthrough

Passthrough to maintain cost neutrality and mirror how costs are to be incurred

- New Fixed Charges (Treatment) amount to $10.5M for CY2027
- Fixed Charges to be allocated based on similar basis to how costs are incurred to CWA

MWD Fixed Charges	CY 2026	CY 2027	Passthrough Methodology
Existing Charges ($M)			
Readiness-to-Serve Charge (FY)	$9.56	$10.91*	10yr avg deliveries
Capacity Reservation Charge (CY)	$12.20	$10.10	5yr avg Peak Day (cfs)
New Charges ($M)			
Treatment Peaking CC (CY)	N/A	$3.64	7yr Max Annual Treated Delivery
Treatment Used Standby CC (CY)	N/A	$1.18	7yr Max-Avg Annual Treated Delivery
Treatment Remaining Standby CC (CY)	N/A	$5.64	7yr Max Annual Treated Delivery

**Estimated*

Staff Recommendation Coming in May

Numerous internal scenarios analyzed based on prior board direction, guidance, and principles.

Rate Priorities to balance immediate, short, and moderate term rate impacts

- Ensure Stability and Predictability
- Preserve Financial Strength and Flexibility
- Uphold System Reliability and Integrity

Countless scenarios can be provided; however, staff to limit ultimate considerations to workable, reasonable, and affordable outcomes.

CY 2027 Rates & Charges Timeline

Regular updates and recommendations to be informed based on water deals, sales, and hydrology

March

- **Presentation**: CY 2027 Rates Overview, Key Inputs, and Rate Drivers

April

- **Presentation**:
  - Water Sales Forecast
  - Financial Update

May

- **Action**: Set the Public Hearing
- **Receive**: Draft CoS Report
- **Presentation**: Recommended Rates & Charges

June

- **Action / Public Hearing** Adoption of CY 2027 Rates & Charges
- **Receive:** Final CoS Report

July - Nov

- 5-year Financial Forecast & Update to the 2026 LRFP (Addendum)

Thank You!

@sdcwa

SanDiegoCountyWaterAuthority

@sdcwa

San Diego County Water Authority

San Diego County Water Authority

Metropolitan Water District Adopted Budget and Rates

April 23, 2026

Imported Water Committee

Alex Heide

Principal Water Resources Specialist

Metropolitan's Proposed Budget vs. Board Adopted

	Proposed	Adopted
Additional Staff	105 FTEs	79 FTEs
CIP	$950 million	$875 million
Pure Water	$150 million	$150 million*
Ad Valorem	.007%	.0085%
Rate	9.5% per year	6.2% per year

*Subject to a one-time draw from unrestricted reserves in FY 2028, not to exceed $58 million and appropriate for PWSC final design, and if the unrestricted reserves should fall below Metropolitan's minimum requirement, the item will return to the Board for further consideration.

Thank You!

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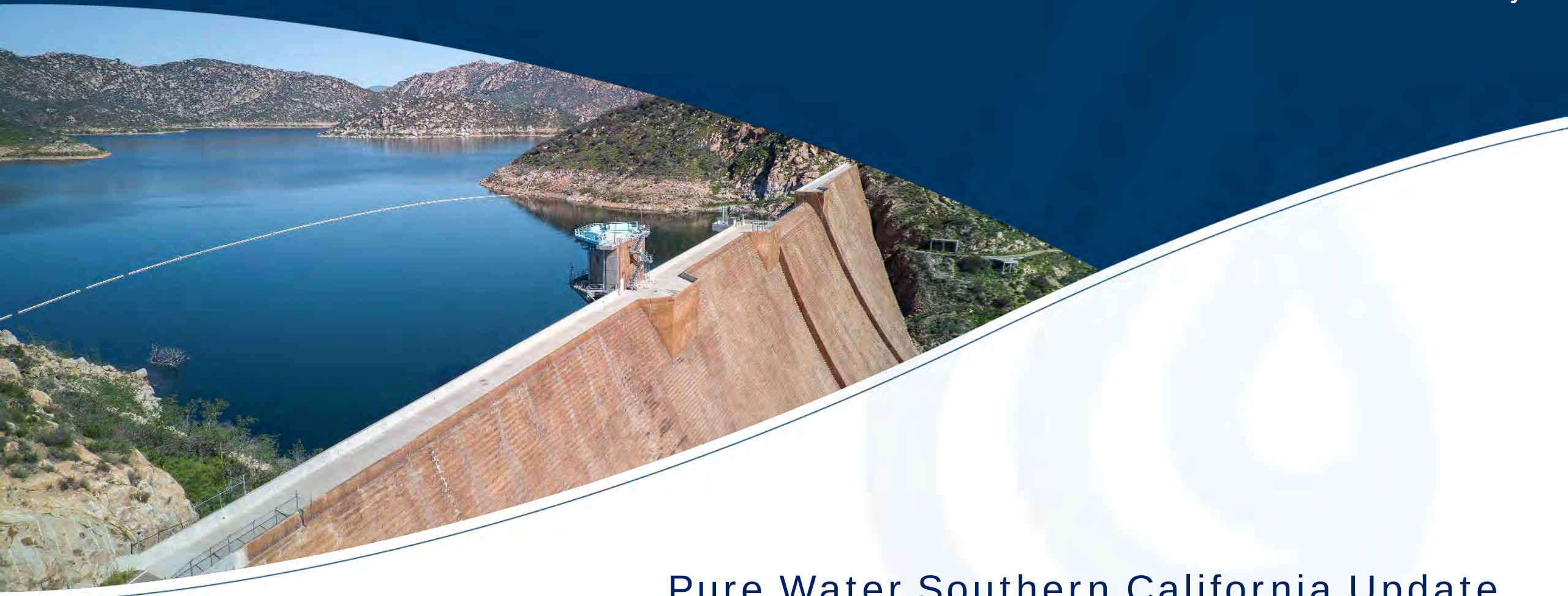
San Diego County Water Authority

San Diego County Water Authority



Pure Water Southern California Update

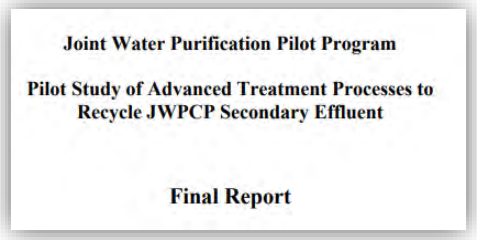
April 23, 2026

Imported Water Committee

Alex Heide

Principal Water Resources Specialist

Understanding Pure Water Southern California's Evolution


Joint Water Purification Pilot Program

Pilot Study of Advanced Treatment Processes to Recycle JWPCP Secondary Effluent

Final Report

Initial Program Concept

2010

2017

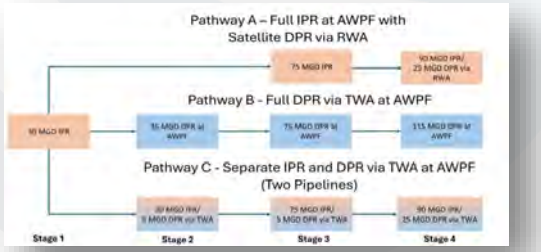
Pilot Plant Construction Starts

Program Conceptual Study

2019

2025

Staging Options Developed



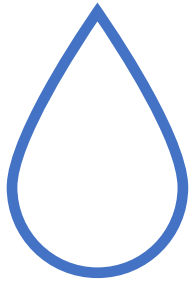
EIR Certification

2026

Pure Water Southern California Program Overview

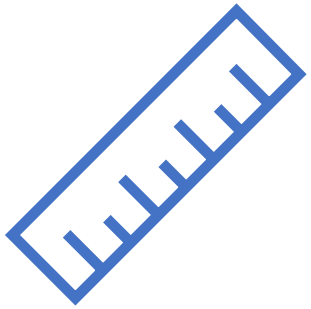
Pure Water Southern California Project Benefits

Reliability



168,000 acre-feet per year new water supply

Scalability



Ability to phase the project to meets regional needs

Partnerships

MWD Member Agencies, Colorado River Agencies, LA County Sanitation Districts

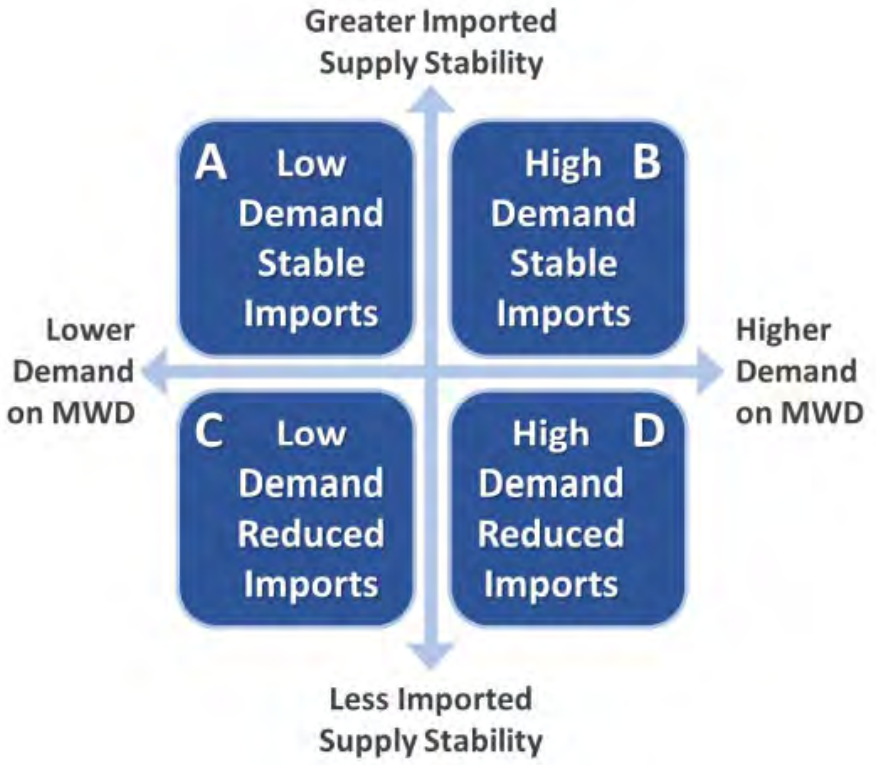
Multi-Benefit

Water Supply, wastewater discharge reduction, community benefits

Metropolitan's Supply Development Need

Pure Water Southern California – 168,000 acre feet of new core supply

	New Storage (af)	New Flex Supply (af)	New Core Supply (af)
Scenario A	-	-	-
Scenario B	500,000	300,000	150,000
Scenario C	500,000	200,000	100,000
Scenario D	1,500,000	1,200,000	650,000



Shortage Reductions with Pure Water Southern California

Pure Water Reduces the risk of shortage under both Scenario C & Scenario D

- Pure Water at 150 mgd, reduces the risk of shortage under Scenario C by **75%**
- Under Scenario D the risk is reduced by **22%** .
- Scenarios A & B were not evaluated due to Metropolitan's policies to only look at scenarios that incorporated RCP 8.5

Scenario	Model	2035	2040	2045
Scenario C	Baseline	3%	5%	8%
	With Pure Water	0%	0%	2%
	Reduced Risk Pure Water	**100%**	**100%**	**75%**
Scenario D	Baseline	10%	38%	69%
	With Pure Water	8%	31%	54%
	Reduced Risk Pure Water	**20%**	**18%**	**22%**

Project Costs

2025 cost estimate based on approximately 10% design

Capacity	Total Program Costs (Billion)	Metropolitan's Share (Billion)	Point In Time Unit Cost ($/af)	Lifecycle Unit Cost ($/af)*	Overall Melded Cost Increase
45 MGD	$3.6	$2.9	$5,200	$3,100	14%
75 MGD	$8.1	$7.1	$6,800	$3,400	31%
115 MGD	$9.4	$8.3	$5,400	$2,800	38%
150 MGD	$11.3	$9.8	$5,200	$2,900	47%
150 MGD Staged	$12.3	$10.6	$5,500	$2,900	50%

*Life cycle costs are based on 100-year asset life

Project Evaluation in CAMP4W

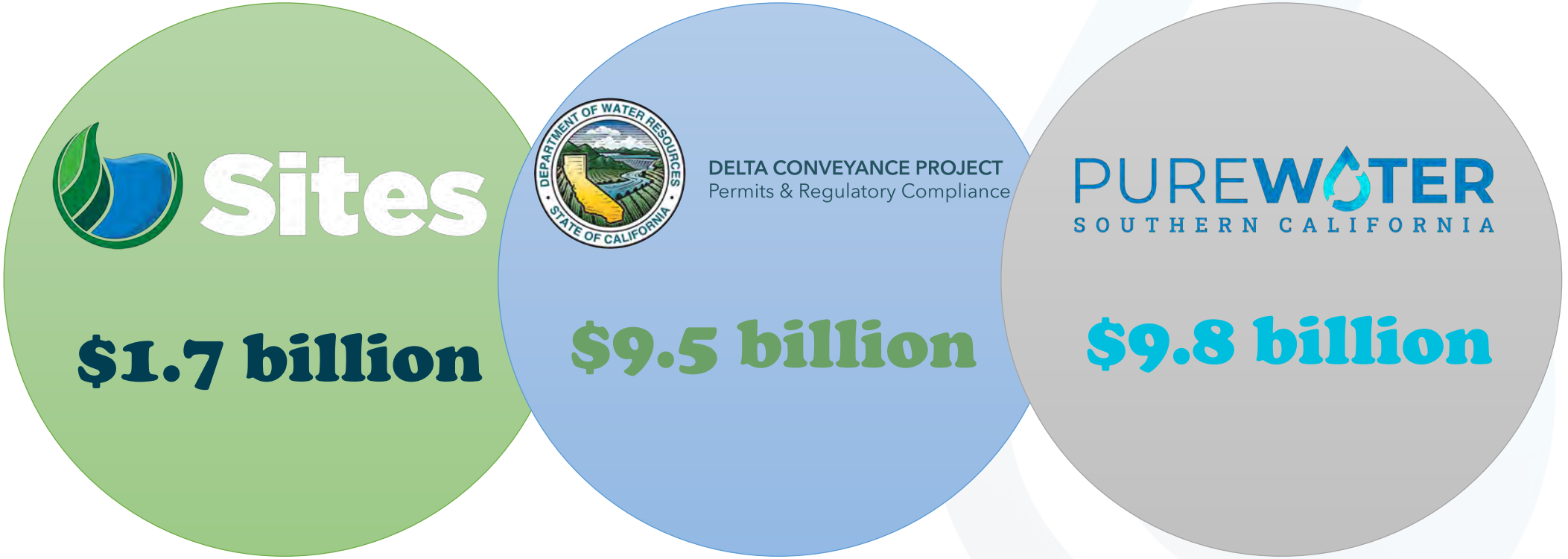
The next major step for Pure Water Southern California

- CAMP4W is Metropolitan's decision-making process.
- The process has not been used for any of the major projects under consideration.
- Metropolitan's scenario planning should be used.
- Projects should be evaluated through a portfolio approach.
- The process should help to maintain low-regret investment decisions.

Evaluative Criteria

Projects Under Evaluation

Significant investments under an uncertain future



Next Steps

Several key steps before action at the end of 2026

- Metropolitan Biennial Budget action:
  - Funded 45 MGD Phase 1 for PWSC at $150 million
  - Requires PWSC go through the CAMP4W process by the end of 2026.
- Staging Plan for PWSC in May 2026
- Review updated CAMP4W assessments & share low regrets recommendations in May 2026
- Metropolitan Board decision to implement staged approach: End of 2026

Thank You!

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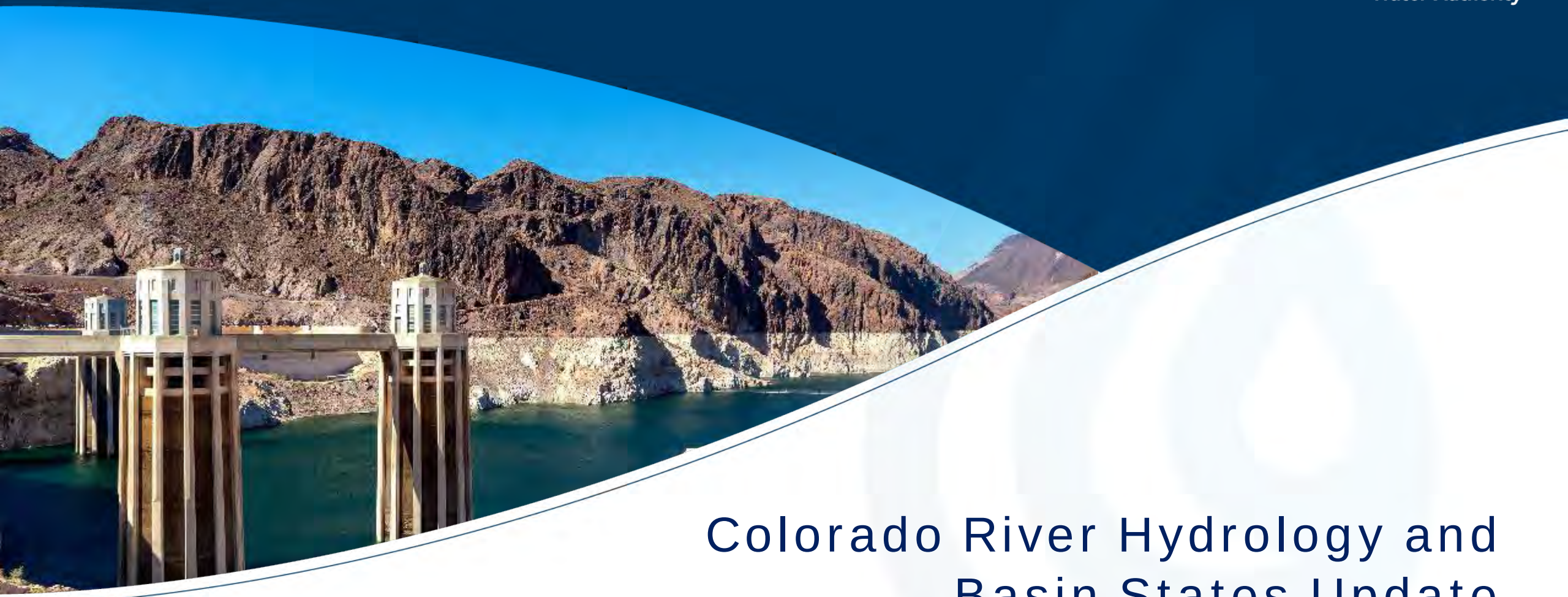


Colorado River Hydrology and Basin States Update

April 23, 2026

Imported Water Committee

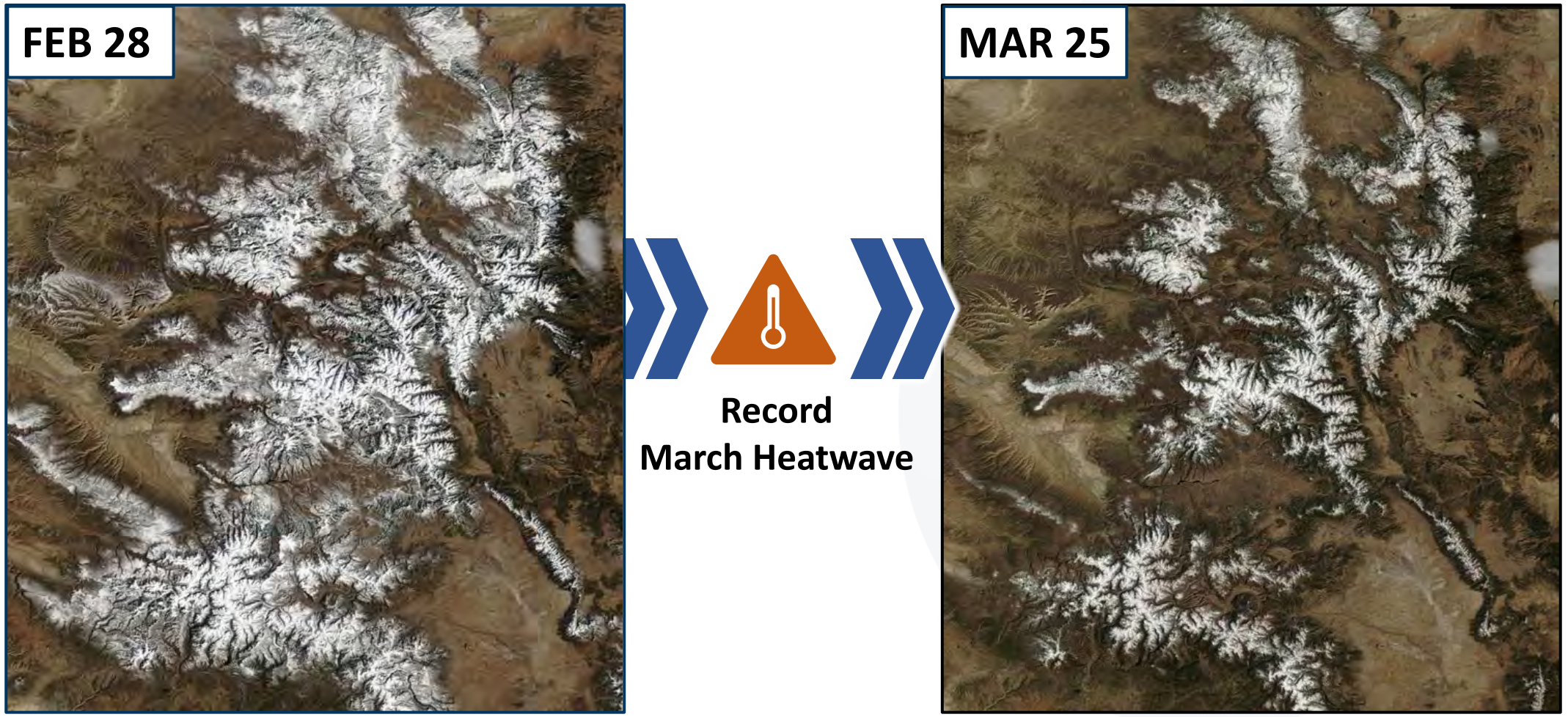
Dennis Davis

Senior Water Resources Specialist

Colorado River, a Critical Resource in the West

Record March Heatwave Melts Snowpack

February vs. March snowpack in the Colorado Rocky Mountains



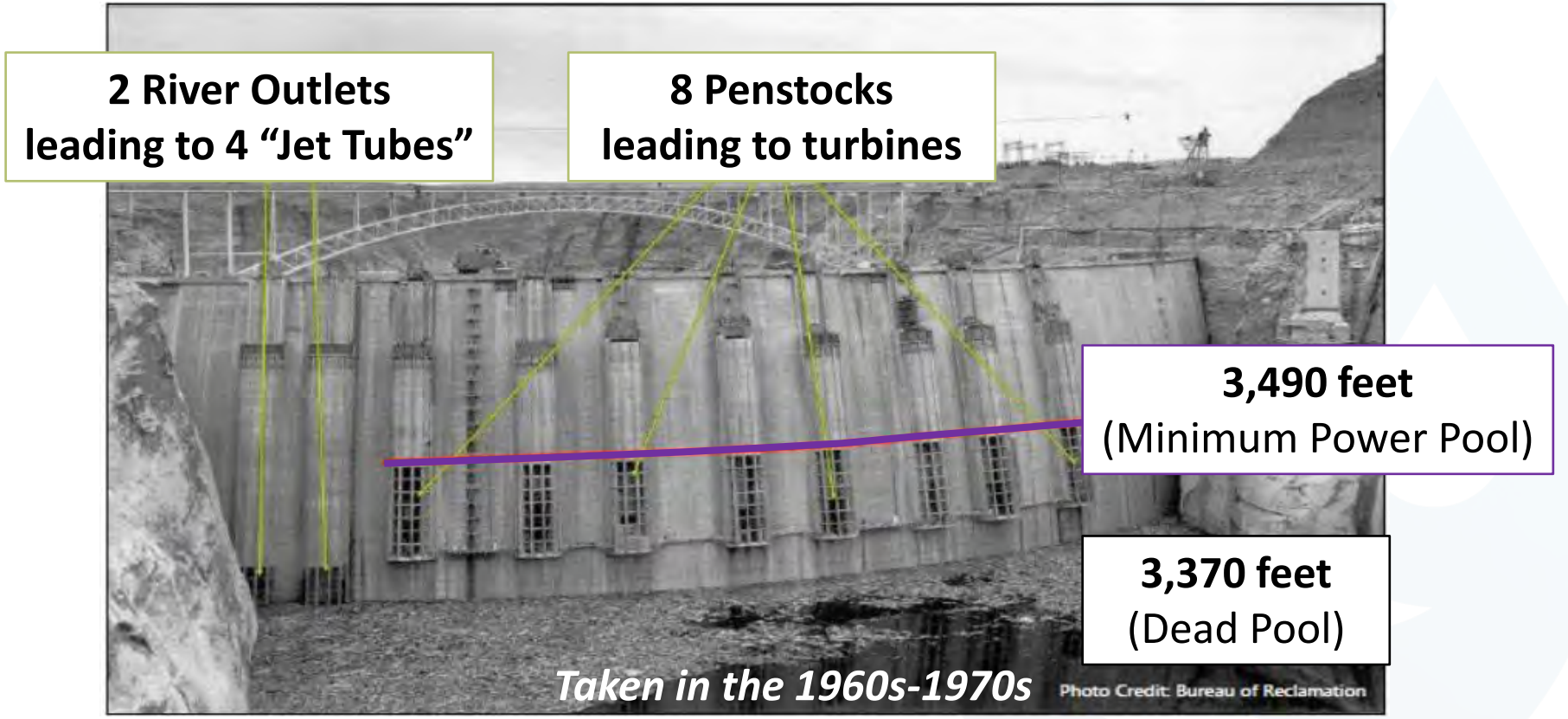
Water Year 2026 Hydrology

As of 4/15/26	% Full	Million Acre-Feet	Elevation
Lake Powell	24%	5.6	3,526'
Lake Mead	32%	8.4	1,059'
Total System	**36%**	**21**	-
Last Year	**40%**	**23.6**	-

- WY 2026 Precipitation **83% of normal**
- WY 2026 Snowpack **22% of normal**
- WY 2026 Forecasted Inflow **31% of normal***

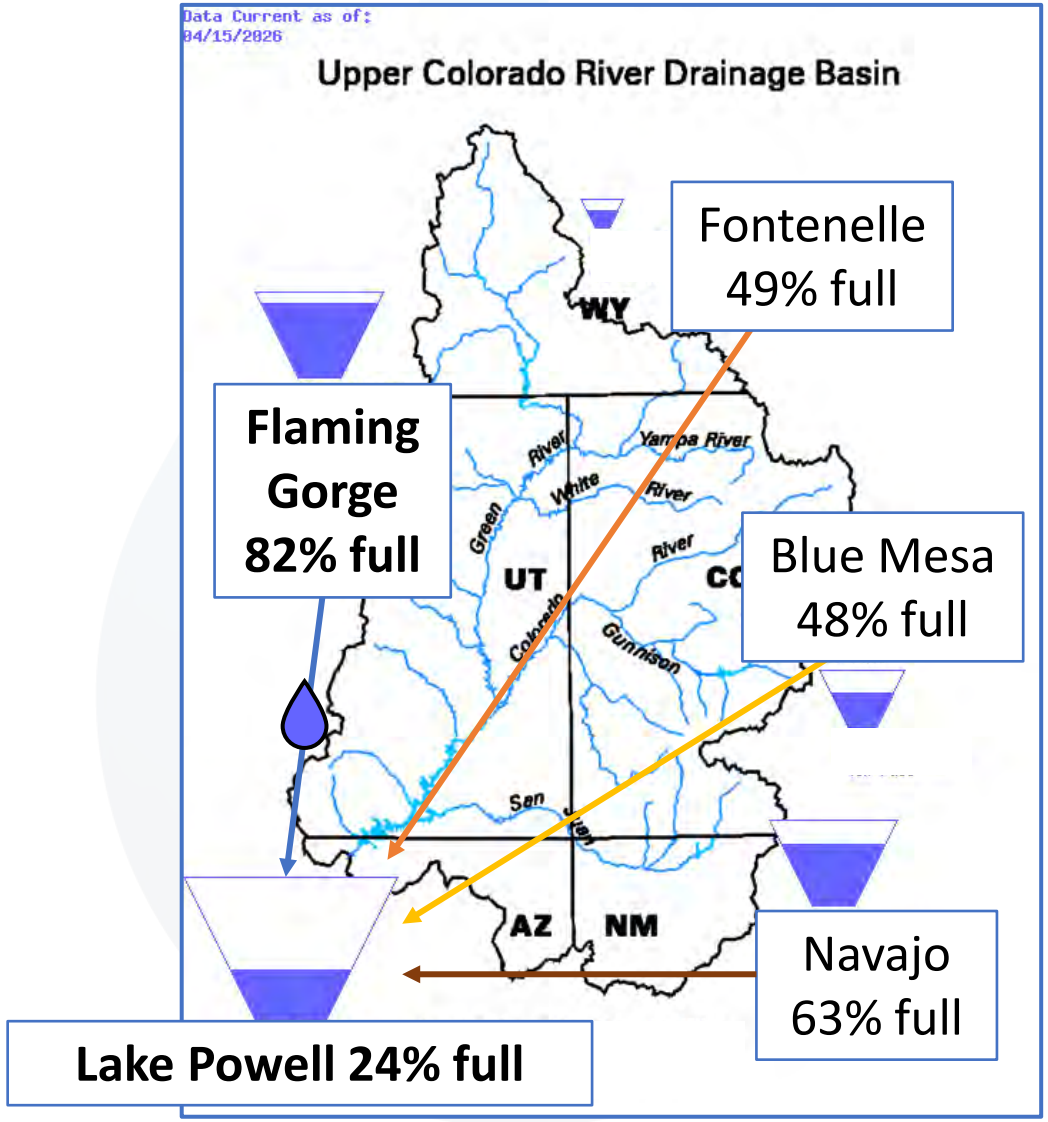
** Minimum probable inflow*

Glen Canyon Dam Hydropower Generation at Risk



Reclamation's Proposed Response

- Release 0.66 to 1 MAF from Upper Basin reservoir into Lake Powell
  - Releases to start in April 2026 and continue through April 2027
- Scheduled 7.48 MAF release from Powell to Mead for WY 2026 adjusted down to 6 MAF
  - Adjustment to start in April 2026 and continue through September 2026



No Immediate Impact to California

Lake Mead Elevation (feet msl)	2007 Interim Guidelines Shortages		Minute 323 Delivery Reductions	Total Combined Reductions	DCP Water Savings Contributions			Binational Water Scarcity Contingency Plan Savings	Combined Volumes by Country *US: (2007 Interim Guidelines Shortages + DCP Contributions)* *Mexico: (Minute 323 Delivery Reductions + Binational Water Scarcity Contingency Plan Savings)*					Total Combined Volumes
	AZ	NV	Mexico	***Lower Basin States + Mexico***	AZ	NV	CA	Mexico	*AZ Total*	*NV Total*	*CA Total*	*Lower Basin States Total*	*Mexico Total*	***Lower Basin States + Mexico***
1,090 - 1,075	0	0	0	***0***	192	8	0	41	192	8	0	*200*	*41*	***241***
1,075 - 1050	320	13	50	***383***	192	8	0	30	512	21	0	*533*	*80*	***613***
1,050 - 1,045	400	17	70	***487***	192	8	0	34	592	25	0	*617*	*104*	***721***
1,045 - 1,040	400	17	70	***487***	240	10	200	76	640	27	200	*867*	*146*	***1,013***
1,040 - 1,035	400	17	70	***487***	240	10	250	84	640	27	250	*917*	*154*	***1,071***
1,035 - 1,030	400	17	70	***487***	240	10	300	92	640	27	300	*967*	*162*	***1,129***
1,030 - 1,025	400	17	70	***487***	240	10	350	101	640	27	350	*1,017*	*171*	***1,188***
<1,025	480	20	125	***625***	240	10	350	150	720	30	350	*1,100*	*275*	***1,375***

Reductions for WY 2027 uncertain

DCP Shortage levels

- **Level 1**
- **Level 2**
- **Level 2b**
- **Level 3**

Status of Post-2026 Negotiations

- Negotiations ongoing on Post-2026 guidelines
- Guidelines must be in place by start of WY 2027
- The Final EIS and Record of Decision expected this summer
- Reclamation is evaluating the more than 18,000 comment letters received
- Significant actions likely required under any post-2026 framework
- Litigation remains a possibility

San Diego County Water Authority

Approve Assignment of Water Authority's Semitropic Groundwater Banking Rights and Sale of Banked Water

April 23, 2026

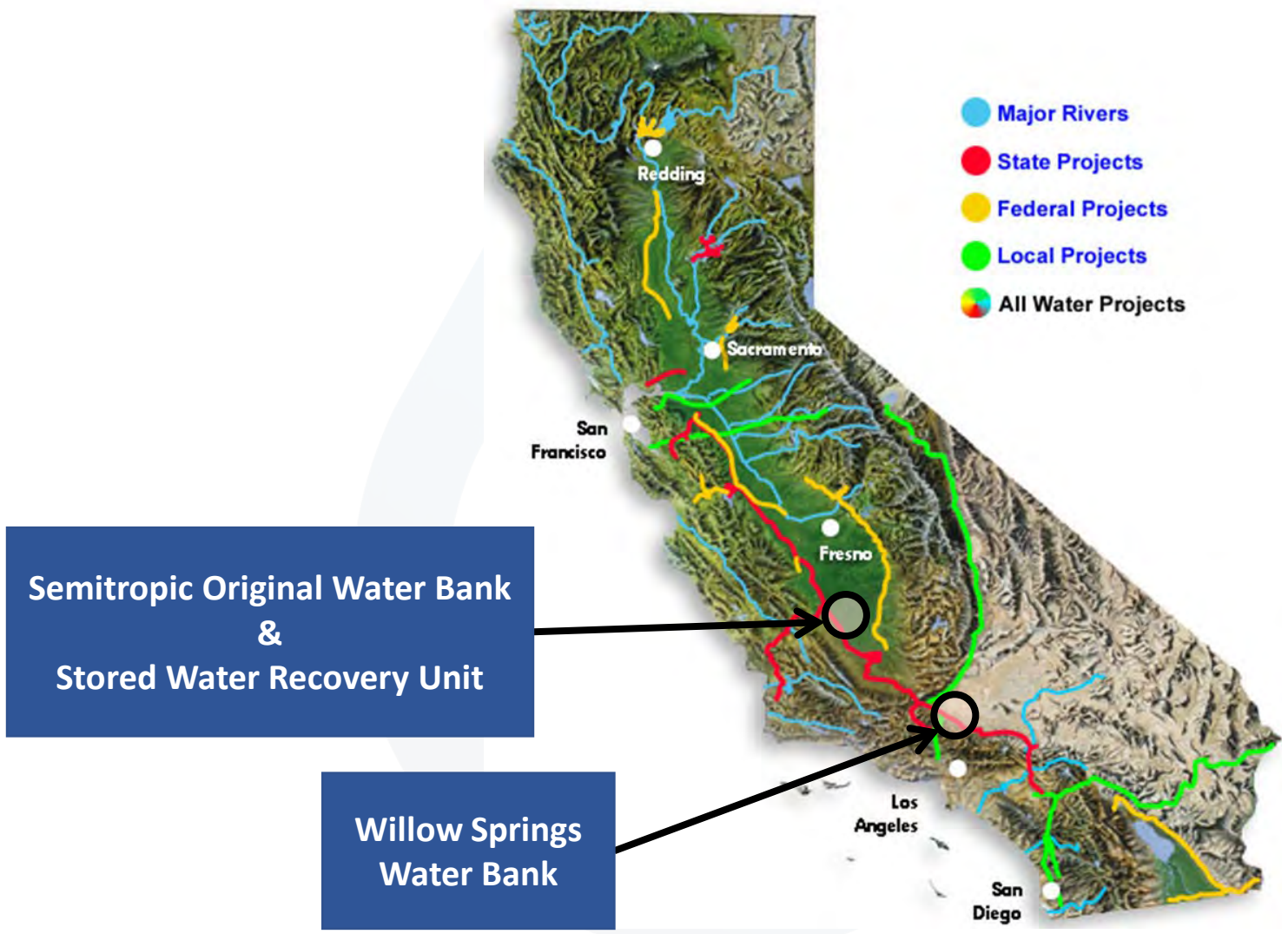
Imported Water Committee

Meena Westford

Director of Imported Water

Out-of-Region Groundwater Storage

- Semitropic Water Storage District
  - Large agricultural water district and groundwater bank in Kern County
  - Storage based in three San Joaquin Valley water banks—collectively, the Semitropic Water Bank
  - Stored supplies were planned to support the San Diego region in dry years



Water Banking History

- In 2008, Water Authority acquired interest in 70,000 acre-feet of groundwater storage
- The Water Authority purchased 23,007 acre-feet of transfer water north of the Bay-Delta
- Those supplies were stored in the Semitropic Water Bank
- In recent years, the Water Authority has looked to leverage those assets

Draft 2025 UWMP shows the Water Authority has sufficient supplies to meet local needs through 2050 without water bank supplies

Success in Leveraging Supplies

- In 2022, the Water Authority and Metropolitan entered into an agreement regarding the stored supplies
- Enabled Metropolitan to purchase a portion of those supplies and lease return capacity in the water bank
- Similar agreement reached in 2023
- Agreements generated more than $5 million in net value for the Water Authority

Current Out-of-County Assets

Storage Capacity (AF)	Annual Put (AF)	Annual Take (AF)	Water Stored in Bank (AF)
Semitropic (Original Water Bank)*			
30,000	2,715	4,200	7,717
Semitropic Rosamond WBA (Stored Water Recovery Unit)*			
15,000	1,666	5,000	0
Semitropic Rosamond WBA (Willow Springs Water Bank)			
25,000	5,000	5,000	0

Westside Agriculture LLC - Overview

Sustainable Farming and Water Infrastructure Company in the San Joaquin Valley

- **Sustainable Farming:** Westside farms approximately 3,500 acres of permanent crops across Kern, Kings, and Fresno counties including almonds, pistachios, organic olives, cherries, and figs.
- **Sustainable Water:** Westside does not pump native groundwater. The company owns a robust portfolio of surface water supplies and storage infrastructure to provide reliable water to its own farms, neighboring farmers, and water agencies.
- **Intended Use of Semitropic Water and Capacity:** The Water Authority's Semitropic capacity and stored water will be used by Westside to (1) manage water that is surplus to Westside's demands during wet years, and (2) improve dry-year water reliability for Westside's farming operations.
- **Financial Capacity:** Westside has substantial financial capacity and can perform its obligations to the Water Authority under the proposed agreement.
- **Strong Long-Term Partner:** The proposed agreement is a first step in a broader partnership opportunity between the Water Authority and Westside. Future collaboration may include mutually beneficial water exchanges and water infrastructure financing.

Proposed Agreement

- Agreement with Westside Agriculture LLC, a Central Valley farming organization
- Westside will purchase the remaining 7,717 acre-feet of Water Authority water in the Semitropic Water Bank
- $450 per acre-foot purchase price
- Net value to the Water Authority from the sale just over $3.4 million
- Westside Agriculture LLC will also:
  - Assume responsibility for annual banking fees
  - Pay the Water Authority $150 per acre-foot for water cycled through the water bank using the Water Authority's capacity rights

Agreement Benefits

- Water Authority
  - Return to the Water Authority estimated to be in the range of $30 million
  - Water Authority will retain second priority rights to use storage capacity
  - Will also maintain right to terminate and take back up to 50% of storage capacity after 2035
  - Represents another step toward maximizing long-term investments while supporting broader regional water objectives

- Westside Agriculture LLC
  - Will allow organization to move water efficiently among Central Valley farming interests using water south of the Bay-Delta
  - Opens the door to further water exchanges and transfers to farming interests

Staff recommendation

- Authorize the General Manager to execute agreements establishing the right for Westside Agriculture, LLC (Westside) to receive assignment of 100% of the Water Authority's recharge, recovery, and storage capacity in the Semitropic Water Bank (SWB) and for the sale of 7,717 acre-feet of banked water

San Diego County Water Authority

Public Hearing on Draft 2025 Urban Water Management Plan and Draft Water Shortage Contingency Plan

April 23, 2026

Water Planning and Environmental Committee

Efren Lopez
Senior Water Resources Specialist

Why Prepare Urban Water Management Plan (UWMP) & Water Shortage Contingency Plan (WSCP)

Regulatory Compliance

- Required by California Water Code
- Submitted to DWR every 5 years
- Ensures statewide consistency in reporting

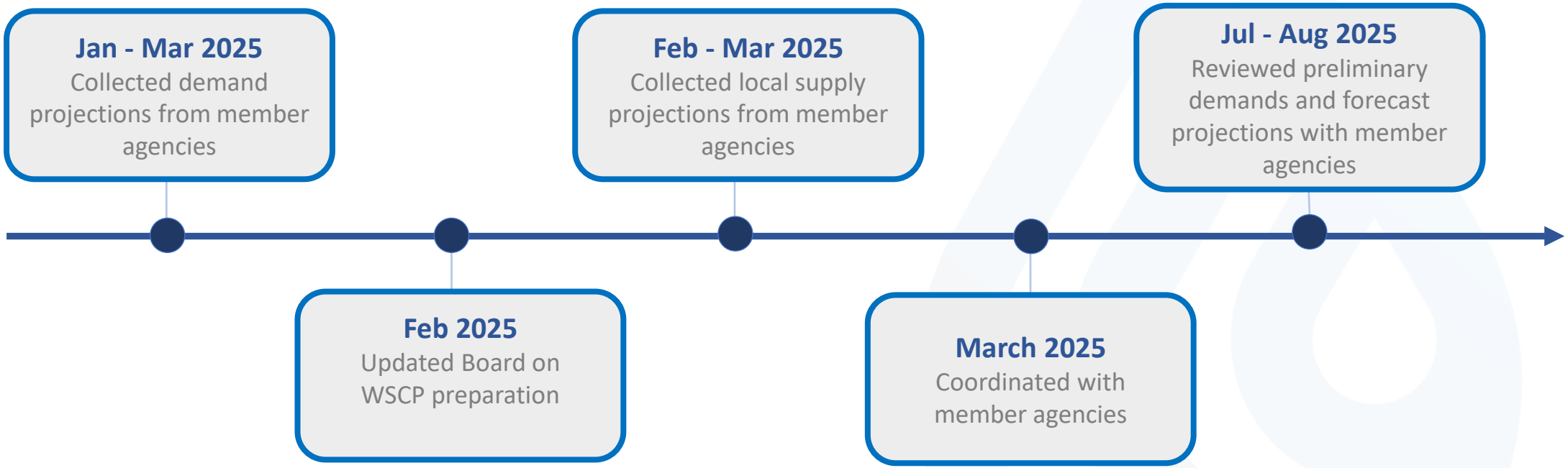
Long-Term Planning

- 20+ Year Supply & Demand Forecasting
- Supports Infrastructure & Investment Decisions

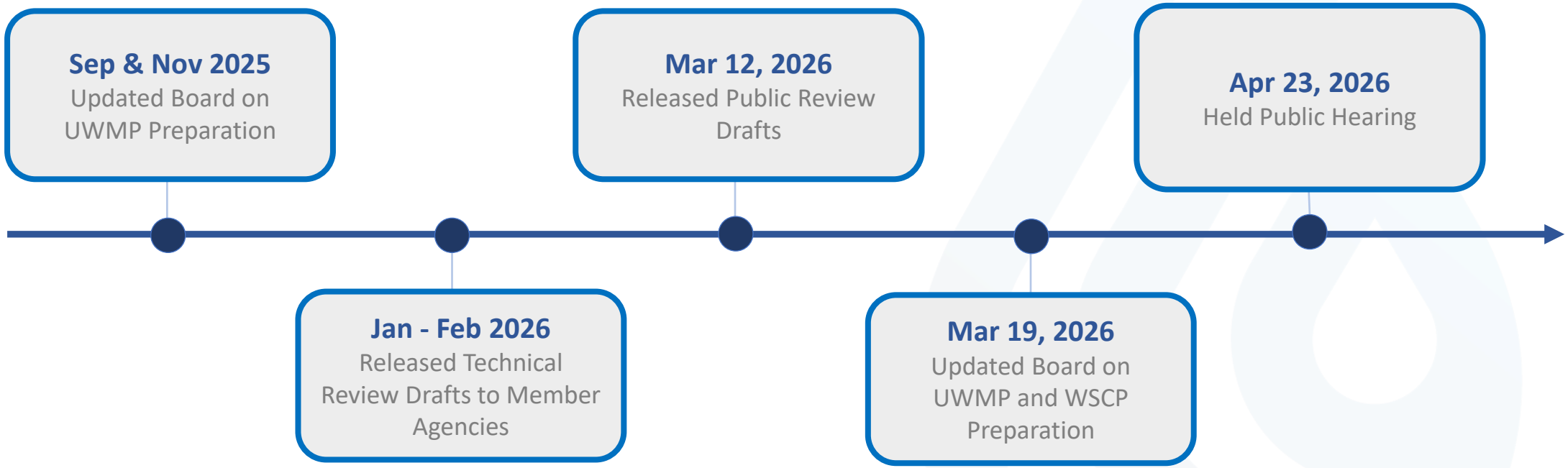
Drought Preparedness

- Defines Shortage Response Actions
- Guides Water Use Reductions
- Ensures Reliability During Dry Periods

Milestones in 2025 UWMP/WSCP Development



Milestones in 2025 UWMP/WSCP Development (Cont.)



Draft 2025 UWMP

Regional Long-Range Water Planning Framework

LONG-RANGE PLANNING

- Guides regional water strategy over a 20+ year horizon

STATE LAW COMPLIANCE

- Prepared in accordance with the California Water Code

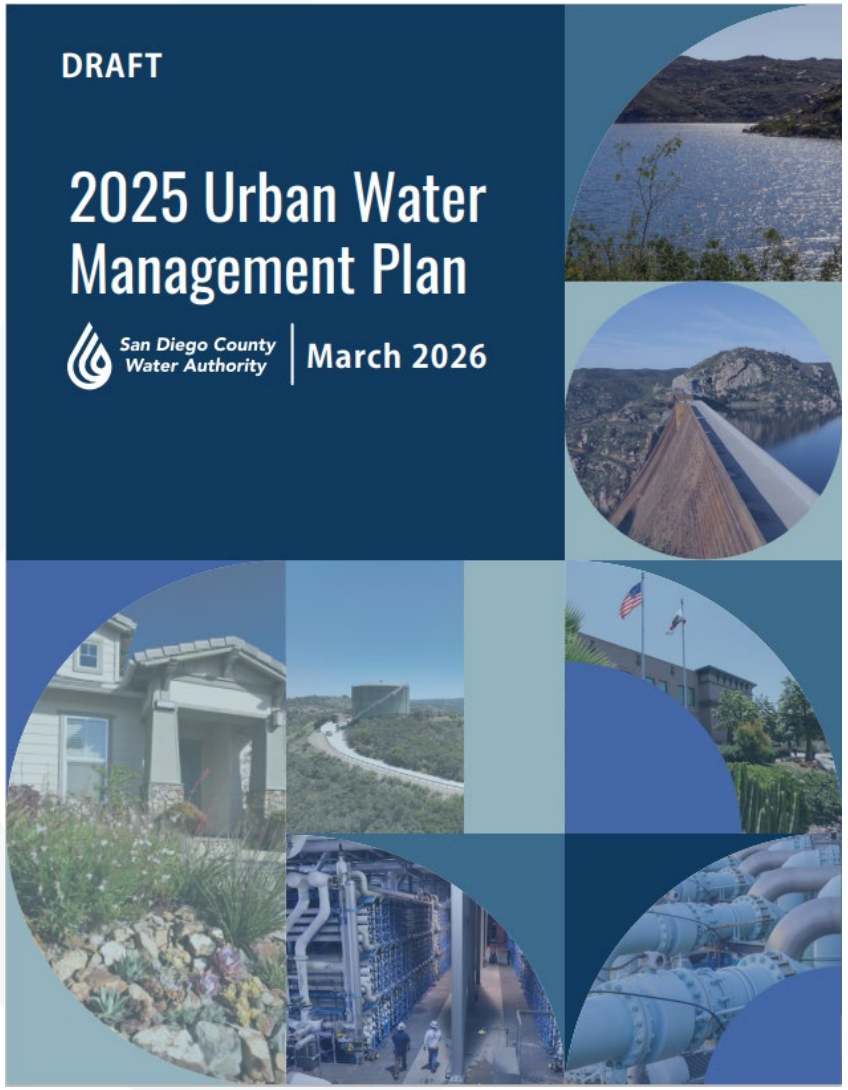
SUPPLY & DEMAND ASSESSMENT

- Evaluates supplies under: Increasing Stress **Conditions** →

NORMAL | SINGLE-DRY YEAR | MULTIPLE-DRY YEAR

RELIABILITY FOCUS

- Demonstrates ability to meet demands during drought conditions



Normal Year Water Resources Supply Mix

		2030	2035	2040	2045	2050*
a	IID Water Transfer	200,000	200,000	200,000	200,000	200,000
b	ACC and CC Lining Projects	77,700	77,700	77,700	77,700	77,700
c	Carlsbad Desalination Plant	42,000	42,000	42,000	42,000	42,000
d = a + b+ c	**Total Water Authority Supplies**	**319,700**	**319,700**	**319,700**	**319,700**	**319,700**
e	Member Agency Supplies	178,548	243,101	245,024	241,694	241,864
f = d + e	**Total Projected Supplies**	**498,248**	**562,801**	**564,724**	**561,394**	**561,564**
g	Metropolitan Supplies	0	0	0	0	0
h	**Total Demand Forecast**	**461,915**	**470,433**	**479,867**	**484,176**	**489,759**
	Potential Shortage	0	0	0	0	0

* Assessment assumes that in 2047 the Water Authority extends its water transfers with IID

Single-Dry Year Water Resources Supply Mix

		2030	2035	2040	2045	2050*
a	IID Water Transfer	200,000	200,000	200,000	200,000	200,000
b	ACC and CC Lining Projects	77,700	77,700	77,700	77,700	77,700
c	Carlsbad Desalination Plant	42,000	42,000	42,000	42,000	42,000
d = a + b+ c	**Total Water Authority Supplies**	**319,700**	**319,700**	**319,700**	**319,700**	**319,700**
e	Member Agency Supplies	155,945	220,498	222,421	219,091	219,261
f = d + e	**Total Projected Supplies**	**475,645**	**540,198**	**542,121**	**538,791**	**538,961**
g	Regional Storage	15,180	0	0	0	0
h	Metropolitan Supplies	0	0	0	0	0
i	**Total Demand Forecast**	**490,825**	**499,769**	**509,745**	**514,233**	**520,139**
	Potential Shortage	0	0	0	0	0

* Assessment assumes that in 2047 the Water Authority extends its water transfers with IID

Draft WSCP

Drought Response Framework

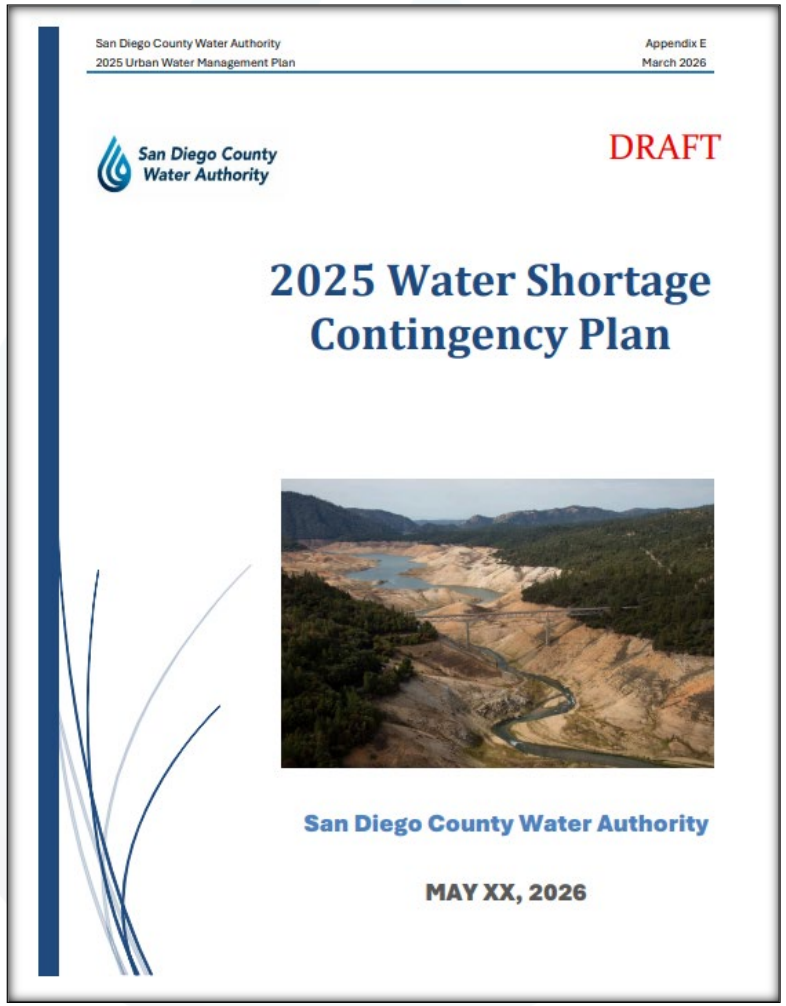
STAND-ALONE & FUNCTIONAL

Must also be able to function as a **stand-alone document**.

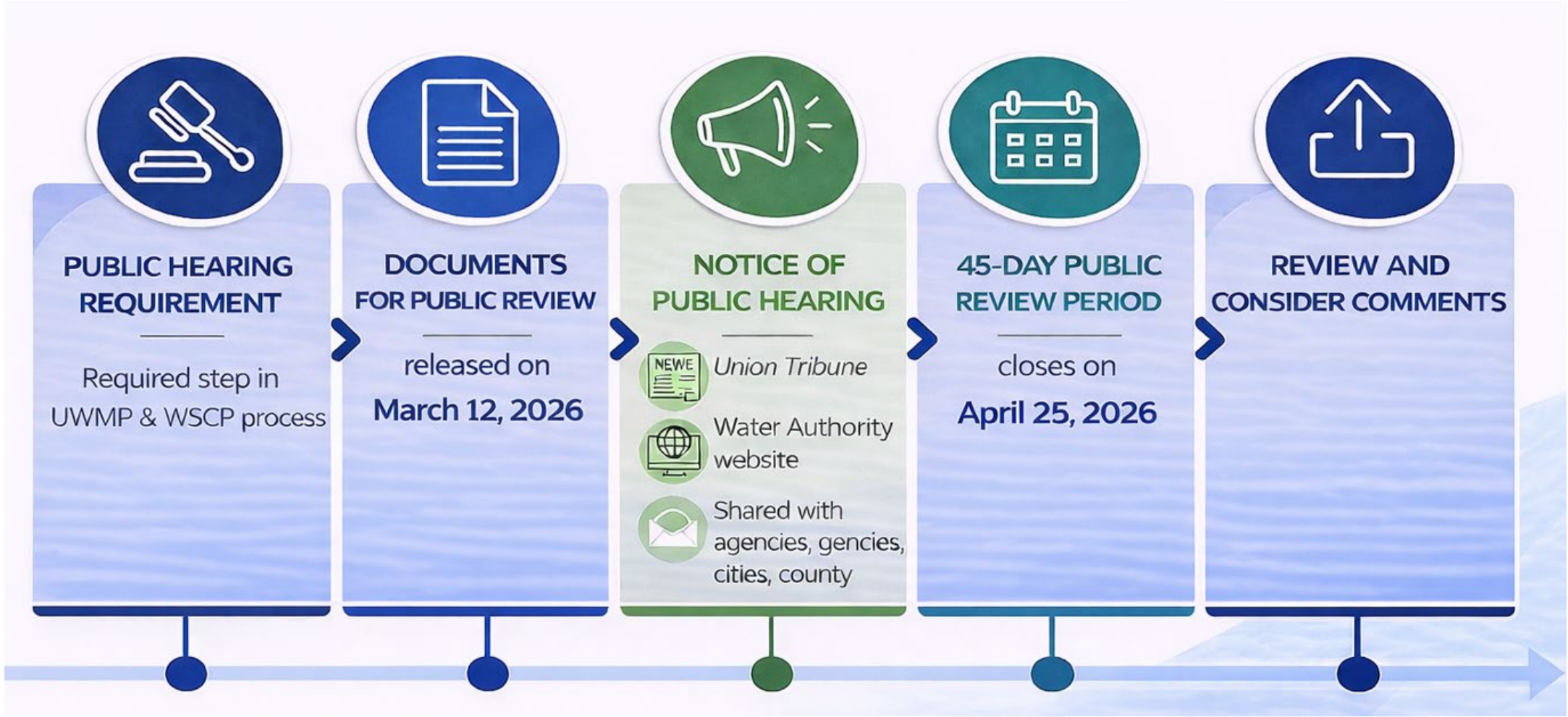
KEY COMPONENTS

Includes **water supply allocation methodology** and **model drought ordinance.**

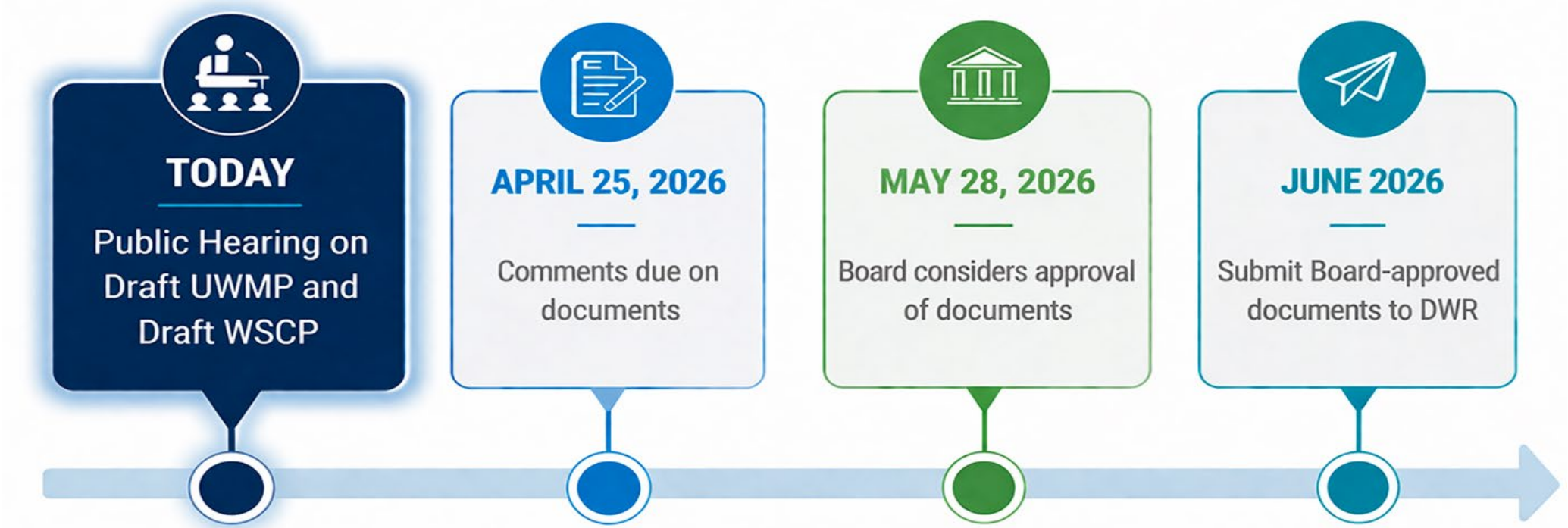
Serves as the region's **guiding shortage management document**



Public Review & Comment Process



Remaining Steps



Thank You!

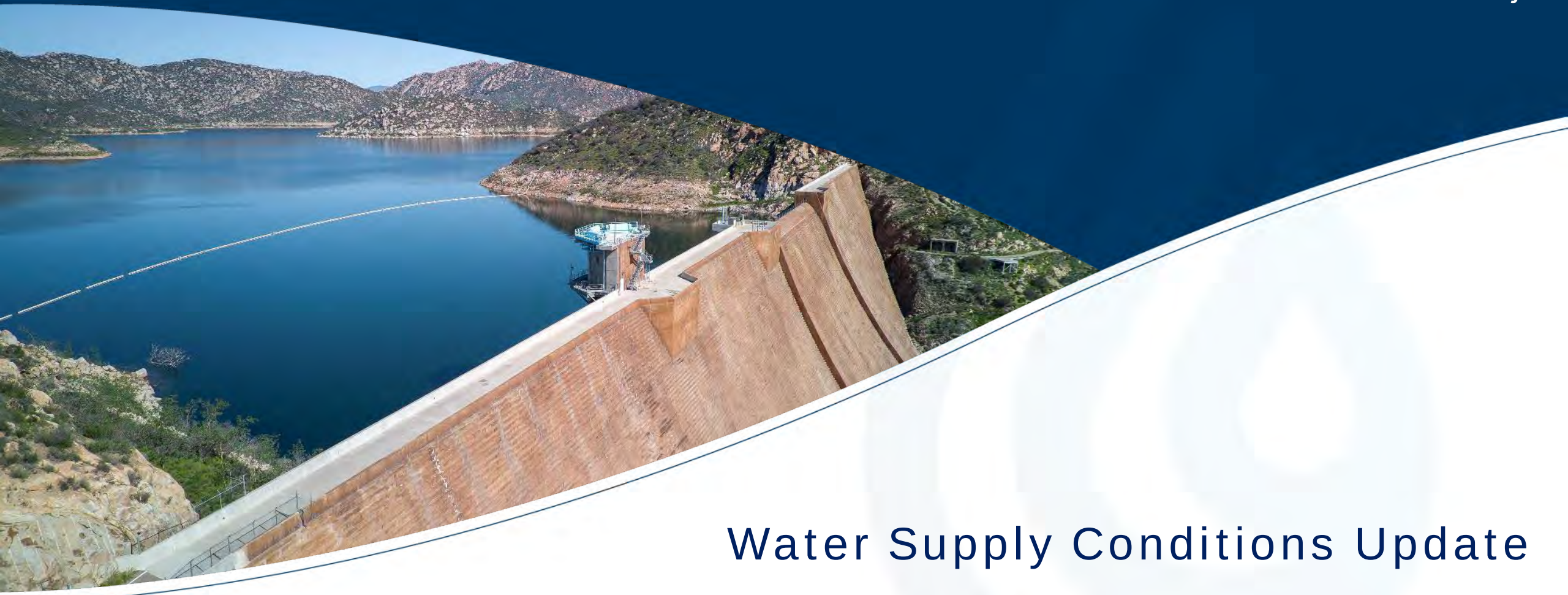
@sdcwa

SanDiegoCountyWaterAuthority

@sdcwa

San Diego County Water Authority

San Diego County Water Authority



Water Supply Conditions Update

April 23, 2026

Water Planning and Environmental Committee

Efren Lopez

Senior Water Resources Specialist

Northern Sierra Snowpack Extremes

From Record Snow (2023) to Snow Drought (2026)

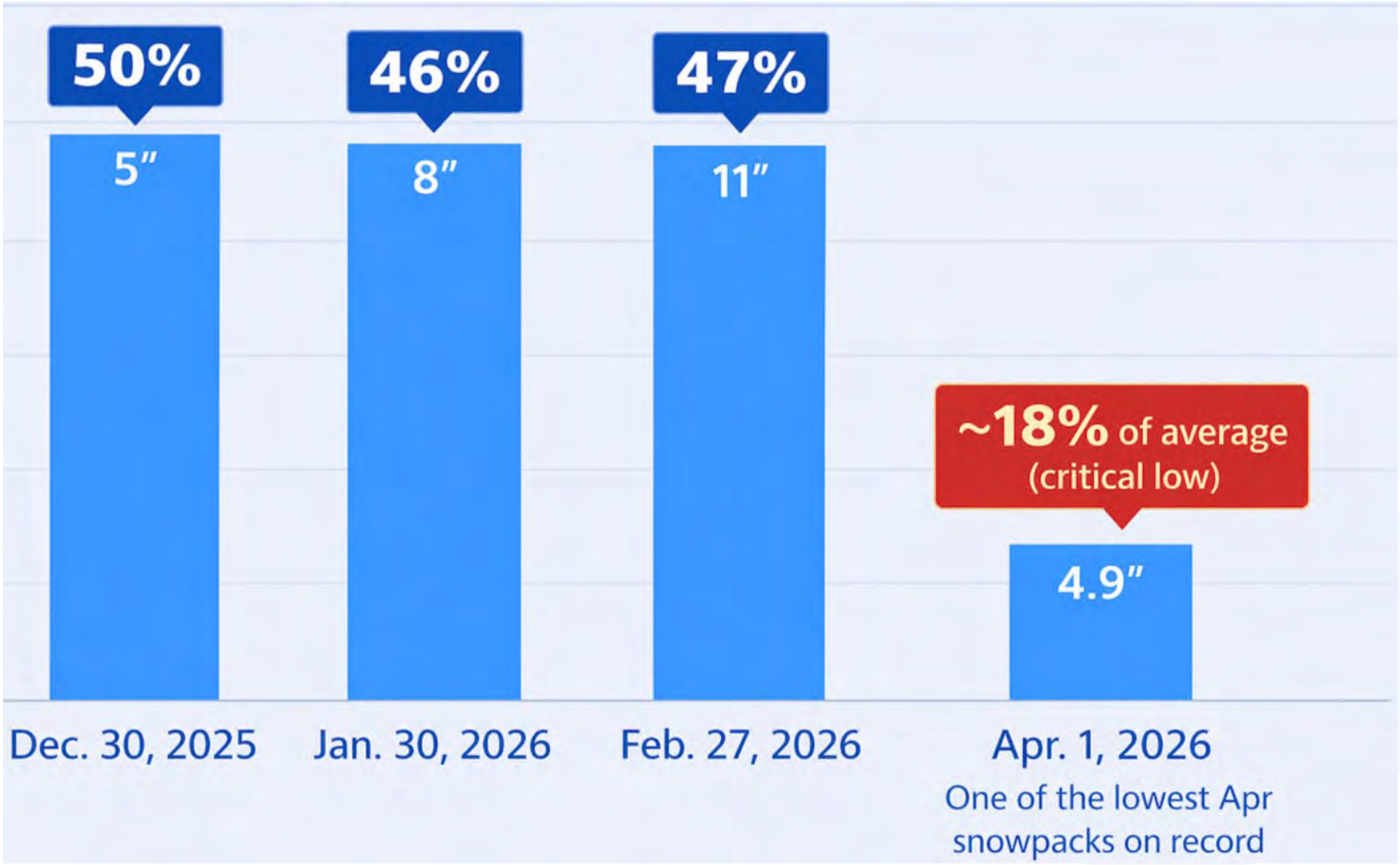
Water Year 2023 – Record Snowpack

- 221% of average (April 1)
- Among snowiest years on record
- Strong runoff and full reservoirs

Water Year 2026 – Snow Drought

- Near-zero April snowpack
- Among the lowest on record
- Limited snowmelt runoff

Water Year (WY) 2026 Snow Surveys – Phillips Station



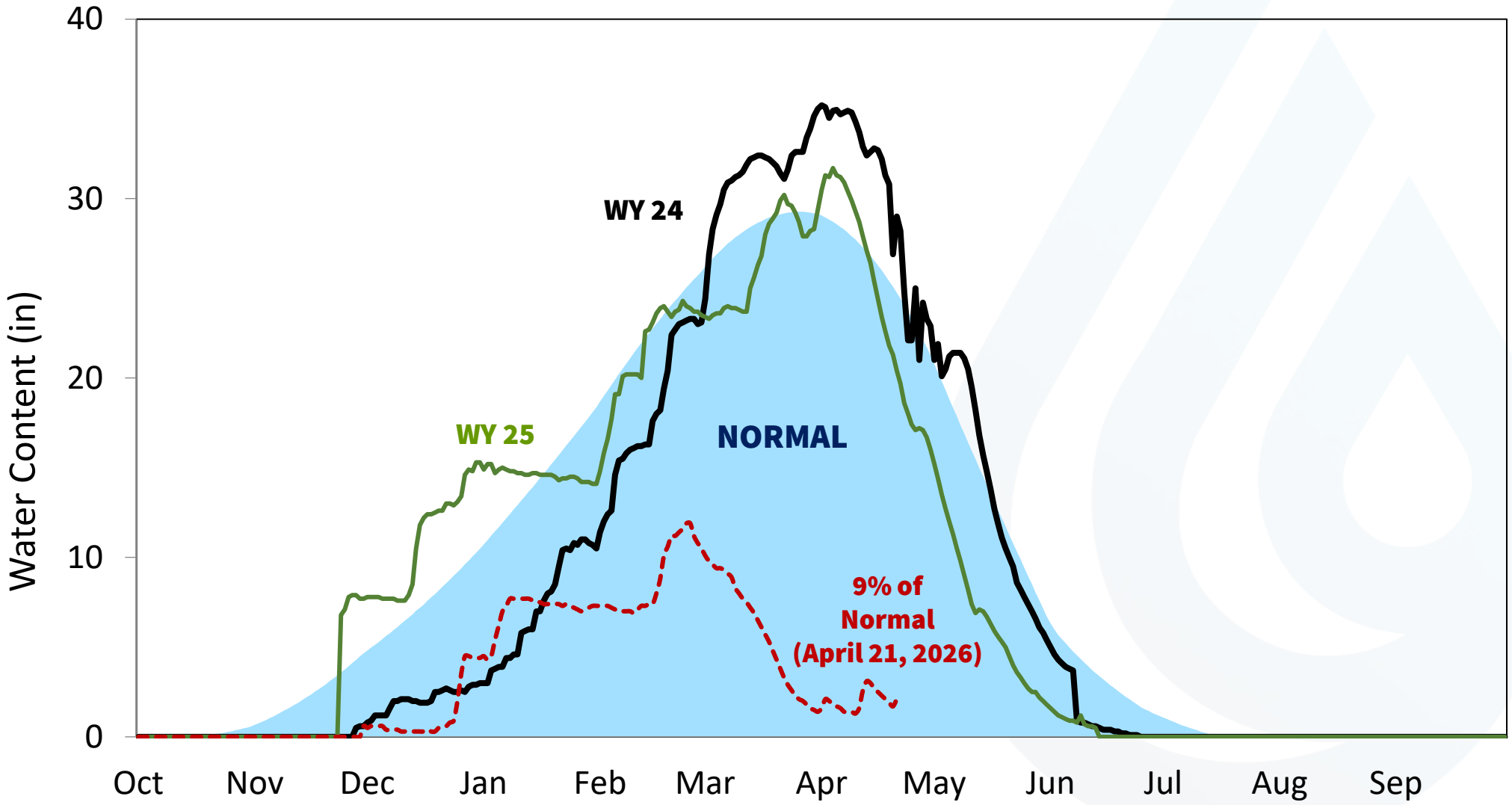
Source: DWR

The Atmospheric Rivers of WY 2026

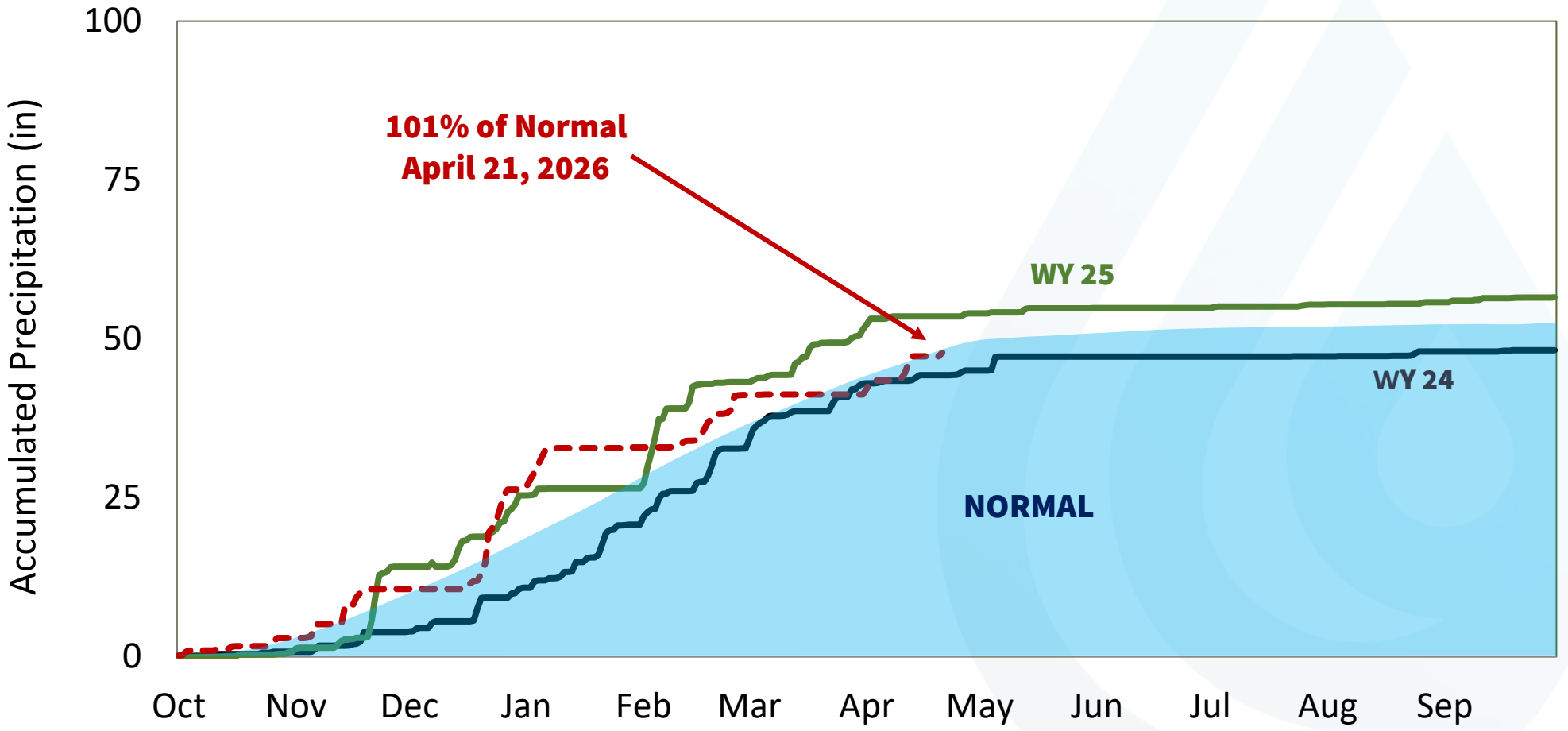
33 atmospheric rivers impacted California (**56 on West Coast**) between October 2025 and February 2026

CA Breakdown by Strength	
Strength	Number of ARs (West)
Weak	14 (20)
Moderate	12 (19)
Strong	5 (12)
Extreme	2 (5)
Exceptional	0 (0)
Total	**33 (56)**

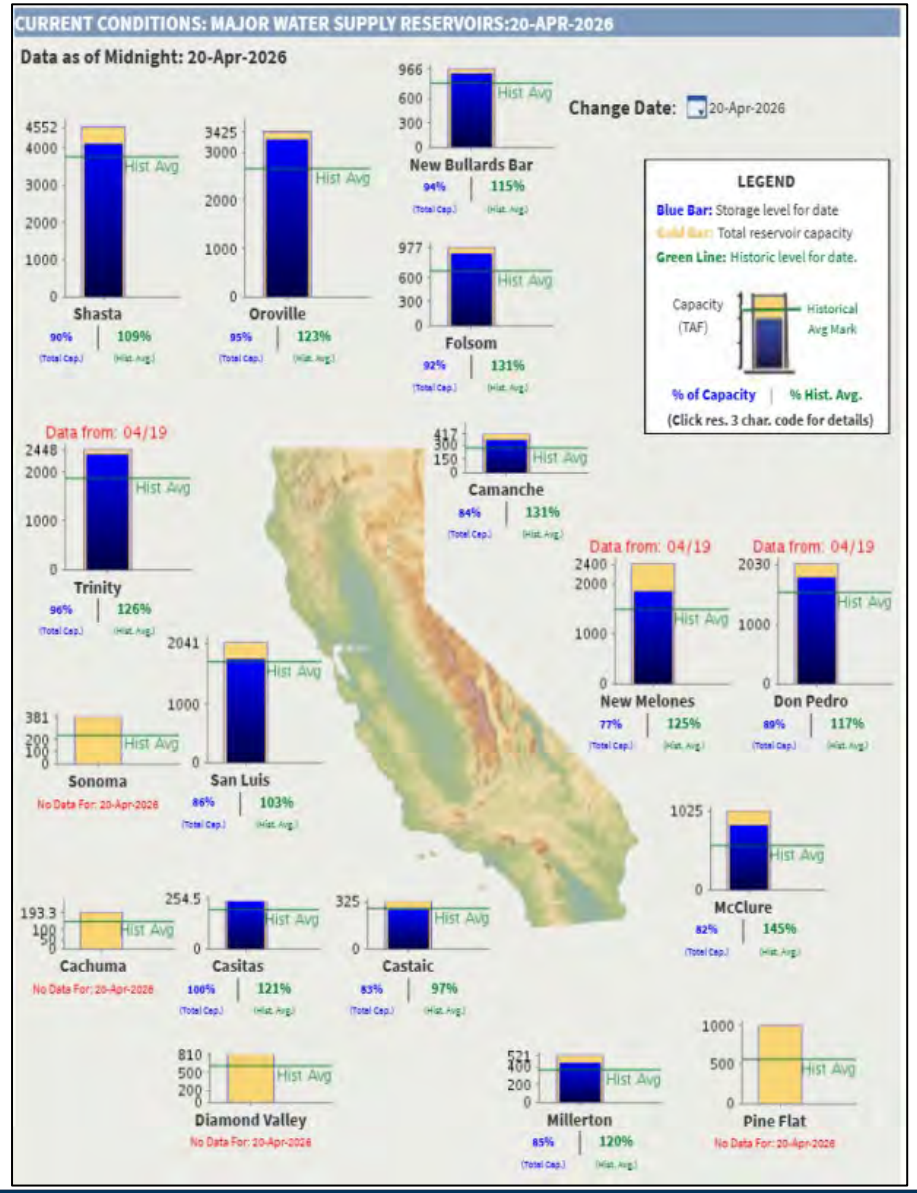
Northern Sierra 8-Station Precipitation Index - WY 26



Northern Sierra 8-Station Precipitation Index - WY 26



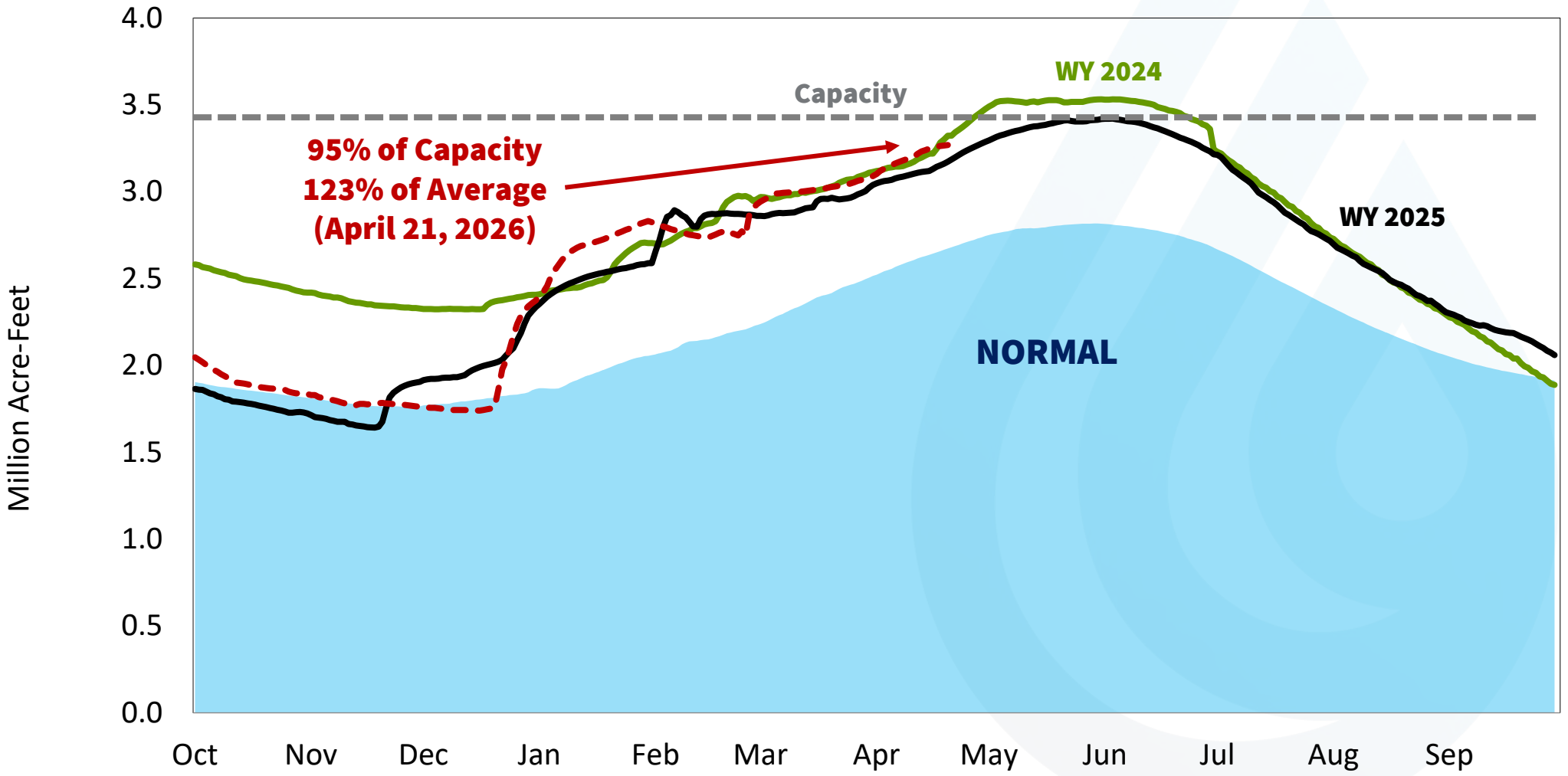
California Reservoir Storage



Lake Oroville

San Luis Reservoir

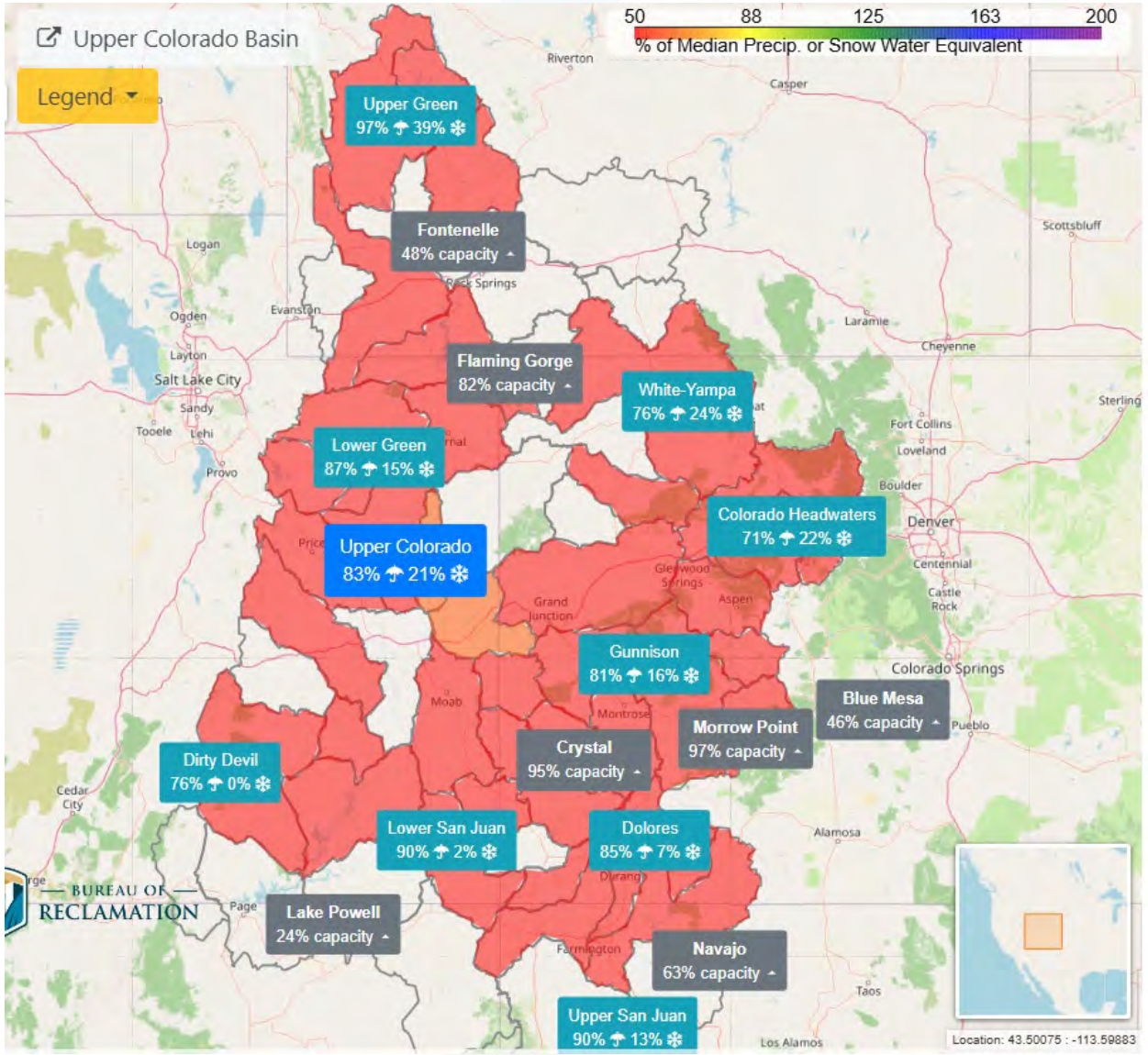
Lake Oroville Storage Volume WY 26



Colorado River Basin Conditions

As of April 21, 2026

- Precipitation 83% of normal
- Snowpack 21% of normal
- Lake Powell 24% full (5.6 MAF)
- Lake Mead 32% full (8.3 MAF)

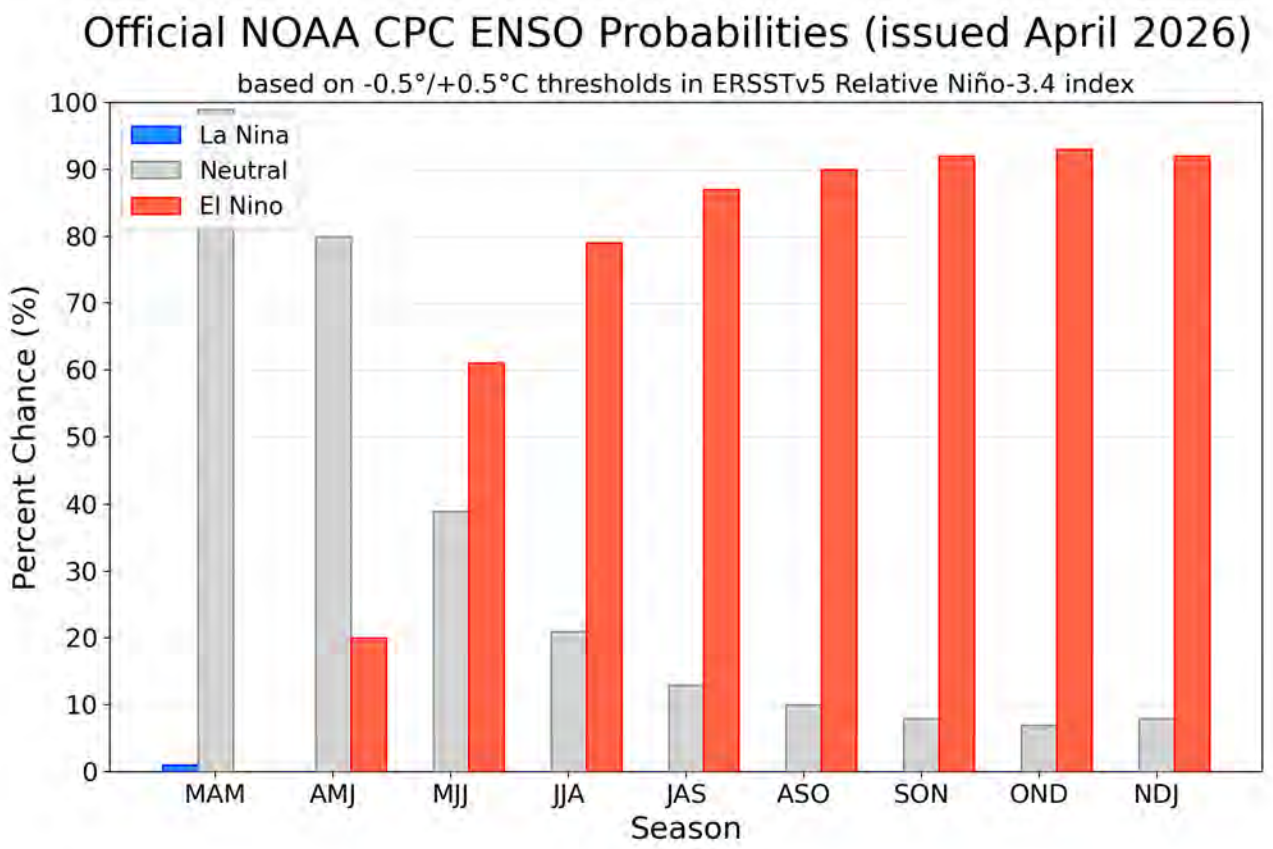


Local Precipitation

Water Year 2026				
	Month To-Date April 1-21, 2026		Water Year To-Date October 1, 2025 – April 21, 2026	
Station	Actual	% Normal	Actual	% Normal
Lindbergh Field	0.14 in.	28%	9.76 in.	107%
Ramona Airport	0.07 in.	9%	10.62 in.	78%

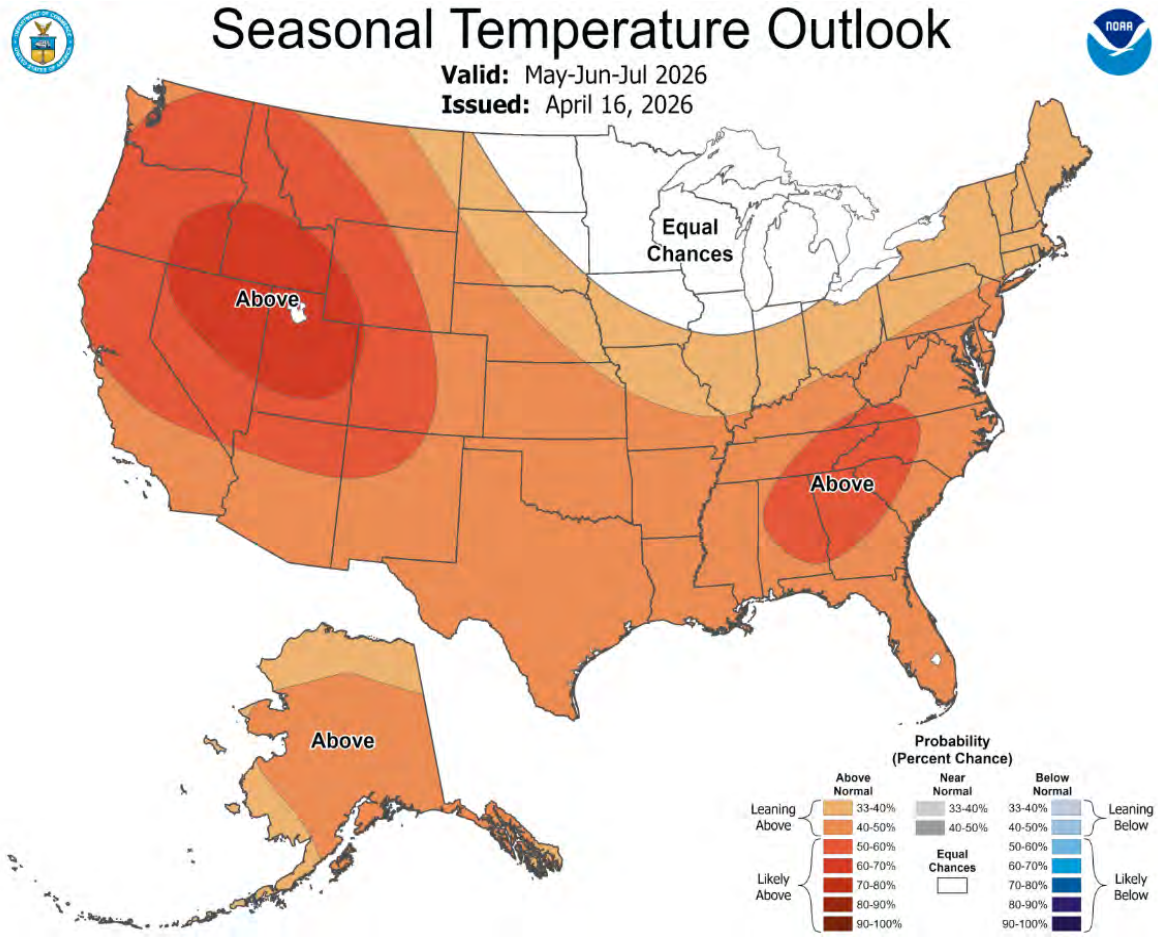
NOAA Outlook WY 26

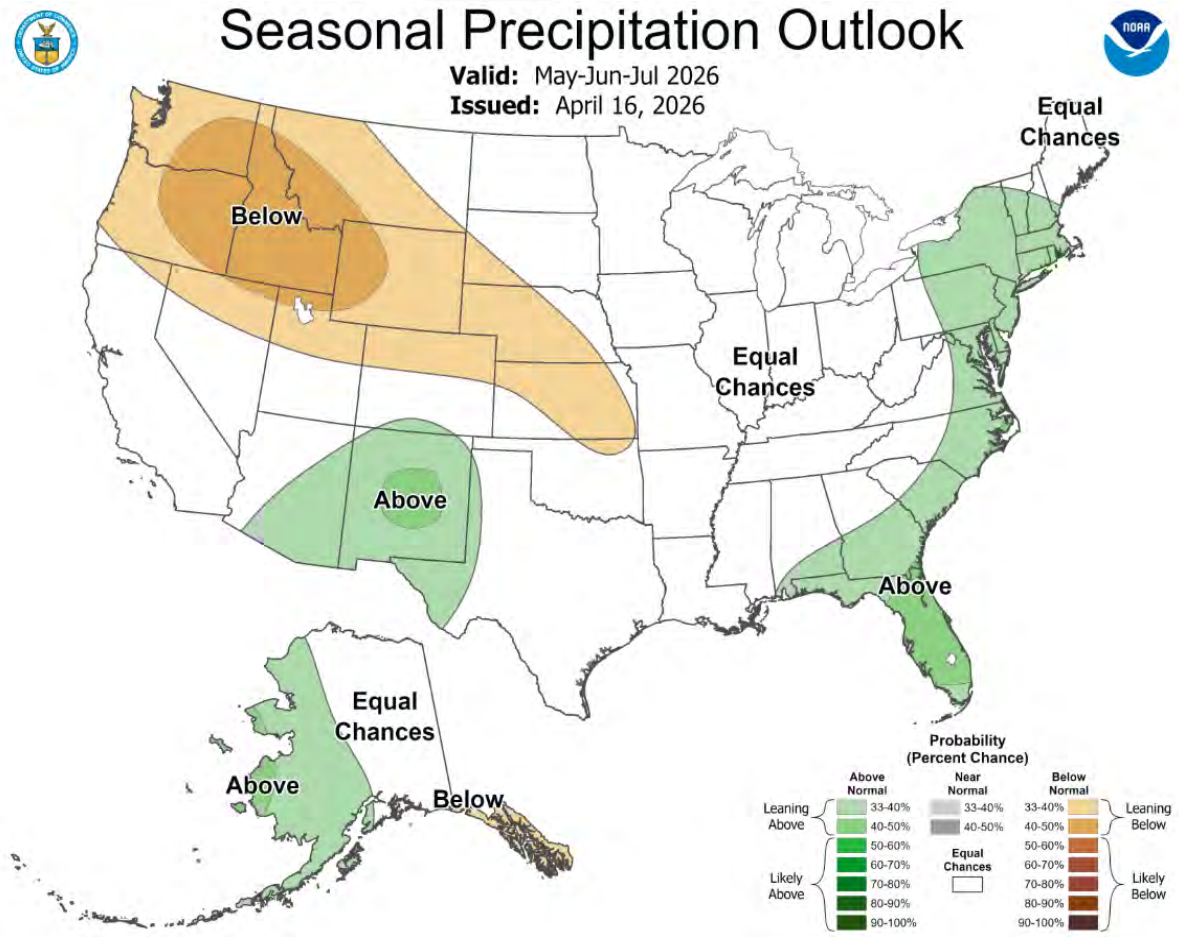
- Near-term shift: Transition from La Niña to ENSO-neutral expected within next month
- Spring outlook: ENSO-neutral conditions likely to persist through May–July 2026 (55% probability)
- Late 2026 trend: El Niño likely to develop by summer (62% probability) and continue through the end of 2026



Source: NOAA Climate Prediction Center/NCEP

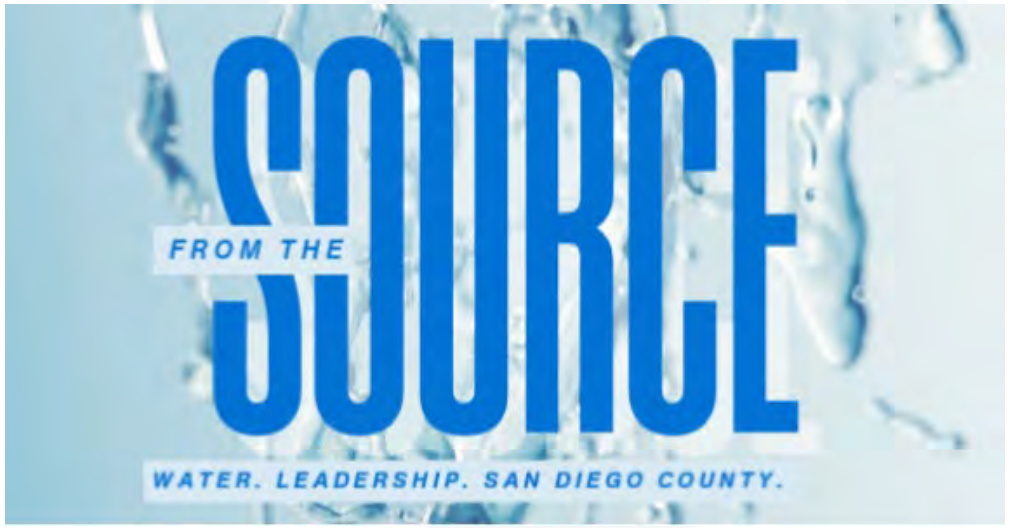
Outlook



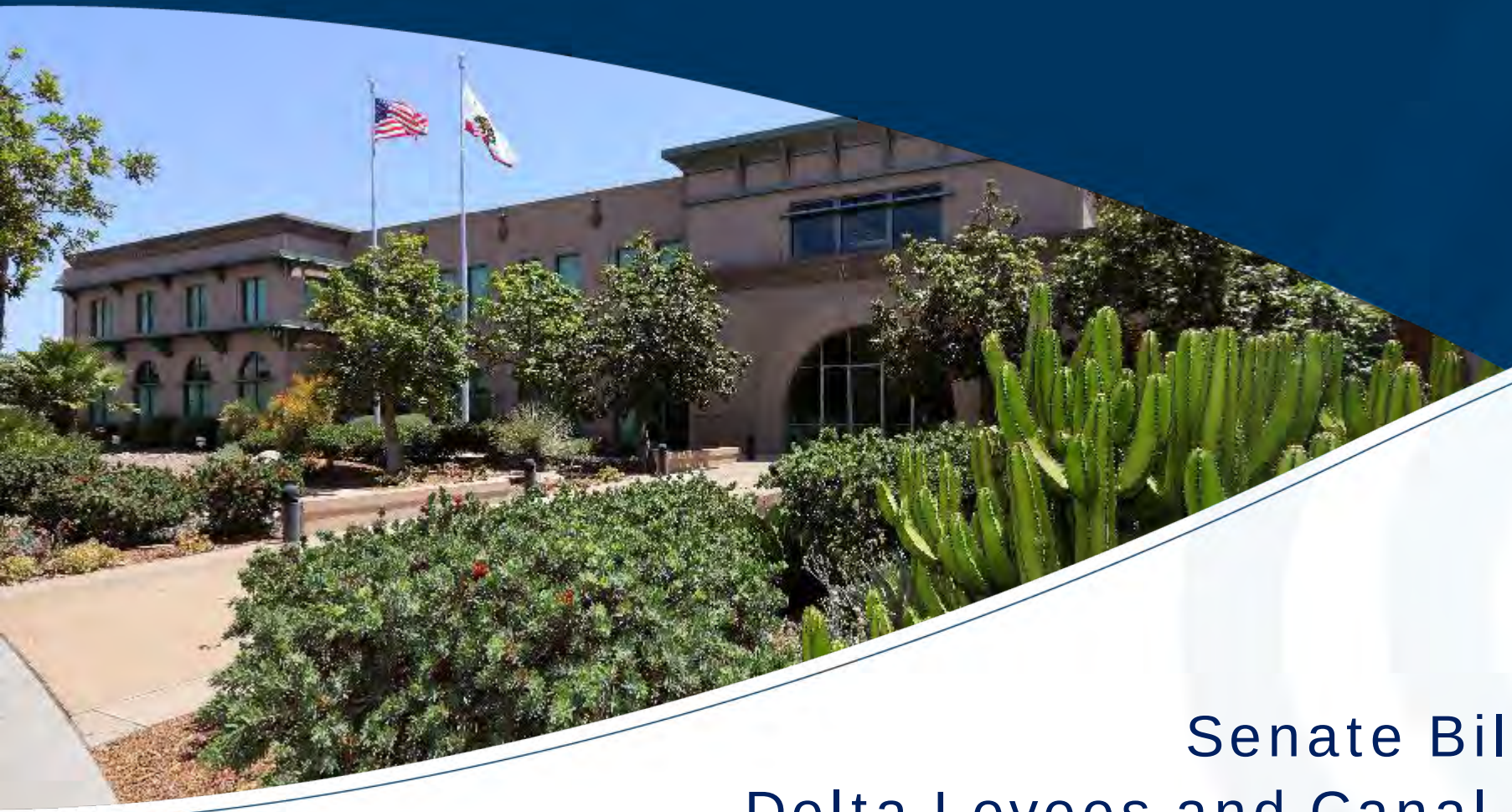


Source: NOAA Climate Prediction Center/NCEP

Public Affairs Highlights



San Diego County Water Authority



Senate Bill 872 (McNerney)
Delta Levees and Canal Subsidence Fund

April 23, 2026

Legislative and Public Outreach Committee

Meggan Quarles

Government Relations Manager

Senate Bill 872 Overview

Long-Term Investment Plan

- SB 872 mandates $150 million annually for 20 years to fund California's water infrastructure repairs and upgrades.

Levee and Canal Repair

- Funds focus on repairing land subsidence impacts on canals and strengthening aging Delta levees for resilience.

Climate Change Adaptation

- The bill addresses risks from rising sea levels and extreme weather to protect water delivery reliability.

Community and Environmental Impact

- Investment safeguards water supplies for urban, agricultural, and disadvantaged communities reliant on the State Water Project.

Senate Bill 872

Impact of Land Subsidence

- Groundwater depletion causes land subsidence, reducing canal flow capacity by up to 80%. This limits water storage and increases operational costs.

Delta Levee System Importance

- The Delta levees protect farms, communities, and infrastructure, forming the backbone of California's water and flood networks.

Climate-Induced Risks

- Aging levees face risks from sea-level rise and intense storms, causing recent near-failures and highlighting system vulnerability.

SB 872 Funding Benefits

- SB 872 provides steady funding for preventative maintenance, improving resilience and stabilizing costs to protect disadvantaged communities.

Benefits of Senate Bill 872

Improved Water Infrastructure

Climate and Operational Benefits

Funding and Access

Risk Mitigation and Reliability

Recommendation

Staff recommends a support position on Senate Bill 872

San Diego County Water Authority

Assembly Bill 2215 (Calderon)
Water Rights: Permits: State Water Project

April 23, 2026

Legislative and Public Outreach Committee

Meggan Quarles

Government Relations Manager

Assembly Bill 2215 Overview

Permit Deadline Extension

- Extends water rights permit deadlines to December 31, 2047 ensuring legal certainty for ongoing projects.

Environmental Compliance

- Maintains all CEQA, NEPA, and other environmental review requirements, supporting continued public oversight.

Climate Resilience Support

- Supports climate adaptation, water storage, and operational improvements to enhance drought-year supply reliability.

Benefits of Assembly Bill 2215

Regulatory Modernization

Extended Permit Flexibility

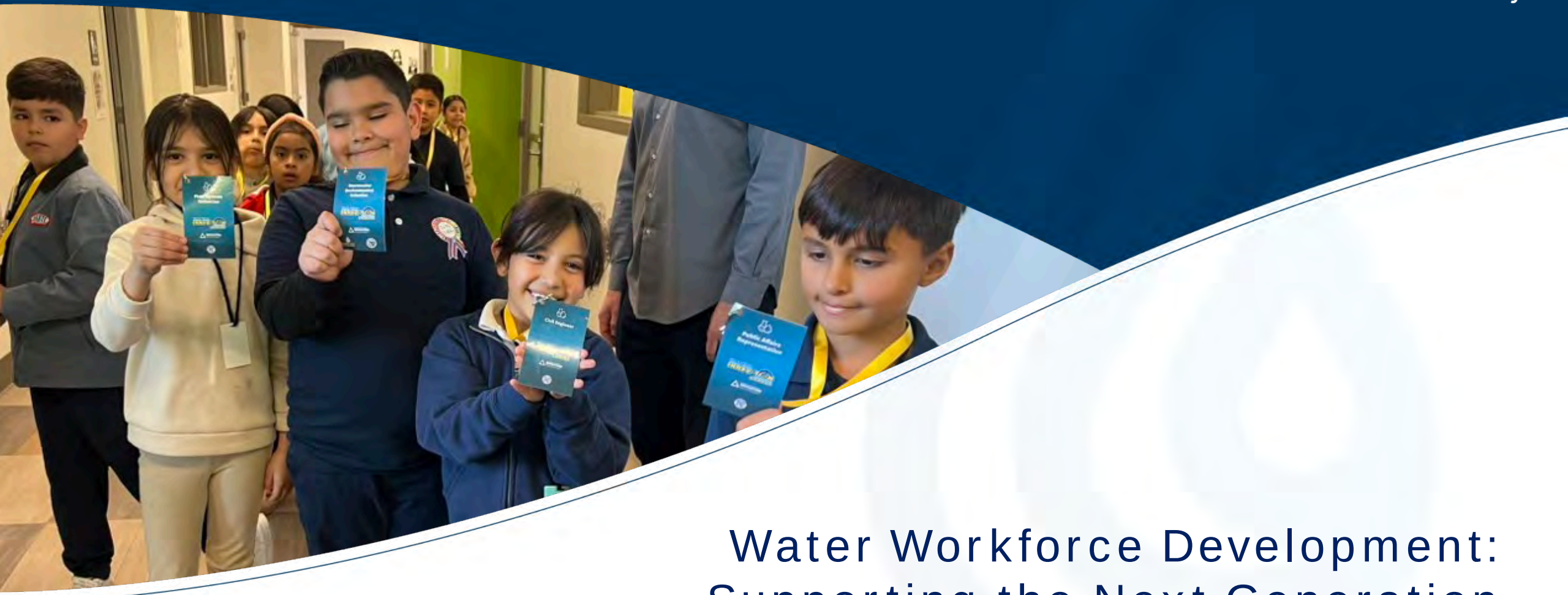
Support of Water Affordability

Long Term Collaboration

Recommendation

Staff recommends a support position on Assembly Bill 2215

San Diego County Water Authority



Water Workforce Development: Supporting the Next Generation

April 23, 2026

Legislation & Public Outreach Committee

Alex Heckman

Public Affairs Representative II

Industry Snapshot

Key trends in the water workforce landscape

- About half of the local water workforce will be eligible to retire in the next five years.
- Water Authority member agencies reported top challenges in hiring as:
  - Shortage of qualified applicants
  - Competitive labor market
  - Awareness of water industry career opportunities
  - Low bandwidth for staff participation in career and community events

LA ist

CLIMATE & ENVIRONMENT

Water agencies grapple with climate change and the 'silver tsunami' of an aging workforce

The Water Authority's Role

Strategic partnerships and shared resources

- Support member agency and Water Authority recruitment
- Provide opportunities for students and job seekers to learn about water sector throughout their educational journey
- Cultivate strategic relationships and community partnerships
- Serve as regional hub for resources and information

Education Partnerships

Creating multiple touchpoints for K-12 students to learn about water

School Assemblies
20,400+ students reached at
48 schools in member agency jurisdictions

Water exhibit at Fleet Science Center
400,000+ visitors

San Diego County Office of Education partnership
5,000+ students reached
51% of students low-income

San Diego County Office of Education "Splash Lab"
16 presentations in partnership with 7 member agencies

Expanding Community Outreach & Engagement

Meeting future water workers where they are

- Boosting participation in career fairs and community events
  - 7 community events attended
  - 1,700+ impressions
- Maintaining a consistent presence in the community, guided by an intentional focus on engagement in underserved areas
  - 79th Assembly District Apprenticeship Fair
  - Southwestern College Career Fair
- Developing new tools and finding new venues for outreach

Expanding Community Outreach & Engagement

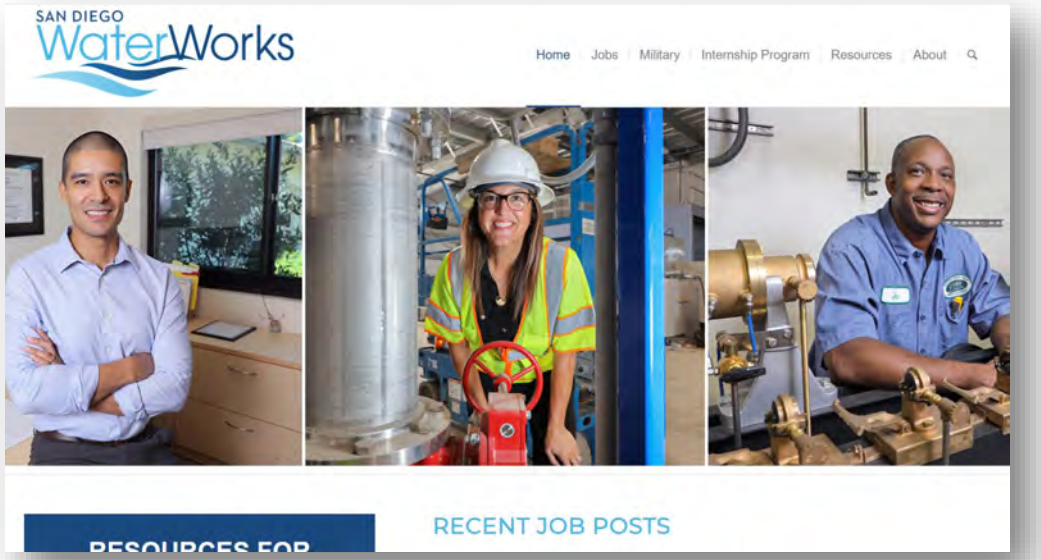
Business cards for San Diego WaterWorks jobs website

Job ladders: Operators, Analysts, Scientists, Engineers, Planners

Internship flyers

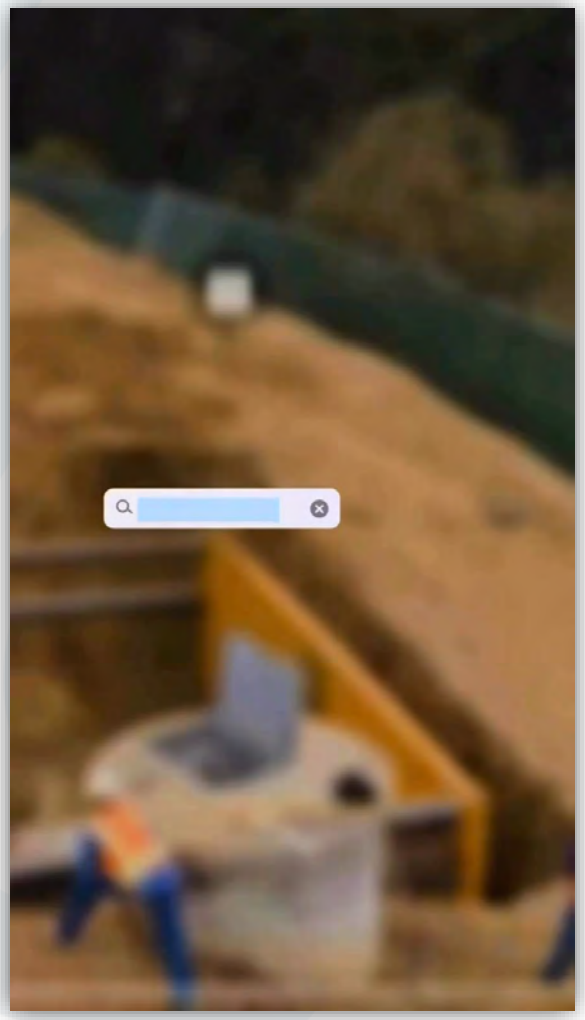
Growing Our Digital Presence

Modernizing how we reach future employees



Refreshed site content on regional water jobs website SanDiegoWaterWorks.org

Newly launched TikTok channel focused on workforce

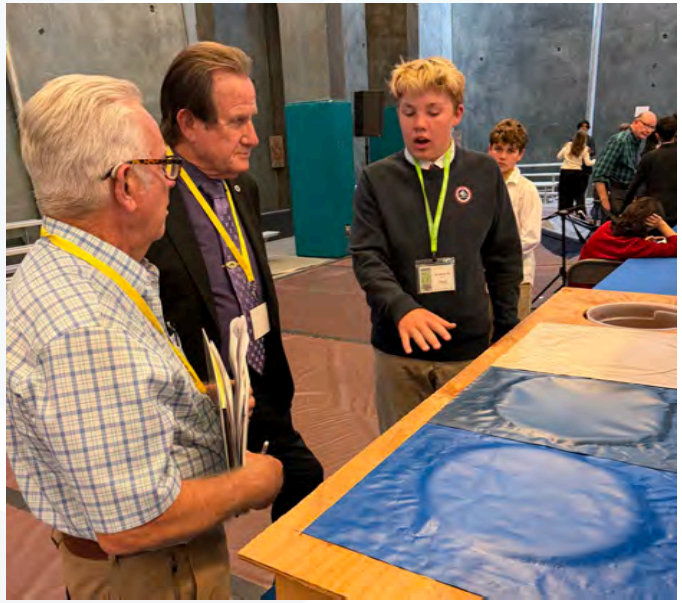


Targeted social media promotion

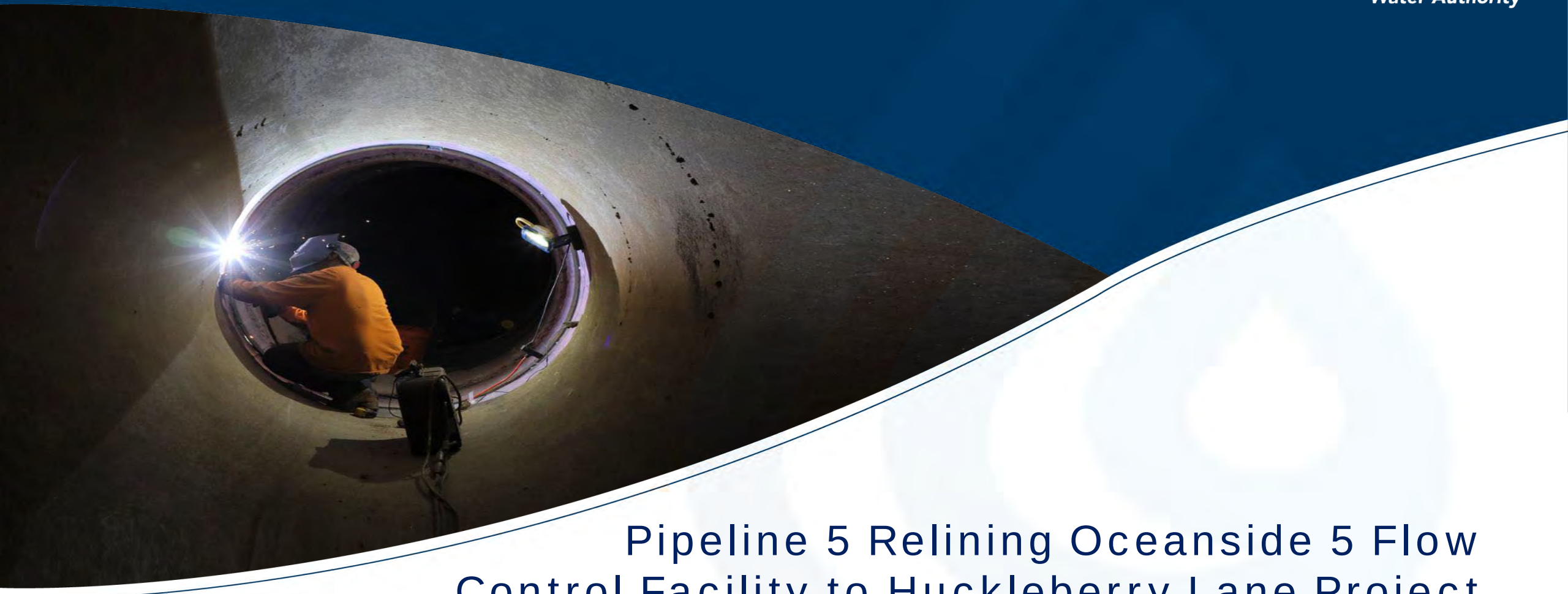
Strategic Partnerships

Community collaboration for greater impact

- Teaming up with workforce groups:
  - East County Economic Development Council's Skilled Workforce Committee
  - San Diego State University
  - California Urban Water Agencies (CUWA)
  - Water Energy Education Alliance (WEEA)
  - San Diego Water Workforce Collaborative
  - San Diego Workforce Partnership
  - San Diego County Office of Education
- Coordinating with member agencies and Water Authority HR
- Sharing resources and supporting regional educational efforts



San Diego County Water Authority



Pipeline 5 Relining Oceanside 5 Flow Control Facility to Huckleberry Lane Project

April 23, 2026

Engineering & Operations Committee

Michael Heu

Senior Engineer

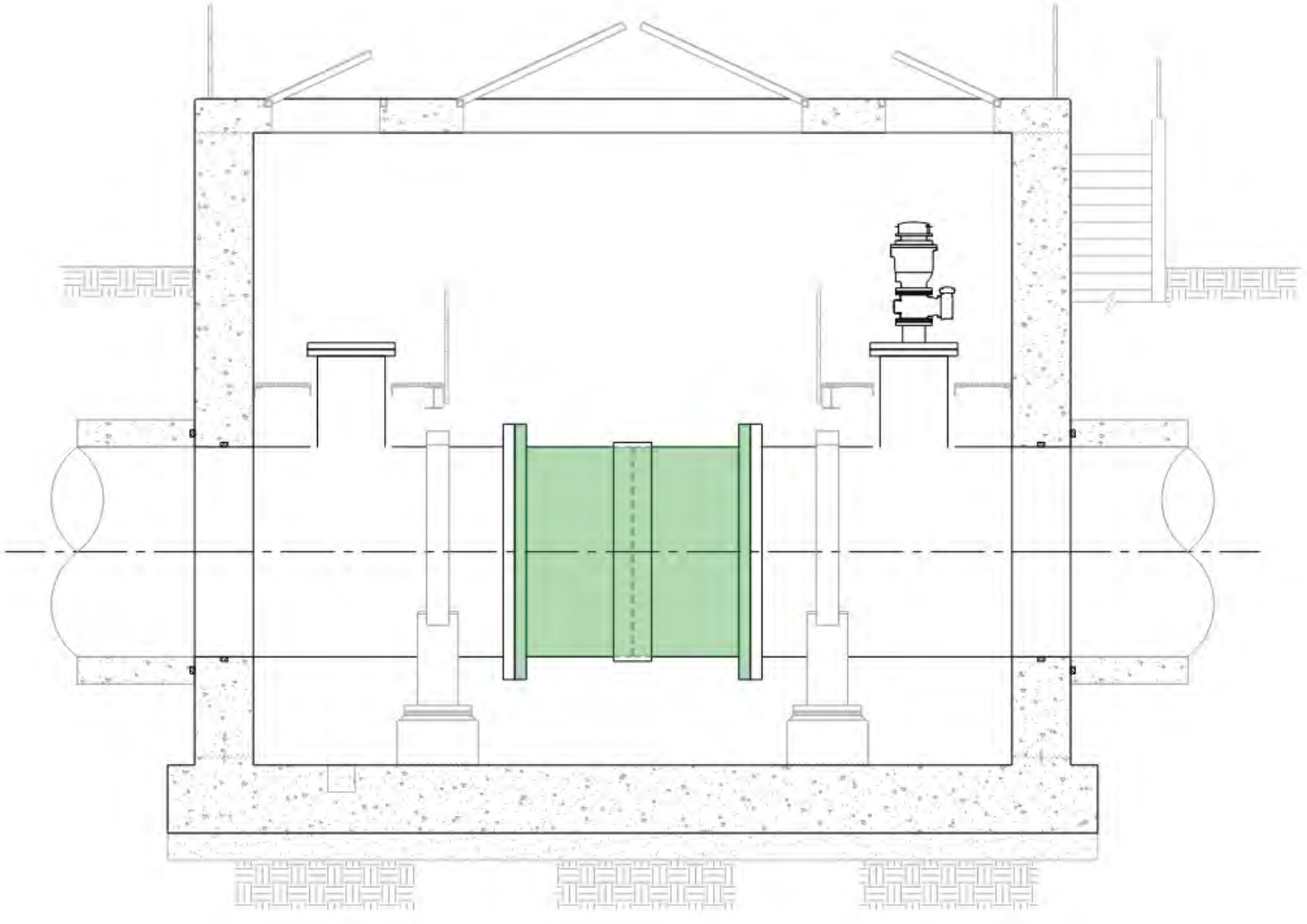
Project Vicinity and Location

Project Overview

- Pipeline 5 constructed in early 1980s
- 96-inch prestressed concrete cylinder pipe (PCCP)
- Reline 5,000 linear feet
- Isolation structure

Isolation Structure

- Reuseable components
- Faster isolation (no welding)
- Future isolation may be performed by staff



Bid Summary

No.	General Contractor	Bid Amount
	Construction Cost Estimate	*$26.6M to $34.0M*
1	**James W. Fowler Co.**	**$30,472,539.85***
2	**J.F. Shea Construction, Inc**	**$30,583,325**

* Adjusted bid amount

Recommendation

1. Reject J.F. Shea Construction bid protest.

2. Award a construction contract to James W. Fowler Co. in the amount of $30,472,539.85 for the Pipeline 5 Relining Oceanside 5 Flow Control Facility to Huckleberry Lane project.