

SAN GABRIEL VALLEY
MUNICIPAL



WATER DISTRICT

AZUSA | SIERRA MADRE | MONTEREY PARK | ALHAMBRA

2023-2024 ANNUAL REPORT



AS OUR PAST AND FUTURE CONVERGE
We Invest in Infrastructure Improvements
and Explore Supply Innovations



AFTER 65 YEARS, OUR PAST AND FUTURE CONVERGE

As we recognize the District's 65th year of service, the San Gabriel Valley and California have emerged from an extended drought with greatly improved water supply conditions: local groundwater levels at their highest levels since 2006, reservoirs near capacity, snowpack is above average, State Water Project imported water deliveries are flowing, and conservation efforts have been embraced.

Yet, long-term, our water supplies are always in a deficit, and we use more water than Mother Nature provides. As the District's infrastructure ages, we have begun a multi-year condition assessment and infrastructure maintenance program, recently completing the first "schedule," a nearly \$2.2 million investment. And we have created plans for additional infrastructure improvements in the upcoming decade that will further ensure the operational integrity of our facilities.

Having made a \$2.68 million investment in the State Water Project's Delta Conveyance Plan (DCP) in 2020, the Board will consider additional investment this year in the DCP, which progressed to having its Environmental Impact Report certified late in 2023. And we are studying the local Pure Water Southern California recycled water project closely given its broad implications for the District.

The District remains in a solid position financially, possessing the lowest wholesale water rate in the Valley. We slightly increased water rates this past year, which are strictly a "pass through" of

the cost the District pays to move water through the State Water Project, and we've also projected water rates for our member cities for the next three years. The property tax rate assessed to our member cities remained unchanged and we do not anticipate changes in the near future.

Early in 2024, the District developed a new strategic plan which will help guide our plans and operations for several years, including continuation of the comprehensive pipeline assessment and maintenance program, evaluation and action on external water supply opportunities including banking opportunities, and continued investment in water education, conservation and outreach programs. We thank our member cities and regional water partners for their partnership during our first 65 years, and we look forward to working together to preserve and conserve our precious water resources in the future.

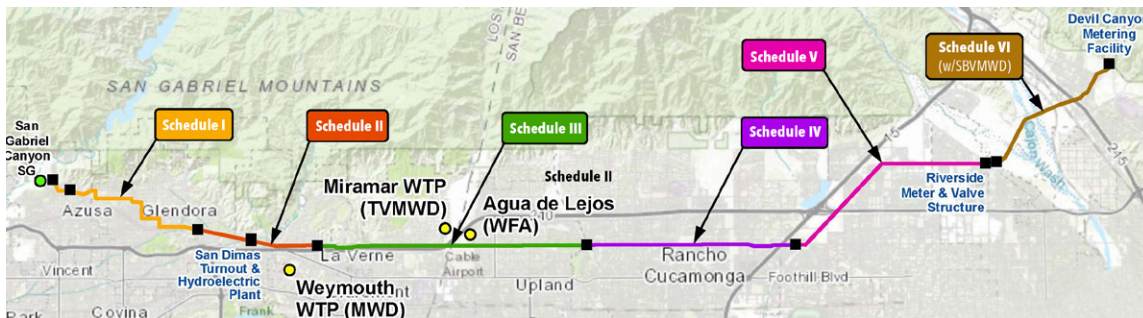


Mark Paulson,
Board President



Darin Kasamoto,
General Manager

INVESTING IN THE DISTRICT'S INFRASTRUCTURE



Schedules for Devil Canyon-Azusa Pipeline Maintenance

- Spreading Grounds
 - Facility/WTP Location
 - DCAP Facility
- | | |
|----------------|---------------|
| — Schedule I | — Schedule IV |
| — Schedule II | — Schedule V |
| — Schedule III | — Schedule VI |

THE DISTRICT'S AGING INFRASTRUCTURE

As the District's Devil Canyon-Azusa Pipeline (DCAP) and ancillary facilities age, we are rigorously testing the condition (leaks, corrosion, pressure, etc.) of our underground and above ground facilities which cover approximately 40 miles and run west from the Devil Canyon Power Plant in the San Bernardino Mountains to the San Gabriel Canyon Spreading Grounds in Azusa. The Pipeline is gravity-fed and has three pressure reducing stations in Glendora, La Verne, and Fontana. The diameter of the Pipeline ranges from 30 inches to more than 4 feet. The Pipeline's capacity is 55cfs (cubic feet per second) which is the equivalent of 24,684 gallons per minute.

COMPREHENSIVE CONDITION ASSESSMENT AND MAINTENANCE PLAN

Our comprehensive Plan identifies approximately \$12 million of short-term projects (1-3 years) and \$12 million of long-term projects (4-10 years), totaling about \$24 million. The Plan is organized into six different "schedules," which are linear sections of the Pipeline. The District is in the process of conducting third-party review of the Plan to ensure the accuracy of projects, timelines and budgets.



THE DISTRICT'S SCHEDULE 1 PILOT PROJECT

Utilizing state-of-the-art monitoring technology, we recently concluded a Schedule 1 pilot project at a cost of nearly \$2.2 million.



INVESTING IN WATER SUPPLY INNOVATIONS, OUTREACH AND CONSERVATION

WATER SUPPLY INNOVATIONS ARE MAKING PROGRESS

The District is committed to participating in new water supply solutions that serve our member cities. Such projects take considerable research, funding, outreach and time to develop. Two such projects, described below, are several years into their development stages, and aim to increase the quantity and reliability of local and imported water supplies.

DELTA CONVEYANCE PROJECT

The Project: The *Delta Conveyance Project* is proposed to enhance California's aging imported water delivery system in the Sacramento-San Joaquin Delta against water supply losses and interruptions caused by climate change, sea level rise and earthquakes. Since about 20% of the water we use in the San Gabriel Valley is imported from northern California and the Colorado River, increasing its reliability is critical.



2020 Investment: The District invested \$2.68 million to support planning and environmental research for the Project.



Fall 2024 Status: The Environmental Impact Report for the Project was completed in December 2023. In Fall 2024, the District will consider further investment in the Project.

PURE WATER SOUTHERN CALIFORNIA

The Project: The *Pure Water Southern California Project* is proposed by the Metropolitan Water District of Southern California (MWD) and the Los Angeles County Sanitation Districts (LACSAN). The Project would add up to 6,000 acre-feet of recycled water per year to the District's water portfolio and at least 65,000 acre-feet of water per year to the Main San Gabriel Basin beginning in 2032. This Project is poised to benefit residents and businesses by transforming wastewater into safe, high-quality drinking water, replenishing groundwater basins, and integrating into MWD's drinking water treatment and delivery system.



2022 Letter of Intent: The District adopted a Letter of Intent with MWD and LACSAN in 2022. In addition to potentially increasing the amount of water available for groundwater recharge in the Basin, the District's infrastructure is being evaluated for conveyance to La Verne for Weymouth Treatment Plant's direct potable use.

Fall 2024 Status: During the past two years, the District met with MWD, toured potential Project facilities (pictured above), developed a white paper analyzing the Project's plans, and hosted MWD representatives at its August 2024 board meeting.

WE PARTNER WITH MEMBER CITIES TO PROMOTE WATER EDUCATION AND CONSERVATION

In addition to providing low-cost water to our member cities, we offer loans, grants, school programs, community events, legislative meetings and tours, educational materials, speakers' bureau presentations, rebates and more. Highlights of our partnership efforts are featured below.



ALHAMBRA

SGVMWD Directors Mike Eng and Steve Placido presented a check in support of the Alhambra HS Debate Team Tournament Focused on Water Issues.



AZUSA

Evelyn Reyes, External Affairs Manager, assists community members at a summer Concerts in the Park event.



SIERRA MADRE

The District helped sponsor the Mt. Wilson Trail Run.



MONTEREY PARK

The District is among the funding sponsors of the Centralized Groundwater Treatment System Facility and attended the ribbon-cutting ceremony.



ASIAN-AMERICAN OUTREACH

The District hosts an annual briefing for Asian-American media, also attended by local elected officials.



SAVING MONEY BY SAVING WATER

The District continues to improve and expand its rebate program with new rebate items and an enhanced irrigation retrofit program. Visit our website (<https://sgvmwd.com/water-conservation/#rebates>) for more information and on-line applications.



Opportunities for Water Leadership

COMMUNITY GRANT PROGRAM

Our O.W.L. Community Grant Program (Opportunities for Water Leadership) helps fund school and non-profit conservation projects. To learn more and to apply for funds, visit our website (<https://sgvmwd.com/water-conservation/#owl-grants>).

2023-2024 HIGHLIGHTS

JULY 2023

Baldwin Park Key Well Measured at 232.6 Feet Above Mean Sea Level Compared to 185.2 Feet in July 2022

AUGUST 2023

Property Tax Rate for Member Cities Approved by Board of Directors

OCTOBER 2023

Alhambra High School's Debate Tournament Funded by the O.W.L. Community Grant Program

California's 3.5 Year Drought Cycle Ended

NOVEMBER 2023

Sierra Madre presented update of District-Funded Greener Yards Program to Board of Directors

The Monterey Park Bruggemeyer Library and its "Junior Friends Club" Awarded O.W.L. Grant to Promote Water Conservation

DECEMBER 2023

Department of Water Resources Certified Environmental Impact Report (EIR) for the proposed Delta Conveyance Project

JANUARY 2024

2024 Board Officers' Elections and Committee Assignments Approved by Board of Directors

Department of Water Resources' Initial State Water Project Allocation to State Water Contractors Set at 10% of Planned Allocations

Strategic Planning Workshop Conducted

FEBRUARY 2024

Strategic Plan Approved by Board of Directors

State Water Project Allocation to State Water Contractors Increased to 15% of Planned Allocations

MARCH 2024

State Water Project Allocation to State Water Contractors Increased to 30% of Planned Allocations

Catalyst SGV and Cal State LA Unveil Desert Garden at Margarita Elementary School in Alhambra Funded by Grant from the District

APRIL 2024

State Water Project Allocation to State Water Contractors Increased to 40% of Planned Allocations

Wholesale Water Rates for Member Cities for 2024-2025 Approved by Board of Directors

Legislative Visits in Sacramento Conducted by Board and Staff

MAY 2024

Analysis of Pure Water Southern California Recycled Water Project Presented to Board of Directors by Stetson Engineers

Department of Water Resources' (DWR) Analysis Concludes Benefits of Delta Conveyance Project Far Exceed Costs

Student Education Programs Provided to Schools during May/Water Awareness Month

JUNE 2024

Baldwin Park Key Well Measured at 240 Feet Above Mean Sea Level Compared to 233 Feet in June 2023

Reservoir Levels Statewide are 116% of Average and 80% of Capacity

2023-2024 OPERATIONAL DATA

STATE WATER PROJECT DELIVERIES



20,418 ACRE-FEET (AF)
(SGVMWD's full allocation is 28,800 AF per calendar year)

COMMUNITY INVESTMENTS



\$158,231
in grants, rebates and irrigation retrofits distributed

HYDROELECTRIC POWER GENERATED



4,767.8
MEGAWATT-HOURS (MWH)

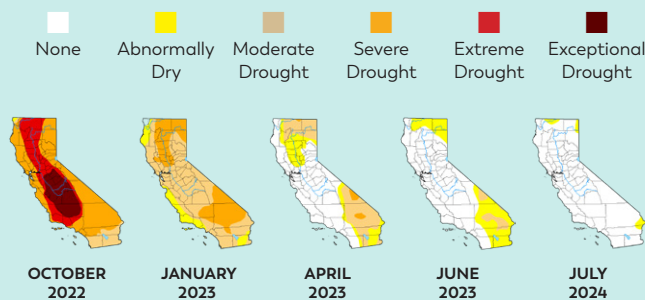
INFRASTRUCTURE INVESTMENTS



\$2,180,248
Schedule 1 Maintenance Projects

2023-2024 WATER SUPPLY CONDITIONS

CALIFORNIA DROUGHT



LOCAL RAINFALL: 23.23 INCHES

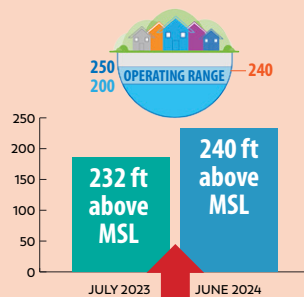


130%
OF NORMAL

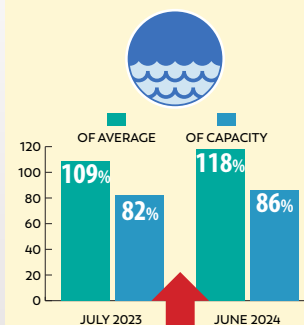
* Source: Los Angeles County Dept. of Public Works (measured July 1, 2023 through June 30, 2024)

GROUNDWATER LEVEL

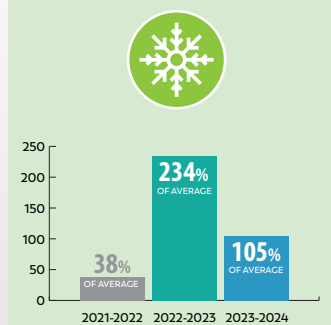
in the Main San Gabriel Basin



STATEWIDE RESERVOIRS



STATEWIDE SNOWPACK



MISSION STATEMENT

The San Gabriel Valley Municipal Water District provides reliable supplemental water for the communities of Alhambra, Azusa, Monterey Park and Sierra Madre in a cost-effective and environmentally responsible manner.



Mark R. Paulson,
President
Division I - Alhambra



Steven T. Placido, DDS,
Vice President
Division II - Alhambra and Monterey Park



Mike Eng
Director
Division III - Monterey Park



Miles L. Prince,
Secretary
Division IV - Sierra Madre



Bruce H. Knoles
Treasurer
Division V - Azusa