

**MINUTES
BOARD OF DIRECTORS
SAN GABRIEL VALLEY MUNICIPAL
WATER DISTRICT
REGULAR BOARD MEETING
1402 N. VOSBURG DR. AZUSA, CA 91702
MONDAY, AUGUST 10, 2026
8:00 A.M.**

At 8:00 a.m. on August 10, 2026, the Board of Directors meeting was held in person at the District office, located at 1402 North Vosburg Drive, Azusa, California. While the Boardroom was open for public attendance, the District strongly encouraged attendees wanting to attend the meeting to participate in the meeting virtually through the remote Zoom link provided below. Attendees in person were asked to please maintain appropriate social distancing to the extent feasible (i.e., maintain a six-foot distance between yourself and other individuals). Face coverings were encouraged but not required for attendees.

<https://us02web.zoom.us/j/84583058813?pwd=O4GLts6u4DbbTWVbcxYk47rLszjbs5.1>

Meeting ID: 845 8305 8813

Passcode: 997406

PLEDGE OF ALLEGIANCE

CALL TO ORDER:

President Prince called the meeting to order at 8:00 a.m.

ROLL CALL:

Directors present at Roll Call: Eng, Knoles, Paulson, Placido, Prince

ALSO PRESENT:

Jose Reynoso, General Manager; Steve Kiggins, Assistant General Manager; Maria "Gigi" Jarmin, Executive Assistant; Evelyn Reyes, External Affairs Manager; Albert Lu, External Affairs Specialist; Jim Ciampa, SGVMWD General Counsel, Lagerlof LLP; Kelly Gardner, Main San Gabriel Basin Watermaster; Jeff Helsley and Stan Chen, Stetson Engineers

Via telephone/Zoom: Melissa Barbosa, City of Azusa

PUBLIC COMMENTS ON NON-AGENDA ITEMS

None.

UPDATES FROM THE CITY REPRESENTATIVES

None.

CONSENT CALENDAR:

- a. Minutes of the Regular Board Meeting of July 13, 2026
- b. Financial Statements for July 2026
- c. Treasurer's Investment Report Dated June 30, 2026
- d. Disbursements of the Revolving Fund Dated:
July 23, 2026, Check No. 12961 – 12968, EFT and Wires in the amount of \$76,484.62
August 06, 2026, Check Nos. 12969 - 12974, EFT and Wires in the amount of \$69,863.10
August 10, 2026, Check Nos. 12975 - 12979, and Wires in the amount of \$10,138.30
- e. Disbursements of the General Fund Dated:
July 14 -31, 2026, Check Nos. 46077 – 46109, and EFTs in the amount of \$270,930.17
August 01 - 10, 2026, Check Nos. 46110 – 46144, in the amount of \$1,575,300.51
- f. Disbursements for State Water Project (SWP) expense, dated: July 27, 2026, Check No. 1033, in the amount of \$2,312,586.00
- g. Visa Recap, June 21, 2026 – July 20, 2026
- h. Declaration of Three District Vehicles as Surplus Property
- i. Authorization for Engineering Services by Civiltec Engineering, Inc. for the Rialto-Riverside Meter and Valve Facility Refurbishment Project and the Azusa Flow Control Facility Pressure Relief Valve Project
- j. Receive and File – State Water Contractors Letter Supporting Opportunity Zones 2.0 Designations Near Lake Oroville
- k. Future Meeting Attendance Approval: None

On the motion of Director Paulson, seconded by Director Knoles, and unanimously carried 5-0, the Consent Calendar was approved

ACTION ITEMS

Annual Vacancy, Recruitment, and Retention Report Pursuant to Government Section 3502.3

General Manager Jose Reynoso reported the District currently holds 9 positions with 1 vacancy, for the System Operator/ Inspector position, for which recruitment is actively underway with 13 applicants and interviews scheduled. A public hearing was opened and closed with no public comments received.

On motion to receive and file of Director Eng, seconded by Director Paulson, and unanimously carried 5 - 0, the Annual Vacancy, Recruitment, and Retention Report pursuant to Government Code Section 3502.3 was approved.

Resolution No. 08-2026-863 – Adopting Property Tax Rate for Fiscal Year 2026-2027

General Manager Jose Reynoso presented the annual property tax rate calculation. The Statement of Charges from the Department of Water Resources and Golden Mussel fixed cost estimates totaled approximately \$10.2 million, producing a calculated rate of \$0.0273 per \$100 of assessed value. However, one charge that was related to the Water Service Revenue Bond

that is ordinarily payable to the Department of Water Resources was omitted from this year's statement pending active negotiations on various disputes related to that change, meaning that cost will come due at a future true-up billing. The Board elected to maintain the rate at \$0.03 to establish reserves against that anticipated future Water Service Revenue Bond obligation and to potentially avoid the need to raise the rate above \$0.03 in the following year. Accordingly, the figures in the Resolution were corrected to reflect this decision.

On motion of Director Knoles, seconded by Director Eng, and unanimously carried 5-0, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT DETERMINING THE AMOUNT OF MONEY NECESSARY TO BE REASIED BY TAXATION FOR PAYMENT OF GENERAL OBLIGATION BONDS AND OTHER VOTER APPROVED INDEBTEDNESS FOR THE FISCAL YEAR 2026-2027 AND FIXING THE RATE OF TAX LEVIED (TAX CODE AREA 367.05 THROUGH 367.12), Resolution No. 08-2026-863, as corrected to reflect the revised tax rate of \$0.03, was approved.

Approved by the Board of Directors of the San Gabriel Valley Municipal Water District at its regular meeting held on August 10, 2026, by the following roll call vote:

Ayes: Eng, Knoles, Paulson, Placido, Prince
Noes: None
Absent: None
Abstain: None

Resolution No. 08-2026-864 – Public Hearing and Adoption of the SGVMWD 2025 Urban Water Management Plan and Water Shortage Contingency Plan

General Manager Jose Reynoso, with support from consultants from Stetson Engineers, presented the 2025 Urban Water Management Plan (UWMP). The Board commended the General Manager for coordinating the UWMP process jointly with all four member cities, resulting in cost savings and plan consistency.

On motion of Director Paulson, seconded by Director Placido, and unanimously carried 5-0, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT TO ADOPT THE 2025 URBAN WATER MANAGEMENT PLAN AND WATER SHORTAGE CONTINGENCY PLAN. Resolution No. 08-2026-864 was approved.

Approved by the Board of Directors of the San Gabriel Valley Municipal Water District at its regular meeting held on August 10, 2026, by the following roll call vote:

Ayes: Eng, Knoles, Paulson, Placido, Prince
Noes: None
Absent: None
Abstain: None

Resolution No. 08-2025-865 – Amendment to the Administrative Code Establishing Cooperative Purchasing Authority

General Manager Jose Reynoso presented a proposed amendment to the Administrative Code to formally establish cooperative purchasing authority, allowing the District to utilize contracts competitively procured by other government agencies. This authority does not alter existing dollar-threshold requirements for Board approval, and any contracts exceeding the General Manager's discretionary limit will still be brought to the Board.

On motion of Director Knoles, seconded by Director Paulson, and unanimously carried 5-0, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT AMENDING DISTRICT ADMINISTRATIVE CODE. Resolution No. 08-2026-865 was approved.

Approved by the Board of Directors of the San Gabriel Valley Municipal Water District at its regular meeting held on August 10, 2026, by the following roll call vote:

Ayes: Eng, Knoles, Paulson, Placido, Prince
Noes: None
Absent: None
Abstain: None

Approval of Professional Services for Managed IT Services with HighRoad IT

External Affairs Manager Evelyn Reyes presented a contract for managed IT services with HighRoad IT, retroactive to July 1, 2026, not to exceed \$30,192, with two optional one-year renewal periods subject to Board approval. The contract was brought forward utilizing the cooperative purchasing agreement modeled on a recent Municipal Water District of Orange County (MWDOC) RFP through which HighRoad IT was competitively selected. Legal Counsel Jim Ciampa noted that managed IT services address hardware and software maintenance, while a separate, more specialized cybersecurity monitoring contract is being researched through the Public Water Agencies Group (PWAG) and is expected to come before the Board within the next few months.

On the motion of Director Knoles, seconded by Director Paulson, and unanimously carried 5-0, the Professional Services Agreement with HighRoad IT for managed IT Services in an amount not to exceed \$30,192 was approved.

INFORMATION ITEMS

EXTERNAL AFFAIRS UPDATE

External Affairs Report was included in the Agenda Packet.

External Affairs Manager Reyes provided a legislative update. AB 1894, co-sponsored by the District with Upper San Gabriel Valley Municipal Water District and the City of Burbank, remains in active negotiation with Los Angeles County. The bill has passed the Assembly and

is now pending on the Senate floor and has broad support, including from Metropolitan Water District and the State Water Contractors, but the Governor's office has requested continued engagement with the County before proceeding to a floor vote in the Senate. Staff reported the County's proposed amendments would effectively nullify the bill's intent. Ms. Reyes further reported that two weeks remain in the legislative session. Other bills of note: SB 872 funding for Delta conveyance repairs was gutted of funding but the State Water Contractors are pursuing a coalition letter to restore funding; AB 2215 on State Water Project water rights time extension failed passage; SB 978 addressing data center electricity was held; and SB 1001 on water agency access identification during wildfires failed in Senate Appropriations but Senator Archuleta indicated he will reintroduce it next year.

UNFINISHED BUSINESS

REPORT ON BASIN MANAGEMENT

Director Placido and Kelly Gardner reported that the August 5th Watermaster meeting addressed routine ministerial matters. Upcoming discussions will focus on Replenishment Assessment levels and the growing issue of dry wells and their potential impact on Groundwater Quality.

REPORT OF WQA

Director Paulson mentioned that WQA was dark in July. No Report.

REPORT OF THE ATTORNEY

Legal Counsel Jim Ciampa reported the District has executed the 11th Tolling Agreement, extending the filing period to June 30, 2028, relating to ongoing debt service dispute negotiations with the Department of Water Resources. Approximately 98 issues remain in dispute, with negotiations expected to formally commence within the next two to three months. Legal Counsel Ciampa also provided a follow-up on SB 1001, noting that post-session meetings with the Office of Emergency Services will be held to address the OES-estimated \$5 million startup and \$5 million annual cost figures that contributed to the bill's failure.

REPORT OF THE STATE WATER CONTRACTOR/GENERAL MANAGERS REPORT

The General Manager's Report was included in the Agenda Packet.

General Manager Reynoso reported that on August 5th he executed the agreement with the Department of Water Resources for the District's participation in the Golden Mussel Treatment Pilot Program. The District's cost share decreased from 50% to 25% following negotiations with San Bernardino Valley Municipal Water District and DWR, and the budgeted amount of \$175,000 is expected to cover the fixed costs through year-end. Staff also reported progress on the regional golden mussel control plan, with revised comments expected to be submitted to the Department of Fish and Wildlife by mid-week. The Class 8 State Water Contractors subgroup met on July 27 to discuss debt reconciliation matters.

REPORT OF THE ASSISTANT GENERAL MANAGER

The Assistant General Manager's Report was included in the Agenda Packet. Assistant General Manager Steve Kiggins reported the District currently holds approximately 16,000 acre-feet of Table A and Metropolitan-purchased water stored in San Luis Reservoir. Deliveries to Covina Valley Water Company are ongoing and are allowing for continued golden mussel treatment of the pipeline. The District anticipates having all required permits and conditions satisfied for resumption of full imported water deliveries by mid-September. The Board discussed the importance of moving stored water into the ground promptly ahead of potential El Niño conditions and discussed the risk of losing water through San Luis spills if deliveries are not resumed. The Board directed staff to begin preparing a public media and advocacy strategy to be deployed if the County continues to impede deliveries beyond mid-September. An update on the generator and electrical project was also provided; meter pedestals arrived in July and contractor TE Roberts is awaiting an Edison outage scheduling response.

COMMITTEE MEETING REPORTS

No Report

DIRECTOR REPORTS ON EVENTS ATTENDED / DIRECTOR' COMMENTS

Directors offered brief comments. Director Eng attended a California Special District Association (CSDA) chapter meeting and noted the Golden Mussel issue was not addressed by the main speaker. Director Placido raised a question regarding the distinction between cyclic storage and natural water levels for public communication purposes. Director Prince joined in recognizing the efforts of the General Manager and External Affairs Manager on AB 1894.

CLOSED SESSION at 9:22 a.m.

Public Employee Performance Evaluation (Government Code Section 54957)
Position: General Manager

CLOSED SESSION ADJOURNED at 9:52 a.m.

CLOSED SESSION REPORT: General Counsel Ciampa reported the General Manager's performance evaluation was performed and he received a positive evaluation.

OPEN SESSION – Consideration and Possible Action on General Manger Compensation.

The Board considered a possible salary adjustment for the General Manager in light of the positive performance evaluation.

On motion of Director Knoles, seconded by Director Paulson, and unanimously carried 5-0, the following revisions to the General Manager's contract were approved and Legal Counsel was directed to prepare a Restated Employment Contract: (i) compensation for the General Manager was increased to \$362,250, with the General Manager to allocate allowable amounts of his salary to a tax-deferred retirement account; (ii) paid administrative leave was revised to enable the General Manager to cash out such leave and such leave will accrue as of July 1 of each year; (iii) the contract term was revised to be evergreen; and (iv) the annual performance evaluation was revised to occur in June of each year.

ADJOURNED

The meeting was adjourned at 10:07 a.m. The next Regular Board Meeting of the San Gabriel Valley Municipal Water District's Board of Directors will be on September 14, 2026, at 8:00 a.m.


Miles L. Prince
President

ATTEST:



Bruce H Knoles
Secretary