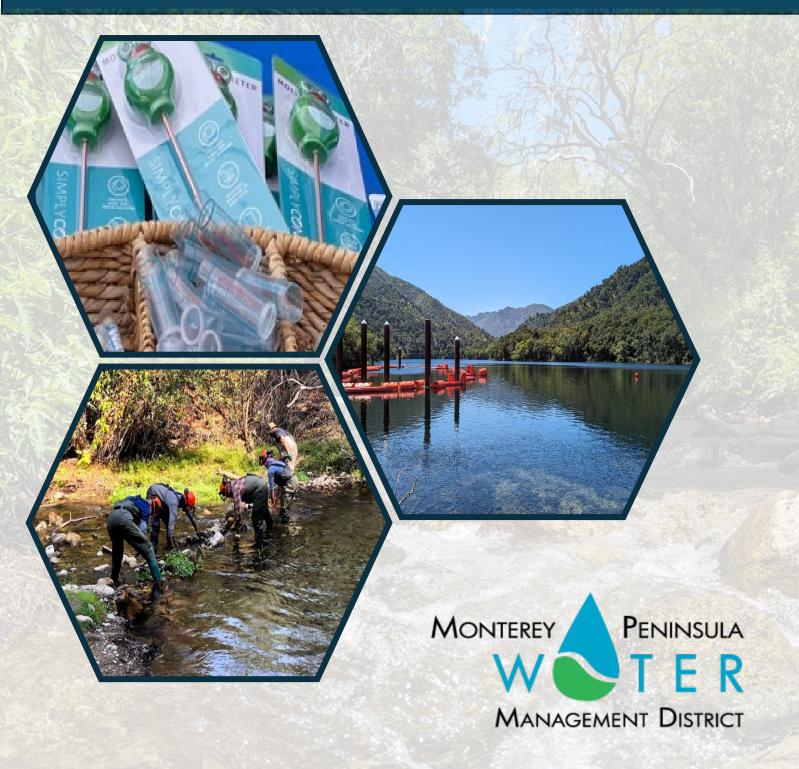
Monterey Peninsula Water Management District

Annual Budget FY 2025-26

PROPOSED: JUNE 16 2025



Fiscal Year 2025-2026 Budget

Budget Workshop: May 29, 2025

2025-2026 BUDGET

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MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

BOARD OF DIRECTORS

Alvin Edwards District 1

George Riley, Chair District 2

Rebecca Lindor District 3

Karen Paull District 4

Amy Anderson District 5

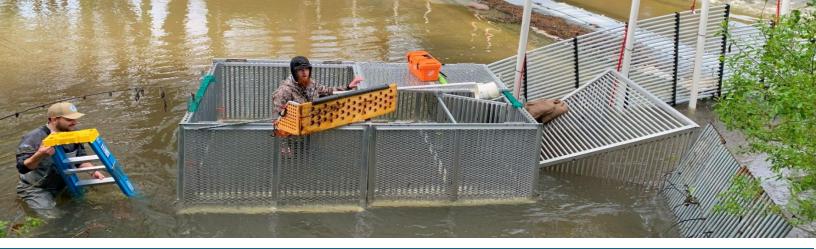
Ian Oglesby, Vice-Chair Mayoral Representative

Kate Daniels Monterey County Board of Supervisors Representative

MANAGEMENT

David Stoldt, General Manager Mike McCullough, Assistant General Manager

Stephanie Locke, Water Demand Thomas Christensen, Environmental Resources



INTRODUCTION

- A. RESOLUTION
- B. TRANSMITTAL LETTER
- C. DISTRICT MISSION AND VISION STATEMENT
- D. DISTRICT PURPOSE AND ACTIVITIES
- E. STRATEGIC PRIORITIES
- F. BUDGET CALENDAR



RESOLUTION NO. 2025-XX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT ADOPTING THE BUDGET FOR FISCAL YEAR 2025-2026

WHEREAS, the General Manager has proposed a budget for Fiscal Year 2025-2026, a copy of which is on file at the District's office; and

WHEREAS, the Board of Directors has examined, and deliberated on, the budget during meetings held on May 29, 2025 and June 16, 2025.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Monterey Peninsula as follows:

- 1. That the said budget as approved at the June 16, 2025 Board of Directors Meeting is hereby approved and adopted as the budget for the Monterey Peninsula Water Management District for Fiscal Year 2025-2026.
- 2. That the General Manager may delegate the authority to implement this resolution to the Chief Financial Officer/Administrative Services Manager.
- 3. That the General Manager or designee is authorized and directed to transfer funds from one activity to another within a given fund, and from one Division to another Division, as such times are appropriate, in accordance with generally accepted accounting principles and consistent with the objectives outlined in the approved budget.
- 4. That any contract for professional services, or other expenditures for procuring equipment, supplies or services, included in the budget that exceeds \$25,000 shall be executed by the General Manager upon approval by the Board of Directors at a meeting of the Board of Directors and pursuant to the District's Purchasing Policy adopted on April 15, 2024.

PASSED AND ADO seconded by Director	PTED on this 16 th day of June, 2025 on a motion by Director and by the following vote, to wit:
AYES:	Director Riley, Oglesby, Edwards, Paull, Anderson, Lindor, and Daniels
NAYS:	None
ABSENT:	None

	I, David J. Stoldt, Secretary to the Board of Management District, hereby certify that the forego of June 2025.	of Directors of the Monterey Peninsula Water sing is a resolution duly adopted on the 16 th day
Dated: June 16, 2025 David J. Stoldt Secretary to the Board	Dated: June 16, 2025	



June 16, 2025

Chair Riley and Board Members Monterey Peninsula Water Management District 5 Harris Court, Building G Monterey, California 93940

Dear Chair Riley and Board Members:

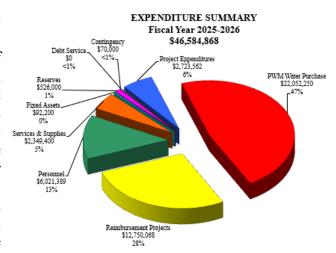
Budget Overview

This letter transmits the recommended budget for the Monterey Peninsula Water Management District for Fiscal Year (FY) 2025-2026. The FY 2025-2026 budget includes funding to maintain the district's current programs and services and realize the District's strategic priorities. It takes into account changes to the District's existing funding sources and forecasts revenues based on economic conditions and approved rate increases. In preparing this year's budget, staff continued to adhere to the strategy of adopting balanced budgets as directed by the Board. The budget includes the collection of the User Fee revenue from ratepayers of California American Water and revenue and expenses related to the billing of Pure Water Monterey (PWM) water sales. In accordance with the Appellate Court decision in September 2024, this budget excludes the collection of the Water Supply Charge (WSC) that has been collected as part of the annual Property Tax collections in prior years.

After compilation of the original requests from all Divisions, a detailed review by Division Managers and the General Manager, the proposed budget includes expenditures and revenues for FY 2025-2026 totaling \$46,584,868, of which \$12,750,068 or 27.37% includes estimated reimbursement funds from California American Water ratepayers, grants, and other agencies.

Expenditures

As shown in the graph on the right and in the expenditures portion of the FY 2025-2026 Budget, the budgeted expenditures of \$46,584,868 are higher than the revised budget for FY 2024-2025. The project expenditures portion of the budget includes \$15,473,630 towards water supply projects -Aquifer Storage Recovery (ASR) 1 & 2, Pure Water Monterey (Groundwater Replenishment Project), local water projects, other water supply projects, mitigation projects, and non-reimbursable conservation and rebate program activities. Of this, the



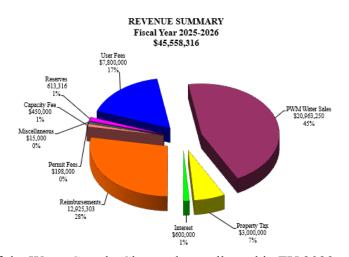
reimbursable budget, totaling \$12,750,068 includes expenditures for the ASR, PWM Expansion, Integrated Resource Implementation Management (IRWM) Projects, Sleepy Hollow water-proofing project, and conservation rebate program costs. This year, the District expects PWM water purchase costs of \$22,052,250, which assumes that the PWM Expansion will be completed by November 2025, providing 5,750 acre-feet (AF) of water annually after it begins operation. The budget includes the purchase and sale of water at the rate of \$4,356 per AF based on a prorated purchase of 3,500 AF per year in the first five months of the fiscal year and 5,750 AF per year for the next seven months of the fiscal year, as well as an additional 250 AF of purchase for the PWM operating reserve

Major budget changes from FY 2024-2025 include \$600,000 for Monterey Water System Acquisition expenses, \$1,089,000 to purchase water for the District's operating reserve, and \$6,343,750 for additional purchase of water from PWM, compared to the last fiscal year. The budget assumes that expenditures related to the FY 2023-2024 WSC reimbursement to ratepayers (approximately \$3.93 million) will be recognized in FY 2024-2025, while expenditures related to the District's administration of the WSC reimbursement will be recognized in FY 2025-2026. Other major project expenditures include \$150,000 towards Urban Water Management Plan, \$100,000 for the review of water allocation EIR and mitigation measures, \$439,520 for the operation of the Sleepy Hollow fish rearing facility and related fish rescue activities, \$185,100 for lagoon and hydrologic monitoring, \$2,581,504 for IRWM Implementation Projects, \$192,500 for conservation-related activities, and \$350,000 for water conservation rebates, reimbursable by Cal-Am ratepayers. The project expenditure budget also includes \$9,259,106 for the PWM expansion project, which is funded by two grants.

The budget for legal expenses is \$400,000, which remains unchanged from the previous fiscal year. FY 2025-2026 Budget also includes a Capital Improvement Project Forecast.

Revenues

The FY 2025-2026 revenue budget totals \$46,584,868. This is slightly higher than the revised budget for FY 2024-2025, primarily due to additional estimated sales of water from PWM Expansion, offset by reductions in revenue from WSC. This budget includes an estimated collection of \$7,800,000 in User Fee revenue, a 5.4% increase in collection of revenues from ratepayers of California American Water. Property tax revenues are projected to be \$3,000,000, which is about 3.4% higher than the amount budgeted in FY 2024-2025. As stated



earlier, this budget excludes the collection of the Water Supply Charge, last collected in FY 2023-24. PWM water sales revenue in the amount of \$20,963,250 are based on 4,812.5 AF of water delivery. Capacity Fees are estimated to be \$450,000, about 50% higher due to new housing development projects. Permit fee revenues are budgeted at \$198,000, which is in line with revenue estimates from prior fiscal years. Projected revenues also include reimbursements of \$465,958 from Cal-Am ratepayers for ASR 1 and ASR 2 operational costs, \$350,000 from Cal-Am

ratepayers for rebates, \$36,500 for services provided to the Seaside Basin Watermaster, and an estimated \$11,840,610 from grant funds.

Reserves

The following table summarizes the projected ending balances in the reserve accounts. These are based on estimates that will change depending on actual revenues and expenditures.

	Estimated Balance	FY 2025-2026	Projected Balance
Reserves	06/30/2025	Change	06/30/2026
Pension Reserve	\$700,000	\$100,000	\$800,000
OPEB Reserve	\$700,000	\$100,000	\$800,000
Litigation/Insurance Reserve	\$250,000	\$0	\$250,000
Capital Reserve	\$1,938,100	\$326,000	\$2,264,100
Flood/Drought Reserve	\$500,000	\$0	\$500,000
Debt Reserve	\$0	\$0	\$0
General Operating Reserve (estimated)	\$17,166,739	(\$558,316)	\$16,608,423
Total	\$21,254,839	(\$32,316)	\$21,222,523
Water Supply Charge Reserve	3,353,245	-	\$3,353,245

As the table above indicates, the general reserve is estimated to have a balance of approximately \$16.61 million, which is subject to change based on actual spending and collections. The total estimated reserves for FY 2025-26 are \$21.22 million. The proposed budget includes \$326,000 set-aside for capital reserves and \$100,000 each for the Pension and Other Post Employment Benefit (OPEB) reserves. In FY 2025-26, staff plans to propose a reserve policy that may also include guidelines for tackling the District's pension and liability.

Major Changes

In the revenue section, PWM Water Sales revenue is higher due to an increase in water rates and higher water sales. The proposed FY 2025-26 budget continues to see higher than typical forecasts in grant revenue due to deferred project spending from project sponsors in FY 2024-25. These expenditures are related to \$9.25 million in grants for PWM Expansion and an expected \$2.58 million in revenue from IRWM grants.

In the expenditure section, key budget changes from FY 2024-25 include the projected purchase of \$20.9 million of water from PWM, \$1.08 million of water for the District's operating water reserve, \$0.6 million for Monterey Water System Acquisition, and additional costs related to administering the WSC reimbursements. Reimbursable projects from the PWM and IRWM grants, Cal-Am, and ASR reimbursements make up about \$12.75 million of expenditures.

Respectfully submitted:	
David J. Stoldt	Nishil Bali
General Manager	Chief Financial Officer/ Administrative Services Manager





MISSION STATEMENT

Sustainably manage and augment the water resources of the Monterey Peninsula to meet the needs of its residents and businesses while protecting, restoring and enhancing its natural and human environments.

VISION STATEMENT

Model ethical, responsible, and responsive governance in pursuit of our mission.



VALUES



Transperancy & Accountability



Leadership



Stewardship of Environmental Resources



Financial Responsibility



Honesty and Integrity



Professionalism and Respect



Equity and Inclusivity



Pursuit of Excellence

District Purpose and Activities

Introduction

In Monterey County, there is no issue that causes more discussion than water supply and management. Whether it is Steelhead on the Carmel River, slant wells in Marina, or agricultural supply in the Salinas Valley, everyone has an opinion on water. In the past several years, however, one opinion shared by the majority of the Monterey Peninsula has been about the positive role played by the Monterey Peninsula Water Management District.

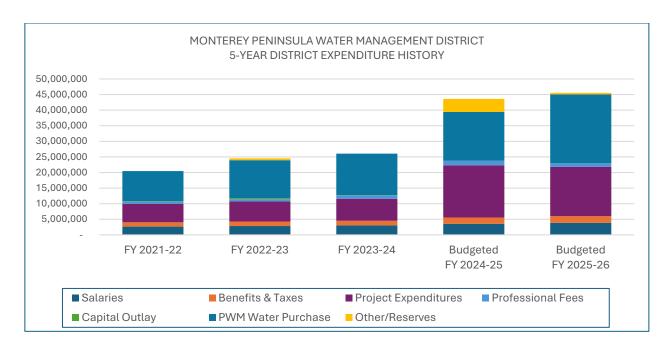
Originally formed in 1978 to provide a water supply solution, to promote water conservation, and to perform environmental stewardship, the Water Management District has continually strived to meet the ever-changing needs of the community while staying true to its enabling legislation. Many people forget that in the late 1980s and early 1990s, the District introduced two separate water supply projects that would have provided well over 20,000 acre-feet of water per year and permanently solved the Monterey Peninsula's current water supply issues. Those two projects, among others, were either voted down or abandoned for lack of community or legislative support.

A Focus on Water Supply

Nevertheless, the District persisted in its goal of creating new water and did so by creatively examining where this water could be found. From the expansion of the Paralta Well (in 1993) and the creation of the Pebble Beach Reclamation Project (1994) to the establishment of Aquifer Storage and Recovery (1998) and Pure Water Monterey Projects, the Water Management District is responsible for over 30,000 acre-feet of new water supply for the Monterey Peninsula. Working with Monterey One Water, the District will bring an expansion of Pure Water Monterey online later this year, which will add another 2,250 acre-feet (AF) of supply annually. A summary of the major water supply projects developed by the District is provided below:

- Completion of Paralta Well in 1993, which increased water supply by more than 900 AF.
- Completion of the Carmel Area Wastewater District/Pebble Beach Community Services District Reclamation project in 1994, which increased water supply by 1000 AF for irrigation to golf courses. Since the completion of the first phase of this project, an average of over 800 AF of recycled water per year has been used for irrigation, in place of potable water.
- Aquifer Storage and Recovery (ASR). Since its inception in 1998, ASR has diverted more than 14,000 AF of water from the Carmel River for storage to the overdrafted Seaside Groundwater basin.
 - 2009 Completion of Santa Margarita ASR wells
 - 2014 Completion of Middle School ASR wells
 - 2020 Completion of Water Treatment Facility allowing production for customer service from the Middle School ASR wells.
- Pure Water Monterey (PWM) project: Since its inception in 2020, more than 15,000 AF of PWM has been injected in the Seaside Groundwater basin.
 - 2020 Operation begun.
 - 2022 Completion of the final two of four deep injection wells.

The District's continued focus on augmenting water supply is reflected in the District's expenditures on water projects in the last five years.



As shown in the chart above, the District's expenditures on water projects (blue and purple segments in chart) have been \$5 to \$20 million each year. Since Pure Water Monterey began production, the District's expenditure on purchased water for resale to Cal-Am (dark blue in chart) has gone from \$6 million to over \$20 million expected in FY 2025-26.

Since 2013, the District has spent over \$45 million out-of-pocket on water projects, and obtained State and Federal grants and loans for over \$50 million more.

Conserving at the Same Time

While the District was working on new water, it was also focused on making better use of the Monterey Peninsula's existing water supply through conservation and efficiency measures. The State Water Resources Control Board Order in 1995, compelling the local water retailer to reduce its illegal pumping from the Carmel River, was an initial motivating factor in these efforts, but it was the recurrence of drought in 2013-14 combined with the adoption of tired water rates and years of conservation outreach efforts by the District that truly brought the public's acceptance of reduced water use to its current level. Through its outreach and legislative efforts, the District helped the Monterey Peninsula reduce its overall water consumption by almost 44%. From 1997 through 2025, the residents and businesses in the area decreased usage from 17,000 acre-feet of water per year to below 9,500. The methods included rebates for water-efficient appliances and fixtures, distribution of thousands of free water-saving devices, updated outdoor irrigation regulations, and mandatory retrofits for commercial properties. Overall use and per-capita consumption were reduced substantially, without rationing. The data on consumption since the drought ended indicates that the community has adapted to more efficient use of water for the long term.

Environmental Stewardship

The Monterey Peninsula is one of the most beautiful places in the country. That's why millions of visitors travel here each year. Its residents are fiercely protective of its natural environment. When the Water Management District was created in 1978, community members were already concerned about the impact of water extraction on the Carmel River. People familiar with the Carmel River

observed the loss of native streamside vegetation (riparian) and the subsequent erosion of the streambanks. In addition, the steelhead fishery was struggling as long reaches of the Carmel River went dry as water was diverted for the community's water supply.

Strong interest in environmental stewardship resulted in the Carmel River Management Plan (adopted in 1984), which guided the District's first efforts at repairing streambanks along the Carmel River to prevent erosion and restoring the streamside habitat to improve conditions for fish and wildlife. Then, in 1988, the District started rescuing steelhead from drying reaches of the Carmel River as part of the Interim Relief Plan. This work was then formalized as part of the District's Mitigation Program associated with the 1990 Water Allocation Environmental Impact Report (EIR), which found that significant impacts would occur to the Carmel River without mitigation for water extraction. Today, the current Mitigation Program is based on the findings associated with the EIR and the Water Rights associated with Aquifer Storage and Recovery. The work has restored miles of streambank and saved thousands of threatened steelhead by relocating them to the Sleepy Hollow Steelhead Rearing Facility before their release back to the Carmel River in winter.

Listening to the Voters

On November 6, 2018, voters within the Water Management District passed initiative Measure J by 56% (23,757 voted yes) to 44% (18,810 voted no). Measure J directed that, if feasible, the District shall acquire through negotiation, or eminent domain, if necessary, all assets of California American Water for the benefit of the District as a whole. The District initiated the eminent domain process in October 2023 and is presently pursuing the acquisition of the Monterey Water System.

Transparency

Drawing on renewed mission, values, and vision statements, the Water Management District's staff and Board of Directors have created a culture of transparency and honest communication with its constituents, businesses, other organizations, and municipalities. Tough decisions are part of any public agency's day, but when those decisions involve a critical public service like water, they have a considerable impact. Before making those decisions at the committee and board levels, the District often meets with the public to receive their input before formally discussing and voting on the issue at hand. As stewards of the public's money, the Water Management District takes its budgeting and accounting processes extremely seriously. Its financial reporting has earned the District, back-to-back Certificates of Achievement in Financial Reporting from the prestigious Government Finance Officers Association of the United States and Canada, for the ninth consecutive year, and a certificate honoring its transparency from the California Special Districts Association, most recently, for February 2024 through March 2027.

The District continues to serve the needs of the residents, businesses, and organizations on the Monterey Peninsula with stability, transparency, and honesty. While the individuals on its Board of Directors change, the District is steadfast in its commitment to its mission of "sustainably managing and augmenting the water resources of the Monterey Peninsula to meet the needs of its residents and businesses while protecting, restoring, and enhancing its natural and human environments."

District At-A-Glance

The following information is designed to give the reader an overview of the typical operations that the budget supports. The statistics in blue below are for Water Year 2023-24.

- 1,519 | AF (Acre-feet) of rainwater was injected into Seaside Groundwater Basin
- 2,189 | AF stored in the Pure Water Monterey Operating Reserve
- 3,677 | AF in the Aquifer Storage and Recovery banked storage
- 1183 | Maintain production records for Cal-Am, Seaside, and private wells
- 3,500 | AF of water sold to Cal-Am



- 1,177 | Property Inspections
 - 511 | Compliance with Water efficiency
 - 47 | Non-Residential property inspections
 - 48 | Water Permits for New and Refurbished landscapes
 - 731 | Permits Issued
 - 94 | Water Use Permits
- 1,080 | Approved Rebates
 - 13 | Online Courses on Conservation



- 21 | Redds were observed
- 1,290 | Fish were implanted with PIT tags



- \$46.58 M | Proposed District Budget
- \$39.94M | Proposed Capital/Project Budget
 - 26 | Full-Time Employees
 - 50+ | Contracts

Monterey Peninsula Water Management District 2025 Strategic Goals and Objectives

Near-Term Goals (1-Year)

Goal #1: Continue planning and implementation for protecting and increasing water supply

Objectives:

- Engage State Water Board on lifting of Cease and Desist Order (CDO) & moratorium on new meters with target of December 2025.
- Work with Monterey One Water to deliver the Pure Water Expansion project by calendar year end.
- Examine increasing ASR capacity.
- Maintain focus on long-term supply and demand forecasting to inform additional water supply needs.
- Implement/monitor new regulatory requirements (Urban Water Management Plan, Water Use Efficiency Standards, Non-Functional Turf policy, etc.)

Goal #2: Implement public ownership of Monterey Water System as directed by the voters

Objectives:

- Pursue "bench trial" on the public "right to take," including discovery and due diligence.
- Expand public outreach.
- Plan for financing, rates, staffing, and operations.

Goal #3: Focus on Seaside Groundwater Basin Management

Objectives:

- Collaborate with Marina Coast Water District, Seaside Municipal, Seaside Basin Watermaster, and others.
- Evaluate additional storage of water sources, cost, infrastructure

• Communicate District activities, studies, and/or results to Watermaster

Goal #4: Increase public engagement and maintain leadership role on water issues

Objectives:

- Consider forming citizens' panel.
- Increase use of email, social media and town halls.
- Highlight progress on current goals and objectives.
- Increase visibility at state and local conferences.

Goal #5: Protect, enhance, and maintain District's financial health

Objectives:

- Review reserve policy and forecast of revenue sources/collections.
- Ensure fiscal stability in face of litigation activities, Pure Water Monterey reserve accumulation, refunds, other.
- Regularly report on exposure, risk policy, grants.
- Maintain GFOA award and CSDA transparency certificate of compliance.
- Continue to develop strategy for PERS and OPEB liabilities in budget planning.

Longer-Term Goals (1-3 Years)

Goal #6: Review Carmel River Mitigation Program

Objectives:

- Identify Carmel River mitigation activities required by regulatory conditions.
- Identify data monitoring needed to implement changes to Carmel River mitigation program requirements.
- Add climate change/climate action to Carmel River planning functions.

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BUDGET PROCESS CALENDAR

FISCAL YEAR 2025-2026

2025 Target Dates	Action	Responsibility
March 04	Budget Memorandum and Forms Distributed	Finance/Admin. Services
March 24	Budget Request Forms Due to ASD	Division Managers
March 26- April 15	Budget Review Sessions	Team Management
May 19	Board Adopts Resolution for Appropriation Limit Public Hearing for Vacancies under GC 3502.3	Board of Directors
May 29	Proposed Budget Presented to Board Budget Workshop	Board of Directors
June 16	Board Adopts Budget	Board of Directors



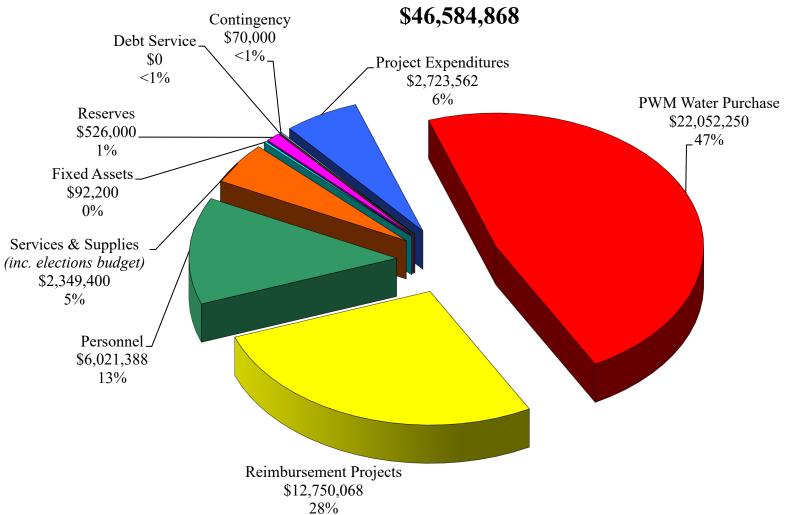
EXPENDITURES

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- H. CAPITAL ASSET PURCHASES
- I. CAPITAL ASSET REPLACEMENT/REPAIR SCHEDULE



EXPENDITURE SUMMARY

Fiscal Year 2025-2026



Monterey Peninsula Water Management District Budget Comparison by Year Fiscal Year 2025-2026 Budget

	FY 2023-2024	FY 2024-2025	FY 2025-2026	Change From	Percentage
	Revised	Revised	Adopted	Previous Year	Change*
<u>PERSONNEL</u>			_		
Salaries	\$3,147,800	\$3,536,000	\$3,853,000	317,000	8.96%
Retirement	820,700	1,034,774	\$1,152,714	117,940	11.40%
Unemployment Compensation	10,100	10,100	\$10,100	-	0.00%
Auto Allowance	6,000	11,000	\$11,000	-	0.00%
Deferred Compensation	10,700	17,483	\$21,614	4,131	23.63%
Temporary Personnel	10,000	10,000	\$10,000	-	0.00%
Workers Comp. Ins.	56,600	100,901	\$107,950	7,049	6.99%
Employee Insurance	441,700	494,497	\$541,035	46,538	9.41%
Employee Insurance - Retirees	142,000	190,387	\$190,387	-	0.00%
Medicare & FICA Taxes	49,500	77,153	\$82,188	5,036	6.53%
Personnel Recruitment	8,000	51,000	\$10,000	(41,000)	-80.39%
Other Benefits	2,000	3,500	\$3,500	-	0.00%
Staff Development	26,400	31,100	\$26,400	(4,700)	-15.11%
Subtotal	\$4,731,500	\$5,572,894	\$6,021,388	448,494	8.05%
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SERVICES & SUPPLIES					
Board Member Comp	\$37,000	37,000	37,000	-	0.00%
Board Expenses	8,000	10,000	10,000	-	0.00%
Rent	26,300	29,200	30,000	800	2.74%
Utilities	33,200	41,200	45,200	4,000	9.71%
Telephone	47,000	51,000	40,800	(10,200)	-20.00%
Facility Maintenance	55,100	76,000	95,100	19,100	25.13%
Bank Charges	25,100	25,100	68,000	42,900	170.92%
Office Supplies	24,200	24,700	46,700	22,000	89.07%
Courier Expense	7,600	7,600	7,600	-	0.00%
Postage & Shipping	7,500	7,500	30,500	23,000	306.67%
Equipment Lease	13,100	13,200	13,200	-	0.00%
Equip. Repairs & Maintenance	5,100	5,100	5,100	-	0.00%
Printing/Duplicating/Binding	· -	1,500	2,600	1,100	73.33%
IT Supplies/Services	280,000	293,600	299,100	5,500	1.87%
Operating Supplies	21,200	34,389	25,100	(9,289)	-27.01%
Legal Services	400,000	945,241	400,000	(545,241)	-57.68%
Professional Fees	455,100	431,625	388,200	(43,425)	-10.06%
Transportation	47,000	59,542	58,700	(842)	-1.41%
Travel	19,500	21,000	37,600	16,600	79.05%
Meeting Expenses	19,800	21,200	24,700	3,500	16.51%
Insurance	273,000	300,000	342,000	42,000	14.00%
Legal Notices	2,600	32,600	5,700	(26,900)	-82.52%
Membership Dues	41,200	47,900	51,900	4,000	8.35%
Public Outreach	3,100	3,500	6,000	2,500	71.43%
Assessors Administration Fee	34,000	34,000	25,100	(8,900)	-26.18%
Miscellaneous	3,200	28,000	3,500	(24,500)	-87.50%
Subtotal	\$1,888,900	\$2,582,297	\$2,099,400	(482,897)	-18.70%
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^{*} Percentages reductions/additions from FY 2024-25

Monterey Peninsula Water Management District Budget Comparison by Year Fiscal Year 2025-2026 Budget

	FY 2023-2024	FY 2024-2025	FY 2025-2026	Change From	Percentage
		Revised	Adopted	Previous Year	Change*
FIXED ASSETS	230,000	70,100	92,200	22,100	31.53%
PROJECT EXPENDITURES					
Project Expenses	3,169,900	2,645,710	2,723,562	77,852	2.94%
PWM Water Purchase	13,275,500	15,663,750	22,052,250	6,388,500	40.79%
Reimbursement Projects	14,025,558	14,089,171	12,750,068	(1,339,103)	-9.50%
ELECTION EXPENSE	0	250,000	250,000	-	0.00%
CONTINGENCY	50,536	70,000	70,000	-	0.00%
Subtotal	\$30,751,494	\$32,788,731	\$37,938,080	5,149,349	15.70%
DEBT SERVICE	_	-	-	-	
FLOOD/DROUGHT RESERVE	171,056	-	-	-	
CAPITAL RESERVE	330,300	313,000	326,000	13,000	4.15%
GENERAL FUND BALANCE		-	-	-	
PENSION RESERVE	100,000	100,000	100,000	-	0.00%
OPEB RESERVE	100,000	100,000	100,000	-	0.00%
WATER SUPPLY CHARGE RESERVE	3,400,000	3,353,245	-	(3,353,245)	
Subtotal	\$4,101,356	\$3,866,245	\$526,000	(3,340,245)	
EXPENDITURE TOTAL	\$41,473,250	\$44,810,168	\$46,584,868	\$1,774,700	3.96%

^{*} Percentages reductions/additions from FY 2024-25

Monterey Peninsula Water Management District Expenditures by Operating Fund Fiscal Year 2025-2026 Budget

		Water		
	Mitigation	<u>Supply</u>	Conservation	<u>Total</u>
<u>PERSONNEL</u>				
Salaries	\$1,212,000	\$1,515,000	\$1,126,000	\$3,853,000
Retirement	314,082	454,260	384,372	1,152,714
Unemployment Compensation	4,000	4,100	2,000	10,100
Auto Allowance	1,500	6,700	2,800	11,000
Deferred Compensation	3,242	12,968	5,403	21,614
Temporary Personnel	3,300	3,500	3,200	10,000
Workers Comp. Ins.	54,215	46,049	7,686	107,950
Employee Insurance	180,252	195,617	165,166	541,035
Employee Insurance - Retirees	63,462	63,462	63,462	190,387
Medicare & FICA Taxes	49,426	18,828	13,935	82,188
Personnel Recruitment	3,300	3,500	3,200	10,000
Other Benefits	1,200	1,300	1,000	3,500
Staff Development	8,050	8,150	10,200	26,400
Subtotal	\$1,898,030	\$2,333,434	\$1,789,924	\$6,021,388
	. , ,	. , ,	. , ,	, , ,
SERVICES & SUPPLIES				
Board Member Comp	12,200	13,000	11,800	37,000
Board Expenses	3,300	3,500	3,200	10,000
Rent	12,100	12,500	5,400	30,000
Utilities	15,100	16,000	14,100	45,200
Telephone	13,700	14,400	12,700	40,800
Facility Maintenance	31,400	33,300	30,400	95,100
Bank Charges	22,400	23,800	21,800	68,000
Office Supplies	15,000	15,800	15,900	46,700
Courier Expense	2,500	2,700	2,400	7,600
Postage & Shipping	10,000	10,600	9,900	30,500
Equipment Lease	4,400	4,600	4,200	13,200
Equip. Repairs & Maintenance	1,700	1,800	1,600	5,100
Printing/Duplicating/Binding	200	200	2,200	2,600
IT Supplies/Services	95,400	101,200	102,500	299,100
Operating Supplies	4,500	4,500	16,100	25,100
Legal Services	120,000	220,000	60,000	400,000
Professional Fees	128,100	135,900	124,200	388,200
Transportation	25,000	25,100	8,600	58,700
Travel	12,900	13,500	11,200	37,600
Meeting Expenses	7,800	8,400	8,500	24,700
Insurance	112,900	119,700	109,400	342,000
Legal Notices	2,000	2,100	1,600	5,700
Membership Dues	16,900	17,800	17,200	51,900
Public Outreach	2,000	2,100	1,900	6,000
Assessors Administration Fee	8,300	2,100 8,800	8,000	25,100
Miscellaneous	1,000	1,300	1,200	
Subtotal	\$680,800			\$2,000,400
Subtotat	\$080,800	\$812,600	\$606,000	\$2,099,400

Monterey Peninsula Water Management District Expenditures by Operating Fund Fiscal Year 2025-2026 Budget

		Water		
	Mitigation	<u>Supply</u>	Conservation	<u>Total</u>
FIXED ASSETS	32,500	34,100	25,600	92,200
PROJECT EXPENDITURES				
Project Expenses	802,020	1,393,042	528,500	2,723,562
PWM Water Purchase	0	22,052,250	0	22,052,250
Reimbursement Projects	2,581,504	9,686,564	482,000	12,750,068
ELECTION EXPENSE	82,500	87,500	80,000	250,000
CONTINGENCY	23,800	25,200	21,000	70,000
Subtotal	\$3,522,324	\$33,278,656	\$1,137,100	\$37,938,080
DEBT SERVICE				-
FLOOD/DROUGHT RESERVE				-
CAPITAL RESERVE	100,000	126,000	100,000	326,000
GENERAL FUND BALANCE				-
PENSION RESERVE	34,000	36,000	30,000	100,000
OPEB RESERVE	34,000	36,000	30,000	100,000
WATER SUPPLY CHARGE RESERVE				-
RECLAMATION PROJECT				-
Subtotal	\$168,000	\$198,000	\$160,000	\$526,000
EXPENDITURE TOTAL	\$6,269,154	\$36,622,690	\$3,693,024	\$46,584,868
				

Monterey Peninsula Water Management District Labor Allocation by Operating Funds Fiscal Year 2025-2026

	Water			
	Mitigation	Supply	Conservation	<u>Total</u>
General Manager's Office				
General Manager	15%	60%	25%	100%
Assistant General Manager	15%	60%	25%	100%
Executive Assistant	25%	50%	25%	100%
Administrative Services				
CFO/ASD Mgr	33%	34%	33%	100%
Accountant	33%	34%	33%	100%
HR Coordinator/Contract Specialist	33%	34%	33%	100%
Accounting/Office Specialist	33%	34%	33%	100%
Office Specialist I/II	33%	34%	33%	100%
Water Resources				
Water Resources Manager	10%	90%	0%	100%
Distict Engineer	25%	75%	0%	100%
Assistant Hydrologist	10%	90%	0%	100%
Assistant Hydrologist	10%	90%	0%	100%
Water Resources Tech I/II	10%	90%	0%	100%
Water Demand				
Water Demand Manager	0%	20%	80%	100%
Conservation Analyst	0%	50%	50%	100%
Conservation Analyst	0%	50%	50%	100%
Conservation Rep II	0%	0%	100%	100%
Conservation Rep I	0%	0%	100%	100%
Conservation Technician	0%	0%	100%	100%
Administrative Assistant	0%	0%	100%	100%
Environmental Resources				
Environmental Resources Manager	80%	20%	0%	100%
Senior Fisheries Biologist	100%	0%	0%	100%
Associate Fisheries Biologist	100%	0%	0%	100%
Assistant Fisheries Biologist	100%	0%	0%	100%
River Maintenance Specialist	90%	10%	0%	100%
Environmental Progams Specialist	100%	0%	0%	100%
Average Percentage	33%	36%	32%	

Monterey Peninsula Water Management District Expenditures by Division Fiscal Year 2025-2026 Budget

	General Manager's Office	Administrative Services	Water Resources	Environmental Resources	Water Demand	Total
PERSONNEL	<u></u>					
Salaries	\$ 676,000	\$ 639,000	\$ 770,000	\$ 940,000	\$ 828,000	\$ 3,853,000
Retirement	323,826	151,926	154,580	298,754	223,628	1,152,714
Unemployment Compensation	-	3,100	3,000	1,000	3,000	10,100
Auto Allowance	11,000	-	-	-	-	11,000
Deferred Compensation	21,614	-	-	-	-	21,614
Temporary Personnel	-	10,000	-	-	-	10,000
Workers' Comp.	2,956	4,265	45,601	6,454	48,674	107,950
Employee Insurance	83,208	77,836	105,592	147,931	126,468	541,035
Employee Insurance - Retirees	-	190,387	-	-	-	190,387
Medicare & FICA Taxes	1,852	39,860	14,873	13,609	11,994	82,188
Personnel Recruitment	-	10,000	-	-	-	10,000
Other Benefits	300	2,300	300	300	300	3,500
Moving Expense Reimbursement	-	1,500	-	-	-	1,500
Staff Development	2,400	6,000	6,000	7,500	4,500	26,400
Subtotal	1,123,156	1,136,173	1,099,946	1,415,548	1,246,564	6,021,388
CERVICES & CLIRINITES						
SERVICES & SUPPLIES Description Communication		27,000				27,000
Board Member Comp	10,000	37,000	-	-	-	37,000
Board Expenses	10,000	16 000	-	-	-	10,000
Rent Utilities	-	16,800	6,600 600	-	6,600 600	30,000
	- - 100	44,000		2 000		45,200
Telephone Encility Maintenance	5,100	25,600	5,400	2,900	1,800	40,800
Facility Maintenance	-	95,100	-	-	-	95,100
Bank Charges	1.500	68,000	-	2 000	-	68,000
Office Supplies	1,500	42,000	600	2,000	600	46,700
Courier Expense	- 200	7,600	-	-	-	7,600
Postage & Shipping	300	29,100	600	500	-	30,500
Equipment Lease	-	13,200	-	-	-	13,200
Equip. Repairs & Maintenance	-	5,100	-	2.000	-	5,100
Printing/Duplicating/Binding	600	200.100	-	2,000	-	2,600
IT Supplies/Services	1.500	289,100	4 000	10,000	2 (00	299,100
Operating Supplies	1,500	2,000	4,000	15,000	2,600	25,100
Legal Services	245 100	400,000	-	-	-	400,000
Professional Fees	245,100	143,100	10.600	- 6.500	26,000	388,200
Transportation	- 22 100	6,600	19,600	6,500	26,000	58,700
Travel	23,100	4,000	4,000	2,500	4,000	37,600
Meeting Expenses	12,500	11,000	-	1,000	200	24,700
Insurance	-	342,000	-	-	-	342,000
Legal Notices	40.000	5,100	600	2.500	-	5,700
Membership Dues	42,000	4,000	2,600	2,500	800	51,900
Public Outreach	6,000	- 05.100	-	-	-	6,000
Assessors Administration Fee	-	25,100	-	-	-	25,100
Miscellaneous	400	3,100	-	-		3,500
Subtotal	348,100	1,618,600	44,600	44,900	43,200	2,099,400

Monterey Peninsula Water Management District Expenditures by Division Fiscal Year 2025-2026 Budget

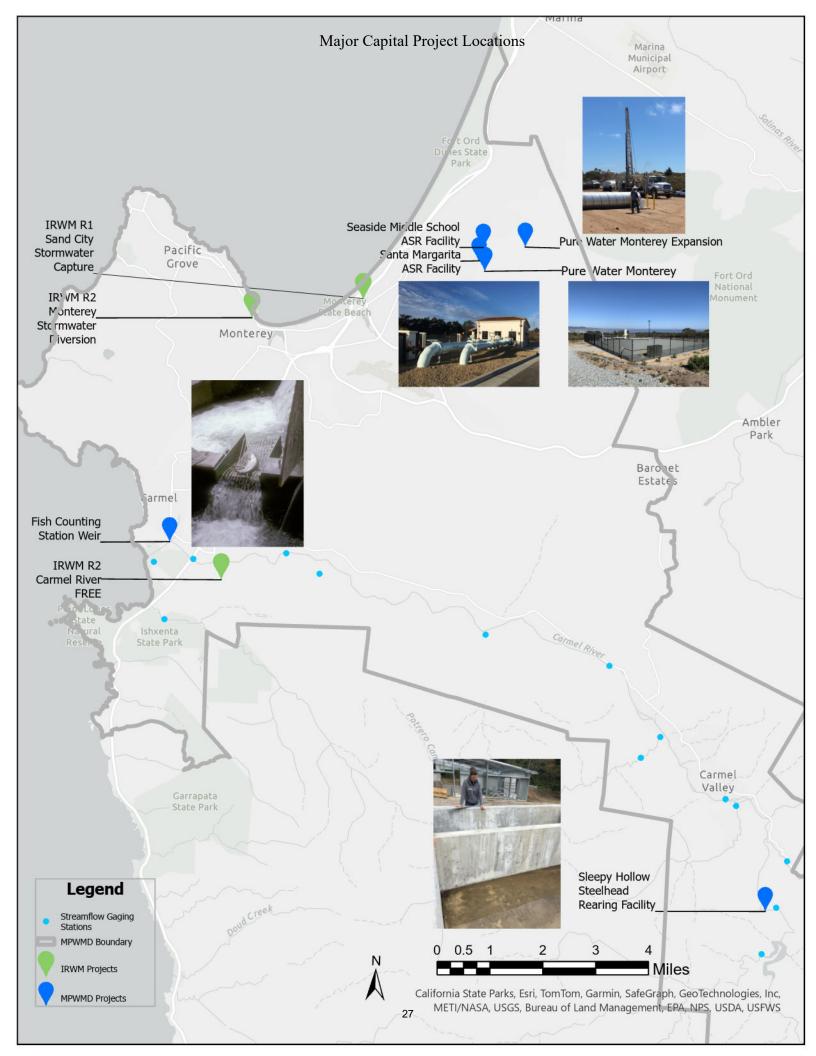
	General Manager's	Administrative	Water	Environmental	Water	
	Office	Services	Resources	Resources	Demand	<u>Total</u>
FIXED ASSETS	5,100	75,100	-	-	12,000	92,200
PROJECT EXPENDITURES						-
Project Expenses	625,000	-	565,697	378,500	1,154,365	2,723,562
PWM Water Purchase		-	22,052,250	-	-	22,052,250
Reimbursement Projects	9,259,106	-	2,601,504	467,000	422,458	12,750,068
ELECTION EXPENSE	-	250,000	-	-	-	250,000
CONTINGENCY	-	70,000	-	-	-	70,000
Subtotal	9,889,206	395,100	25,219,451	845,500	1,588,823	37,938,080
DEBT SERVICE	-	-	-	-	-	-
FLOOD/DROUGHT RESERVE	_	-	-	-	-	-
CAPITAL RESERVE	_	326,000	-	-	-	326,000
GENERAL FUND BALANCE	-	-	-	-	-	-
PENSION RESERVE	-	100,000	-	-	-	100,000
OPEB RESERVE	-	100,000	-	-	-	100,000
MECHANICS BANK RESERVE	-	-	-	-	-	-
WATER SUPPLY CHARGE RESERVE	-	-	-	-	-	-
RECLAMATION PROJECT	-		-	-	-	-
Subtotal	-	526,000	-	-	-	526,000
Expenditure Total	11,360,462	3,675,873	26,363,998	2,305,948	2,878,587	46,584,868

		Objective	Timeline		Total	Account	Division	Reimbursable	Source/ Reimbursement
AUGMENT	WA	TER SUPPLY							
Operations	Mode	ling							
1-1-2		Los Padres Dam Long Term Plan							
	Α	Fish Pasage	Ongoing			35-03-786015	ERD		
	В	Alternatives Analysis and Sediment Management	June			35-03-786015	ERD	Yes	CAW
1-1-3		PWM/MPWSP Operations Model (CRBHM & SGBM)	June	\$	69,974	35-03-786038	WRD		
Water Supp	ly Pr	pjects							
1-2-1		Water Project 1 (Aquifer Storage Recovery 1)							
	A	Santa Margarita Site - Site Work							
		1 UXO Support	Ongoing			35-04-786004	WRD		
		2 Land easement	Spring/Summer		200,000	35-04-786004	WRD		
		3 Small Projects Design	Fall/Winter	\$	100,000	35-04-786004	WRD		
		4 Survey & Drawings	Spring/Summer		30,000	35-04-786004	WRD		
		6 Turbidity Meter Emergency Shut off	Fall/Winter	\$	28,060	35-04-786004	WRD		
		7 Electrical Study	Ongoing	\$	38,727	35-04-786004	WRD		
	В	ASR - Operations & Maintenance							
		1 Operations support	Ongoing	\$	50,000	35-04-786005	WRD	Yes	CAW
		Water quality lab analysis	Ongoing	\$	13,000	35-04-786005	WRD	Yes	CAW
		B Electrical power	Ongoing	\$	250,000	35-04-786005	WRD	Yes	CAW
		4 Supplemental Sampling and Analysis Plan (SSAP)	Ongoing	\$	52,658	35-04-786005	WRD	Yes	CAW
		5 Retrofit Paralta Test for RWQCB sampling	Once			35-04-786005	WRD		CAW
		6 RWQCB General Permit Fees	Ongoing	\$	3,800	35-04-786005	WRD	Yes	CAW
		7 Maintenance	Ongoing	\$	75,000	35-04-786005	WRD		CAW
		8 Calibrate portable meter for Water Rights	Ongoing	\$	5,000	35-04-786005	WRD		CAW
		9 Well Rehabilitation	Once			35-04-786005	WRD	Yes	CAW
		10 Install Inline SDI Instrumentation	Once	\$	16,500	35-04-786005	WRD	Yes	CAW
1-4-1		Water Rights Permits Fees	Ongoing	\$	5,000	35-03-781200	WRD	Yes	CAW
1-5-1		Ground Water Replenishment Project (PWM)							
	Α	Other Seaside Basin Model	Ongoing	\$	182,613	35-03-786010	WRD		
	В	Geochemical Mixing Study	Ongoing	\$	11,510	35-03-786010	WRD		
	C	Operating Reserve (250 ac ft)	One-time	\$	1,089,000	35-03-786011	GMO		
	D	PWM Water Purchase (3,500 ac ft)	Ongoing	\$	20,963,250	35-03-786017	GMO	Yes	CAW
	E	PWM Expansion	One-time	\$	9,259,106	35-01-786014	GMO	Yes	CAW
	В	Monterey Pipeline MMRP Compliance	Ongoing			35-03-786025	WRD		
1-9-1		Cal-Am Desal Project	Ongoing	\$	25,000	35-01-786025	GMO		
1-10-	1	Local Water Projects	Ongoing	\$	-	35-03-786033	GMO		
1-14-1	1	Monterey Water System Acquisition	Ongoing						
1-14-1		Acquisition - Phase 4	Ongoing	\$	200,000	35-01-786200	GMO		
		Acquisition - Phase 4	ongoing	\$	200,000	24-01-786200	00		
		Acquisition - Phase 4		\$	200,000	26-01-786200			
		Acquisition - Phase 4		4	200,000	24-01-786200			
1-15-	1	Water Allocation Process	Ongoing	\$	-	35-01-786040	GMO		
1-16-1	1	Naw Project							
1-10-		New Project A Near Term Production Capacity	Summer	\$		35-03-786019	WRD		
			Summer		-				
1-17-	1	Urban Water Management Plan		\$	150,000	35-03-786019	GMO		
		AUGMENT WATER SUPPLY TOTAL						33,322,756	30,613,314

	Objective	Timeline		Total	Account	Division	Reimbursable	Source/ Reimbursemen
OTECT EN	VIRONMENTAL QUALITY							
arian Mitiga	ations							
2-1-1	Irrigation Program							
A	Operate and maintain 4 well systems	Ongoing	\$	1,000	24-03-785011	ERD		
В	Operate and maintain District project systems	Ongoing	\$	18,000	24-03-785012	ERD		
2.1.2	Pi i G il M							
2-1-2 A	Riparian Corridor Management Maintain and diversify plantings at District projects							
	1 Seed collection and propagation	Ongoing	\$	1,000	24-03-787030	ERD		
	2 Riparian corridor maintenance (projects/equipmer		\$	1,000	24-03-787080	ERD		
2.1.2	D							
2-1-3 A	Riparian Monitoring Program Vegetation and soil moisture monitoring	Ongoing	\$	500	24-03-787021	ERD		
	regention and son moisture mointoring	Oligonia	Ψ	300	21 03 707021	LICD		
2-1-4 A B		a Ongoing	\$ \$	15,000	24-03-787040 24-03-787040	ERD ERD		
ь	2023 Carmel River Cross Section Survey		Þ	-	24-03-767040	EKD		
sion Protect		T	67		24.02.700541	EDD		
A	Work at lower San Carlos restoration project	June	\$	-	24-03-789541	ERD		
2-2-2	Carmel Riverbed Topographic Data	Ongoing			24-03-787023	ERD		
atic Resour	ces Fisheries							
2-3-1	Sleepy Hollow Facility Operations							
2-3-1 A	General operations and maintenance	Ongoing	\$	128,655	24-04-785813	ERD		Partial FEMA
В	Road maintenance	June	\$	20,000	24-04-785813	ERD		Tartial LiviA
C	Replacement of standby generator fuel	Ongoing	\$	4,000	24-04-785813	ERD		
D	Generator maintenance service	Spring	\$	7,000	24-04-785813	ERD		
Е	Replace/Maintain Rotary Drum Screen	Spring	\$	-	24-04-785813	ERD		
F	Operations Consultant with Web Support	Ongoing	\$	35,408	24-04-785813	ERD		
G	Power	Ongoing	\$	75,000	24-04-785816	ERD		
Н	Facility upgrade (construction)	0 0	\$	-	24-04-785812	ERD		Coastal Conservancy
I	Design/Construct Rearing Channel and Quarantine Ta	ar 2025	\$	32,350	24-04-785812	ERD		•
A	WRA's & FA's NMFS Fall Juvenile SH Population Su				24-04-785814	ERD		NOAA/NMFS
В	FBA's & WRA's NMFS Winter/Spring LPD Studies (C Ongoing			24-04-785814	ERD		NOAA/NMFS
С	Supplies/Expenses NMFS Winter/Spring LPD Studie	s Ongoing			24-04-785814	ERD		NOAA/NMFS
2-3-2	Conduct Juvenile Rescues							
В	Water Resources Assistant	Ongoing	\$	68,607	24-04-785814	ERD		
C	Fishereis Aide and Pop Survey	Ongoing	\$	1 000	24-04-785814	ERD		
D	Recalibrate backpack electro-fisher	Ongoing	\$	1,000	24-04-785822	ERD		
E F	Waders and Field Clothes	Ongoing	\$	6,000	24-04-785822	ERD		
г	On-call weekend fish rescue crew leader	Ongoing			24-04-785814	ERD		
2-3-3	Rescue & Transport Smolts			• • • •				
A	Smolt rescue supplies	Feb-May	\$	2,000	24-04-785833	ERD		
B C	Fisheries Aide Fisheries Aide for Weekend Shift	March-May March-May	\$	-	24-04-785814 24-04-785814	ERD ERD		
			*					
2-3-4	Monitoring of Adult Steelhead Counts	. Winter 2024	e	5,000	24.04.705051	EDD		
B C	Resistance Board Weir Construction/Training/Installa Fisheries Aide/Weekend	t Winter 2024 DecMay	\$ \$	5,000	24-04-785851 24-04-785814	ERD ERD		
D	Fishereis Aides - Weekend	DecMay	*		24-04-785814	ERD		
Е	Wier Survelliance Camera	2021	\$	-	24-04-785851	ERD		
2-3-5	Adult & kelt rescue and transport	Ongoing	\$	1,000	24-04-785840	ERD		
	Contracted Aquatic Invertebrate Identification & Retrain	iı Oct.	\$	4,500	24-04-785860	ERD		
2-3-6								
2-3-6 2-3-7	Carmel River & Lagoon Water Quality Monitoring Samp	le Ongoing	\$	5,000	24-04-785870	ERD		
	Carmel River & Lagoon Water Quality Monitoring Samp Water Resources Assistant	Ongoing Ongoing	\$ \$	5,000	24-04-785870 24-04-785814	ERD ERD		
				5,000				

		Objective	Timeline		Total	Account	Division	Reimbursable	Source/ Reimbursement
Lagoon Miti	igation .	Activities							
2-4-1		Monitoring							
	A	Bi-annual inter-agency cooperative Steelhead survey	June/Dec	\$	1,000	24-04-785871	ERD		
	В	YSI Automatic Vertical Water Quality Profiler	Ongoing			24-04-782203	ERD		
Mitigation I	Progran	n Review							
2-4-2	!	Review Mitigation Measures	Dec	\$	100,000	24-04-785854	ERD		
Hydrologic									
2-5-1		Carmel Valley							
	A	Monitor Carmel River near Carmel (USGS)	Ongoing	\$	19,000	35-04-785600	WRD		
	В	Water quality chemical analyses	Ongoing	\$	3,000	35-04-781510	WRD		
	С	Fractured rock well monitoring	Ongoing	\$	4,000	35-04-785507	WRD		
	D	Waders/Field Clothing	Ongoing	\$	3,500	35-04-785502	WRD		
2-5-2	!	Seaside Basin Watermaster							
	A	MMP implementation (non-labor portion)	Ongoing	\$	35,000	35-04-786003	WRD	Yes	
	В	MPWMD monitor well maintenance (pumps)	Ongoing	\$	1,000	35-04-786003	WRD	Yes	Seaside Watermaster
	C	Replace QED pump	Ongoing	\$	-	35-04-786003	WRD	Yes	
	D	ROE renewal for Ft Ord Dunes State Park access	Ongoing	\$	500	35-04-786003	WRD	Yes	
2-5-3	;	District Wide							
	A	Stream flow monitoring program							
	1	Miscellaneous equipment	Ongoing	\$	12,000	35-03-785502	WRD		
	6	Upgrade MPWMD Gaging Stations	Summer-Fall	\$	9,000	35-03-785502	WRD		
		A. Above Los Padres Gage - Install	Summer-Fall	\$	-	35-03-785502	WRD		
	7	Arborist	Ongoing	\$	2,000	35-03-785502	WRD		
	8	Hydstra Licanse for Web Plots	Ongoing	\$	15,000	35-03-785502	WRD		
	9	Stream Gage Dashboard	Once	\$	-	35-03-785502	WRD		
	10	11	Once	\$	-	35-03-785502	WRD		
	11	Destroy Well 10	Once	\$	30,000	35-03-785502	WRD		
	2	Data line rental - 14 sites	Ongoing	\$	5,000	35-03-781602	WRD		
	3	Hydstra Time Series Software Annual Support	Ongoing	\$	9,000	35-03-781602	WRD		
	4	Hydstra / TierraTech consulting - report customizat	Summer-Fall	\$	10,000	35-03-781602	WRD		
	5	Purchase cellular modems	Summer-Fall	\$	8,600	35-03-781602	WRD		
	6	Hydological Monitoring				24-04-781602	ERD		
	В	Other Hydrologic Monitoring							
	1	Monitor well conversions	Ongoing	\$	2,000	35-03-785502	WRD		
	2	Annual Well Reporting	Ongoing	\$	3,000	35-03-781602	WRD		
	3	Misc. equipment (2 well probes)	Ongoing	\$	3,500	35-03-781602	WRD		
	4	Replacement rain/temp stations (incl site fencing)	Ongoing	\$	-	35-03-781602	WRD		
	5	Replacement XD's and rugged cables	Ongoing	\$	2,500	35-03-781602	WRD		
	7	Replacment water quality probe(s)	Ongoing	\$	1,000	35-03-785502	WRD		
	10	1 1	Ongoing	\$	-	35-03-785502	WRD		
	11		Once	\$	-	35-03-785502	WRD		
	12			\$	-	35-04-781602	ERD		
	13	Well Reporting		\$	3,000	35-04-781195	ERD		
Integrated I	Regiona	l Water Management							
2-6-1		Integrated Regional Water Management							
	A	Prop 1 coordination	Ongoing	_		24-03-785505	WRD		
	C	Implementation Grant Round 1	Ongoing	\$	1,148,734	24-03-785521	WRD	Yes	DWR
	D	Implementation Grant Round 2	Ongoing	\$	1,432,770	24-03-785521	WRD	Yes	DWR
		PROTECT ENVIRONMENTAL QUALITY TOTAL						3,342,624	2,618,004

	Objective	Timeline	Total	Account	Division	Reimbursable	Source/ Reimbursemen
WATER DEMAN	n						
Water Distributio	n System Permitting						
4-0-1	Permit Processing Assistance	Ongoing	\$ 25,000	26-05-785503	WDD	Yes	Applicant
4-0-2	Hydrogeologic Impact Review	Ongoing	\$ 2,000	26-05-785503	WDD	Yes	Applicant
4-0-3	County Fees - CEQA Posting and Recording	Ongoing	\$ 5,000	26-05-785503	WDD	Yes	Applicant
4-0-4	WDS Permit Package Review (MPWMD Counsel)	Ongoing	\$ 20,000	26-05-785503	WDD	Yes	Applicant
Demand Managen	nent						
4-1-1	Rule Implementation/Enforcement						
A	Deed Restriction recording	Ongoing	\$ 65,000	26-05-781900	WDD	Yes	Applicant
В	CEQA Compliance	Fall	\$ 20,000	26-05-780100	WDD		11
C	Deed Restriction Legal Review	Ongoing	\$ 15,000	26-03-781900	WDD	Yes	Applicant
Water Conservati	on						
4-2-1	Outreach						
A	Outreach and communication	Ongoing	\$ 100,000	26-05-781140	WDD		
		Ongoing	\$ 25,000	24-05-781140	ERD		
		Ongoing	\$ 25,000	35-05-781140	WRD		
В	CII Outreach	Ongoing	\$ 10,000	26-05-781130	WDD		
D	Sponsorship/Support Community Events	Ongoing	\$ 5,000	26-05-781140	WDD		
E	Brochures	Ongoing	\$ 2,500	26-05-781140	WDD		
4-2-2	Conservation Programs (non-reimbursable)						
A	Best management practices	Ongoing	\$ 12,000	26-05-781155	WDD		
В	Advertising/Webvertising	Ongoing		26-05-781115	WDD		
C	Conservation Website Maintenance	Ongoing	\$ 1,000	26-05-781160	WDD		
D	Conservation devices - nonreimbursable	Ongoing	\$ 60,000	26-05-781187	WDD		
E	Conservation & efficiency workshops/training	Ongoing	\$ 20,000	26-05-781182	WDD		
F	Graywater/Rainwater Demo Project	Ongoing		26-05-781185	WDD		
Н	School Retrofits	Ongoing		26-05-781184	WDD		
K	Pressure Reducing Valve Program	Ongoing	\$ 2,000	26-05-781190	WDD		
L	Linen/Towel Program	Ongoing	\$ 30,000	26-05-781180	WDD		
M	Conservation printed material	Ongoing	\$ -	26-05-781188	WDD		
N O	Rain Barrel Giveaway Program Mulch Program	Ongoing Ongoing	\$ 15,000	26-05-781177 26-05-781175	WDD WDD		
4-2-3	Rebate Program						
. 2 3 A	CAW	Ongoing	\$ 350,000	26-05-781412	WDD	Yes	CAW
В	Seaside Municipal	Ongoing	 ,	26-05-781499	WDD		
C	Non-CAW (MPWMD funded)	Ongoing	\$ 20,000	26-05-781499	WDD		
D	DAC Direct Install Grant	Ongoing	 ,	26-05-781490	WDD		
E	DAC Turf Replacement	Ongoing		26-05-781490	WDD		
F	Rebate & Other Forms	Ongoing	\$ -	26-05-781400	WDD		
	WATER DEMAND TOTAL				:	860,500	482,000
	PROJECT EXPENDITURES TOTAL					37,525,880	33,713,318



Monterey Peninsula Water Management District Large Projects and Capital Improvement Plan Fiscal Year 2025-2026 Budget

<u>Division</u>	Project Description	Estimated FY 2024-2025		Budgeted FY 2025-2026		Projected FY 2026-2027		Projected FY 2027-2028		Funding Source
Water Pu	ırchases									
WRD	PWM Water Purchase*	\$	14,619,500	\$	20,963,250	\$	25,047,000	\$	26,299,350	District Revenues
WRD	PWM Operating Reserve Fund**		668,320		1,089,000		1,417,878		457,380	District Revenues
	SUBTOTAL		15,287,820		22,052,250		26,464,878		26,756,730	
Funded I	From District Revenues									
GMO	Local Water Projects		100,000		-		50,000		100,000	District Revenues
WRD	Update Seaside Basin Model		132,613		182,600		182,600		182,600	District Revenues
WRD	Santa Margarita (Chemical room upgrade)		377,000		396,787		400,000		500,000	District Revenues
GMO	Water Allocation Process		200,000		-		100,000		100,000	District Revenues
WRD	PWM/MPWSP Operations Model		69,974		69,974		50,000		50,000	District Revenues
GMO	Monterey Water System Acquisition		400,000		600,000		1,000,000		1,500,000	District Revenues
ALL	Capital Assets		70,100		92,200		110,640		132,768	District Revenues
	SUBTOTAL		1,349,687		1,341,561		1,893,240		2,565,368	
Reimbur	sed from Grants or Reimbursements									
WRD	Aquifer Storage & Recovery - Phase 1 & 2		823,950		465,958		489,256		513,719	CAW
WRD	IRWM Implementation - Round 1		50,000		1,148,734		344,620		-	DWR Grant
WRD	IRWM Implementation - Round 2		66,216		1,432,770		716,385		-	DWR Grant
GMO	PWM Expansion Grant		6,089,320		9,259,106		-			Grants
	SUBTOTAL		\$7,029,486		\$12,306,568		\$1,550,261		\$513,719	
	TOTAL		\$23,666,993		\$35,700,379		\$29,908,379		\$29,835,817	

^{*} Assumes 4,812.5 AF of water purchase in FY 2025-26 and 5,750 AF of water purchase in FY 2026-27

Renewal and Replacement of facilities is captured in the Capital Asset Replacement Schedule

^{**} Assumes 250 AF of PWM Operating Reserve in FY 2025-26 and 310 AF in FY 2026-27.

Major Capital Budgets and Grants

The following section provides details on the District's major capital and grant projects that are included in the FY 2025-26 budget.

A. Project: Pure Water Monterey Expansion

The Pure Water Monterey (PWM) expansion project will create a drought-resistant and independent water supply to meet Monterey County's water supply challenge. By providing an estimated additional 2,250 acre-feet per year (AFY) it will (a) build an operating reserve to address exigent impacts created by irregular weather patterns, drought conditions, and climate; (b) offset loss of surface water storage; and (c) serve customer demand.

The District sought and received the following two grants for the development of the PWM Expansion:

GRANT 1: URBAN COMMUNITY DROUGHT RELIEF

Grant Amount	Spent to-date (Q3-FY 24-25)
\$11,935,206	\$3,922,293.60

This PWM project was provided through the California Department of Water Resources (DWR) for the Urban & Multi-Benefit Drought Relief Grant program. The funding will increase the production and injection capacity of purified recycled water to support the potable water supply on the Monterey Peninsula. The U.S. Bureau of Reclamation previously gave around \$20 million in grants for the Pure Water Monterey Project. Since its inception in early 2020, the PWM project has injected more than 15,000 AF of purified water into the Seaside Groundwater Basin. Pure Water Monterey is the first potable reuse project in Northern California.

GRANT 2: STATE WATER RESOURCES CONTROL BOARD

Grant Amount	Spent to-date (Q3-FY 24-25)
\$4,800,000	\$3,552,534.60

In August 2021, the District, with support from Monterey One Water (M1W), received funding for an additional component of the PWM expansion project, adding a sixth deep injection well. The grant allowed the completion, planning, design, and construction of this additional injection well to further strengthen the water supply in a community facing a severe water supply challenge.

This deep injection well has been designed to: (i) use of excess capacity in the advanced water purification facility to produce more water, offsetting sources that may be constrained by drought; (ii) build an operating reserve in the ground during dry, normal, or wet years creating longer-term drought resilience; and (iii) create redundancy and operational flexibility.

B. Project: Integrated Resource Water Management (IRWM) Grants

Grant 1: IRWM IR1

Grant Amount	Spent to-date (Q3-FY 24-25)
\$2,238,904	\$1,120,675.88

This IRWM IR1 grant will help improve regional water self-reliance security and will make improvements to water infrastructure systems to address flooding, offering increased protection against seawater intrusion, and the use of recycled water, among other benefits. Three of the four projects under this grant are located in disadvantaged communities. This grant represents effective collaboration among the Regional Water Management Group's seventeen members. Additional details are provided below:

Coe Avenue Recycled Water Distribution Pipeline, Marina Coast Water District (complete): This new distribution line allows for the delivery of recycled water from the existing trunk main on General Jim Moore Boulevard to recycled water users located along the project alignment. The primary benefit is a reliable, recycled water supply. Marina Coast Water District estimates that switching Coe Avenue customers to recycled water will save approximately 200 acre-feet of potable water per year.

Hamilton, Ellis & Martin Plaza Apartments (formerly Del Monte Manor Apartments) Low Impact Development Improvement Project, City of Seaside, complete (severely disadvantaged community block group): The project protects approximately 0.57 acres from regular flooding and results in about 11-acre feet per year of stormwater infiltration in years with normal or above-normal precipitation. The project will reduce urban runoff pollutant loads, including trash and debris, currently discharged to the Monterey Bay National Marine Sanctuary. The project includes permanent educational signage to inform the public about the benefits of the bioswale and subsurface infrastructure.

West End Stormwater Improvement Project, City of Sand City (severely disadvantaged community census tract): The project will treat approximately 5 acres within the West End neighborhood. The project will reduce the total suspended solids entering Monterey Bay by an average of 383 kilograms/year.

2. IRWM IR2

Grant Amount	Spent to-date (Q3-FY 24-25)
\$1,488,961	\$65,461.68

This grant provides funding for two multi-benefit projects that meet the IRWM program objectives of increasing water supply, improving water quality, and environmental protection.

Carmel River Floodplain Restoration and Environmental Enhancement Project, County of Monterey, in progress: The Floodplain Restoration Component of the CRFREE Project will restore approximately 92 acres of floodplain and install native habitat plants on the restored land.

The owner of Project land, Big Sur Land Trust (BSLT), will provide postconstruction access to Ohlone Costanoan Esselen Nation and Esselen Tribe of Monterey County members to collect native materials for cultural purposes.

Additionally, approximately 23 acres of land in the south Carmel River floodplain east of SR 1 will be elevated above the 100-year floodplain to create an agricultural preserve. The agricultural preserve land was historically in agricultural use and was donated for the land's restoration and preservation.

Olivier Street Stormwater Diversion, City of Monterey, in progress. (severely disadvantaged community block group): Stormwater will be added to City and regional sewer flows that are treated and will serve to augment the regional water supply. The project will provide approximately 15 acre-feet per year of recycled water supply.

Monterey Peninsula Water Management District Capital Asset Purchases Fiscal Year 2025-2026 Budget

	Division	Cost	Account Number
Capital Assets	Division	<u>C031</u>	<u>rumoer</u>
Accela Programming for WDS Module	WDD	10,000	XX-05-751550
Four laptops for replacement	ASD	18,000	XX-02-751550
Ipad and laptop replacement	WDD	4,500	XX-02-751550
Minor Building/Cubicle Upgrades	ASD	25,000	XX-02-725000
Ford Escape Hybrid (Unit #1 Replacement)*	ASD	55,000	XX 02-914000
HVAC unit replacement (Unit #3)*	ASD	20,000	XX-02-916000
Electro Fisher (LR24)*	ERD	12,000	XX-02-913000
HP Printer Replacement*	ASD	5,000	XX-02-912000
Total Capital Assets		\$149,500	

^{*} Only items in 90000 series to be capitalized

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT CAPITAL ASSET REPLACEMENT/REPAIR SCHEDULE FISCAL YEAR 2025-2026 BUDGET

No.	<u>ltem</u>	Replacement Cost	Replace In Fiscal Year	Prior Years Accrual	Balance Left to Accrue	Accrual This Fiscal Year	Accrual <u>Balance</u>	<u>Remarks</u>
1	1/2 Ton Pickup	\$55,000	2026-2027	\$45,000	\$10,000	\$10,000	\$55,000	Unit 1, '03 Ram 1500
2	Orthoimagery	\$33,000	2026-2027	\$33,000	\$0	\$0	\$33,000	Updated 10/08
3	Chipper	\$25,000	2026-2027	\$25,100	\$0	\$0	\$25,100	Chipper (P&E Dept)
4	Harris Court A/C Unit #3	\$15,000	2026-2027	\$15,100	\$0	\$0	\$15,100	Air Conditioner
5	Multifunction Plotter/Scanner	\$10,000	2026-2027	\$25,000	\$0	\$0	\$25,000	Replace 2 separate units
6	1/2 Ton Pickup	\$55,000	2026-2027	\$30,000	\$25,000	\$12,500	\$42,500	Unit 7, '14 F150 4x4
7	Honda Insight	\$14,000	2026-2027	\$25,000	\$0	\$0	\$25,000	Unit 5, '10 Honda Insight Hybrid
8	1/2 Ton Pickup	\$55,000	2026-2027	\$35,100	\$19,900	\$10,000	\$45,100	Unit 4, '99 F150 4x4
9	Harris Court A/C Unit #4	\$15,000	2026-2027	\$15,000	\$0	\$0	\$15,000	Air Conditioner
10	1 Ton Pickup	\$47,000	2026-2027	\$56,500	\$0	\$0	\$56,500	Unit 11, '03 Ram D 3500
11	Ford Escape	\$30,000	2026-2027	\$28,100	\$1,900	\$600	\$28,700	Unit 14, '09 Ford Escape
12	Harris Court A/C Unit #5	\$15,000	2026-2027	\$14,400	\$600	\$200	\$14,600	Air Conditioner
13	Telephone System	\$10,000	2026-2027	\$12,000	\$0	\$0	\$12,000	Avaya Phone System
14	Chevy Bolt EV Unit 17-01	\$30,000	2027-2028	\$33,500	\$0	(\$100)	\$33,400	Unit 17-01, 2017 Chevy Bolt EV
15	Chevy Bolt EV Unit 17-02	\$30,000	2027-2028	\$33,500	\$0	(\$100)	\$33,400	Unit 17-02, 2017 Chevy Bolt EV
16	1 Ton Pickup (Dump/Auto-Crane)	\$47,000	2027-2028	\$57,800	\$0	\$0	\$57,800	Unit 6, '96 F350 D 4x4
17	1 Ton Pickup Unit #3 (Replaced with Dum;	\$47,000	2027-2028	\$32,200	\$14,800	\$2,800	\$35,000	Unit 3, '97 3500 D 4x4
18	Information System (Servers)	\$70,000	2028-2029	\$32,000	\$38,000	\$6,600	\$38,600	Dell Servers in Service 21/22
19	1/2 Ton Pickup (4 Door 4X4) Unit 18-01	\$55,000	2029-2030	\$21,600	\$33,400	\$4,700	\$26,300	Unit 18-01 Pool Vehicle
20	Server Room Air Conditioner	\$14,000	2029-2030	\$4,800	\$9,200	\$1,200	\$6,000	Air Conditioner
21	Harris Court A/C Unit #1 (York 3-ton)	\$15,000	2030-2031	\$9,800	\$5,200	\$700	\$10,500	Air Conditioner
22	1/2 Ton Pickup Unit 20-01	\$55,000	2031-2032	\$11,400	\$43,600	\$4,200	\$15,600	Unit 20-01, '95 F150
23	1/2 Ton Pickup WEIR	\$55,000	2031-2032	\$9,900	\$45,100	\$4,600	\$14,500	Fishries Division (WEIR Project)
24	3/4 Ton Pickup	\$45,000	2032-2033	\$8,200	\$36,800	\$3,300	\$11,500	Unit 9, '03 Ram 2500
25	Doppler Current Meter	\$35,000	2032-2033	\$6,600	\$28,400	\$2,700	\$9,300	Doppler Meter Equipment
26	Board Room A/V Equipment	\$17,000	2032-2033	\$10,000	\$7,000	\$600	\$10,600	A/V Equipment
27	Harris Court A/C Unit #2 (Ruud 5-ton)	\$15,000	2034-2035	\$5,000	\$10,000	\$800	\$5,800	Air Conditioner
28	Admin Bldg	\$1,781,000	50 years	\$287,500	\$1,493,500	\$53,400	\$340,900	Administration building
29	Sleepy Hollow Facility	\$1,803,000	50 years	\$176,500	\$1,626,500	\$34,000	\$210,500	Sleepy Hollow upgraded facility
30	ASR Bldg 1/Wells 1 & 2	\$4,173,000	50 years	\$406,000	\$3,767,000	\$78,600	\$484,600	ASR 1st Building/Wells
31	ASR Bldg 2	\$4,650,000	50 years	\$455,000	\$4,195,000	\$87,200	\$542,200	ASR Treatment Facility Bldg
32	ASR Backflush	\$441,000	50 years	\$40,500	\$400,500	\$8,100	\$48,600	ASR Backflush
	- Totals _	\$13,757,000		\$2,001,100	\$11,811,400	\$326,600	\$2,327,700	- -

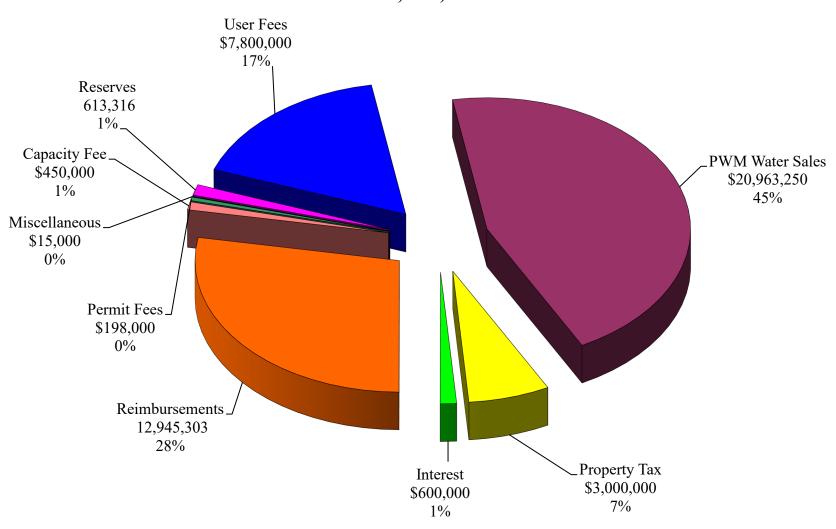


REVENUE & RESERVES

- A. REVENUE SUMMARY CHART
- B. REVENUES COMPARISON BY YEAR
- C. REVENUES BY OPERATING FUND
- D. REIMBURSABLE AMOUNTS & GRANTS



REVENUE SUMMARY Fiscal Year 2025-2026 \$45,584,868



Monterey Peninsula Water Management District Estimated Revenues Comparison by Year Fiscal Year 2025-2026 Budget

	FY 2023-2024	FY 2024-2025	FY 2025-2026	Change From	Percentage
	Revised	Revised	<u>Adopted</u>	<u>Previous Year</u>	<u>Change</u>
Property Taxes	2,600,000	2,900,000	3,000,000	100,000	3.45%
Permit Fees - WDD	1,225,000	150,000	150,000	, =	0.00%
Permit Fees - WDS	48,000	48,000	48,000	=	0.00%
Capacity Fee	500,000	400,000	450,000	50,000	12.50%
User Fees	6,000,000	7,400,000	7,800,000	400,000	5.41%
Water Supply Charge	3,400,000	-	-	, =	
PWM Water Sales	13,275,500	14,619,500	20,963,250	6,343,750	43.39%
Interest	150,000	700,000	600,000	(100,000)	-14.29%
Other	15,000	15,000	15,000	-	0.00%
Subtotal District Revenues	27,213,500	26,232,500	33,026,250	6,793,750	25.90%
Reimbursements - CAW	991,600	1,193,950	815,958	(377,993)	-31.66%
Reimbursements - PWM Project	9,801,000	11,356,830	9,259,106	(2,097,724)	-18.47%
Reimbursements - Watermaster	39,600	39,600	36,000	(3,600)	-9.09%
Reimbursements - Reclamation	20,000	79,000	33,080	(45,920)	-58.13%
Reimbursements - FEMA	165,000	- -	87,655	87,655	
Reimbursements - Other	35,000	40,000	52,000	12,000	30.00%
Reimbursements - Recording Fees	85,000	60,000	65,000	5,000	8.33%
Reimbursements - Legal Fees	16,000	15,000	15,000	-	0.00%
Grants (IRWM)	1,039,000	1,271,693	2,581,504	1,309,811	103.00%
Subtotal Reimbursements	12,192,200	14,056,073	12,945,303	(1,110,770)	-7.90%
Carry Forward From Prior Year	886,500	-	-	-	
From Capital Reserve	100,000	-	55,000	55,000	
From Flood/Drought Reserve	-	-	-	-	
From Litigation Reserve	-	175,000	-	(175,000)	-100.00%
From Fund Balance	1,081,050	993,350	558,316	(435,034)	-43.79%
Other Financing Sources:	-	3,353,245	-	(3,353,245)	-100.00%
Subtotal Other	2,067,550	4,521,595	613,316	(3,908,279)	-86.44%
Revenue Totals	41,473,250	44,810,168	46,584,868	1,774,700	3.96%

Monterey Peninsula Water Management District Revenues by Operating Fund Fiscal Year 2025-2026 Budget

	Mitigation	Water Supply	Conservation	<u>Total</u>
Property Taxes	1,050,000	900,000	1,050,000	3,000,000
Permit Fees - WDD	-	-	150,000	150,000
Permit Fees - WDS	-	-	48,000	48,000
Capacity Fee	-	450,000	-	450,000
User Fees	1,560,000	4,680,000	1,560,000	7,800,000
PWM Water Sales	· · · · -	20,963,250	-	20,963,250
Interest	192,000	210,000	198,000	600,000
Water Supply Charge	· -	- -	- -	-
Other	5,000	5,000	5,000	15,000
Subtotal District Revenues	2,807,000	27,208,250	3,011,000	33,026,250
Reimbursements - CAW	-	465,958	350,000	815,958
Reimbursements - PWM Project	-	9,259,106	-	9,259,106
Reimbursements - Watermaster	-	36,000	-	36,000
Reimbursements - Reclamation	-	33,080	-	33,080
Reimbursements - FEMA	87,655	-	-	87,655
Reimbursements - Recording Fees	-	-	65,000	65,000
Reimbursements - Legal Fees	-	-	15,000	15,000
Grants (IRWM)	2,581,504	-	-	2,581,504
Reimbursements - Other	-		52,000	52,000
Subtotal Reimbursements	2,669,159	9,794,144	482,000	12,945,303
Carry Forward From Prior Year				
From Capital Reserve	18,150	19,250	17,600	55,000
From Debt Reserve				
From Fund Balance	774,845	(398,953)	182,424	558,316
From Water Supply Reserve				
Transfers In				
Transfers Out				
Subtotal Other	792,995	(379,703)	200,024	613,316
Revenue Totals	6,269,154	36,622,691	3,693,024	46,584,868

Monterey Peninsula Water Management District Reimbursable Amounts & Grants Fiscal Year 2025-2026 Budget

Reimbursement Source	<u>2025-26</u>
CAW - ASR 1 Operation	465,958
CAW - Conservation Rebates	350,000
Watermaster	36,000
Reclamation Project (labor & legal)	33,080
FEMA Reimbursement	87,655
Grants - IRWM Implementation	1,148,734
Grants - IRWM Implementation - Round 2	1,432,770
Grants - PWM Project	9,259,106
Direct Bill - Deed Restriction	65,000
Direct Bill - Legal Reimbursement	15,000
Direct Bill - WDS Permitting, Hydrogeologic Analysis, etc.	52,000
Total Reimbursements	\$12,945,303

Monterey Peninsula Water Management District Analysis of Reserves Fiscal Year 2025-2026 Budget

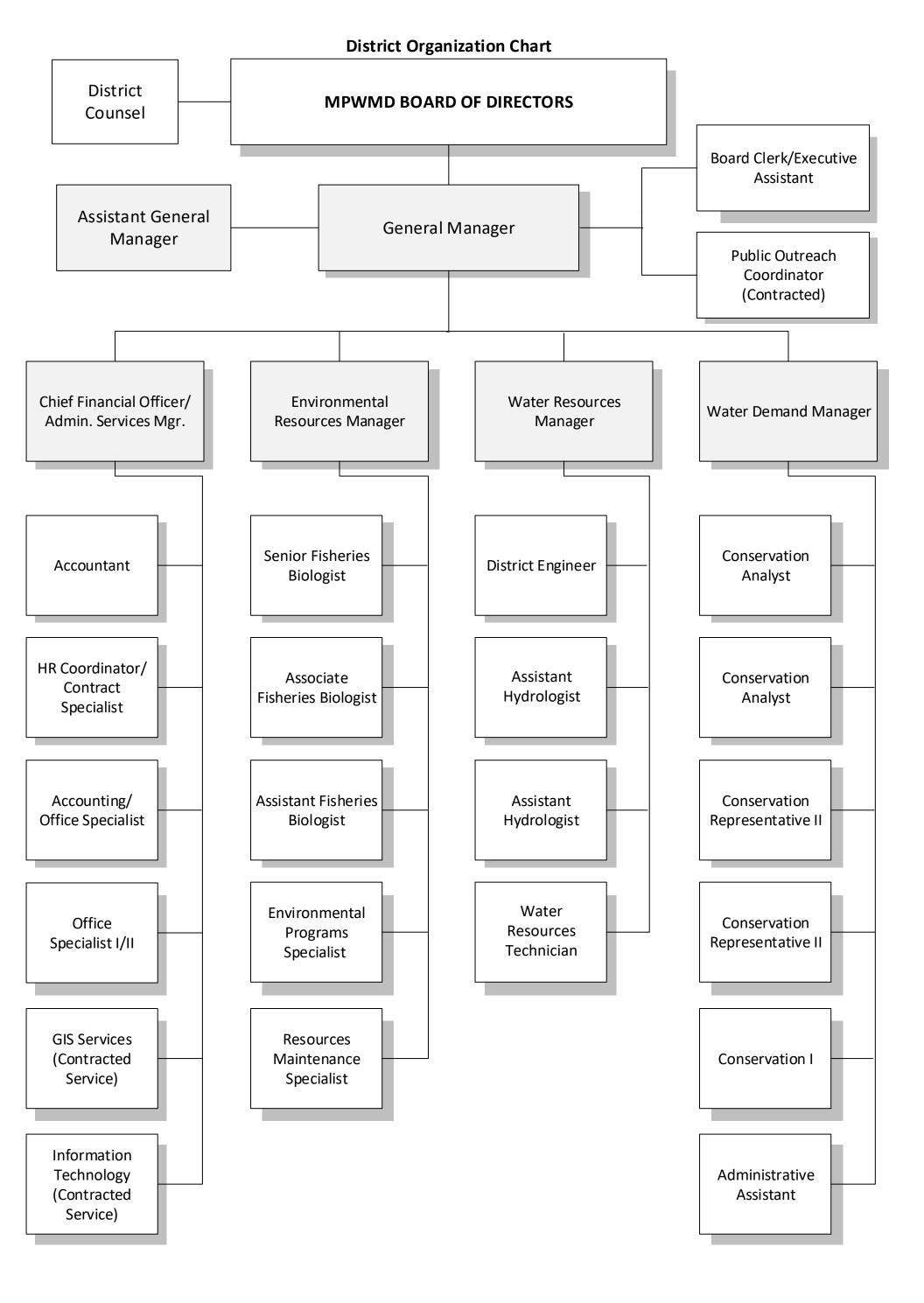
	Mitigation	Water Supply	Conservation	
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Totals</u>
Pension Reserve	264,000	240,000	196,000	700,000
OPEB Reserve	264,000	240,000	196,000	700,000
Litigation/Insurance Reserve	66,740	171,354	11,906	250,000
Capital Reserve	1,015,451	640,016	282,633	1,938,100
Flood/Drought Reserve	500,000	-	-	500,000
Debt Reserve	-	-	-	-
General Operating Reserve (estimated)	7,798,347	2,757,974	6,610,418	17,166,739
Estimated Reserve Balance as of 06/30/2025	9,908,538	4,049,344	7,296,957	21,254,839
Water Supply Charge Reserve	-	3,353,245	-	3,353,245
Pension Reserve Analysis (409000)				
06/30/2025 Balance (above)	264,000	240,000	196,000	700,000
Fiscal Year 2025-2026 Budgeted	34,000	36,000	30,000	100,000
06/30/2026 Budgeted Balance	298,000	276,000	226,000	800,000
OPEB Reserve Analysis (409500)				
06/30/2025 Balance (above)	264,000	240,000	196,000	700,000
Fiscal Year 2025-2026 Budgeted	34,000	36,000	30,000	100,000
06/30/2026 Budgeted Balance	298,000	276,000	226,000	800,000
Litigation/Insurance Reserve Analysis (405000)				
06/30/2025 Balance (above)	66,740	171,354	11,906	250,000
Fiscal Year 2025-2026 Budgeted	· -	-	=	=
06/30/2026 Budgeted Balance	66,740	171,354	11,906	250,000
Capital Reserve Analysis (406500)				
06/30/2025 Balance (above)	1,015,451	640,016	282,633	1,938,100
Fiscal Year 2025-2026 Budgeted	100,000	126,000	100,000	326,000
06/30/2026 Budgeted Balance	1,115,451	766,016	382,633	2,264,100
Flood/Drought Reserve Analysis (407000)				
06/30/2025 Balance (above)	500,000	_	-	500,000
Fiscal Year 2025-2026 Budgeted	-	_	_	-
06/30/2026 Budgeted Balance	500,000	-	-	500,000
Debt Reserve Analysis (102500)				
06/30/2025 Balance (above)	_	_	_	_
Fiscal Year 2025-2026 Budgeted	_	_	_	_
06/30/2026 Budgeted Balance	-	-	-	-
General Operating Reserve Analysis (410000)				
06/30/2025 Balance (above)	7,798,347	2,757,974	6,610,418	17,166,739
Fiscal Year 2025-2026 Budgeted Fiscal Year 2025-2026 Use (estimated)	(774,845)	398,953	(182,424)	(558,316)
06/30/2026 Budgeted Balance	7,023,502	3,156,927	6,427,994	16,608,423
00/30/2020 Duagetou Datatice	1,023,302	3,130,941	0,741,997	10,000,723



DIVISION BUDGET

- A. GENERAL MANAGER'S OFFICE
- B. ADMINISTRATIVE SERVICES
- C. WATER RESOURCES
- D. WATER DEMAND
- E. ENVIRONMENTAL RESOURCES





General Manager's Office

The General Manager's Office activities include strategic planning, oversight of divisional activities and execution, public outreach, coordination and oversight of budget and financial activities, management of the District's legal strategies, support for the Board of Directors and Committees. Priorities for next fiscal year include advancing the entry plan of the new Assistant General Manager, lifting the Cease and Desist Order, and advancing the acquisition of the Monterey Water System.

The services provided include general management of District activities on a day-to-day basis, strategic planning, program and activity evaluation, staff meetings and evaluations, meeting with jurisdictions and interest groups, regular interaction and direction with financial personnel, regular interaction and review of performance of District legal team, coordination of Board schedule and activities, preparation of Board packages and minutes.

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26
Classification	Adopted	Adopted	Adopted	Change
General Manager	1	1	1	0
Assistant General Manager	0	1	1	0
Executive Assistant	1	1	1	0
Financial Analyst	1	0	0	0
TOTAL POSITIONS	3	3	3	0
TOTAL DISTRICT-WIDE POSITIONS	27.5	27.5	27.5	0

General Manager's Office

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26
<u>Personnel</u>		Revised	Adopted	Change
Salaries	\$390,000	\$ 562,000	\$ 676,000	\$114,000
Retirement	130,200	289,916	323,826	33,910
Unemployment Compensation	0	0	0	-
Auto Allowance	6,000	11,000	11,000	-
Deferred Compensation	10,700	17,483	21,614	4,131
Temporary Personnel	0	0	0	-
Workers' Comp.	1,900	2,620	2,956	336
Employee Insurance	44,000	66,372	83,208	16,836
Employee Insurance - Retirees	5,900	0	0	-
Medicare & FICA Taxes	0	1,390	1,852	462
Personnel Recruitment	0	0	0	-
Other Benefits		300	300	-
Moving Expense Reimbursement	2,000	0	0	-
Staff Development		3,000	2,400	(600)
Sub-total Personnel Costs	590,700	954,081	1,123,156	169,075
Services & Supplies	338,200	349,689	\$348,100	(1,589)
Fixed Assets	-	-		-
Project Expenditures	17,550,000	12,082,330	9,889,206	(2,193,124)
Debt Service	-	-		<u>-</u>
Election Expense	-	-		_
Contingency	-	-		_
Sub-total -	17,888,200	12,432,019	10,237,306	(2,194,713)
TOTAL EXPENDITURES	18,478,900	13,386,100	11,360,462	(2,025,638)



Financial & Administrative Services

The Finance & Administrative Services Department activities include treasury, payables, revenue and debt management, procurement, payroll, safety, risk management, human resources, records management, building services and repairs, administrative support and work in support of District-wide program and activities, and information technology services.

The services provided include cash and investment management, day-to-day accounting and budget operations for the District and Pebble Beach Reclamation Project, internal and external financial reporting, grant administration, debt administration, overseeing District's financial obligations, management of assets, payroll administration, acquisition and payment of all goods and services, financial aspect of risk management, administering safety training programs, accident investigation, recruitment, selection, development and maintenance of personnel policies and procedures, employee development/training, employee recognition, legal issues and labor relations activities, and fulfilling public records requests. Additional services provided are the administration of benefit programs, overseeing workers compensation and ensuring compliance with DMV requirements. This department also maintains the District wide records management program, the repair & maintenance and improvements of the District's information and communication technology systems.

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26
Classification	Adopted	Adopted	Adopted	Change
CFO/Administrative Services Mgr.	1	1	1	0
Accountant	1	1	1	0
HR Coordinator/Contract Specialist	1	1	1	0
Accounting Office Specialist	1	1	1	0
Office Specialist	1	1	1	0
Information Technology Manager (Contracted)	0.5	0.5	0.5	0
GIS Specialist (Contracted)	0.5	0.5	0.5	0
HR Analyst (Contracted, as needed)	0.5	0.5	0.5	0
TOTAL POSITIONS	6.5	6.5	6.5	0
TOTAL DISTRICT-WIDE POSITIONS	27.5	27.5	27.5	0

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TOTAL EXPENDITURES	4,447,000	7,458,974	3,675,873	(3,783,101)
Sub-total	3,528,100	6,341,311	2,539,700	(3,801,611)
Reserves	1,370,900	3,866,245	\$526,000	(3,340,245)
Contingency	70,000	70,000	70,000	-
Election Expense	250,000	250,000	\$250,000	-
Debt Service	230,000	-		-
Project Expenditures	-	-	-	-
Fixed Assets	308,000	70,100	\$75,100	5,000
Services & Supplies	1,299,200	2,084,966	1,618,600	(466,366)
Sub-total Personnel Costs	918,900	1,117,663	1,136,173	18,510
Staff Development	8,000	7,600	6,000	(\$1,600)
Personnel Recruitment	8,000	51,000	\$10,000	(\$41,000)
Other Benefits	2,000	37,676	\$39,860	\$2,184
Medicare & FICA Taxes	10,100	190,387	\$190,387	\$0
Employee Insurance	236,900	72,891	\$77,836	\$4,945
Workers' Comp.	2,400	4,017	\$4,265	\$248
Temporary Personnel	10,000	10,000	\$10,000	\$0
Deferred Compensation	0	0	\$0	\$0
Auto Allowance	0	0	\$0	\$0
Unemployment Compensation	3,000	3,100	\$3,100	\$0
Retirement	138,500	133,692	\$151,926	\$18,234
Salaries	\$500,000	\$600,000	\$639,000	\$39,000
Personnel	F Y 2023-24	Revised	Adopted	Change
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26



Water Resources

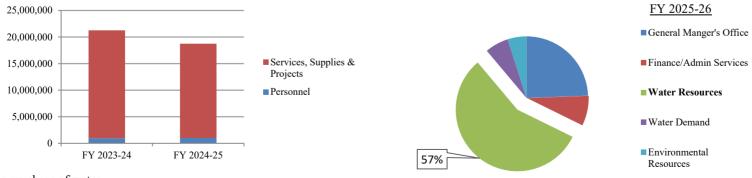
The Water Resources Division activities include review and investigation of proposed water supply projects, evaluation of proposed Carmel River water rights decisions, preservation of existing District water rights, coordination of Water Distribution System permits, and coordination of water resource management throughout the District. Program responsibilities and services provided include surface and groundwater data collection and reporting programs, quarterly water supply strategies and budgets for Cal-Am's main and satellite water distribution systems. WRD staff coordinates closely with the Environmental Resources Division and Water Demand Divisions on certain activities to more efficiently share internal staff resources and expertise.

- Water Supply Develop and implement plans for water supply augmentation projects; design, permit, construct, operate Seaside Basin ASR projects; analyze water supply project alternatives; operate water resources simulation models. Analysis of impacts and benefits of proposed water supply projects; review and completion of environmental compliance documents under the California Environmental Quality Act and National Environmental Policy Act).
- Water Rights Coordinate District review of proposed Carmel River water rights issued by the State Water Resources Control Board; track and preserve existing District water rights; prepare applications for changes to District water rights.
- Water Distribution System (WDS) permits Review and process applications for WDS permits; make determinations of level of review, make technical findings; coordinate staff, consultant, and District Counsel work on WDS permits; prepare findings; issue WDS permits.
- Water Resources Management Prepare quarterly water supply strategy budgets; participate in annual Carmel River Low Flow Memorandum of Agreement process; conduct monitoring and management functions as part of Seaside Basin Watermaster Monitoring & Management Plan; provide technical assistance and expert testimony on Cal-Am rate cases before the CPUC; prepare annual Mitigation Program reports; coordinate Monterey Peninsula Water Operations quarterly meetings.
- Hydrologic Monitoring Program Conduct: (a) precipitation monitoring, (b) streamflow monitoring, (c) reservoir and groundwater storage monitoring, (d) surface water and groundwater production monitoring, (e) surface water and groundwater quality monitoring, and (f) Carmel River lagoon water level, quality, bathymetric and habitat monitoring.
- Water Use and Permitting Collect, analyze and report data from approximately 1,000 wells and other sources for annual District-wide water production summary; coordinate with Water Demand Divisions on Water Distribution System permitting.
- Integrated Regional Water Management (IRWM) Facilitate the development and implementation of a comprehensive IRWM Plan for the Monterey Peninsula region, including projects involving Carmel River resources, groundwater, recycled water, desalination, stormwater, flood control, ecosystem restoration, water conservation, and public recreation; conduct stakeholder outreach; prepare grant applications for specific projects; administer grant funds on behalf of the District and local area project proponents.

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26
Classification	Adopted	Adopted	Adopted	Change
Water Resources Manager	1	1	1	0
District Engineer	1	1	1	0
Associate Hydrologist	1	0	0	0
Meter Program Coordinator	0	1	0	-1
Assistant Hydrologist	2	2	2	0
Water Resources Tech I/II	0	0	1	1
TOTAL POSITIONS	5	5	5	0
TOTAL DISTRICT-WIDE POSITIONS	27.5	27.5	27.5	0

Water Resources

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26
<u>Personnel</u>		Revised	Adopted	Change
Salaries	\$679,300	\$712,000	\$770,000	\$58,000
Retirement	152,800	139,348	154,580	\$15,232
Unemployment Compensation	3,000	3,000	3,000	-
Auto Allowance	-	-	-	-
Deferred Compensation	-	-	-	-
Temporary Personnel	-	-	-	-
Workers' Comp.	26,100	42,212	45,601	\$3,389
Employee Insurance	83,700	98,787	105,592	\$6,805
Employee Insurance - Retirees	15,000	0	0	\$0
Medicare & FICA Taxes	-	14,014	14,873	859
Personnel Recruitment	-	-	0	\$0
Moving Expense Reimbursement	8,000	0	0	-
Staff Development		6000	6000	
Sub-total Personnel Costs	967,900	1,015,661	1,099,946	84,284
Services & Supplies	32,600	50,377	44,600	(\$5,777)
Fixed Assets	-	-		-
Project Expenditures*	20,260,500	17,673,440	25,219,451	\$7,546,011
Debt Service				-
Election Expense				-
Contingency				-
Sub-total Sub-total	20,293,100	17,723,817	25,264,051	7,540,234
TOTAL EXPENDITURES	21,261,000	18,739,478	26,363,998	7,624,520



^{*}Includes purchase of water

Water Demand

The Water Demand Division provides information and programs to achieve efficient water use and maximize available supplies. This is achieved through community education and outreach, development of incentives and training programs, and by implementing and enforcing permitting and conservation regulations, thereby reducing the community's need for potable water. The Water Demand Division strives to provide responsive and accurate customer service that exceeds the expectations of the people we serve.

Services include permit review and processing, conservation program administration and reporting, site visits and inspections, water waste and rationing enforcement, rebate program administration, and data management and data systems design related to demand management. Other services include project and program coordination and training with eight local cities and county, local water purveyors, local and statewide agencies, builders, contractors, architects, realtors and others. The Water Demand Division also reviews projects for environmental compliance related to water supply, collaborates with jurisdictions to ensure efficiency standards for development projects, assists with ratemaking, and proposes policies and programs to encourage and promote indoor and outdoor water efficiency, conservation, reuse, alternative water sources, and non-residential best management practices.

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26
Classification	Adopted	Adopted	Adopted	Change
Water Demand Manager	1	1	1	0
Conservation Analyst	2	2	2	0
Conservation Technician	1	1	1	0
Conservation Representative II	2	2	2	0
Administrative Assistant	1	1	1	0
Enforcement (temporary)	0	0	0	0
TOTAL POSITIONS	7	7	7	0
TOTAL DISTRICT-WIDE POSITIONS	27.5	27.5	27.5	0

Water	De	ma	nd

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26
<u>Personnel</u>		Revised	Adopted	Change
Salaries	\$616,900	\$784,000	\$940,000	\$156,000
Retirement	179,900	201,031	\$298,755	\$97,724
Unemployment Compensation	3,000	3,000	\$1,000	(\$2,000)
Auto Allowance	-	-	-	\$0
Deferred Compensation	-	-	-	\$0
Temporary Personnel	-	-	-	\$0
Workers' Comp.	23,400	46,028	\$6,454	(\$39,574)
Employee Insurance	99,300	118,307	\$147,931	\$29,623
Employee Insurance - Retirees	9,000	0	\$0	\$0
Medicare & FICA Taxes	-	11,353	13,609	\$2,256
Personnel Recruitment	-	-	\$0	\$0
Moving Expense Reimbursement	4,400	0	\$0	\$0
Staff Development		4,500	\$7,500	\$3,000
Sub-total Personnel Costs	935,900	1,168,519	1,415,549	247,030
Services & Supplies	32,200	39,625	44,900	\$5,275
Fixed Assets	142,000	-		\$0
Project Expenditures	1,271,000	1,888,861	845,500	(\$1,043,361)
Debt Service	-	-		\$0
Election Expense	-	-	-	\$0
Contingency		<u>-</u>	<u>-</u>	\$0
Sub-total	1,445,200	1,928,486	890,400	(1,038,086)
TOTAL EXPENDITURES	2,381,100	3,097,005	2,305,949	(791,056)



Environmental Resources

Program responsibilities and services provided include the implementation of the District's Mitigation Program. These include fishery protection activities in the Carmel River basin, river restoration activities, vegetation management, and the annual Carmel River Memorandum of Agreement among Cal-Am, CDFG and the District that governs reservoir releases to the lower Carmel River during the low-flow season. ERD staff coordinate closely with the Water Resources Divisions on certain activities to more efficiently share internal staff resources and expertise.

- Fisheries Resource Program Rescue stranded steelhead from the Carmel River; rear rescued fish at the Sleepy Hollow Rearing Facility (SHSRF); rescue downstream migrant smolts in spring and transport them to a holding facility or the ocean; prevent stranding of early fall and winter migrant juvenile steelhead; rescue steelhead kelts and
- Carmel River Mitigation Program Conduct Carmel River restoration projects, including problem assessment, design, bid preparation, permit acquisition, construction management, and project monitoring; install, operate, and maintain high-volume irrigation systems along the lower Carmel River; monitor and assess streamside conditions; provide technical assistance to river front property owners; determine erosion potential; enforce District rules for the Carmel River; rescue steelhead and operate the Sleepy Hollow Steelhead Rearing Facility; provide technical analysis and advice to agencies responsible for Carmel River lagoon management.
- Vegetation Management The District inspects the Carmel River for downed trees and vegetation encroachment and makes selective cuts to help reduce the potential for bank erosion or impacts to public or private infrastructure. The goal of the program is to have a relatively open channel for flow and debris but preserve the habitat value of

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26
Classification	Adopted	Revised	Adopted	Change
Environmental Resources Manager	1	1	1	0
Senior Fisheries Biologist	0	1	1	0
Associate Fisheries Biologist	1	0	0	0
Associate Fisheries Biologist	1	1	1	0
Assistant Fisheries Biologist	1	1	1	0
Environmental Programs Specialist	1	1	1	0
Resources Maintenance Specialist	1	1	1	0
TOTAL POSITIONS	6	6	6	0
TOTAL DISTRICT-WIDE POSITIONS	27.5	27.5	27.5	0

Environmental Resources

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26
<u>Personnel</u>		Revised	Adopted	Change
Salaries	\$693,900	\$ 784,000	\$828,000	\$44,000
Retirement	191,600	201,031	\$223,628	\$22,598
Unemployment Compensation	1,000	3,000	\$3,000	\$0
Auto Allowance	-	0	-	\$0
Deferred Compensation	-	0	-	\$0
Temporary Personnel	-	0	-	\$0
Workers' Comp.	3,200	46,028	\$48,674	\$2,646
Employee Insurance	115,400	118,307	\$126,468	\$8,161
Employee Insurance - Retirees	10,100	0	\$0	\$0
Medicare & FICA Taxes	-	11,353	11,994	\$640
Personnel Recruitment	-	0	\$0	\$0
Moving Expense Reimbursement	10,000	0	\$0	\$0
Staff Development		4,500	\$4,500	\$0
Sub-total Personnel Costs	1,025,200	1,168,519	1,246,564	78,045
Services & Supplies	32,500	39,625	43,200	\$3,575
Fixed Assets	-		12,000	\$12,000
Project Expenditures	802,000	1,888,861	1,576,823	(\$312,038)
Debt Service	-	-		\$0
Election Expense	-	-	-	\$0
Contingency		-	-	\$0
Sub-total Sub-total	834,500	1,928,486	1,632,023	(296,463)
TOTAL EXPENDITURES	1,859,700	3,097,005	2,878,587	218,418





APPENDICES

- A. RESOLUTION ARTICLE XIII B
- B. POLICIES
 - i. PURCHASING POLICY
 - ii. INVESTMENT POLICY
- C. GLOSSARY





RESOLUTION NO. 2025-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT ESTABLISHING AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2025-2026

WHEREAS, Article XIII (B) of the California Constitution requires that each local government agency annually establish an appropriations limit; and

WHEREAS, the Monterey Peninsula Water Management District desires to establish its appropriations limit for the purpose of setting its budget.

THEREFORE, BE IT RESOLVED, that the Board of Directors of the Monterey Peninsula Water Management District hereby determines that the 2023-2024 appropriations limit for the District is \$2,379,866 based on a 2025-2026 multiplier of 1.064, as shown on **Attachment 1**.

PASSED AND ADOPTED on this 19th day of May, 2025 on a motion by Director Oglesby, seconded by Director Edwards, by the following vote:

AYES:

Anderson, Daniels, Edwards, Lindor, Paull, Oglesby and Riley

NAYES:

None

ABSENT:

None

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify that the foregoing is a resolution duly adopted on the 19th day of May 2025.

Dated: May 20, 2025

David J. Stoldt

Secretary to the Board

PURCHASING POLICY

Monterey Peninsula Water Management District

CHAPTER 1. GENERAL INFORMATION

1.1. INTRODUCTION

Controlling regulations for the Purchasing function are set forth in the District's enabling legislation, California Government Codes Sections 54202, the State of California Special District Uniform Accounting and Reporting Procedures, and the California Water Code. In the event of any conflict between the Purchasing Policies and any enabling legislation of the District, the enabling legislation shall take precedence.

- 1.1.1. Purpose: The purpose of this manual is to define the practices and policies governing the procurement of supplies, materials, equipment and services, including construction and capital improvements to carry out the mission of the District. The goal of this policy is to ensure that all equipment, supplies, and services required for the operation of the District are available in a timely manner, are procured at the lowest possible cost and/or best value, and that the purchasing system supports and compliments maintenance of accurate property records, internal control, and financial record keeping.
- 1.1.2. Scope: This policy and attendant procedures apply to locating a source, ordering, transportation, receipt, payment, and record keeping for all equipment, supplies, and services resulting in the expenditure of District funds.
- 1.1.3. Responsibilities: The General Manager has overall responsibility for ensuring that the provisions of this policy are followed. Authority for day-to-day operation of the purchasing system is delegated to the CFO/Administrative Services Manager who, in turn, may further delegate specific limited purchasing authority and other administrative activities. The CFO/Administrative Services Manager is responsible for proposing policy revisions and for staff training regarding purchasing procedures.
- 1.1.4. Construction Projects: The District has adopted the California Uniform Public Construction Cost Accounting Act (hereinafter "CUPCCAA") and its contracting policies for projects consisting of: 1) new construction, maintenance, alterations or repairs, and 2) the purchasing of materials, supplies and equipment related to new construction, alterations, maintenance or repairs.

1.2. ETHICS AND ACCOUNTABILITY

The General Manager (and his/her designee) serves as the Purchasing Agent and is charged with the responsibility and authority for coordinating and controlling the District's purchasing function in accordance with Purchasing Policies.

1.2.1. Each Division/Department is responsible for facilitating prudent, efficient, and cost-effective purchases. Division/Department Managers are responsible for ensuring that staff members in their

- divisions adhere to the policies and procedures herein established. They have a supervisory responsibility to ensure purchases are made within budget constraints. Managers are responsible for training members of their divisions on correct purchasing procedures. All employees requesting the purchase of supplies, equipment, or services are expected to be familiar with this policy and follow the procedures established.
- 1.2.2. All purchases shall be limited to the approved Division budget or as otherwise authorized by Board, General Manager or Division Managers. Purchasing dollar limits specified in the Purchasing Policies are "per order" unless otherwise indicated.
- 1.2.3. Applicable competitive bidding categories, authorization limits or contract award procedures will be based on unit cost, total purchase cost for consolidated bid items, or fiscal year aggregates in the case of standing purchase orders or similar ongoing purchasing arrangements. Departments/Divisions shall:
 - 1.2.3.1 Anticipate requirements sufficiently in advance to allow adequate time to obtain goods in accordance with best purchasing practices.
 - 1.2.3.2 Maximize coordination of purchases to take advantage of cost savings for bulk purchases of commonly used goods and services.
 - 1.2.3.3 Identify the account from which purchases will be made and provide evidence that the purchase is budgeted.
 - 1.2.3.4 Provide a business justification for each purchase.
 - 1.2.3.5 Provide appropriate documentation that goods or services have been received, including properly signed off packing/receiving slips and confirmation that items have been received in good condition.
 - 1.2.3.6 Minimize urgent and sole source purchases and provide written findings and/or documentation when such purchases may be necessary.
 - 1.2.3.7 Prohibit splitting orders or projects for the purpose of avoiding procurement requirements or authorization limits.
 - 1.2.3.8 Invoices related to contracts or purchases authorized by the Board, General Manager or Division Managers can be approved for payment by the Division Managers or their designee.
- 1.2.4. All personnel engaged in the purchasing function shall exercise good judgment in the use and stewardship of District resources, and all Purchasing functions shall be conducted with absolute integrity and objectivity. Purchases are subject to public scrutiny; employees shall follow a strict rule of personal conduct that will not compromise the District in the conduct of its business.

CHAPTER 2. PURCHASING METHODS

2.1 PETTY CASH

Departments may request petty cash for use in purchasing small or immediately needed items, for expenditures that would be impractical to process through the Purchase Order system. Petty cash "banks" may be established and maintained for this purpose as authorized by the General Manager or CFO/Administrative Services Manager.

- 2.1.1 Division Managers or designee shall be responsible for assuring compliance with the petty cash policy and procedures, and for the security of petty cash in their Division.
- 2.1.2 Division staff may make small or urgent purchases in amounts not to exceed \$150 per request. Multiple petty cash slips shall not be used to "split" orders to circumvent this limit.
- 2.1.3 Petty cash slips shall include account numbers and business justification for the purchase and be signed by appropriate supervisory staff.
- 2.1.4 Petty cash may not be "loaned" to any individual for any reason.

The petty cash "bank" will be replenished based on submittal of signed petty cash slips and receipts to the Office Specialist for expenditures made. The Administrative Services Department shall periodically audit Department's petty cash "bank".

2.2 CREDIT CARDS

Under certain circumstances, use of a District credit card may be the most appropriate method for purchases.

Designated employees shall receive a District-issued credit card with their name and Monterey Peninsula Water Management District embossed on the card. All cards will be kept in a safe place and released for use only under the authority of the designated employee. A designated employee may authorize use of the card by another staff member under certain limited circumstances.

- 2.2.1 District credit cards will be distributed on an as-needed basis to staff at the discretion of the General Manager. Delegated spending authority will be consistent with spending limits f as indicated in Chapter 2.4.
- 2.2.2 District credit cards shall be utilized for purchase of supplies and materials and shall not be used to contract for purchase of services, including professional services.
- 2.2.3 All purchases by credit card shall be shipped or delivered to a District address.

- 2.2.4 All credit card purchases must be documented in the same fashion as regular purchases including properly signed off packing/receiving slips, confirmation that goods have received in good condition and business justifications for the purchases.
- 2.2.5 If sales tax has not been paid at the time of purchase, this must be noted so that the Administrative Services Division can ensure that sales/use tax is paid to the State.
- 2.2.6 Restricted uses: District credit cards shall not be used for the following types of purchases:
 - 2.2.6.1 Cash advances
 - 2.2.6.2 Routine gasoline purchases for District vehicles
 - 2.2.6.3 Items available from routine purchase orders
 - 2.2.6.4 Machinery that requires a maintenance agreement
 - 2.2.6.5 Personal items or to purchase alcohol
 - 2.2.6.6 Prize money or payables that may require the issuance of a 1099

District credit cards may be used for the purchase of supplies and equipment, providing the purchases are not routine, and where use of the credit card is the most efficient method of payment. (e.g., ordering publications from a professional organization or paying for something that is needed immediately).

- 2.2.7 Telephone or Internet Order: If an employee opts to use the District credit card to place a telephone or internet order, the employee must obtain a detailed confirmation of the order from the vendor. Upon receipt of the order, the packing slip shall be attached to the back of the order confirmation and then forwarded to the accounts payable clerk for reconciliation with the monthly statement or invoice. When using the District credit card for airline travel over the internet, an official receipt or itinerary showing exact costs shall be obtained.
- 2.2.8 Travel: The District credit card may be used for seminar/training expenses such as registration fees, airline reservations, hotel, rental car, and meals. Original itemized receipts must be retained for following the statement procedures. If a District credit card is used, the receipt will be submitted along with any invoice in the District's Document Management System¹ with the Credit Card company² as the vendor. If an employee has used a personal credit card or cash for an approved purchase, copies of receipts shall be attached to an Expense Claim form and forwarded to the Accounting Specialist with appropriate account numbers.

¹ DocuWare as of 4/2024

² U.S. Bank as of 4/2024

- 2.2.9 Gasoline Cards: Gasoline credit cards are located in each vehicle. They are for use by staff to make routine purchases of gas, oil, lubricants, and other supplies and services for maintenance of District vehicles only when traveling for field work. They are not to be used for food or purchase of non-automotive products. Receipts should be turned into the Accounting Specialist.
- 2.2.10 District related entertainment: The District credit card may be used to pay for meals and/or other appropriate events when entertaining guests on behalf of the District, such as:
 - 2.2.9.1 Advisory board, commission members, or other District officials
 - 2.2.9.2 Oral interview board panelists
 - 2.2.9.3 Such expenses reasonably borne by the District for entertaining guests at meetings, conferences, or other related District business.

The cardholder copy of receipts shall be provided to the Accounting Specialist with the appropriate account numbers, including the affiliation of guest(s) entertained, the names of the individuals in attendance, as well as the specific nature of the District business.

Statement processing: Cardholding employees shall submit original receipts with appropriate account numbers attached to their statement copy and forward to the Accounting Specialist. Receipts provided for credit card purchases must include a detailed itemization of the items purchased, and amounts added for shipping, gratuities, etc. The Accounting Specialist shall be responsible for collecting receipts for credit card transactions from cardholders, verifying them against the statements, and processing payment as soon as possible to avoid finance charges.

Disputes: If items purchased with a District credit card are found defective, incorrect or no longer needed, the cardholder has the responsibility of returning the item(s) to the merchant. If the merchant refuses to replace or correct a defective item, exchange a wrong item, or give a refund for an unneeded item, then this purchase is considered to be in dispute and will not be paid until resolved.

2.3 PURCHASE REQUISITIONS

Departments shall submit requests for goods and equipment by standard Requisition through the financial system. Signature authority for Requisitions shall be the same as that for Purchase Orders. Departments shall submit completed Requisitions for purchases in excess of \$500, excluding purchases that do not require a Purchase Order as detailed in Chapter 5.

2.4 PURCHASING LIMITS

Authorized approvers of Requisitions and Contracts shall be generally limited as indicated in the table below:

\$1 to \$500 Staff as delegated by Division Manager \$1 to \$10,000 Managers/District Engineer or designees

\$1 to \$25,000 General Manager or Designee

Above \$25,000 Board Approval

Once a Purchase order or contract has been approved, Managers/District Engineer are authorized to sign on contracts as long as they meet District contract requirements including, but not limited to insurance, indemnification, licensing, and any requirements imposed by regulation or grants.

2.5 CONTRACTS FOR GOODS AND SERVICES

- 2.5.1 District contracts shall be consistent with State and Federal laws and shall be fully executed prior to the performance of any contract work. Each contract shall be approved as to form by the District Counsel unless such contract is developed consistent with a template pre-approved as to form by the District Counsel(in which case the individual contract need not receive separate attorney approval).
- 2.5.2 Multi-year agreements are encouraged for ongoing general services and consultant/professional services with a defined scope of work such as, but not limited to, janitorial and landscape maintenance, attorneys, consultants, and printer leases. The annual value of multi-year contracts and single year contracts with options to renew shall be considered in obtaining the appropriate signature authority. Any renewal periods for such contracts shall require a contract amendment, including proper signatures, executed prior to performance of the additional work or provision of the additional goods.
- 2.5.3 The General Manager or designee may approve alternative selection, evaluation, and award procedures for a specific contract or class of contracts (except as provided herein), if available information demonstrates that a substantial cost savings, enhancement in quality or performance, or other public benefit will result from use of the alternative contracting method. The alternative contracting method shall meet the purpose and goals of the Purchasing Policies and shall substantially promote the public interest in a manner that could not be achieved by complying with the competitive procurement methods otherwise available under the Purchasing Policies.
- 2.5.4 In the event of emergency or urgent circumstances, the General Manager or designee has the authority to authorize contracts and follow up with Board at the earliest opportunity. Except in an emergency or

urgent circumstance, as approved by the General Manager, no work shall commence, until all required contract documentation (e.g., insurance certificates and endorsements, licenses, permits) has been provided to the District.

2.6 TYPES OF CONTRACTS

2.6.1 Standing Supply Agreements:

Division Managers or designees may negotiate Standing Supply Agreements with vendors for purchase of repetitive-use, non-capital equipment.

2.6.2 Master Service Agreements:

Division Managers or designees may establish Master Service Agreements with specific vendors to provide services over time. A Contract/Task Order including a written outline of the scope of work and payment terms is required for services made through Master Service Agreements; a new contract for each purchase is unnecessary. Contract dollar limits and signature authority are applicable, and requirements such as insurance and indemnification may vary depending on the type of service required. Funds shall be encumbered in an adequate amount to complete the task or order; unused funds will be unencumbered following completion of the purchase.

2.6.3 Cooperative Purchase Agreements:

The District has the authority to: join with other public jurisdictions in Cooperative Purchasing Agreements; buy directly from a vendor at a price established by competitive bidding by another public jurisdiction in substantial compliance with this document, even if the District has not joined with that public agency in a formal agreement; and, purchase from the United States of America, any State, Municipality or other public corporation, or agency, without following formal purchasing procedures. A Purchase Order is required for purchases made through Cooperative Purchase Agreements, subject to approvals and dollar limitations accordingly.

2.6.4 Consultant and Professional Services Agreements:

Contracts may be awarded through a competitive or negotiated process based on solicitation of qualifications and proposals of at least three providers (which may be waived at the discretion of the

General Manager based on State law³, and for sole source, urgent and emergency purchases, or as otherwise provided in the Purchasing Policy). Such procedures shall have the express purpose of obtaining contractual services of the highest quality together with the most cost-effective pricing. Proposals and/or Qualifications solicited for Professional Services may be evaluated based on criteria other than pricing, as defined in the solicitations (such as demonstrated competence and professional qualifications), and the District may then negotiate with the most responsive and responsible vendor.

2.6.5 Grant Funded Projects:

For grant-funded projects, the District shall follow any procurement requirements imposed under the grant agreement or required for use of grant funding.

2.6.6 Contracts for Non-Public Works Projects, Goods, and General Services

Contracts may be established for non-public works projects and purchases of goods and general (i.e., non-consultant) services, utilizing informal or formal processes for submission of proposals or bids generally in accordance with the criteria below, unless a purchase is deemed as a sole source, single source or recurring software as a service that the District has been using.

\$1 to \$10,000 Informal solicitation recommended.

\$10,000 to \$25,000 Informal solicitation required; formal solicitation recommended.

\$25,000 & above Formal solicitation required.

The above thresholds will apply except for negotiated Professional Services Contracts, sole source, and urgent/emergency purchases as defined under Chapter 5 of this policy.

2.6.7 Contracts for Public Projects:

Accounting procedures were established by the California Uniform Public Construction Cost Accounting Commission and are detailed in the Commission's Accounting Policies and Procedures Manual (CUPCCAA). PCC §22000-22050 describe both the informal and formal bidding procedures, project dollar thresholds, bidding and noticing requirements, rejection of bids, the definition and procedure for emergency Public Projects, and other mandates related to CUPCCAA.

³ Exceptions to competitive solicitation may be allowed where the nature of the subject of the contract is such that competitive proposals would be unavailing or would not produce an advantage, and the advertisement for a competitive bid would thus be undesirable, impractical, or impossible (*Graydon v Pasadena Redev. Agency* (1980) 104 Cal.App.3d 631, 635).

Rather than the District's Purchasing Policy, Public Projects are subject to definitions, terms and conditions specified in the California Uniform Public Construction Cost Accounting Act (CUPCCAA), Public Contract Code Section 2200, et seq., as may be amended from time to time. PCC § 22002(c), as may be amended, defines a "Public Project" as:

- a) "Public project" means any of the following:
 - I. Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility.
- b) "Public project" does not include maintenance work. For purposes of this section, "maintenance work" includes all of the following:
 - Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.
 - II. Minor repainting or repair work.
 - III. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.

The General Manager or designee is authorized to award Public Project contracts solicited through CUPCCAA informal bidding processes. Contracts exceeding the informal bid limit set forth in Public Contract Code(as it may be revised from time to time), are let in accordance with CUPCCAA formal bidding procedures, and awarded by the Board.

In accordance with Government Code, the District Engineer shall have authority to review and approve the plan or design of any construction work or work of improvement to public property, for contracts for construction subject to approval by the General Manager. For contracts to be awarded by the Board, the District Engineer shall review such plans and designs and shall recommend the approval of such plan or design by the Board as part its of award of such contract.

2.7 CHANGE ORDERS, TASK ORDERS, AND CONTRACT AMENDMENTS

A substantial change to a Purchase Order or Contract (i.e., pricing, terms and conditions, specifications and/or scope of work) shall be documented as a Change Order, Task Order, or Contract Amendment.

2.7.1 General Manager and Division Managers/District Engineer may sign Change Orders, Task Orders,

and Contract Amendments for purchases and contracts up to the maximum of the limits set forth in section.

- 2.7.2 Change Orders, Task Orders, and Contract Amendments generally should not exceed 10% of the original contract amount, unless authorized by the applicable signing authority. A new scope of work and/or a new contract may be required when the change exceeds 10% of the original amount, unless a higher amount has been authorized by the applicable signing authority.
- 2.7.3 A Change Order, Task Order, or Contract Amendment is not required when taxes, shipping and/or handling cause a purchase to exceed the authorized amount; the signatory limit may also be exceeded in that circumstance.

2.8 URGENT AND EMERGENCY PURCHASES

Sound judgment shall be used in keeping urgent, disaster and emergency purchases to an absolute minimum. Specific procedures for managing these purchases shall apply, as determined by the General Manager.

2.8.1 Urgent Purchases:

Immediate purchases of material, supplies, equipment, and/or services may be made when an urgent circumstance exists, and procurement should not be delayed by use of normal competitive and financial procedures. Urgent purchases shall be authorized by the General Manager or designee. Urgent purchases shall be followed, as soon as practical, with submission of a confirming requisition that includes a written justification for the purchase having been made outside normal procedures, and the Board will be notified as soon as practicable for purchases exceeding \$25,000. Lack of planning does not constitute justification for an urgent purchase.

2.8.2 Disaster and Emergency Purchases:

In a disaster or a local designated emergency, the General Manager or designee may authorize deviation from the purchasing practices required by the Purchasing Policy, including, but not limited to, the immediate purchase of material, supplies, equipment, and professional services, including those in excess of his/her Board-approved signature thresholds with the understanding that Board approval be sought as soon as is practical and feasible.

CHAPTER 3. INFORMAL COMPETITIVE PRICING – GOODS AND GENERAL SERVICES, NON-PUBLIC WORKS PROJECTS

3.1 COMPETITIVE QUOTES

A minimum of three competitive quotes shall be solicited for purchases greater than \$10,000 that are not designated

as sole source, single source, professional service, Software-as-a Service (SaaS) or any purchase allowed as exempt under Chapter 5. Requests for quotations must be made or distributed, utilizing Request for Quotation forms or alternate forms as may be approved. Written documentation of quotes must be provided.

- 3.1.1 Competitive quotes are not required for purchases below \$10,000 but shall be solicited prior to completing Purchase Orders if reasonably possible.
- 3.1.2 The General Manager/Designee may award the purchase to the lowest responsive and responsible party whose quote fulfills the intended purpose, quality, and delivery needs of the solicitation. In lieu of awarding the purchase, the General Manager/Designee may reject the quotes, or may negotiate further to obtain terms more acceptable to the District.
- 3.1.3 The General Manager/Designee may dispense with quotes in emergency and urgent circumstances, as outlined under Section 2.8 "Urgent and Emergency Purchases" of the Purchasing Policy.

CHAPTER 4. FORMAL COMPETITIVE PRICING – GOODS AND GENERAL SERVICES, NON-PUBLIC WORKS PROJECTS

When non-construction purchases are anticipated to exceed \$25,000, and/or require Board approval, formal competitive procedures must be completed, except for any purchase allowed as exempt under Chapter 5. These procedures include sealed proposals solicited through a Request for Proposal (RFP) and sealed bidding solicited through an Invitation for Bid (IFB).

4.1 REQUESTS FOR PROPOSALS (RFP) AND QUALIFICATIONS (RFQ)

- 4.1.1 A contract or purchase agreement may be entered into by means of sealed proposals solicited through a Request for Proposal (RFP) or a Request for Qualifications (RFQ). The RFP or RFQ shall state the criteria for evaluation and the relative importance of price and other factors. An RFP typically selects consultant(s) to enter into a contract, while an RFQ typically shortlists a pool of consultants to choose from to enter contracts and shall establish criteria to select consultants from the pool.
- 4.1.2 The Division shall determine the RFP/RFQ procedures, including whether and where public notice of formal proposals shall be made. Sealed proposals shall be submitted to the Contract Specialist by the date and time specified on the prescribed forms.
- 4.1.3 No work shall be performed unless and until a contract has been executed, except under urgent and emergency circumstances as defined in this policy.

4.2 INVITATION FOR BID (IFB)

A contract or purchase may be entered into by means of sealed proposals solicited through an Invitation for Bid (IFB) where price is the determining factor in selecting of a good or general service and the scope of work is well-defined.

CHAPTER 5. EXEMPTIONS FROM COMPETITIVE PRICING - GOODS AND GENERAL SERVICES, NON-PUBLIC PROJECTS

5.1 Exempt Purchases:

Purchases not readily adaptable to the open market and bidding processes may be eligible for exemption from competitive pricing. These purchases include, but are not limited to purchase of water, utilities, fuel, insurance, rent, utilities, subscriptions, memberships, software licenses and SaaS, advertisements, insurance, bond premiums, travel expenses, tax payments, payments to other government agencies including pension or other post-employment benefit payments, and any goods/services allowable for direct non-competitive purchase under the District legislation. Divisions/Departments may submit written requests to the General Manager or CFO for additional exemptions, which will be approved if appropriate and added to the exemption list.

As an exception to the general bidding rule, the Board can approve contracts with and employ a person to furnish the District with professional or special services or for advice in the following fields: financial, economic, accounting, engineering, legal, or administrative matters if such persons are specially trained and experienced and competent to perform the special services required as per Government Code (Gov. Code § 53060).

5.2 Sole Source Purchases:

Upon recommendation of the Division Manager, the General Manager/Designee may waive bidding requirements for sole source purchases if he/she determines sufficient justification exists. Sole source purchases may include proprietary items sold directly from the manufacturer, items that have only one distributor authorized to sell in the region/county, items that perform a complex or unique function, or purchases when a certain product is the only one proven to be acceptable or compatible with existing equipment. Sole source purchases should be kept at a minimum, to encourage competition and more favorable prices. Sole source purchases below \$25,000 shall be approved by the General Manager or designee. Sole Source contracts above \$25,000 shall be approved by the Board with the related staff

report justifying the sole source purchase.

5.3 Cooperative Purchases

Cooperative Purchases as defined in the Purchasing Policies are exempt from competitive pricing conducted by other Public agency.

CHAPTER 6. PURCHASE SPECIFICATIONS

- 6.1 Use of brand names in specifications shall be for the purpose of describing the standard of quality, performance, and characteristics the District desires, and not be intended to limit or restrict competition. If a brand name is incorporated into a specification, a minimum of two acceptable brands shall be listed whenever possible and shall be followed by the statement "or approved equal" unless the sole source policy applies.
- 6.2 Use of specifications provided by a specific manufacturer should be avoided, however, if used, the name of the manufacturer, model number, etc., should be indicated. The bid document shall clearly state that the use of the manufacturer's specifications is for the sole purpose of establishing the level of quality desired. The Division Manager/District Engineer will determine and approve any product submitted as an "or equal."
- 6.3 The Division Manager or designee may limit bidding to a specific product type or a brand name product when purchasing equipment or supplies required to be compatible with existing equipment or to perform complex or unique functions.
- 6.4 Public Contract Code requirements should be reviewed when brand names and/or manufacturer specifications are being considered for inclusion in a bid solicitation.

CHAPTER 7. DISPOSAL OF SURPLUS PROPERTY

The General Manager or designee is authorized to exchange, trade-in, sell and dispose of surplus District property (generally above \$5,000 in original or market value) having salvage value in the open market, by public auction, by competitive sealed bids or by exchange or trade in for new goods. The sale or lease of surplus personal property to a governmental, public or quasi-public agency may be without advertisement for or receipt of bids. Employees are not eligible to receive or purchase surplus property, however, employees may receive personalized items, and

receive or purchase at market value items considered to be memorial or commemorative in nature, subject to General Manager approval. Surplus property with no salvage value, as determined by the Division, shall be disposed of in a manner that salvages recyclable components, if practical. Upon approval, surplus property may be donated to governmental, public or quasi-public agencies, charitable or non-profit organizations on a first-come first-served basis to be utilized for non-profit purposes.

CHAPTER 8. RISK MANAGEMENT

- 9.1 Divisions shall adhere to and follow the insurance requirements and monitor compliance as established by the District's Risk Management Agency in accordance with the type of services to be provided. The Contracts Specialist shall ensure the proper insurance requirements are included in any standard contract for services. Contracts will not be fully executed until all required insurance certificates and endorsements have been received, reviewed, and approved; additional requirements may apply to Public Projects.
- 9.2 Requirements for contract bonds, such as Performance Bonds, Labor, Warranty, Material Bonds, and/or Fidelity Bond shall be determined by the Division/Project Manager or District Engineer. Bonds are maintained by the project manager and forwarded to the Contract Specialist upon contract completion. Requirements related to Public Projects may vary from those for non-public projects.

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT INVESTMENT POLICY



MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

INVESTMENT POLICY

1 Introduction

This policy governs the investment of District funds. The purpose of the policy is to provide guidance to the District Treasurer to invest funds in a manner that provides for the protection of principal (safety), meets the cash flow (liquidity) demands of the District, and earns a reasonable yield. It shall be the policy of the District to invest all funds in strict conformance with all state statutes governing the investment of public monies. Moreover, it shall be the policy to manage investments under the prudent investor rule. This rule affords the District a broad spectrum of investment opportunities so long as the investment is deemed prudent and is allowable under State of California Government Code section 53600 et. seq., the investment policy of Monterey County, and Section 118-507 (West's Annotated Water Code) of the District's enabling legislation.

2 Prudence

The District Treasurer is a trustee and therefore a fiduciary subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, the treasurer shall act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of investments of a like character and with like aims to safeguard the principal and maintain the liquidity needs of the District. Within the limitation of this policy and considering individual investments as part of an overall investment strategy, a trustee is authorized to acquire investments as authorized by law.

3 Investment and Risk

The objectives of the District's investment program in order of priority are:

- 1) Safety of invested funds The Treasurer shall ensure the safety of the District's invested funds by limiting, as much as possible, credit and interest rate risk. Credit risk is the risk of loss due to failure of the security issuer or backer. Interest rate risk is the risk that the market value of investments will fall due to an increase in the general level of interest rates.
- 2) Maintenance of sufficient liquidity to meet cash flow requirements Attainment of a market average rate of return during budgetary and economic cycles, taking into account the District's investment risk constraints and cash requirements. The Treasurer, acting in accordance with District procedures and this policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price change, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4 Types of Investments

District funds may be placed in any instrument or medium approved by the State of California as enumerated in Government Code Section 53651, and not otherwise limited by the Monterey County Investment Policy. A listing of currently eligible securities shall be maintained. The Treasurer shall submit any proposed changes to the list of eligible investments to the Finance and Administrative Committee and Board of Directors. The Finance and Administrative Committee shall approve investment in a class of securities included on the list, but in which the District has not previously invested. The Board of Directors shall approve changes to the list of eligible securities. The currently approved list of securities is incorporated as Attachment I.

5 Prohibited Investments

The District shall not be authorized to invest in any security that has the possibility of returning a zero or negative yield if held to maturity except that investment in U. S. Treasury Certificates of indebtedness ("SLUGS") issued by the U. S. Bureau of Public debt is authorized. Prohibited investments shall include inverse floaters, range notes, and interest-only strips derived from a pool of mortgages.

6 Access to Funds

The premise underlying the District's investment policy is to ensure that money is available when needed. To this end, the District will maintain funds on deposit in a local bank or other federal or state-regulated depository sufficient to meet expenditure requirements for the following six months as represented in the most recent budget adopted by the Board of Directors.

7 Authority

The Treasurer of the Board of Directors of the Monterey Peninsula Water Management District is responsible for the custody and management of District investments. Management activity will adhere to applicable state law, provisions of the District's enabling legislation, and this policy. The Treasurer may delegate ministerial duties related to the investment program to other District staff, but shall retain responsibility for all transactions undertaken and shall establish a system of internal control to regulate activity of subordinate personnel.

8 Reports

Pursuant to Government Code Section 53646 the Treasurer shall provide quarterly investment reports to the Board of Directors. Each report shall include a listing of all securities held in the portfolio. It shall list investments by type, issuer, maturity, par value, market value, and dollar amount invested. The report shall contain a citation of compliance with this policy, an explanation for any non-compliance, and a statement as to the ability or inability to meet expenditure requirements for the following six months. District monies over which the Treasurer does not exercise control or safekeeping e.g., does not determine how the funds are to be invested or banked, need not be included in the report. Agency contributions to the Public Employees Retirement

System need not be included. Deferred compensation funds (Section 457) held by third-party administrators and invested at the direction of program participants need not be included pursuant to PL 104-188.

9 Audits

The District's portfolio, quarterly reports, policy, internal control procedures, and investment practices shall be the subject of scrutiny in the course of annual audits performed by external independent auditors selected by the Board of Directors.

10 Policy Review

The Board of Directors shall review this policy annually or when a change is necessary due to regulatory or policy mandates.

11 Attachment I

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE AS OF JANUARY 1, 2025

INVESTMENT TYPE	MAXIMUM SECURITY	MAXIMUM SPECIFIED % OF PORTFOLIO	MINIMUM QUALITY REQUIREMENTS	GOVERNMENT CODE SECTION	MPWMD ALLOWED
Local Agency Bonds	5 years	None	None	53601(a)	Yes
U.S. Treasury Obligations	5 years	None	None	53601(b)	Yes
State Obligations – CA and Others	5 years	None	None	53601(c&d)	Yes
CA Local Agency Obligations	5 years	None	None	53601(e)	Yes
U.S. Agency Obligations	5 years	None	None	53601(f)	Yes
Bankers' Acceptances	180 days	40%	None	53601(g)	Yes
Commercial Paper - Pooled Funds	270 days	40% of the agency's money	Highest letter and number rating by an NRSRO	53635(a)(1)	Yes
Commercial Paper – Non-Pooled Funds	270 days	25% of the agency's money	Highest letter and number rating by an NRSRO	53601(h)(2)(C)	Yes
Negotiable Certificates of Deposits	5 years	30%	None	53601(i)	Yes
Non-negotiable Certificates of Deposits	5 years	None	None	53630 et seq.	Yes
Placement Service Deposits	5 years	30%	None	53601.8 and 53635.8	Yes
Placement Service Certificates of Deposits	5 years	30%	None	53601.8 and 53635.8	Yes
Repurchase Agreements	1 year	None	None	53601(j)(2)	No
Reverse Repurchase Agreements and Securities Lending Agreements	92 days	20% of the base value of the portfolio	None	53601(j)(3)	No
Medium-Term Notes	5 years	30%	"A" rating category or its equivalent or better by an NRSRO	53601(k)	Yes
Mutual Funds and Money Market Mutual Funds	N/A	20%	Multiple	53601(l) and 53601.6(b)	Yes

INVESTMENT TYPE	MAXIMUM SECURITY	MAXIMUM SPECIFIED % OF PORTFOLIO	MINIMUM QUALITY REQUIREMENTS	GOVERNMENT CODE SECTION	MPWMD ALLOWED
Collateralized Bank Deposits	5 years	None	None	53630 et seq. and 53601(n)	No
Mortgage Pass– Through Securities	5 years	20%	"AA" rating category or its equivalent or better	53601(o)	No
County Pooled Investment Funds	N/A	None	None	27133	Yes
Joint Powers Authority Pool	N/A	None	Multiple	53601(p)	Yes
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1	Yes
Voluntary Investment Program Fund	N/A	None	None	16340	Yes
California Cooperative Liquid Assets Securities System (CLASS)	N/A	30%	AAA or equal	6509.7 & 53601 (p)	Yes
California Asset Management (CAMP)	N/A	30%	AAA or equal	53601 (p)	Yes
Supranational Obligations	5 years	30%	"AA" rating category or its equivalent or better	53601(q)	Yes

Glossary

Article XIII (B):

Article XIII (B) is a section of the California State Constitution relating to the amount of a public entities tax revenues that may be expended in a given fiscal year. In the instance of the MPWMD, the article limits the amount of property tax revenue that may be spent in a fiscal year. It is calculated based upon the prior year's limit multiplied by a factor representing annual growth in population and consumer prices. The latter is furnished by the State Treasurer's Office. The calculation, required since the passage of Proposition 13 in 1978, is contained in each District budget and is identified as "Property Tax Appropriation."

Budget Assumptions:

The budget assumptions are generally accepted statements, which if untrue, would materially alter the financial planning and budget of the agency.

Capital Assets:

Capital assets are equipment, components, and facilities that have a useful life greater than five year and with an initial, individual cost of more than \$5,000.

Contingency:

The contingency is a nominal amount budgeted for expenditure for unforeseen emergencies or special purposes requiring Board approval.

Designated Reserves:

Designated reserves are funds set aside by the Board for specific, restricted uses. Examples include capital equipment, litigation, flood/drought, and pre-paid expenses.

Expenditures:

Expenditures are associated with each operating fund, as well with each program category. Personnel costs, services and supplies, capital assets and project expenditures are the principal categories. A pie chart graphically shows percentages of expenditures by line item.

Fiscal Year:

The fiscal year is the twelve-month period beginning July 1 and ending June 30 of the following year. The District uses the fiscal year as the basis for reporting financial information a twelve-month accounting period.

General Operating Reserves:

General operating reserves are the balances in each operating fund of the District that remain after all budgeted expenses are paid. Normally, the general operating reserve balance is carried forward from one fiscal year to the next. The value is verified annually by the independent auditor and reported in the annual audit report.

Labor Allocation by Operating Funds:

The Labor Allocation by Operating Funds is a budget schedule that relates employee output to the three operating funds. It shows the output of each employee as a percentage of total time by operating fund. This percentage is used throughout the budget as the basis of allocating general and administrative (overhead) costs to the operating funds.

Labor Allocation by Program Category:

The Labor Allocation by Program Category is a budget schedule that relates employee output to the budgeted program categories. It shows the output of each employee as a percentage of total time by program category. This percentage is used throughout the budget as the basis of allocating general and administrative (overhead) costs to the program categories.

Mitigation Revenue:

This is the revenue derived from the Agreement for Carmel River Mitigation Program between California American Water and Monterey Peninsula Water Management District. This revenue is not been collected in the current fiscal year.

Program Categories:

Program Categories are major service programs that have been identified. All expenditures, including labor costs, are allocated to each program category in order to identify what each program actually costs.

Project Expenditures:

The Summary of Project Expenditures is a listing of costs for the coming year that are projected as a result of specific projects and programs carried-out by the staff, consultants and contractors. Project expenditures do not include staff compensation for regular employees. It does include Pure Water Monterey water purchase costs.

Reimbursement Revenues:

Reimbursement revenues are received from various sources and allocated to offset expenditures related to the revenue source. These reimbursements received by the District are for projects carried-out by the District. Some of these reimbursements include grants, Cal-Am Water Conservation & Rebate Program funds, ASR operations reimbursement, direct-billed reimbursements, etc. All of the reimbursement revenues collected within the fiscal year are related to the expenses in the same fiscal year.

Revenues:

Revenues are derived from various sources and allocated to each operating fund. Property taxes, permits fees, water connection charges, water supply charge, Pure Water Monterey water sales revenue, user fees, interest on investments, reimbursements to the District for projects carried-out by the District and grants are the principal revenue sources. Revenues may include a portion of the prior-year fund balance used to offset expenditures. A pie chart graphically shows percentages of revenues according to source.

User Fees:

The User Fee is a percentage of Cal-Am ratepayers water bill that is collected and remitted by Cal-Am monthly. The proceeds of the User Fee have been used to support the District's environmental mitigation, conservation and rationing, water supply, and any other purposes.

Water Supply Charge:

The Water Supply Charge was a rate or charge that funded costs related to the provision of water. This annual charge was raised by the District, 100% of which supported District water supply activities, including capital acquisition and operational costs for Aquifer Storage and Recovery, Groundwater Replenishment, and related water supply purposes for the general benefit of the District as a whole.

Abbreviations:

ASR – Aquifer Storage Recovery

IRWM – Integrated Regional Water Management

OPEB – Other Post-Employment Benefits

PWM – Pure Water Monterey

SHRF – Sleepy Hollow Rearing Facility