Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

AGENDA

SOUTHEAST WATER COALITION
REGULAR MEETING OF THE ADMINISTRATIVE ENTITY
WEDNESDAY, SEPTEMBER 16, 2026 12:30 p.m.

Cerritos Sheriff Station
EOC Conference Room
18135 Bloomfield Avenue
Cerritos, California 90703

1. **ROLL CALL**

2. **PUBLIC COMMENTS**

3. **CONSENT CALENDAR**
   a. **SOUTHEAST WATER COALITION ADMINISTRATIVE ENTITY MINUTES OF JULY 15, 2026 REGULAR MEETING**
   Recommendation: Approve minutes as submitted.

4. **DISCUSSION/ACTION REGARDING THE CITY OF LYNWOOD'S REQUEST FOR MEMBERSHIP OF THE SOUTHEAST WATER COALITION**
   Chris Kuebert, AE Chair, City of Cerritos
   Recommendation: Review the City of Lynwood's request for membership of the Southeast Water Coalition and take it to the Board of Directors for formal approval.

5. **DISCUSSION/ACTION REGARDING SEWC FY 2025-26 AUDIT PROPOSAL**
   Chris Kuebert, AE Chair, City of Cerritos
   Recommendation: Review the audit services proposal from Price Paige & Company for Fiscal Year 2025-26 and take it to the Board of Directors for approval.

6. **DISCUSSION/ACTION REGARDING PROGRAM MANAGEMENT SUPPORT**
   Chris Kuebert, AE Chair, City of Cerritos
   Recommendation: Review Staff's request regarding program management support for the Southeast Water Coalition and take an amendment to the Board of Directors for approval.

7. **DISCUSSION/ACTION REGARDING SEWC WEBSITE UPDATE**
   Chris Kuebert, AE Chair, City of Cerritos
   Recommendation: Review the updated SEWC website and provide comments.

8. **GENERAL LEGISLATIVE UPDATE**
   Chris Kuebert, AE Chair, City of Cerritos
   Recommendation: Receive a general legislative update for relevant bills.

9. **DISCUSSION REGARDING ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) UPDATES**
   Chris Kuebert, AE Chair, City of Cerritos
   Recommendation: Receive a general update regarding ACWA related items and upcoming events.

10. **OCTOBER 1, 2026 BOARD OF DIRECTORS AGENDA**
    Chris Kuebert, AE Chair, City of Cerritos
    Recommendation: Discuss the Southeast Water Coalition Board of Directors Agenda for October 1, 2026.

11. **WRITTEN COMMUNICATIONS**

12. **ADMINISTRATIVE ENTITY MEMBER COMMENTS**

On September 10, 2026, the foregoing agenda was posted in accordance with the applicable legal requirements. Regular and Adjourned Regular meeting agendas may be amended up to 72 hours and Special meeting agendas may be amended up to 24 hours in advance of the meeting.

Disability-related services are available to enable persons with a disability to participate in this meeting, consistent with the Federal Americans with Disabilities Act of 1990. Please contact the City of Cerritos Administrative Services Department at least 72 hours in advance of the meeting at (562) 916-1314 or at dschneider@cerritos.gov.

The next meeting of the Southeast Water Coalition Administrative Entity will be on Wednesday, November 18, 2026, 12:30 p.m., at Cerritos Sheriff Station, EOC Conference Room, 18135 Bloomfield Avenue, Cerritos, California 90703.

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

MINUTES OF THE SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
REGULAR MEETING OF THE ADMINISTRATIVE ENTITY

WEDNESDAY, JULY 15, 2026
12:30 P.M.

The Regular Meeting of the Southeast Water Coalition (SEWC) Joint Powers Authority Administrative Entity (AE) was held on Wednesday, July 15, 2026, at the City of Cerritos - Cerritos Sheriff Station, EOC Conference Room, 18135 Bloomfield Avenue, Cerritos, CA, 90703. The meeting was called to order at 12:31 p.m. by Jose Arroyo of the City of Cerritos, sitting in for AE Chair Chris Kuebert. At the time the meeting was called to order, a quorum of members was present.

Ms. Olivia Turner took attendance, and the following AE members were present:

ITEM 1 - ROLL CALL

Jose Arroyo	City of Cerritos
Andrew Caraveo	City of Commerce
Dan Mueller	City of Downey
Derek Nguyen	City of Lakewood
Jacque Koontz	City of Norwalk
Michelle Tse	City of Paramount
Sarina Morales-Choate	City of Santa Fe Springs
Chris Castillo	City of South Gate
Joanna Moreno	City of Vernon
Jim Homet	City of Whittier

STAFF AND GUESTS ON SIGN-IN SHEET:

Natalie Kalbakian	Richards Watson & Gershon
Kristin Aguila	City of Cerritos (Staff)
Amandeep Mann	City of Cerritos (Staff)
Jared Lee	City of Cerritos (Staff)
Madeline Gallagher	SEWC Staff
Olivia Turner	SEWC Staff

ITEM 2 – PUBLIC COMMENT

None.

ITEM 3 - CONSENT CALENDAR

A motion to approve the Consent Calendar was made by Mr. Nguyen and seconded by Ms. Koontz. The motion passed by the following voice vote:

AYES: **Arroyo, Mueller, Nguyen, Koontz, Tse, Castillo, Moreno, Homet.**

NOES: **None.**

ABSTAIN: **Caraveo, Morales-Choate.**

ITEM 4 – DISCUSSION/ACTION REGARDING SEWC FY 2024-25 AUDIT UPDATE

Mr. Arroyo introduced the item and turned the presentation over to Ms. Jacque Koontz, who provided a recap of the procurement of professional audit services. In October 2024, the City of Norwalk publicly advertised a Request for Qualifications (RFQ) for professional audit services and distributed it to six audit firms recommended by SEWC AE members. SEWC received one proposal, from Price Paige & Company, which was approved by the SEWC Board in December 2024. The cost to complete the FY 2023-24 financial audit was $8,280. Because that agreement covered only a single fiscal year, the City of Norwalk requested a proposal from Price Paige & Company to perform the following year's audit at the same cost, which the Board approved. At that time, Price Paige & Company was asked to include an optional additional year of services to ease the transition to the incoming Lead Agency.

Ms. Koontz reviewed the draft FY 2024-25 audit report, which was performed in accordance with the auditing standards accepted in the United States and covers cash flows from Fiscal Year 2024 through June 30, 2025. She noted that the audit evaluated accounting estimates and internal measures to identify any cash-flow issues, and that SEWC's cash is maintained in an investment pool managed by the City of Norwalk. She reviewed balances and confirmed that the draft audit concluded that there were (1) no deficiencies identified with internal financial control measures, and (2) no instances of noncompliance or other matters required to be reported.

Mr. Nguyen asked about the accounts payable and liabilities reflected in the report and how the results compared to the prior year. Ms. Koontz noted that she would follow up with the auditors regarding the specific liabilities, and that there was not a significant difference from the prior fiscal year. It was also noted that

the effect of the lead agency no longer paying membership dues would be reflected in the next fiscal year's audit. Following discussion, there was consensus to forward the audit to the Board of Directors to receive and file at the August 6, 2026 Board Meeting.

ITEM 5 – DISCUSSION/ACTION REGARDING SUPPORT LETTERS FOR GRANT FUNDING

Mr. Arroyo turned the item over to Ms. Jacque Koontz, who provided context regarding a request from the City of Norwalk for SEWC support of grant funding applications. She explained that Norwalk is one of the pumpers in the Central Basin experiencing groundwater contamination affecting its wells, most notably Well No. 10, which has experienced benzene concentrations exceeding California safe drinking water standards and was taken out of service. The City has been providing imported water at significant cost to its enterprise fund until treatment facilities can be constructed, and has already covered planning, CEQA, and design costs. The remaining construction cost is approximately $9 million. Norwalk has secured $2 million from the Water Replenishment District's State Water Program and is seeking grant funding for the remaining amount, including applications to the U.S. Bureau of Reclamation's WaterSMART Drought Response Program and state revolving funds.

Ms. Koontz noted that the City of Norwalk wished to utilize the newly adopted board letter policy for grant support letters, and that the policy and draft letters were attached for review. She added that Norwalk is also pursuing grant funding for its other two wells (Well Nos. 4 and 5) and requested that the letters be duplicated to support those applications.

Following general discussion, Ms. Moreno moved to approve the following recommendation:

a. Review the draft funding application support letters and consider Administrative Entity approval to submit the letters on behalf of the Southeast Water Coalition.

The motion was seconded by Mr. Mueller and was approved by the following voice vote:

AYES: **Arroyo, Caraveo, Mueller, Nguyen, Koontz, Tse, Morales-Choate, Castillo, Moreno, Homet.**

NOES: **None.**

ABSTAIN: **None.**

ITEM 6 – DISCUSSION/ACTION REGARDING SEWC WEBSITE UPDATE

Ms. Gallagher provided an update on the SEWC website, reviewing the current draft and the planned content. Staff will use the website to host meeting agendas, agenda packets, and minutes, including materials from at least the past two years, and the developers performed the initial editing so that the AE meeting agenda could be posted on time.

During discussion, members suggested several additions, including a calendar of upcoming and past meetings; an additional documents tab for items such as the JPA agreement, the Strategic Plan, and a member-benefits one-pager for interested cities, a tab listing member and AE representatives, updated photographs, refreshed and cohesive text, and the addition of city logos next to the city names. Members agreed that the website was a good start.

ITEM 7 – GENERAL LEGISLATIVE UPDATE

Mr. Arroyo turned the discussion over to Ms. Natalie Kalbakian of Richards Watson & Gershon, who provided a brief overview of pending state bills and federal regulations relevant to the coalition. She reported that AB 35, the Proposition 4 Implementation Acceleration Act, which would exempt bonded programs from certain requirements under specified conditions, had been amended and approved, and would take effect immediately upon being signed by the Governor. She noted that there was no progress on SB 1313, which remains stalled. She also recapped that SB 454, which would have created a PFAS mitigation fund, was vetoed by the Governor and the veto was sustained, and the measure was subsequently reintroduced as SB 1313.

Ms. Kalbakian also reviewed AB 1603, which addresses PFAS-based pesticides and their application to groundwater, drinking water, and soil. The bill would classify pesticides registered for agricultural use with PFAS ingredients as PFAS restricted materials and would prohibit the Department of Pesticide Regulation from registering such pesticides unless an application was submitted before January 1, 2027. The bill was amended and recommended for approval by committee in June 2026.

She also noted that with respect to the EPA's proposed PFAS rule announced May 18, 2026, eligible water systems seeking a compliance extension to 2031 under the National Primary Drinking Water Regulation must submit specified information to the EPA. The proposed rule would also rescind previously adopted regulations for certain PFAS constituents, potentially excluding PFOA and PFOS. The EPA held a virtual public hearing on July 7, 2026 and will accept public comments through July 20, 2026. There were no further questions.

ITEM 8 – DISCUSSION REGARDING ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) UPDATES

Ms. Koontz reported that ACWA has established two accounts for each SEWC agency and that the Coalition now has access to ACWA's resources and programs. Members were asked to review the account spreadsheet and confirm that it is up to date.

Ms. Koontz also announced an "ACWA 101" virtual training session, offering a behind-the-scenes look at how ACWA partners with member agencies and a comprehensive tour of ACWA's resources, including its advocacy and governance efforts. The event will be held on August 12, 2026 from 10:00 a.m. to 11:00 a.m., is open to all staff and Board members, and requires registration by August 10, 2026. Ms. Gallagher will send out the event invitation and the account spreadsheet.

ITEM 9 – AUGUST 6, 2026 BOARD OF DIRECTORS AGENDA

Mr. Arroyo opened a discussion to confirm which items should be placed on the August 6, 2026 Board of Directors Agenda, and the following items were discussed:

1. SEWC FY 2024-25 Financial Audit
2. Support Letters for Grant Funding
3. Website Update
4. Reduced/No Dues for Lead Agency
5. General Legislative Update
6. ACWA Update

ITEM 10 – WRITTEN COMMUNICATIONS

None.

ITEM 11 – ADMINISTRATIVE ENTITY MEMBER COMMENTS

Ms. Koontz noted, as an addition to the website topic, that the domain southeastwatercoalition.org could also provide email addresses for the Coalition, if needed.

ITEM 12 - ADJOURNMENT

The meeting adjourned at 1:11 p.m.

The next regular Southeast Water Coalition Administrative Entity Meeting will be held on Wednesday, September 16, 2026 at 12:30 p.m. at the Cerritos Sheriff Station, EOC Conference Room, 18135 Bloomfield Avenue, Cerritos, California 90703.

_____ _____

Chair Date

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

Agenda Item: 4

SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: September 16, 2026
To: Southeast Water Coalition Administrative Entity
From: Chris Kuebert, AE Chair, City of Cerritos

Subject: **DISCUSSION/ACTION REGARDING THE CITY OF LYNWOOD'S REQUEST FOR MEMBERSHIP IN THE SOUTHEAST WATER COALITION**

Discussion:
The City of Lynwood has submitted a formal written request to join the Southeast Water Coalition (SEWC) as a full-voting member. In a letter dated September 8, 2026, Lynwood City Manager Dr. Suja Lowenthal advised that, at its September 1, 2026 meeting, the Lynwood City Council authorized the City Manager to proceed with joining SEWC.

In its request, the City of Lynwood expressed interest in strengthening regional partnerships and participating in collaborative efforts that support water reliability, infrastructure, advocacy, and other water-related priorities affecting the Southeast Los Angeles County region. A copy of the City of Lynwood's request letter is attached for the Administrative Entity's review.

The purpose of this agenda item is to consider the City of Lynwood's membership request and to recommend the request to the Board of Directors for formal consideration and approval.

Recommendation: Review the City of Lynwood's request for membership of the Southeast Water Coalition and take it to the Board of Directors for formal approval.

Attachment(s):

1. City of Lynwood's Request for Membership Letter dated September 8, 2026.

OFFICE OF THE
CITY MANAGER

City of
LYNWOOD
Incorporated 1921
Strength Through Community
11330 Bullis Road, Lynwood, CA 90262
(310) 603-0220 x 200

Lynwood
All-America City

September 8, 2026

Southeast Water Coalition Joint Powers Authority
Attn: Board of Directors
18135 Bloomfield Avenue
Cerritos, CA 90703

Re: City of Lynwood Request for Membership in the Southeast Water Coalition

Dear Southeast Water Coalition Governing Board:

On behalf of the City of Lynwood, I am pleased to formally request that the City be considered for membership in the Southeast Water Coalition as a full-voting member.

At its September 1, 2026 meeting, the Lynwood City Council authorized the City Manager to proceed with joining the Southeast Water Coalition. The City Council's action reflects the City's interest in strengthening regional partnerships and participating in collaborative efforts that support water reliability, infrastructure, advocacy, and other water-related priorities affecting the Southeast Los Angeles County region.

The City of Lynwood recognizes the value of working collaboratively with neighboring agencies to advance regional water interests and looks forward to contributing to the Coalition's ongoing efforts and initiatives.

Please accept this letter as the City of Lynwood's formal written request for full-voting membership in the Southeast Water Coalition. We would appreciate any additional information or documentation necessary to complete the membership process.

Thank you for your consideration. The City of Lynwood looks forward to the opportunity to work collaboratively with the Southeast Water Coalition and its member agencies.

Sincerely,

Suja Lowenthal, DPPD
City Manager
City of Lynwood

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

Agenda Item: 5

SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: September 16, 2026
To: Southeast Water Coalition Administrative Entity
From: Chris Kuebert, AE Chair, City of Cerritos

Subject: **DISCUSSION/ACTION REGARDING SEWC FY 2025-26 AUDIT PROPOSAL**

Discussion:
The Southeast Water Coalition (SEWC) engaged Price Paige & Company to perform its financial audits for the fiscal years ended June 30, 2024 and June 30, 2025. With the FY 2024-25 audit complete, SEWC requires professional audit services for the fiscal year ending June 30, 2026.

Price Paige & Company has submitted a proposal, dated August 5, 2026, to provide professional audit services for the year ended June 30, 2026, with one potential one-year extension for the year ending June 30, 2027. The proposed total all-inclusive maximum fee is $8,300 per year, consisting of $7,500 for the financial statement audit and $800 for preparation of the State Controller's Report.

Price Paige & Company has served as SEWC's auditor for the prior two fiscal years. The purpose of this agenda item is to review the proposal and recommend engagement of Price Paige & Company to the Board of Directors.

Recommendation: Review the audit services proposal from Price Paige & Company for Fiscal Year 2025-26 and take it to the Board of Directors for approval.

Attachment(s):
1. Price Paige & Company Proposal for Professional Audit Services dated August 5, 2026

PRICE PAIGE & COMPANY
Certified Public Accountants

QUOTE FOR PROFESSIONAL AUDIT SERVICES

FOR

SOUTHEAST WATER COALITION

FOR THE YEAR ENDED
JUNE 30, 2026

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

Submitted
August 5, 2026

By

Fausto Hinojosa, CPA
Audit Partner
Price Paige & Company
Certified Public Accountants

570 N. Magnolia Ave., Ste. 100
Clovis, California 93611
Phone: 559-299-9540
Fax: 559-299-2344
Email: *fausto@ppcpas.com*
Website: *www.ppc.cpa*
License No: 66479
Federal ID No: 87-3267876

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PRICE PAIGE & COMPANY
Certified Public Accountants

The Place to Be

August 5, 2026

David Siris
Finance and Budget Manager/City Treasurer
City of Cerritos
c/o Southeast Water Coalition
18125 Bloomfield Avenue
Cerritos, CA 90703

Dear Mr. Siris and Auditor Selection Committee:

Thank you for considering Price Paige & Company for your audit services. It is our pleasure to present to you our quote to provide professional audit services to the Southeast Water Coalition (the Coalition) for the year ended June 30, 2026, with one potential one-year extension. When presented with viable alternatives, it is not always easy for entities such as the Coalition to identify the accounting firm that can best meet their overall auditing needs. Over the past 50 years, we have developed significant expertise in governmental accounting. Our knowledge of the governmental environment and operations has allowed us to develop more robust audit procedures that enhance the quality of our audits.

Our audit professionals are highly qualified and have extensive experience and expertise in governmental auditing and accounting. The firm has been a member of the AICPA Government Audit Quality Center for several years, and all our accountants take a minimum of 80 hours of continuing professional education every two years specifically related to the auditing and accounting services we provide. This commitment to learning yields a direct benefit to the clients we work with. Additionally, our firm has a well-earned reputation for ensuring audit engagements are performed in accordance with professional standards and, just as importantly, on time. We are committed to communicating effectively to ensure that we address your questions comprehensively. As demonstrated by our resumes and considerable involvement by the firm's audit principal, we feel that our firm has the resources, knowledge and expertise to meet and service the needs of the Coalition. We can assure you that we fully understand the scope of work to be performed, and we wish to emphasize our commitment to meeting and exceeding all your expectations. We are committed to providing these services in accordance with the Coalition's required timelines. Additional information about our firm's audit department and the services we offer can be found on our website, www.ppc.cpa.

We trust that this quote to provide professional audit services will adequately summarize our approach to client service and identify those attributes that set Price Paige & Company apart from others. We appreciate the opportunity to submit this quote application to serve you and would be pleased to furnish any additional information regarding our firm or answer any other specific questions or concerns you may have. I am an audit principal for our firm, and I am authorized to make representations regarding this quote. I may be reached at (559) 299-9540 or via email at *fausto@ppcpas.com.*

Sincerely,

Fausto Hinojosa, CPA, CFE
Audit Partner
Price Paige & Company
Certified Public Accountants

570 N. Magnolia Avenue, Suite 100
Clovis, CA 93611

tel 559.299.9540
fax 559.299.2344

www.ppc.cpa

FIRM HISTORY AND QUALIFICATIONS

Established in 1976 and located in Clovis, California, Price Paige & Company consists of six owners (partners) each of whom is a Certified Public Accountant. The partners of the firm have more than 90 years of combined experience in public accounting. Our firm is comprised of over 70 professional, paraprofessional and administrative staff. More than 50% of Price Paige & Company's practice is in auditing and attestation services, primarily in the governmental and not-for-profit sectors. In addition, we provide services to many businesses in accounting, tax and management consultation in all areas.

Price Paige & Company is recognized in the community and by our peers as experts in the areas of governmental and not-for-profit auditing, attestation and accounting. Our proven commitment to excellence allows us to work with clients in the timeliest and most cost-effective manner possible. Our auditors are not seasonal; that is, they are not "tax accountants" who perform audits in the "off-season." They focus exclusively on providing audit services, and they receive over 80 hours of continuing education every two years, specifically related to improving their audit skills. The experience of our team allows us to conduct very efficient and effective audits.

We currently provide auditing, attestation and accounting services to more than 60 governmental agencies and 75 not-for-profit organizations annually, many of which are federal single audits. The breadth and scope of single audits we have conducted is significant, and we have experience auditing organizations with an excess of $100 million dollars of federal funding.

We will assign a team of personnel from our firm to your account to provide the range of services you have requested. This team is kept abreast of any significant developments that arise through our normal association with you. The most important aspect of this approach is to provide continuity to the engagement. We understand that the audit process requires two-way communication, and we accept our responsibility to listen to our client's concerns and deliver timely and effective solutions.

Proactive Rather than Reactive Approach to Client Service

A primary objective of our client service is to make positive contributions to our client's profitable operations, organizational efficiency and productivity. We work hard at anticipating problems and ensuring there are no surprises. We are creative and will always present alternatives for our client's evaluation rather than relying on the "textbook" solution. We will schedule frequent meetings and utilize our management recommendation letters as tools for communication with you.

Smart Technologies

We use sophisticated data analysis software (IDEA) that allows us to perform specific fraud-detection tests on large amounts of data; in some cases, testing 100% of the transaction population. Some of the specific tests we perform include the following: duplicate payment tests, matching of employee and vendor addresses to identify potential conflicts and review of purchase orders to identify potential bid splitting. We believe our creative use of this value-added software tool allows us to perform more effective audits and gives our clients increased confidence in their financial reporting. For example, we have successfully implemented this data analysis software and testing at Fresno Unified School District, which is the third largest school district in the state, with a budget in excess of two billion dollars.

All our audit engagements are performed utilizing a paperless and digital approach. Our auditing software allows us to increase our efficiency and provide a streamlined workflow. Documents and files can easily be retrieved and forwarded to our clients without the need for photocopying.

External Peer Review

The successful peer reviews our firm has received and our Engagement Quality Control Review program serve as evidence of our commitment to meeting the standards of care and performance applicable to our auditing, attestation and accounting practice, which demonstrate the extra measures we take to ensure continued successful compliance with our client's expectations about our quality and competence.

For your consideration, a copy of the firm's Peer Review Report is included in this quote as listed on the table of contents. The firm received a "pass" report, and the review included specific not-for-profit, governmental and Uniform Guidance engagements.

We Conduct Peer Reviews

In addition to receiving successful peer reviews, **Price Paige & Company also *conducts* peer reviews** of other accounting firms. Essentially, we "audit" other auditors to ensure auditing and accounting standards are met. Being a peer reviewer requires us to understand the technical accounting rules, especially in the governmental and not-for-profit environments. We leverage our experience as technical peer reviewers in our audit engagements so that we can perform effective and efficient audits for all our clients.

Mandatory Qualifications

Licensure and Certification — The associates of Price Paige & Company are licensed Certified Public Accountants, certified by the California State Board of Accountancy (License #PART 8241). All team members assigned to the engagement comply with the 80-hour continuing education requirements promulgated by *Government Auditing Standards* issued by the U.S. Government Accountability Office.

Independence — Our firm is independent with respect to the Coalition defined by applicable standards generally acceptable in the United States as well as *Government Auditing Standards* issued by the U.S. Government Accountability Office.

No Conflict of Interest — Our firm's established policy is that we do not submit quotes for auditing, attestation or accounting services if there is a known conflict of interest with the potential client. There are no current or potential conflicts of interest with anyone (employees, management, officers or directors) within the Coalition.

No Disciplinary Actions — Price Paige & Company has **never had any disciplinary actions** taken nor are any pending with the Federal or State regulatory bodies or professional organizations. In addition, we are pleased to affirm that we have never had an unresolved dispute related to accounting or auditing matters that resulted in disengagements. We work closely with our clients to develop solutions that are consistent with the accounting rules and auditing standards issued by the U.S. Government Accountability Office.

Additional Confirmations of Understanding

File Retention — We will retain working papers for seven (7) years following the completion of the audit.

Equal Opportunity Employer — Price Paige & Company is an equal opportunity employer. All employees are treated on their merits, without regard to race, age, sex, marital status or other factors not applicable to their position. Employees are valued according to how well they perform their duties, their demonstrated abilities and their enthusiasm toward maintaining the firm's standards of service.

Liability Coverage — Price Paige & Company maintains comprehensive General Liability Coverage and Errors and Omissions Insurance with a limit of at least $3,000,000. All required certificates of insurance will be provided to the Coalition's management, should our firm be the successful bidder.

VALUE-ADDED SERVICES AND SUPPORT

The role of accountants has evolved over time in response to the client's needs. Our firm has made it a practice to be proactive with clients by providing value-added services, all of which are included as part of our audit engagement. Below are some of the value-added benefits that we provide to our clients at **no additional charge**.

Consultation on Accounting Matters

We provide our clients with guidance on technical accounting matters. We encourage our clients to communicate with us regarding any technical accounting matter, as it allows us to be proactive in the audit process. If the technical accounting questions are outside the scope of the audit or require significant research, we will communicate with management the appropriate cost for their approval before proceeding with any additional services.

Client Training

We believe it is important to give our clients access to a full range of information to help them stay aware of current accounting developments and financial reporting issues. As part of our client service program, we will periodically hold client training seminars and summary courses aimed at providing our clients with an understanding of relevant accountancy issues. Training sessions we have offered included the following topics: understanding and mitigating the risk of fraud, reading and understanding governmental and non-profit financial statements and understanding the impact of unrelated business taxable income activities.

At the request of our clients, we expect to offer more client training sessions on some of the following topics in the future:

- current and pending government accounting pronouncements,
- differences in grant accounting vs. GAAP accounting,
- understanding the risk of fraud in an organization.

As part of the value-added service included in our client engagements, we invite our clients and their board members to attend the training sessions, which we anticipate offering remotely through webinar or digital conferences.

Approach to Communication and Expectations of Our Clients

In order to meet and exceed your expectations, we are diligent about maintaining open communication throughout the entire engagement. In our experience, this results in a more effective engagement. Our approach depends on the timely response and assistance of the Coalition. This cooperation will further ensure our work is completed in an efficient and cost-effective manner.

Additional Services Provided

In addition to financial statement audits, we also offer the following services: Internal Control Reviews, Forensic Accounting, Fraud Investigations, Agreed-Upon Procedures, Financial Statement Reviews and Financial Statement Compilations.

TEAM QUALIFICATIONS AND EXPERIENCE

We have an outstanding team of professionals who have established themselves as qualified competent individuals. We can assure you that each of our professionals is experienced in governmental accounting and GASB accounting pronouncements. Following is a brief overview of their experience. Detailed experience for each of these professionals can be found in Team Resumes as listed on the table of contents.

	Years of Auditing / Accounting Experience
Audit Partner	
Fausto Hinojosa, CPA, CFE	36
Quality Control Partner	
Joshua Giosa, CPA	19
Audit Manager	
Kristin Torres, CPA	11

Availability of Personnel and Time Requirements

Our level of staffing is more than sufficient to ensure that you receive a timely, efficient service. Should any of the above members of our team become unavailable, we will provide another equally qualified individual from our firm.

Continuity of Professional Staff and Succession Planning

Continuity of staff on engagements is as important to us as it is to our clients. Continuity promotes a thorough understanding of your needs and goals and helps us help you. A smooth transition from your existing firm to our firm will be accomplished as follows:

Communication — We stress communication early on with your staff to determine expectations, time frame for delivery of information and our extent and availability of assistance. We provide a written list of detailed information needed during our engagement, including critical due dates.

Experience — Members of our engagement team are very experienced in the operational, administrative and accounting and compliance issues related to governmental entities.

Quality — The firm maintains a rigorous quality control review process that includes not only a detailed review by a quality control manager and engagement partner but also an Engagement Quality Control Review (EQCR) as defined by AICPA standards.

Audit Approach — Our audit approach emphasizes effective up-front planning to identify issues for timely resolution.

TEAM RESUMES



FAUSTO HINOJOSA

Certified Public Accountant
Certified Fraud Examiner
California License # 66479

Present Position

Audit Partner

Education and Experience

Fausto is the Audit Partner in charge of audit and forensic consulting engagements for Price Paige & Company. For over thirty years his practice has focused on audit and accounting, fraud investigation, forensic consulting, and litigation support services. Fausto serves as the Managing Partner for the Firm and is responsible for providing strategic leadership. He has worked professionally in the accounting field since graduating from California State University, Fresno, in 1990. He became a Certified Public Accountant in 1994 and a shareholder with Price Paige & Company in 1997. A Certified Fraud Examiner, Fausto has investigated numerous allegations of fraud and has been designated a fraud expert in various legal proceedings.

After more than 30 years in the profession, Fausto has developed significant expertise specifically in the areas of audit risk assessment, governmental and not-for-profit auditing, fraud detection and prevention, federal/state grant compliance and internal controls.

Fausto currently serves as Chair of the California State Board of Accountancy Peer Review Oversight Committee. The committee oversees statewide peer review monitoring and enforcement to ensure CPA firms maintain high standards of audit quality, ethics, and compliance. Mr. Hinojosa is also the former Chair of the local Government Accounting and Auditing Committee for the California Society of CPAs. In addition, Fausto is a reviewer for the Government Finance Officers Association “Certificate of Achievement for Excellence in Financial Reporting” program. As the former Chair for the State Board of Accountancy Qualifications Committee, Fausto conducted audit workpaper reviews of CPA candidates in order to make licensure recommendations to the Committee.

Fausto is a former Adjunct Professor at Fresno Pacific University, where he taught an upper-division auditing course. He is a frequent lecturer to the California Society of CPAs and other professional organizations, business and civic groups on governmental and not-for-profit accounting and auditing, preventative fraud measures and the unique audit requirements for federal award programs under the Single Audit Act.

Professional Organizations and Community Involvement

- California Board of Accountancy Peer Review Oversight Committee — Chair
- State Board of Accountancy Qualifications Committee — Past Chair
- Fresno Chapter of California Society of CPAs — Past President
- Association of Certified Fraud Examiners — Member
- American Institute of Certified Public Accountants — Member
- Government Accounting and Auditing Committee of the Fresno Chapter — Past Chair
- State Government Accounting and Auditing Committee of the California Society of CPAs — Past Member
- Government Finance Officers Association — ACFR Reviewer



JOSHUA GIOSA

Certified Public Accountant
California License # 119801

Present Position

Quality Control Partner

Education and Experience

Joshua began his accounting career at Price Paige & Company in January 2007 after graduating from California State University, Fresno, where he earned a Bachelor of Science in Business Administration with an option in Accountancy. He became a Certified Public Accountant in 2013 and is currently a Government Audit and Advisory Services Partner with the firm.

Joshua specializes in governmental advisory services, with the majority of his practice focused on supporting counties, cities, municipalities, special districts, and other local governmental entities. While his governmental audit experience dates to 2007, since 2017 his work has been predominantly advisory.

He works closely with finance leadership to improve the accuracy, timeliness, and transparency of financial reporting. His experience includes assisting with year-end close and audit preparation; strengthening internal controls; advising on implementation of GASB pronouncements; preparing complex reconciliations and State Controller reports; supporting grant compliance; and providing technical accounting guidance on complex transactions.

Joshua has also performed forensic accounting engagements for governmental entities, including investigations and analysis of financial irregularities. He has supported accounting software implementations, chart of accounts redesigns, and fund structure development to improve operational efficiency.

In addition, he serves as engagement partner on select municipal audits, including Single Audit and federal and state grant compliance engagements. His audit background provides the technical foundation that informs his advisory services.

Joshua possesses extensive knowledge of GASB standards and has experience utilizing IDEA data analysis software in support of risk assessment, fraud detection, and investigative procedures.

Community and Affiliations

Joshua is a member of the American Institute of Certified Public Accountants (AICPA), the California Society of CPAs (CalCPA), California State Municipal Finance Officers Association (CSMFO) and the Government Finance Officers Association (GFOA). He is currently serving on the CalCPA State Government Audit and Accounting Committee.

Continuing Education

Joshua is in compliance with the continuing education requirements of the AICPA and Government Auditing Standards. He has recently developed and delivered professional trainings on governmental accounting topics including GASB 54, revenue recognition, GASB 87, GASB 96, GASB 101, and the foundations and fundamentals of governmental accounting. He recently attended a professional development session focused on an overview of finance operations to remain current on evolving best practices in municipal financial management.



KRISTIN TORRES

Certified Public Accountant
California License # 142761

Present Position

Audit Manager

Education and Experience

Kristin began her accounting career after receiving a Bachelor of Science in Business Administration with an option in Accountancy and graduating from California State University, Fresno. Kristin received her Certified Public Accountant license in February of 2020.

Kristin was hired in December 2014 and has provided invaluable assistance on numerous governmental, and not-for-profit audits (county and municipal), which includes single audit compliance and preparation of financial statements that comply with required GASB standards. Since joining our audit team, she has been the in-charge auditor for County of Mono, County of Inyo, and the City of Mendota, along with other various audit projects for transportation agencies and other governmental audits.

Her background as in-charge auditor includes assessing and evaluating the risks of material misstatements unique to an entity's activity and environment, developing audit procedures, providing guidance to the audit team to effectively and efficiently complete audits, and effectively communicating the audit results with management and those charged with governance in accordance with Generally Accepted Auditing Standards, OMB Uniform Guidance 2 CFR 200 Subpart F, and GAAP.

Community and Affiliations

Kristin is a member of the American Institute of Certified Public Accountants, California Society of CPAs, Treasurer of the Fresno Chapter of the California Society of CPAs and is currently serving on the Board of Directors as the Treasurer for Arte Americas. She formerly served on the State-Wide California Society of CPAs Committee for Young and Emerging Professionals.

Continuing Education

Kristin is in compliance with the continuing education requirements of the AICPA and Government Auditing Standards. Continuing professional education courses and seminars recently attended include: *SAS 145 Update, GASB 96 Update, GASB 87 Leases, and Yellow Book & Single Audit Deficiencies.* She also served as an instructor for *Accounting for Governmental Assets & Liabilities* during an in-house continuing education seminar.

RELEVANT PRIOR EXPERIENCE

After evaluating our relevant experience, we are certain you will agree that Price Paige & Company is highly qualified to serve you. We have been successfully performing audit and attestation engagements since 1976. We have since continued to build on our reputation as a well-respected firm in and around the San Joaquin Valley and throughout California, with the qualifications and experience necessary to provide unequaled performance. Following is a list of several of our clients for whom we have provided similar services and our primary contact for each:

Reference Name: Kings River Conservation District
Contact: Binu Brar, Director of Finance
Address: 52027 W. Althea Avenue, Firebaugh, CA 93622
Phone: (559) 237-5567 x128
Email: *bbrar@krcd.org*
Service Provided: Financial Statement Audit (GAAS) and Advisory Services
Dates: June 30, 2003 through Present

Reference Name: Panoche Water District
Contact: Marlene Brazil, Accounting Supervisor
Address: 52027 W. Althea Avenue, Firebaugh, CA 93622
Phone: (209) 364-6136
Email: *mbrazil@panochewd.org*
Service Provided: Financial Statement Audit (GAS) and Advisory Services
Dates: February 29, 2016 through Present

Reference Name: South San Joaquin Irrigation District
Contact: Sonya Williams, Finance and Administration Manager
Address: 11011 E. Highway 120, Manteca, CA 95336
Phone: (209) 249-4600
Email: *swilliams@ssjid.com*
Service Provided: Financial Statement Audit (GAS) and Advisory Services
Dates: December 31, 2023 through Present

SCOPE OF SERVICES

As our experience indicates, we clearly understand the scope of services to be provided. You can be assured that we will design a service-specific approach to ensure compliance with all applicable standards and ensure that the Coalition receives high-quality, efficient and effective service.

Standards/Publications to be Followed

The financial and compliance audits will be performed in accordance with the following auditing standards:

- Generally Accepted Auditing Standards (AICPA)
- *Government Auditing Standards* (U.S. Comptroller General)
- United States General Accounting Office's (GAO) Standard for Audit of Governmental Organizations, Programs, Activities, and Functions
- Local Governments and Governmental Accounting Standards Board (GASB) Pronouncements
- All other applicable federal, state and local laws and regulations

Services to be Performed

The following services will be provided to the Coalition for the year ended June 30, 2026.

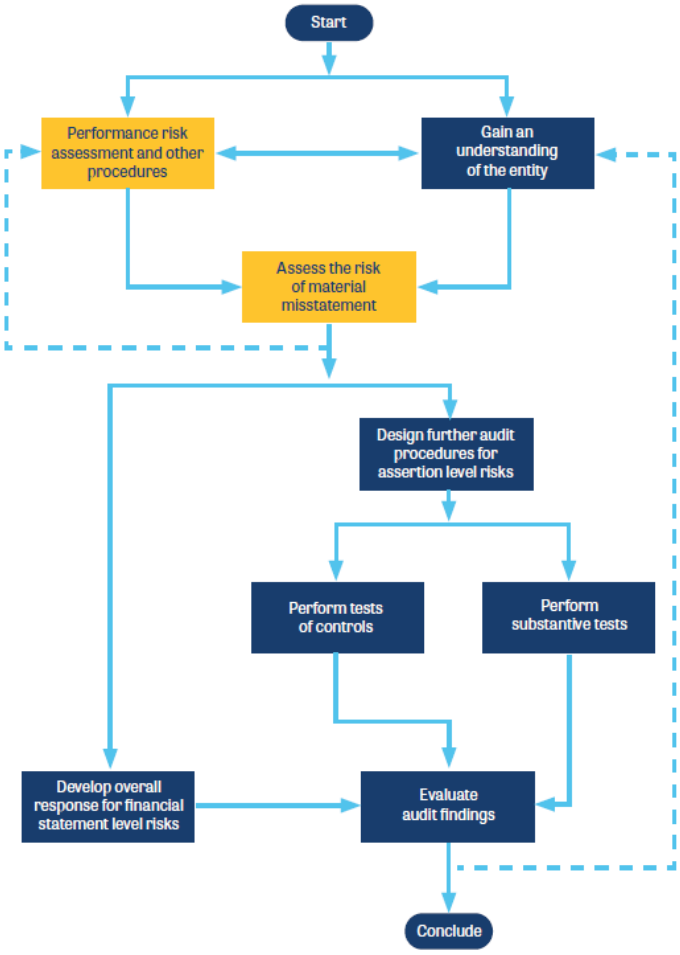
1. We will audit the Coalition's basic financial statements in accordance with Generally Accepted Auditing Standards (GAAS) in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.
2. We will express an opinion on the financial statements as to whether they present fairly, in all material respects, the financial position of the Coalition and the changes in financial position in conformity with generally accepted accounting principles (GAAP), and issue an independent auditor's report stating this opinion.
3. We will test internal control over financial reporting and compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters, in accordance with *Government Auditing Standards*.
4. We will apply limited procedures related to the Required Supplementary Information (RSI), Management's Discussion and Analysis (MD&A), budgetary comparison information, and the supplementary information.
5. We will prepare and present to the Board of Directors and Management a report that identifies control deficiencies, significant deficiencies and material weaknesses, if any, and your recommendations for improvements in accounting and administrative controls.
6. We will prepare a written communication to the Audit Committee which will include the following information: (1) auditor's responsibility under generally accepted auditing standards, (2) significant accounting policies, (3) management judgments and accounting estimates, (4) significant audit adjustments, (5) disagreements with management, (6) management consultation with other accountants, (7) difficulties encountered in performing the audit, (8) significant unusual transactions, and (9) other significant audit findings or issues.
7. We will prepare and submit the State Controller's Report for the Coalition.

AUDIT APPROACH

We are confident that we will provide high-quality services based on our experience in working with governmental entities of similar size and scope to yours. Our high client satisfaction rate can be attributed to our effective communication and our efficient proprietary audit methodology.

Audit Procedures and Phases of the Engagement

Price Paige & Company provides value to our clients by creating a custom audit approach that is based on a client's specific needs, risks and opportunities. Our audit approach under generally accepted audit standards is depicted in the graphic below.



Our professional responsibility is to obtain sufficient audit evidence before an opinion is rendered on any financial statement. To achieve this, we will conduct our work in the following phases:

- Audit Planning and Risk Assessment
- Year-End Fieldwork
- Reporting
- Audit Focus
- Closing Conferences and Formal Presentation

Details about each of these phases are listed on the following pages.

Audit Planning and Risk Assessment

No other phase of the process affects the success of an engagement more than the time spent on planning the general scope and direction of the audit, including assessing the risks of financial statement misstatements. We will schedule audit planning and interim fieldwork to be done prior to final fieldwork with your personnel.

We will hold a planning session with the key members of our engagement team and your personnel.

During our planning session with management, we will address the requirements of AU-C Section 240, *Consideration of Fraud in a Financial Statement Audit*. This standard requires that we conduct team discussions, perform inquiries of management and others, and design and document procedures to identify and respond to risks of material misstatement due to fraud.

As part of the audit planning and risk assessment phase of the audit, we will request a meeting with management to discuss our planned audit approach and any significant audit and accounting issues, as well as address any concerns.

As part of that process, we will conduct a pre-audit conference with appropriate management personnel to discuss the scope and timing of the audit.

The risk assessment audit standards require assessments based on an understanding of the internal controls over your financial reporting and our determination of the areas that present risks of material misstatement to your financial statements. We will then design our audit approach to include tests of the specific internal controls and substantive audit procedures that are tailored to the identified risks. Our risk assessment includes consideration of the factors depicted on the chart below.



Year-End Fieldwork

During the year-end phase of our audit, we will complete our audit work based on the audit programs designed specifically for the Coalition. This will include the results of our risk assessment and interim testing results, and we will issue a report on the financial statements in a timely and efficient manner.

Reporting

This phase will include the following:

- reviewing the financial statements and reconciling them to underlying audited records,
- evaluating the financial statements for compliance with GAAP requirements,
- formulating an opinion as to the fair presentation of the financial statements and
- preparing a management letter with recommendations and communication letter to management.

We will immediately submit to management a written report of all irregularities and illegal acts, or indications of illegal acts, of which we become aware.

Audit Focus

Based on our audit experience with similar governmental entities, the primary areas of the audit on which we will focus include:

- Cash and investments
- Accounts payable
- Revenues and expenditures
- Compliance with law and regulations
- Implementation of pronouncements of the Governmental Accounting Standards Board (GASB)

Closing Conferences and Formal Presentation

We believe regular communication with management will be a critical part of the success of our audit engagement. Therefore, we will provide regular updates to management regarding the progress of the audit during meetings with key personnel.

Additionally, the engagement partner will meet with management to review any potential adjusting journal entries, drafts of the management comment letter, communication with those charged with governance (AU-C 260) letters and a draft of the financial statements.

We will complete our work in sufficient time to meet the applicable deadlines. We will make a formal presentation of the audit results and reports to the management and will remain available to respond to their questions.

COST QUOTE

Description of Services	**Total $ FY 2025-26**	(Optional) Total $ FY 2026-27
Financial Statement Audit	$ 7,500	$ 7,500
State Controller's Report	800	800
Total All-Inclusive Maximum Fee	**$ 8,300**	$ 8,300

Our proposed fees are based upon our current understanding of the work to be performed as outlined under the Scope of Services, and we give you a "Total All-Inclusive Maximum Fee" for these services. These fees are made with the following assumptions: 1) the Coalition's books will be properly closed and reconciled, 2) records will be complete and readily available at the start of the engagement and 3) representations made to us during this quote process will remain effective throughout the engagement.

In the event disclosures in the audit engagement indicate extraordinary circumstances that warrant more intensive and detailed services, we will provide to management in writing and in advance the reasons for the additional services together with the firm's estimate of costs, and a statement that no work will be performed without advance approval by the Auditor. Any and all additional work as agreed in advance by the Auditor will be compensated for at the same rate quoted in this cost quote.

PEER REVIEW REPORT



Report on the Firm's System of Quality Control

To the Partners of
PRICE PAIGE & COMPANY
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Price Paige & Company (the firm) in effect for the year ended April 30, 2024. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards,* including compliance audits under the Single Audit Act.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

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Member Crowe Global

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Price Paige & Company in effect for the year ended April 30, 2024, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass, pass with deficiency(ies)* or *fail*. Price Paige & Company has received a peer review rating of *pass*.

GYL LLP

Ontario, California
October 17, 2024

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

Agenda Item: 6

SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: September 16, 2026
To: Southeast Water Coalition Administrative Entity
From: Chris Kuebert, AE Chair, City of Cerritos

Subject: **DISCUSSION/ACTION REGARDING PROGRAM MANAGEMENT SUPPORT**

Discussion:
The Southeast Water Coalition (SEWC) currently contracts with Koa Consulting, Inc. for program management and administrative support services, including meeting coordination, meeting minutes, agenda and document preparation, legislative tracking, formal filing services, and general administrative support to the lead agency.

Section 16 of the current agreement with Koa Consulting, Inc., however, states *"Consultant shall not assign or subcontract all or any portion of this Agreement. Any attempted or purported assignment or sub-contracting by Consultant shall be null, void and of no effect."* Staff is requesting an amendment to the contract that allows for sub-contracting to ensure availability, coverage, and support for future SEWC meetings and administrative responsibilities. As part of this request, it should be noted that all administrative work performed by a sub-contractor would be done under the supervision of Koa Consulting with the purpose of supplemental support, not replacement. There would be no changes to the scope and contract amount and the only fiscal impact of this request would be legal counsel's time to prepare the amendment, which was estimated by legal counsel as less than one hour total.

The purpose of this agenda item is to consider a request to amend the agreement with Koa Consulting to authorize the subcontracting of additional administrative support.

Recommendation: Review Staff's request regarding program management support for the Southeast Water Coalition and take an amendment to the Board of Directors for approval.

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

Agenda Item: 7

SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: September 16, 2026
To: Southeast Water Coalition Administrative Entity
From: Chris Kuebert, AE Chair, City of Cerritos

Subject: **DISCUSSION/ACTION REGARDING SOUTHEAST WATER COALITION WEBSITE**

Discussion:
During the March and May Administrative Entity (AE) Meetings, the option of procuring a standalone Southeast Water Coalition (SEWC) website was raised and approved. The purpose of this website is to host all SEWC related information, agenda packets, and activities in one place, and to preserve historical information independent of which city serves as the lead agency at any given time.

During the June Board Meeting, the Board approved proceeding with Revize as the website vendor. An initial draft of the website was presented to the AE at the July meeting and to the Board at the August meeting, where members provided feedback, including requests for a dedicated documents page, member and city photographs, city seals, a member representatives tab, and a calendar of upcoming meetings.

Since that time, Staff has continued to build out the website and incorporate the requested edits, including the addition of meeting minutes and agenda packets from at least the past two years. The purpose of this agenda item is to review the updated website and provide any further feedback and comments.

Recommendation: Review the updated SEWC Website and provide comments.

Nicholas R. Ghirelli

T 213.253.0287
F 213.626.8484
E nghirelli@rwglaw.com

1 Civic Center Circle, PO Box 1059
Brea, California 92822-1059
rwglaw.com

MEMORANDUM

TO: Southeast Water Coalition Administrative Entity

FROM: Nicholas R. Ghirelli;
Natalie C. Kalbakian

DATE: September 16, 2026

SUBJECT: Legislative Update

Our office has been asked to provide an overview of federal regulations and state laws and information relevant to the Entity's mission that can be posted on the newly launched website.

Assembly Bill 35: Expedited Proposition 4 Grant Funding Procedures

Assembly Bill 35 ("AB 35"), which amends Section 90135 of the Public Resources Code, was signed by the Governor on July 16, 2026, and is now effective. The bill exempts the development and adoption of regulations needed to effectuate or implement local assistance programs funded under the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024,[1] from Administrative Procedure Act ("APA") requirements. The bill streamlines the rulemaking process to prevent the stalling of grant programs of public agencies, non-profit organizations, special districts, joint powers authorities, tribes, public utilities, or mutual water companies. AB 35 also requires entities that receive competitive grant program funding to establish project solicitation and evaluation guidelines, publish and transmit these guidelines to the appropriate committees, hold a public meeting, and meet additional requirements.

Assembly Bill 1603: PFAS Reporting for Pesticides

Assembly Bill 1603 ("AB 1603"), which adds Section 12500.3-12500.4 and Sections 13200-13202 to the Food and Agricultural Code, imposes annual reporting and public disclosure requirements on the Department of Pesticide Regulation ("Department") regarding per-and polyfluoroalkyl substance ("PFAS") pesticide contamination of produce, groundwater, drinking water, soil, and the environment. The Department is required to report PFAS pesticide ingredients, defined as PFAS that are intentionally added to a pesticide as active, adjuvant, or inert ingredients, on its online database, or annual report, and publish a list of registered pesticide that contain such ingredients and submit the list county commissioners by July 1, 2028, or an earlier date if the

[1] Division 50 of the Public Resources Code (commencing with section 90000).

reporting database is released sooner. The bill has been enrolled and awaits the Governor's signature as of September 3, 2026.

Senate Bill 1313: PFAS Mitigation Fund

As previously noted, we are not aware of any progress on Senate Bill 454 ("SB 454") (2025), which would have created the PFAS Mitigation Fund. The Governor's veto of the bill has been sustained. Progress on the modified version of the bill, which was subsequently reintroduced as Senate Bill 1313 ("SB 1313"), has also been halted. SB 1313 would clarify that PFAS treatment funding is an eligible project through Safe Drinking Water State Revolving Fund programs, and ultimately expand access to financial assistance to address PFAS contamination in drinking water. In addition, the State Water Resources Control Board's revisions of its policy handbook would not be subject to the rulemaking process under the APA. The bill has not moved out of the Committee to the Senate floor.

Federal EPA PFAS Regulations

We are not aware of updates on the pending EPA rules to extend the perfluorooctanoic acid ("PFOA") and perfluorooctane sulfonic acid ("PFOS") compliance deadlines and rescind previously adopted regulatory determinations and regulations for perfluorohexane sulfonic acid ("PFHxS"), perfluorononanoic acid ("PFNA"), hexafluoropropylene oxide dimer acid ("HFPO-DA"), and Hazard Index Mixtures of these three PFAS and perfluorobutanesulfonic acid ("PFBS") since the virtual public hearing held on July 7, 2026.

Southeast Water Coalition Website Litigation Update

At the Board meeting on August 6, 2026, a member inquired about relevant litigation-related information that the SEWC may post on its website. We suggest providing updates regarding the Aqueous Film-Forming Foam ("AFFF") Products Liability Litigation (Multidistrict Litigation No. 2873) Public Water System Settlements, which were reached in June 2023. The active settlement programs include defendants 3M, DuPont, Tyco, and BASF. While the total values for DuPont and Tyco have been fully paid at this time, the 3M settlement amounts are still being distributed to Phase One members, which are public water systems that have detected PFAS contamination in groundwater supplies. The total award amount will be paid in installments subject to a schedule through the year 2033. We will draft language for the website based on feedback received by the AE at the upcoming September 16, 2026 meeting.