



100 North Canyons Parkway
Livermore, CA 94551
(925) 454-5000

NOTICE OF CONCURRENT
REGULAR MEETING OF BOARD OF DIRECTORS OF ZONE 7 WATER AGENCY

AND

LIVERMORE VALLEY WATER FINANCING AUTHORITY

DATE: Wednesday, November 15, 2023
TIME: 6:00 p.m. Closed Session
7:00 p.m. Open Session (time approximate)
LOCATION: Zone 7 Administration Building
100 North Canyons Parkway, Livermore, California
VIDEO/TELECONFERENCE:
<https://us02web.zoom.us/j/89246252904>
(669) 900-6833, Meeting ID: 892 4625 2904
LIVE STREAMING: Comcast Channel 29
AT&T U-Verse Channel 99 (Livermore)
Streaming Live at tv29live.org

Any member of the public wishing to address the Board on an item under discussion may do so upon receiving recognition from the President. If the public wishes to provide comment before the meeting, please email publiccomment@zone7water.com by 3:00 p.m. on Wednesday, November 15th.

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available at the Zone 7 Administrative Building lot. If you are a person with a disability and you need disability-related modifications or accommodations to participate in this meeting, please contact the Executive Assistant, Donna Fabian, at (925) 454-5000 or fax (925) 454-5723. Notification 48 hours prior to the meeting will enable Zone 7 to make reasonable arrangements to ensure accessibility to this meeting. {28 CFR 35.102-35, 104 ADA Title II}.

AGENDA

1. Call Zone 7 Water Agency Meeting to Order
2. Closed Session
 - a. Conference with Labor Negotiators pursuant to Government Code section 54954.5: Agency Negotiators: Valerie Pryor/Osborn Solitei Employee Organizations: Alameda County Management Employees Association; Alameda County Building and Construction Trades Council, Local 342, AFL-CIO; International Federation of Professional and Technical Engineers, Local 21, AFL-CIO; Local 1021 of the Service Employees International Union, CTW; Unrepresented Management
 - b. Conference with Legal Counsel – Existing litigation pursuant to Gov't Code section 54956.9(d) (1): (1) State Water Contractors v. California Department of Fish & Wildlife (Fresno County Superior Court, filed April 29, 2020), (2) Thomason v. Morrow (Alameda County Superior Court No. 18918041), (3) Stark v. Alameda County Flood Control and Water Conservation District, Zone 7 (Alameda County Superior Court Case No. 22-CV-5837), (4) Bautista v. Alameda County Flood Control and Water Conservation District, Zone 7 (Alameda County Superior Court Case No. 22-CV-10679); (5) In re: Aqueous Film-Forming Foams Products Liability Litigation (S.D. South Carolina, MDL No. 2:18-mn-2873-RMG)
 - c. Conference with Legal Counsel – Anticipated Litigation: Initiation of litigation pursuant to § 54956.9(d) (one case)
3. Open Session and Report Out of Closed Session
4. Pledge of Allegiance
5. Roll Call of Directors
6. Public Comment on Non-Agenda Items

The Public Comment section provides an opportunity to address the Board of Directors on items that are not listed on the agenda, or informational items pertinent to the agency's business. The Board welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the agency or are within the jurisdiction of the agency. The Board will not be able to act on matters brought to its attention under this item until a future board meeting.
7. Minutes
 - a. Regular Board Meeting Minutes of October 18, 2023
8. Authorization for Design Services to Repair Damage to Flood Protection Facilities

Recommended Action: Adopt Resolution
9. Temporary Adjournment/Continuance of Zone 7 Water Agency Meeting

10. Call Livermore Valley Water Financing Authority Regular Meeting to Order
11. Roll Call of LVWFA Board
12. Public Comment

This is an opportunity for members of the public to speak about an item not listed on the agenda. The Board cannot deliberate or act on a non-agenda item unless it is an emergency as defined under Government Code Section 54954.2.
13. Minutes
 - a. LVWFA Board Meeting Minutes of October 18, 2023
14. Adjournment of Livermore Valley Water Financing Authority Regular Meeting
15. Call Zone 7 Water Agency Meeting to Order
16. Reports – Directors
 - a. Written Reports
 - b. Verbal Reports
17. Items for Future Agenda – Directors
18. Staff Reports
 - a. General Manager’s Report
 - b. October Outreach Activities
 - c. Monthly Water Inventory and Water Budget Update
 - d. Living Arroyos Program 2022-2023 Summary
 - e. Capital Projects Status Report
 - f. FY 2023-24 Unaudited First Quarter Revenue and Expenditure Report
 - g. Investment Report as of September 30, 2023 (Unaudited)
19. Adjournment
20. Upcoming Board Schedule: (All meeting locations are in the Boardroom at 100 North Canyons Parkway, Livermore, unless otherwise noted.)
 - a. Special Board Meeting (if needed): December 6, 2023
 - b. Legislative Committee Meeting: December 12, 2023, 3:00 p.m.
 - c. Finance Committee Meeting: December 14, 2023, 11:00 a.m.
 - d. Regular Board Meeting: December 20, 2023, 7:00 p.m.

MINUTES OF THE BOARD OF DIRECTORS
ZONE 7

ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

REGULAR MEETING
October 18, 2023

The following were present:

Directors: Dawn Benson
Sandy Figuers
Dennis Gambs
Laurene Green
Kathy Narum
Sarah Palmer
Angela Ramirez Holmes

Staff: Valerie Pryor, General Manager
Osborn Solitei, Treasurer/Assistant General Manager – Finance
Jarnail Chahal, Acting Assistant General Manager – Engineering/Operations
Lizzie Foss, Financial Analyst
JaVia Green, Financial Analyst
Donna Fabian, Executive Assistant

General Counsel: Rebecca Smith, Downey Brand

Item 1 – Call Zone 7 Water Agency Meeting to Order

President Figuers called the Regular Meeting of the Board of Directors to order at 7:02 p.m.

Item 2 – Closed Session

The Board went into Closed Session at 6:03 p.m. and came out of Closed Session at 6:40 p.m.

Item 3 – Open Session and Report Out of Closed Session

President Figuers stated that there was nothing to report out of Closed Session.

Item 4 – Pledge of Allegiance

President Figuers led the Pledge of Allegiance.

Item 5 – Roll Call of Directors

All Directors were present.

Item 6 – Public Comment

There was no public comment.

Item 7 – Minutes

Director Palmer made a motion to approve the Special Board Meeting minutes of September 13, 2023, and the Regular Board Meeting minutes of September 20, 2023, and Director Narum seconded the motion. The minutes were approved by a voice vote of 7-0.

Item 8 – Consent Calendar

Director Benson made a motion to approve the Consent Calendar and Director Palmer seconded the motion. The Consent Calendar was approved by a roll call vote of 7-0.

Item 9 – Proposed Untreated Water Rate for CY 2024

Lizzie Foss, Financial Analyst, stated that staff have engaged with untreated water customers, met with members of the Tri-Valley Conservancy, and sent emails to remind customers of upcoming meetings and to encourage participation. She added that staff presented the 2024 preliminary untreated water rate of \$220 per acre foot to the Finance Committee, noting that this rate excludes any reconciliation balance added to it. Staff updated the committee on the untreated water program's outstanding reconciliation, which has a balance of \$209 an acre foot and reflects an under collection from the untreated customers for calendar years 2021 and 2022.

Ms. Foss gave a brief overview of the proposed untreated water rate for calendar year 2024. She said the main objectives of this year's rate update were to develop untreated rates consistent with approved board principles, ensure financial sufficiency to meet water supply and program costs, and maintain fairness and equitability of rates while minimizing customer impacts.

Ms. Foss stated that the Finance Committee's recommendation is to implement a five-year phase-in of the outstanding reconciliation balance, as the Committee had concerns regarding a prolonged phase in approach, including risk of impact to treated water customers carrying the cost burden for the untreated water customers and risk of impact to future untreated customers paying for costs they did not incur. The Committee recommended the 2024 water rate be \$263 an acre foot, which is an increase of \$8.00 from the current year's rate.

Public comment was received from Mark Triska, wine grape grower, Gina Molinaro-Cardera, winery owner, wine grape grower and President of the Livermore Valley Winegrowers Association, Ken Wong, wine grape grower and Board member of the Livermore Valley

Winegrowers Association, Diana Roberts, representing the Tri-Valley Conservancy, Karl Wente, of Wente Vineyards, and Kelly Abreu, a resident of Fremont.

After questions and discussion, Director Palmer made a motion to approve the item as presented, and Director Ramirez Holmes seconded the motion. The resolution was approved by a roll call vote of 7-0.

Item 10 – Livermore Valley Water Financing Authority Revenue Bonds 2023 Series A Sale

Osborn Solitei, Treasurer/Assistant General Manager – Finance, introduced the team who worked on the project, including Fred Dilly from PFM Financial Advisors, Jon Guz from Stradling Yocca Carlson & Rauth (Bond Counsel), David Stinfil from Siebert Williams Shank (Underwriters), and staff from Zone 7.

David Stinfil provided a market update stating that inflation has affected the bond markets and there has been a lot of volatility over the past several months. He shared a snapshot of the past several weeks' of municipal market data (MMD) rate changes that showed how they have changed. He then discussed how changes in MMD rates could affect the Agency's upcoming issuance.

Fred Dilly stated that Agency staff and PFM had successful meetings with Standard and Poor's (S&P) and Fitch Ratings, who are responsible for assessing the Agency's credit worthiness. S&P recently upgraded the Agency to AAA, which is the highest possible credit rating. Mr. Dilly stated that this means that Zone 7 will be able to sell bonds at a more competitive interest rate. Mr. Dilly added that the proceeds of the bonds will be used for the Chain of Lakes PFAS facility as well as other planned water system capital improvements and will also be used to pay cost of issuance.

Jonathan Guz provided an overview of the legal documents that would be approved along with the resolution. Those being the First Supplemental Installment Sale Agreement, the First Supplemental Trust Agreement, the Bond Purchase Agreement, the Continuing Disclosure Certificate and the Official Statement.

Director Ramirez Holmes asked if there is an option to refinance the bonds to which Mr. Solitei replied yes, at year 8.

Public comment was received from Kelly Abreu, a resident of Fremont.

Director Narum made a motion to approve the resolution to issue \$30 million of bonds and Director Green seconded the motion. The resolution passed unanimously by a roll call vote of 7-0.

Item 11 – Proposed Calendar Year 2024 Municipal & Industrial Water Connection Fees

JaVia Green, Financial Analyst, gave a presentation on the calendar year 2024 proposed municipal and industrial connection fees which is a routine and annual review of the water connection fees. She stated that board policy is to update the fee annually based on the

engineering news record construction cost index (CCI). She added that the last comprehensive connection fee study was performed in FY 16-17. Staff will be updating that study, as an RFP was recently issued. Ms. Green stated that staff recommends a 2.4% increase which is reflective of the change in the CCI. That rate would increase the fees for the Alameda County Service area from \$33,730 to \$34,530 and from \$32,360 to \$33,130 for the Dougherty Valley service area. She added that staff presented this recommendation to the Finance Committee on September 14th, and the committee unanimously agreed to forward the item to the full Board for adoption.

Director Benson moved to approve the resolution and Director Palmer seconded the motion. The resolution passed unanimously by a roll call vote of 7-0.

Item 12 – Committees

There were no comments on the Committee notes.

Item 13 – Temporary Adjournment/Continuance of Zone 7 Water Agency Meeting

Items 14-19

[See “Minutes of the Board of Directors, Livermore Valley Water Financing Authority, Regular Meeting, October 18, 2023”]

Item 20 – Call Zone 7 Water Agency Meeting to Order

President Figuers called the Zone 7 Water Agency Meeting back to order at 9:19 p.m.

Item 21 – Reports – Directors

Director Palmer submitted a written report. Director Ramirez Holmes attended meetings for the Los Vaqueros Joint Powers Authority in Washington D.C. Director Green attended the ACWA Region 5 event at Alameda County Water District and an ACWA Region 2 webinar on cannabis growth and the water issues that come with it.

Item 22 - Items for Future Agenda – Directors

There were no items for future agendas.

Item 23 – Staff Reports

Ms. Pryor mentioned that there will be a Flood Open House on Saturday from 10:00 a.m. to 2:00 p.m. with hotdogs, treats and a goat petting zoo.

Item 24 – Adjournment

President Figuers adjourned the meeting at 9:32 p.m.

ORIGINATING SECTION: Flood Protection Engineering

CONTACT: Justin Pascual/Jeff Tang

AGENDA DATE: November 15, 2023

SUBJECT: Authorization for Design Services to Repair Damages to Flood Protection Facilities

SUMMARY:

- To support Zone 7's mission to deliver safe, reliable, efficient, and sustainable water and flood protection services, Zone 7 implements projects to maintain its flood protection system. This action is in support of Strategic Plan Initiatives No. 9 – Continue to maintain the flood protection system.
- In January and March 2023, higher than normal frequency and intensity storms caused significant damage to Zone 7's flood protection facilities, resulting in the Zone 7 Board declaring a Local State of Flood Emergency for the two storms.
- Staff has identified storm-related channel bank damages at 177 sites owned by Zone 7. In a normal year, Zone 7 experiences only about eight to ten bank slides. The total cost to repair the 177 bank slides from 2023 storms is estimated to be approximately \$41,000,000, with design and environmental permitting services estimated to be approximately \$6,100,000. In comparison, the 2017 storms related channel bank repairs total cost was estimated at \$44,000,000, with design and environmental permitting services of approximately \$7,100,000.
- To design and be prepared to address repairs of storm damages in a timely manner, staff is seeking to pre-qualify and approve engineering design services to assist with preparing plans, specifications, and cost estimates to address repairs of storm damages. These design services would assist with the preparation of detailed engineering design plans and specifications and assist in permitting to repair the damage from 2023 storms and any new damage resulting from the upcoming wet season. This is the same process that was used after the 2017 storm damages.
- Some of the costs related to 2023 damages may be partially reimbursable through Federal and State agencies assistance programs that Zone 7 has applied for assistance. Zone 7 has applied for assistance from the US Army Corps of Engineers (USACE), the Federal Emergency Management Agency (FEMA), and the Governor's Office of Emergency Services (Cal OES) to help fund the repairs of the 2023 storm damages.

- A Request for Qualifications (RFQ) for engineering design services to repair damages to flood protection facilities was posted on August 24, 2023, on Zone 7's website, and with the Minority Business Development Agency to satisfy procurement requirements for FEMA and Cal OES funding.
- Zone 7 received Statement of Qualifications (SOQs) from seven firms in response to the RFQ. Based on the submitted SOQs, a Zone 7 review panel determined that only six firms were qualified to provide the necessary design and permitting services. The six firms will be placed on a list of approved qualified firms, which will be used to solicit project specific proposals over the next five-year period. Eligibility on the list does not guarantee work.
- Staff recommends that the Board:
 1. Approve the qualified firms list (Exhibit A) to be used during the five-year period ending November 30, 2028, to provide design and environmental permitting assistance services to repair damages to flood protection facilities.
 2. Authorize the General Manager to negotiate, execute, and amend as necessary, one or more contracts with any of the firms on the approved list to provide design and environmental permitting assistance services to repair damages to flood protection facilities, for a total of all contracts not-to-exceed amount of \$6,100,000.
 3. The Board appropriate an additional \$1,000,000 in the Fiscal Year (FY) 2023-24 Budget to fund the initial contract for design and environmental permitting assistance services to repair damage to flood protection facilities.

FUNDING:

An additional appropriation of \$1,000,000 in the FY 2023-24 Budget from Fund 200 – Flood Protection Operations, is required to fund the design and environmental permitting assistance services to repair the damaged sites. The remaining \$5,100,000 will be requested in the subsequent fiscal year budget requests from Fund 200 – Flood Protection Operations.

RECOMMENDED ACTION:

Adopt the attached Resolution.

ATTACHMENT:

Board Resolution

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Authorization for Design Services to Repair Damages to Flood Protection Facilities

WHEREAS, to support Zone 7's mission to deliver safe, reliable, efficient, and sustainable water and flood protection services, Zone 7 implements projects to maintain its flood protection system; and

WHEREAS, this action is in support of Strategic Plan Initiative 9 – Continue to maintain the Flood Protection System; and

WHEREAS, the storms of January and March 2023 have resulted in significant damage to Zone 7 flood protection facilities resulting in an estimated \$41,000,000 of repair costs for Zone 7 facilities; and

WHEREAS, Zone 7 has applied for assistance from the US Army Corps of Engineers, the Federal Emergency Management Agency, and the Governor's Office of Emergency Services; and

WHEREAS, there is an ongoing need to procure design and permitting assistance services to assist Zone 7 to repair damages to flood protection facilities; and

WHEREAS, through a Request for Qualifications (RFQ) process, Statements of Qualifications (SOQ) were requested to provide design and permitting assistance services to Zone 7; and

WHEREAS, Zone 7 has reviewed the SOQs submitted in response to the RFQ and has developed a list of qualified firms, Exhibit A; and

WHEREAS, engineering design and environmental permitting assistance cost to repair the damages is estimated to be \$6,100,00 over the next several years; and

WHEREAS, it is estimated that \$1,000,000 will be required to initiate an engineering design and environmental permitting services contract in FY 2023-24, which will require an additional appropriation of \$1,000,000 in the FY 2023-24 Budget from Fund 200 – Flood Protection Operations; and

WHEREAS, the remaining \$5,100,000 will be requested in subsequent fiscal year budget requests from Fund 200 – Flood Protection Operations.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby approve the qualified firms list, Exhibit A, to be used during the five-year period ending November 30, 2028, to provide design and environmental permitting services to repair damages to flood protection facilities; and

BE IT FURTHER RESOLVED that the General Manager be authorized to negotiate, execute, and amend as necessary, one or more contracts with any of the firms on the approved list (Exhibit A), to provide design and environmental permitting assistance services to repair damages to flood protection facilities, for a total of all contracts not-to-exceed amount of \$6,100,000; and

BE IT FURTHER RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District hereby appropriates an additional \$1,000,000 in the FY 2023-24 Budget from Fund 200 – Flood Protection Operations.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on November 15, 2023.

By: _____
President, Board of Directors

EXHIBIT A

List of Qualified Firms to Provide Design Services to Repair Damages to Flood Protection Facilities

1	CBEC Eco Engineering 2544 Industrial Blvd West Sacramento, CA, 95691
2	ENGEO 2010 Crow Canyon Pl, Suite 250 San Ramon, CA 94583
3	FlowWest 1624 Franklin Street Suite 901 Oakland, CA 94612
4	Haley & Aldrich 2033 N Main St UNIT 309 Walnut Creek, CA 94596
5	Mackay & Somps 5142 Franklin Drive, Suite B Pleasanton, CA 94588
6	Wood Rodgers 4670 Willow Rd Suite 125 Pleasanton, CA 94588



LIVERMORE VALLEY

WATER FINANCING AUTHORITY

100 North Canyons Parkway, Livermore, CA 94551 • **PHONE** (925) 454-5000 • **FAX** (925) 454-5727

MINUTES OF THE BOARD OF DIRECTORS LIVERMORE VALLEY WATER FINANCING AUTHORITY

REGULAR MEETING
October 18, 2023

The following were present:

DIRECTORS: DAWN BENSON, SANDY FIGUERS, DENNIS GAMBS, LAURENE GREEN,
KATHY NARUM, SARAH PALMER, ANGELA RAMIREZ HOLMES

ZONE 7 STAFF: VALERIE PRYOR, GENERAL MANAGER
OSBORN SOLITEI, TREASURER/ASSISTANT GENERAL MANAGER, FINANCE
JARNAIL CHAHAL, ACTING ASSISTANT GENERAL MANAGER - ENGINEERING
LIZZIE FOSS, FINANCIAL ANALYST
JAVIA GREEN, FINANCIAL ANALYST
DONNA FABIAN, EXECUTIVE ASSISTANT

GENERAL COUNSEL: REBECCA SMITH, DOWNEY BRAND

Items 1-13 and Items 20-25

[See "Minutes of the Board of Directors, Zone 7 Alameda County Flood Control and Water Conservation District, Regular Meeting, October 18, 2023"]

Item 14 – Call Livermore Valley Water Financing Authority Regular Meeting to Order

President Figuers called the meeting of the Livermore Valley Water Financing Authority into order at 9:15 p.m.

Item 15 – Roll Call of JPA Board

All Directors were present.

Item 16 – Public Comment

There were no public comments.

Item 17 – Minutes

Director Palmer made a motion to approve the minutes of December 15, 2021, and Director Figuers seconded the motion. The minutes were approved by a voice vote of 4-0-3 with Directors Benson, Narum and Ramirez Hoalmes abstaining.

Director Ramirez Holmes made a motion to approve the minutes of December 21, 2022, and Director Palmer seconded the motion. The minutes were approved by a voice vote of 6-0-1 with Director Narum abstaining.

Item 18 – Livermore Valley Water Financing Authority Revenue Bonds 2023 Series A Sale

Director Palmer made a motion to approve the resolution authorizing the issuance and sale of Water Revenue Bonds, the execution and delivery of a first supplemental trust agreement, a first supplemental installment sale agreement, and a bond purchase agreement and Director Green seconded the motion. The resolution was approved by a roll call vote of 7-0.

Item 19 – Adjournment of Livermore Valley Water Financing Authority Regular Meeting

President Figuers adjourned the Livermore Valley Water Financing Authority Regular Meeting at 9:19 p.m.

Palmer Report for November Board 2023

Oct 6 Region 5 Board Meeting

OCT 11 ACWA Webinar - LIVE Webinar: Achieving Cr6 MCL Compliance — A Review of RCF (Reduction-coagulation-filtration)

"While both ferrous and stannous reagents have been shown to support Cr6 reduction when part of the complete RCF process, there are significant differences between the nature of these two treatment reagents and their overall feasibility, safety and effectiveness in achieving reliable and accurate Cr6 removal.

With the SafeGuard™ H2O system, utilities can ensure operational safety and treatment process optimization by generating a stannous reagent on-site and on-demand via an electrolytic process. SafeGuard™ H2O is a fully automated, affordable and proven RCF system that also features an online Cr6 analyzer to control system performance in real-time. This proprietary RCF technology has been successfully demonstrated at California utilities

Oct 18 AWWEE webinar on Water Affordability given by Alliance for water efficiency

A Case Study in Water Rate Affordability: Ensuring Affordable Access to Water for All

AB 685 (2012) AB 401(2015)

Affordability ratio

Moving away from using median income in household affordability metrics not working with median income levels

What proportion are at 20th percentile

Household burdens are used as the measure
calculations at census tract level.

www.allianceforwaterefficiency.org/impact/our-work

Long Beach and Houston as case studies

High household burden not correlated with volume of use.

On average income exempt rate structure households using less water.

LB 21% lower use

Houston 15% lower use

Direct Install efforts in Long beach CA

prop 218: by law the cost on a water bill has to relate to the cost of service.

So customers cannot subsidize other customers in municipal service (private is different)

3-tiered block rate lowered bills with lower water use.

Long Beach has separate revenue sources for the lowest income folks while the fixed charge stays the same for everyone.

While water is inexpensive as compared to other basic needs, construction cost share well over inflation rate due to supply delays and changes. Construction is different than in the past some aspects requiring a different skill set...some higher tech.

Water Education Foundation's 39th Annual Water Summit

Taking On the Improbable in Western Water

The Sawyer Hotel | 500 J St., Sacramento

AGENDA

9:30 Welcome & Opening Remarks

Jenn Bowles, *Executive Director, Water Education Foundation*

Nick Gray, *Programs Director, Water Education Foundation*

9:45 The Waters That Connect Us: A Changing Tide in Water Policy

Anecita Agustinez, *Tribal Policy Advisor, California Department of Water Resources*

NOTES:

- 2011 tribal consultation policy
- land acknowledgement policy
- tribal groups not able to be GSA under SGMA since not PWA
- eliminate "chief" in gov agencies
- "stakeholder " as a derogatory term? fed policies of land claims
- interested parties,
- indigenous sovereignty
- Tribal water rights? See Ch 7

10:45 Accelerating Change on the Regulatory & Policy Landscape

Moderator: Jenn Bowles, *Executive Director, Water Education Foundation*

Alexandra Biering, *Senior Policy Advocate, California Farm Bureau*

Wade Crowfoot, *Secretary, California Natural Resources Agency*

Chelsea Haines, *Regulatory Relations Manager, Association of California*

Water Agencies Eric Oppenheimer, *Chief Deputy Director, State Water*

Resources Control Board

Erick Orellana, *Senior Policy Advocate, Community Water Center*

NOTES:

- sb389 Allen - Water rights as antiquated
- WC- water resilience portfolio. one action was to digitize water rights,
- EOp- riparian, pre and post 1914, diversion data not there, SB 389 as modest improvement, need right regulatory and technical tools
- AB - concerns of farming community?
 - project waters and irrigation districts
 - many still nervous about this version, many have become neutral now. possible "hunting expedition"? Transparency and more info a good thing, onboard with more information, work collaboratively
- CH - ACWA engaged, stream gauges, continuing discussions, get out of reactive mode

- ab460 RBK penalties
- AB1337 Buffy wicks - expanded wb ability to issue curtailments, inc pre-1914 holders
- EOr - env justice org. DAC's/ communities of color often left out. human right to water still not in place.
- How to use and conserve water
- requirement to conserve even in wet years
- individualized water budget on landscapes, geography, service area characteristics - not one size fits all? EOp
- EOr - minimum water use to not pay?
- Prop 218?
- why and how collecting info WC
- need for better info AB - trust?
- WC 30 by 30? What does it mean?
 - nature based solutions? - Yolo bypass is example
 - we need to integrate more
 - 30% of planet protected by 2030
 - cycle carbon
 - healthier watersheds/headwaters
- How about those who have already cut?
- EOp feels that compliance issues will not be a problem

1:15 Pursuing Sustainability in California Groundwater

Moderator: Nick Gray, *Programs Director, Water Education Foundation*

Tina Cannon Leahy, *Staff Counsel IV, State Water Resources Control Board*

Paul Gosselin, *Deputy Director of Sustainable Groundwater Management,*

California DWR Ann Hayden, *Vice President, Climate Resilient Water*

Systems, Environmental Defense Fund Matt Hurley, *General Manager,*

McMullin Area Groundwater Sustainability Agency

NOTES:

- ab3030 sb1938
 - well log drilling completion report was confidential
 - led to many gaps
- multibenefit land repurposing has become a known and used term
- subsidence and residual subsidence will cause a rethink (PG)
- interbasin interaction (PG)
- Trading of GW credits (AH) need for clear guidance

3:00 Pivoting to a Dynamic Future in the Colorado River Basin

JB Hamby, *Chair, Colorado River Board of California*

NOTES:

- law of the river
- 40M people
- 5.8 M acres
- each state has its own commissioner

- imperial valley = prior appropriation rights
- Colorado river compact
 - upper basin and lower basin limited
 - CA rights used more limited to 4.4maf.yr
 - AZ vs. CA supreme ct.
 - central AZ project 400 mi aqueduct
 - 2003 quantification agreement reduce CA by 800K af
 - IID developed agreements
 - 2007 from surplus to shortage w lower basin states
 - AZ, NV, and Mexico at first agreed to reduce
 - 2019 drought contingency plan - supplemental plans
 - renegotiation of 2007 guidelines
 - Inflation Reduction Act?
 - 300M af of water dev by Reclamation?
 - all guidelines expiring in 2026
 - Reclamation wants consensus in 6 months
 - Imperial Valley giving up 0.5 MAF

3:30 Breaking Through: Obsolete Dam Removal in the West

Moderator: Nick Cahill, *Staff Writer, Water Education Foundation*

J. Aman Gonzalez, *Senior Project Manager, California American Water*

Brian Johnson, *President, Klamath River Renewal Corporation*

Rob Lusardi, *Assistant Professor of Freshwater Ecology, University of California, Davis*

Meghan Quinn, *California Dam Removal Program Director, American Rivers*

NOTES:

- Yurok tribal rights and needs
- Salmon use of upper basin
- fish ladders not working
- need for data
- [no discussion of water storage issues]

ORIGINATING SECTION: Administration
CONTACT: Valerie Pryor

AGENDA DATE: November 15, 2023

SUBJECT: General Manager's Report

SUMMARY:

The following highlights a few of the key activities which occurred last month. There were no General Manager contracts executed during October.

Administration and Outreach:

Zone 7's credit rating from S&P Global Ratings has been upgraded from AA+ to AAA. This upgrade reflects S&P's view of the Zone 7's exceptionally strong water supply position, low leverage, and healthy financial position, even when assuming adverse drought conditions and future population growth in its service area. The exceptional ratings led to a successful pricing of bonds on October 24, 2023, and Zone 7 received \$30 million of bond proceeds with a True Interest Cost of 4.68% for the financing of the Chain of Lakes PFAS Treatment Facility. The bond sale closed on November 7, 2023.

In celebration of California Flood Preparedness week, Zone 7 hosted an open house to share essential tips and strategies for residents to keep their home and family during floods. Approximately 100 people attended the event on October 21.

Engineering and Water Quality:

Quarterly PFAS Monitoring: All third quarter PFAS sample results have been received and compiled. All delivered water PFAS concentrations and quarterly running annual average values were less than the applicable state PFAS response levels. The PFAS summary table was shared with the retailers and posted on Zone 7's website.

Stoneridge Well PFAS Treatment Facility Project: The facility continues to operate several days each week. Numerous rounds of PFAS testing have taken place over the past month, with all test results showing No Detect (ND) for all PFAS constituents. The contractor continues with remaining work which includes booster pump installation and electrical gear and building construction. Contractor continues with remaining work to achieve final completion, which is anticipated for early 2024.

Chain of Lakes Wells PFAS Treatment Facility Project: Contractor continues with submission of critical submittals and long lead time items. Contractor mobilized at the site last month and began drilling operations, with construction of one of the test piles in late-October. Drilling of other test piles will take place in November, with all pile installations anticipated for January 2024. The project is anticipated to be complete in fall 2024.

Valley Pump Station Project: Installation and commissioning of the seventh pump is complete. A few minor punchlist items, such as painting of the new piping and valves, will be completed over the next few weeks. All other original contract work for the project is complete. Staff anticipates total expenses will be approximately \$1 million under the original budget of \$8.5 million once the project is completely closed out.

Damage Assessment from 2023 Storms: Staff have identified storm-related channel bank damages at 177 sites owned by Zone 7. As comparison, in a normal year, Zone 7 experiences only about eight to ten bank slides. The total cost to repair the 177 bank slides from 2023 storms is estimated to be approximately \$41,000,000, with design and environmental permitting services estimated to be approximately \$6,100,000.

Integrated Water Resources:

The State Water Project allocation remains at 100%. Zone 7's storage balance in Lake Del Valle is approximately 5,000 AF, which can be carried over into 2024.

Staff continues to coordinate on the 2023 water operations plan to maximize surface water use and preserve groundwater. September treated water supply consisted of 95% surface water and 5% groundwater. Groundwater usage has increased from the commissioning of the Stoneridge PFAS Treatment Facility as it undergoes testing during the warranty period. Staff is coordinating with the California Department of Water Resources (DWR) to maximize local recharge this year and bank 10,000-15,000 acre-feet in the Kern County Storage and Recovery Programs. Since March, Zone 7 has been actively recharging the local groundwater basin via Arroyos Mocho and Valle. The cumulative recharge volume to date is 5,000 acre-feet. Staff also executed a term sheet for the transfer of up to 12,000 AF and is continuing to evaluate other options to sell or exchange part of its allocation.

Staff continues to track the demand conditions, and in October 2023, Zone 7's overall water demands were 13% lower than the same time in 2020: treated water production was 11% lower, and estimated untreated deliveries were 27% lower.

Water Supply and Reliability Projects: Zone 7 is currently actively pursuing water supply and reliability projects. Key activities are as follows:

Delta Conveyance Project: Zone 7 is participating in the four-year planning and permitting process and has approved funding through calendar year 2024. The environmental planning and preliminary engineering work are on schedule and on budget. Zone 7 representatives continue to serve on the Boards of the Delta Conveyance Design and Construction Authority

(DCA) and the Delta Conveyance Finance Authority (DCFA). Minutes for the August 18, 2023, DCFA Board meeting are attached. Board packets for both the DCA and the DCFA can be found at: <http://www.dcdca.org/#meetings>.

Water Supply and Reliability Projects: Zone 7 is currently actively pursuing water supply and reliability projects. Key activities are as follows:

- **Los Vaqueros Reservoir Expansion (LVE).** The Los Vaqueros Reservoir Joint Powers Authority (JPA) ran a tabletop exercise to review Contra Costa Water District's (CCWD) use of its facilities from 2017-2023. It was determined that during these years, there were many instances where there was capacity available after CCWD's operations. Staff has continued to engage with the JPA to continue discussing and developing key agreements. Staff has also continued to work with Alameda County Water District and Valley Water on the joint RiverWare modeling effort to analyze LVE operations for the South Bay Aqueduct.
- **Sites Reservoir.** The Sites JPA voted to extend the current work period to December 2025 (a one-year extension). The time extension will not require additional funding from project participants. The Authority Board will consider certifying the Final EIR and approving the project at the November 17, 2023, Board meeting.

Alameda County Public Works recently adopted a new drilling fee schedule effective November 1, 2023. As the administering well and soil boring permitting agency in Eastern Alameda County, Zone 7 has adopted the new well permitting fee schedule. Staff notified interested parties including well owners, well drillers, and drilling consultants via an email. The Zone 7 drilling permit page has been updated to reflect the new fee schedule. Staff also plans to inform the public using social media postings.

Operations and Maintenance:

Staff worked on several projects including support work for the Del Valle Water Treatment Plant (DVWTP) Ozonation post-project work, the Patterson Pass Water Treatment Plant (PPWTP) Expansion and Ozonation Project, the Mocho Groundwater Demineralization Plant Concentrate Conditioning project, the Stoneridge PFAS Treatment Facility Project phase 2 and the Chain of Lakes PFAs Treatment Facility Project. Staff is in the process of commissioning the Stoneridge Facility. Staff participated in Computerized Maintenance Management System (CMMS) business needs assessment asset hierarchy workshop.

BOARD OF DIRECTORS MEETING

MINUTES

REGULAR MEETING

Thursday, August 17, 2023

2:00 p.m.

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER

The regular meeting of the Delta Conveyance Design and Construction Authority (DCA) Board of Directors was called to order in person, by teleconference, and remotely - Conference Access Information: Phone Number: (669) 444-9171, Code: 83819300970#, <https://dcdca-org.zoom.us/j/83819300970?from=addon> at 2:02 pm.

President Palmer noted that item six (6)d, Adopt Resolution Approving the Amended Procurement Policy, was removed from the agenda and would be brought to the Board for consideration at a future meeting.

2. ROLL CALL

Board members in attendance from the DCA Boardroom were Sarah Palmer, Martin Milobar, Robert Cheng, and Miguel Luna. Adnan Anabtawi participated from Mojave Water Agency Boardroom, Tony Estremera participated from Valley Water Headquarters Boardroom and Gary Martin participated from the Santa Clarita Boardroom.

Alternate Directors in attendance remotely were John Weed, Royce Fast, Bob Tincher, Barbara Keegan, Dennis LaMoreaux and Dan Flory.

DCA staff members in attendance were Graham Bradner and Joshua Nelson.

Department of Water Resources (DWR) staff member in attendance was Katherine Marquez.

3. PLEDGE OF ALLEGIANCE

President Sarah Palmer convened the open session at approximately 2:04 p.m. and led all present in reciting the Pledge of Allegiance.

President Palmer dedicated this meeting to the residents of the island of Maui, Hawaii.

4. PUBLIC COMMENT

President Palmer opened the Public Comment item for all items not on the agenda, there were no public comment requests received and she proceeded to close the comment period.

5. APPROVAL OF MINUTES: June 15, 2023, Regular Board Meeting, and June 15, 2023, Special Board Meeting

Recommendation: Approve the June 15, 2023, Regular Board Meeting Minutes, and June 15, 2023, Special Board Meeting Minutes

Motion to Approve Minutes from June 15, 2023, as

Noted: Milobar
 Second: Martin
 Yeas: Palmer, Milobar, Martin, Luna, Estremera, Cheng, Anabtawi
 Nays: None
 Abstains: None
 Recusals: None
 Absent: None
 Summary: 7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as MO 23-08-01).

6. DISCUSSION ITEMS:

a) **August DCA Monthly Report**

Informational Item

Executive Director, Graham Bradner, presented an overview of the monthly board report. He started with Section 1: Work Performed, highlighting July as being the first month of the new fiscal year. The Program Controls team is working on finishing closeout activities including completing and closing any invoices from fiscal year 22/23. DCA is continuing to assist and prepare all the new task order amendments and new contracts for FY 23/24. DCA is also working on procurement strategy planning and any other budget preparation activities that are associated with execution of the year. At the same time, there has been great progress on DCA’s programmatic standard operating procedures and management plans. The goal is to not only capture the way that DCA works and operates currently, but to also to prepare and be ready for the potential next phase of project evolution.

Mr. Bradner moved on to the administrative functions, stating that the Administrative team continues to assist with the DCA Board of Directors meetings and manage the change management board processes. The Administrative team activities have a close connection with the program management and sop development work for the program. Mr. Bradner touched on the summer internship program and how pleased he is with the outcome and how successful it has been this year. He informed the Board that Marcie Scott, DCA’s Human Resource Manager, will give updates on the program later in the agenda.

Regarding engineering, the Engineering team continues to focus on supporting DWR and the Delta Conveyance Office (DCO) with all the permitting efforts by helping the department respond to comments on the draft Environmental Impact Report (EIR), providing updates on requests for clarification around the conceptual designs, as well as any other activities that the department may need support with through the various permit initiatives.

Mr. Bradner went on to update the Board on fieldwork activities and how the spring fieldwork was completed last fiscal year. There is still a continuation of the laboratory testing and reporting associated with that work which will be expanded on in Item 6b of discussion. The program does need to roll over some funds and scope from last year into the current fiscal year to cover the continuing work. In addition, there is now the summer investigation program that is currently active and planning activities for the fall program. Once the fall program is completed, that will wrap up all the investigative work that is being done under the initial study mitigated negative declaration to support DWR's evaluation of alternatives and have a better understanding of real conditions Delta-wide.

Director Luna inquired about lab tests performed on the samples collected, and what we are looking for?

Mr. Bradner stated that there is a range of testing that is being performed. Broadly it would first be put into two categories, whether it is environmental profiling or characterizing of the soils versus engineering properties associated with the soils and within that there's a long list of potential tests. Switching back to the environmental side, we are testing for metals and other constituent of concerns. On the engineering front, there is gradation analysis which evaluates the material distribution within the soil, and more advanced testing to test the strength of the soil by obtaining very high-quality soil samples and putting it through high pressure to see how it reacts. This testing will allow DCA to have a better understanding of subsurface conditions and validate assumptions that were made under the draft EIR. All the support work that has been provided to DWR through environmental impact analysis and the concept design.

President Palmer asked in terms of layering if there has been much difference in the constituents or textures that have been obtained?

Mr. Bradner stated that it's a complex environment and changes are to be expected as it is natural for an alluvial setting. They are all sediments deposited through fluvial actions through flowing water depositing and leaving soils behind. There is variability and patterns that do emerge. Yes, it is expected to encounter variability, but nothing out of the realm of what would be expected in this type of condition.

Mr. Bradner continued to Section 2: Community Engagement and mentioned that DCA has created and posted several informative pieces of information. First, are the Closer Look fact sheets that have been produced in English, Spanish and Chinese. These are a quick read and get a succinct understanding of what the different features and considerations are with respect to the project. They have been posted on the DCA website to improve accessibility to this type of information. In conjunction with the fact sheets, there have been several closer look videos that have been created that provide an overview from key subject matter experts that the DCA has within the program. Valerie Martinez, DCA's Communication Manager will be introduced to the Board at the next Board meeting through the senior leadership spotlight and intends to report regularly on the activities around our community engagement and other information that is being put out of the program.

Director Martin stated that he trusts that all this new information is readily available on the DCA website and would like to know if DCA is getting any feedback or comments from the public regarding all this information that is on the website.

Mr. Bradner stated that there are social media statistics listed on the page showing there is engagement, however he is unsure how much. He will ask Valerie to provide more detail at the October meeting.

Director Chang stated that the tours are a great success with over 150+ attendees and asked if the tours are generally for Staff or Board members.

Mr. Bradner stated that the tours have been a mixture of Staff, regulatory agencies, and representatives from service areas who receive water from the State Water Project (SWP) and are interested in understanding more about the project.

Mr. Bradner continued to Section 3: Budget and stated that the FY23/24 DCA budget has been approved for \$39.96M. To date the DCA has committed \$32.67M and has about \$7M uncommitted for the year. Currently, the incurred to date only has a few basics items, such as rent, utilities and a few invoices that go out early that are just now being collected but are not currently on the report.

Mr. Bradner continued to Section 3a and presented the FY 22/23 Financial Reports. The FY22/23 DCA approved budget was \$31.16M. We are in the final stages of closing out FY 22/23 and currently have an Estimate at Completion (EAC) of \$25.34M, and an underrun of \$5.8M. DCA does not anticipate these numbers to change. He mentioned that the underrun is an indication of good performance, nothing that we should have done that we were not able to do, and there were a couple of activities that we intentionally deferred based on the status of the program.

Mr. Bradner noted that as part of the summary for FY 22/23 includes a request which will be covered in the next agenda item. The request is to move \$488K from FY 22/23 budget over to the current FY 23/23 budget for fieldwork that was intentionally deferred. This will need to be de-scoped from last year and roll into the current year, which will reduce the top line budget by \$488K and the surplus will be reduced to \$5.33M.

Mr. Bradner continued to Section 5: Program Schedule. The Program Management Office (PMO) continues to work on program support activities as planned. The Engineering team continues providing permitting support to the DCO and progressing supplemental concept validation studies to better understand concepts that were considered and ruled out during the alternative's evaluation. This prevents going over the same grounds' years from now if there's future design contracts. At the same time, other concepts are being considered that are believed to have merit and should be considered in future design phases and documented. The Fieldwork has been very active, the summer program is underway now and the environmental clearances associated with the program. Fieldwork activities, laboratory analysis and documentation that will follow upon completion of the summer program. We are currently planning for the Fall 2023 Investigation Program.

Mr. Bradner noted that if the Board does consider and approve to move the funds from last year and move that scope into the current fiscal year for the Spring 2023 lab testing and documentation, it will be added to the schedule as a continuation of the Spring program so that we are fully complete in terms of all the fieldwork activities.

Director Chang asked Mr. Bradner to remind him with the completion of this year's exploration activities, is the program done for the initial phase?

Mr. Bradner confirmed that with the completion of this year and the completion of the Fall program that will conclude the investigative work being performed under the initial study mitigated negative declaration. At that time, DCA will wait for DWR to consider the project through the California Environmental Quality Act (CEQA) process and pending their decisions about any preferred project moving forward, DCA would then pivot to the project as included in the EIR.

No further comments or questions were received from the Board, nor were any public comment requests received.

b) **Initial Fiscal Year 2023/24 Budget Adjustment**

Approve by Minute Order

Mr. Bradner presented the request for the revised budget pending the request would be \$40.44M, which reflects an increase of \$488K transferred over from FY 22/23 to the current FY 23/24 Budget. He reminded the Board that in previous years we encountered the same issue with drilling performed in the Spring and not being able to fully complete the work by the end of the fiscal year. This is because of the other activities that trail the fieldwork, such as laboratory testing after collecting the samples, preparing the boring logs, reporting. In past years we have extended task orders for this reason, to ensure the effort stayed attached to the money that was authorized. Moving forward we will be more rigid in terms of our fiscal year task orders and not extend task orders beyond the end of the fiscal year, which comes with pros and cons. We will be able to close out the fiscal year sooner.

President Palmer asked if there were any task orders going forward.

Mr. Bradner informed the Board that this is to not have any extensions beyond the end of the fiscal year. The project starts a new task order at the beginning every fiscal year and will close each task order at the end of each fiscal year. The project will not be reporting on last year's financials once it is closed out. It does streamline and cleans up some of the items that linger far into the next fiscal year. The program scoped all the fieldwork investigations programs last year and included it in their task order to fully complete it even though it was unclear on if everything would be completed. That allowed the team to find a spot that was logical to create a clean break within their work and now de-scope it from last year's task order and last year's budget to roll it over and initiate new task orders and budgets for this amount for the current year.

Director Chang stated that he fully supports this request and inquired if the task order extensions were flagged during a previous audit?

Mr. Bradner stated that it created some complexity, but the DCA still obtained a clean audit.

Treasurer Katano Kasaine stated that she supports this request.

No further comments or questions were received from the Board, nor were any public comment requests received.

Recommendation: Approve the Initial DCA Fiscal Year 2023/24 Budget Adjustment

Motion to Approve Initial DCA Fiscal Year 2023/24 Budget Adjustment, as

Noted: Luna
 Second: Estremera
 Yeas: Palmer, Milobar, Martin, Luna, Estremera, Cheng, Anabtawi
 Nays: None
 Abstains: None
 Recusals: None
 Absent: None
 Summary: 7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as MO 23-08-02).

c) Adopt Resolution Approving the Amended Procurement Policy

Approve Resolution

DCA Chief Contracting Officer, Kathleen Murphy, informed the Board that there is a request to approve the amended DCA Purchasing and Procurement Policy. When the policy was adopted in 2019, the background of the policy was originally approved based on Metropolitan Water District’s (MWD) procurement policies. In the last 4 years, certain elements of the procurement procedure and processes have evolved and no longer align with the policy as was written a few years ago. In reviewing the policy, there were several items and policy goals that were reviewed. The goals were to establish a purchasing and procurement authorization and delegation of authority to the DCA, ensure that the policy and the procurement processes were compliant with the Joint Exercise of Powers Agreement (JEPA), Joint Powers Agreement (JPA), and applicable procurement laws, ensure that there is an effective documentation process, ensure that the procurement activities are transparent and that there is an open and competitive process.

Ms. Murphy explained that the overview of changes generally falls into three (3) categories. The first change was clean up edits, grammatical errors and other routine edits that needed to be changed. Followed by adding information regarding Information Technology (IT). Lastly, definitions were added to further enhance the definition section of the policy.

Ms. Murphy explained that assuming the board takes action and improves this change, the next step would be to implement a policy training module, have training sessions in the Fall of this year for current staff, and to include it in the onboarding process for new staff members.

Director Luna asked if there was anything that may have triggered the update or any incident that is causing the policy to change.

Ms. Murphy responded that there was no incident or any relation to an audit. The change was due to staff reviewing what is currently being done now compared to the policy as written and realizing that updates needed to occur.

Director Luna asked if there is a particular process as to how often procedures are reviewed to ensure that the project is on track in keeping up with trends.

Mr. Bradner stated that those are part of the items that DCA is working through in terms of the organizational growth and developmental activities as staff starts to create the structure around

change management, ensuring that DCA is consistent with the way the program is to be ran. This amendment is in sync with that, and this type of thinking has triggered some of the policy updates and policy creations that the Board is seeing. There are several management plans that are being developed that support these policies.

Director Luna appreciates the responses and supports the need to formalize when items get reviewed and need to be updated.

Mr. Bradner stated that DCA is starting to lay out timelines for when plans will systematically be looked at with that type of view, change and processes for folks to introduce items that DCA believes should be changed. There is a lot that is being developed and all within the sphere of organizational development.

Mr. Nelson stated that Mr. Bradner and Ms. Murphy covered the policy amendment request.

President Palmer stated that sometimes things do not need to be updated but setting it out in the policy that DCA would review them regularly would be a good thing to state.

Chief of Staff, Claudia Rodriguez, stated that DCA has made it a goal in the overarching plan to revisit the plans on an annual basis to make sure that whatever is outlined in the plan is consistent with how DCA is operated.

President Palmer asked if the review of the plans for changes is in the overall policy.

Mr. Brander responded to President Palmer's question, that it is not part of this policy, but is part of the Program Management Plan (PMP) and Change Management Process (CMP) and it would address all policies.

Director Cheng thanked Ms. Murphy for her presentation and inquired if the DCA is expected to have the same pattern for updates as MWD?

Mr. Bradner stated that DCA adopted MWD policies but now DCA is starting to adopt policies more in line with the way that DCA conducts business. DCA has a unique circumstance now and will continue to have changes in circumstances in the future.

Director Cheng asked if controversial contracts that are less than \$250k would be brought to the Board for deliberation even though the Executive Director has awarding capabilities.

Ms. Murphy stated that yes, the Executive Director has the right to bring any procurement item to the Board not solely dependent on the dollar value.

President Palmer asked if there were any guidelines for procurement item?

Mr. Bradner stated that there are no guidelines for procurement items, it's more of a judgement call.

Mr. Nelson stated that this item is in the current policy and that is how it has been operated in the last few years.

President Palmer stated that many items within the policy address IT and some of the specifics that are needed for IT are unique to DCA's situation.

Director Martin stated that he appreciates the presentation that Ms. Murphy created, and it was made very easy to understand. He supports the item.

Director Anabtawi stated that he appreciates the changes and the updates on how DCA does procurement in an effort towards fairness and ensuring that DCA gets the best value. He also stated the procurements are different from the traditional construction or design type of procurements and appreciates the recognition that the procurements in the IT space are different and allowed for that consideration.

No further comments or questions were received from the Board, nor were any public comment requests received.

Recommendation: Adopt Resolution Approving the Amended Procurement Policy

Motion to Adopt Resolution Approving the Amended Procurement Policy, as amended, as

Noted:	Cheng
Second:	Martin
Yeas:	Palmer, Milobar, Luna, Martin, Estremera, Cheng, Anabtawi
Nays:	None
Abstains:	None
Recusals:	None
Absent:	None
Summary:	7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as Resolution 23-09).

d) **Adopt Resolution Approving the Amended Travel Policy**

Approve Resolution

Mr. Nelson informed the Board that under the amended Joint Exercise of Powers Agreement (JEPA), the DCA is required to adopt and utilize a Travel Policy for its contractors and consultants. This policy must be approved by the Board of Directors by resolution and then forwarded to DWR. The Board previously adopted a policy that was approved by DWR.

This item proposes two edits to the policy. First, the policy authorizes the Executive Director to provide any approvals, including potential deviations, from the policy. This item would propose adding an exception to this rule for the Executive Director. For the Executive Director's travel and other expenses, the draft revisions would allow the Board President to provide any approvals.

Second, the policy currently provides that reimbursements are subject to the Federal General Services Administration (GSA) requirements. This edit would clarify that all foreign travel would require prior written DCA approval and be subject to applicable GSA requirements.

Any proposed staff foreign travel would need to be approved prior by DCA by the Executive Director or by the Board President if it was for the Executive Director.

No comments or questions were received from the Board, nor were any public comment requests received.

Recommendation: Adopt Resolution Approving the Amended Travel Policy

Motion to Adopt Resolution Approving the Amended Travel Policy, as

Noted: Palmer
Second: Cheng
Yeas: Palmer, Milobar, Martin, Luna, Estremera, Cheng, Anabtawi
Nays: None
Abstains: None
Recusals: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as Resolution 23-10).

e) **Sr. Leadership Spotlight, Ann-Ariel Vecchio, Sustainability Lead**

Information Only

DCA Sustainability Manager, Ann-Ariel Vecchio, informed the Board of her current role and background experience. Ms. Vecchio grew up in the San Joaquin River Basin growing up between the San Joaquin and Kings rivers. She had family in Stockton and now is coming from San Francisco where she has been for over 10 years.

Throughout her career she has worked in sustainability in a range of angles, from conducting environmental assessments, to evaluating projects with multi-criteria, to developing infrastructure concepts specifically focused on improving sustainability and resilience. Most recently with Parsons, she supported the San Francisco Public Utilities Commission (SFPUC) Sewer System Improvement Program for the last 10 years as the lead resilience and integrated planning manager. She also worked abroad directly with communities through the Peace Corp in Nicaragua. She also worked at the National Park Service, helping communities think through how they can use cultural and environmental resources to create economic development and foster tourism for their communities. Ms. Vecchio also worked on regulating several hydro power projects, many of them upstream in the rivers that are coming to us today. She has been able to work on smaller projects related to communities, creating community outreach materials, working to create carbon assessment tools and thinking about what our choices actually mean for the larger environment, and thinking through redevelopment of brown fields. She expressed that she has had a fulfilling career and is excited to be on the program and will leverage her experience with this program moving forward.

Ms. Vecchio has always had a multidisciplinary focus, from choosing her undergraduate degree in environmental studies and international relations before sustainability was a common offering to recent projects she has worked on. She provided an example of an environmental justice area of concern project she led in San Francisco were the community experiences flooding. Her team engaged with the community to understand concerns beyond flooding and design a project that addressed a range of issues in addition to flooding. Through her work experiences she has been able to work with various teammates from economists to civil engineers. She has been able to

share her experiences, lessons, and perspectives, as well as what it means to work together on something that is technically sounds but where it is nested in people and place, and how that all needs to work together to make a successful project.

Ms. Vecchio shared that her focus has been through her experience at SFPUC and working within a larger team and being embedded with the program delivery and program management team. Working on a program that was really oriented towards delivering key services, and in her role to maximize those investments to maximize public good across a range of issues. Her tenure and experience at SFPUC have given her the ability to take information and analyze and synthesize it for decision makers, policy makers, general manager, and the public. She also mentioned that she loves mapping on GIS and doing analysis. Using her range of experience and personal interest on working on a range of scales, where big ideas need to be concrete enough so that people understand the impacts of day-to-day decisions. The reverse also applies in the sense that what we do every day on the ground needs to roll up to big ideas. Having that experience is key for sustainability.

Ms. Vecchio went on to further highlight some of the work she did at the SFPUC. She worked on the implementation of their custom multicriteria tool, the team worked and sought to evaluate project alternatives across financial, social, and environmental criteria. Most recently, with the development of the new corrido concept, she worked with others to update criteria that they were using to evaluate the project. This enabled them to think through new methods to measure flood resilience across different storm types, as well as some of the community impacts the project would produce. They focused on changes to urban heat, increase in biodiversity, and access to open space. They summarized the analysis to communicate from a core performance perspective and a broader selection of criteria, and what that means for our communities.

Ms. Vecchio expressed that she is excited to be part of the team and builds on her experience. As the Sustainability Manager, she will oversee delivery of the Sustainability Policy, Programmatic Sustainability Plan and Project Sustainability Management Plan.

President Palmer was very impressed with Ms. Vecchio's presentation and happy to have her on the team. President Palmer stated that the approaches that are needed in this project really demand Ms. Vecchio's input.

Director Luna asked Ms. Vecchio how she decided to take on a career in environmental planning.

Ms. Vecchio stated that culturally because she grew up in the Sierras and being close to the rivers it is always important to be connected to land. Ms. Vecchio stated that the connection between people and land is very important and has always been a core interest to her.

Director Cheng was very impressed with Ms. Vecchio's presentation and would like to know how her expertise may help with the project.

Ms. Vecchio stated that minimizing resources in terms of emissions, minimizing resources in terms of the materials that are used and how it all is part of sustainability. The process is to go through and understand what is in the scope and what can be done.

Director Martin is very happy with Ms. Vecchio's presentation and believes that she is focused on the many aspects of sustainability for the program.

Vice President Milobar stated that he is glad Ms. Vecchio is on the team and hopes that she is successful.

President Palmer stated that with Ms. Vecchio's background she will bring many great aspects to the project.

Ms. Vecchio shared that she is happy with the support of the Board.

No further comments or questions were received from the Board, nor were any public comment requests received.

f) **DCA Intern Program Update**

Informational Item

Human Resource Manager, Marcie Scott, presented to the Board the Summer DCA Internship Program and how this year has been the third year offering such program to outstanding Sacramento-area students. It is a wonderful opportunity to give back in the form of offering out time and experience to prepare students for life after graduation. Smart, creative, and thoughtful workers are needed in the future work force to solve large issues which include how to design and build the best infrastructure for the State of California. This is also a great opportunity to provide education around Statewide water issues as well as issues around the Delta. DCA is preparing a sustainable organization to meet future demands for our work plan.

DCA hosted five (5) outstanding student interns this year, representing UC Davis and Santa Clara University. This program was not possible without the help of DCA's exceptional mentors who were assigned interns within their field. The mentors assigned work on specific assignments within their area of study, in addition the interns worked as a group on two (2) projects, and they also attended a variety of career talks.

The first project that the interns worked on was developing creative ideas for visual aids and use of technology for Delta Tour participants. The second group project was to provide feedback on the intern recruitment process and help the DCA improve outreach strategies for future summer programs. DCA will review the materials the interns produced and strategize how DCA can apply them as we go forward.

Another component was career talks, the interns attended about seven (7) career talks and participated in four (4) other forums with experts in environmental justice and sustainability. Ms. Vecchio had the opportunity to sit and have coffee with the interns to talk about all things sustainability. An alumni intern from last year's summer program, who has been selected as a California Senate Fellow this coming year. DCA Tunnel Lead, Steve Dubnewych, held a career talk with the interns and along with great information of the DCP tunnel, Mr. Dubnewych spoke about an earlier tunnel project in his career in Lesotho, a country in South Africa. Mr. Dubnewych and his family lived in Lesotho and had the opportunity to enmesh in the culture. DCA PMIS Solutions Architect, Rob McCarthy, and DCA Program Risk Manager, Sangyoon Min, created a presentation for the interns providing an overview of the program controls function at the DCA. They introduced the interns in risk management and how critically important it is.

DCA had the opportunity to have the interns attend a few excursions, they explored the SMUD Museum of Science & Curiosity, the Geotech Site Field and a Delta Tour.

This program allows interns to see and experience work in their field in real life, they experience work in a professional environment and many other important elements to allow them to grow professionally. The interns have been able to make a lot of connections with people in all kinds of fields.

In the final analysis the interns were hard-working, anxious to learn, passionate about their futures and want to make a positive impact in the future work force.

Director Cheng asked if this program was an all-year-round program.

Ms. Scott stated that this was only a summer program.

Director Cheng asked how selective the program is and if there were multiple candidates for these positions.

Ms. Scott stated that there were more applicants than positions and there is limited work that can be provided to interns due to it being time intensive for DCA mentors. Other challenges were that the DCA work is not all in public facing. DCA provides assignments to interns that they can do, and our mentors are able to oversee and partner with them.

DCA was able to be selective and have a robust review period and process for selecting interns. The interns had to submit a writing sample and were also interviewed. There was a great pool of applicants that were well qualified but unfortunately DCA was unable to obtain all applicants.

Director Luna asked if the internships are paid.

Ms. Scott stated that the internships are paid.

Director Martin stated that this is a great investment for DCA and benefits the overall water industry in California by strengthening and building the reservoir of young professional talents that will be needed in the future. Director Martin shared his experience as an intern himself prior to becoming a professional Civil Engineer. Overall, very pleased with the program.

Ms. Scott stated that this is meaningful work for all agencies to continue to educate and invite students into the DCA world.

President Palmer stated that she is very pleased with Ms. Scott's input and working the interns together and compliments all the mentors.

No further comments or questions were received from the Board, nor were any public comment requests received.

7. STAFF REPORTS AND ANNOUNCEMENTS:

a. General Counsel's Report

DCA General Counsel, Josh Nelson, informed the Board the General Counsel continues to provide legal assistance as requested. This has included assisting staff with the Procurement and Travel Policies on the Agenda this afternoon. The DCA also continues to respond to public records requests from an interested landowner and anticipate providing a final response prior to the Board meeting.

In addition, he provided an update on SB 537. As discussed in June, this bill allows “multijurisdictional,” cross-county bodies to utilize more flexible remote meeting rules. Importantly, Directors of these bodies could attend from publicly accessible offices and buildings without making those locations official teleconference locations if they were located more than 40 miles from the in-person meeting location. The bill was approved by the Committee on Local Government in the Assembly in July, and he will continue to monitor it.

President Palmer asked how flexible that allows DCA to be.

Mr. Nelson stated that it would allow any Director to attend a meeting from the public office of their member agency without making that remote location a complete teleconference location.

President Palmer asked if this doesn’t require them to have a quorum in the room.

Mr. Nelson stated that President Palmer is correct, and it does not require a physical quorum in the room, unlike AB 2449 where that is a requirement.

No further comments or questions were received from the Board, nor were any public comment requests received.

b. Treasurer’s Report

Bernadette Robertson presented on behalf of DCA Treasurer, Katano Kasaine. Ms. Robertson informed the Board that the report is preliminary pending the result of the Authority’s Financial audit that is currently ongoing. The beginning cash balance for the DCA on June 1, 2023, was \$709,976. Receipts for June 2023 totaled \$3,271,373 representing contributions from the Department of Water Resources, Delta Conveyance Office (DCO) for payment of the DCA’s obligations and total disbursements for the same period were \$2,568,512 resulting in an ending cash balance of \$1,412,837 on June 30, 2023.

As of June 30, 2023, the DCA’s receivables totaled \$2,970,023 consisting of 13 invoices to the DCO.

Balances for prepaid expenses and accounts payable, as of June 30, 2023, were \$73,934 and \$3,575,137, respectively. For the same period, advances totaled \$800,000 and total net position was \$81,657.

No comments or questions were received from the Board, nor were any public comment requests received.

c. DWR Environmental Manager’s Report

DWR’s Program Manager, Katherine Marquez presented on behalf of DWR’s Environmental Manager, Carrie Buckman. Ms. Marquez informed the Board that Staff is continuing to work to finalize the EIR, which is expected to be certified by the end of the year. As reported on Mavens,

there was a Delta commands project update which included information on a recent agreement between DWR and Contra Costa water district. The Impact Analysis identified some effects to Contra Costa water quality based on the secret thresholds that impact was less than significant. In acknowledgment of that effect and consistent with the approach taken in California Water Fix, DWR has agreed to include a mitigation measure that consists of a new pump and interchange that would connect to a currently proposed Delta Conveyance Project maintenance shaft to an existing Contra Costa Water District facility. This interchange does not provide new capacity but will provide an alternate command sprout for water that Contra Costa Water District has an existing water right.

Regarding CEQA, the subject matter experts have made a first pass through at the individual comments and are now working to refine those responses and pull them together into complete letters to include in the final EIR.

DWR is also continuing to prepare responses that address themes from multiple comment letters and the next steps are to make appropriate edits to the draft EIR to be included in the final EIR.

The Army Corps of Engineers is working on a similar process for responding to comments and making appropriate edits to the Environmental Impact Statement (EIS) as they are scheduled to finalize the EIS early next year.

The soil investigations that the DCA is conducting are continuing under the initial study mitigated negative declaration for the soil investigations in the Delta project. The current focus is over water borings and DWR continues to update their two-week look ahead schedule look ahead and map on their public website for the public to see where DWR is working.

No comments or questions were received from the Board, nor were any public comment requests received.

d. Verbal Reports

President Palmer had a letter that she wanted to read out loud and ensure it was captured as part of the record. President Palmer decided to skip reading the introduction of the letter.

Governor Newsom’s proposal to streamline the environmental review and construction process on large infrastructure projects initially included the Delta Conveyance Project (DCP), but after several weeks of negotiations the final package of bills does not. The DCP already has undergone an extensive analysis under the California Environmental Quality Act and nothing in the governor’s streamline proposal would have changed or abrogated that the draft environmental impact report does what the law requires and much more. It thoroughly informs decision makers and the public about the potential significant effects on the physical environment of the proposed project and includes methods to avoid or substantially reduce the significant environmental effects to the extent feasible. A significant effort has been made to be responsive to local concerns related to effects of the project on the people of Delta, tribes, and disadvantaged members of historic and legacy communities. Valuable input from the Delta-based stakeholder engagement committee helped us develop a suite of effective methods to considerably avoid or minimize potential environmental effects and other local concerns, this includes minimizing noise traffic, power needs, aesthetic effects, boating, water ray affects, land disturbance and overall project footprint. It is important to note that the proposed DCP has not been eliminated or delayed in any way, it will be funded entirely by its beneficiaries, users and public water agencies participating from the Bay Area, Central Coast San Joaquin Valley and Southern California. The planning and permitting for

the project will continue to move forward in the same manner as before. The large-scale infrastructure projects take time and require a great deal of community and stakeholder input. This project is vital to California's water security as this year we saw extraordinary levels of precipitation for our state's water supply. There is still a challenging and uncertain future and must be prepared for dramatic swings in annual weather challenges from drought to flood. This project is critical to ensuring there is safe affordable water for communities throughout California, which is why Governor Newsom the legislature and our partners across the state continue to push this project forward. The broadening of the partnerships with all stakeholders is looked forward to as the Delta Conveyance Project continues to move forward towards completion.

Director Martin asked if President Palmer could share the letter with the Board.

President Palmer stated she would share the letter.

8. FUTURE AGENDA ITEMS:

No future agenda items requested.

9. ADJOURNMENT:

President Palmer adjourned the meeting at 3:21 p.m., remotely-Conference Access Information:
Phone Number: (669) 444-9171, Code: 85979129742#, <https://dcdca-org.zoom.us/j/85979129742?from=addon>

ORIGINATING SECTION: Office of the General Manager
CONTACT: Alexandra Bradley

AGENDA DATE: November 15, 2023

SUBJECT: October Outreach Activities

SUMMARY:

To deliver on the Agency's 2020-2024 Strategic Plan Goal F which strives to engage our stakeholders to foster mutual understanding, staff implements and oversees a multi-faceted outreach and communications program to connect with and engage stakeholders. Through an open and transparent approach, the Agency seeks to deliver effective customer-centric communications, reaching constituents where, when, and how they prefer. Effective communication builds confidence, trust, and awareness among constituents, increases participation to help with effective decision making, and helps strengthen Zone 7's commitment to its mission and vision. This monthly staff report provides timely updates on progress towards meeting the goal of engaging our stakeholders.

Communications Plan Updates

Conservation Outreach: Staff continues to collaborate with the retailers focusing on rebate promotion and educating customers on best practices for creating long-term habits of water conservation around the home and garden. Staff provided shower buckets filled with conservation rebate flyers for giveaways at Halloween trunk or treat events to the City of Livermore and the Girl Scout troops in Pleasanton and Dublin.

Outreach Program Updates

Schools' Program: The launch of the new Water Academy program is already showing great results and we project that we will easily surpass last year's in-classroom instruction rates.

Through October 27 requests for instruction were made through the new webform. These requests account for approximately 63 class visits signups. Of those requests 23 are teachers utilizing our program for the first time, and 16 teachers have not had a visit from us in several years.

We taught 83 in-person lessons in October.

In-Person Events:

Quest Science Center, Saturday, October 7, 2023, at Quest Plaza in Stockmen's Park, 29 S. Livermore Ave. Zone 7 joined other local groups in a hands-on science event focused on engineering. Families participated by choosing a substance to filter dirty water through to test its effectiveness. Adults and children alike enjoyed the activity and voting for which they thought did the best job. Many engaging discussions about water treatment were had.

Rotary Chili Cook Off, Saturday, October 7, 2023, at Carnegie Park at 2144 Third, Livermore. Zone 7 hosted a booth at the Chili Cook-off. Even with a very warm day, people still came out and over 120 people stopped to talk with us about conservation, flood prep, and what Zone 7 does in the community.

Livermore Lawn Conversion, Sunday, October 8, 2023, in Rotary Park, Livermore. Zone 7 provided support in the form of water, lemonade, snacks, and rebate information to the 15 people who came out to learn and work converting the grass in the park to a native garden. Neighbors came by as well and were excited to learn about the project.

Alden Lane Fall Festival, Sunday, October 15, 2023, at Alden Lane Nursery, Livermore. For the first time, Zone hosted a booth at Alden Lane Nursery's annual fall festival. The booth was very well received and over 150 people visited the booth. All the children, and a few of the adults, enjoyed making seed pots out of newspapers.

Zone 7 Flood Safety Open House, Saturday, October 21, 2023, at Zone 7 Headquarters at 100 N Canyons Pkwy, Livermore. In celebration of California Flood Preparedness week, Zone 7 hosted an open house to share essential tips and strategies for residents to keep their home and family during floods. Participants explored interactive exhibits, engaged with experts, and discovered how Zone 7 is working to safeguard our community against potential flood risks. A full event report is included as an attachment to this report.

Dublin Elementary School Family Science Night, Dublin Elementary School, Dublin, Thursday, January 25, 2024, from 5:00pm – 8:00pm. Zone 7 has been asked to participate in this newly imagined family science night. We look forward to engaging with Dublin Elementary school students and their family members.

Livermore Science Odyssey, Thursday, February 8, 2024, 4:30pm - 7:30pm. Junction Avenue K-8 School. Once again, Zone 7 has been invited to join Livermore students and their families in participating in this district-wide science fair with a hands-on booth.

Granada High School Career Fair, Granada High School, Livermore, Wednesday, February 28, 2024, 8:30am - 12:30pm. Zone 7 has been invited to host a booth with information about water industry-based jobs. Students will be invited to play a game that teaches the types of careers available at Zone 7 and the educational paths needed to achieve them.

Ag & Enviro Adventure Day, Livermore High School, Tuesday, April 23, 2024, 8:00am - 3:00pm. Zone 7 will participate in this organized event for Livermore third graders with an

interactive movement-based activity which highlights our watershed and its connection with the community.

Please visit www.zone7water.com/calendar for the most up to date schedule of public events.

ATTACHMENTS:

1. Monthly Analytics Dashboard
2. Flood Safety Open House Marketing and Event Report

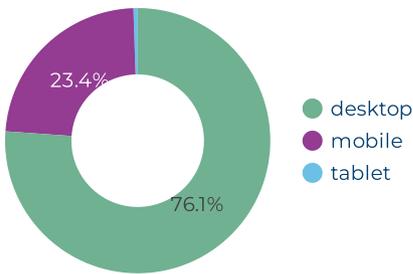
Highlights:

Total users	Views
4,128	12,529
↑ 6.2%	↓ -0.5%
New users	Engagement rate
3,790	57.77%
↑ 6.6%	↓ -1.5%
Sessions	User engagement
6.7K	93:45:57
↑ 11.6%	↓ -7.4%

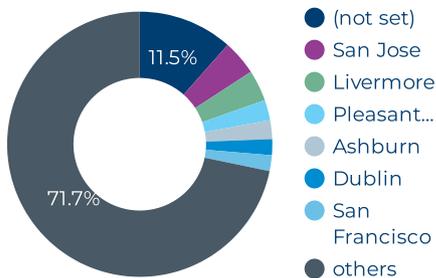
Most visited pages on the website - users and pageviews

	Page title	Views	Total users
1.	Zone 7 Water Agency - the Tri-Valley region's water wholesaler	2,097	961
2.	Examples of a Water Cycle Story - Zone 7 Water Agency	1,143	848
3.	Careers - Zone 7 Water Agency	650	373
4.	4. Label the Water Cycle - Zone 7 Water Agency	564	489
5.	Board Meetings - Zone 7 Water Agency	373	134
6.	Construction & Business Opportunities - Zone 7 Water Agency	365	158
7.	Lessons Middle School - Groundwater - Zone 7 Water Agency	361	196
8.	For Teachers - Zone 7 Water Agency	326	177
9.	Service Area - Zone 7 Water Agency	265	171
10.	Contact Us - Zone 7 Water Agency	186	118

Device Type:



Users by City



Acquisition source/medium - where traffic sessions come from

	Session source	Session medium	Sessions
1.	google	organic	3,959
2.	(direct)	(none)	1,722
3.	bing	organic	224
4.	dsrsd.com	referral	88
5.	evite.com	referral	59
6.	livermoreca.gov	referral	54
7.	cityofpleasantonca.gov	referral	51
8.	m.facebook.com	referral	36
9.	yahoo	organic	35

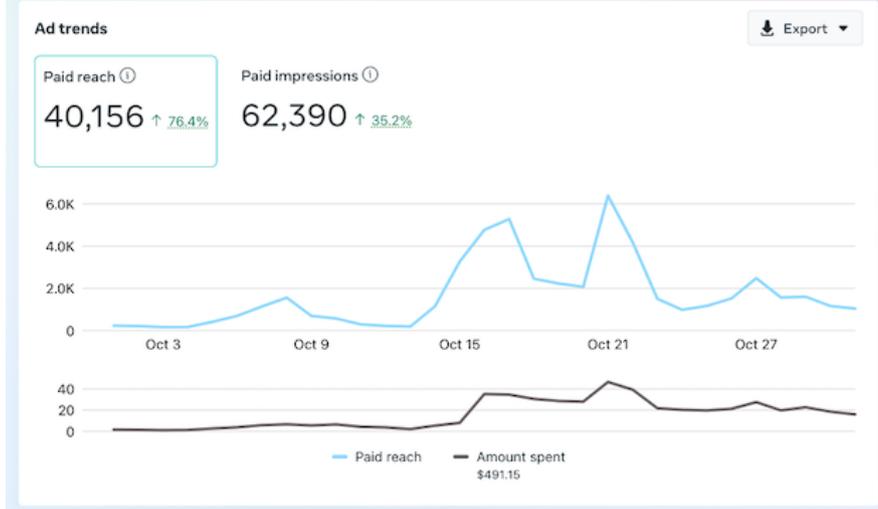
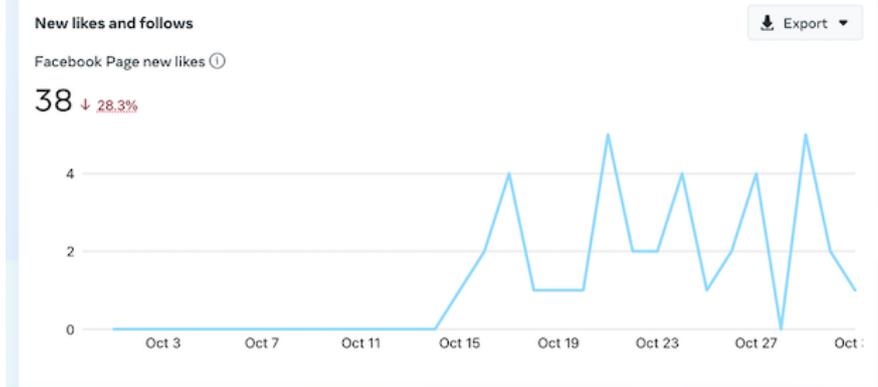
1 - 91 / 91

Pages with the most time spent by users



Facebook Snapshot Analytics

Total Posts **28** Engagement **227** Clicks **482** Page Followers **1,019**



Mailchimp Delivery Analytics

Total Eblasts Sent
5

Total Deliveries
5,464

Avg. Open Rate %
44.3%

Total Clicks
1,177

Monthly YouTube Performance

Total Views
36,758

Total Watch Time
414.9 hrs

Impressions
25,965

Top Five Videos of Month

Content

- Tri Valley Waters Journey
- Keep storm drains clear - Flood Ready Freddy
Oct 23, 2020
- Our Water's Journey
Aug 3, 2023
- Have an Evacuation Plan - Flood Ready Freddy
Oct 16, 2020
- Know Your Zone - Flood Ready Freddy #4
Oct 21, 2020

Insights & Opportunities

WEBSITE

- While the overall website page views remained flat vs the previous month, there was a slight increase in both total users and new users, as well as more than 7% increase in sessions. This means the overall website traffic increased though users viewed less pages.
- The decrease in page views was seen in the PFAS and Water Academy areas.
- The Water Academy program experienced a decline in activity this month compared to the previous two months which experienced a flurry of activity surrounding the beginning of the school year, and the new program launch promotion. We expect this to decline as the year continues.
- In the past, we typically observe higher engagement with the lesson pages, but this year we are noticing an increased focus on clicking through to the teacher button, where the online program registration form lives.

SOCIAL MEDIA

- October's general follower campaign on Facebook focused on Flood Preparedness featuring the Flood Ready Freddy campaign. The paid campaign increased our base audience by another 35 followers, plus 3 organic subscribers, for a grand total of 1,019 followers, reaching an important milestone for a public sector agency breaking the 1k ceiling. October's focus will return to Stoneridge, highlighting the grant from DWR.
- Top October posts were related to flood preparedness and the Stoneridge opening.
- Investment in the Tri-Valley videos kept the "Our Water's Journey" videos at the top for most viewed content this month. In addition, a small investment of \$350 across all 10 Flood Ready Freddy videos resulted in over 25k combined views with an average of over 90% watch time.

DIRECT MAIL

- October included several special announcements to promote the board meeting, open house and early-bird registration for the new Water Academy rewards program. The open rate stayed at a nice rate of 44.3%, even with the high number of sends.



2023 FLOOD PREPAREDNESS WEEK OUTREACH SUMMARY

The Zone 7 Water Communications team worked with our communications and community engagement partners to promote Flood Preparedness Week beginning with the re-launch of our Flood Preparedness Open House on Saturday, October 21. The event included information on how Zone 7 helps with long-term flood plain management, tips for the public on flood preparedness, and fun family-friendly giveaways and activities.

OBJECTIVES

Campaign objectives included educating residents of the Tri-Valley on ways to keep families prepared for flood emergencies year-round with help from Flood Ready Freddy, and driving attendance at the open house utilizing the agency's existing flood preparedness campaign videos and additional materials and outreach efforts.

SUMMARY OF OUTREACH EFFORTS

To accomplish these objectives, the team developed a full suite of creative assets designed to promote the event in advance, and then continue promotion following the event, during flood preparedness week. In advance of the event, all of the YouTube videos had special thumbnails created to promote the open house and the links sent traffic to the eventbrite page. The thumbnails and links were switched after the event so the promotion of the videos could continue throughout the week with a small promotional investment, daily social media, newsletter inclusion, and postcard distribution, plus specially created tip booklets that were distributed at the event and will be distributed throughout the rainy season.

CAMPAIGN RESULTS - 244,710 GROSS IMPRESSIONS

Flood Preparedness Open House

100 guests

EventBrite Website

2,378 impressions | 483 page views | 49 RSVPs

YouTube Video Performance

61,695 impressions | 26,051 combined views

Facebook Engagement

21,202 impressions | 18,488 reach

MailChimp E-Newsletter

4,488 emails delivered | 41.5% avg. clicks for flood content

NextDoor Posts

154,847 impressions

FLOOD READY FREDDY YOUTUBE VIDEO VIEWS



On the following pages, we have included samples of assets and links to where you can view videos, web page, infographics and other materials used to educate the community on flood preparedness.

10 ORIGINAL FLOOD READY FREDDY VIDEOS



[GO TO PLAYLIST](#)

HOMEPAGE SLIDER



[VISIT WEBSITE](#)





FLOOD PREPAREDNESS OPEN HOUSE

Saturday,
October 21, 2023
10am - 2pm
@ Zone 7 Headquarters
100 North Canyons Pkwy.,
Livermore, CA



FACEBOOK EVENT + EVENTBRITE



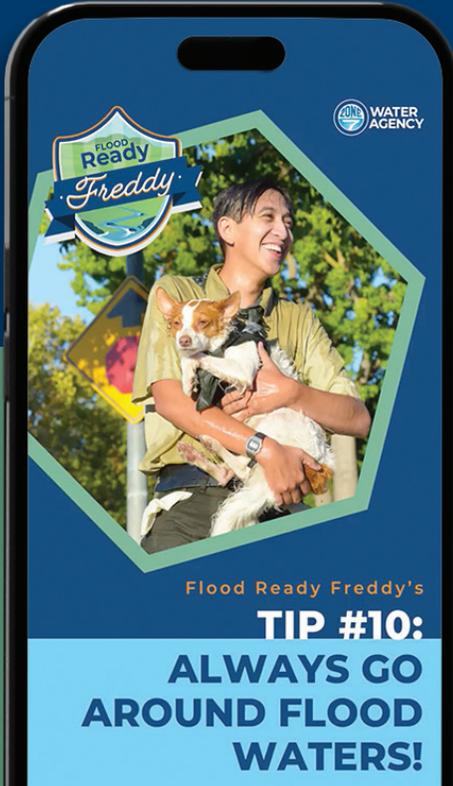
FACEBOOK

EVENTBRITE

EVENT SIGNAGE



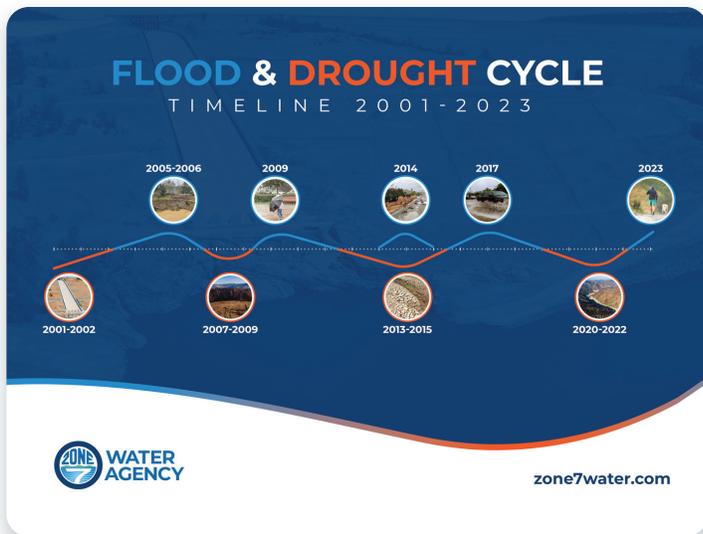
TIPS + ONE-SHEET BOOKLET



PLAY REEL

DOWNLOAD BOOKLET

FLOOD CYCLE INFOGRAPHIC



OPEN HOUSE POSTER BOARDS

Meet Zone 7

Zone 7 Water Agency

Vision: To provide safe, reliable, efficient, and sustainable water services to our customers.

Mission: To provide safe, reliable, efficient, and sustainable water services to our customers.

Service: To provide safe, reliable, efficient, and sustainable water services to our customers.

Zone 7 Service Area: 100 Zone 7 Personnel, 43 miles of pipes, 200 miles of ditches, Over 30 miles of flood channels, 2 Treatment Plants, 10 Production Wells, 10 Communication Lines, 100,000+ Gallons of Water per Day, 40,000+ Acres of Flood Channel, 275,000+ Gallons of Water per Day.

SANDBAGS – BEST PRACTICES

- Other things should be placed to **block** the lowest point of **entry to your home**. This includes water and parking tires – which can create enough pressure to push water through any openings.
- Each bag should be **placed to fall** so when full on the side, you will have a full side and an empty side.
- Place the bag in an **even line**, starting by tying the full side down first, then **overlapping each bag by pulling the full side of each bag over the empty side of the previous bag**. This will make the sandbag in place.
- When stacking the bags, **offset the first bag in 18 inches to the inside of the bag** and continue, so there are four bags in between.
- Your **stacked sandbags should look like bricks!** This will help minimize the amount of water that gets through.

Stream Gauges

Interested in finding streamflow and rain data near you?

Online Public Resource: **Hydrosphere**

STEP 1: Go to Hydrosphere website: <https://water.com/california>

STEP 2: Select the streamflow or rain gauge that you're interested in. Click the "View" link next to the gauge.

STEP 3: View real time and recent data.

FLOOD PREPAREDNESS TIPS

TIP #1: PACK AN EMERGENCY KIT

TIP #2: MAKE AN EVACUATION PLAN

TIP #3: PREPARE FOR YOUR PET

TIP #4: KNOW YOUR BENT!

TIP #5: PREP OUTSIDE OF YOUR HOME

Flood Protection

Zone 7's flood protection authority was established by the District Act in 1949. The Agency's flood protection activities are summarized in the six bullets below:

- Delivers safe, reliable, efficient, and sustainable flood protection services.
- Maintains the integrity and operational quality and capacity of Zone 7's flood protection system.
- Ensures stream banks and slopes are stable and manages sediment transport and deposition to maintain channel capacity.
- Protects and enhances the natural environment within riparian corridors.
- Conducts maintenance, repair, and improvements to maintain flood protection operations and reduce the risk of flooding within the service area.
- Manages in-channel and riparian vegetation to maintain channel capacity, reduce risk of damage to adjacent facilities, and maximize habitat and recreational value.

Trails & Recreation Facilities in the Zone 7 Service Area

Where safe and compatible with Zone 7 operations, the Agency provides public access along the flood control channels. This access provides the public with complementary recreational benefits. More than 18 miles of trails exist along channels owned and maintained by Zone 7. Cities and park districts are responsible for operating and maintaining these trails.

Zone 7 owns and maintains about **37 miles of flood channels**. Water generally flows east to west, and north to south, exiting the valley through Alameda Creek.

EVENT PHOTOS



ORIGINATING SECTION: Integrated Planning
CONTACT: Sal Segura/Ken Minn

DATE: November 15, 2023

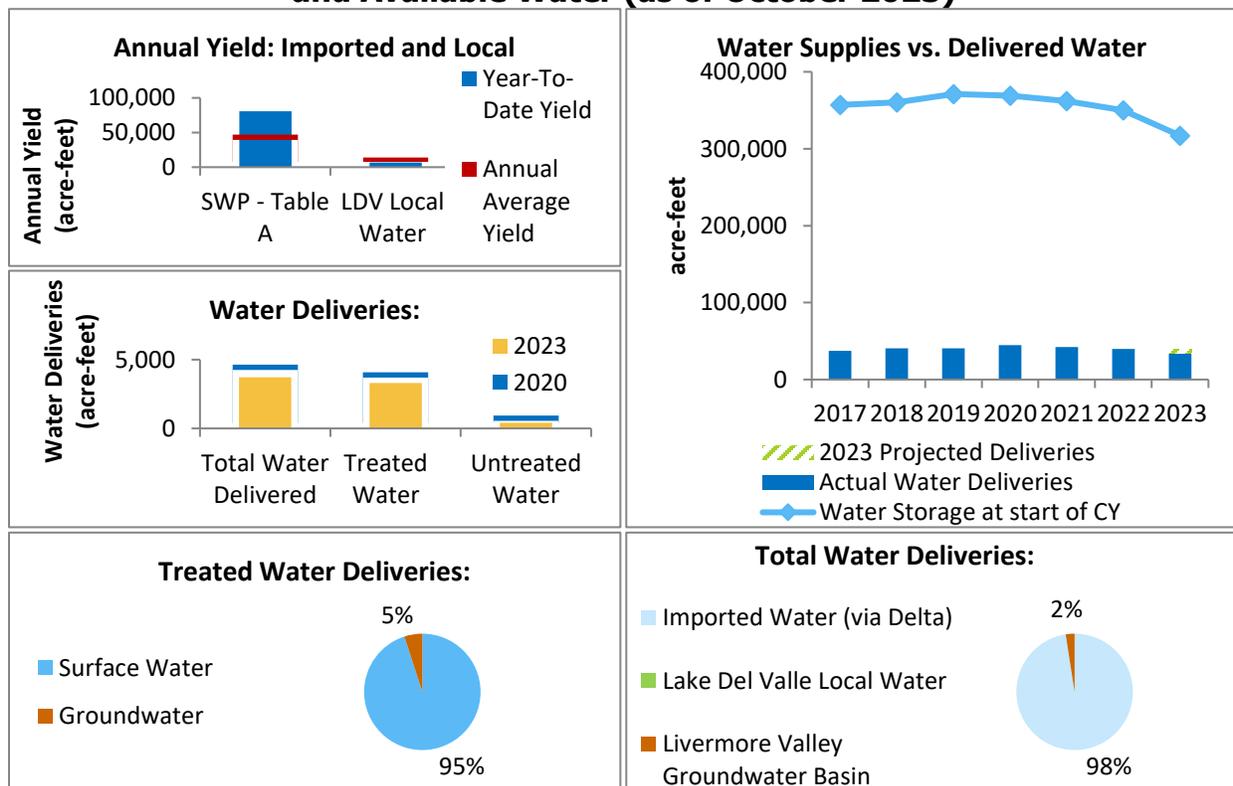
SUBJECT: Monthly Water Inventory and Water Budget Update

SUMMARY:

To support Zone 7’s mission and Strategic Plan Goal A – Reliable Water Supply and Infrastructure; this report summarizes current water supply, usage, and storage conditions.

An overall analysis of the annual water supply was completed in April as part of the Annual Review of Sustainable Water Supply. Long-term water supply planning is also summarized in the Urban Water Management Plan, which is updated every five years and assesses water supply reliability on a 20-year time horizon. The plans and evaluations consider the various sources of supply and storage available to Zone 7 locally, in State Water Project facilities, and in Kern County storage and recovery programs.

Figure ES 1: At-a-Glance Summaries of 2023 Water Supplies, Deliveries, and Available Water (as of October 2023)



October 2023 Zone 7 Water Inventory and Water Budget

Supply and Demand *(See Table 1, Table 2, Figure 1, Figure 2, Figure 3, and Figure 4)*

- Monthly totals: 3,710 acre-feet (AF) delivered to customers (3,310 AF treated production and 400 AF estimated untreated deliveries) and 2,000 AF to recharge.
- Total treated water production decreased by 14% compared to last month.
- Treated water sources were 95% surface water and 5% groundwater this month.
 - Treatment plant production was 33.0 MGD.
 - Wellfield production was 1.8 MGD.

Comparison of Demands: 2023 vs 2020 *(See Table 1)*

- In October 2023, Zone 7's overall water demands were 13% lower compared to the same time in 2020: treated water production was 11% lower, and estimated untreated deliveries were 27% lower.

Table 1: October 2023 comparison - water demand and conservation

	Treated Production	Untreated Delivery	Total
October 2023 (AF)	3,310	400	3,710
October 2020 (AF)	3,700	550	4,250
October Conservation (2023 vs 2020)	11% less	27% less	13%

Imported Water *(See Table 2)*

- The State Water Project allocation remains at 100%.
- Remaining supplies and total operational groundwater storage are approximately 276,280 AF; if emergency storage in the Livermore Valley Groundwater Basin below the historical low is included, then the total amount of remaining supplies and storage is estimated at 404,280 AF.

Groundwater *(See Table 2 and Figure 5)*

- Zone 7 wellfield pumping was 170 AF, making up 5% of the treated supply.
 - Groundwater usage remains higher when compared to earlier this year due to warranty testing at the Stoneridge PFAS Treatment Facility Project.
- Groundwater basin overflow on the west side of the Livermore Valley Groundwater Basin was estimated at 0 AF.
- The Livermore Valley Groundwater Basin comprises four subbasins, and it has a combined total storage capacity of 254,000 AF. The aggregate operational storage makes up 126,000 AF of the total storage, and the remaining 128,000 AF are designated as emergency storage, representing the amount of storage below historic low water levels. Currently, the total basin storage remains at approximately 91% of total capacity (229,900 AF out of 254,000 AF).
 - 101,900 AF are operational storage.
 - 128,000 AF remains as emergency storage.
 - Note, however, that not all of this storage is accessible with Zone 7's existing wells as the groundwater production facilities can only access certain subbasins and 80% of Zone 7's groundwater facilities are in the Amador West subbasin. Furthermore, the

presence of Per- and polyfluoroalkyl substances (PFAS) compounds in the groundwater basin limits the use of certain wells.

- City of Pleasanton is not expected to produce groundwater in the foreseeable future unless there is an emergency. Pleasanton is reportedly exploring the possibility of constructing two new wells.
- Zone 7 released about 2,000 AF into the Arroyos for recharge/underground storage.

Local Surface Water (See Table 2 and *The estimated groundwater basin storage represents the combined total storage from all four subbasins. Figure 6)

- Zone 7's (preliminary) water storage in Lake Del Valle at the end of October is approximately 5,000 AF.

Stream Outflow (See Table 2)

- Surface runoff intermittently exceeded the 10 cubic feet per second (CFS) baseflow at the Arroyo de la Laguna at the Verona stream gauge resulting in a stream outflow of 20 AF for the month of September.
 - Note: some surface flows out of the Livermore-Amador Valley are mandated for other downstream purposes.

Local Precipitation (See Figure 7)

- 0.07 inches of precipitation was recorded at the Livermore Airport in October.
- For Water Year 2024, Livermore has received 0.07 inches of rain, or 10% of average for Water Year to Date.
 - Water Year 2024 runs from October 1, 2023- September 30, 2024.

Sierra Precipitation (See Figure 8)

- 0.8 inches of precipitation was recorded in the Northern Sierras in October. Historically, the average precipitation in September has been 2.8 inches.
- Cumulative precipitation in the Northern Sierra for Water Year 2024 is 0.8 inches, or 26% of the seasonal average to date.

Sierra Snowpack (See Figure 9)

- DWR has stopped reporting snowpack for the season as all snow pillow sites are snow-free. This year was the latest date (July 31) in the past 25 years that the electronic monitoring network recorded snow. Prior to this year, the latest date snowpack was reported was July 23 in 1998. It is expected that DWR will begin reporting snowpack again in December.

Lake Oroville (See Figure 10)

- Lake Oroville was at 68% of total capacity (134% of average) as of October 31.
 - Storage: 2,421,859 AF
 - Storage as a percentage of total capacity decreased 5% over the month of October.

San Luis Reservoir (See Figure 11)

- San Luis Reservoir was at 65% capacity (145% of average) as of October 31.
 - Storage: 1,323,121 AF
 - SWP's storage is approximately 608,000 AF
 - Storage as a percentage of total capacity decreased 16% over the month of October.
 - Zone 7 does not have any water stored in San Luis Reservoir.

NOTE: Numbers presented are estimated and subject to refinement over the course of the year.

Table 2: Quarterly water inventory

Water Inventory for Zone 7 Water Agency

Note: Values are rounded. All units in AF unless noted otherwise. Subject to adjustment over the year.

	2022 Jan-Dec	2023 - Q1 Jan-Mar	2023 - Q2 Apr-Jun	2023 - Q3 Jul-Sept	2023 - YTD Jan-Dec
Source					
Incoming Supplies					
State Water Project (SWP) - Table A	0	0	11,320	22,980	41,040
State Water Project - Article 21	0	0	2,360	0	2,360
Lake Del Valle Local Water	3,790	3,200	750	0	3,950
Water Transfers/Exchanges ¹	2,320	0	0	0	0
Subtotal	6,110	3,200	14,430	22,980	47,350
From Storage					
State Water Project - Carryover	6,590	2,020	0	0	2,020
Livermore Valley Groundwater Basin	16,830	570	400	310	1,450
Kern Storage and Recovery Programs	9,570	0	0	0	0
Subtotal	32,990	2,590	400	310	3,470
Total Supply	39,100	5,790	14,830	23,290	50,820
Water Use					
Customer Deliveries					
Treated Water Demand ²	33,630	5,060	8,940	12,400	29,710
Untreated Water Demand	5,350	60	1,770	2,540	4,770
Subtotal	38,980	5,120	10,710	14,940	34,480
To Storage					
Livermore Valley Groundwater Basin Recharge	120	60	1,330	3,050	6,440
Kern Storage and Recovery Programs	0	610	2,790	5,300	9,900
Subtotal	120	670	4,120	8,350	16,340
Total Water Use	39,100	5,790	14,830	23,290	50,820
Available Water Supplies					
		End-of-Quarter Balances			
Incoming Supplies in 2023					
SWP - Table A (%)	5%	75%	100%	100%	100%
SWP - Table A Remaining	4,000	60,470	74,860	73,820	73,880
Water Transfers/Exchanges ¹	0	0	0	0	0
Subtotal	4,000	60,470	74,860	73,820	73,880
Storage Balance from 2022					
SWP Carryover + Backed Up Water ³	6,720	0	0	0	0
Lake Del Valle Local Water	2,300	3,300	5,000	5,000	5,000
Livermore Valley Groundwater Basin ⁴	87,000	96,000	101,900	101,900	101,900
Kern Storage and Recovery Programs	86,570	87,100	89,600	94,400	95,500
Subtotal	182,590	186,400	196,500	201,300	202,400
Total Available Water	186,590	246,870	271,360	275,120	276,280
	314,590	374,870	399,360	403,120	
Watershed Conditions	End-of-2022				
Precipitation at Livermore Station (in)	13.8	15.54	0.43	0.05	16.09
Lake Del Valle Local Water Net Yield	2,300	4,200	2,450	0	6,650
Measured Change in Groundwater Basin Storage (AF)	-7,200	9,000	5,900	0	14,900
Surface Water Outflow ⁵	23,530	157,500	5,880	60	163,460

¹ Yuba Accord, Dry Year Transfer and Mojave transfer supplies were acquired in 2022.

² Includes a small amount of unaccounted-for water.

³ Backed Up Water is recovered water from Kern Storage and Recovery Programs that is moved to San Luis Reservoir for storage.

⁴ Storage volume is based on most recent groundwater level data; amount shown excludes 128,000 AF of emergency storage.

⁵ Surface Water Outflow is estimated based on flow at USGS gage Arroyo De La Laguna at Verona.

Figure 1: Monthly Treated Water Production in Acre-Feet (AF)

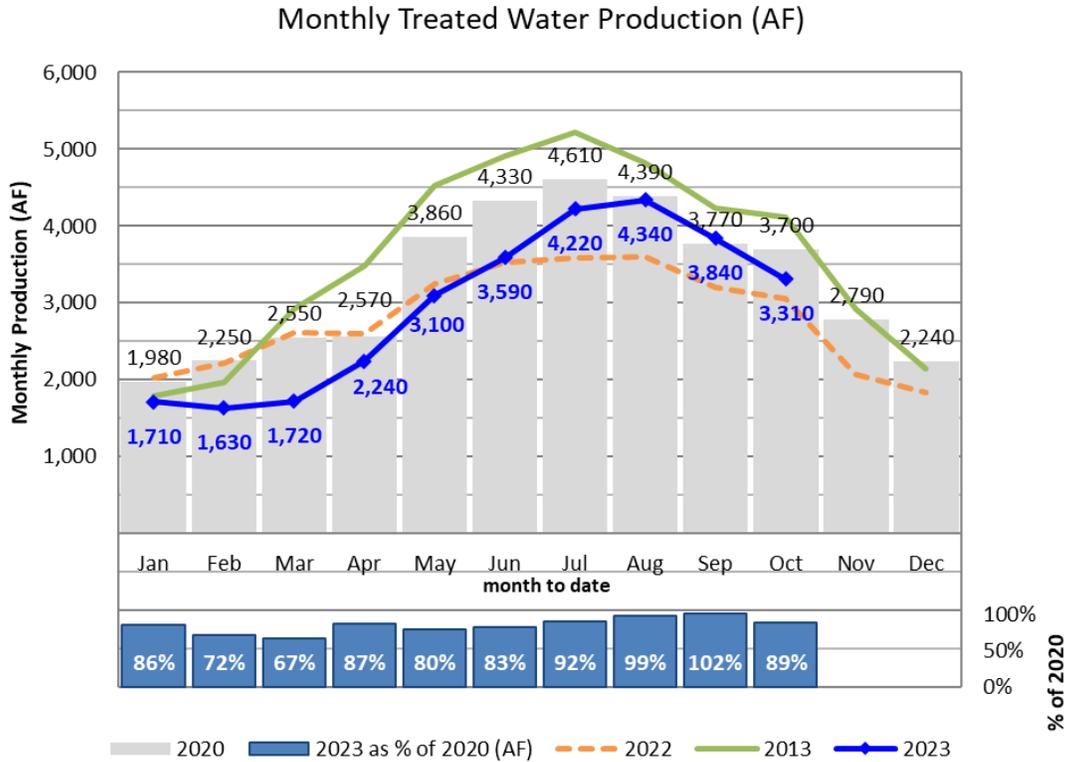
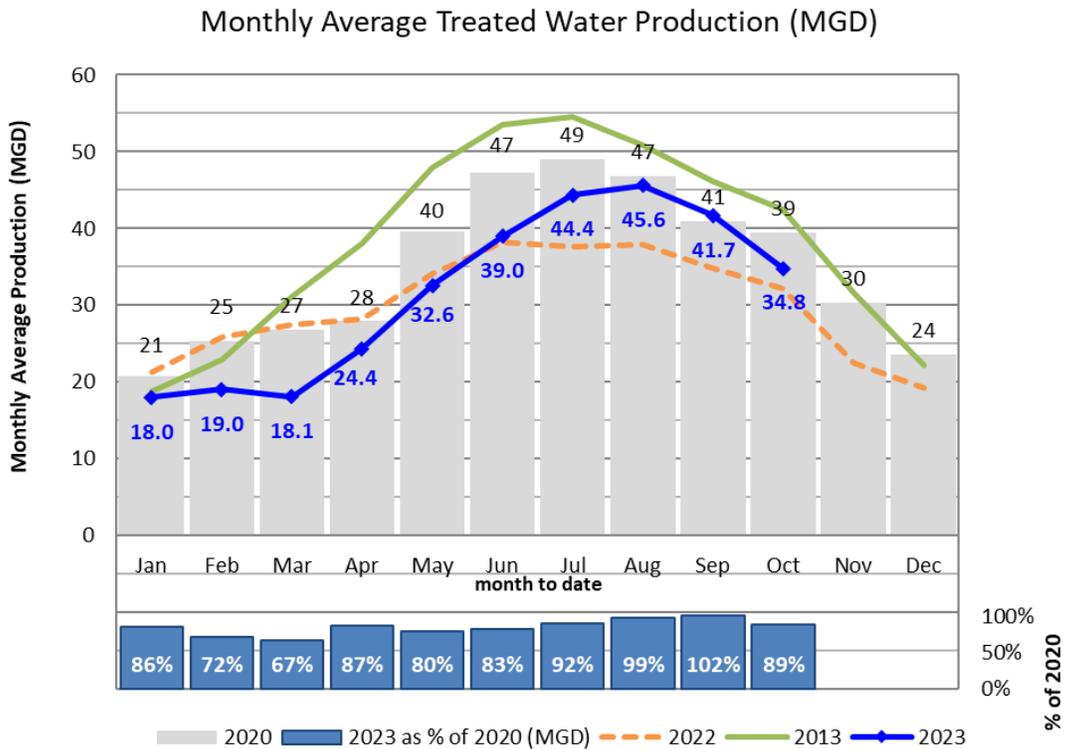
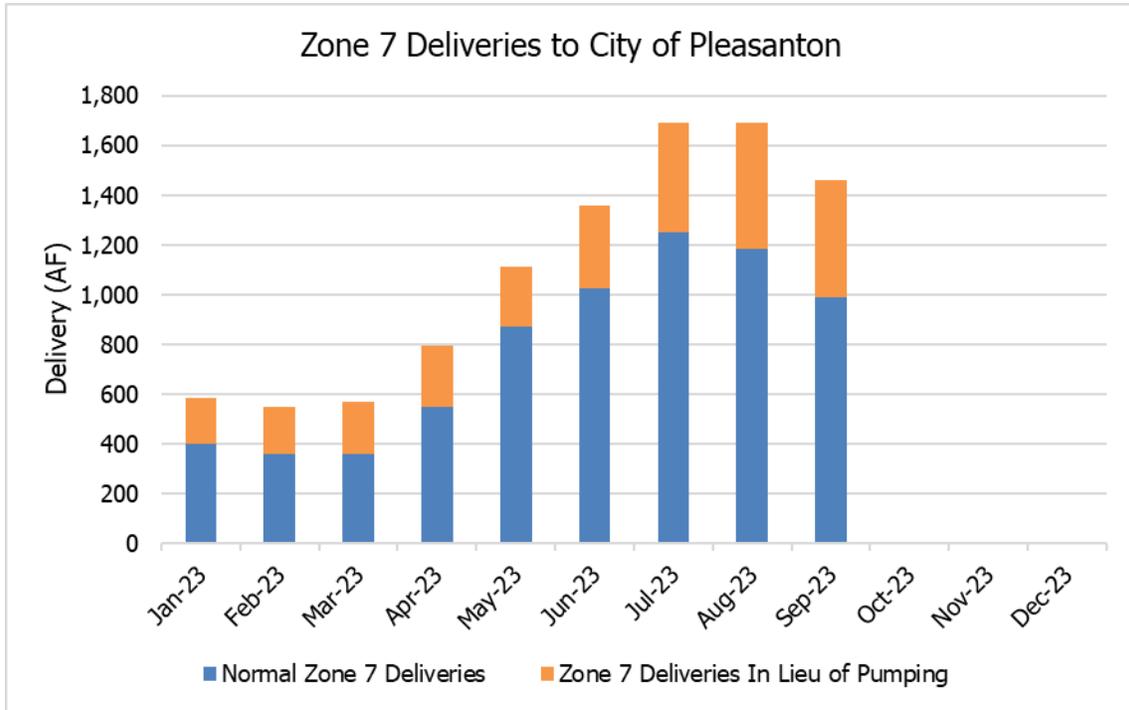


Figure 2: Monthly Treated Water Production in Average Million Gallons per Day

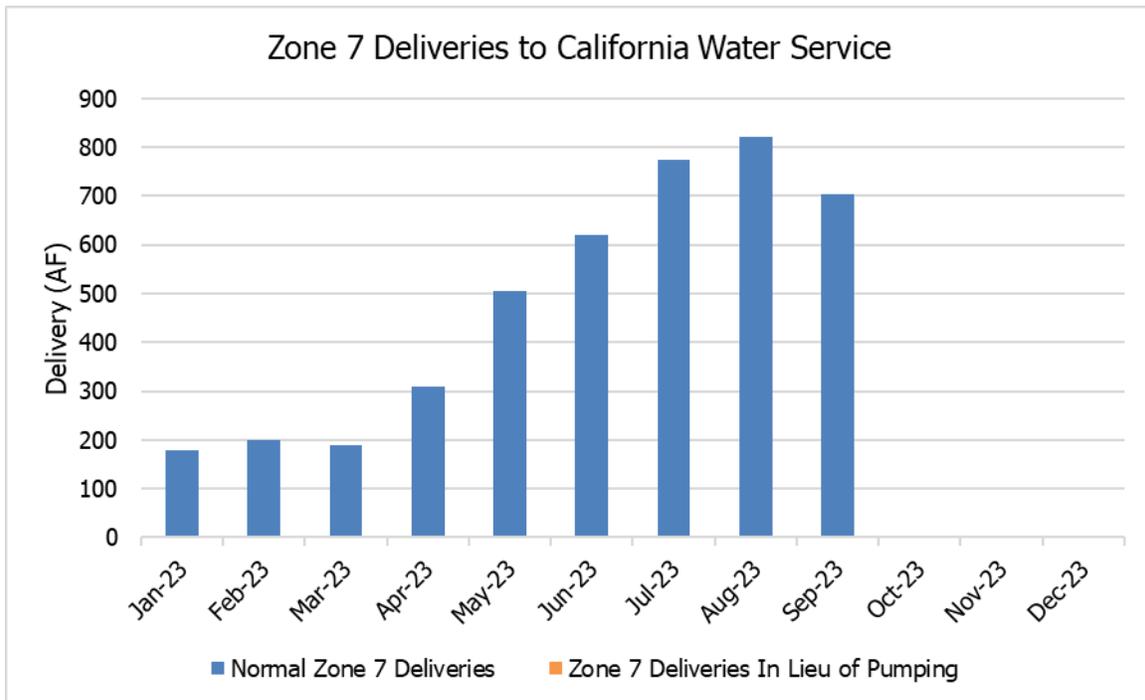


**Figure 3: Pleasanton Estimated In-Lieu Demand
(Based on 2016-2019 Pumping)**



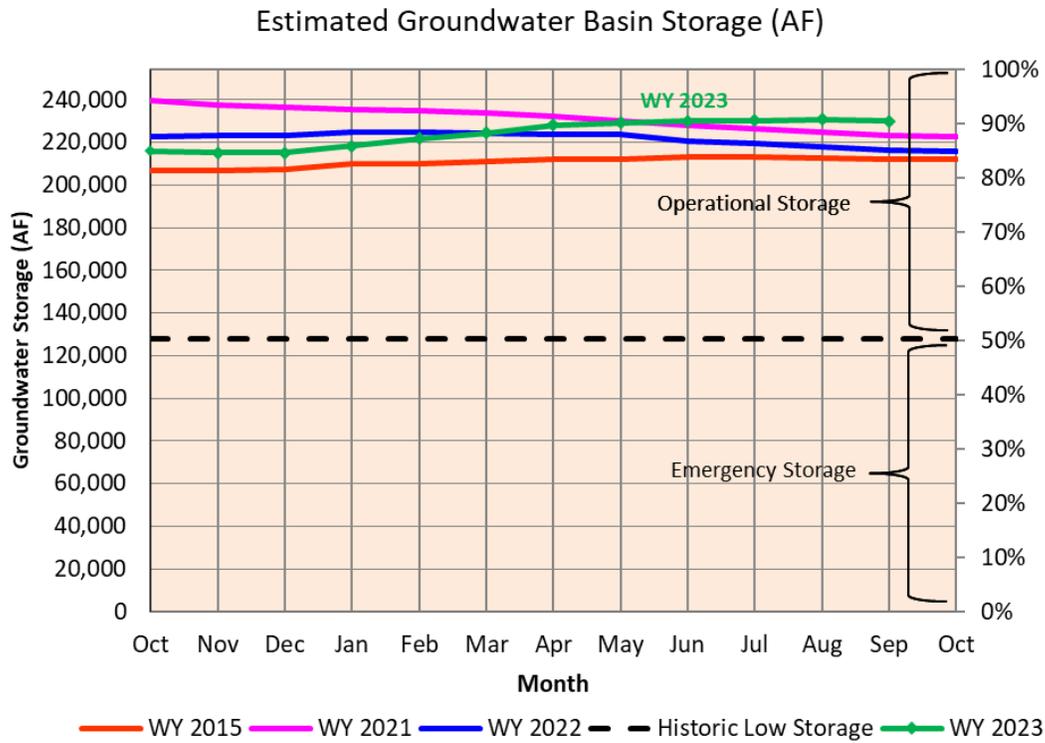
*Pleasanton’s pumping data for October is not yet available and will be reflected in future inventories.

**Figure 4: California Water Service Estimated In-Lieu Demand
(Based on 2016-2019 Pumping)**



*Cal Water’s pumping data for October is not yet available and will be reflected in future inventories.

Figure 5: Livermore Valley Groundwater Basin Storage*



*The estimated groundwater basin storage represents the combined total storage from all four subbasins.

Figure 6: Lake Del Valle Storage



(Source: <https://water.ca.gov/-/media/DWR-Website/>)

Figure 7: Local precipitation

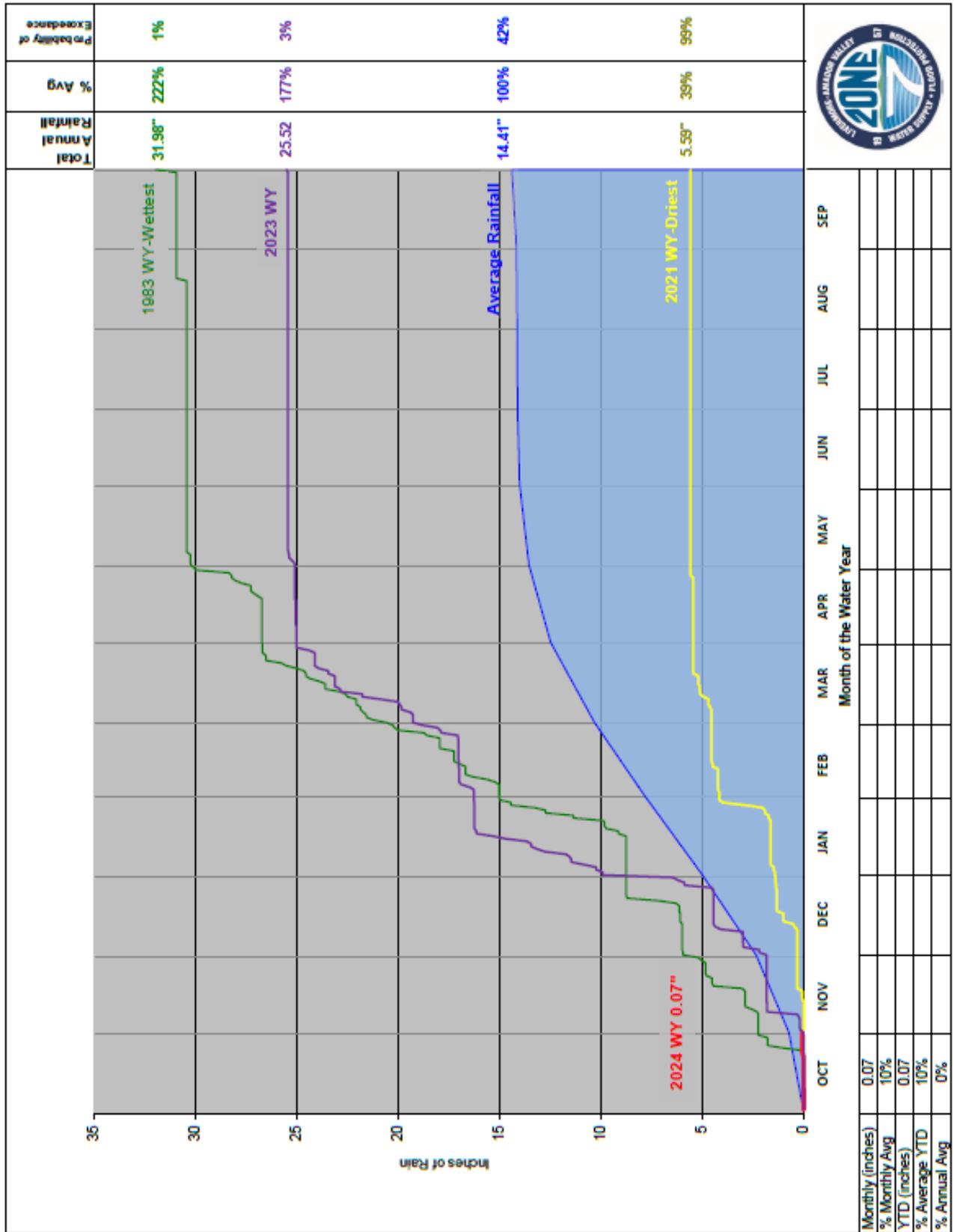
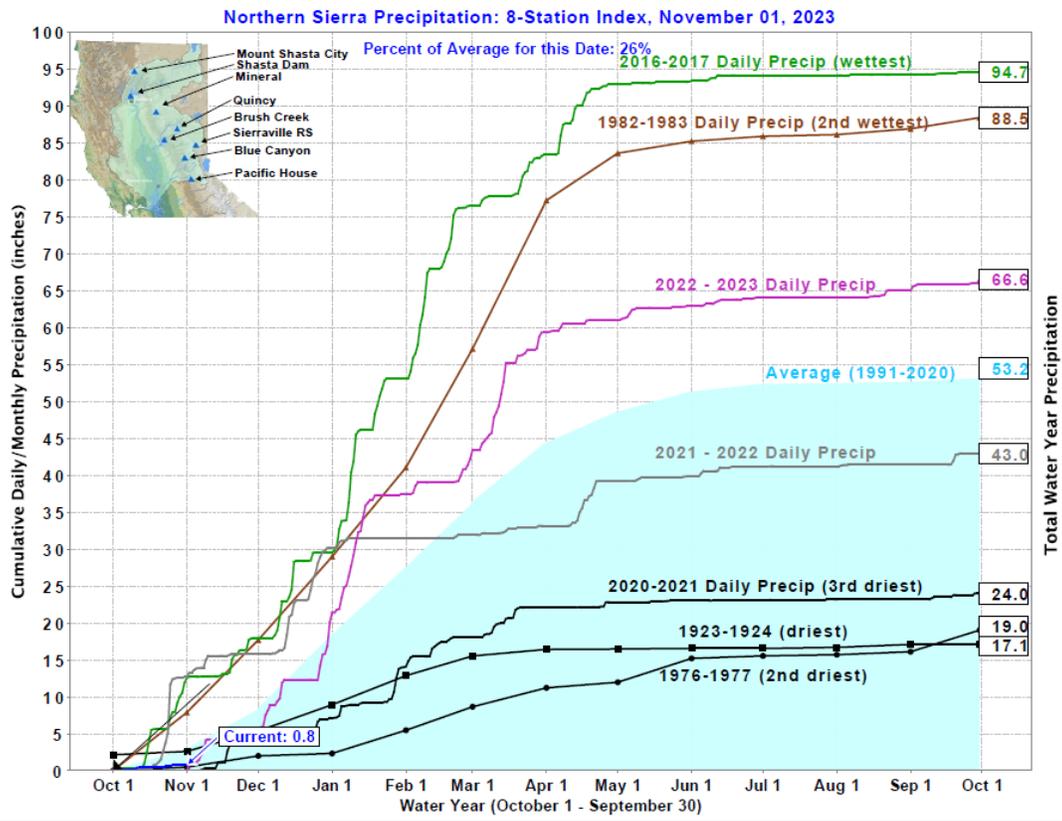


Figure 8: Cumulative Precipitation in the North Sierra



(Source: http://cdec.water.ca.gov/cgi-progs/products/PLOT_ESI.pdf)

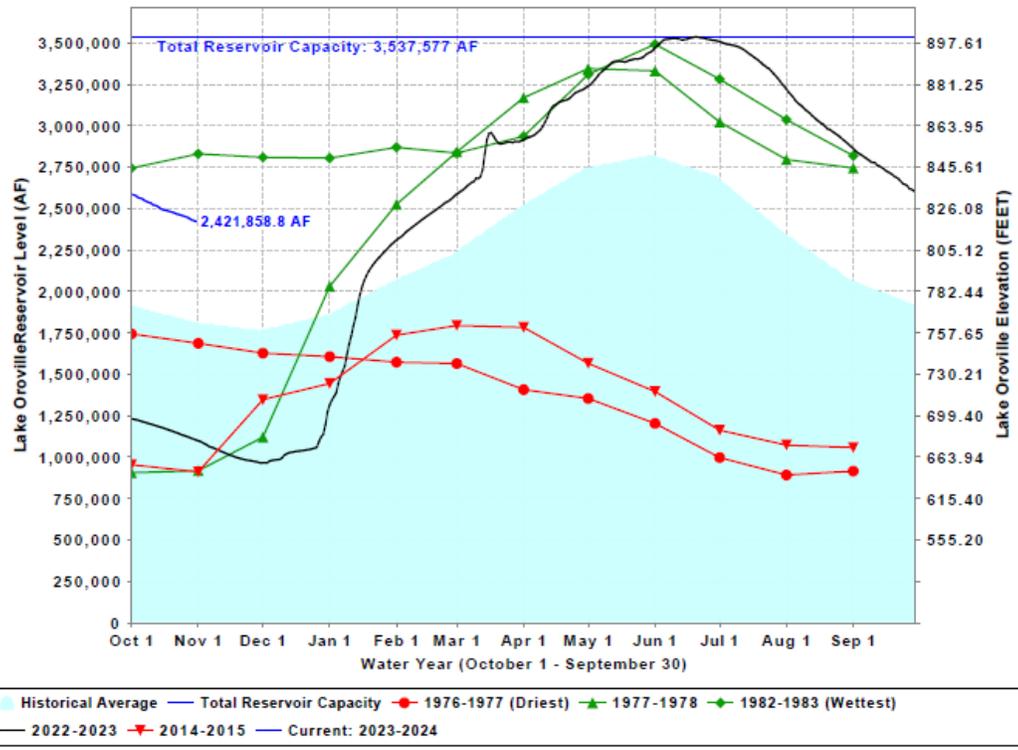
Figure 9: Sierra Snowpack

*As of July 31, all snow survey sites are snow-free.
DWR will begin reporting snowpack again around December 1.*

(Source: <https://cdec.water.ca.gov/reportapp/javareports?name=swccond.pdf>)

Figure 10: Lake Oroville Storage

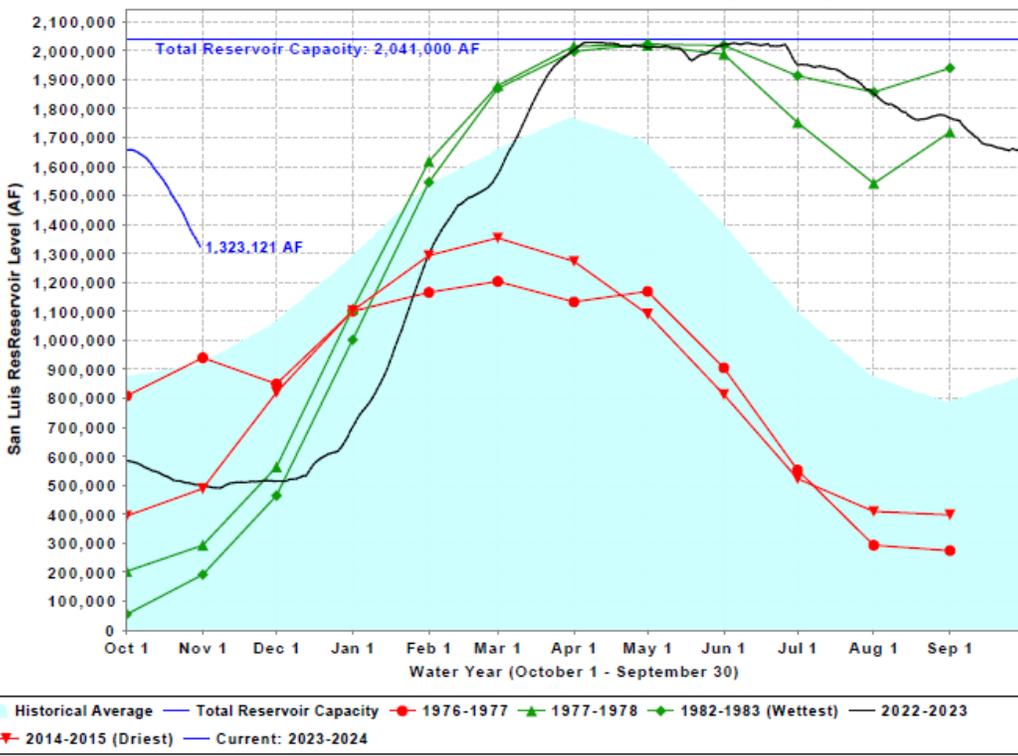
Lake Oroville Levels: Various Past Water Years and Current Water Year, Ending At Midnight October 31, 2023



(Source: <https://cdec.water.ca.gov/resapp/ResDetail.action?resid=ORO>)

Figure 11: San Luis Reservoir Storage

San Luis Res Levels: Various Past Water Years and Current Water Year, Ending At Midnight October 31, 2023



(Source: <https://cdec.water.ca.gov/resapp/ResDetail.action?resid=SNL>)

ORIGINATING SECTION: Integrated Planning
CONTACT: Elke Rank/Ken Minn

AGENDA DATE: November 15, 2023

SUBJECT: Living Arroyos Program 2022-2023 Summary

SUMMARY:

To support Zone 7 Water Agency's (Zone 7) mission to deliver safe, reliable, efficient, and sustainable water and flood protection services, Zone 7 established the Living Arroyos Program (Living Arroyos) in 2013. This program supports Strategic Goal F – Stakeholder Engagement and is to implement Initiative #9 – Continue to maintain the Flood Protection System.

This report summarizes completed tasks during the first year (2022-2023) of the current three-year program.

- Program parties
 - Fiscal Manager: Zone 7 Water Agency
 - Implementing Agency: Alameda County Resource Conservation District
 - Program Partners: Zone 7, City of Dublin, City of Livermore, City of Pleasanton

- 2022-2023 Program Statistics
 - Tree stakes installed: 100
 - Other plants installed: 9
 - Acorns planted: 369
 - Invasive vegetative species removed: 1,364 gallons
 - Trash removed: 3,025 gallons
 - Project hours (Living Arroyo team): 3,600
 - Volunteer events: 12
 - Volume of Water applied: 77,973 gallons

- Volunteer activities included planting acorns, mulching, invasives removal, trash removal.

FUNDING: Not applicable.

RECOMMENDED ACTION: Information only.

ATTACHMENT: Photographs from 2022-2023 program activities.

Volunteer events at Arroyo Mocho Stanley Reach, Livermore



Living Arroyos team implementing sycamore alluvial woodland restoration project, Livermore





ORIGINATING SECTION: Engineering
CONTACT: Mona Olmsted/Jeff Tang/Jarnail Chahal

AGENDA DATE: November 15, 2023

SUBJECT: Capital Projects Status Report

In support of Zone 7's mission to deliver safe, reliable, efficient, and sustainable water and flood protection services, specifically in support of Strategic Plan Initiatives 3, 4, 5, 6 and 9, the Engineering staff plans, performs, and manages design and construction activities for the majority of the water supply conveyance, production, and delivery projects as well as the flood protection capital projects in Zone 7's Capital Improvement Program (CIP).

Attached is a table showing the status of key capital projects for which the Engineering staff is responsible.

Engineering Projects Status Report – November 15, 2023

Water Supply System Projects:

Project Name/Purpose	Scope/Funding Source	Project Cost and Budget	Target Dates / Operating Impact	Current Status																
<p>Valley Pump Station Project</p> <p>Purpose/Benefits:</p> <ul style="list-style-type: none"> Improves ability to deliver more well water to the east side of the system during times of limited surface water availability. Increases capacity of the wells and reduces strain on pipelines and wells by lowering operating pressures. Improves water system reliability and reduces chances of needing unplanned expensive repairs. 	<p>Scope:</p> <ul style="list-style-type: none"> As recommended by the 2016 Transmission System Planning Update, the project scope includes design and construction of an inline booster pump station located at the Busch Valley site along the Vineyard Pipeline. Electrical equipment and piping to support an emergency pump station or a permanent booster pump station was installed at this site in 2015. <p>Funding Source:</p> <ul style="list-style-type: none"> 100% from Fund 120 – Renewal/Replacement and System Wide Improvements 	<p>Original Total Cost Estimate: \$5,890,000</p> <p>Current Total Estimated Project Cost: \$8,500,000</p> <p>Total Budget: \$8,500,000</p> <p>Total Expenditures: \$7,126,500</p> <table border="1" data-bbox="852 792 1251 987"> <thead> <tr> <th colspan="2">Planning & Design Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$850,000</td> </tr> <tr> <td>% Spent</td> <td>94%</td> </tr> <tr> <td>% Complete</td> <td>100%</td> </tr> </tbody> </table> <table border="1" data-bbox="852 1027 1251 1222"> <thead> <tr> <th colspan="2">Construction Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$7,650,000</td> </tr> <tr> <td>% Spent</td> <td>83%</td> </tr> <tr> <td>% Complete</td> <td>100%</td> </tr> </tbody> </table>	Planning & Design Phase Costs		Budget	\$850,000	% Spent	94%	% Complete	100%	Construction Phase Costs		Budget	\$7,650,000	% Spent	83%	% Complete	100%	<p>Design: February 2022</p> <p>Construction: August 2022</p> <p>Closeout: November 2023</p> <p>Projected Operating Impact: Improved operational flexibility and system reliability, increased well production, reduced untimely future repair costs with less stress on well production and pipelines.</p>	<p>The pump station has been in operation. A seventh pump was recently installed and commissioned to increase the capacity of the pump station. Project is complete and being closed out.</p> <p>Staff anticipates that once the project is completely closed out, total expenditures will be approximately \$1 million under the original budget of \$8.5 million.</p>
Planning & Design Phase Costs																				
Budget	\$850,000																			
% Spent	94%																			
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% Spent	83%																			
% Complete	100%																			

Project Name/Purpose	Scope/Funding Source	Project Cost and Budget	Target Dates / Operating Impact	Current Status																
<p>Chain of Lakes (COL) PFAS Treatment Facility Project</p> <p>Purpose/Benefits:</p> <ul style="list-style-type: none"> • Add PFAS treatment to the COL wells (1, 2, and 5) on the existing COL 1 facility site. • Based on water sampling results, the COL Wellfield is at or above the Response Level (RL) for PFHxS issued by the State Division of Drinking Water on October 31, 2022. The COL Wellfield also exceeds the proposed EPA draft MCLs issued March 2023. PFAS treatment is needed to bring the COL wells back into service. 	<p>Scope:</p> <ul style="list-style-type: none"> • Addition of six trains of pressure vessels containing ion exchange resin for the removal of PFAS. Additional piping, instrumentation, electrical, concrete, underground pile foundation system, and other site improvements. <p>Funding Source:</p> <ul style="list-style-type: none"> • 100% of design cost is funded from Fund 120 – Renewal/Replacement and System Wide Improvements • Construction cost (approximately \$22M) to be financed through bonds 	<p>Original Total Cost Estimate (2021): \$25,800,000</p> <p>Current Total Estimated Project Cost: \$24,400,000</p> <p>Total Budget: \$24,400,000</p> <p>Total Expenditures: \$2,122,400</p> <table border="1" data-bbox="852 743 1276 943"> <thead> <tr> <th colspan="2">Planning & Design Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$2,300,000</td> </tr> <tr> <td>% Spent</td> <td>78%</td> </tr> <tr> <td>% Complete</td> <td>100%</td> </tr> </tbody> </table> <table border="1" data-bbox="852 1019 1276 1295"> <thead> <tr> <th colspan="2">Construction Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$22,100,000 (bond funded)</td> </tr> <tr> <td>% Spent</td> <td>1.5%</td> </tr> <tr> <td>% Complete</td> <td>2%</td> </tr> </tbody> </table>	Planning & Design Phase Costs		Budget	\$2,300,000	% Spent	78%	% Complete	100%	Construction Phase Costs		Budget	\$22,100,000 (bond funded)	% Spent	1.5%	% Complete	2%	<p>Design: December 2022</p> <p>Construction: August 2024</p> <p>Closeout: October 2024</p> <p>Projected Operating Impact: Improved water quality, improved reliability, and increased operational flexibility. Increased operating cost, with an annual average of approximately \$300,000.</p>	<p>Contractor has mobilized to the site and started drilling the required test piles. Once test piles have been installed and strength tested, installation of the system foundation piles will take place, which is tentatively scheduled for December 2023 through January 2024.</p>
Planning & Design Phase Costs																				
Budget	\$2,300,000																			
% Spent	78%																			
% Complete	100%																			
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Project Name/Purpose	Scope/Funding Source	Project Cost and Budget	Target Dates / Operating Impact	Current Status																
<p>DVWTP Roadway/Parking Lot Repairs and Post-Ozone Project</p> <p>Purpose/Benefits:</p> <ul style="list-style-type: none"> Planned repairs/modifications to the existing roadway/parking lot and to plant systems will maintain water system reliability and help avoid untimely and expensive repairs. 	<p>Scope:</p> <ul style="list-style-type: none"> Roadway and parking lot rehabilitation were identified in the Asset Management Program (AMP). Project includes installing a retaining wall, widening the fill alleyway for chemical delivery trucks, and repairing the main parking lot. Post-ozonation work not previously identified includes modifications to the overflow weir, sodium hypochlorite system, filter backwash pumps, and chemical tanks. <p>Funding Source:</p> <ul style="list-style-type: none"> 100% Fund 120 – Renewal/Replacement and System Wide Improvements 	<p>Original Total Cost Estimate (pre-2017): \$2,750,000</p> <p>Current Total Estimated Project Cost: \$2,750,000</p> <p>Total Budget: \$2,750,000</p> <p>Total Expenditures: \$1,870,000</p> <table border="1" data-bbox="852 724 1251 922"> <thead> <tr> <th colspan="2">Planning & Design Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$190,000</td> </tr> <tr> <td>% Spent</td> <td>100%</td> </tr> <tr> <td>% Complete</td> <td>100%</td> </tr> </tbody> </table> <table border="1" data-bbox="852 963 1251 1161"> <thead> <tr> <th colspan="2">Construction Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$2,560,000</td> </tr> <tr> <td>% Spent</td> <td>66%</td> </tr> <tr> <td>% Complete</td> <td>95%</td> </tr> </tbody> </table>	Planning & Design Phase Costs		Budget	\$190,000	% Spent	100%	% Complete	100%	Construction Phase Costs		Budget	\$2,560,000	% Spent	66%	% Complete	95%	<p>Design: May 2021</p> <p>Construction: November 2023</p> <p>Closeout: January 2024</p> <p>Projected Operating Impact: Improved operational flexibility and reliability of the treatment plant, reduced untimely future repair costs, and improved worker safety.</p>	<p>Contractor is working on punch list and warranty items.</p>
Planning & Design Phase Costs																				
Budget	\$190,000																			
% Spent	100%																			
% Complete	100%																			
Construction Phase Costs																				
Budget	\$2,560,000																			
% Spent	66%																			
% Complete	95%																			

Project Name/Purpose	Scope/Funding Source	Project Cost and Budget	Target Dates / Operating Impact	Current Status																
<p>DVWTP Polymer Mixing System Replacement Project</p> <p>Purpose/Benefits:</p> <ul style="list-style-type: none"> • Replace existing outdated polymer mixing and feed system subject to periodic failure with more reliable and automated system. • New location is more accessible for maintenance. • Reliable and modernized equipment is expected to greatly reduce frequency of spills and cleanup of containment area. 	<p>Scope:</p> <ul style="list-style-type: none"> • This mixing system is identified in the Asset Management Program (AMP) and verified by condition assessment to be nearing the end of its useful life and in need of replacement. • Replacement includes a dry hopper system with automatic feed into the mixing tank, new chemical feed pumps, piping and appurtenances, and ventilation as well as other items needed to make a complete and functional system. <p>Funding Source:</p> <ul style="list-style-type: none"> • 100% Fund 120 – Renewal/Replacement and System Wide Improvements 	<p>Original Total Cost Estimate (pre-2017): \$550,000</p> <p>Current Total Estimated Project Cost: \$855,000</p> <p>Total Budget: \$855,000</p> <p>Total Expenditures: \$780,000</p> <table border="1" data-bbox="852 638 1251 834"> <thead> <tr> <th colspan="2">Planning & Design Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$150,000</td> </tr> <tr> <td>% Spent</td> <td>100%</td> </tr> <tr> <td>% Complete</td> <td>100%</td> </tr> </tbody> </table> <table border="1" data-bbox="852 873 1251 1070"> <thead> <tr> <th colspan="2">Construction Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$705,000</td> </tr> <tr> <td>% Spent</td> <td>89%</td> </tr> <tr> <td>% Complete</td> <td>98%</td> </tr> </tbody> </table>	Planning & Design Phase Costs		Budget	\$150,000	% Spent	100%	% Complete	100%	Construction Phase Costs		Budget	\$705,000	% Spent	89%	% Complete	98%	<p>Design: March 2021</p> <p>Construction: November 2023</p> <p>Closeout: January 2024</p> <p>Projected Operating Impact: Reduced O&M cost due to easier maintenance, improved system reliability, reduced untimely future repair costs, and improved worker safety.</p>	<p>In order to benefit from economies of scale and scheduling of work, the construction work for this project was combined with DVWTP Roadway/Parking Lot Repairs and Post-Ozone Project.</p> <p>Operations began using the polymer mixing system in June 2022. Punch list items remain.</p>
Planning & Design Phase Costs																				
Budget	\$150,000																			
% Spent	100%																			
% Complete	100%																			
Construction Phase Costs																				
Budget	\$705,000																			
% Spent	89%																			
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Project Name/Purpose	Scope/Funding Source	Project Cost and Budget	Target Dates / Operating Impact	Current Status																
<p>MGDP Concentrate Conditioning Project</p> <p>Purpose/Benefits:</p> <ul style="list-style-type: none"> Installation of a continuous acid injection feed system for concentrate pH adjustment will help avoid future scale build-up and reduce the need for future batch cleaning. Proactively adjusting pH will also provide ability to control pH to meet brine discharge permit pH limits and improve plant reliability. 	<p>Scope:</p> <ul style="list-style-type: none"> Project scope includes design, environmental review, and construction of an acid storage and feed system in an existing space in the adjacent Mocho 4 well building at the MGDP site. This existing space was formerly used for onsite generation of sodium hypochlorite, which is now fed from MGDP to Mocho 4 when that well is in production. New concentrate sump pumps and VFDs are included in this scope. <p>Funding Source:</p> <ul style="list-style-type: none"> 100% from Fund 120 – Renewal/Replacement and System Wide Improvements 	<p>Original Total Cost Estimate: \$2,200,000</p> <p>Current Total Estimated Project Cost: \$7,840,000</p> <p>Total Budget: \$8,320,000</p> <p>Total Expenditures: \$4,300,000</p> <table border="1" data-bbox="852 597 1272 797"> <thead> <tr> <th colspan="2">Planning & Design Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$810,000</td> </tr> <tr> <td>% Spent</td> <td>100%</td> </tr> <tr> <td>% Complete</td> <td>100%</td> </tr> </tbody> </table> <table border="1" data-bbox="852 834 1272 1034"> <thead> <tr> <th colspan="2">Construction Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$7,030,000</td> </tr> <tr> <td>% Spent</td> <td>50%</td> </tr> <tr> <td>% Complete</td> <td>50%</td> </tr> </tbody> </table> <p>Board approved increase to original estimate due to spatial constraints at the site and the need to demolish and reconstruct a former sodium hypochlorite storage area of the Mocho 4 well due to updated codes.</p>	Planning & Design Phase Costs		Budget	\$810,000	% Spent	100%	% Complete	100%	Construction Phase Costs		Budget	\$7,030,000	% Spent	50%	% Complete	50%	<p>Planning: September 2020</p> <p>Design: June 2022</p> <p>Construction: February 2024</p> <p>Closeout: April 2024</p> <p>Projected Operating Impact: Increased operational reliability. Increase in operating cost. Reduced frequency of future batch cleaning costs for concentrate pipeline.</p>	<p>The new concentrate sump pumps and their variable frequency drives (VFDs) have been installed and are in service. The secondary chemical containment structure, building foundation, and concrete masonry walls for the chemical building have been constructed. The concrete coating work for the secondary containment is complete. Contractor is installing piping and the well house roof and preparing for delivery of the chemical tank.</p>
Planning & Design Phase Costs																				
Budget	\$810,000																			
% Spent	100%																			
% Complete	100%																			
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Project Name/Purpose	Scope/Funding Source	Project Cost and Budget	Target Dates / Operating Impact	Current Status																
<p>PPWTP Upgrades and Ozonation Project</p> <p>Purpose/Benefits:</p> <ul style="list-style-type: none"> • Add ozone treatment to improve treated water quality and production reliability. • Expand plant production capacity from 12 to 24 MGD to meet water demand and increase production reliability. Provide production redundancy in case of DVWTP shutdowns. • Increase treated water storage capacity from 2 MG to 7 MG to provide operational flexibility and meet daily peaking demands. 	<p>Scope: This project combines two CIP projects, the PPWTP Upgrades Project and the PPWTP Ozonation Project, and consists of:</p> <ul style="list-style-type: none"> • Construction of new facilities including an ozone generation building, contactor structures, six filters, chemical storage and feed facilities, a 5 MG treated water storage tank, a pump station, new plant entrance, and new emergency generator • Demolition of UF facilities and modification of existing clarifiers, wash water recovery ponds, and chemical facilities <p>Funding Sources: This project is funded by a combination of water rates, new connection fees, and bonds:</p> <ul style="list-style-type: none"> • PPWTP Upgrades Project: \$65M split 30% Fund 120, 70% Fund 130 	<p>Original Total Cost Estimate (2017): \$62,000,000</p> <p>Current Total Estimated Project Cost: \$110,000,000</p> <p>Total Budget: \$110,000,000</p> <p>Total Expenditures: \$104,900,000</p> <table border="1" data-bbox="852 638 1274 834"> <thead> <tr> <th colspan="2">Planning & Design Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$6,000,000</td> </tr> <tr> <td>% Spent</td> <td>100%</td> </tr> <tr> <td>% Complete</td> <td>100%</td> </tr> </tbody> </table> <table border="1" data-bbox="852 873 1274 1070"> <thead> <tr> <th colspan="2">Construction Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$104,000,000</td> </tr> <tr> <td>% Spent</td> <td>95%</td> </tr> <tr> <td>% Complete</td> <td>99%</td> </tr> </tbody> </table>	Planning & Design Phase Costs		Budget	\$6,000,000	% Spent	100%	% Complete	100%	Construction Phase Costs		Budget	\$104,000,000	% Spent	95%	% Complete	99%	<p>Design: November 2018</p> <p>Construction: Fall 2022</p> <p>Closeout: Fall/Winter 2023</p> <p>Projected Operating Cost Impact: Approximately \$1 million net increase in annual operating and maintenance costs to operate ozone system and pump station. Reduction in repair costs due to upgrade or replacement of aging facilities such as filters, UF plant, washwater recovery systems, and electrical and chemical systems.</p>	<p>Contractor continues to make progress towards completing punch list items and the project team is working towards project closeout.</p> <p>Change Order Status: Change orders totaling \$5.6M (7.4% of original contract amount) have been executed. Staff and Construction Manager are also reviewing and disputing two claims submitted by Contractor.</p>
Planning & Design Phase Costs																				
Budget	\$6,000,000																			
% Spent	100%																			
% Complete	100%																			
Construction Phase Costs																				
Budget	\$104,000,000																			
% Spent	95%																			
% Complete	99%																			

Project Name/Purpose	Scope/Funding Source	Project Cost and Budget	Target Dates / Operating Impact	Current Status
<ul style="list-style-type: none"> Replace or upgrade many major plant components that are reaching the end of their useful lives to improve plant reliability and reduce untimely and expensive future repair costs. 	<ul style="list-style-type: none"> PPWTP Ozonation Project: \$45M split 50% Fund 120, 50% Fund 130; \$19M of Fund 120's share of the PPWTP Ozonation Project's construction phase is bond financed. 			

Project Name/Purpose	Scope/Funding Source	Project Cost and Budget	Target Dates / Operating Impact	Current Status								
<p>Pipeline Inspection Program Study</p> <p>Purpose/Benefits:</p> <ul style="list-style-type: none"> The study will develop a routine inspection program for the aging water supply transmission infrastructure. Routine inspections and assessments will help maintain a reliable water transmission system and avoid untimely and expensive repairs. 	<p>Scope:</p> <ul style="list-style-type: none"> Zone 7 has, in the past, completed pipeline Vulnerability, Criticality and Risk Assessments to develop condition assessment and corrosion protection Programs. This Study will review and update the past studies and help develop a pipeline inspection program and recommend necessary improvements to implement the inspection program. <p>Funding Source:</p> <ul style="list-style-type: none"> 100% from Fund 120 – Renewal/Replacement and System Wide Improvements 	<p>Original Total Cost Estimate (2019): \$250,000</p> <p>Current Total Estimated Project Cost: \$250,000</p> <p>Total Budget: \$250,000</p> <p>Total Expenditures: \$130,000</p> <table border="1" data-bbox="852 597 1251 797"> <thead> <tr> <th colspan="2">Planning & Study Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$250,000</td> </tr> <tr> <td>% Spent</td> <td>52%</td> </tr> <tr> <td>% Complete</td> <td>75%</td> </tr> </tbody> </table>	Planning & Study Phase Costs		Budget	\$250,000	% Spent	52%	% Complete	75%	<p>Planning: January 2020</p> <p>Study: June 2024</p> <p>Projected Operating Impact: The study may lead to increased proactive maintenance to minimize risk of emergency repairs.</p>	<p>Consultant has completed the draft study. Staff will review the locations and costs for the recommended ingress and egress ports for probe/ equipment insertion as part of the Asset Management Plan (AMP) Update. Staff plans to finalize the study and incorporate the results into the AMP Update.</p>
Planning & Study Phase Costs												
Budget	\$250,000											
% Spent	52%											
% Complete	75%											

Project Name/Purpose	Scope/Funding Source	Project Cost and Budget	Target Dates / Operating Impact	Current Status								
<p>Stoneridge PFAS Treatment Facility Project</p> <p>Purpose/Benefits:</p> <ul style="list-style-type: none"> Improve water quality by removing PFHxS to below detection level at Stoneridge Well, keeping the water quality in compliance with the DDW issued response level (RL). Allows Stoneridge Well to return to operation upon project completion, helping Zone 7 continue to meet its water demand obligations. 	<p>Scope:</p> <ul style="list-style-type: none"> Install three trains (6 vessels) consisting of ion exchange media and two pretreatment cartridge filters. Work includes construction of the three trains of treatment pressure vessels, installation of a new rate control station on site, piping modifications to and from the well, chemical injection modifications, installation of a new electrical building, and new electrical and instrumentation for the PFAS facility. <p>Funding Source:</p> <ul style="list-style-type: none"> 100% from Fund 120 – Renewal/Replacement and System Wide Improvements 	<p>Original Total Cost Estimate: \$16,300,000</p> <p>Current Total Estimated Project Cost: \$16,300,000</p> <p>Total Budget: \$16,300,000</p> <p>Total Expenditures: \$8,485,400</p> <table border="1" data-bbox="852 716 1278 951"> <thead> <tr> <th colspan="2">Planning, Design & Construction Phase Costs (Design-Build)</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$16,300,000</td> </tr> <tr> <td>% Spent</td> <td>52%</td> </tr> <tr> <td>% Complete</td> <td>60%</td> </tr> </tbody> </table>	Planning, Design & Construction Phase Costs (Design-Build)		Budget	\$16,300,000	% Spent	52%	% Complete	60%	<p>Design: April 2023</p> <p>Construction (Functional): Summer 2023</p> <p>Construction (Final): January 2024</p> <p>Closeout: February 2024</p> <p>Projected Operating Impact: Improved water quality, improved reliability, and increased operational flexibility. Increased operating cost, with an annual average of approximately \$200,000.</p>	<p>Functional completion of the facility (online and treating for PFAS removal) was achieved in September 2023. The treatment facility have been operating several days per week. The ribbon cutting ceremony was held on September 13.</p> <p>Contractor continues to work on remaining items for full project completion, including installing the new electrical building and equipment and the booster pump. Full completion of the project is anticipated in January/ February 2024.</p>
Planning, Design & Construction Phase Costs (Design-Build)												
Budget	\$16,300,000											
% Spent	52%											
% Complete	60%											

Project Name/Purpose	Scope/Funding Source	Project Cost and Budget	Target Dates / Operating Impact	Current Status								
<p>Wells & MGD Electrical Upgrades/Replacement Project</p> <p>Purpose/Benefits:</p> <ul style="list-style-type: none"> Replaces electrical equipment at several well sites that is at or approaching the end of its useful life. Ensures reliable water production from groundwater wells. 	<p>Scope:</p> <ul style="list-style-type: none"> Replace seven (7) variable frequency drives (VFDs) at the Mocho Groundwater Demineralization Plant (MGDP) facility; replace two (2) VFDs at the Chain of Lakes (COL) 1 and 2 wells; and replace electrical switchgear and motor control center (MCC) at Mocho 2, Stoneridge, Hopyard 6 and Hopyard 9 wells. <p>Funding Source:</p> <ul style="list-style-type: none"> 100% from Fund 120 – Renewal/Replacement and System Wide Improvements 	<p>Original Total Cost Estimate: \$7,340,000</p> <p>Current Total Estimated Project Cost: \$7,340,000</p> <p>Total Budget: \$7,340,000</p> <p>Total Expenditures: \$1,024,000</p> <table border="1" data-bbox="852 636 1268 912"> <thead> <tr> <th colspan="2">Planning & Design & Construction Phase Costs (Design-Build)</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$7,340,000</td> </tr> <tr> <td>% Spent</td> <td>14%</td> </tr> <tr> <td>% Complete</td> <td>17%</td> </tr> </tbody> </table>	Planning & Design & Construction Phase Costs (Design-Build)		Budget	\$7,340,000	% Spent	14%	% Complete	17%	<p>Design: May 2023</p> <p>Construction: February 2025</p> <p>Closeout: March 2025</p> <p>Projected Operating Impact: Improved water production reliability and increased operational flexibility.</p>	<p>Contractor continues with construction submittals and scheduling installation of long lead time electrical items. The VFDs that Zone 7 pre-purchased for Chain of Lakes (COL) Wells 1 and 2 have been delivered and installed, and final punchlist items are being coordinated between Contractor and the VFD supplier. The VFDs for the MGD high service pumps and feed pumps are expected to be delivered in January 2024. Staff have been coordinating with PG&E and submitted applications for power shutdown at each of the well sites so that the electrical panels can be removed and replaced.</p>
Planning & Design & Construction Phase Costs (Design-Build)												
Budget	\$7,340,000											
% Spent	14%											
% Complete	17%											

Engineering Projects Status Report – November 15, 2023

Flood Protection System Projects:

Project Name/Purpose	Scope/Funding Source	Project Cost and Budget	Target Dates / Operating Impact	Current Status																
<p>Arroyo Mocho Medeiros Reach Floodplain Reconnection Project (Arroyo Mocho Floodplain and Riparian Forest Restoration Project at Medeiros Parkway)</p> <p>Purpose/Benefits:</p> <ul style="list-style-type: none"> • Create flood attenuation along Arroyo Mocho. • Design so as not to preclude City of Livermore’s Oak Grove Nature Reserve (OGNR) Master Plan. 	<p>Scope:</p> <ul style="list-style-type: none"> • Lower the Arroyo Mocho bike path and berm to allow flood flows to enter OGNR. • Target invasive species removal throughout Medeiros Reach. • Improvements to existing dirt trails/access roads/fire breaks in OGNR <p>Funding Source: This project is funded by a combination of:</p> <ul style="list-style-type: none"> • 43% Fund 200 – Flood Protection Operations. • 57% Fund 210- Flood Protection and Stormwater Drainage DIF. • \$500K California Natural Resources Agency River Parkways Grant. 	<p>Original Total Cost Estimate (2015): \$6,640,000</p> <p>Current Total Estimated Project Cost: \$2,260,000</p> <p>Total Budget: \$2,260,000</p> <p>Total Expenditures: \$2,143,260</p> <table border="1" data-bbox="884 792 1283 987"> <thead> <tr> <th colspan="2">Planning & Design Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$1,500,000</td> </tr> <tr> <td>% Spent</td> <td>99%</td> </tr> <tr> <td>% Complete</td> <td>100%</td> </tr> </tbody> </table> <table border="1" data-bbox="884 1027 1283 1222"> <thead> <tr> <th colspan="2">Construction Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$760,000</td> </tr> <tr> <td>% Spent</td> <td>87%</td> </tr> <tr> <td>% Complete</td> <td>95%</td> </tr> </tbody> </table>	Planning & Design Phase Costs		Budget	\$1,500,000	% Spent	99%	% Complete	100%	Construction Phase Costs		Budget	\$760,000	% Spent	87%	% Complete	95%	<p>Planning: November 2016</p> <p>Design and Permitting: 2021/2022</p> <p>Construction: August 2022 - October 2022</p> <p>Closeout: December 2023</p> <p>Projected Operating Impact: Small increase in maintenance costs due to ownership of additional flood protection facilities.</p>	<p>Project improvements were completed in September 2022. Mitigation planting was completed in November 2022.</p> <p>Contractor completed removing and spraying invasive species growth on October 13, 2023, as part of 4th quarterly monitoring. Waiting for the final invoice from the contractor.</p> <p>Grant agreement with the California Natural Resources Agency (CNRA) was extended to December 2023. Grant reimbursement of \$339,644.86 received on Sep 21, 2023.</p>
Planning & Design Phase Costs																				
Budget	\$1,500,000																			
% Spent	99%																			
% Complete	100%																			
Construction Phase Costs																				
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% Spent	87%																			
% Complete	95%																			

Project Name/Purpose	Scope/Funding Source	Project Cost and Budget	Target Dates / Operating Impact	Current Status																
<p>Alamo Creek Bank Stabilization Pilot Project</p> <p>Purpose/Benefits:</p> <ul style="list-style-type: none"> Pilot project to test channel erosion treatments that will be proposed as part of the Flood Management Plan. Repair a section of Alamo Creek in Dublin, to help restore functionality and integrity of the flood protection system utilizing green (bioengineering) and gray (rip rap) technologies. 	<p>Scope:</p> <ul style="list-style-type: none"> Repair ~2,000 linear feet of channel located downstream of the Alamo Creek and South San Ramon Creek confluence structure. This reach experiences high velocities which cause toe erosion. Improvements will include stabilization of the toe including rock vanes, vegetated soil lifts, willow plantings, and rip rap toe trenches. Erosion control fabric will be placed on top of all new repairs and hydroseeded. <p>Funding Source:</p> <ul style="list-style-type: none"> Fund 200 – Flood Protection Operations DWR has awarded up to a \$4,606,890 grant through the Floodplain Management, Protection, and Risk Awareness (FMPRA) Grant Program Requires Zone 7 providing 25% total project matching funds (~\$1,535,630). 	<p>Original Total Cost Estimate (2023): \$5,800,000</p> <p>Current Total Estimated Project Cost: \$6,142,520</p> <p>Total Proposed Budget: \$6,142,520</p> <p>Total Expenditures: \$29,105</p> <table border="1" data-bbox="884 743 1297 943"> <thead> <tr> <th colspan="2">Planning & Design Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$890,000</td> </tr> <tr> <td>% Spent</td> <td>3%</td> </tr> <tr> <td>% Complete</td> <td>3%</td> </tr> </tbody> </table> <table border="1" data-bbox="884 980 1297 1180"> <thead> <tr> <th colspan="2">Construction Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$5,252,520</td> </tr> <tr> <td>% Spent</td> <td>0%</td> </tr> <tr> <td>% Complete</td> <td>0%</td> </tr> </tbody> </table>	Planning & Design Phase Costs		Budget	\$890,000	% Spent	3%	% Complete	3%	Construction Phase Costs		Budget	\$5,252,520	% Spent	0%	% Complete	0%	<p>Design: May 2023 – October 2023</p> <p>Permitting: Fall 2023 - Winter 2024</p> <p>Construction: Summer/Fall 2024 or 2025 (dependent on receipt of regulatory permits)</p> <p>Closeout: December 2025</p> <p>Projected Operating Impact: Reduced future maintenance and repair costs.</p>	<p>Zone 7 awarded a contract to Slowest in Aug 2023 to prepare Plans, Specifications, and Estimates (PS&E), and to provide environmental compliance support as part of the planning phase of the Pilot Project.</p> <p>A field kickoff meeting was held on Oct 17 with FlowWest and their team of HDR and Haley & Aldrich, to go over the intricacies of the Pilot Project. Staff has provided FlowWest with necessary background documentation and studies.</p>
Planning & Design Phase Costs																				
Budget	\$890,000																			
% Spent	3%																			
% Complete	3%																			
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Budget	\$5,252,520																			
% Spent	0%																			
% Complete	0%																			

Project Name/Purpose	Scope/Funding Source	Project Cost and Budget	Target Dates / Operating Impact	Current Status																
<p>Phase 1 2022-2023 Storm Damage Repairs</p> <p>Purpose/Benefits:</p> <ul style="list-style-type: none"> Restore channel embankments damaged during the December 2022-January 2023 storm event. Repairs under this project will be limited to sites that may not qualify for the US Army Corp of Engineers (USACE) PL 84-99 Program or FEMA/Cal OES for public assistance. Repairs will ensure channel capacity and stability is improved. 	<p>Scope:</p> <ul style="list-style-type: none"> Repair approximately 4 sites that experienced damaged during the 2022-2023 storm event. Improvements will include stabilization of the toe utilizing rip rap toe trenches, and potentially geogrids to reinforce the channel soils. Erosion control fabric will be placed on top of all new repairs and hydroseeded. <p>Funding Source:</p> <ul style="list-style-type: none"> Fund 200 – Flood Protection Operations 	<p>Original Total Cost Estimate (2023): To be determined (TBD) as the scope is refined.</p> <p>Current Total Estimated Project Cost: TBD</p> <p>Total Proposed Budget: TBD</p> <p>Total Expenditures: \$255,317</p> <table border="1" data-bbox="884 716 1297 911"> <thead> <tr> <th colspan="2">Planning & Design Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$500,000</td> </tr> <tr> <td>% Spent</td> <td>51%</td> </tr> <tr> <td>% Complete</td> <td>51%</td> </tr> </tbody> </table> <table border="1" data-bbox="884 951 1297 1146"> <thead> <tr> <th colspan="2">Construction Phase Costs</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>TBD</td> </tr> <tr> <td>% Spent</td> <td>0%</td> </tr> <tr> <td>% Complete</td> <td>0%</td> </tr> </tbody> </table>	Planning & Design Phase Costs		Budget	\$500,000	% Spent	51%	% Complete	51%	Construction Phase Costs		Budget	TBD	% Spent	0%	% Complete	0%	<p>Design: May 2023 – August 2023</p> <p>Permitting: Fall/Winter 2023</p> <p>Construction: Summer 2024</p> <p>Closeout: December 2024</p> <p>Projected Operating Impact: Restore channel stability.</p>	<p>Staff is working with consultants to obtain aerial surveys and prepare engineering plans to repair the storm damaged sites.</p> <p>Designs for four channel repairs were processed and submitted for environmental regulatory permits.</p>
Planning & Design Phase Costs																				
Budget	\$500,000																			
% Spent	51%																			
% Complete	51%																			
Construction Phase Costs																				
Budget	TBD																			
% Spent	0%																			
% Complete	0%																			



ORIGINATING SECTION: Administrative Services
CONTACT: Osborn Solitei

AGENDA DATE: November 15, 2023

SUBJECT: FY 2023-24 Unaudited First Quarter Revenue and Expenditure Report

SUMMARY:

The proposed action is in support of Strategic Plan Goal G – Fiscal Responsibility: Operate the Agency in a fiscally responsible manner, and Strategic Plan Initiative No. 24 – Continue to effectively manage financial resources for the Agency. In carrying out these fiscal responsibilities, staff provides quarterly financial reports to the Finance Committee and the Board. This quarterly report provides a summary of unaudited revenue and expenditures, fiscal year-end projections, and explanations of any major variances through the first quarter of fiscal year (FY) 2023-24 (July 1, 2023 – September 30, 2023) for the following funds:

- › Fund 100 – Water Enterprise Operations
- › Fund 110 – State Water Facilities
- › Fund 120 – Water Enterprise Renewal/Replacement & System-Wide Improvements
- › Fund 130 – Water Enterprise Capital Expansion
- › Fund 200 – Flood Protection Operations
- › Fund 210 – Flood Protection Development Impact Fee Fund (DIF)
- › Fund 300 – Water Facilities Fund

The period of July 1, 2023, through September 30, 2023, is reported herein. However, the Agency's revenue and expenditures cycles do not follow this pattern. Therefore, the first quarter is not a strong trend indicator for year-end revenues and expenditures.

Highlights of this report include:

- › **State Water Project Allocation** – On April 20, 2023, the Department of Water Resources (DWR) announced a State Water Project (SWP) allocation of 100% for calendar year (CY) 2023.
- › **Grant Award for Stoneridge PFAS Project** – The Agency has been formally awarded \$16 million for the Restoration of Water Supply from Per-and Polyfluoroalkyl Substances (PFAS) Contamination Emergency Project.
- › **2023 Water Revenue Bond Financing** – The Agency issued tax-exempt water revenue bonds to fund the construction phase costs for the Chain of Lakes PFAS Treatment Project and other water system improvements. The bond financing priced October 24, 2023, and closed November 7, 2023.

ANALYSIS:

The Agency maintains several funds; these fund balances are grouped into two categories – Unrestricted Fund Balances and Restricted Fund Balances.

UNRESTRICTED FUNDS

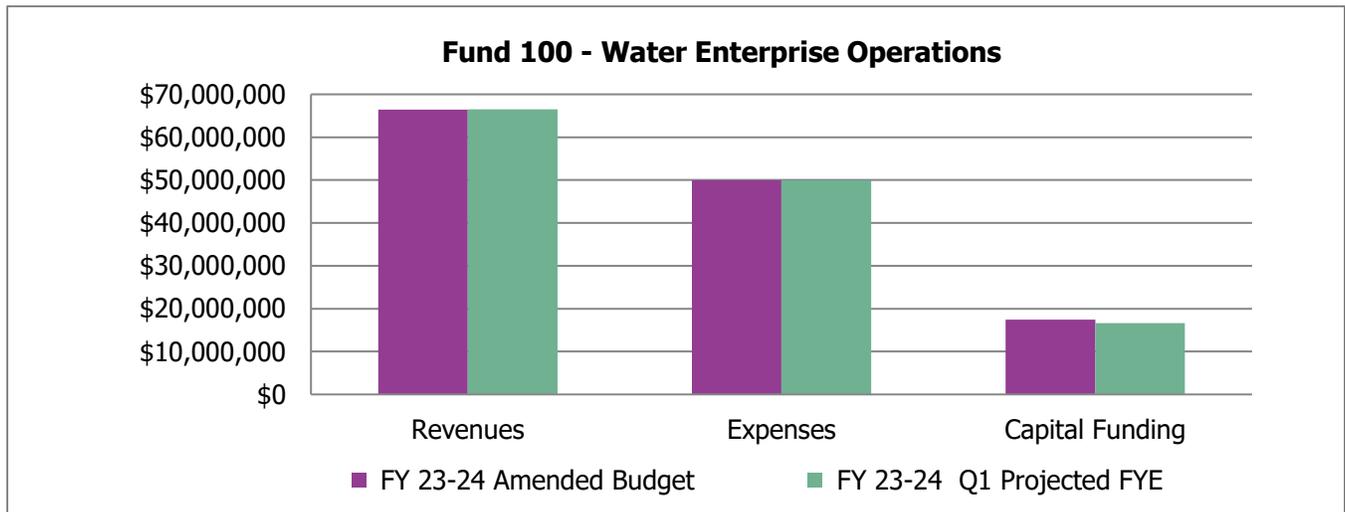
Unrestricted Fund Balance: This describes the portion of fund balance which is not restricted to use. To facilitate the discussion of reserve funds, this report will categorize the various funds as “Unrestricted Reserves” and “Restricted Reserves.” In general, Board policy can most affect Unrestricted Reserves.

Fund 100 – Water Enterprise Operations Fund

Primary Funding Source: Water Rates

The purpose of this fund is to ensure the delivery of high-quality drinking and irrigation water to the Livermore-Amador Valley. This operations and maintenance fund includes water treatment and distribution of potable (drinking) water, distribution of untreated agricultural/irrigation water, surface water, and groundwater management. Water distributed is a combination of locally stored and imported water from the SWP. Activities include water treatment, water quality analysis, water resource management, groundwater recharge and protection, maintenance, out-of-area water banking infrastructure, and water supply planning and engineering.

The following graph shows the FY 2023-24 Amended Budget and first quarter (Q1) projected FYE revenues, expenditures, and capital funding.



Details of Revenue and Expenses for Fund 100

Fund 100 - Water Enterprise Operations	FY 23-24 Amended Budget	FY 23-24 Q1 YTD Actual	FY 23-24 Q1 Projected FYE	Year-End Over / (Under) Budget
Unaudited Beg. Fund Balance	\$29,266,000	\$29,266,000	\$29,266,000	-\$
Estimated Carryover from Multi-year Services	608,000	-	608,000	-
Adjusted Beg. Fund Balance	28,658,000	29,266,000	28,658,000	\$-
Revenue				
Water Sales ¹	65,763,000	19,444,430	65,763,000	-
Investment Earnings ²	300,000	22,096	400,000	100,000
Other Revenue ³	332,000	73,135	332,000	-
Total Revenue	66,395,000	19,539,662	66,495,000	100,000
Expenses				
Labor ⁴	17,005,000	4,937,498	17,005,000	-
Professional Services ⁵	3,546,000	348,124	3,546,000	-
Legal Services	340,000	34,711	340,000	-
County Services	1,909,000	63,172	1,909,000	-
Insurance Services	735,000	446,250	735,000	-
Water ⁶	10,555,000	2,770,369	10,555,000	-
Chemicals ⁶	4,140,000	1,134,153	4,140,000	-
Utilities ⁶	2,509,000	451,866	2,509,000	-
Repairs and Maintenance	2,162,000	561,877	2,162,000	-
Rental Services	104,000	77,138	104,000	-
General/Other Supplies	830,000	328,007	830,000	-
Other Services ⁷	1,015,000	865,026	1,015,000	-
LVR Expansion Participation ⁸	992,000	495,600	992,000	-
Debt Service	4,127,000	2,065,294	4,127,000	-
Total Expenses	49,969,000	14,579,085	49,969,000	-
Capital Funding ⁹	17,424,000	4,158,000	16,651,000	(773,000)
Estimated Revenue over Expenses	(998,000)	802,577	(125,000)	873,000
Ending Fund Balance	\$27,660,000	\$30,068,577	\$28,533,000	\$873,000

Note: Projected values are rounded to the thousands.

Revenue

- 1. Water Sales:** Year-to-date (YTD) water sales revenue reflects water sales through September 30, 2023. Water sales revenue is up 21% from this time last year due to the Board adopted rate increases (5.5% for Calendar Year (CY) 2023) and a 19% increase in water deliveries.
- 2. Investment Earnings:** Projected interest earnings reflect current favorable market conditions.
- 3. Other Revenue:** YTD revenue is primarily made up of DWR refunds. The year-end projection reflects the budget as there is neither additional information nor trends available to change the projection.

Expenditures

- 4. Labor:** YTD labor includes payroll through September 30, 2023. A 5% cost of living adjustment took effect June 2023. As of September 30, 2023, the Agency had a 16% vacancy rate. There is neither additional information nor trends available to change the projection.
- 5. Professional Services:** Includes professional and legal services related to the water enterprise operations. The year-end projection is unchanged from budget as there is neither additional information nor trends available to change the projection.
- 6. Water production costs:** Includes Water, Chemicals, and Utilities.

Water: The Agency's SWP allocation for CY 2023 is 100%. YTD expenses are primarily made up of the SWP conveyance costs and the Agency's Delta Conveyance Project participation costs. There is neither additional information nor trends available to change the projection.

Chemicals and Utilities: YTD chemical expenditures are up 78% from this time last year due to inflationary cost increases and transition from groundwater to surface water treatment. YTD utility costs are down 67% compared to this time last year due to the transition to surface water in 2023. There is no additional information or trends available currently to change the projection.

- 7. Other Services:** This category includes organizational memberships, rebates, and public outreach. The year-end projection is unchanged from budget as there is neither additional information nor trends available to change the projection.
- 8. LVR Expansion Participation:** This category includes the Agency's participation costs in the development phase of the Los Vaqueros Reservoir Expansion project. Per Resolution No. 23-55, the Board approved Multiparty Agreement No. 5, committing \$1.239 million in funding to the project through June 30, 2024. The funding is split 80/20 between Funds 100 and 130.
- 9. Capital Funding:** YTD funding includes the first quarter transfer to Fund 120 for the Asset Management Program (AMP) funding. The year-end projection also includes an additional transfer of \$725,000 per Resolution No. 22-93, dated November 16, 2022, as well as the capital funding for asset replacement. Per the Board Resolution, the funding amount shall be adjusted annually for inflation using the Engineering News Record Construction Cost Index (ENRCCI) starting with the base year of \$12.3M in FY 2018-19. The projected transfer is less than budget as the budget assumes a 6% adjustment, but actual ENRCCI adjustment from June 2021 to June 2022 was 0.1%.

Water Supply Conditions

The SWP’s current allocation for 2023 is 100% (see the Monthly Water Inventory and Water Budget Update in the May 17, 2023, Board Agenda packet). The United States Drought Monitor indicates no drought in most of California (<https://droughtmonitor.unl.edu/CurrentMap/StateDroughtMonitor.aspx?CA>).

Reserves

Per Initiative #24 of the Agency’s Strategic Plan, the Agency shall maintain target levels of reserves. As of September 30, 2023, Fund 100 reserves are fully funded at the target level. The table and chart below compare Minimum, Target, and Maximum reserves to projected fiscal year-end reserves. The projected fiscal year-end unallocated fund balance is about \$1.29M. The FY 2023-24 Amended Budget plans for use of approximately \$998,000 of the unallocated fund balance to balance the budget.

Fund 100 Reserves	Minimum	Target	Maximum	FY 23-24 Q1 Projected FYE	Actual Above / (Below) Target
Operating Reserves ¹	\$8,214,000	\$12,321,000	\$16,428,000	\$12,321,000	-
Emergency Reserves ²	5,475,000	7,880,000	8,212,000	7,880,000	-
Reserve for Economic Uncertainties ³	3,621,000	5,432,000	7,243,000	5,432,000	-
Subtotal	\$17,310,000	\$25,633,000	\$31,883,000	\$25,633,000	-
Pension Trust Fund ⁴				1,613,000	-
Projected Unallocated Fund Balance ⁵				1,287,000	1,287,000
Total Reserves	\$17,310,000	\$25,633,000	\$31,883,000	\$28,533,000	\$1,287,000

Note: Values rounded to the thousands.

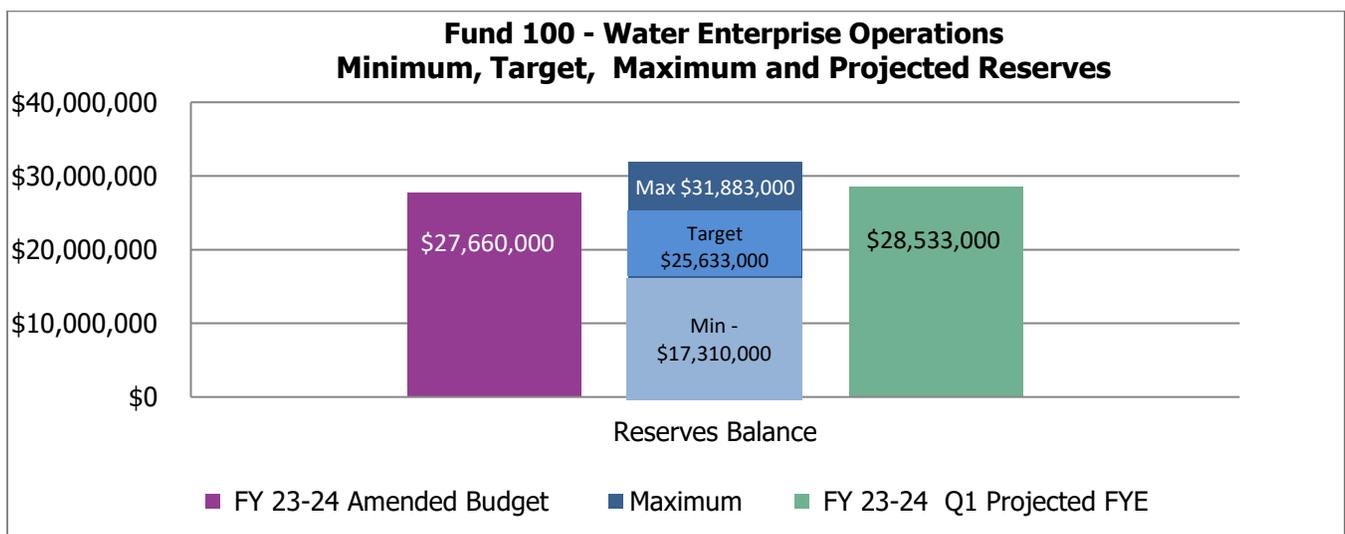
¹The FY 23-24 Q1 projected FYE Operating Reserve is funded at the target level of 90 days of operating expenses.

²The FY 23-24 Q1 projected FYE Emergency Reserve is funded at the target level of 2.5% of Water Enterprise assets.

³The FY 23-24 Q1 projected FYE Reserve for Economic Uncertainties is funded at 15% of FY 23-24 budgeted volume-based water sales revenue.

⁴The FY 23-24 Q1 projected FYE Pension Trust Fund reflects a balance of \$1.6M. The projection includes a FY 21-22 contribution of \$94K and budgeted FY 2022-23 and FY 2023-24 contributions of \$107K. The projection excludes any interest earnings/losses incurred during the FY.

⁵The FY 23-24 Q1 projected FYE unallocated fund balance is \$1.29M.



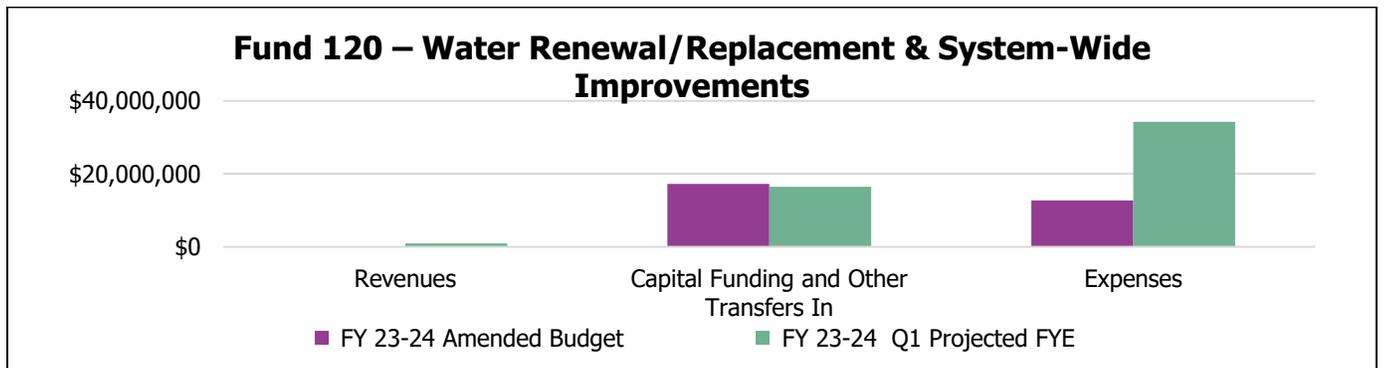
Fund 120 – Water Renewal/Replacement & System-Wide Improvements

This is a sub-fund of the Fund 100 – Water Enterprise Operations Fund

Primary Funding Source: Water Rates via a transfer from Fund 100

The purpose of this fund is to ensure funding is available for capital renewal, replacement, and system-wide improvement projects needed to keep the current water treatment and delivery systems functioning effectively. Fund 120 pays for capital projects as outlined in the Agency’s asset management program and the capital improvement program.

The following graph shows the FY 2023-24 Amended Budget and Q1 projected fiscal year-end revenue, capital funding, and expenditures.



Note: When expenses exceed revenue, capital reserves (working capital) are being expended.

Details of Revenue and Expenses for Fund 120

Fund 120 - Water Enterprise Renewal/Replacement & Systemwide Improvements	FY 23-24 Amended Budget	FY 23-24 Q1 YTD Actual	FY 23-24 Q1 Projected FYE	Year-End Over/(Under) Budget
Unaudited Beginning Fund Balance	\$44,990,000	\$44,990,000	\$44,990,000	\$-
Estimated Carryover from Multi-Year Projects	21,552,000	-	21,552,000	-
Adjusted Beginning Fund Balance	23,438,000	44,990,000	23,438,000	-
Revenue				
Investment Earnings ¹	100,000	119,891	900,000	800,000
Other Revenue	2,000	2,212	2,000	-
Total Revenue	102,000	122,104	902,000	800,000
Other Financing Sources				
Capital Funding ²	17,214,000	6,175,445	16,441,000	(773,000)
Total Other Financing Sources	17,214,000	6,175,445	16,441,000	(773,000)
Expenses				
Labor ³	1,706,000	341,344	1,706,000	-
Capital Projects ⁴	11,027,000	3,258,559	11,027,000	-
Total Expenses	12,733,000	3,599,902	12,733,000	-
Estimated Revenue/Other Financing Sources over Expenses	4,583,000	2,679,646	4,610,000	27,000
Ending Fund Balance	\$28,021,000	\$47,687,646	\$28,048,000	\$27,000

Note: Projected values are rounded to the thousands.

Revenue

- 1. Investment Earnings:** Projected year-end interest earnings reflect favorable market conditions.
- 2. Capital Funding:** YTD funding includes the first quarter transfer to Fund 120 for the Asset Management Program (AMP) funding. The year-end projection also includes an additional transfer of \$725,000 per Resolution No. 22-93, dated November 16, 2022. Per the Board Resolution, the funding amount shall be adjusted annually for inflation using the Engineering News Record Construction Cost Index (ENRCCI) starting with the base year of \$12.3M in FY 2018-19. The projected transfer is less than budget as the budget assumes a 6% adjustment, but actual ENRCCI adjustment from June 2021 to June 2022 was 0.1%.

Expenses

- 3. Labor costs:** YTD labor includes payroll through September 30, 2023. There is neither additional information nor trends available to change the projection.
- 4. Capital Projects:** Includes costs for FY 2023-24 budgeted projects. The year-end projection is unchanged from budget as there is neither additional information nor trends available to change the projection.

Reserves

The table below compares the FY 2023-24 Amended Budget ending reserve balances to the Q1 projected ending reserve balances.

Fund 120 Reserves	FY 23-24 Amended Budget FYE	FY 23-24 Q1 Projected FYE
Debt Service Rate Stabilization Reserve	\$6,300,000	\$6,300,000
Pension Trust	46,000	46,000
Designated for Capital Projects Reserve ¹	21,675,000	21,748,000
Total Reserve	\$28,021,000	\$28,048,000

¹This reserve is designated for capital projects to fund the Fund 120 CIP projects the Agency has committed to over the next five years. The Zone 7 Board adopted the Five-Year Water System CIP on June 21, 2023 (Resolution No. 17-81).

Below is a summary of the major projects in progress. For more information on capital projects, see the Capital Projects Status Report, in the November 15, 2023, Board meeting agenda packet.

Project	Total Estimated Cost	Fund 120 Share	Fund 120 Cash Financed	Fund 120 Bond Financing	Status	In-Service
Asset Management Program Update	\$360K	\$360K	\$360K	\$-	Planning	Fall 2024
Ten-Year CIP Update	\$300K	\$150K	\$150K	\$-	RFP Distributed	Fall 2024
Valley Booster Pump Station Project	\$8.5M	\$8.5M	\$7.5M	\$-	Substantially complete	Fall 2023
DVWTP Roadway/Parking Lot Repairs and Post Ozone Project	\$2.8M	\$2.8M	\$2.8M	\$-	Construction	2024
DVWTP Polymer Mixing System Replacement Project	\$855K	\$855K	\$855K	\$-	Substantially Complete	Summer 2023
Pipeline Inspection Study	\$250K	\$250K	\$250K	\$-	Study In-process	Spring 2024
MGDP Concentrate Conditioning Project	\$7.8M	\$7.8M	\$7.8M	\$-	Construction	Spring 2024
PPWTP Upgrades Project	\$65M	\$19.5M	\$19.5M	\$-	Substantially complete	Winter 2022
PPWTP Ozone Project	\$45M	\$22.5M	\$3.5M	\$19M	Substantially complete	Winter 2022
Chain of Lakes PFAS Treatment Facility Project ¹	\$24.4	\$24.4M	\$2.4M	\$22M	Design complete	Fall 2024
Stoneridge Well PFAS Project	\$16.3M	\$16.3M	\$16.3M	\$-	Construction	Summer 2023
Wells & MGDP Electrical Upgrades/ Replacement Project	\$7.3M	\$7.3M	\$7.3M	\$-	Construction	2025
Total	\$178.8M	\$110.7M	\$68.7M	\$41M		

Other Unrestricted Funds

Fund 300 - Water Facilities Fund was originally used for Chain of Lakes mitigation and planning reserve, quarry discharge exports, miscellaneous fees and deposits, and permit inspection deposits.

Fund	FY 2023-24 Beginning Unaudited Fund Balance	FY 2023-24 Q1 Unaudited Actual Interest Income & Misc. Deposits	FY 2023-24 Q1 Unaudited Actual Transfers Out ^{A,B}	FY 2023-24 Q1 Projected Ending Fund Balance
Fund 300 - Water Facilities Fund	1,460,000	-	(1,460,000)	-

Fund 300 has been subsequently authorized by the Board for the Sites Reservoir Project and is expected to have a balance of \$0 by June 30, 2024.

A. Sites Reservoir Project:

- Per Resolution No. 22-05 dated January 19, 2022, the Board authorized the Third Amendment to the 2019 Sites Reservoir Project Agreement at 10,000 acre-feet of participation in an amount not-to-exceed \$4M through 2024.

RESTRICTED FUNDS ANALYSIS

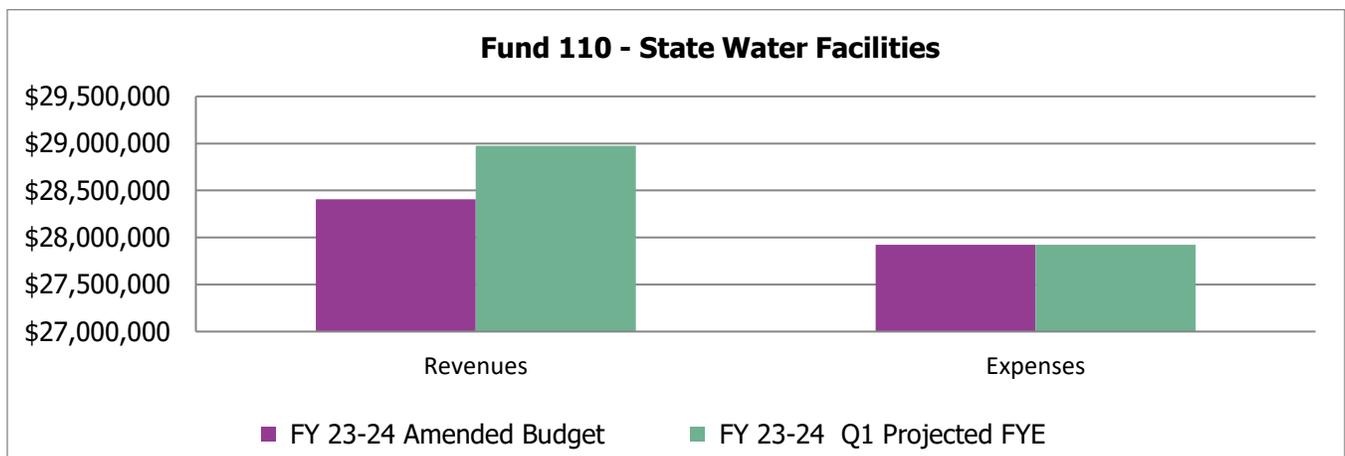
Restricted Fund Balance: Includes the portion of the fund balance that can only be spent for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers. It also includes a legally enforceable requirement that the resources can only be used for specific purposes enumerated in the law. The restricted funds are not available to serve as operating or emergency reserves. These primarily include property taxes, connection and developer fees received for capital projects, debt service requirements, and fees charged for the provision of future water resources.

Fund 110 – State Water Facilities Fund

Primary Funding Source: Property Taxes

Fund 110 finances the fixed cost payment to DWR to import water to the Agency which includes repayment of voter-approved, State-incurred, long-term debt.

The following graph shows the FY 2023-24 Amended Budget and Q1 projected fiscal year-end revenue and expenditures.



When expenses exceed revenue, operating reserves (working capital) are being expended.

Details of Revenue and Expenses for Fund 110

Fund 110 - State Water Facilities	FY 23-24 Adopted Budget	FY 23-24 Q1 YTD Actual	FY 23-24 Q1 Projected FYE	Year-End Over / (Under) Budget
Unaudited Beg. Fund Balance	\$47,489,000	\$47,489,000	\$47,489,000	\$-
Revenue				
Dougherty Valley Surcharge	2,350,000	-	2,350,000	-
Property Taxes ¹	22,201,000	-	22,201,000	-
DWR Refunds	3,675,000	-	3,675,000	-
Investment Earnings ²	180,000	143,971	750,000	570,000
Total Revenue	28,406,000	143,971	28,976,000	570,000
Expenses³	27,923,000	12,187,394	27,923,000	-
Estimated Revenue over Expenses	483,000	(12,043,423)	1,053,000	570,000
Ending Fund Balance	\$47,972,000	\$35,445,577	\$48,542,000	\$570,000

Note: Projection values are rounded to the thousands.

Revenue

This is a pass-through fund for fixed charges associated with the SWP, assessed as a property tax override.

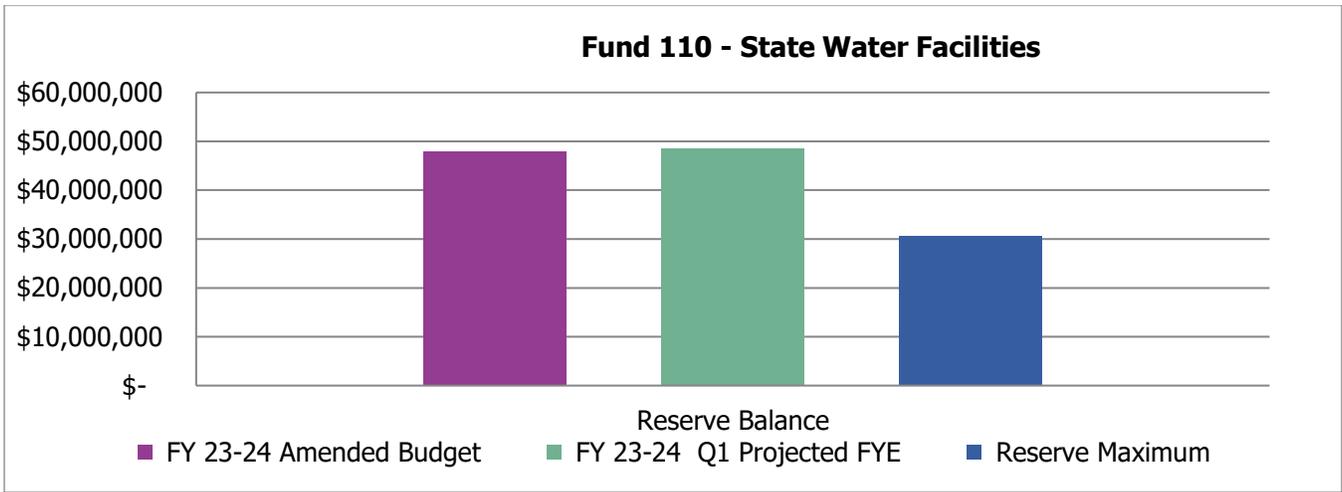
- 1. Property Taxes:** The Agency has not received the first installment of property tax, which is typical for the first quarter. The first property tax installment will be received in December and will be reflected in the second quarter revenue and expenditure report. The revenue projection is based on the budget as there is neither additional information nor significant trends available to change the fiscal year-end revenue projection at this time.
- 2. Investment Earnings:** Projected year-end interest earnings reflect favorable market conditions.

Expenses

- 3. Expenditures:** Include DWR fixed charges that occur both monthly and semi-annually. Transportation capital charges and the improvement portion of the SBA Improvement and Enlargement Project debt service payments are paid in January/July and March/September, respectively.

Reserves

The following table and chart compare the FY 2023-24 Amended Budget ending reserve balance to the Q1 projected ending reserve balance and maximum reserve. Although the current reserve balance exceeds the reserve maximum, State Water Project costs are highly volatile and unpredictable. These costs are expected to increase at a rate significantly above inflation.

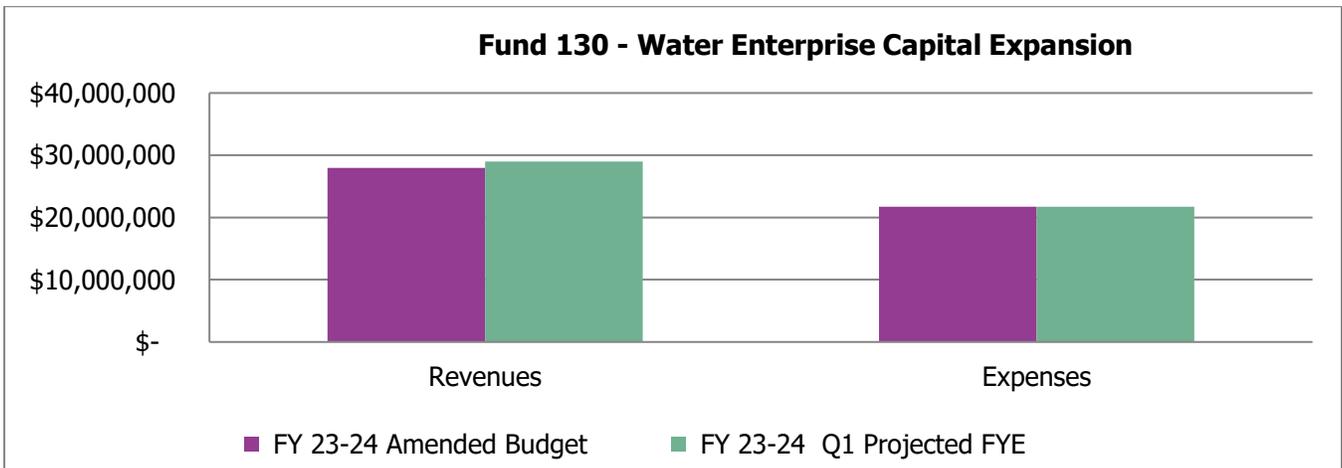


Fund 130 – Water Enterprise Capital Expansion

Primary Funding Source: Water Connection Fees.

The purpose of this fund is to ensure the Agency can meet the future needs of new customers with development paying its own way. The program is primarily intended to provide funding for new or expanded facilities and additional water supplies to serve additional capacity requirements of development. Most expenses in this fund are fixed (i.e., bond payment obligations for debt incurred by others to increase capacity, such as the enlargement portion of the South Bay Aqueduct Improvement and Enlargement Project). Developer fees can only be used for projects related to water system expansion.

The following graph shows the FY 2023-24 Amended Budget and Q1 projected FYE revenue and expenditures.



Details of Revenue and Expenses for Fund 130

Fund 130 - Water Enterprise Capital Expansion	FY 23-24 Adopted Budget	FY 23-24 Q1 YTD Actual	FY 23-24 Q1 Projected FYE	Year-End Over/(Under) Budget
Unaudited Beg. Fund Balance	\$70,933,000	\$70,933,000	\$70,933,000	\$-
Estimated Carryover from Multi-year Projects	4,276,000		4,276,000	-
Adjusted Beg. Fund Balance	66,657,000	70,933,000	66,657,000	-
Revenue				
Connection Fees ¹	24,812,000	2,270,223	24,812,000	-
Investment Earnings ²	140,000	290,513	1,200,000	1,060,000
DWR Refunds	3,000,000	-	3,000,000	-
Total Revenue	27,952,000	2,560,736	29,012,000	1,060,000
Expenses				
Labor ⁴	349,000	51,646	349,000	-
Professional Services	48,000	6,905	48,000	-
Water ⁵	16,850,000	11,514,945	16,850,000	-
Capital Projects ⁶	3,403,000	144,601	3,403,000	-
Debt Service	1,089,000	615,000	1,089,000	-
Total Expenses	21,739,000	12,333,097	21,739,000	-
Estimated Revenue over Expenses	6,213,000	(9,772,360)	7,273,000	1,060,000
Ending Fund Balance	\$72,870,000	\$61,160,640	\$73,930,000	\$1,060,000

Note: Projected values are rounded to the thousands.

Revenue

The primary source of revenue is connection fees.

- 1. Connection Fees:** YTD revenue is comprised of connection fees from approximately 70 connections from the DSRSD service area. At the October 18, 2023, Board Meeting, the Board approved the normal inflationary adjustment to the CY 2024 water connection fees. The adjusted fees will go into effect January 1, 2024.
- 2. Investment Earnings:** Year-end projection reflects a higher-than-expected rate of return based on current favorable market conditions.

Expenses

- 3. Labor:** Includes this fund's share of payroll through September 30, 2023, for capital projects.
- 4. Water:** YTD expenses are made up of the first installment of the SBA debt service payments (paid in September and March).
- 5. Capital Projects:** Includes capital project expenses approved in the FY 2023-24 budget, including continued participation in the Sites Reservoir and Los Vaqueros Reservoir Expansion projects, the well master plan, and the 10-year capital improvement plan update. Year-end projection reflects budget.

Reserves

The table below compares the FY 2023-24 Amended Budget ending reserve balances to the Q1 projected ending reserve balances.

Fund 130 Reserves	FY 23-24 Amended Budget FYE	FY 23-24 Q1 Projected FYE
Sinking Funds ¹	\$26,933,000	\$26,933,000
Debt Service Rate Stabilization Reserve	2,300,000	2,300,000
Designated for Capital Projects Reserve ²	43,621,000	44,681,000
Pension Trust Fund	16,000	16,000
Total Reserves	\$72,870,000	\$73,930,000

¹This reserve was established by the Board to fund debt service payments that continue after service is built-out.

²This reserve is designated for capital projects to fund expansion CIP projects the Agency has committed to over the next ten years.

Below is a summary of the Agency's major projects in progress or recently completed.

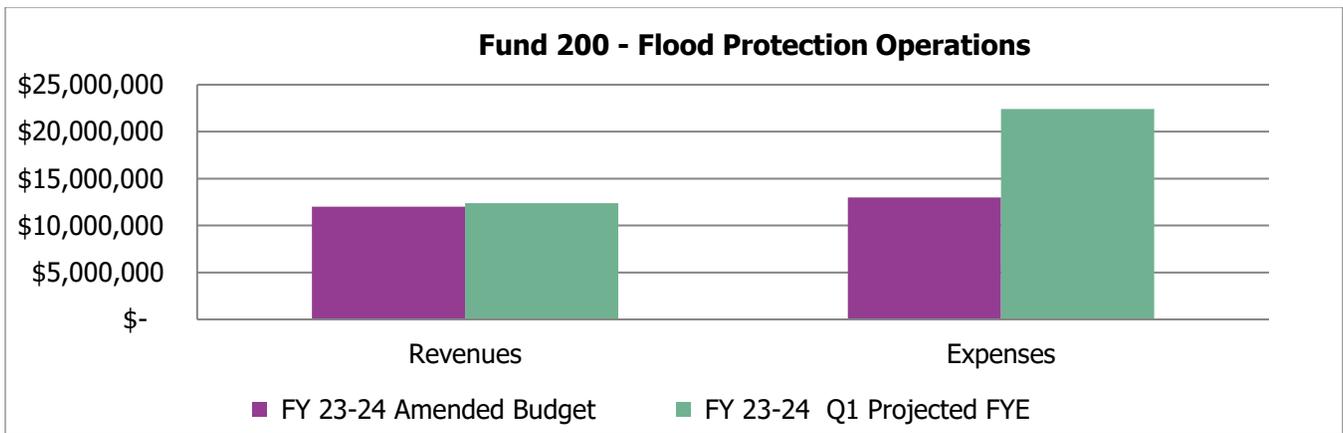
Project	Total Cost	Fund 130 Share	Status	In-service
PPWTP Upgrades Project	\$65M	\$45.5M	Substantially complete	Fall 2022
PPWTP Ozone Project	\$45M	\$22.5M	Substantially complete	Fall 2022
Ten-Year CIP Update	\$300K	\$150K	RFP Distributed	Fall 2024
Non-discretionary obligations	~\$20M annually	~\$20M	n/a	ongoing

Fund 200 – Flood Protection Operations

Primary Funding Source: Property Taxes.

This fund uses property taxes to provide general administration, maintenance, and operation of regional flood protection facilities. The Agency manages a watershed of 425 square miles in eastern Alameda County, receiving drainage from parts of Contra Costa, Santa Clara, and San Joaquin Counties. More than 37 miles of flood control channels and regional drainage facilities are owned and maintained by the Agency. This fund finances a comprehensive year-round maintenance program that includes repairing slides and erosion, refurbishing access roads and associated drainage ditches, installing and repairing gates and fences, and maintaining landscaped areas. This fund pays for renewal/replacement and improvement projects for the existing flood protection system.

The following graph shows FY 2023-24 Amended Budget and Q1 projected FYE revenue and expenditures.



Details of Revenue and Expenses for Fund 200

Fund 200 - Flood Protection Operations	FY 23-24 Amended Budget	FY 23-24 Q1 YTD Actual	FY 23-24 Q1 Projected FYE	Year-End Over/(Under) Budget
Unaudited Beg. Fund Balance	\$23,923,000	\$23,923,000	\$23,923,000	\$-
Estimated Carryover from Multi-year Projects	9,428,000		9,428,000	-
Adjusted Beg. Fund Balance	14,495,000	23,923,000	14,495,000	-
Revenue				
Property Taxes ¹	11,344,000	-	11,344,000	-
Investment Earnings ²	215,000	22,705	475,000	260,000
Other Revenue	436,000	551,100	551,000	115,000
Total Revenue	11,995,000	573,805	12,370,000	375,000
Expenses				
Labor ²	3,075,000	497,888	3,075,000	-
Professional Services ⁴	3,081,000	290,405	3,081,000	-
Repairs and Maintenance ⁵	5,687,000	675,719	5,687,000	-
Rental Services	50,000	2,996	50,000	-
Other Services/ Supplies	1,095,000	33,834	1,095,000	-
Total Expenses	12,988,000	1,500,843	12,988,000	-
Estimated Revenue over Expenses	(993,000)	(927,038)	(618,000)	375,000
Ending Fund Balance	\$13,502,000	\$22,995,962	\$13,877,000	\$375,000

Note: Projected values are rounded to the thousands.

Revenue

The primary source of revenue for this fund is property taxes.

- Property Tax:** The Agency has not received the first installment of property tax, which is typical for the first quarter. The first property tax installment will be received in December and will be reflected in the second quarter revenue and expenditure report. The revenue projection is based on the budget as there is neither additional information nor significant trends available to change the fiscal year-end revenue projection at this time.

2. Investment Earnings: Year-end projection reflects a higher-than-expected rate of return based on current favorable market conditions.

Expenses

Per Resolution No. 23-06, dated February 1, 2023, the Board declared a local state of flood emergency within its service area. Subsequent Resolutions (No. 23-07 and No. 23-08) were passed to fund emergency repair work and a need assessment in the amount of \$2.7M.

3. Labor: Includes this fund’s share of payroll through September 30, 2023.

4. Professional Services: Year-end projection includes FY 2023-24 budgeted services as there is neither additional information nor trends available to change the projection.

5. Repairs and Maintenance: Includes routine flood engineering repair services and additional flood emergency projects. The year-end projection is unchanged from budget as there is neither additional information nor trends available to change the projection.

Reserves

The table below compares the FY 2023-24 Amended Budget ending reserve balance to the Q1 projected ending reserve balance.

Fund 200 Reserves	FY 23-24 Amended Budget	FY 23-24 Q1 Projected FYE
Operating Reserves	\$1,800,000	\$1,800,000
Designated for Capital Projects Reserve	11,520,000	11,895,000
Section 115 Pension Trust	182,000	182,000
Total Reserves	\$13,502,000	\$13,877,000

The Agency is in the process of developing and implementing a Flood Management Plan to direct the Agency’s future flood maintenance activities and capital projects. Per Resolution No. 22-73, dated August 17, 2022, the Board adopted the Flood Management Plan Phase 1. Flood Management Plan Phase 2A professional and project management services were approved at the February 15, 2023, Board meeting.

The following table lists major projects that are in progress or recently completed.

Project	Total Cost	Fund 200 Share	Status	In-service
Alamo Creek Bank Stabilization Pilot Project ¹	\$6.1M	\$1.5M	Design	Winter 2025
Phase 1 2022-23 Storm Damage Repairs	TBD	TBD	In-process	TBD

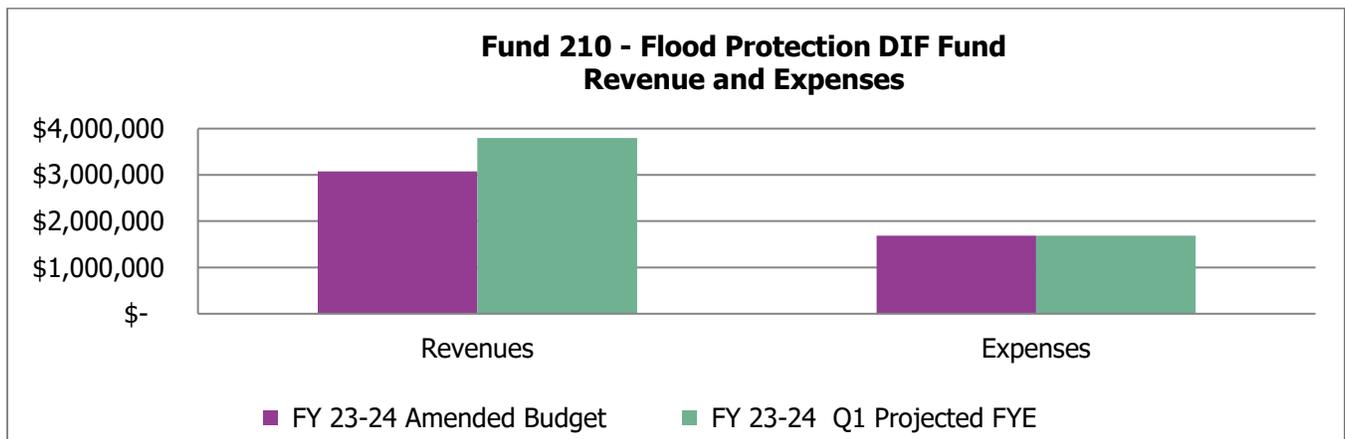
¹DWR has awarded up to \$4.6M in grants through the Floodplain Management, Protection, and Risk Awareness (FMPRA) Grant program.

Fund 210 – Flood Protection Development Impact Fee Fund

Primary Funding Source: Development Impact Fees.

The purpose of this fund is to ensure the Agency can meet future needs for expansion-related flood control facilities. The program is primarily intended to provide funding for any flood control facilities required for new development. Funds are expended on the planning, design, lands and right of way acquisition, environmental review, permitting, and construction for drainage projects.

The following graph shows the FY 2023-24 Amended Budget and Q1 projected FYE revenue and expenditures.



Details of Revenue and Expenses for Fund 210

Fund 210 - Flood Protection DIF Fund	FY 23-24 Adopted Budget	FY 23-24 Q1 YTD Actual	FY 23-24 Q1 Projected FYE	Year-End Over/(Under) Budget
Unaudited Beg. Fund Balance	\$75,211,000	\$75,211,000	\$75,211,000	\$-
Estimated Carryover from Multi-year Projects	1,175,000	-	1,175,000	-
Adjusted Beg. Fund Balance	74,036,000	75,211,000	74,036,000	-
Revenue				
Development Fees ¹	2,500,000	12,985	2,500,000	-
Investment Earnings	553,000	74,055	1,200,000	647,000
Other Revenue	25,000	97,414	97,000	72,000
Total Revenue	3,078,000	184,453	3,797,000	719,000
Expenses				
Labor ²	275,000	5,871	275,000	-
Capital Projects ³	1,411,000	63,177	1,411,000	-
Total Expenses	1,686,000	69,049	1,686,000	-
Revenue over Expenses	1,392,000	115,404	2,111,000	719,000
Estimated Ending Fund Balance	\$75,428,000	\$75,326,404	\$76,147,000	\$719,000

Note: Values are rounded to the thousands.

Revenue

- 1. Development Impact Fees:** Revenue is primarily generated from development impact fees and interest earnings. There is neither additional information nor trends available to change the projection.
- 2. Investment Earnings:** Year-end projection reflects a higher-than-expected rate of return based on current favorable market conditions.

Expenses

- 3. Labor:** Includes staff labor through September 30, 2023. Projection is based on budget. There is neither additional information nor trends available to change the projection.
- 4. Capital Projects:** Includes professional services and projects planned in the FY 2023-24 budget.

Reserves

The following table and chart compare the FY 2023-24 Amended Budget ending reserve balance to the Q1 projected ending reserve balance.

Fund 210 Reserves	FY 23-24 Adopted Budget FYE	FY 23-24 Q1 Projected FYE
Capital Projects Reserve	\$75,428,000	\$76,147,000
Total Reserves	\$75,428,000	\$76,147,000

The Agency is in the process of developing and implementing a Flood Management Plan to direct the Agency’s future flood maintenance activities and capital projects. Per Resolution No. 22-73, dated August 17, 2022, the Board adopted the Flood Management Plan Phase 1. Flood Management Plan Phase 2A professional and project management services were approved at the Board meeting on February 15, 2023.



100 North Canyons Parkway
Livermore, CA 94551
(925) 454-5000

September 30, 2023

Board of Directors
Zone 7 Water Agency
100 North Canyons Parkway
Livermore, CA 94551

Subject: **Investment Report as of September 30, 2023 (Unaudited)**

Dear Board Members:

Pursuant to Resolution No. 23-46, dated June 30, 2023, the Board adopted the Agency investment policy. In accordance with Strategic Plan Initiative No. 24 – Continue to effectively manage financial resources for the Agency in a prudent manner and in accordance with the Investment Policy, attached is the Agency quarterly informational investment report as of September 30, 2023. Enclosed with this report is a detailed composition of investments held in Zone 7's name by securities category as of September 30, 2023. This report reflects the market value and cost of purchase of the securities.

All Agency investments in this investment management portfolio conform to the investment policy and are in accordance with California Government Code Section 53600, et. seq. Below is the Agency's investment portfolio management summary:

Investment Type	Face Amount	Market Value	Book Value	% of Portfolio	Permitted by Agency Policy	In Compliance	Book Yield (YTM at Cost)
U.S. Treasury Bond/ Note	\$ 95,265,000	\$ 88,109,536	\$ 92,905,873	68.44%	No Limit	Yes	2.80%
Corporate Bonds (Medium Term Notes)	22,170,000	21,307,671	22,139,732	16.55%	30%	Yes	3.62%
Federal Agency Commercial Mortgage-Backed Security	11,243,951	10,843,367	11,057,622	8.42%	No Limit	Yes	4.84%
Negotiable Certificate of Deposit (CD)	1,350,000	1,321,637	1,363,526	1.03%	30%	Yes	5.08%
Asset-Backed Securities	2,115,000	2,105,638	2,118,922	1.64%	20%	Yes	5.20%
Money Market (1)	5,054,237	5,054,237	5,054,237	3.93%	20%	Yes	5.21%
Total Investments	\$ 137,198,188	\$ 128,742,085	\$ 134,639,911	100%			3.18%
US Bank	4,185,236	4,185,236	4,185,236				
Total Cash & Investments	\$ 141,383,424	\$ 132,927,321	\$ 138,825,147				3.18%

(1) **Money Market:** The Money Market Book Yield (Yield to Maturity at Cost) is not part of the overall securities YTM at Cost from PFM Asset Management, it's from the U.S. Bank as custody bank.

In addition, the Agency has cash and investments pooled with the Alameda County Treasury. The County Treasurer acts as the disbursing agent for these funds for the Agency and the cash and investments are invested pursuant to investment policy guidelines established by the County Treasurer for the County.



As of September 30, 2023, the County Treasurer held approximately \$142,493,612 (unaudited) for the Agency. The amount held by the County Treasurer is sufficient to meet all operating cash needs for the Agency within the next six months. Here is a link to the County investment reports: <https://treasurer.acgov.org/treasury/reports.page?>

I hereby certify that, to the best of my actual knowledge, this report includes all investments in the Agency pool investment portfolio and is in conformity with the Agency's current investment policy dated July 1, 2023.

Market value amounts are from PFM Asset Management which provides investment management services for the Agency. U.S. Bank provides the Agency custody services. Book value amounts include premiums or discounts and are adjusted at year end on the general ledger.

Sincerely,

DocuSigned by:

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Osborn Solitei
Treasurer

Attachments:

1. Agency Investment Management Portfolio as of September 30, 2023
2. PFM Asset Management Investment Performance Review for September 30, 2023

c: Valerie Pryor



Customer Service
PO Box 11813
Harrisburg, PA 17108-1813

ACCOUNT STATEMENT

For the Month Ending

September 30, 2023

ZONE 7 WATER AGENCY

Client Management Team

Monique Spyke

Managing Director
1 California Street Ste. 1000
San Francisco, CA 94111-5411
415-393-7270
spykem@pfmam.com

Joseph Creason

Portfolio Manager
213 Market Street
Harrisburg, PA 17101-2141
717-231-6217
creasonj@pfmam.com

Jeremy King

Key Account Manager
213 Market Street
Harrisburg, PA 17101-2141
717-232-2723
kingj@pfmam.com

Contents

- Cover/Disclosures
- Summary Statement
- Individual Accounts

Accounts included in Statement

99350000	ZONE 7 WATER AGENCY
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ZONE 7 WATER AGENCY
OSBORN SOLITEI
100 NORTH CANYONS PARKWAY
LIVERMORE, CA 94551

Online Access <https://www.pfmam.com> **Customer Service** 1-717-232-2723



Account Statement

For the Month Ending **September 30, 2023**

Important Disclosures

Important Disclosures

This statement is for general information purposes only and is not intended to provide specific advice or recommendations. PFM Asset Management LLC ("PFMAM") is an investment adviser registered with the U.S. Securities and Exchange Commission and a subsidiary of U.S. Bancorp Asset Management, Inc. ("USBAM"). USBAM is a subsidiary of U.S. Bank National Association ("U.S. Bank"). U.S. Bank is a separate entity and subsidiary of U.S. Bancorp. U.S. Bank is not responsible for and does not guarantee the products, services or performance of PFMAM. PFMAM maintains a written disclosure statement of our background and business experience. If you would like to receive a copy of our current disclosure statement, please contact Service Operations at the address below.

Proxy Voting PFMAM does not normally receive proxies to vote on behalf of its clients. However, it does on occasion receive consent requests. In the event a consent request is received the portfolio manager contacts the client and then proceeds according to their instructions. PFMAM's Proxy Voting Policy is available upon request by contacting Service Operations at the address below.

Questions About an Account PFMAM's monthly statement is intended to detail our investment advisory activity as well as the activity of any accounts held by clients in pools that are managed by PFMAM. The custodian bank maintains the control of assets and executes (i.e., settles) all investment transactions. The custodian statement is the official record of security and cash holdings and transactions. PFMAM recognizes that clients may use these reports to facilitate record keeping and that the custodian bank statement and the PFMAM statement should be reconciled and differences resolved. Many custodians use a settlement date basis which may result in the need to reconcile due to a timing difference.

Account Control PFMAM does not have the authority to withdraw funds from or deposit funds to the custodian outside the scope of services provided by PFMAM. Our clients retain responsibility for their internal accounting policies; implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

Market Value Generally, PFMAM's market prices are derived from closing bid prices as of the last business day of the month as supplied by Refinitiv or Bloomberg. For certain short-term investments or where prices are not available from generally recognized sources the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFMAM believes the prices to be reliable, the values of the securities may not represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for a registered investment company or local government investment program is contained in the appropriate fund offering documentation or information statement.

Amortized Cost The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short term securities (those with less than one year to maturity at time of issuance) is amortized on a straightline basis. Such discount or premium with respect to longer term securities is amortized using the constant yield basis.

Tax Reporting Cost data and realized gains / losses are provided for informational purposes only. Please review for accuracy and consult your tax advisor to determine the tax consequences of your security transactions. PFMAM does not report such information to the IRS or other taxing authorities and is not responsible for the accuracy of such information that may be required to be reported to federal, state or other taxing authorities.

Financial Situation In order to better serve you, PFMAM should be promptly notified of any material change in your investment objective or financial situation.

Callable Securities Securities subject to redemption prior to maturity may be redeemed in whole or in part before maturity, which could affect the yield represented.

Portfolio The securities in this portfolio, including shares of mutual funds, are not guaranteed or otherwise protected by PFMAM, the FDIC (except for certain non-negotiable certificates of deposit) or any government agency. Investment in securities involves risks, including the possible loss of the amount invested. Actual settlement values, accrued interest, and amortized cost amounts may vary for securities subject to an adjustable interest rate or subject to principal paydowns. Any changes to the values shown may be reflected within the next monthly statement's beginning values.

Rating Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed.

Shares of some local government investment programs and TERM funds are marketed through representatives of PFMAM's affiliate, PFM Fund Distributors, Inc. which is registered with the SEC as a broker/dealer and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Municipal Securities Rulemaking Board ("MSRB"). You may reach the FINRA by calling the FINRA Hotline at 1-800-289-9999 or at the FINRA website address <https://www.finra.org/investors/investor-contacts>. A brochure describing the FINRA Regulation Public Disclosure Program is also available from FINRA upon request.

Key Terms and Definitions

Dividends on local government investment program funds consist of interest earned, plus any discount ratably amortized to the date of maturity, plus all realized gains and losses on the sale of securities prior to maturity, less ratably amortization of any premium and all accrued expenses to the fund. Dividends are accrued daily and may be paid either monthly or quarterly. The monthly earnings on this statement represent the estimated dividend accrued for the month for any program that distributes earnings on a quarterly basis. There is no guarantee that the estimated amount will be paid on the actual distribution date.

Current Yield is the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical fund account with a balance of one share over the seven-day base period including the statement date, expressed as a percentage of the value of one share (normally \$1.00 per share) at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by

365 and dividing the result by 7. The yields quoted should not be considered a representation of the yield of the fund in the future, since the yield is not fixed. **Average maturity** represents the average maturity of all securities and investments of a portfolio, determined by multiplying the par or principal value of each security or investment by its maturity (days or years), summing the products, and dividing the sum by the total principal value of the portfolio. The stated maturity date of mortgage backed or callable securities are used in this statement. However the actual maturity of these securities could vary depending on the level or prepayments on the underlying mortgages or whether a callable security has or is still able to be called.

Monthly distribution yield represents the net change in the value of one share (normally \$1.00 per share) resulting from all dividends declared during the month by a fund expressed as a percentage of the value of one share at the beginning of the month. This resulting net change is then annualized by multiplying it by 365 and dividing it by the number of calendar days in the month.

YTM at Cost The yield to maturity at cost is the expected rate of return, based on the original cost, the annual interest receipts, maturity value and the time period from purchase date to maturity, stated as a percentage, on an annualized basis.

YTM at Market The yield to maturity at market is the rate of return, based on the current market value, the annual interest receipts, maturity value and the time period remaining until maturity, stated as a percentage, on an annualized basis.

Managed Account A portfolio of investments managed discretely by PFMAM according to the client's specific investment policy and requirements. The investments are directly owned by the client and held by the client's custodian.

Unsettled Trade A trade which has been executed however the final consummation of the security transaction and payment has not yet taken place.

Please review the detail pages of this statement carefully. If you think your statement is wrong, missing account information, or if you need more information about a transaction, please contact PFMAM within 60 days of receipt. If you have other concerns or questions regarding your account, or to request an updated copy of PFMAM's current disclosure statement, please contact a member of your client management team at PFMAM Service Operations at the address below.

PFM Asset Management LLC
Attn: Service Operations
213 Market Street
Harrisburg, PA 17101

NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE



Managed Account Summary Statement

For the Month Ending **September 30, 2023**

ZONE 7 WATER AGENCY - 99350000

Transaction Summary - Managed Account

Opening Market Value	\$124,106,873.30
Maturities/Calls	(2,000,525.90)
Principal Dispositions	(7,677,263.96)
Principal Acquisitions	10,028,132.06
Unsettled Trades	0.00
Change in Current Value	(769,367.27)
Closing Market Value	\$123,687,848.23

Cash Transactions Summary - Managed Account

Maturities/Calls	2,000,000.00
Sale Proceeds	7,781,134.22
Coupon/Interest/Dividend Income	194,153.70
Principal Payments	525.90
Security Purchases	(10,038,992.63)
Net Cash Contribution	(8,262.85)
Reconciling Transactions	0.00

Earnings Reconciliation (Cash Basis) - Managed Account

Interest/Dividends/Coupons Received	298,023.96
Less Purchased Interest Related to Interest/Coupons	(10,860.57)
Plus Net Realized Gains/Losses	(113,692.04)
Total Cash Basis Earnings	\$173,471.35

Cash Balance

Closing Cash Balance **\$5,171,074.17**

Earnings Reconciliation (Accrual Basis)

	Total
Ending Amortized Value of Securities	128,969,839.20
Ending Accrued Interest	615,835.23
Plus Proceeds from Sales	7,781,134.22
Plus Proceeds of Maturities/Calls/Principal Payments	2,000,525.90
Plus Coupons/Dividends Received	194,153.70
Less Cost of New Purchases	(10,038,992.63)
Less Beginning Amortized Value of Securities	(128,689,074.56)
Less Beginning Accrued Interest	(654,158.96)
Total Accrual Basis Earnings	\$179,262.10



Portfolio Summary and Statistics

For the Month Ending **September 30, 2023**

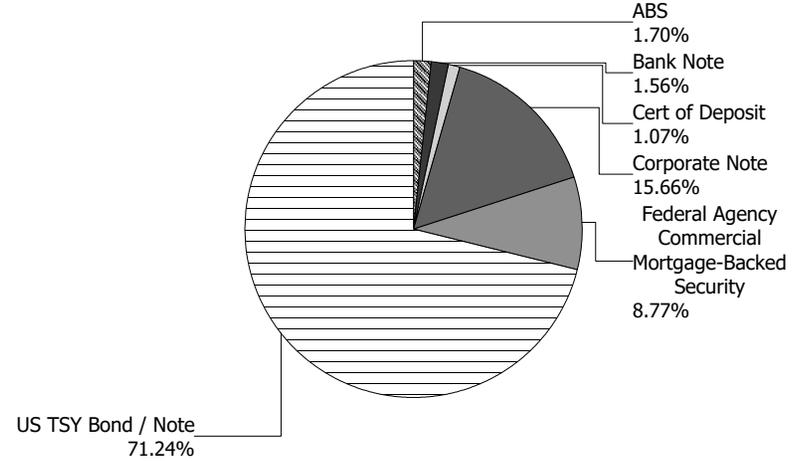
ZONE 7 WATER AGENCY - 99350000

Account Summary

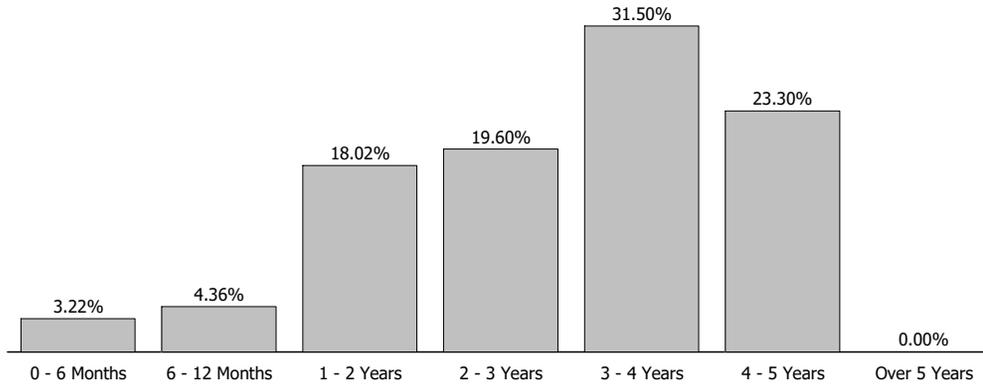
Description	Par Value	Market Value	Percent
U.S. Treasury Bond / Note	95,265,000.00	88,109,536.05	71.24
Federal Agency Commercial Mortgage-Backed Security	11,243,950.99	10,843,366.55	8.77
Corporate Note	20,225,000.00	19,374,681.38	15.66
Certificate of Deposit	1,350,000.00	1,321,636.50	1.07
Bank Note	1,945,000.00	1,932,989.63	1.56
Asset-Backed Security	2,115,000.00	2,105,638.12	1.70
Managed Account Sub-Total	132,143,950.99	123,687,848.23	100.00%
Accrued Interest		615,835.23	
Total Portfolio	132,143,950.99	124,303,683.46	

Unsettled Trades **0.00** **0.00**

Sector Allocation



Maturity Distribution



Characteristics

Yield to Maturity at Cost	3.18%
Yield to Maturity at Market	5.06%
Weighted Average Days to Maturity	1081



Managed Account Issuer Summary

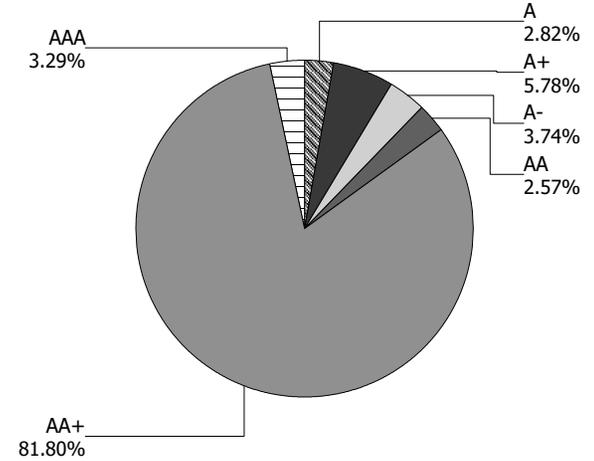
For the Month Ending **September 30, 2023**

ZONE 7 WATER AGENCY - 99350000

Issuer Summary

Issuer	Market Value of Holdings	Percent
AMAZON.COM INC	1,921,629.57	1.55
AMERICAN EXPRESS CO	1,066,357.72	0.86
APPLE INC	2,208,489.90	1.79
BANK OF AMERICA CO	1,949,606.12	1.58
CHASE ISSURANCE	1,039,280.40	0.84
CITIGROUP INC	1,974,782.75	1.60
DEERE & COMPANY	980,174.50	0.79
FANNIE MAE	1,313,768.79	1.06
FREDDIE MAC	9,529,597.76	7.70
HOME DEPOT INC	1,272,964.78	1.03
JP MORGAN CHASE & CO	2,679,936.30	2.17
MICROSOFT CORP	1,969,262.15	1.59
PACCAR FINANCIAL CORP	962,127.08	0.78
RABOBANK NEDERLAND	1,321,636.50	1.07
TARGET CORP	1,240,632.25	1.00
TOYOTA MOTOR CORP	955,907.68	0.77
UNITED STATES TREASURY	88,109,536.05	71.24
WAL-MART STORES INC	1,259,168.30	1.02
WELLS FARGO & COMPANY	1,932,989.63	1.56
Total	\$123,687,848.23	100.00%

Credit Quality (S&P Ratings)





Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

ZONE 7 WATER AGENCY - 99350000

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY N/B NOTES DTD 01/31/2022 0.875% 01/31/2024	91282CDV0	1,320,000.00	AA+	Aaa	02/07/22	02/08/22	1,309,017.19	1.30	1,945.92	1,318,144.18	1,300,406.18
US TREASURY N/B NOTES DTD 03/31/2022 2.250% 03/31/2024	91282CEG2	960,000.00	AA+	Aaa	04/01/22	04/04/22	956,512.50	2.44	59.02	959,126.93	945,000.00
US TREASURY N/B NOTES DTD 06/15/2021 0.250% 06/15/2024	91282CCG4	1,550,000.00	AA+	Aaa	04/13/22	04/18/22	1,479,947.27	2.41	1,143.44	1,527,093.02	1,494,054.61
US TREASURY N/B NOTES DTD 07/15/2021 0.375% 07/15/2024	91282CCL3	3,075,000.00	AA+	Aaa	02/07/22	02/08/22	2,997,884.77	1.43	2,444.12	3,049,989.66	2,954,882.81
US TREASURY N/B NOTES DTD 01/15/2022 1.125% 01/15/2025	91282CDS7	3,030,000.00	AA+	Aaa	02/07/22	02/08/22	2,994,492.19	1.54	7,225.07	3,014,365.96	2,871,871.88
US TREASURY N/B NOTES DTD 02/15/2022 1.500% 02/15/2025	91282CDZ1	5,100,000.00	AA+	Aaa	05/04/22	05/05/22	4,896,398.44	3.01	9,770.38	4,999,300.31	4,843,406.25
US TREASURY NOTES DTD 03/31/2020 0.500% 03/31/2025	912828ZF0	3,200,000.00	AA+	Aaa	04/01/22	04/04/22	3,005,750.00	2.62	43.72	3,102,697.12	2,982,000.00
US TREASURY NOTES DTD 04/30/2018 2.875% 04/30/2025	9128284M9	3,125,000.00	AA+	Aaa	05/03/22	05/04/22	3,120,361.33	2.93	37,597.66	3,122,548.98	3,013,183.75
US TREASURY NOTES DTD 07/31/2020 0.250% 07/31/2025	91282CAB7	3,145,000.00	AA+	Aaa	02/07/22	02/08/22	2,998,560.94	1.63	1,324.66	3,067,799.27	2,879,149.38
US TREASURY NOTES DTD 08/31/2020 0.250% 08/31/2025	91282CAJ0	1,075,000.00	AA+	Aaa	07/06/22	07/07/22	990,175.78	2.89	228.88	1,023,412.72	980,601.56
US TREASURY NOTES DTD 08/31/2020 0.250% 08/31/2025	91282CAJ0	1,685,000.00	AA+	Aaa	03/08/22	03/09/22	1,596,603.32	1.81	358.76	1,636,315.75	1,537,035.94
US TREASURY NOTES DTD 09/30/2020 0.250% 09/30/2025	91282CAM3	2,235,000.00	AA+	Aaa	05/03/22	05/04/22	2,039,612.11	2.97	15.27	2,120,435.21	2,033,500.89
US TREASURY NOTES DTD 11/30/2020 0.375% 11/30/2025	91282CAZ4	1,600,000.00	AA+	Aaa	04/13/22	04/18/22	1,477,187.50	2.61	2,016.39	1,526,516.88	1,449,249.92
US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026	91282CBH3	3,160,000.00	AA+	Aaa	02/07/22	02/08/22	2,998,420.31	1.71	1,996.47	3,065,142.82	2,844,000.00



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

ZONE 7 WATER AGENCY - 99350000

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY N/B NOTES DTD 03/31/2021 0.750% 03/31/2026	91282CBT7	3,225,000.00	AA+	Aaa	04/01/22	04/04/22	2,995,848.63	2.64	66.09	3,081,564.14	2,915,601.56
US TREASURY N/B NOTES DTD 03/31/2021 0.750% 03/31/2026	91282CBT7	3,405,000.00	AA+	Aaa	05/03/22	05/04/22	3,126,614.65	2.98	69.77	3,227,083.08	3,078,332.82
US TREASURY N/B NOTES DTD 04/30/2021 0.750% 04/30/2026	91282CBW0	1,225,000.00	AA+	Aaa	02/17/22	02/18/22	1,170,162.11	1.86	3,844.77	1,191,281.14	1,103,456.97
US TREASURY N/B NOTES DTD 05/31/2021 0.750% 05/31/2026	91282CCF6	1,665,000.00	AA+	Aaa	03/08/22	03/09/22	1,592,546.48	1.82	4,196.62	1,619,341.14	1,494,857.81
US TREASURY N/B NOTES DTD 05/31/2021 0.750% 05/31/2026	91282CCF6	6,760,000.00	AA+	Aaa	06/06/22	06/08/22	6,195,434.38	2.99	17,038.52	6,381,939.20	6,069,212.50
US TREASURY N/B NOTES DTD 09/30/2021 0.875% 09/30/2026	91282CCZ2	3,420,000.00	AA+	Aaa	05/03/22	05/04/22	3,122,353.13	3.00	81.76	3,217,563.15	3,051,815.80
US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026	912828U24	6,450,000.00	AA+	Aaa	06/06/22	06/08/22	6,181,669.92	3.01	48,725.54	6,261,126.08	5,931,984.38
US TREASURY NOTES DTD 02/15/2017 2.250% 02/15/2027	912828V98	5,300,000.00	AA+	Aaa	07/05/22	07/07/22	5,162,945.31	2.85	15,230.30	5,199,650.57	4,890,906.25
US TREASURY N/B NOTES DTD 04/30/2020 0.500% 04/30/2027	912828ZN3	5,775,000.00	AA+	Aaa	08/03/22	08/05/22	5,161,406.25	2.92	12,083.56	5,311,167.13	4,979,132.81
US TREASURY NOTES DTD 05/15/2017 2.375% 05/15/2027	912828X88	6,220,000.00	AA+	Aaa	06/10/22	06/13/22	5,966,826.56	3.28	55,798.30	6,033,747.75	5,736,006.25
US TREASURY NOTES DTD 06/30/2020 0.500% 06/30/2027	912828ZV5	2,750,000.00	AA+	Aaa	08/09/22	08/10/22	2,440,410.16	2.99	3,474.86	2,512,734.51	2,355,546.88
US TREASURY NOTES DTD 08/15/2017 2.250% 08/15/2027	9128282R0	2,570,000.00	AA+	Aaa	09/01/22	09/06/22	2,436,580.86	3.40	7,385.26	2,465,424.24	2,348,738.93
US TREASURY N/B NOTES DTD 09/30/2022 4.125% 09/30/2027	91282CFM8	1,940,000.00	AA+	Aaa	11/01/22	11/03/22	1,927,344.53	4.27	218.65	1,929,689.18	1,899,381.25
US TREASURY N/B NOTES DTD 10/31/2022 4.125% 10/31/2027	91282CFU0	5,890,000.00	AA+	Aaa	12/13/22	12/14/22	6,019,303.91	3.63	101,674.52	5,998,188.63	5,764,837.50



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

ZONE 7 WATER AGENCY - 99350000

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY N/B DTD 11/15/1997 6.125% 11/15/2027	912810FB9	1,560,000.00	AA+	Aaa	01/26/23	01/30/23	1,730,685.94	3.62	36,090.90	1,706,887.44	1,640,193.67
US TREASURY N/B NOTES DTD 03/31/2023 3.625% 03/31/2028	91282CGT2	850,000.00	AA+	Aaa	05/31/23	05/31/23	842,263.67	3.83	84.19	842,802.50	814,937.50
US TREASURY N/B NOTES DTD 04/30/2023 3.500% 04/30/2028	91282CHA2	2,000,000.00	AA+	Aaa	05/01/23	05/01/23	1,990,468.75	3.61	29,293.48	1,991,267.37	1,906,250.00
Security Type Sub-Total		95,265,000.00					90,923,788.89	2.80	401,526.85	92,504,346.06	88,109,536.05
Federal Agency Commercial Mortgage-Backed Security											
FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026	3137BTUM1	965,000.00	AA+	Aaa	05/19/23	05/24/23	935,296.09	4.31	2,691.55	938,368.09	913,963.69
FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027	3137BXOY1	1,320,000.00	AA+	Aaa	08/16/23	08/18/23	1,245,131.25	4.98	3,546.40	1,247,682.93	1,238,617.38
FHLMC MULTIFAMILY STRUCTURED P DTD 08/01/2017 3.117% 06/01/2027	3137F2LJ3	1,165,000.00	AA+	Aaa	08/17/23	08/22/23	1,089,457.03	5.01	3,026.09	1,091,648.27	1,084,550.09
FHMS K506 A1 DTD 09/01/2023 4.650% 05/01/2028	3137HAMG8	650,000.00	AA+	Aaa	09/07/23	09/14/23	640,279.25	5.01	2,518.75	640,368.73	631,027.03
FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	1,083,950.99	AA+	Aaa	07/19/23	07/27/23	1,083,923.89	4.78	4,315.03	1,083,924.90	1,063,728.77
FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028	3137HACX2	1,350,000.00	AA+	Aaa	07/13/23	07/20/23	1,363,483.80	4.59	5,421.38	1,362,930.19	1,325,166.05
FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028	3136BODE6	1,375,000.00	AA+	Aaa	07/18/23	07/31/23	1,351,689.45	4.58	4,801.04	1,352,493.71	1,313,768.79
FHMS KJ47 A1 DTD 09/01/2023 5.272% 08/01/2028	3137HAMN3	735,000.00	AA+	Aaa	09/19/23	09/28/23	734,996.33	5.27	3,229.10	734,996.97	733,050.34
FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028	3137HAMH6	1,300,000.00	AA+	Aaa	09/07/23	09/14/23	1,280,769.10	4.99	5,037.50	1,280,936.20	1,263,041.53
FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028	3137HAMS2	1,300,000.00	AA+	Aaa	09/20/23	09/28/23	1,284,461.10	5.07	5,200.00	1,284,485.24	1,276,452.88



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

ZONE 7 WATER AGENCY - 99350000

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Commercial Mortgage-Backed Security											
Security Type Sub-Total		11,243,950.99					11,009,487.29	4.84	39,786.84	11,017,835.23	10,843,366.55
Corporate Note											
JPMORGAN CHASE & CO CORP NOTES DTD 01/28/2014 3.875% 02/01/2024	46625HJT8	2,700,000.00	A-	A1	05/20/21	05/24/21	2,944,944.00	0.47	17,437.50	2,730,649.15	2,679,936.30
AMAZON.COM INC CORPORATE NOTES DTD 04/13/2022 3.000% 04/13/2025	023135CE4	1,990,000.00	AA	A1	04/11/22	04/13/22	1,986,835.90	3.06	27,860.00	1,988,383.31	1,921,629.57
WALMART INC CORP NOTES (CALLABLE) DTD 06/27/2018 3.550% 06/26/2025	931142ED1	1,300,000.00	AA	Aa2	02/07/22	02/09/22	1,372,527.00	1.84	12,178.47	1,335,459.02	1,259,168.30
TARGET CORP CORP NOTES (CALLABLE) DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	1,375,000.00	A	A2	02/07/22	02/09/22	1,366,915.00	2.08	5,660.42	1,369,604.01	1,240,632.25
MICROSOFT CORP CORP NOTES (CALLABLE) DTD 02/06/2017 3.300% 02/06/2027	594918BY9	2,075,000.00	AAA	Aaa	12/14/22	12/16/22	2,015,634.25	4.06	10,461.46	2,026,973.78	1,969,262.15
BANK OF AMERICA CORP CORP NOTES (CALLABL DTD 03/11/2021 1.658% 03/11/2027	06051GJQ3	2,170,000.00	A-	A1	04/13/22	04/18/22	2,000,761.70	3.40	1,998.81	2,051,022.07	1,949,606.12
HOME DEPOT INC CORP NOTES (CALLABLE) DTD 09/14/2017 2.800% 09/14/2027	437076BT8	1,390,000.00	A	A2	01/26/23	01/30/23	1,311,326.00	4.16	1,837.89	1,322,698.31	1,272,964.78
TOYOTA MOTOR CREDIT CORP CORPORATE NOTES DTD 01/12/2023 4.625% 01/12/2028	89236TKO7	980,000.00	A+	A1	08/14/23	08/16/23	967,946.00	4.94	9,946.32	968,290.40	955,907.68
APPLE INC CORP NOTES CALLABLE DTD 05/10/2023 4.000% 05/10/2028	037833ET3	2,300,000.00	AA+	Aaa	05/10/23	05/11/23	2,302,001.00	3.98	36,033.33	2,301,841.68	2,208,489.90
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	195,000.00	A	A2	07/13/23	07/14/23	197,652.00	4.64	2,064.56	197,537.33	192,094.50
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	345,000.00	A	A2	07/14/23	07/18/23	348,381.00	4.73	3,652.69	348,241.90	339,859.50



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

ZONE 7 WATER AGENCY - 99350000

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	455,000.00	A	A2	07/11/23	07/14/23	454,322.05	4.98	4,817.31	454,351.36	448,220.50
PACCAR FINANCIAL CORP CORPORATE NOTES DTD 08/10/2023 4.950% 08/10/2028	69371RS64	975,000.00	A+	A1	08/17/23	08/21/23	970,407.75	5.06	6,837.19	970,511.43	962,127.08
CITIBANK NA CORP NOTES (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028	17325FBB3	1,975,000.00	A+	Aa3	09/26/23	09/29/23	1,975,000.00	5.80	636.72	1,975,000.00	1,974,782.75
Security Type Sub-Total		20,225,000.00					20,214,653.65	3.43	141,422.67	20,040,563.75	19,374,681.38
Certificate of Deposit											
COOPERAT RABOBANK UA/NY CERT DEPOS DTD 07/20/2023 5.080% 07/17/2026	21684LGS5	1,350,000.00	A+	Aa2	07/17/23	07/20/23	1,350,000.00	5.08	13,525.50	1,350,000.00	1,321,636.50
Security Type Sub-Total		1,350,000.00					1,350,000.00	5.08	13,525.50	1,350,000.00	1,321,636.50
Bank Note											
WELLS FARGO BANK NA BANK NOTES (CALLABLE) DTD 08/09/2023 5.450% 08/07/2026	94988J6D4	1,945,000.00	A+	Aa2	08/18/23	08/22/23	1,942,335.35	5.50	15,311.47	1,942,433.95	1,932,989.63
Security Type Sub-Total		1,945,000.00					1,942,335.35	5.50	15,311.47	1,942,433.95	1,932,989.63
Asset-Backed Security											
CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028	161571HT4	1,045,000.00	AAA	NR	09/07/23	09/15/23	1,044,710.33	5.17	2,396.53	1,044,710.19	1,039,280.40
AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1	1,070,000.00	AAA	NR	09/12/23	09/19/23	1,069,952.17	5.23	1,865.37	1,069,950.02	1,066,357.72
Security Type Sub-Total		2,115,000.00					2,114,662.50	5.20	4,261.90	2,114,660.21	2,105,638.12



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

ZONE 7 WATER AGENCY - 99350000

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Managed Account Sub-Total		132,143,950.99					127,554,927.68	3.18	615,835.23	128,969,839.20	123,687,848.23
Securities Sub-Total		\$132,143,950.99					\$127,554,927.68	3.18%	\$615,835.23	\$128,969,839.20	\$123,687,848.23
Accrued Interest											\$615,835.23
Total Investments											\$124,303,683.46



Managed Account Fair Market Value & Analytics

For the Month Ending **September 30, 2023**

ZONE 7 WATER AGENCY - 99350000

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	Broker	Next Call Date	Market Price	Market Value	Unreal G/L On Cost	Unreal G/L Amort Cost	Effective Duration	YTM at Mkt
U.S. Treasury Bond / Note										
US TREASURY N/B NOTES DTD 01/31/2022 0.875% 01/31/2024	91282CDV0	1,320,000.00	CITIGRP		98.52	1,300,406.18	(8,611.01)	(17,738.00)	0.34	5.39
US TREASURY N/B NOTES DTD 03/31/2022 2.250% 03/31/2024	91282CEG2	960,000.00	BNP_PAR		98.44	945,000.00	(11,512.50)	(14,126.93)	0.50	5.46
US TREASURY N/B NOTES DTD 06/15/2021 0.250% 06/15/2024	91282CCG4	1,550,000.00	BNP_PAR		96.39	1,494,054.61	14,107.34	(33,038.41)	0.71	5.52
US TREASURY N/B NOTES DTD 07/15/2021 0.375% 07/15/2024	91282CCL3	3,075,000.00	CITIGRP		96.09	2,954,882.81	(43,001.96)	(95,106.85)	0.79	5.49
US TREASURY N/B NOTES DTD 01/15/2022 1.125% 01/15/2025	91282CDS7	3,030,000.00	BARCLAY		94.78	2,871,871.88	(122,620.31)	(142,494.08)	1.28	5.36
US TREASURY N/B NOTES DTD 02/15/2022 1.500% 02/15/2025	91282CDZ1	5,100,000.00	HSBC		94.97	4,843,406.25	(52,992.19)	(155,894.06)	1.37	5.34
US TREASURY NOTES DTD 03/31/2020 0.500% 03/31/2025	912828ZF0	3,200,000.00	BNP_PAR		93.19	2,982,000.00	(23,750.00)	(120,697.12)	1.49	5.28
US TREASURY NOTES DTD 04/30/2018 2.875% 04/30/2025	9128284M9	3,125,000.00	BNP_PAR		96.42	3,013,183.75	(107,177.58)	(109,365.23)	1.54	5.26
US TREASURY NOTES DTD 07/31/2020 0.250% 07/31/2025	91282CAB7	3,145,000.00	BNP_PAR		91.55	2,879,149.38	(119,411.56)	(188,649.89)	1.83	5.14
US TREASURY NOTES DTD 08/31/2020 0.250% 08/31/2025	91282CAJ0	1,075,000.00	RBC		91.22	980,601.56	(9,574.22)	(42,811.16)	1.92	5.12
US TREASURY NOTES DTD 08/31/2020 0.250% 08/31/2025	91282CAJ0	1,685,000.00	NOMURA		91.22	1,537,035.94	(59,567.38)	(99,279.81)	1.92	5.12
US TREASURY NOTES DTD 09/30/2020 0.250% 09/30/2025	91282CAM3	2,235,000.00	BNP_PAR		90.98	2,033,500.89	(6,111.22)	(86,934.32)	2.00	5.05
US TREASURY NOTES DTD 11/30/2020 0.375% 11/30/2025	91282CAZ4	1,600,000.00	WELLS_F		90.58	1,449,249.92	(27,937.58)	(77,266.96)	2.16	5.02
US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026	91282CBH3	3,160,000.00	GOLDMAN		90.00	2,844,000.00	(154,420.31)	(221,142.82)	2.33	4.96
US TREASURY N/B NOTES DTD 03/31/2021 0.750% 03/31/2026	91282CBT7	3,225,000.00	CITIGRP		90.41	2,915,601.56	(80,247.07)	(165,962.58)	2.47	4.87
US TREASURY N/B NOTES DTD 03/31/2021 0.750% 03/31/2026	91282CBT7	3,405,000.00	MORGAN_		90.41	3,078,332.82	(48,281.83)	(148,750.26)	2.47	4.87
US TREASURY N/B NOTES DTD 04/30/2021 0.750% 04/30/2026	91282CBW0	1,225,000.00	CITIGRP		90.08	1,103,456.97	(66,705.14)	(87,824.17)	2.56	4.88



Managed Account Fair Market Value & Analytics

For the Month Ending **September 30, 2023**

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Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	Broker	Next Call Date	Market Price	Market Value	Unreal G/L On Cost	Unreal G/L Amort Cost	Effective Duration	YTM at Mkt
U.S. Treasury Bond / Note										
US TREASURY N/B NOTES DTD 05/31/2021 0.750% 05/31/2026	91282CCF6	1,665,000.00	BNP_PAR		89.78	1,494,857.81	(97,688.67)	(124,483.33)	2.64	4.88
US TREASURY N/B NOTES DTD 05/31/2021 0.750% 05/31/2026	91282CCF6	6,760,000.00	CITIGRP		89.78	6,069,212.50	(126,221.88)	(312,726.70)	2.64	4.88
US TREASURY N/B NOTES DTD 09/30/2021 0.875% 09/30/2026	91282CCZ2	3,420,000.00	NOMURA		89.23	3,051,815.80	(70,537.33)	(165,747.35)	2.95	4.77
US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026	912828U24	6,450,000.00	RBC		91.97	5,931,984.38	(249,685.54)	(329,141.70)	3.02	4.80
US TREASURY NOTES DTD 02/15/2017 2.250% 02/15/2027	912828V98	5,300,000.00	JPM_CHA		92.28	4,890,906.25	(272,039.06)	(308,744.32)	3.26	4.75
US TREASURY N/B NOTES DTD 04/30/2020 0.500% 04/30/2027	912828ZN3	5,775,000.00	NOMURA		86.22	4,979,132.81	(182,273.44)	(332,034.32)	3.55	4.72
US TREASURY NOTES DTD 05/15/2017 2.375% 05/15/2027	912828X88	6,220,000.00	BARCLAY		92.22	5,736,006.25	(230,820.31)	(297,741.50)	3.46	4.74
US TREASURY NOTES DTD 06/30/2020 0.500% 06/30/2027	912828ZV5	2,750,000.00	WELLS_F		85.66	2,355,546.88	(84,863.28)	(157,187.63)	3.71	4.72
US TREASURY NOTES DTD 08/15/2017 2.250% 08/15/2027	9128282R0	2,570,000.00	HSBC		91.39	2,348,738.93	(87,841.93)	(116,685.31)	3.72	4.71
US TREASURY N/B NOTES DTD 09/30/2022 4.125% 09/30/2027	91282CFM8	1,940,000.00	MERRILL		97.91	1,899,381.25	(27,963.28)	(30,307.93)	3.65	4.71
US TREASURY N/B NOTES DTD 10/31/2022 4.125% 10/31/2027	91282CFU0	5,890,000.00	BARCLAY		97.88	5,764,837.50	(254,466.41)	(233,351.13)	3.73	4.70
US TREASURY N/B DTD 11/15/1997 6.125% 11/15/2027	912810FB9	1,560,000.00	NOMURA		105.14	1,640,193.67	(90,492.27)	(66,693.77)	3.64	4.74
US TREASURY N/B NOTES DTD 03/31/2023 3.625% 03/31/2028	91282CGT2	850,000.00	JPM_CHA		95.88	814,937.50	(27,326.17)	(27,865.00)	4.11	4.65
US TREASURY N/B NOTES DTD 04/30/2023 3.500% 04/30/2028	91282CHA2	2,000,000.00	CITIGRP		95.31	1,906,250.00	(84,218.75)	(85,017.37)	4.20	4.65
Security Type Sub-Total		95,265,000.00				88,109,536.05	(2,814,252.84)	(4,394,810.01)	2.60	4.95
Federal Agency Commercial Mortgage-Backed Security										
FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026	3137BTUM1	965,000.00	CITIGRP		94.71	913,963.69	(21,332.40)	(24,404.40)	2.77	5.21



Managed Account Fair Market Value & Analytics

For the Month Ending **September 30, 2023**

ZONE 7 WATER AGENCY - 99350000

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	Broker	Next Call Date	Market Price	Market Value	Unreal G/L On Cost	Unreal G/L Amort Cost	Effective Duration	YTM at Mkt
Federal Agency Commercial Mortgage-Backed Security										
FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027	3137BXOY1	1,320,000.00	MORGAN_		93.83	1,238,617.38	(6,513.87)	(9,065.55)	3.07	5.20
FHLMC MULTIFAMILY STRUCTURED P DTD 08/01/2017 3.117% 06/01/2027	3137F2LJ3	1,165,000.00	CANT_FI		93.09	1,084,550.09	(4,906.94)	(7,098.18)	3.32	5.19
FHMS K506 A1 DTD 09/01/2023 4.650% 05/01/2028	3137HAMG8	650,000.00	WELLS_F		97.08	631,027.03	(9,252.22)	(9,341.70)	3.77	5.37
FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	1,083,950.99	JPM_CHA		98.13	1,063,728.77	(20,195.12)	(20,196.13)	3.29	5.23
FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028	3137HACX2	1,350,000.00	JPM_CHA		98.16	1,325,166.05	(38,317.75)	(37,764.14)	4.05	5.26
FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028	3136BODE6	1,375,000.00	JPM_CHA		95.55	1,313,768.79	(37,920.66)	(38,724.92)	4.21	5.25
FHMS KJ47 A1 DTD 09/01/2023 5.272% 08/01/2028	3137HAMN3	735,000.00	JPM_CHA		99.73	733,050.34	(1,945.99)	(1,946.63)	3.49	5.33
FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028	3137HAMH6	1,300,000.00	WELLS_F		97.16	1,263,041.53	(17,727.57)	(17,894.67)	4.19	5.32
FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028	3137HAMS2	1,300,000.00	MERRILL		98.19	1,276,452.88	(8,008.22)	(8,032.36)	4.23	5.22
Security Type Sub-Total		11,243,950.99				10,843,366.55	(166,120.74)	(174,468.68)	3.68	5.25
Corporate Note										
JPMORGAN CHASE & CO CORP NOTES DTD 01/28/2014 3.875% 02/01/2024	46625HJT8	2,700,000.00	DIRECT		99.26	2,679,936.30	(265,007.70)	(50,712.85)	0.34	6.09
AMAZON.COM INC CORPORATE NOTES DTD 04/13/2022 3.000% 04/13/2025	023135CE4	1,990,000.00	JPM_CHA		96.56	1,921,629.57	(65,206.33)	(66,753.74)	1.49	5.36
WALMART INC CORP NOTES (CALLABLE) DTD 06/27/2018 3.550% 06/26/2025	931142ED1	1,300,000.00	MORGAN_	04/26/25	96.86	1,259,168.30	(113,358.70)	(76,290.72)	1.53	5.46
TARGET CORP CORP NOTES (CALLABLE) DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	1,375,000.00	BARCLAY	12/15/26	90.23	1,240,632.25	(126,282.75)	(128,971.76)	3.11	5.22
MICROSOFT CORP CORP NOTES (CALLABLE) DTD 02/06/2017 3.300% 02/06/2027	594918BY9	2,075,000.00	GOLDMAN	11/06/26	94.90	1,969,262.15	(46,372.10)	(57,711.63)	2.96	4.97



Managed Account Fair Market Value & Analytics

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Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	Broker	Next Call Date	Market Price	Market Value	Unreal G/L On Cost	Unreal G/L Amort Cost	Effective Duration	YTM at Mkt
Corporate Note										
BANK OF AMERICA CORP CORP NOTES (CALLABL DTD 03/11/2021 1.658% 03/11/2027	06051GJO3	2,170,000.00	CITIGRP	03/11/26	89.84	1,949,606.12	(51,155.58)	(101,415.95)	2.41	4.90
HOME DEPOT INC CORP NOTES (CALLABLE) DTD 09/14/2017 2.800% 09/14/2027	437076BT8	1,390,000.00	TD	06/14/27	91.58	1,272,964.78	(38,361.22)	(49,733.53)	3.53	5.18
TOYOTA MOTOR CREDIT CORP CORPORATE NOTES DTD 01/12/2023 4.625% 01/12/2028	89236TKQ7	980,000.00	MKTX		97.54	955,907.68	(12,038.32)	(12,382.72)	3.89	5.27
APPLE INC CORP NOTES CALLABLE DTD 05/10/2023 4.000% 05/10/2028	037833ET3	2,300,000.00	MORGAN_	04/10/28	96.02	2,208,489.90	(93,511.10)	(93,351.78)	4.11	4.98
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	195,000.00	SIEBERT		98.51	192,094.50	(5,557.50)	(5,442.83)	4.28	5.30
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	345,000.00	SOCGEN		98.51	339,859.50	(8,521.50)	(8,382.40)	4.28	5.30
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	455,000.00	CITIGRP		98.51	448,220.50	(6,101.55)	(6,130.86)	4.28	5.30
PACCAR FINANCIAL CORP CORPORATE NOTES DTD 08/10/2023 4.950% 08/10/2028	69371RS64	975,000.00	MKTX		98.68	962,127.08	(8,280.67)	(8,384.35)	4.35	5.26
CITIBANK NA CORP NOTES (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028	17325FBB3	1,975,000.00	CITIGRP	08/29/28	99.99	1,974,782.75	(217.25)	(217.25)	4.35	5.81
Security Type Sub-Total		20,225,000.00				19,374,681.38	(839,972.27)	(665,882.37)	2.81	5.35
Certificate of Deposit										
COOPERAT RABOBANK UA/NY CERT DEPOS DTD 07/20/2023 5.080% 07/17/2026	21684LGS5	1,350,000.00	RABOBAN		97.90	1,321,636.50	(28,363.50)	(28,363.50)	2.62	5.90
Security Type Sub-Total		1,350,000.00				1,321,636.50	(28,363.50)	(28,363.50)	2.62	5.90



Managed Account Fair Market Value & Analytics

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ZONE 7 WATER AGENCY - 99350000

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	Broker	Next Call Date	Market Price	Market Value	Unreal G/L On Cost	Unreal G/L Amort Cost	Effective Duration	YTM at Mkt
Bank Note										
WELLS FARGO BANK NA BANK NOTES (CALLABLE DTD 08/09/2023 5.450% 08/07/2026	94988J6D4	1,945,000.00	JPM_CHA	07/07/26	99.38	1,932,989.63	(9,345.72)	(9,444.32)	2.66	5.68
Security Type Sub-Total		1,945,000.00				1,932,989.63	(9,345.72)	(9,444.32)	2.66	5.68
Asset-Backed Security										
CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028	161571HT4	1,045,000.00	JPM_CHA		99.45	1,039,280.40	(5,429.93)	(5,429.79)	2.68	5.29
AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1	1,070,000.00	CITIGRP		99.66	1,066,357.72	(3,594.45)	(3,592.30)	2.68	5.31
Security Type Sub-Total		2,115,000.00				2,105,638.12	(9,024.38)	(9,022.09)	2.68	5.30
Managed Account Sub-Total		132,143,950.99				123,687,848.23	(3,867,079.45)	(5,281,990.97)	2.73	5.06
Securities Sub-Total		\$132,143,950.99				\$123,687,848.23	(\$3,867,079.45)	(\$5,281,990.97)	2.73	5.06%
Accrued Interest						\$615,835.23				
Total Investments						\$124,303,683.46				



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2023**

ZONE 7 WATER AGENCY - 99350000

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
BUY										
09/07/23	09/14/23	FHMS K506 A1 DTD 09/01/2023 4.650% 05/01/2028	3137HAMG8	650,000.00	(640,279.25)	(1,091.46)	(641,370.71)			
09/07/23	09/14/23	FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028	3137HAMH6	1,300,000.00	(1,280,769.10)	(2,182.92)	(1,282,952.02)			
09/07/23	09/15/23	CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028	161571HT4	1,045,000.00	(1,044,710.33)	0.00	(1,044,710.33)			
09/12/23	09/19/23	AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1	1,070,000.00	(1,069,952.17)	0.00	(1,069,952.17)			
09/19/23	09/28/23	FHMS KJ47 A1 DTD 09/01/2023 5.272% 08/01/2028	3137HAMN3	735,000.00	(734,996.33)	(2,906.19)	(737,902.52)			
09/20/23	09/28/23	FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028	3137HAMS2	1,300,000.00	(1,284,461.10)	(4,680.00)	(1,289,141.10)			
09/21/23	09/21/23	US TREASURY BILL DTD 03/30/2023 0.000% 09/28/2023	912796CS6	2,000,000.00	(1,997,963.78)	0.00	(1,997,963.78)			
09/26/23	09/29/23	CITIBANK NA CORP NOTES (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028	17325FBB3	1,975,000.00	(1,975,000.00)	0.00	(1,975,000.00)			
Transaction Type Sub-Total				10,075,000.00	(10,028,132.06)	(10,860.57)	(10,038,992.63)			

INTEREST										
09/01/23	09/01/23	MONEY MARKET FUND	MONEY0002	0.00	0.00	16,063.32	16,063.32			
09/01/23	09/25/23	FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028	3137HACX2	1,350,000.00	0.00	5,421.38	5,421.38			
09/01/23	09/25/23	FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	1,084,476.89	0.00	4,317.12	4,317.12			
09/01/23	09/25/23	FHLMC MULTIFAMILY STRUCTURED P DTD 08/01/2017 3.117% 06/01/2027	3137F2LJ3	1,165,000.00	0.00	3,026.09	3,026.09			
09/01/23	09/25/23	FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028	3136BQDE6	1,375,000.00	0.00	4,801.04	4,801.04			
09/01/23	09/25/23	FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026	3137BTUM1	965,000.00	0.00	2,691.55	2,691.55			
09/01/23	09/25/23	FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027	3137BXOY1	1,320,000.00	0.00	3,546.40	3,546.40			



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2023**

ZONE 7 WATER AGENCY - 99350000

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
INTEREST										
09/11/23	09/11/23	BANK OF AMERICA CORP CORP NOTES (CALLABL DTD 03/11/2021 1.658% 03/11/2027	06051GJQ3	2,170,000.00	0.00	17,989.30	17,989.30			
09/14/23	09/14/23	HOME DEPOT INC CORP NOTES (CALLABLE) DTD 09/14/2017 2.800% 09/14/2027	437076BT8	1,390,000.00	0.00	19,460.00	19,460.00			
09/30/23	09/30/23	US TREASURY N/B NOTES DTD 03/31/2021 0.750% 03/31/2026	91282CBT7	6,630,000.00	0.00	24,862.50	24,862.50			
09/30/23	09/30/23	US TREASURY NOTES DTD 09/30/2020 0.250% 09/30/2025	91282CAM3	2,235,000.00	0.00	2,793.75	2,793.75			
09/30/23	09/30/23	US TREASURY N/B NOTES DTD 09/30/2021 0.875% 09/30/2026	91282CCZ2	3,420,000.00	0.00	14,962.50	14,962.50			
09/30/23	09/30/23	US TREASURY NOTES DTD 03/31/2020 0.500% 03/31/2025	912828ZF0	3,200,000.00	0.00	8,000.00	8,000.00			
09/30/23	09/30/23	US TREASURY N/B NOTES DTD 09/30/2022 4.125% 09/30/2027	91282CFM8	1,940,000.00	0.00	40,012.50	40,012.50			
09/30/23	09/30/23	US TREASURY N/B NOTES DTD 03/31/2023 3.625% 03/31/2028	91282CGT2	850,000.00	0.00	15,406.25	15,406.25			
09/30/23	09/30/23	US TREASURY N/B NOTES DTD 03/31/2022 2.250% 03/31/2024	91282CEG2	960,000.00	0.00	10,800.00	10,800.00			
Transaction Type Sub-Total				30,054,476.89	0.00	194,153.70	194,153.70			
MATURITY										
09/28/23	09/28/23	US TREASURY BILL DTD 03/30/2023 0.000% 09/28/2023	912796CS6	2,000,000.00	2,000,000.00	0.00	2,000,000.00	2,036.22	0.00	
Transaction Type Sub-Total				2,000,000.00	2,000,000.00	0.00	2,000,000.00	2,036.22	0.00	
PAYDOWNS										
09/01/23	09/25/23	FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	525.90	525.90	0.00	525.90	0.01	0.00	
Transaction Type Sub-Total				525.90	525.90	0.00	525.90	0.01	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2023**

ZONE 7 WATER AGENCY - 99350000

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
SELL										
09/11/23	09/14/23	US TREASURY N/B NOTES DTD 03/31/2022 2.250% 03/31/2024	91282CEG2	2,040,000.00	2,005,734.38	20,943.44	2,026,677.82	(26,854.68)	(32,237.04)	FIFO
09/11/23	09/14/23	US TREASURY N/B NOTES DTD 06/30/2023 4.000% 06/30/2028	91282CHK0	697,000.00	683,958.48	5,757.83	689,716.31	(1,960.31)	(2,362.82)	FIFO
09/18/23	09/19/23	US TREASURY NOTES DTD 09/30/2020 0.250% 09/30/2025	91282CAM3	1,190,000.00	1,082,063.28	1,398.09	1,083,461.37	(3,904.69)	(45,935.30)	FIFO
09/20/23	09/21/23	US TREASURY N/B NOTES DTD 03/31/2023 3.625% 03/31/2028	91282CGT2	2,040,000.00	1,965,571.88	35,156.56	2,000,728.44	(55,860.93)	(57,048.98)	FIFO
09/27/23	09/29/23	US TREASURY N/B NOTES DTD 09/30/2022 4.125% 09/30/2027	91282CFM8	1,980,000.00	1,939,935.94	40,614.34	1,980,550.28	(27,147.66)	(29,526.24)	FIFO
Transaction Type Sub-Total				7,947,000.00	7,677,263.96	103,870.26	7,781,134.22	(115,728.27)	(167,110.38)	
Managed Account Sub-Total					(350,342.20)	287,163.39	(63,178.81)	(113,692.04)	(167,110.38)	
Total Security Transactions					(350,342.20)	287,163.39	(63,178.81)	(113,692.04)	(167,110.38)	



ZONE 7 WATER AGENCY

Investment Performance Review For the Quarter Ended September 30, 2023

Client Management Team

Monique Spyke, Managing Director
Joseph Creason, Portfolio Manager
Jeremy King, Key Account Manager

PFM Asset Management LLC

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San Francisco, CA 94111-5411
415-393-7270

213 Market Street
Harrisburg, PA 17101-2141
717-232-2723

NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE

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Market Update

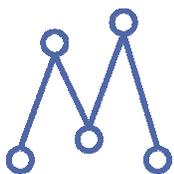
Current Market Themes



- ▶ The U.S. economy is characterized by:
 - ▷ Stronger than expected growth, supported by a resilient consumer
 - ▷ Inflation that remains stubbornly above the Federal Reserve's ("Fed") target range
 - ▷ Continued creation of new jobs by the labor market, albeit at a moderating pace



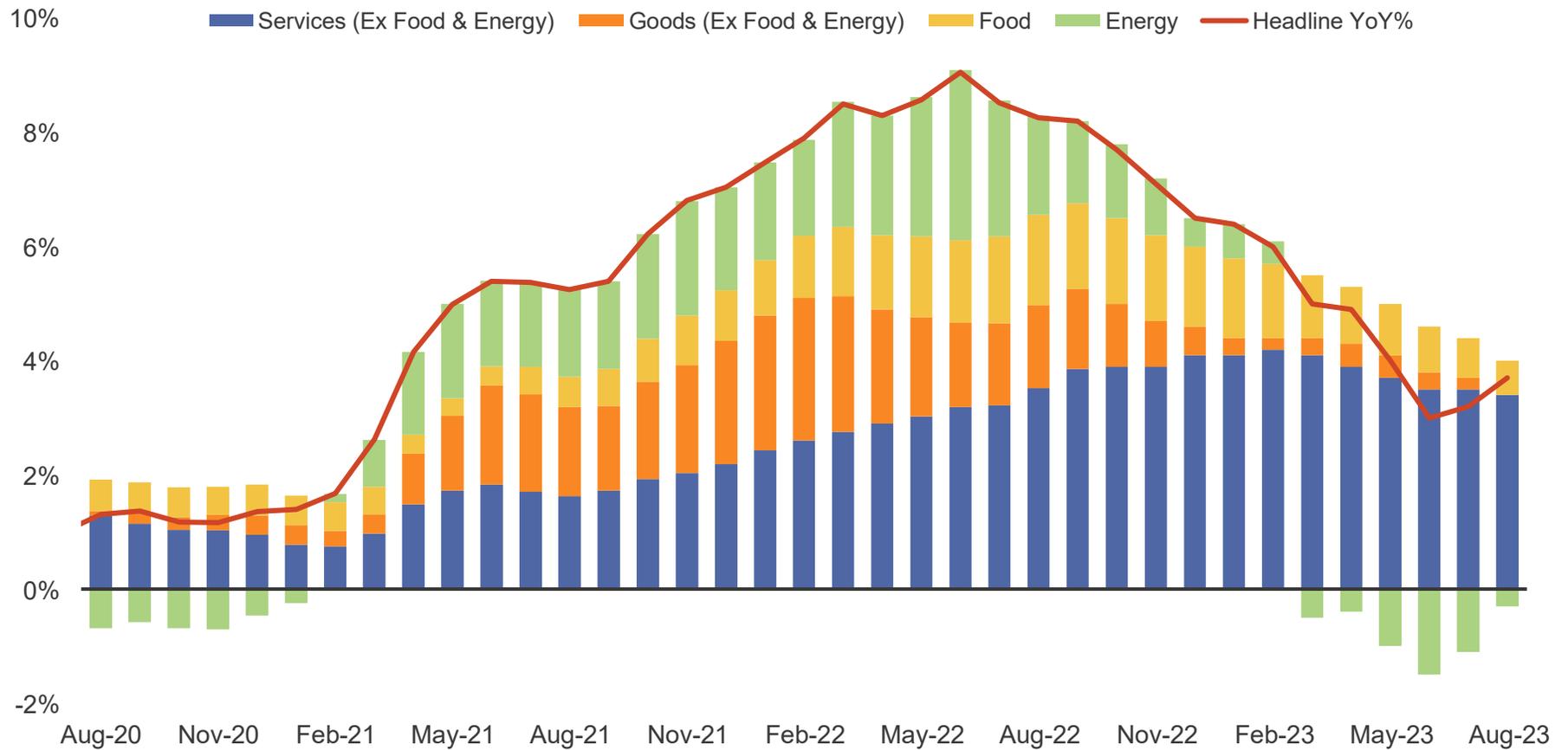
- ▶ Fed pauses again in rate hike campaign
 - ▷ After hiking in July, the Federal Reserve held rates steady at the September FOMC meeting as expected
 - ▷ The Fed's most recent "dot plot" indicated one more rate hike for 2023 and set the stage for interest rates to remain "higher-for-longer"
 - ▷ Updated FOMC economic projections point to stronger GDP growth expectations, higher inflation, and slightly lower unemployment for the remainder of 2023 and into 2024



- ▶ Interest rates reached their highest levels since 2006-7
 - ▷ The U.S. government rating downgrade by Fitch had little impact, although it highlighted growing worry about the erosion of governance standards and fiscal irresponsibility
 - ▷ Treasury yields across the curve rose during Q3. Sticky inflation, a "higher for longer" market consensus, increased Treasury borrowing, and reduced Treasury holdings by China and Japan weighed especially on the long end of the curve
 - ▷ The next concern is the annual federal budget process and potential for a government shutdown

Inflation Gradually Falling, but Sensitive to Recently Rising Energy Prices

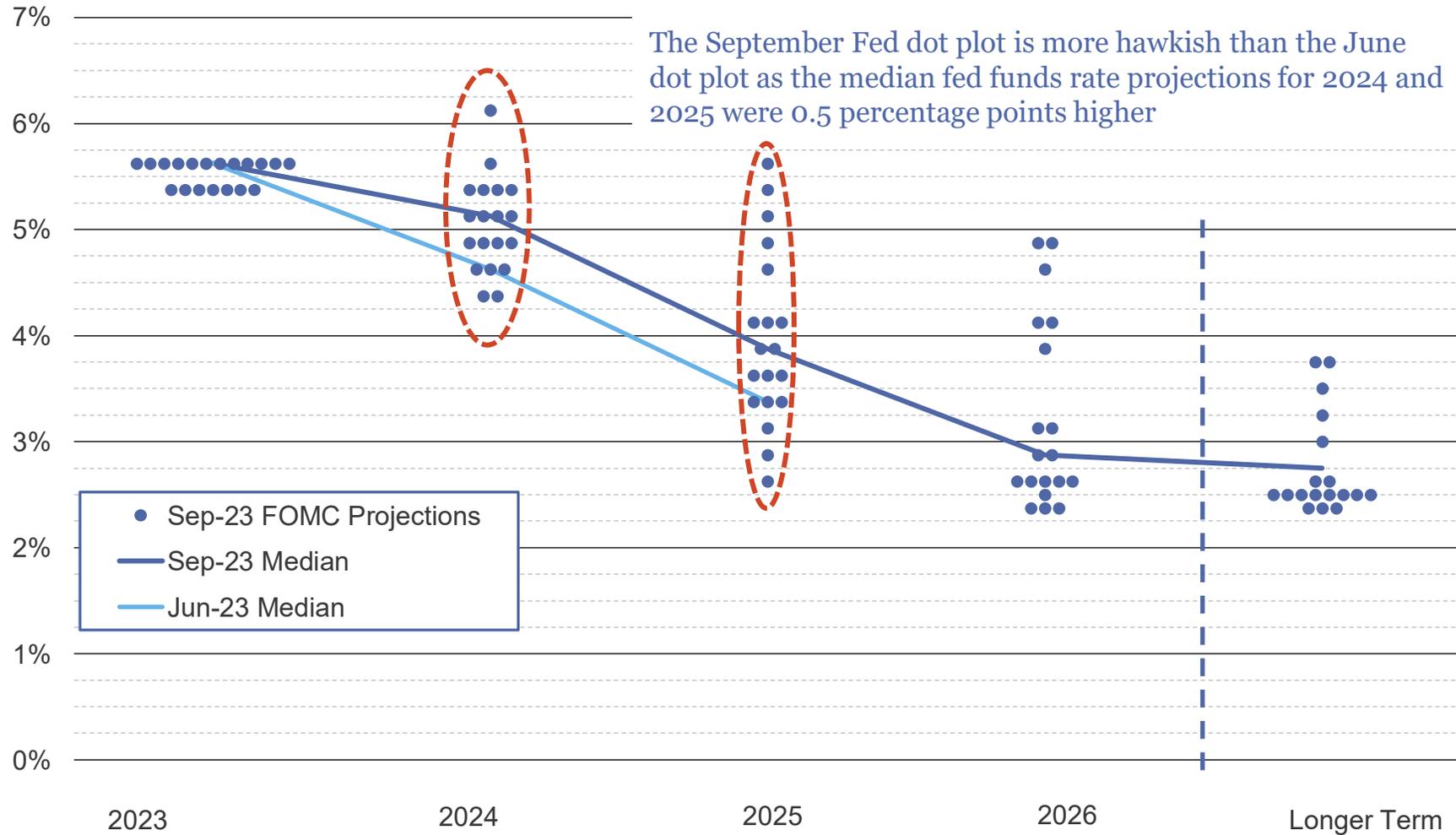
Factors Contributing to the Consumer Price Index (CPI YoY)



Source: Bloomberg, as of August 2023.

Fed's Updated "Dot Plot" Projects Rates to be "Higher for Longer"

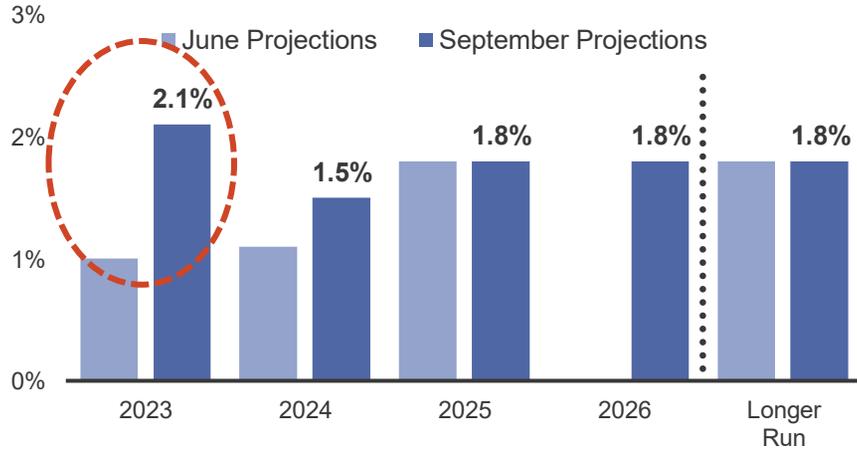
Fed Participants' Assessments of 'Appropriate' Monetary Policy



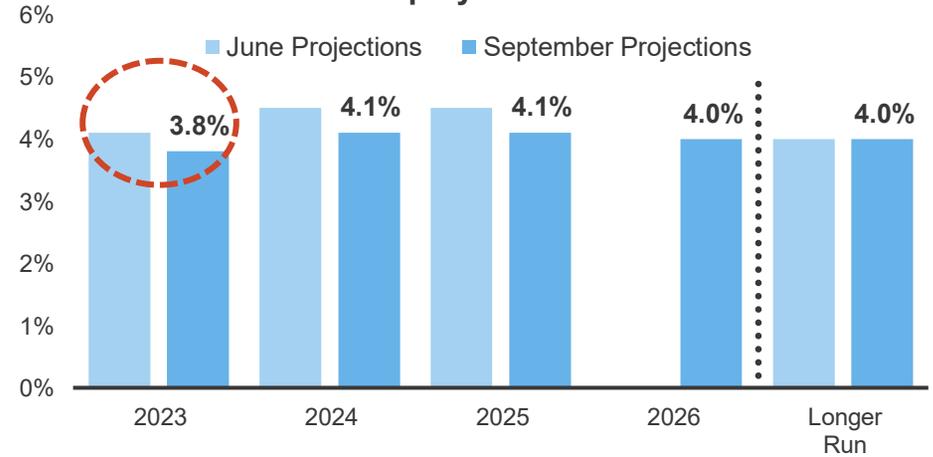
Source: Federal Reserve and Bloomberg. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end.

The Fed's Projections for Growth and Employment Were More Upbeat

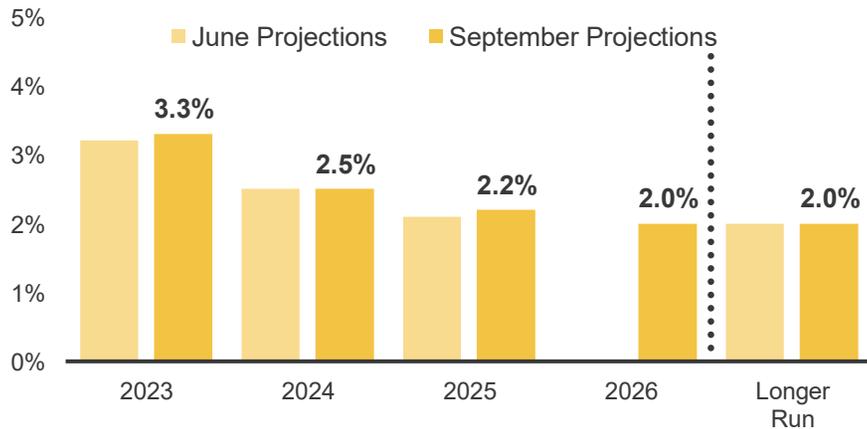
Change in Real GDP



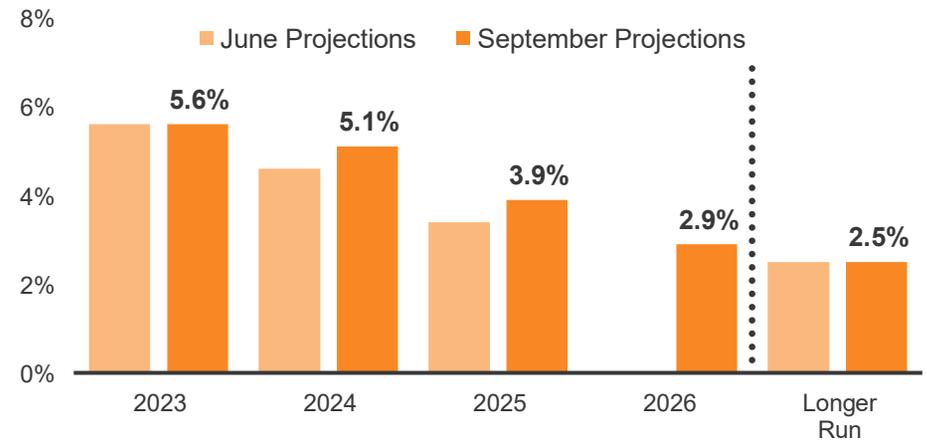
Unemployment Rate



PCE Inflation



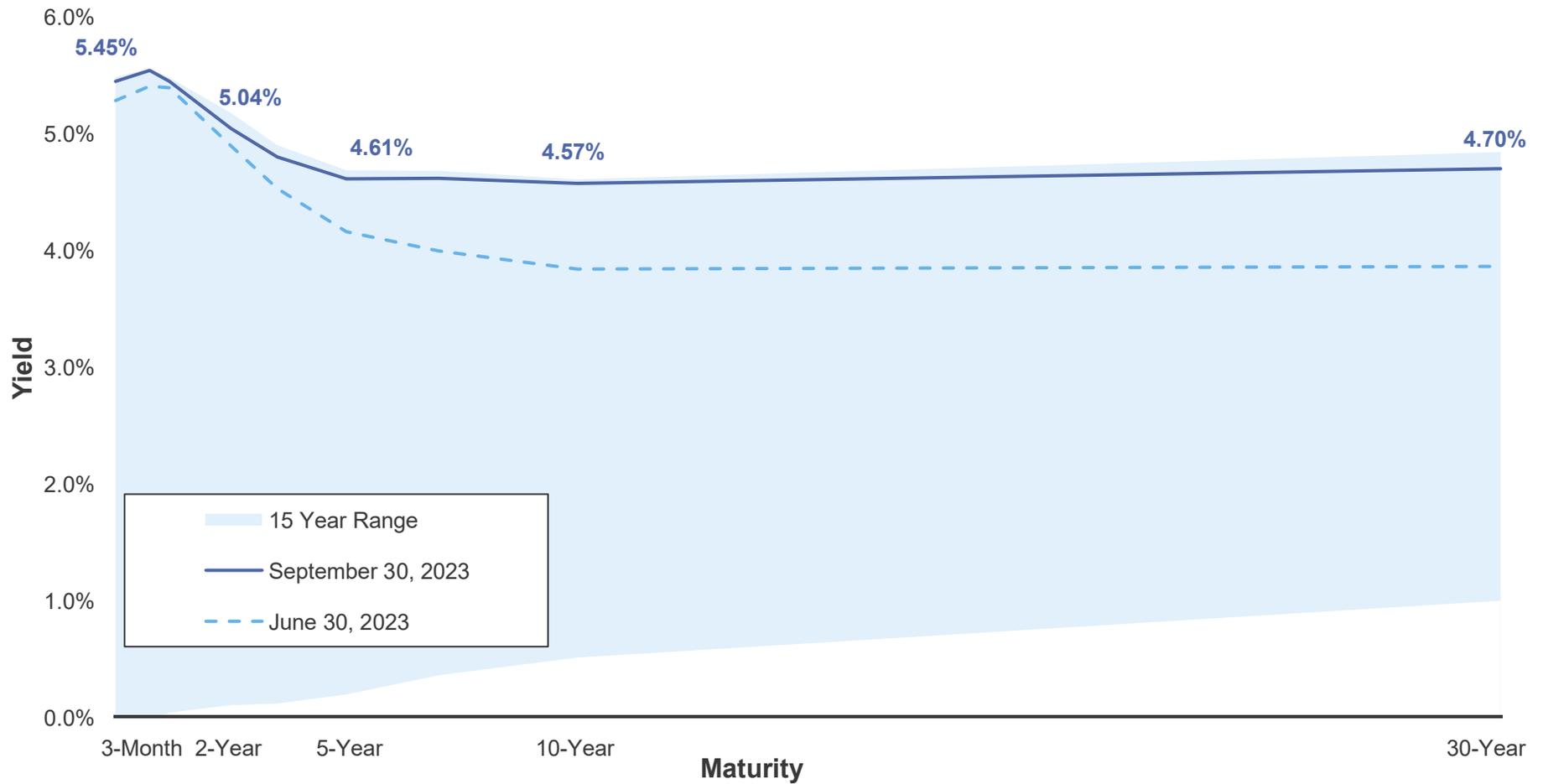
Federal Funds Rate



Source: Federal Reserve, latest economic projections as of September 2023.

Interest Rates Are at Their Highest Levels Since 2006-07

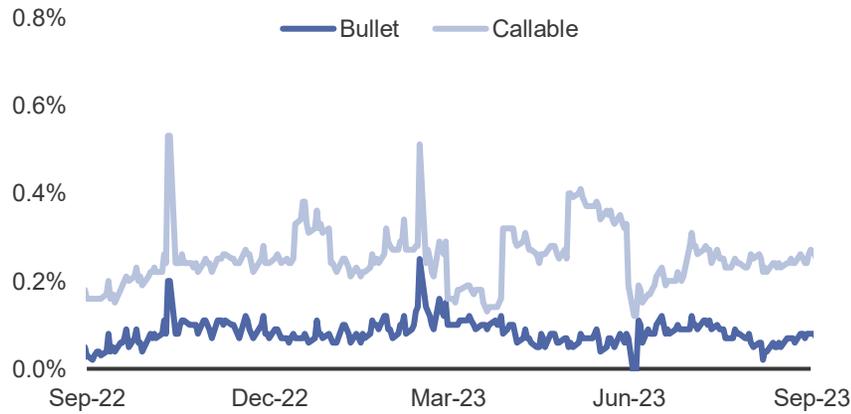
U.S. Treasury Yield Curve



Source: Bloomberg, as of September 30, 2023.

Sector Yield Spreads

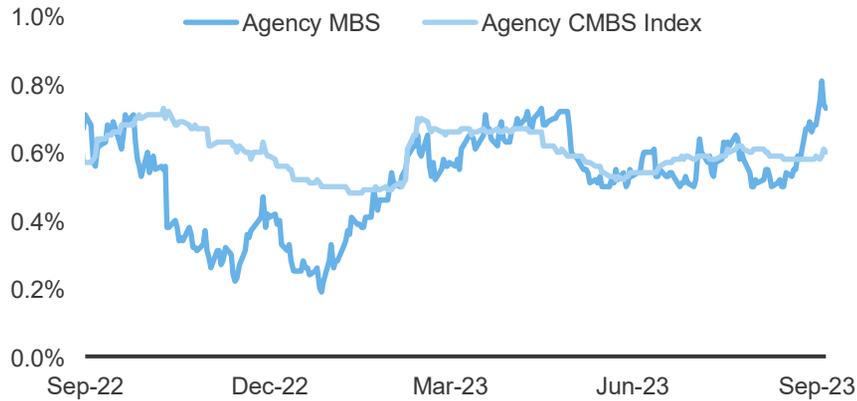
Federal Agency Yield Spreads



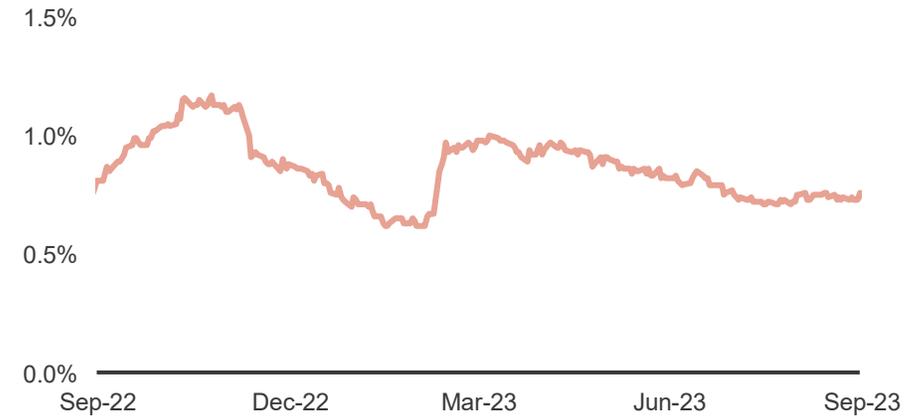
Corporate Notes A-AAA Yield Spreads



Mortgage-Backed Securities Yield Spreads



Asset-Backed Securities AAA Yield Spreads

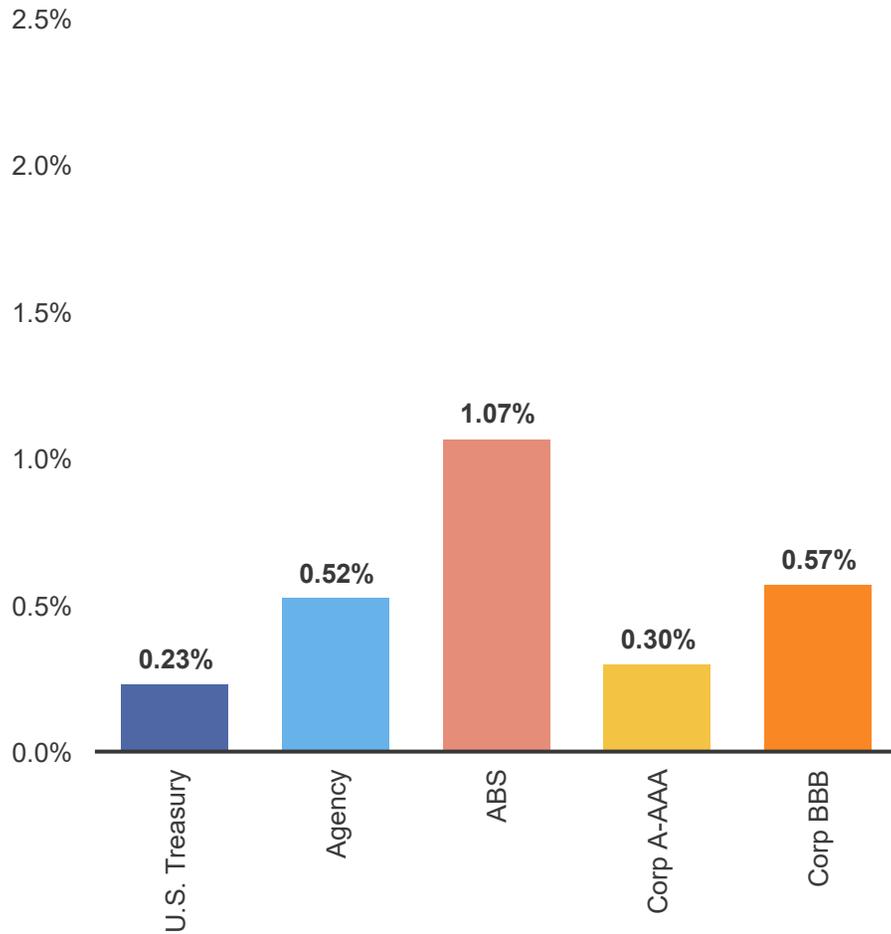


Source: ICE BofAML 1-5 year Indices via Bloomberg, MarketAxess, and PFMAM as of September 30, 2023. Spreads on ABS and MBS are option-adjusted spreads of 0-5 year indices based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries. CMBS is Commercial Mortgage-Backed Securities and represented by the ICE BofA Agency CMBS Index.

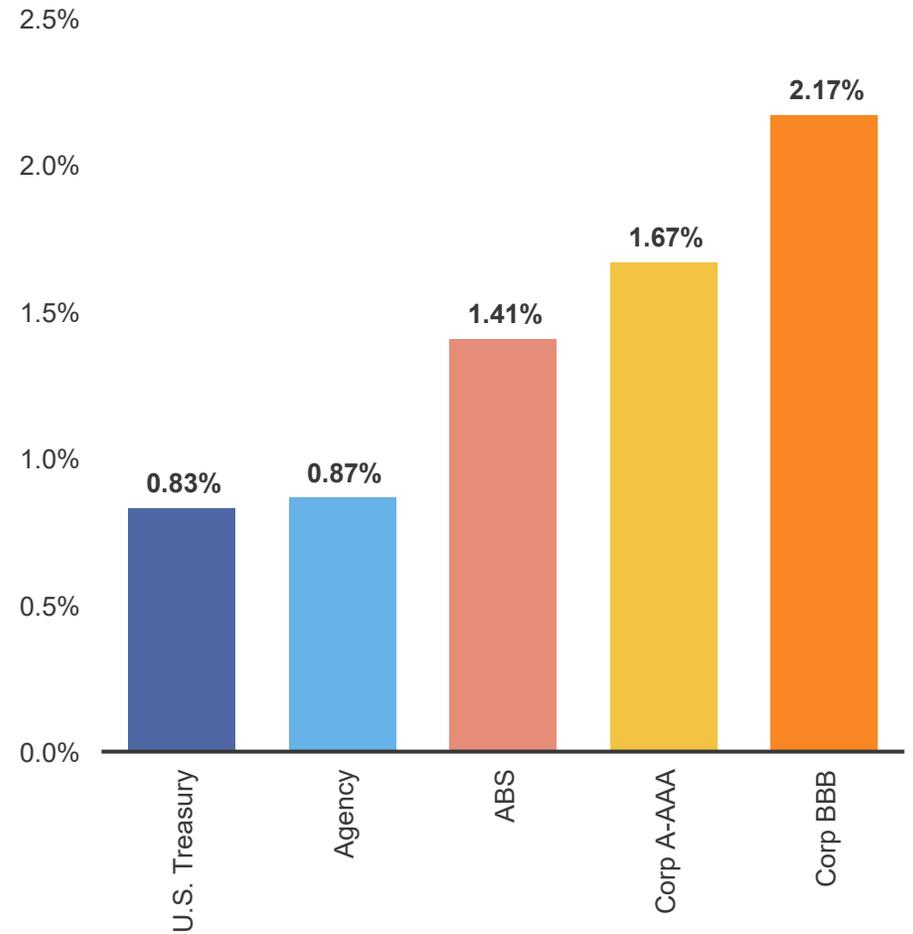
Fixed-Income Markets in Q3 2023

1-5 Year Indices

1-5 Year Indices Quarterly Returns



10-Year Average



Source: ICE BofAML Indices. ABS indices are 0-5 year, based on weighted average life. As of September 30, 2023.

Fixed-Income Sector Commentary – 3Q 2023

- ▶ **U.S. Treasuries:** Fitch rating agency downgraded the U.S. Government from AAA to AA- citing erosion of governance standards, repeated debt-limit standoffs, and rising general government deficits. Yields hit their highest level since 2006-07, but the Treasury yield curve remains inverted despite the notable increase in the 10-year yield over the 3rd quarter.
- ▶ **Federal agency** yield spreads remained narrow, favoring opportunities in other sectors. Fitch followed their U.S. Government ratings action with downgrades to Fannie Mae and Freddie Mac, although the impact to spreads was muted.
- ▶ **Supranational** spreads, similar to agencies, remained low and range bound in the single digits for much of the quarter. Value was limited and the spread curve on supras is generally flat.
- ▶ **Investment-Grade Corporates:** Financial issuers outperformed industrials and lower-rated issues outperformed higher-rated issues as higher incremental yields offset a few basis points of spread widening during the 3rd quarter. Good fundamentals, modestly attractive spreads, and a positive economic outlook make credit attractive, but higher yields are a headwind for financials and the economy as a whole.
- ▶ **Asset-Backed Securities** performed exceedingly well in Q3 as spreads tightened marginally over the quarter on strong consumer sentiment and robust investor appetite for the sector. Incremental income from the sector is quite attractive from a historical perspective and offers value.
- ▶ **Mortgage-Backed Securities** were one of the worst performing sectors during the quarter, regardless of structure. Spreads widened, approaching multi-year highs, while volatility remained historically high and bank balance sheet sales weighed on valuations.
- ▶ **Taxable Municipals** issuance remained heavily oversubscribed due to a lack of new issuance. The secondary market had sporadic but limited opportunities that offered an attractive pickup versus corporates industrials.
- ▶ **Short-term credit** (commercial paper and CDs) yields increased over the quarter steepening the short-term credit curve. Similarly, Treasury Bill yields rose to reflect the Fed rate hike in July and the significant increase in T-Bill issuance since the resolution of the debt ceiling. Six- to 12-month CP/CDs continued to offer notable incremental spread income for enhanced cash and other short-duration portfolios, and in some instances carried yields close to 6%.

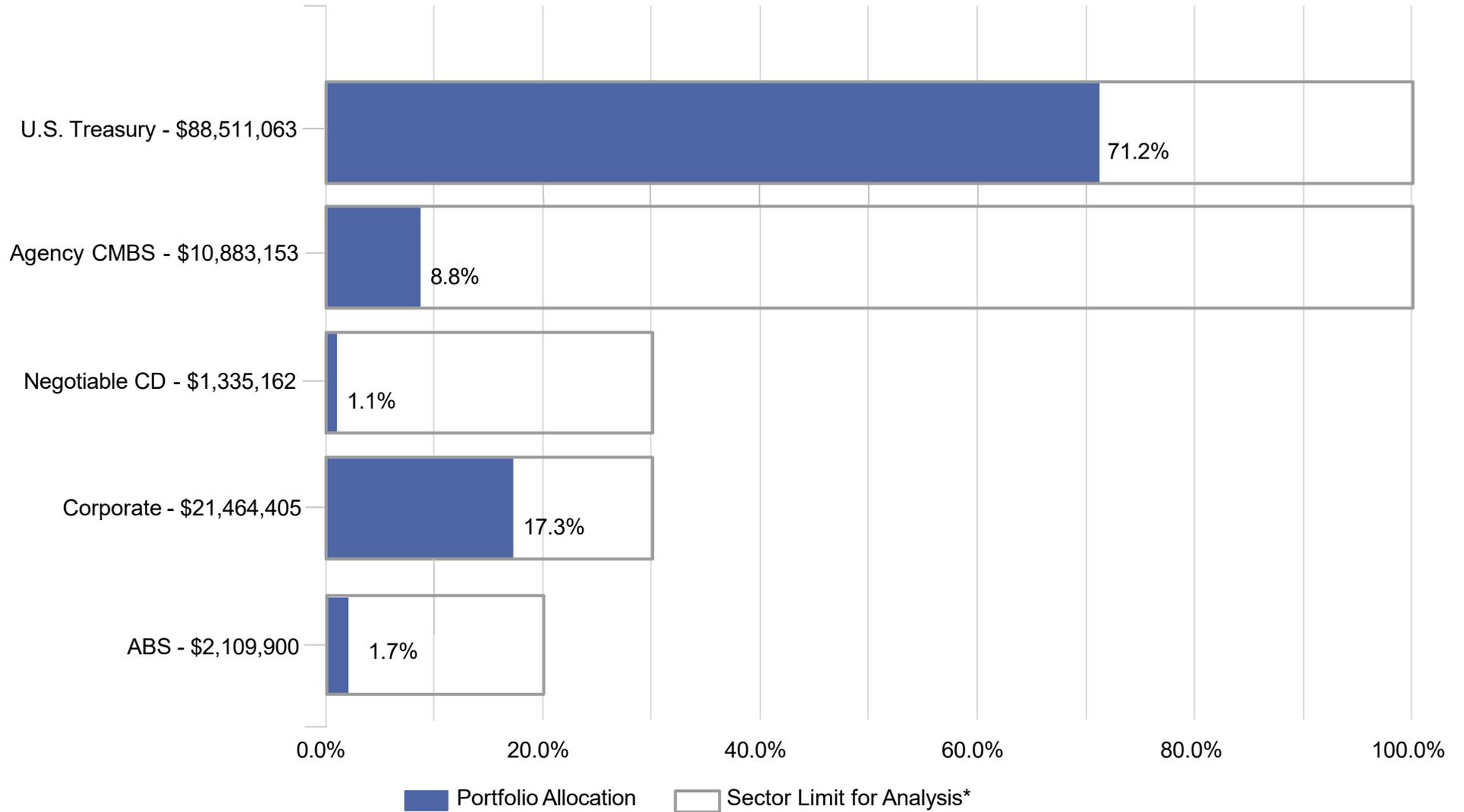
Fixed-Income Sector Outlook – 4Q 2023

Sector	Our Investment Preferences
COMMERCIAL PAPER / CD	
TREASURIES	
T-Bill	
T-Note	
FEDERAL AGENCIES	
Bullets	
Callables	
SUPRANATIONALS	
CORPORATES	
Financials	
Industrials	
SECURITIZED	
Asset-Backed	
Agency Mortgage-Backed	
Agency CMBS	
MUNICIPALS	



Account Summary

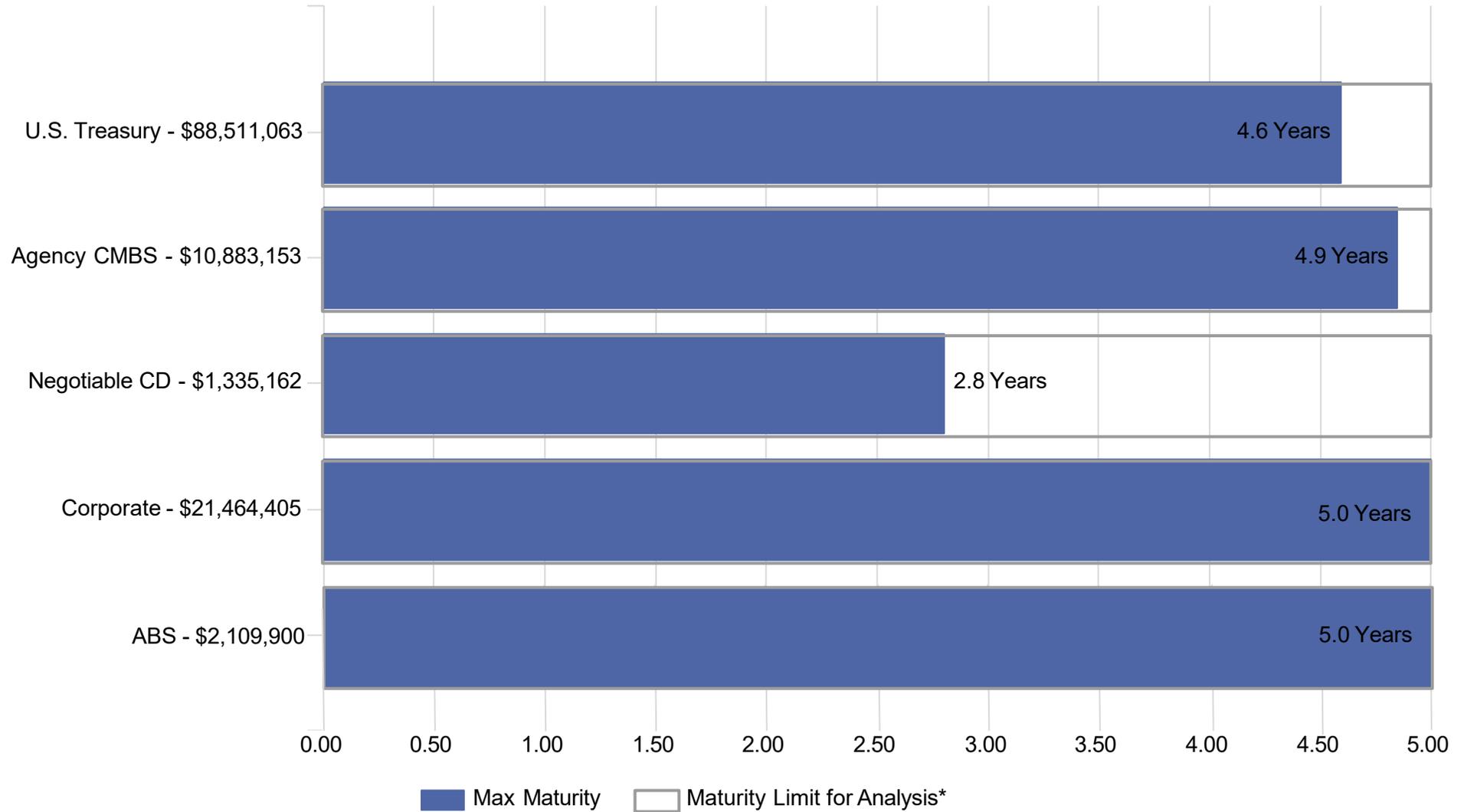
Sector Allocation Analytics



For informational/analytical purposes only and is not provided for compliance assurance. Includes accrued interest.

*Sector Limit for Analysis is as derived from our interpretation of your most recent Investment Policy as provided.

Max Maturity Analytics



For informational/analytical purposes only and is not provided for compliance assurance. Includes accrued interest and excludes balances invested in overnight funds.

**Maturity Limit for Analysis is derived from our interpretation of your most recent Investment Policy as provided.*

Mortgage-backed securities and asset-backed securities, if any, limit is based on weighted average life, if applicable. Callable securities, if any, limit is based on maturity date.

Certificate of Compliance

During the reporting period for the quarter ended September 30, 2023, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management LLC*

Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Asset and Investment Management ("AIM").

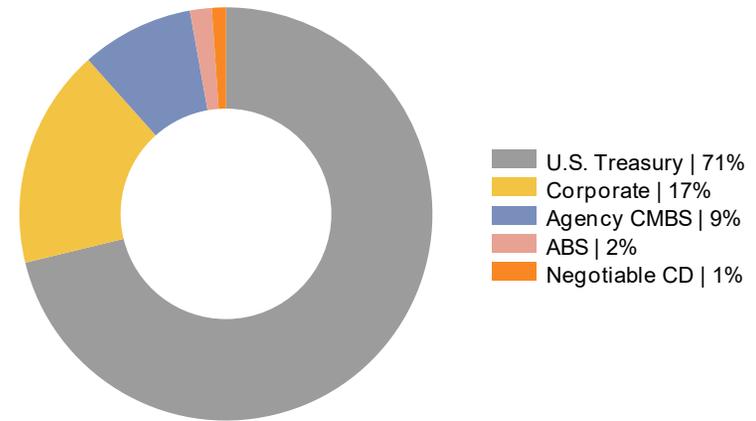
Portfolio Review: ZONE 7 WATER AGENCY

Portfolio Snapshot - ZONE 7 WATER AGENCY¹

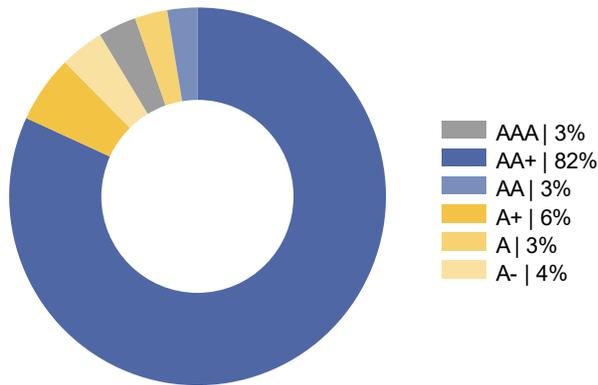
Portfolio Statistics

Total Market Value	\$129,474,757.63
<i>Securities Sub-Total</i>	\$123,687,848.23
<i>Accrued Interest</i>	\$615,835.23
<i>Cash</i>	\$5,171,074.17
Portfolio Effective Duration	2.73 years
Benchmark Effective Duration	2.50 years
Yield At Cost	3.18%
Yield At Market	5.06%
Portfolio Credit Quality	AA

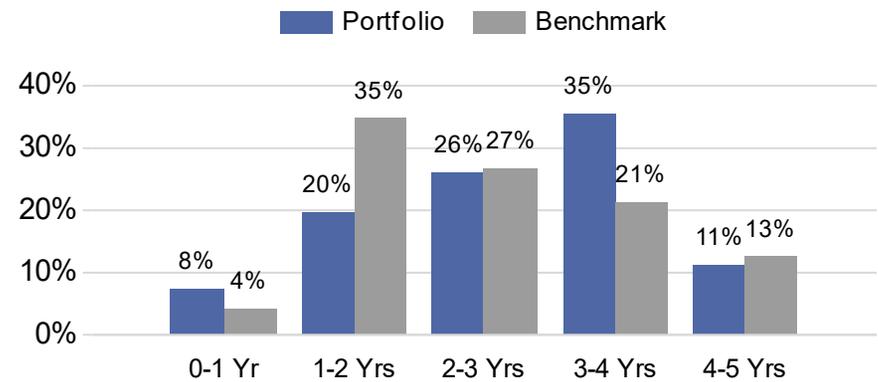
Sector Allocation



Credit Quality - S&P



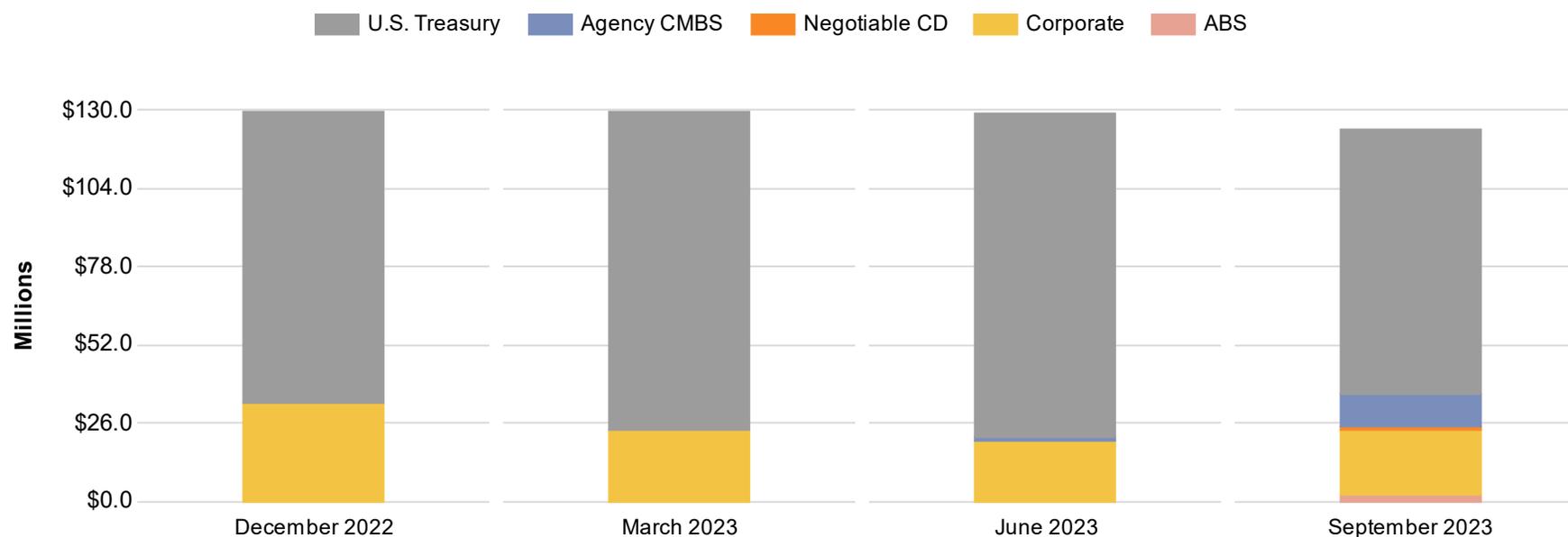
Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. The portfolio's benchmark is the ICE BofA 1-5 Year U.S. Treasury Index. Source: Bloomberg. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

Sector Allocation Review - ZONE 7 WATER AGENCY

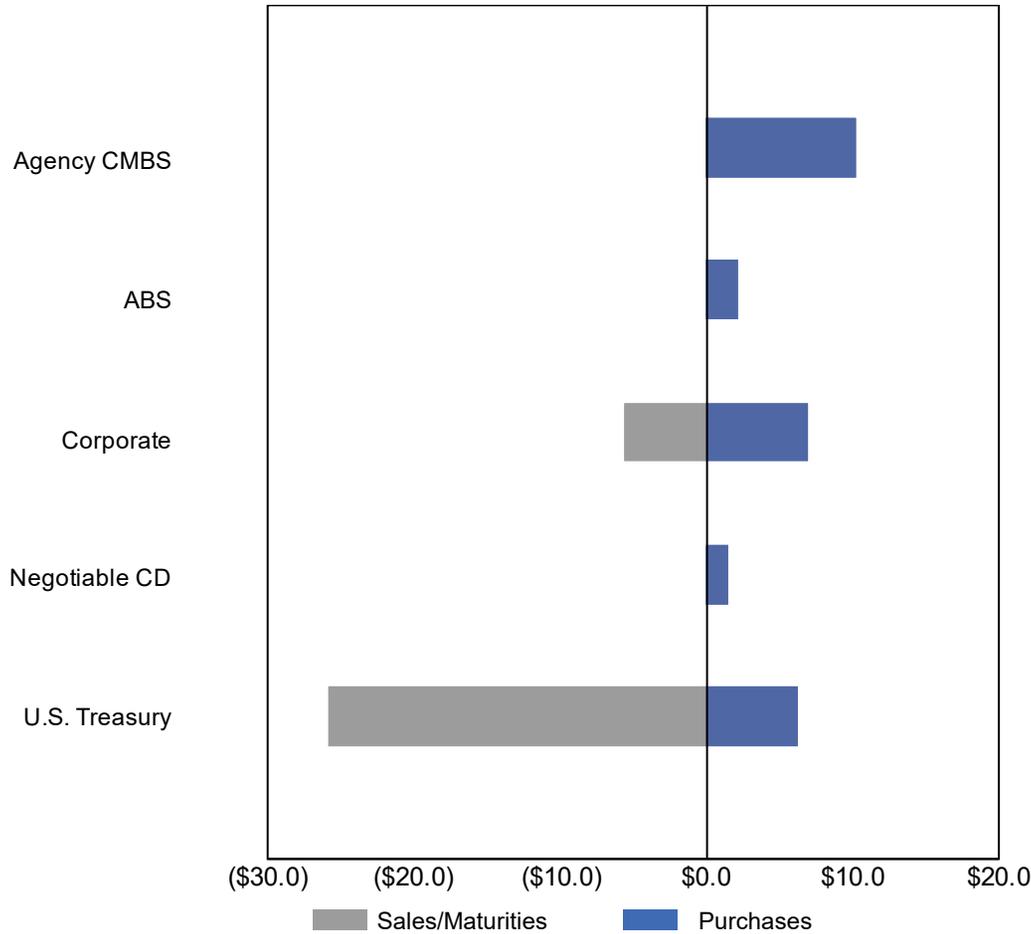
Security Type	Dec-22	% of Total	Mar-23	% of Total	Jun-23	% of Total	Sep-23	% of Total
U.S. Treasury	\$97.0	75.0%	\$105.4	81.6%	\$107.7	83.7%	\$88.1	71.2%
Agency CMBS	\$0.0	0.0%	\$0.0	0.0%	\$0.9	0.7%	\$10.8	8.8%
Negotiable CD	\$0.0	0.0%	\$0.0	0.0%	\$0.0	0.0%	\$1.3	1.1%
Corporate	\$32.4	25.0%	\$23.8	18.4%	\$20.1	15.6%	\$21.3	17.2%
ABS	\$0.0	0.0%	\$0.0	0.0%	\$0.0	0.0%	\$2.1	1.7%
Total	\$129.3	100.0%	\$129.3	100.0%	\$128.7	100.0%	\$123.7	100.0%



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

Portfolio Activity - ZONE 7 WATER AGENCY

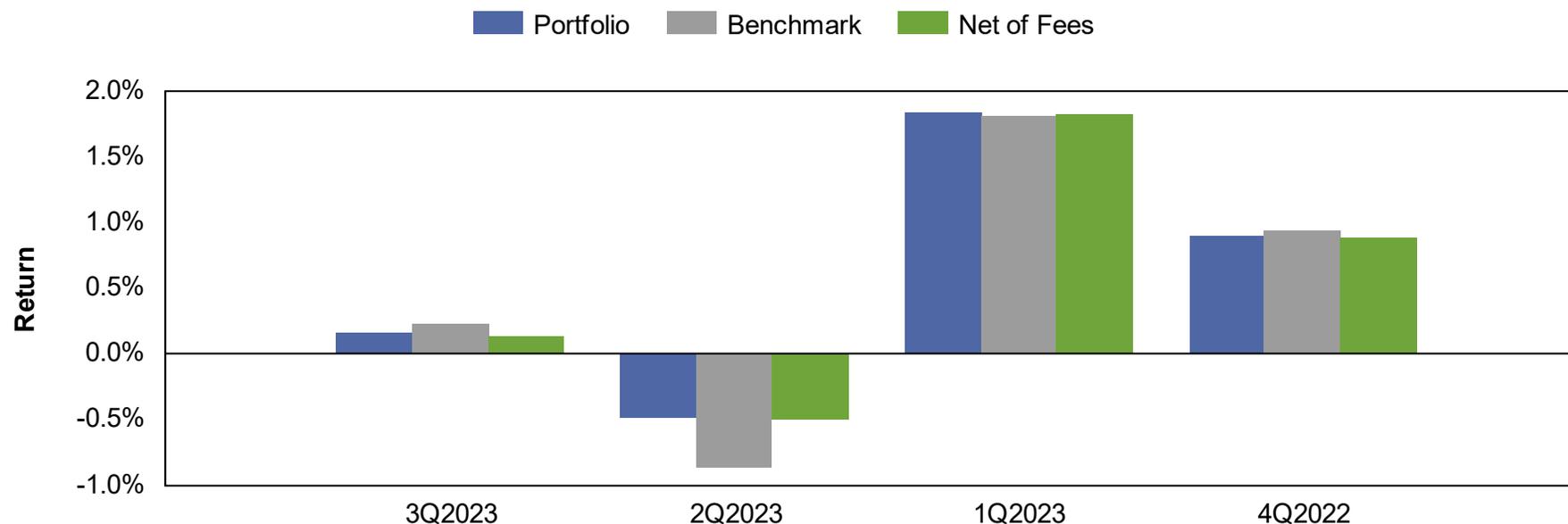
Net Activity by Sector
(\$ millions)



Sector	Net Activity
Agency CMBS	\$10,101,158
ABS	\$2,114,663
Corporate	\$1,352,067
Negotiable CD	\$1,350,000
U.S. Treasury	(\$19,527,498)
Total Net Activity	(\$4,609,611)

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

Portfolio Performance



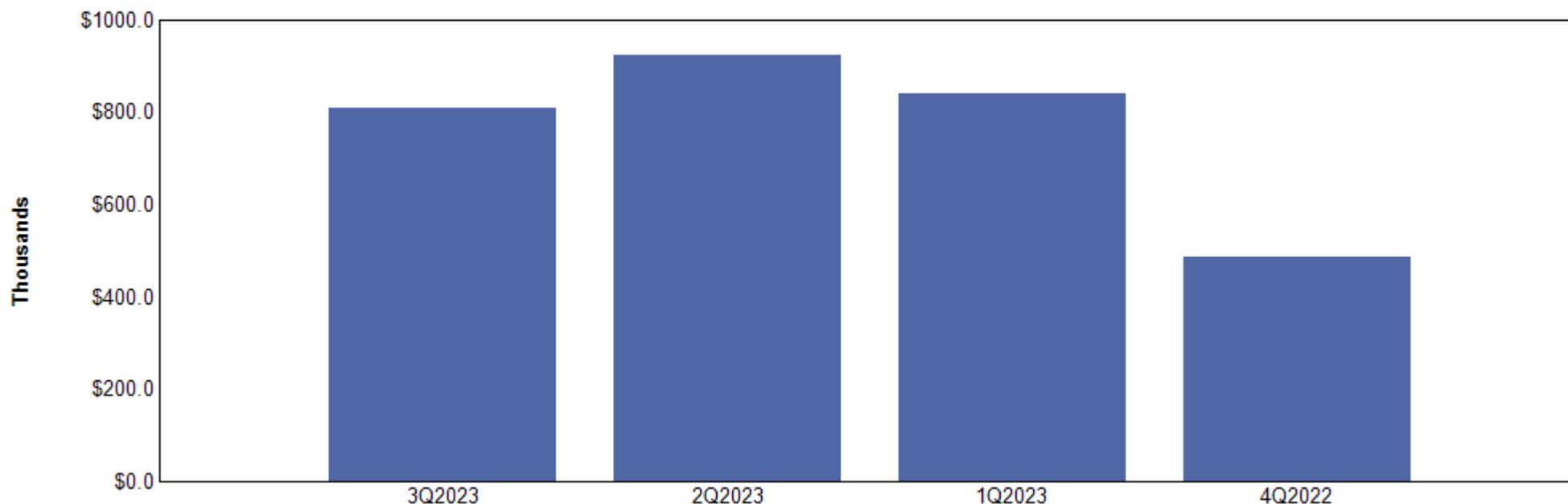
Market Value Basis Earnings	3Q2023	2Q2023	1Q2023	4Q2022
Interest Earned ¹	\$710,235	\$599,139	\$558,797	\$503,317
Change in Market Value	(\$487,156)	(\$1,256,358)	\$1,882,121	\$747,222
Total Dollar Return	\$223,079	(\$657,219)	\$2,440,918	\$1,250,539
Total Return²				
Portfolio	0.16%	-0.49%	1.84%	0.91%
Benchmark ³	0.23%	-0.86%	1.82%	0.95%
Basis Point Fee	0.02%	0.02%	0.02%	0.02%
Net of Fee Return	0.14%	-0.50%	1.83%	0.89%

1. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

2. Returns are presented on a periodic basis.

3. The portfolio's benchmark is the ICE BofA 1-5 Year U.S. Treasury Index. Source: Bloomberg.

Accrual Basis Earnings - ZONE 7 WATER AGENCY



Accrual Basis Earnings	3Q2023	2Q2023	1Q2023	4Q2022
Interest Earned ¹	\$710,235	\$599,139	\$558,797	\$503,317
Realized Gains / (Losses) ²	(\$202,352)	\$344	\$4,031	(\$223,010)
Change in Amortized Cost	\$301,060	\$324,706	\$278,167	\$206,846
Total Earnings	\$808,943	\$924,189	\$840,995	\$487,153

1. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

2. Realized gains / (losses) are shown on an amortized cost basis.

Portfolio Holdings and Transactions

Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
U.S. Treasury	71.2%	
UNITED STATES TREASURY	71.2%	AA / Aaa / AA
Agency CMBS	8.8%	
FANNIE MAE	1.1%	AA / Aaa / AA
FREDDIE MAC	7.7%	AA / Aaa / AA
Negotiable CD	1.1%	
RABOBANK NEDERLAND	1.1%	A / Aa / AA
Corporate	17.3%	
AMAZON.COM INC	1.6%	AA / A / AA
APPLE INC	1.8%	AA / Aaa / NR
BANK OF AMERICA CO	1.6%	A / A / AA
CITIGROUP INC	1.6%	A / Aa / A
DEERE & COMPANY	0.8%	A / A / A
HOME DEPOT INC	1.0%	A / A / A
JP MORGAN CHASE & CO	2.2%	A / A / AA
MICROSOFT CORP	1.6%	AAA / Aaa / NR
PACCAR FINANCIAL CORP	0.8%	A / A / NR
TARGET CORP	1.0%	A / A / A
TOYOTA MOTOR CORP	0.8%	A / A / A
WAL-MART STORES INC	1.0%	AA / Aa / AA
WELLS FARGO & COMPANY	1.6%	A / Aa / AA
ABS	1.7%	
AMERICAN EXPRESS CO	0.9%	AAA / NR / AAA
CHASE ISSURANCE	0.8%	AAA / NR / AAA
Total	100.0%	

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

**Issuer Distribution
As of September 30, 2023**

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	88,109,536	71.24%
FREDDIE MAC	9,529,598	7.70%
JP MORGAN CHASE & CO	2,679,936	2.17%
APPLE INC	2,208,490	1.79%
CITIGROUP INC	1,974,783	1.60%
MICROSOFT CORP	1,969,262	1.59%
BANK OF AMERICA CO	1,949,606	1.58%
WELLS FARGO & COMPANY	1,932,990	1.56%
AMAZON.COM INC	1,921,630	1.55%
RABOBANK NEDERLAND	1,321,637	1.07%
FANNIE MAE	1,313,769	1.06%
HOME DEPOT INC	1,272,965	1.03%
WAL-MART STORES INC	1,259,168	1.02%
TARGET CORP	1,240,632	1.00%
AMERICAN EXPRESS CO	1,066,358	0.86%
CHASE ISSURANCE	1,039,280	0.84%
DEERE & COMPANY	980,175	0.79%
PACCAR FINANCIAL CORP	962,127	0.78%
TOYOTA MOTOR CORP	955,908	0.77%
Grand Total	123,687,848	100.00%

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B NOTES DTD 01/31/2022 0.875% 01/31/2024	91282CDV0	1,320,000.00	AA+	Aaa	2/7/2022	2/8/2022	1,309,017.19	1.30	1,945.92	1,318,144.18	1,300,406.18
US TREASURY N/B NOTES DTD 03/31/2022 2.250% 03/31/2024	91282CEG2	960,000.00	AA+	Aaa	4/1/2022	4/4/2022	956,512.50	2.44	59.02	959,126.93	945,000.00
US TREASURY N/B NOTES DTD 06/15/2021 0.250% 06/15/2024	91282CCG4	1,550,000.00	AA+	Aaa	4/13/2022	4/18/2022	1,479,947.27	2.41	1,143.44	1,527,093.02	1,494,054.61
US TREASURY N/B NOTES DTD 07/15/2021 0.375% 07/15/2024	91282CCL3	3,075,000.00	AA+	Aaa	2/7/2022	2/8/2022	2,997,884.77	1.43	2,444.12	3,049,989.66	2,954,882.81
US TREASURY N/B NOTES DTD 01/15/2022 1.125% 01/15/2025	91282CDS7	3,030,000.00	AA+	Aaa	2/7/2022	2/8/2022	2,994,492.19	1.54	7,225.07	3,014,365.96	2,871,871.88
US TREASURY N/B NOTES DTD 02/15/2022 1.500% 02/15/2025	91282CDZ1	5,100,000.00	AA+	Aaa	5/4/2022	5/5/2022	4,896,398.44	3.01	9,770.38	4,999,300.31	4,843,406.25
US TREASURY NOTES DTD 03/31/2020 0.500% 03/31/2025	912828ZF0	3,200,000.00	AA+	Aaa	4/1/2022	4/4/2022	3,005,750.00	2.62	43.72	3,102,697.12	2,982,000.00
US TREASURY NOTES DTD 04/30/2018 2.875% 04/30/2025	9128284M9	3,125,000.00	AA+	Aaa	5/3/2022	5/4/2022	3,120,361.33	2.93	37,597.66	3,122,548.98	3,013,183.75
US TREASURY NOTES DTD 07/31/2020 0.250% 07/31/2025	91282CAB7	3,145,000.00	AA+	Aaa	2/7/2022	2/8/2022	2,998,560.94	1.63	1,324.66	3,067,799.27	2,879,149.38
US TREASURY NOTES DTD 08/31/2020 0.250% 08/31/2025	91282CAJ0	1,075,000.00	AA+	Aaa	7/6/2022	7/7/2022	990,175.78	2.89	228.88	1,023,412.72	980,601.56
US TREASURY NOTES DTD 08/31/2020 0.250% 08/31/2025	91282CAJ0	1,685,000.00	AA+	Aaa	3/8/2022	3/9/2022	1,596,603.32	1.81	358.76	1,636,315.75	1,537,035.94
US TREASURY NOTES DTD 09/30/2020 0.250% 09/30/2025	91282CAM3	2,235,000.00	AA+	Aaa	5/3/2022	5/4/2022	2,039,612.11	2.97	15.27	2,120,435.21	2,033,500.89
US TREASURY NOTES DTD 11/30/2020 0.375% 11/30/2025	91282CAZ4	1,600,000.00	AA+	Aaa	4/13/2022	4/18/2022	1,477,187.50	2.61	2,016.39	1,526,516.88	1,449,249.92
US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026	91282CBH3	3,160,000.00	AA+	Aaa	2/7/2022	2/8/2022	2,998,420.31	1.71	1,996.47	3,065,142.82	2,844,000.00
US TREASURY N/B NOTES DTD 03/31/2021 0.750% 03/31/2026	91282CBT7	3,405,000.00	AA+	Aaa	5/3/2022	5/4/2022	3,126,614.65	2.98	69.77	3,227,083.08	3,078,332.82

For the Quarter Ended September 30, 2023

ZONE 7 WATER AGENCY

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B NOTES DTD 03/31/2021 0.750% 03/31/2026	91282CBT7	3,225,000.00	AA+	Aaa	4/1/2022	4/4/2022	2,995,848.63	2.64	66.09	3,081,564.14	2,915,601.56
US TREASURY N/B NOTES DTD 04/30/2021 0.750% 04/30/2026	91282CBW0	1,225,000.00	AA+	Aaa	2/17/2022	2/18/2022	1,170,162.11	1.86	3,844.77	1,191,281.14	1,103,456.97
US TREASURY N/B NOTES DTD 05/31/2021 0.750% 05/31/2026	91282CCF6	1,665,000.00	AA+	Aaa	3/8/2022	3/9/2022	1,592,546.48	1.82	4,196.62	1,619,341.14	1,494,857.81
US TREASURY N/B NOTES DTD 05/31/2021 0.750% 05/31/2026	91282CCF6	6,760,000.00	AA+	Aaa	6/6/2022	6/8/2022	6,195,434.38	2.99	17,038.52	6,381,939.20	6,069,212.50
US TREASURY N/B NOTES DTD 09/30/2021 0.875% 09/30/2026	91282CCZ2	3,420,000.00	AA+	Aaa	5/3/2022	5/4/2022	3,122,353.13	3.00	81.76	3,217,563.15	3,051,815.80
US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026	912828U24	6,450,000.00	AA+	Aaa	6/6/2022	6/8/2022	6,181,669.92	3.01	48,725.54	6,261,126.08	5,931,984.38
US TREASURY NOTES DTD 02/15/2017 2.250% 02/15/2027	912828V98	5,300,000.00	AA+	Aaa	7/5/2022	7/7/2022	5,162,945.31	2.85	15,230.30	5,199,650.57	4,890,906.25
US TREASURY N/B NOTES DTD 04/30/2020 0.500% 04/30/2027	912828ZN3	5,775,000.00	AA+	Aaa	8/3/2022	8/5/2022	5,161,406.25	2.92	12,083.56	5,311,167.13	4,979,132.81
US TREASURY NOTES DTD 05/15/2017 2.375% 05/15/2027	912828X88	6,220,000.00	AA+	Aaa	6/10/2022	6/13/2022	5,966,826.56	3.28	55,798.30	6,033,747.75	5,736,006.25
US TREASURY NOTES DTD 06/30/2020 0.500% 06/30/2027	912828ZV5	2,750,000.00	AA+	Aaa	8/9/2022	8/10/2022	2,440,410.16	2.99	3,474.86	2,512,734.51	2,355,546.88
US TREASURY NOTES DTD 08/15/2017 2.250% 08/15/2027	9128282R0	2,570,000.00	AA+	Aaa	9/1/2022	9/6/2022	2,436,580.86	3.40	7,385.26	2,465,424.24	2,348,738.93
US TREASURY N/B NOTES DTD 09/30/2022 4.125% 09/30/2027	91282CFM8	1,940,000.00	AA+	Aaa	11/1/2022	11/3/2022	1,927,344.53	4.27	218.65	1,929,689.18	1,899,381.25
US TREASURY N/B NOTES DTD 10/31/2022 4.125% 10/31/2027	91282CFU0	5,890,000.00	AA+	Aaa	12/13/2022	12/14/2022	6,019,303.91	3.63	101,674.52	5,998,188.63	5,764,837.50
US TREASURY N/B DTD 11/15/1997 6.125% 11/15/2027	912810FB9	1,560,000.00	AA+	Aaa	1/26/2023	1/30/2023	1,730,685.94	3.62	36,090.90	1,706,887.44	1,640,193.67
US TREASURY N/B NOTES DTD 03/31/2023 3.625% 03/31/2028	91282CGT2	850,000.00	AA+	Aaa	5/31/2023	5/31/2023	842,263.67	3.83	84.19	842,802.50	814,937.50
US TREASURY N/B NOTES DTD 04/30/2023 3.500% 04/30/2028	91282CHA2	2,000,000.00	AA+	Aaa	5/1/2023	5/1/2023	1,990,468.75	3.61	29,293.48	1,991,267.37	1,906,250.00
Security Type Sub-Total		95,265,000.00					90,923,788.89	2.80	401,526.85	92,504,346.06	88,109,536.05

For the Quarter Ended September 30, 2023

ZONE 7 WATER AGENCY

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Negotiable CD											
COOPERAT RABOBANK UA/NY CERT DEPOS DTD 07/20/2023 5.080% 07/17/2026	21684LGS5	1,350,000.00	A+	Aa2	7/17/2023	7/20/2023	1,350,000.00	5.08	13,525.50	1,350,000.00	1,321,636.50
Security Type Sub-Total		1,350,000.00					1,350,000.00	5.08	13,525.50	1,350,000.00	1,321,636.50
Corporate											
JPMORGAN CHASE & CO CORP NOTES DTD 01/28/2014 3.875% 02/01/2024	46625HJT8	2,700,000.00	A-	A1	5/20/2021	5/24/2021	2,944,944.00	0.47	17,437.50	2,730,649.15	2,679,936.30
AMAZON.COM INC CORPORATE NOTES DTD 04/13/2022 3.000% 04/13/2025	023135CE4	1,990,000.00	AA	A1	4/11/2022	4/13/2022	1,986,835.90	3.06	27,860.00	1,988,383.31	1,921,629.57
WALMART INC CORP NOTES (CALLABLE) DTD 06/27/2018 3.550% 06/26/2025	931142ED1	1,300,000.00	AA	Aa2	2/7/2022	2/9/2022	1,372,527.00	1.84	12,178.47	1,335,459.02	1,259,168.30
WELLS FARGO BANK NA BANK NOTES (CALLABLE) DTD 08/09/2023 5.450% 08/07/2026	94988J6D4	1,945,000.00	A+	Aa2	8/18/2023	8/22/2023	1,942,335.35	5.50	15,311.47	1,942,433.95	1,932,989.63
TARGET CORP CORP NOTES (CALLABLE) DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	1,375,000.00	A	A2	2/7/2022	2/9/2022	1,366,915.00	2.08	5,660.42	1,369,604.01	1,240,632.25
MICROSOFT CORP CORP NOTES (CALLABLE) DTD 02/06/2017 3.300% 02/06/2027	594918BY9	2,075,000.00	AAA	Aaa	12/14/2022	12/16/2022	2,015,634.25	4.06	10,461.46	2,026,973.78	1,969,262.15
BANK OF AMERICA CORP CORP NOTES (CALLABL DTD 03/11/2021 1.658% 03/11/2027	06051GJQ3	2,170,000.00	A-	A1	4/13/2022	4/18/2022	2,000,761.70	3.40	1,998.81	2,051,022.07	1,949,606.12
HOME DEPOT INC CORP NOTES (CALLABLE) DTD 09/14/2017 2.800% 09/14/2027	437076BT8	1,390,000.00	A	A2	1/26/2023	1/30/2023	1,311,326.00	4.16	1,837.89	1,322,698.31	1,272,964.78
TOYOTA MOTOR CREDIT CORP CORPORATE NOTES DTD 01/12/2023 4.625% 01/12/2028	89236TKQ7	980,000.00	A+	A1	8/14/2023	8/16/2023	967,946.00	4.94	9,946.32	968,290.40	955,907.68

For the Quarter Ended September 30, 2023

ZONE 7 WATER AGENCY

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
APPLE INC CORP NOTES CALLABLE DTD 05/10/2023 4.000% 05/10/2028	037833ET3	2,300,000.00	AA+	Aaa	5/10/2023	5/11/2023	2,302,001.00	3.98	36,033.33	2,301,841.68	2,208,489.90
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	455,000.00	A	A2	7/11/2023	7/14/2023	454,322.05	4.98	4,817.31	454,351.36	448,220.50
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	345,000.00	A	A2	7/14/2023	7/18/2023	348,381.00	4.73	3,652.69	348,241.90	339,859.50
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	195,000.00	A	A2	7/13/2023	7/14/2023	197,652.00	4.64	2,064.56	197,537.33	192,094.50
PACCAR FINANCIAL CORP CORPORATE NOTES DTD 08/10/2023 4.950% 08/10/2028	69371RS64	975,000.00	A+	A1	8/17/2023	8/21/2023	970,407.75	5.06	6,837.19	970,511.43	962,127.08
CITIBANK NA CORP NOTES (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028	17325FBB3	1,975,000.00	A+	Aa3	9/26/2023	9/29/2023	1,975,000.00	5.80	636.72	1,975,000.00	1,974,782.75
Security Type Sub-Total		22,170,000.00					22,156,989.00	3.62	156,734.14	21,982,997.70	21,307,671.01
Agency CMBS											
FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026	3137BTUM1	965,000.00	AA+	Aaa	5/19/2023	5/24/2023	935,296.09	4.31	2,691.55	938,368.09	913,963.69
FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027	3137BXQY1	1,320,000.00	AA+	Aaa	8/16/2023	8/18/2023	1,245,131.25	4.98	3,546.40	1,247,682.93	1,238,617.38
FHLMC MULTIFAMILY STRUCTURED P DTD 08/01/2017 3.117% 06/01/2027	3137F2LJ3	1,165,000.00	AA+	Aaa	8/17/2023	8/22/2023	1,089,457.03	5.01	3,026.09	1,091,648.27	1,084,550.09
FHMS K506 A1 DTD 09/01/2023 4.650% 05/01/2028	3137HAMG8	650,000.00	AA+	Aaa	9/7/2023	9/14/2023	640,279.25	5.01	2,518.75	640,368.73	631,027.03
FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028	3137HACX2	1,350,000.00	AA+	Aaa	7/13/2023	7/20/2023	1,363,483.80	4.59	5,421.38	1,362,930.19	1,325,166.05
FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	1,083,950.99	AA+	Aaa	7/19/2023	7/27/2023	1,083,923.89	4.78	4,315.03	1,083,924.90	1,063,728.77

For the Quarter Ended September 30, 2023

ZONE 7 WATER AGENCY

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Agency CMBS											
FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028	3136BQDE6	1,375,000.00	AA+	Aaa	7/18/2023	7/31/2023	1,351,689.45	4.58	4,801.04	1,352,493.71	1,313,768.79
FHMS KJ47 A1 DTD 09/01/2023 5.272% 08/01/2028	3137HAMN3	735,000.00	AA+	Aaa	9/19/2023	9/28/2023	734,996.33	5.27	3,229.10	734,996.97	733,050.34
FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028	3137HAMH6	1,300,000.00	AA+	Aaa	9/7/2023	9/14/2023	1,280,769.10	4.99	5,037.50	1,280,936.20	1,263,041.53
FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028	3137HAMS2	1,300,000.00	AA+	Aaa	9/20/2023	9/28/2023	1,284,461.10	5.07	5,200.00	1,284,485.24	1,276,452.88
Security Type Sub-Total		11,243,950.99					11,009,487.29	4.84	39,786.84	11,017,835.23	10,843,366.55
ABS											
CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028	161571HT4	1,045,000.00	AAA	NR	9/7/2023	9/15/2023	1,044,710.33	5.17	2,396.53	1,044,710.19	1,039,280.40
AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1	1,070,000.00	AAA	NR	9/12/2023	9/19/2023	1,069,952.17	5.23	1,865.37	1,069,950.02	1,066,357.72
Security Type Sub-Total		2,115,000.00					2,114,662.50	5.20	4,261.90	2,114,660.21	2,105,638.12
Managed Account Sub Total		132,143,950.99					127,554,927.68	3.18	615,835.23	128,969,839.20	123,687,848.23
Securities Sub Total		\$132,143,950.99					\$127,554,927.68	3.18%	\$615,835.23	\$128,969,839.20	\$123,687,848.23
Accrued Interest											\$615,835.23
Total Investments											\$124,303,683.46

ZONE 7 WATER AGENCY

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
7/6/2023	7/10/2023	1,785,000.00	91282CHK0	US TREASURY N/B NOTES	4.00%	6/30/2028	1,758,561.51	4.36%	
7/11/2023	7/14/2023	455,000.00	24422EXB0	JOHN DEERE CAPITAL CORP CORPORATE NOTES	4.95%	7/14/2028	454,322.05	4.98%	
7/13/2023	7/14/2023	195,000.00	24422EXB0	JOHN DEERE CAPITAL CORP CORPORATE NOTES	4.95%	7/14/2028	197,652.00	4.64%	
7/13/2023	7/20/2023	1,350,000.00	3137HACX2	FHMS K505 A2	4.81%	6/1/2028	1,366,917.34	4.59%	
7/14/2023	7/18/2023	345,000.00	24422EXB0	JOHN DEERE CAPITAL CORP CORPORATE NOTES	4.95%	7/14/2028	348,570.75	4.73%	
7/17/2023	7/20/2023	1,350,000.00	21684LGS5	COOPERAT RABOBANK UA/NY CERT DEPOS	5.08%	7/17/2026	1,350,000.00	5.08%	
7/18/2023	7/21/2023	1,358,000.00	91282CCN9	US TREASURY N/B NOTES	0.12%	7/31/2023	1,356,998.27	4.94%	
7/18/2023	7/31/2023	1,375,000.00	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	1,356,490.49	4.58%	
7/19/2023	7/21/2023	1,092,000.00	912796Y29	US TREASURY BILL	0.00%	7/27/2023	1,091,089.82	5.01%	
7/19/2023	7/27/2023	1,085,000.00	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	1,088,716.19	4.78%	
8/14/2023	8/16/2023	980,000.00	89236TKQ7	TOYOTA MOTOR CREDIT CORP CORPORATE NOTES	4.62%	1/12/2028	972,226.69	4.94%	
8/16/2023	8/18/2023	1,320,000.00	3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	1,247,140.88	4.98%	
8/17/2023	8/21/2023	975,000.00	69371RS64	PACCAR FINANCIAL CORP CORPORATE NOTES	4.95%	8/10/2028	971,882.44	5.06%	
8/17/2023	8/22/2023	1,165,000.00	3137F2LJ3	FHLMC MULTIFAMILY STRUCTURED P	3.11%	6/1/2027	1,091,575.29	5.01%	
8/18/2023	8/22/2023	1,945,000.00	94988J6D4	WELLS FARGO BANK NA BANK NOTES (CALLABLE	5.45%	8/7/2026	1,946,163.22	5.50%	
9/7/2023	9/14/2023	1,300,000.00	3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	1,282,952.02	4.99%	
9/7/2023	9/14/2023	650,000.00	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	641,370.71	5.01%	

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
9/7/2023	9/15/2023	1,045,000.00	161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	1,044,710.33	5.17%	
9/12/2023	9/19/2023	1,070,000.00	02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	1,069,952.17	5.23%	
9/19/2023	9/28/2023	735,000.00	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	737,902.52	5.27%	
9/20/2023	9/28/2023	1,300,000.00	3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	1,289,141.10	5.07%	
9/21/2023	9/21/2023	2,000,000.00	912796CS6	US TREASURY BILL	0.00%	9/28/2023	1,997,963.78	5.24%	
9/26/2023	9/29/2023	1,975,000.00	17325FBB3	CITIBANK NA CORP NOTES (CALLABLE)	5.80%	9/29/2028	1,975,000.00	5.80%	
Total BUY		26,850,000.00					26,637,299.57		0.00
INTEREST									
7/1/2023	7/25/2023	965,000.00	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,691.55		
7/3/2023	7/3/2023		MONEY0002	MONEY MARKET FUND			20,455.11		
7/15/2023	7/15/2023	1,375,000.00	87612EBM7	TARGET CORP CORP NOTES (CALLABLE)	1.95%	1/15/2027	13,406.25		
7/15/2023	7/15/2023	3,030,000.00	91282CDS7	US TREASURY N/B NOTES	1.12%	1/15/2025	17,043.75		
7/15/2023	7/15/2023	3,075,000.00	91282CCL3	US TREASURY N/B NOTES	0.37%	7/15/2024	5,765.63		
7/31/2023	7/31/2023	3,145,000.00	91282CAB7	US TREASURY NOTES	0.25%	7/31/2025	3,931.25		
7/31/2023	7/31/2023	3,025,000.00	91282CDV0	US TREASURY N/B NOTES	0.87%	1/31/2024	13,234.38		
7/31/2023	7/31/2023	3,160,000.00	91282CBH3	US TREASURY NOTES	0.37%	1/31/2026	5,925.00		
8/1/2023	8/1/2023		MONEY0002	MONEY MARKET FUND			22,170.16		

ZONE 7 WATER AGENCY

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
8/1/2023	8/1/2023	2,700,000.00	46625HJT8	JPMORGAN CHASE & CO CORP NOTES	3.87%	2/1/2024	52,312.50		
8/1/2023	8/25/2023	1,350,000.00	3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
8/1/2023	8/25/2023	965,000.00	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,691.55		
8/1/2023	8/25/2023	1,085,000.00	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,319.20		
8/1/2023	8/25/2023	1,375,000.00	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,801.04		
8/6/2023	8/6/2023	2,075,000.00	594918BY9	MICROSOFT CORP CORP NOTES (CALLABLE)	3.30%	2/6/2027	34,237.50		
8/15/2023	8/15/2023	5,300,000.00	912828V98	US TREASURY NOTES	2.25%	2/15/2027	59,625.00		
8/15/2023	8/15/2023	2,570,000.00	9128282R0	US TREASURY NOTES	2.25%	8/15/2027	28,912.50		
8/15/2023	8/15/2023	5,100,000.00	91282CDZ1	US TREASURY N/B NOTES	1.50%	2/15/2025	38,250.00		
8/31/2023	8/31/2023	2,760,000.00	91282CAJ0	US TREASURY NOTES	0.25%	8/31/2025	3,450.00		
9/1/2023	9/1/2023		MONEY0002	MONEY MARKET FUND			16,063.32		
9/1/2023	9/25/2023	965,000.00	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,691.55		
9/1/2023	9/25/2023	1,165,000.00	3137F2LJ3	FHLMC MULTIFAMILY STRUCTURED P	3.11%	6/1/2027	3,026.09		
9/1/2023	9/25/2023	1,084,476.89	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,317.12		
9/1/2023	9/25/2023	1,320,000.00	3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
9/1/2023	9/25/2023	1,375,000.00	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,801.04		
9/1/2023	9/25/2023	1,350,000.00	3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		

ZONE 7 WATER AGENCY

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
9/11/2023	9/11/2023	2,170,000.00	06051GJQ3	BANK OF AMERICA CORP CORP NOTES (CALLABL	1.65%	3/11/2027	17,989.30		
9/14/2023	9/14/2023	1,390,000.00	437076BT8	HOME DEPOT INC CORP NOTES (CALLABLE)	2.80%	9/14/2027	19,460.00		
9/30/2023	9/30/2023	1,940,000.00	91282CFM8	US TREASURY N/B NOTES	4.12%	9/30/2027	40,012.50		
9/30/2023	9/30/2023	2,235,000.00	91282CAM3	US TREASURY NOTES	0.25%	9/30/2025	2,793.75		
9/30/2023	9/30/2023	3,420,000.00	91282CCZ2	US TREASURY N/B NOTES	0.87%	9/30/2026	14,962.50		
9/30/2023	9/30/2023	3,200,000.00	912828ZF0	US TREASURY NOTES	0.50%	3/31/2025	8,000.00		
9/30/2023	9/30/2023	960,000.00	91282CEG2	US TREASURY N/B NOTES	2.25%	3/31/2024	10,800.00		
9/30/2023	9/30/2023	6,630,000.00	91282CBT7	US TREASURY N/B NOTES	0.75%	3/31/2026	24,862.50		
9/30/2023	9/30/2023	850,000.00	91282CGT2	US TREASURY N/B NOTES	3.62%	3/31/2028	15,406.25		
Total INTEREST		73,109,476.89					532,797.45		0.00
MATURITY									
7/15/2023	7/15/2023	1,350,000.00	912828ZY9	US TREASURY NOTES	0.12%	7/15/2023	1,350,843.75		
7/27/2023	7/27/2023	1,092,000.00	912796Y29	US TREASURY BILL	0.00%	7/27/2023	1,092,000.00		
7/31/2023	7/31/2023	1,358,000.00	91282CCN9	US TREASURY N/B NOTES	0.12%	7/31/2023	1,358,848.75		
8/14/2023	8/14/2023	5,500,000.00	89236THF5	TOYOTA MOTOR CREDIT CORP CORPORATE NOTES	0.50%	8/14/2023	5,513,750.00		
9/28/2023	9/28/2023	2,000,000.00	912796CS6	US TREASURY BILL	0.00%	9/28/2023	2,000,000.00		
Total MATURITY		11,300,000.00					11,315,442.50		0.00

ZONE 7 WATER AGENCY

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
8/1/2023	8/25/2023	523.11	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	523.11		
9/1/2023	9/25/2023	525.90	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	525.90		
Total PAYDOWNS		1,049.01					1,049.01		0.00
SELL									
7/6/2023	7/10/2023	1,755,000.00	912828ZY9	US TREASURY NOTES	0.12%	7/15/2023	1,754,558.37		-242.58
7/11/2023	7/14/2023	650,000.00	912828ZY9	US TREASURY NOTES	0.12%	7/15/2023	650,505.57		195.31
7/14/2023	7/18/2023	350,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	348,019.96		-2,112.65
7/17/2023	7/20/2023	1,360,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	1,352,634.11		-7,896.38
7/18/2023	7/21/2023	1,365,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	1,357,824.94		-7,715.14
7/19/2023	7/21/2023	1,088,000.00	91282CHK0	US TREASURY N/B NOTES	4.00%	6/30/2028	1,091,800.98		18,510.28
8/14/2023	8/16/2023	245,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	244,604.70		-527.87
8/16/2023	8/18/2023	1,325,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	1,323,337.00		-2,394.78
8/17/2023	8/21/2023	975,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	974,167.08		-1,387.76
8/17/2023	8/22/2023	1,100,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	1,099,235.90		-1,396.22
8/18/2023	8/22/2023	1,705,000.00	91282CDV0	US TREASURY N/B NOTES	0.87%	1/31/2024	1,672,790.90		-29,917.94
8/18/2023	8/22/2023	280,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	279,805.50		-355.40
9/11/2023	9/14/2023	697,000.00	91282CHK0	US TREASURY N/B NOTES	4.00%	6/30/2028	689,716.31		-2,362.82

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
SELL									
9/11/2023	9/14/2023	2,040,000.00	91282CEG2	US TREASURY N/B NOTES	2.25%	3/31/2024	2,026,677.82		-32,237.04
9/18/2023	9/19/2023	1,190,000.00	91282CAM3	US TREASURY NOTES	0.25%	9/30/2025	1,083,461.37		-45,935.30
9/20/2023	9/21/2023	2,040,000.00	91282CGT2	US TREASURY N/B NOTES	3.62%	3/31/2028	2,000,728.44		-57,048.98
9/27/2023	9/29/2023	1,980,000.00	91282CFM8	US TREASURY N/B NOTES	4.12%	9/30/2027	1,980,550.28		-29,526.24
Total SELL		20,145,000.00					19,930,419.23		-202,351.51

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY	7/6/2023	7/10/2023	1,785,000.00	91282CHK0	US TREASURY N/B NOTES	4.00%	6/30/2028	1,758,561.51	4.36%	
BUY	7/11/2023	7/14/2023	455,000.00	24422EXB0	JOHN DEERE CAPITAL CORP	4.95%	7/14/2028	454,322.05	4.98%	
BUY	7/13/2023	7/14/2023	195,000.00	24422EXB0	JOHN DEERE CAPITAL CORP	4.95%	7/14/2028	197,652.00	4.64%	
BUY	7/13/2023	7/20/2023	1,350,000.00	3137HACX2	FHMS K505 A2	4.81%	6/1/2028	1,366,917.34	4.59%	
BUY	7/14/2023	7/18/2023	345,000.00	24422EXB0	JOHN DEERE CAPITAL CORP	4.95%	7/14/2028	348,570.75	4.73%	
BUY	7/17/2023	7/20/2023	1,350,000.00	21684LGS5	COOPERAT RABOBANK UA/NY CERT	5.08%	7/17/2026	1,350,000.00	5.08%	
BUY	7/18/2023	7/21/2023	1,358,000.00	91282CCN9	US TREASURY N/B NOTES	0.12%	7/31/2023	1,356,998.27	4.94%	
BUY	7/18/2023	7/31/2023	1,375,000.00	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	1,356,490.49	4.58%	
BUY	7/19/2023	7/21/2023	1,092,000.00	912796Y29	US TREASURY BILL	0.00%	7/27/2023	1,091,089.82	5.01%	
BUY	7/19/2023	7/27/2023	1,085,000.00	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	1,088,716.19	4.78%	
BUY	8/14/2023	8/16/2023	980,000.00	89236TKQ7	TOYOTA MOTOR CREDIT CORP	4.62%	1/12/2028	972,226.69	4.94%	
BUY	8/16/2023	8/18/2023	1,320,000.00	3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	1,247,140.88	4.98%	
BUY	8/17/2023	8/21/2023	975,000.00	69371RS64	PACCAR FINANCIAL CORP CORPORATE	4.95%	8/10/2028	971,882.44	5.06%	
BUY	8/17/2023	8/22/2023	1,165,000.00	3137F2LJ3	FHLMC MULTIFAMILY STRUCTURED P	3.11%	6/1/2027	1,091,575.29	5.01%	
BUY	8/18/2023	8/22/2023	1,945,000.00	94988J6D4	WELLS FARGO BANK NA BANK NOTES	5.45%	8/7/2026	1,946,163.22	5.50%	
BUY	9/7/2023	9/14/2023	1,300,000.00	3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	1,282,952.02	4.99%	
BUY	9/7/2023	9/14/2023	650,000.00	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	641,370.71	5.01%	
BUY	9/7/2023	9/15/2023	1,045,000.00	161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	1,044,710.33	5.17%	

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY	9/12/2023	9/19/2023	1,070,000.00	02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	1,069,952.17	5.23%	
BUY	9/19/2023	9/28/2023	735,000.00	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	737,902.52	5.27%	
BUY	9/20/2023	9/28/2023	1,300,000.00	3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	1,289,141.10	5.07%	
BUY	9/21/2023	9/21/2023	2,000,000.00	912796CS6	US TREASURY BILL	0.00%	9/28/2023	1,997,963.78	5.24%	
BUY	9/26/2023	9/29/2023	1,975,000.00	17325FBB3	CITIBANK NA CORP NOTES (CALLABLE)	5.80%	9/29/2028	1,975,000.00	5.80%	
INTEREST	7/1/2023	7/25/2023	965,000.00	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,691.55		
INTEREST	7/3/2023	7/3/2023		MONEY0002	MONEY MARKET FUND			20,455.11		
INTEREST	7/15/2023	7/15/2023	1,375,000.00	87612EBM7	TARGET CORP CORP NOTES	1.95%	1/15/2027	13,406.25		
INTEREST	7/15/2023	7/15/2023	3,030,000.00	91282CDS7	US TREASURY N/B NOTES	1.12%	1/15/2025	17,043.75		
INTEREST	7/15/2023	7/15/2023	3,075,000.00	91282CCL3	US TREASURY N/B NOTES	0.37%	7/15/2024	5,765.63		
INTEREST	7/31/2023	7/31/2023	3,145,000.00	91282CAB7	US TREASURY NOTES	0.25%	7/31/2025	3,931.25		
INTEREST	7/31/2023	7/31/2023	3,025,000.00	91282CDV0	US TREASURY N/B NOTES	0.87%	1/31/2024	13,234.38		
INTEREST	7/31/2023	7/31/2023	3,160,000.00	91282CBH3	US TREASURY NOTES	0.37%	1/31/2026	5,925.00		
INTEREST	8/1/2023	8/1/2023		MONEY0002	MONEY MARKET FUND			22,170.16		
INTEREST	8/1/2023	8/1/2023	2,700,000.00	46625HJT8	JPMORGAN CHASE & CO CORP NOTES	3.87%	2/1/2024	52,312.50		
INTEREST	8/1/2023	8/25/2023	1,350,000.00	3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
INTEREST	8/1/2023	8/25/2023	965,000.00	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,691.55		
INTEREST	8/1/2023	8/25/2023	1,085,000.00	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,319.20		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	8/1/2023	8/25/2023	1,375,000.00	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,801.04		
INTEREST	8/6/2023	8/6/2023	2,075,000.00	594918BY9	MICROSOFT CORP CORP NOTES	3.30%	2/6/2027	34,237.50		
INTEREST	8/15/2023	8/15/2023	5,300,000.00	912828V98	US TREASURY NOTES	2.25%	2/15/2027	59,625.00		
INTEREST	8/15/2023	8/15/2023	2,570,000.00	9128282R0	US TREASURY NOTES	2.25%	8/15/2027	28,912.50		
INTEREST	8/15/2023	8/15/2023	5,100,000.00	91282CDZ1	US TREASURY N/B NOTES	1.50%	2/15/2025	38,250.00		
INTEREST	8/31/2023	8/31/2023	2,760,000.00	91282CAJ0	US TREASURY NOTES	0.25%	8/31/2025	3,450.00		
INTEREST	9/1/2023	9/1/2023		MONEY0002	MONEY MARKET FUND			16,063.32		
INTEREST	9/1/2023	9/25/2023	965,000.00	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,691.55		
INTEREST	9/1/2023	9/25/2023	1,165,000.00	3137F2LJ3	FHLMC MULTIFAMILY STRUCTURED P	3.11%	6/1/2027	3,026.09		
INTEREST	9/1/2023	9/25/2023	1,084,476.89	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,317.12		
INTEREST	9/1/2023	9/25/2023	1,320,000.00	3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
INTEREST	9/1/2023	9/25/2023	1,375,000.00	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,801.04		
INTEREST	9/1/2023	9/25/2023	1,350,000.00	3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
INTEREST	9/11/2023	9/11/2023	2,170,000.00	06051GJQ3	BANK OF AMERICA CORP CORP NOTES	1.65%	3/11/2027	17,989.30		
INTEREST	9/14/2023	9/14/2023	1,390,000.00	437076BT8	HOME DEPOT INC CORP NOTES	2.80%	9/14/2027	19,460.00		
INTEREST	9/30/2023	9/30/2023	1,940,000.00	91282CFM8	US TREASURY N/B NOTES	4.12%	9/30/2027	40,012.50		
INTEREST	9/30/2023	9/30/2023	2,235,000.00	91282CAM3	US TREASURY NOTES	0.25%	9/30/2025	2,793.75		
INTEREST	9/30/2023	9/30/2023	3,420,000.00	91282CCZ2	US TREASURY N/B NOTES	0.87%	9/30/2026	14,962.50		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	9/30/2023	9/30/2023	3,200,000.00	912828ZF0	US TREASURY NOTES	0.50%	3/31/2025	8,000.00		
INTEREST	9/30/2023	9/30/2023	960,000.00	91282CEG2	US TREASURY N/B NOTES	2.25%	3/31/2024	10,800.00		
INTEREST	9/30/2023	9/30/2023	6,630,000.00	91282CBT7	US TREASURY N/B NOTES	0.75%	3/31/2026	24,862.50		
INTEREST	9/30/2023	9/30/2023	850,000.00	91282CGT2	US TREASURY N/B NOTES	3.62%	3/31/2028	15,406.25		
MATURITY	7/15/2023	7/15/2023	1,350,000.00	912828ZY9	US TREASURY NOTES	0.12%	7/15/2023	1,350,843.75		
MATURITY	7/27/2023	7/27/2023	1,092,000.00	912796Y29	US TREASURY BILL	0.00%	7/27/2023	1,092,000.00		
MATURITY	7/31/2023	7/31/2023	1,358,000.00	91282CCN9	US TREASURY N/B NOTES	0.12%	7/31/2023	1,358,848.75		
MATURITY	8/14/2023	8/14/2023	5,500,000.00	89236THF5	TOYOTA MOTOR CREDIT CORP	0.50%	8/14/2023	5,513,750.00		
MATURITY	9/28/2023	9/28/2023	2,000,000.00	912796CS6	US TREASURY BILL	0.00%	9/28/2023	2,000,000.00		
PAYDOWN	8/1/2023	8/25/2023	523.11	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	523.11		
PAYDOWN	9/1/2023	9/25/2023	525.90	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	525.90		
SELL	7/6/2023	7/10/2023	1,755,000.00	912828ZY9	US TREASURY NOTES	0.12%	7/15/2023	1,754,558.37		-242.58
SELL	7/11/2023	7/14/2023	650,000.00	912828ZY9	US TREASURY NOTES	0.12%	7/15/2023	650,505.57		195.31
SELL	7/14/2023	7/18/2023	350,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	348,019.96		-2,112.65
SELL	7/17/2023	7/20/2023	1,360,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	1,352,634.11		-7,896.38
SELL	7/18/2023	7/21/2023	1,365,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	1,357,824.94		-7,715.14
SELL	7/19/2023	7/21/2023	1,088,000.00	91282CHK0	US TREASURY N/B NOTES	4.00%	6/30/2028	1,091,800.98		18,510.28
SELL	8/14/2023	8/16/2023	245,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	244,604.70		-527.87

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
SELL	8/16/2023	8/18/2023	1,325,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	1,323,337.00		-2,394.78
SELL	8/17/2023	8/21/2023	975,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	974,167.08		-1,387.76
SELL	8/17/2023	8/22/2023	1,100,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	1,099,235.90		-1,396.22
SELL	8/18/2023	8/22/2023	1,705,000.00	91282CDV0	US TREASURY N/B NOTES	0.87%	1/31/2024	1,672,790.90		-29,917.94
SELL	8/18/2023	8/22/2023	280,000.00	91282CCU3	US TREASURY N/B NOTES	0.12%	8/31/2023	279,805.50		-355.40
SELL	9/11/2023	9/14/2023	697,000.00	91282CHK0	US TREASURY N/B NOTES	4.00%	6/30/2028	689,716.31		-2,362.82
SELL	9/11/2023	9/14/2023	2,040,000.00	91282CEG2	US TREASURY N/B NOTES	2.25%	3/31/2024	2,026,677.82		-32,237.04
SELL	9/18/2023	9/19/2023	1,190,000.00	91282CAM3	US TREASURY NOTES	0.25%	9/30/2025	1,083,461.37		-45,935.30
SELL	9/20/2023	9/21/2023	2,040,000.00	91282CGT2	US TREASURY N/B NOTES	3.62%	3/31/2028	2,000,728.44		-57,048.98
SELL	9/27/2023	9/29/2023	1,980,000.00	91282CFM8	US TREASURY N/B NOTES	4.12%	9/30/2027	1,980,550.28		-29,526.24
TOTALS			131,405,525.90					58,417,007.76		-202,351.51

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- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

Glossary

- **Accrued Interest:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **Agencies:** Federal agency securities and/or Government-sponsored enterprises.
- **Amortized Cost:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **Bankers' Acceptance:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **Commercial Paper:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **Contribution to Total Return:** The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- **Effective Duration:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **Effective Yield:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **Interest Rate:** Interest per year divided by principal amount and expressed as a percentage.
- **Market Value:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.
- **Negotiable Certificates of Deposit:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **Par Value:** The nominal dollar face amount of a security.
- **Pass-through Security:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

Glossary

- **Repurchase Agreements:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **Settle Date:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **Supranational:** A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- **Trade Date:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **Unsettled Trade:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. Treasury:** The department of the U.S. government that issues Treasury securities.
- **Yield:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM at Cost:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM at Market:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.