

General Manager's Report

April 2026



Highlights

Lower Basin proposal for Colorado River conservation

Metropolitan has been working for more than a year toward building a consensus among Colorado River water users for post-2026 operations. But all seven states have not been able to reach an agreement. With current guidelines expiring in a few months and record-low snowpack in the Colorado River Basin, Metropolitan and our Lower Basin partners shifted to address the immediate critical hydrology. On May 1, California, Arizona and Nevada submitted to the U.S. Bureau of Reclamation a short-term proposal to make 1.25 million acre-feet in annual reductions in 2027 and 2028 and support additional conservation actions.

We continue to urge the seven basin states to work toward a consensus agreement for operations after 2028 to avoid lengthy court battles and uncertainty for Metropolitan and all those who depend on this critical water supply.

Key ruling on Delta Conveyance Project

Last month the Delta Stewardship Council rejected most of the appeals challenging the Certification of Consistency with the Delta Plan for the proposed Delta Conveyance Project. The decision was celebrated as a win by Gov. Gavin Newsom, who called the council's ruling "an important step towards final permitting."

The council did order the Department of Water Resources to address two issues – whether the DCP would improve habitat conditions for the nonnative invasive golden mussel and whether the project location conflicts with Sacramento Area Sewer District's recycled water project. DWR will need to resolve those remaining issues and resubmit the project's Certification of Consistency before the project can move forward.

Investment in existing infrastructure and a commitment to reliability

With the unanimous adoption of the biennial budget last month, the Board of Directors made a clear statement of priorities: Metropolitan is investing in reliability. The budget increases funding for the Capital Investment Plan by more than \$300 million to help rehabilitate aging infrastructure so Metropolitan can continue to reliably deliver high-quality water. The budget also provides funding for the planning and final design of Pure Water Southern California for the Board's consideration later this year.

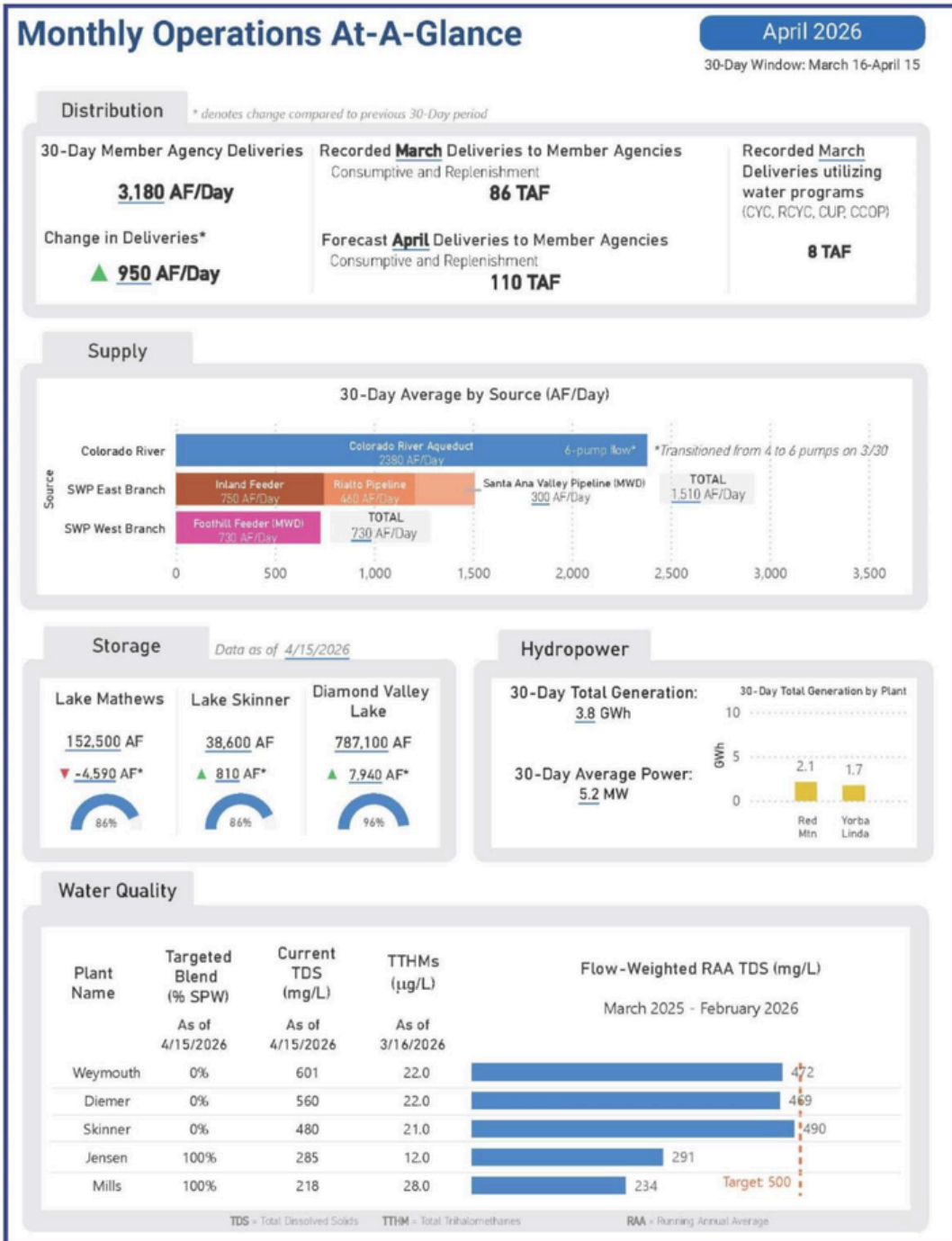
The approved budget totals \$2.3 billion in 2026/27 and \$2.4 billion in 2027/28. The board approved overall rate increases of 6.2% on Jan. 1, 2027 and Jan. 1, 2028. The budget also anticipates a small increase to the voter-approved special tax Metropolitan levies on properties in its Southern California service area.

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Operations





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April 2026 Water Supply Report

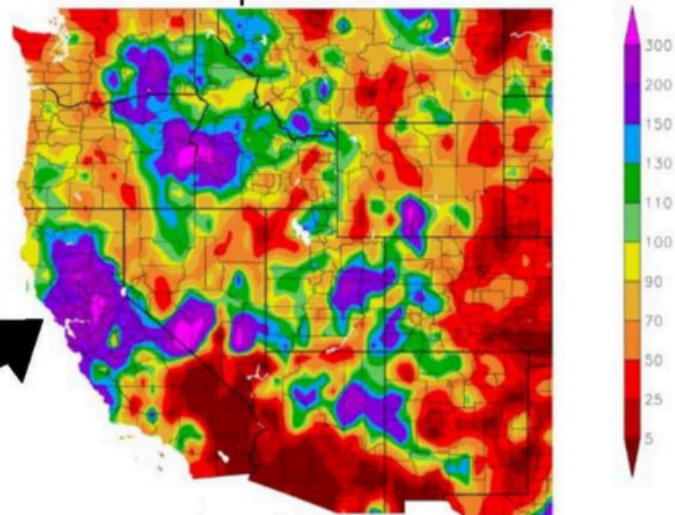
Extended Report: <https://www.mwdh2o.com/WSCR>

Significant precipitation brought snow and rain to northern Sierra after the dry March (see maps for percent of normal precipitation). 8 Station index received 7.8 inches of rain or 181% of normal for April.

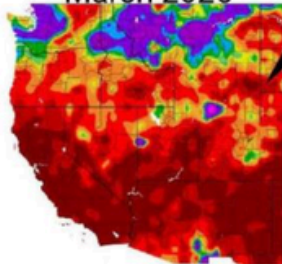
Lake Powell unregulated inflow forecast decreased by 500,000 acre-feet (compared to the previous forecast) and it is now 3.371 million acre-feet for the water year, 2nd lowest in history after water year 2002.

Precipitation improvement in April
(Maps show percent of normal precipitation)

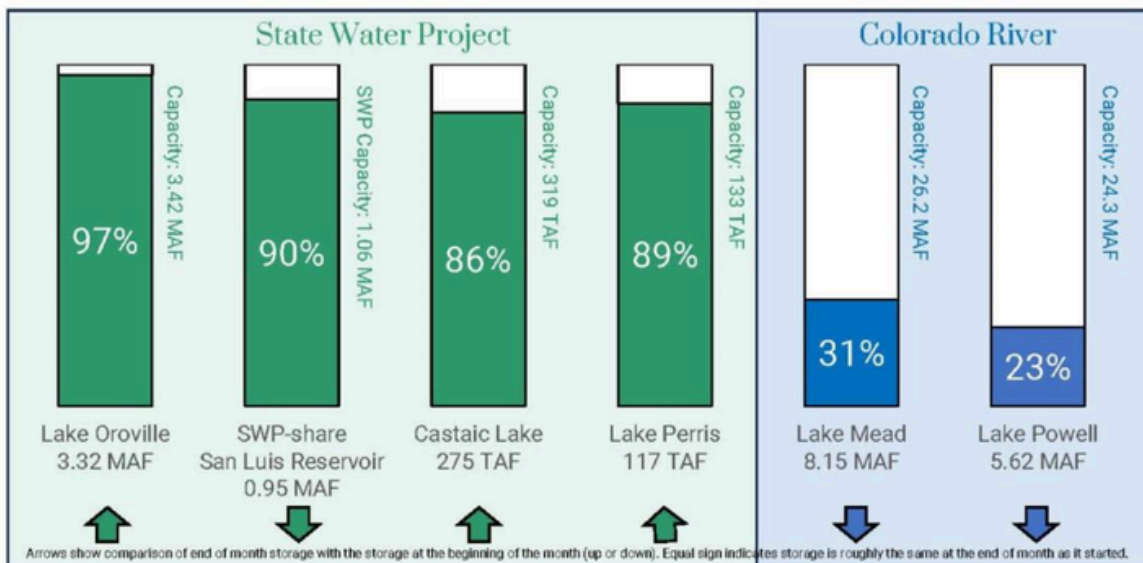
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March 2026



High Plains Regional Climate Center (HPRCC)
<https://hprcc.unl.edu/maps.php?map=ACISClimateMaps#>

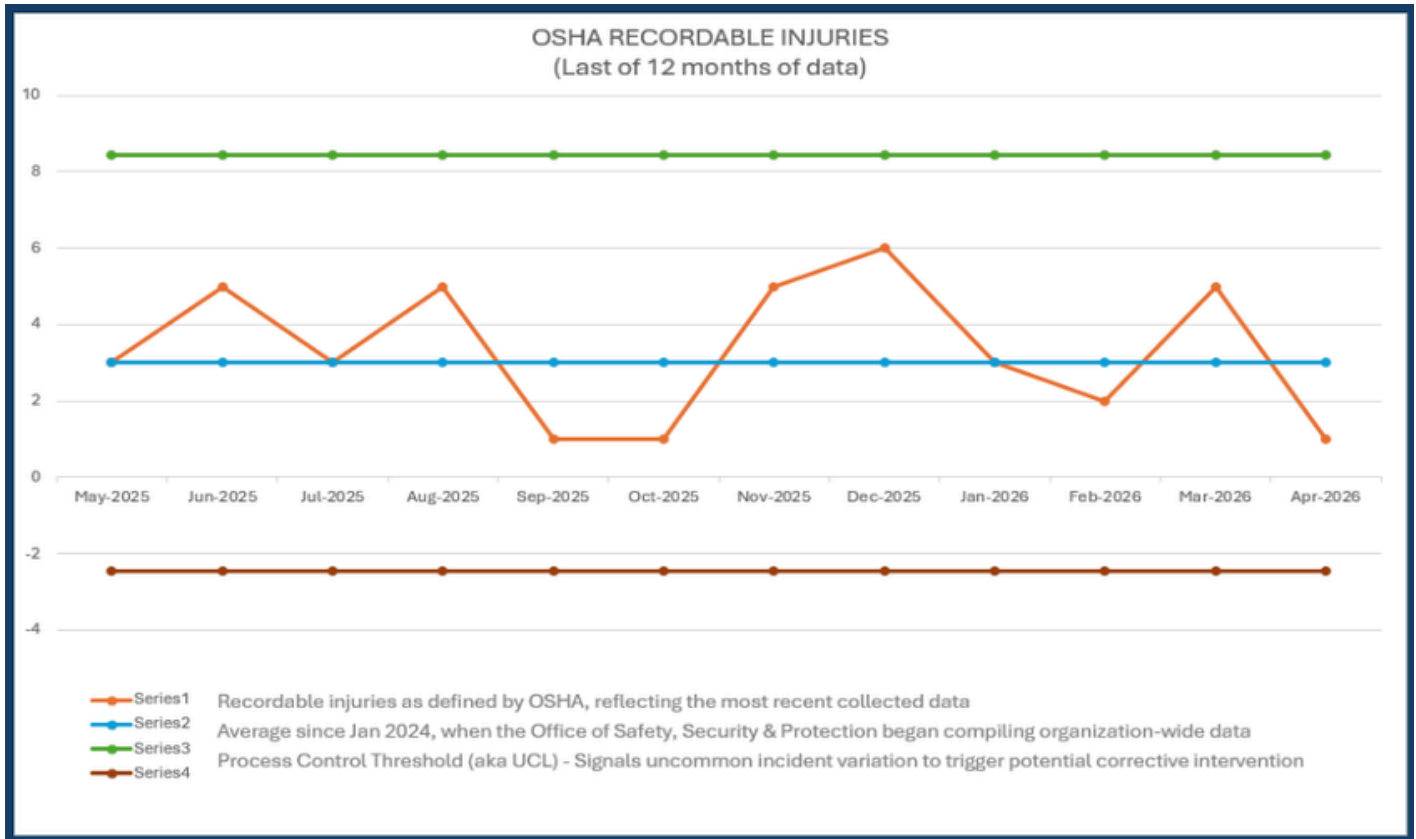


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Safety



New Legislative Positions

Bill	Author	Purpose	Position
AB 2739	E. Soria	Water: affordability and system stabilization.	Support
SB 952	J. Laird	State Water Project: renewable energy resources and zero-carbon resources.	Support
SB 1125	C. Menjivar	Water Rate Assistance Program.	Support

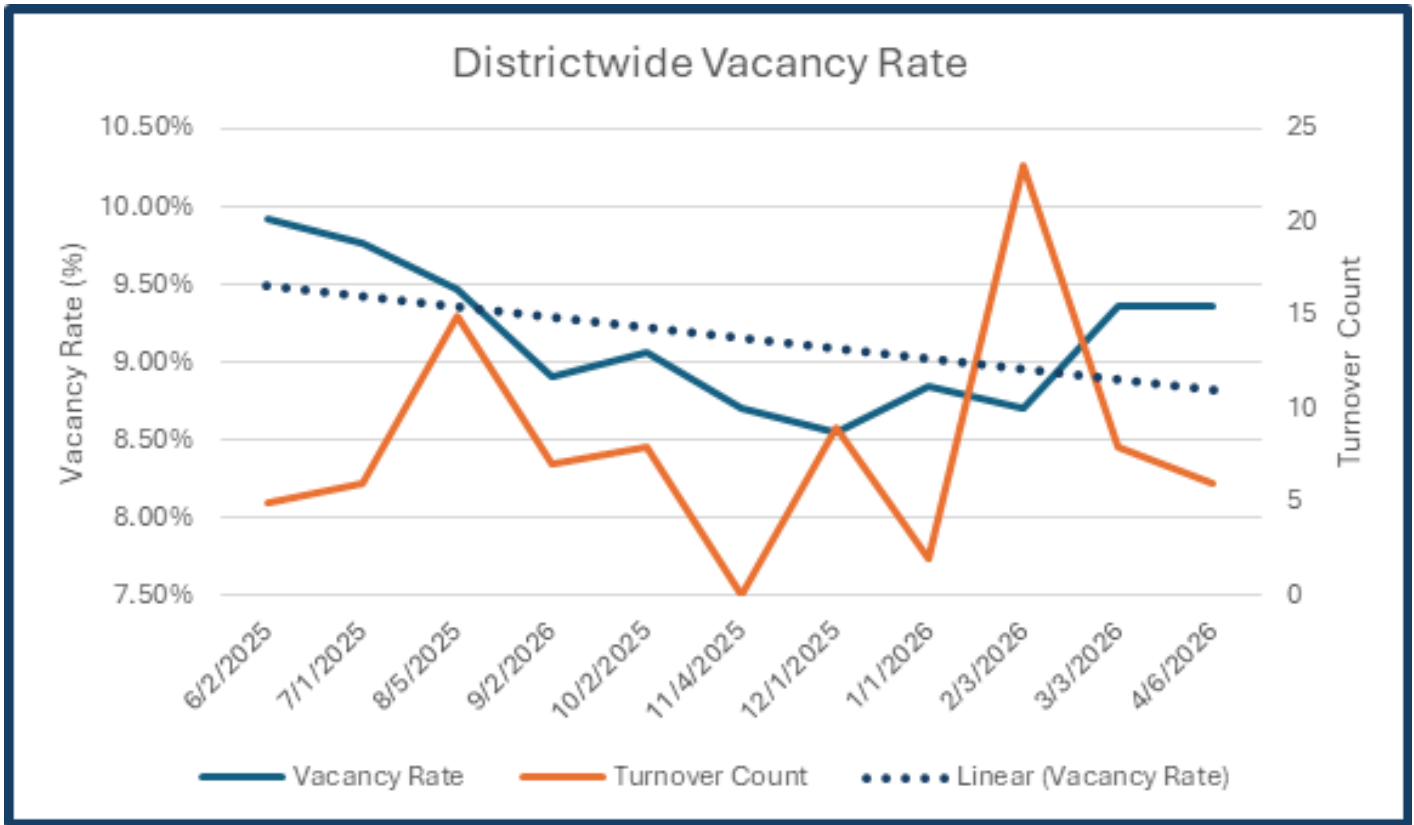
Additional information available on the legislative matrices <https://www.mwdh2o.com/legislative-services/>

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Human Resources



CIP Board Actions - April 2026

Board Letter No.	Project	Action Taken
8-1	Pure Water Southern California	Approved and appropriated \$150 million for 45-MGD Stage 1 PWSC planning and final design costs for FYs 2026/27 & 2027/28
8-2	Capital Investment Plan for Fiscal Years 2026/27 and 2027/28	Approved and appropriated \$1.025 billion for projects identified in the CIP for FYs 2026/27 and 2027/28

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Conservation Expenditures- FY 2024/25 & FY 2025/26⁽¹⁾

	Paid ⁽²⁾	Committed ⁽³⁾
Regional Devices	\$2.3 M	\$0.7 M
Member Agency Administered	\$8.2 M	\$6.6 M
Turf Replacement	\$20.1 M	\$27.6 M
Advertising	\$1.7 M	\$0.9 M
Other	\$3.5 M	\$1.5 M
TOTAL	\$35.8 M	\$37.3 M

(1) The Conservation Program biennial expenditure authorization is \$98.2 million.

(2) Paid as of 7/1/2024 - 2/28/2026. Financial reporting on cash basis.

(3) Committed dollars as of March 10, 2026

Conservation Classes

Metropolitan offers a variety of landscape classes throughout the month. More information can be found on www.bewaterwise.com.