

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

**FINANCE, AFFORDABILITY, ASSET MANAGEMENT, AND EFFICIENCY
COMMITTEE**

September 9, 2025

Chair Miller called the meeting to order at 8:30 a.m.

Members present: Directors Alvarez, Bryant, Dennstedt, Fong-Sakai, McMillan (entered after roll call), Miller, Pressman (teleconference posted location), and Seckel.

Members absent: Directors Armstrong, Petersen, and Quinn.

Other Board Members present: Directors Ackerman, Dick, Erdman, Faessel, Gray, Jay, Katz, Kurtz, Ortega, and Shepherd Romey.

Committee Staff present: Benson, Crosson, Kasaine, Quilizapa, Rubin, Upadhyay, and Williams.

**1. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE
COMMITTEE ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION**

None

CONSENT CALENDAR ITEMS - ACTION

2. CONSENT CALENDAR OTHER ITEMS-ACTION

- A. Subject: Approval of the Minutes of the Finance, Affordability, Asset
Management, and Efficiency Committee Meeting for August 19, 2025

3. CONSENT CALENDAR -ACTION

Director Fong-Sakai announced she will not be voting on Item 7-7 as she receives per diem, reimbursements, and other benefits from San Diego County Water Authority for her service on the Board and would leave the room if discussion takes place.

Director Miller announced he will not be voting on Item 7-7 as he receives per diem, reimbursements, and other benefits from San Diego County Water Authority for his service on the Board and would leave the room if discussion takes place.

Director Katz announced he will not be voting on Item 7-7 as he receives per diem, reimbursements, and other benefits from San Diego County Water Authority for his service on the Board and would leave the room if discussion takes place.

- 7-6 Subject: Review and consider the Mitigated Negative Declaration adopted by the Lead Agency for the project, and authorize the General Manager to execute a new 30-year license agreement with four options to extend the term in five-year increments for a maximum term of 50 years with the City of Fontana for supplemental parking for a Fire Station and Training Facility on Metropolitan fee-owned property in the city of Fontana, identified as San Bernardino County Assessor Parcel No. 0228-021-26
- Motion: Review and consider the Mitigated Negative Declaration adopted by the Lead Agency for the project, and authorize the General Manager to execute a new 30-year license agreement with four options to extend the term in five-year increments for a maximum term of 50 years with the City of Fontana for supplemental parking for a Fire Station and Training Facility on Metropolitan fee-owned property in the City of Fontana, identified as San Bernardino County Assessor Parcel No. 0228-021-26

No presentation requested.

- 7-7 Subject: Review and consider the Mitigated Negative Declaration adopted by the Lead Agency for the project and adopt a resolution approving an Agreement for Water Service with the Barona Band of Mission Indians, San Diego County Water Authority, Ramona Municipal Water District and Metropolitan. [REVISED SUBJECT on 8/28/2025]
- Motion: Review and consider the Mitigated Negative Declaration adopted by the Lead Agency for the project, and adopt a resolution approving an Agreement for Water Service with the Barona Band of Mission Indians, San Diego County Water Authority, Ramona Municipal Water District and Metropolitan

No presentation requested.

Director Seckel made a motion, seconded by Director Dennstedt, to approve the consent calendar consisting of items 2A, 7-6, and 7-7 option 1.

The vote was:

Ayes: Directors Alvarez, Bryant, Dennstedt, Fong-Sakai, Miller, Pressman, and Seckel.

Noes: None

Abstentions: None

Absent: Directors Armstrong, McMillan, Petersen, and Quinn.

Not Voting: Directors Fong-Sakai (item 7-7) and Miller (item 7-7)

The motion for item 2A passed by a vote of 7 ayes, 0 noes, 0 abstain, and 4 absent.

The motion for item 7-6 passed by a vote of 7 ayes, 0 noes, 0 abstain, and 4 absent.

The motion for item 7-7 failed by a vote of 5 ayes, 0 noes, 0 abstain, 4 absent, and 2 not voting.

****END OF CONSENT CALENDAR ITEMS****

4. COMMITTEE ITEMS - (ACTION FOR BOARD CONSIDERATION)

None

5. COMMITTEE ITEMS - (INFORMATIONAL FOR BOARD CONSIDERATION)

9-2 Subject: Review the applicability of the Metropolitan Water District Act 21-4986 Section 124.5 ad valorem property tax limitation for fiscal years 2026/27 through 2035/36, consistent with the Ten-Year Financial Forecast

Presented By: Sam Smalls, Manager of Treasury and Debt Management

Ms. Kasaine introduced the item and Mr. Smalls provided an overview of the applicability of MWD Act section 124.5, its impact on property tax revenues, and next steps.

Director McMillan entered the meeting.

The following Directors provided comments or asked questions:

1. Seckel
2. Miller
3. Alvarez

Staff responded to the Directors' comments and questions.

Chair Ortega announced that he decided to recuse himself on item 9-3 as he was involved with mutual water companies and will leave the room before any discussion takes place out of an abundance of caution.

- 9-3 Subject: Review Proposed Emergency Event Member Agency Payment
 Deferment Program, amendment to the Administrative Code to
 implement the Program, and delegation of authority to the General
 Manager to administer the Program
 Presented By: Mari Karamyan, Unit Manager-Finance Services

Ms. Kasaine introduced the item and Ms. Karamyan provided background of the program, proposed metrics, overview of the proposed new administrative code section 4520, and fiscal impact.

The following Directors provided comments or asked questions:

1. Fong-Sakai
2. Pressman
3. Miller
4. Alvarez
5. Jay
6. Faessel
7. Bryant
8. Seckel

Staff responded to the Directors' comments and questions.

6. COMMITTEE ITEMS

- a. Subject: Encroachment Report

 Presented By: Gina Franco, Sr Real Estate Representative

Ms. Crosson introduced the item and Ms. Franco provided the committee with an overview of encroachments. Her presentations included historical encroachment removal process, historical encroachments by County, high priority historical encroachments, and next steps.

The following Directors provided comments or asked questions:

1. Dick
2. Dennstedt
3. Miller
4. Alvarez
5. Shepherd Romey
6. Bryant

Staff responded to the Directors' comments and questions.

7. MANAGEMENT ANNOUNCEMENTS AND HIGHLIGHTS

- a. Subject: Financial, Affordability, Asset Management, and Efficiency activities

Mr. Benson reminded the committee of the Board workshop scheduled for September 23, 2025, to discuss staffing needs. He also noted that staff will return in the fall to present an update on the long-range financial forecast.

The following Directors provided comments or asked questions:

1. Alvarez
2. Miller

Staff responded to Director's questions and comments.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

10. ADJOURNMENT

The next meeting will be held on October 14, 2025

The meeting adjourned at 9:51 a.m.

C. Martin (Marty) Miller
Chair