

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

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

November 18, 2025

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

Members present: Directors Alvarez, Armstrong, Bryant, Dennstedt, Fong-Sakai, McMillan (entered after roll call), Miller, Pressman, Quinn (entered after roll call), and Seckel (AB 2449 just cause).

Members absent: Director Petersen.

Other Members present: Ackerman, Cordero, Denham, Dick, Erdman, Faessel, Fellow, Gray (teleconference posted location), Jay, Katz, Kurtz, Lewitt (teleconference posted location), Ortega, Ramos (teleconference posted location), and Shepherd Romey.

Director Seckel indicated he was participating under AB 2449 just cause due to contagious illness. Director Seckel appeared by audio and on camera, and announced that no one was in the room with him, 18 years of age or older.

Committee Staff present: Benson, Crosson, Deshmukh, Hudson, Kasaine, Quilizapa, Ros, Rubin, and Upadhyay.

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

None

CONSENT CALENDAR ITEMS -- ACTION

2. COMMITTEE ACTION (ONLY)

- A. Subject: Approval of the Minutes of the Finance and Asset Management Committee Meeting for October 14, 2025

3. COMMITTEE ITEMS (FOR BOARD CONSIDERATION)

Committee Chair Miller announced that Chair Ortega had requested a presentation for item 7-2.

7-2 Subject: Approve and authorize the distribution of Appendix A for use in the issuance and remarketing of Metropolitan's Bonds; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Motion:

- a. Approve the draft of Appendix A (Attachment 1) attached to this board letter.
- b. Authorize the General Manager, or other designee of the Ad Hoc Committee, to finalize, with changes approved by the General Manager and General Counsel, Appendix A.
- c. Authorize distribution of Appendix A, finalized by the General Manager or other designee of the Ad Hoc Committee, in connection with the sale and/or remarketing of bonds.

Presented By: Sam Smalls, Manager of Treasury & Debt Management
Juan Redin, Senior Deputy General Counsel

Ms. Kasaine introduced the item, and Mr. Smalls presented an overview of the purpose of Appendix A, its role in Metropolitan's bond disclosure, and the updated process. Next, Mr. Redin provided an overview of the Board's review and approval process, securities laws, Board member duties, and best practices for compliance with disclosure rules. Lastly, Mr. Smalls highlighted recent updates to Appendix A and noted the timeline for future updates.

The following Directors provided comments or asked questions:

1. Pressman
2. Fong Sakai
3. Miller

Staff responded to the Directors' comments and questions.

Director McMillan entered the meeting.

Director Quinn entered the meeting.

7-3 Subject: Authorize the General Manager to grant a permanent access easement to Pacific Gas and Electric for electrical transmission purposes on a portion of Metropolitan-owned real property in the Sacramento-San Joaquin Bay Delta known as Bouldin Island and also identified as Assessor Parcel Number 069-030-38; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. Agency negotiators: Steven Johnson, Kevin Webb, and Kieran Callanan; negotiating parties: Pacific Gas & Electric; under negotiation: a permanent easement for public utility purposes

 Motion: Authorize the General Manager to grant a permanent easement to Pacific Gas and Electric Company for electrical transmission purposes on a portion of Metropolitan fee-owned real property on Bouldin Island in the Sacramento-San Joaquin Delta and identified as San Joaquin County Assessor Parcel Number 069-030-38.

No presentation was requested.

7-4 Subject: Authorize the General Manager to execute a new license agreement with Eastmore Partners LLC for up to twenty years for access and supplemental parking purposes on Metropolitan fee-owned property in the city of Riverside, and identified as County of Riverside Assessor Parcel Number TBD; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

 Motion: Authorize the General Manager to execute a new license agreement with Eastmore Partners LLC for up to twenty years for access and supplemental parking purposes on Metropolitan's fee-owned property in the city of Riverside, and identified as County of Riverside Assessor Parcel Number 263-290-059

No presentation was requested.

Director Seckel announced during roll call that no one was in the room with him 18 years of age or older.

Director Bryant made a motion, seconded by Director Dennstedt, to approve the consent calendar consisting of items 2A, 7-2, 7-3 and 7-4.

The vote was:

Ayes: Directors Alvarez, Armstrong, Bryant, Dennstedt, Fong-Sakai, McMillan, Miller, Pressman, Quinn, and Seckel.
Noes: None
Abstentions: None
Absent: Director Petersen

The motion for items 2A, 7-2, 7-3, and 7-4 passed by a vote of 10 ayes, 0 noes, 0 abstentions, and 1 absent.

END OF CONSENT CALENDAR ITEMS

4. COMMITTEE ITEMS (ACTION FOR BOARD CONSIDERATION)

8-2 Subject: Adopt the resolution finding that the ad valorem property tax rate limitation of Metropolitan Water District Act Section 124.5 is not applicable because it is essential to Metropolitan's fiscal integrity to collect ad valorem property taxes in excess of the limitation for fiscal years 2026/27 through 2035/36, consistent with the Ten-Year Financial Forecast; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Motion: Adopt the resolution finding that the ad valorem property tax rate limitation of Metropolitan Water District Act Section 124.5 is not applicable because it is essential to Metropolitan's fiscal integrity to collect ad valorem property taxes in excess of the 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 presented the committee with an overview of the applicability of Metropolitan Water District Act section 124.5 for the committee to determine whether it is essential to Metropolitan's fiscal integrity to collect ad valorem property taxes in excess of the limitation for fiscal years (FY) 2026/27 through 2035/36.

His presentation included the summary of the 124.5 determination process, its legal effect, outstanding debt service, and a history of the property tax rates and revenue sources. Mr. Smalls also overviewed Metropolitan's 2023 long-range finance plan, including estimated capital investment needs, State Water Contract costs, and major drivers for the upcoming biennium budget.

Lastly, he highlighted, Metropolitan's inherent volatility in its financial profile, factors supporting Metropolitan's fiscal integrity, justification for a 10-year determination, and Rating Agency considerations related to property tax revenues.

The following Directors provided comments or asked questions:

1. Quinn
2. Ortega
3. Bryant
4. Seckel
5. Katz
6. Miller
7. Dick

Staff responded to the Directors' comments and questions.

Director Seckel made a motion, seconded by Director McMillan, to approve the consent calendar consisting of item 8-2 option 1.

Director Seckel announced during roll call that no one was in the room with him 18 years of age or older.

The vote was:

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

Noes: Quinn

Abstentions: None

Absent: Director Petersen

The motion for item 8-2 passed by a vote of 9 ayes, 1 noe, 0 abstentions, and 1 absent.

5. COMMITTEE ITEMS (INFORMATION FOR BOARD CONSIDERATION)

9-5 Subject: Compliance with Fund Requirements and Bond Indenture Provisions

Ms. Kasaine introduced the item and stated the report is posted online.

7. MANAGEMENT ANNOUNCEMENTS AND HIGHLIGHTS

a. Subject: Financial and Asset Management Activities

Mr. Benson reported the activities report is posted.

The following Directors provided comments or asked questions:

1. Miller
2. Ortega
3. Seckel
4. Alvarez

Staff responded to the Directors' comments and questions.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

10. ADJOURNMENT

The meeting adjourned at 10:23 a.m.

Marty Miller
Chair