

MINUTES

BOARD OF DIRECTORS WORKSHOP ON FINANCE, AFFORDABILITY, ASSET MANAGEMENT AND EFFICIENCY

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

March 24, 2026

1. CALL TO ORDER

Chair Ortega called the meeting to order at 12:03 p.m.

2. ROLL CALL

Board Secretary Fong-Sakai administered the roll call.

Board Members present: Directors Ackerman, Alvarez, Bryant, Camacho, Cordero, Crane, De Jesus (teleconference posted location), Dennstedt, Erdman, Faessel, Fellow, Fong-Sakai, Garza, Katz, Kurtz, Lewitt (teleconference posted location), McCoy, Miller, Ortega, Paule, Petersen (entered after rollcall), Pressman, Quinn, Ramos (teleconference posted location), Seckel, Shepherd Romey, and Sutley.

Board Members absent: Directors Crawford, Denham, Douglas, Gold, Gray, Jay, Jung, Kassakhian, and Phan.

3. DETERMINATION OF QUORUM

Board Secretary Fong-Sakai determined that a quorum was present.

**4. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE
BOARD LIMITED TO THE ITEMS LISTED ON THE AGENDA.**

Name	Affiliation	Item
1. Tom Love	General Manager, Upper San Gabriel Valley Municipal Water District	5A

5. WORKSHOP ITEMS

- A. Subject: Proposed biennial budget, which includes the Capital Investment Plan and revenue requirements for fiscal years 2026/27 and 2027/28; proposed water rates and charges for calendar years 2027 and 2028 to meet revenue requirements for fiscal years 2026/27 and 2027/28; ten-year financial forecast; and Cost of Service Report (Workshop 4)

Presented by: Adam Benson, Group Manager - Finance & Administration
Mai Hattar, Group Manager - Engineering Services

General Manager, Shivaji Deshmukh addressed the Board with his opening remarks. He noted that staff will address alternatives, refined staffing recommendations, options for increased revenues, rate increase components, and adjustment to planning assumptions.

Ms. Kasaine introduced the item, and Mr. Benson provided an overview of the proposed budget. Next, he provided a summary of the City of Los Angeles alternative analysis.

Ms. Hattar provided an overview of the impact of reducing the Capital Investment Program (CIP).

Next, Mr. Benson presented an analysis of the alternatives provided by Eastern Municipal Water District, Western Municipal Water District, and the Municipal Water District of Orange County.

The following Directors made comments or asked questions:

1. Ortega
2. Miller
3. Kurtz
4. Lewitt
5. Crane
6. Alvarez
7. Pressman
8. Seckel
9. Petersen
10. De Jesus
11. Paule
12. Quinn
13. Bryant
14. Erdman
15. Dennstedt
16. Sutley
17. Sheppard Romey
18. Camacho
19. Ackerman
20. Faessel
21. Camacho
22. Katz
23. Cordero
24. Fellow

Staff responded to the Directors' questions and comments.

6. FOLLOW-UP ITEMS

Director Miller requested an alternative scenario that includes staffing at 79, CIP at \$875 million, authorized Local Resources Program (LRP) only, conservation at minimum, Pure Water Southern California (PWSC) grant-funded, and property tax rate at 0.0085%.

Director Alvarez requested a presentation on Pure Water with treatment only.

Director Seckel requested an alternative that includes full conservation, PWSC grant-funded, CIP at \$950 million, and property tax at 0.009%.

Director Quinn requested ten years of historical property tax collections versus budget.

Director Dennstedt requested staff provide the State Water Project budget versus actuals.

Director Camacho requested a modified version of Miller's proposal that fully funds PWSC at \$150 million and sets property tax at 0.0085%.

Director Ortega requested that staff reserve funds for the Delta Conveyance Project, and those funds will not be accessible until the Board makes a new decision.

Director Fellow requested staff provide an updated slide that includes the scenarios with all assumptions.

7. FUTURE AGENDA ITEMS

None

8. ADJOURNMENT

Meeting adjourned at 3:04 p.m.



**LOIS FONG-SAKAI
BOARD SECRETARY**



**ADÁN ORTEGA, JR.
CHAIR OF THE BOARD**