

MINUTES

BOARD OF DIRECTORS WORKSHOP ON PROPOSED BIENNIAL BUDGET

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

February 27, 2024

1. CALL TO ORDER

Committee Vice Chair Dick called the meeting to order at 9:31 a.m.

The Pledge of Allegiance was given by Director John T. Morris, City of San Marino

2. ROLL CALL

Board Secretary Fong-Sakai administered the roll call.

Board Members present: Directors Abdo (entered after rollcall), Alvarez, Armstrong, Bryant, Camacho (entered after rollcall), Cordero (entered after rollcall), De Jesus (teleconference posted location), Dick, Douglas, Erdman, Faessel (entered after rollcall), Fellow, Fong-Sakai, Garza (entered after rollcall), Goldberg, Gray (entered after rollcall), Gualtieri, Kurtz, Lefevre (teleconference posted location), Luna (entered after rollcall), McCoy (entered after rollcall), McMillan (entered after rollcall), Miller, Morris, Ortega, Peterson (AB 2449 "Emergency Circumstances", entered after rollcall), Phan (teleconference posted location), Quinn, Seckel, and Sutley (entered after rollcall).

Board Members absent: Directors Ackerman, Dennstedt, Jung, Kassakhian, Petersen, Pressman, Ramos, and Smith.

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. Justin Breck	LA Water Keeper	5A
2. Mark Gold	NRDC - Water Scarcity Solutions	5A

Directors Abdo, Cordero, Faessel, Garza, Gray, McMillan, and Peterson entered the meeting.

Director Glen Peterson indicated he is participating under AB 2449 “emergency circumstances” due to a medical emergency that prevents him from attending in person.

Director Peterson appeared by audio and on camera.

Chair Ortega made a motion, seconded by Director Abdo, to allow Director Peterson to approve his attendance at this meeting through emergency circumstances .

The record of the vote was:

Record of Vote on Item:	Director Peterson	AB2449 Emergency Circumstance							
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6038	Faessel	x	x	6038				
Beverly Hills	4493	Pressman							
Burbank	3175	Ramos							
Calleguas Municipal Water District	13073	McMillan	x	x	13073				
Central Basin Municipal Water District	19324	Garza	x	x	9662				
		Gualtieri	x	x	9662				
			Subtotal:		19324				
Compton	641	McCoy							
Eastern Municipal Water District	12060	Armstrong	x	x	12060				
Foothill Municipal Water District	2409	Bryant	x	x	2409				
Fullerton	2561	Jung							
Glendale	3985	Kassakhian							
Inland Empire Utilities Agency	16030	Camacho							
Las Virgenes	3090	Peterson	x						
Long Beach	6558	Cordero	x	x	6558				
Los Angeles	80172	Sutley							
		Petersen							
		Quinn	x	x	40086				
		Luna							
		Douglas	x	x	40086				
			Subtotal:		80172				
Municipal Water Dist. of Orange County	64634	Ackerman							
		Seckel	x	x	21545				
		Dick	x	x	21545				
		Erdman	x	x	21545				
			Subtotal:		64634				
Pasadena	3864	Kurtz	x	x	3864				
San Diego County Water Authority	67201	Fong-Sakai	x	x	22400				
		Goldberg	x	x	22400				
		Miller	x	x	22400				
		Smith							
			Subtotal:		67201				
San Fernando	260	Ortega	x	x	260				
San Marino	800	Morris	x	x	800				
Santa Ana	3431	Phan	x	x	3431				
Santa Monica	4861	Abdo	x	x	4861				
Three Valleys Municipal Water District	8634	De Jesus	x	x	8634				
Torrance	3590	Lefevre	x	x	3590				
Upper San Gabriel Valley Mun. Wat. Di	13418	Fellow	x	x	13418				
West Basin Municipal Water District	27064	Alvarez	x	x	13532				
		Gray	x	x	13532				
			Subtotal:		27064				
Western Municipal Water District	14775	Dennstedt							
Total	386141				337391				
Present and not voting	3090								
Absent	45660								

The motion to approve Director Peterson “Emergency Circumstances” participation passed by a vote of 337,391 ayes; 0 noes; 0 abstain; 3,090 not voting; and 45,660 absent.

Directors Camacho, Luna, McCoy, and Sutley entered the meeting.

5. WORKSHOP ITEMS

- a. Subject: Proposed biennial budget, which includes the Capital Investment Plan and revenue requirements for fiscal years 2024/25 and 2025/26; proposed water rates and charges for calendar years 2025 and 2026 to meet revenue requirements for fiscal years 2024/25 and 2025/26; ten-year forecast; and Cost of Service Report. (Workshop #2) (FAM)

Presented by: Katano Kasaine, Chief Financial Officer
John Bednarski, Chief Engineer/Group Manager, Engineering Services Group
James Hong, Team Manager, Capital Investment Planning
Tom Campbell, Unit Manager, Engineering Services
Brandon Goshi, Group Manager, Water Resource Management
Adam Benson, Group Manager, Finance
Arnout Van den Berg, Section Manager, Revenue & Budget

Ms. Kasaine introduced the item and introduced Mr. Bednarski, who presented the committee with a brief overview of the Capital Investment Plan (CIP). Next, Mr. Hong presented the committee with an overview of the CIP budget development process and proposed CIP. Mr. Campbell presented the committee with the CIP highlights for the next biennium, proposed CIP budget and planned board actions, and responses to recent Director's requests.

Next, Ms. Kasaine introduced Mr. Goshi who presented the committee with budgeted water transactions. Mr. Benson continued the presentation with a review of lower water sales scenarios. Next, Mr. Van den berg overviewed Directors questions on treatment surcharge and treatment plant daily effluent. Lastly, Mr. Benson overviewed staffing questions.

The following Directors made comments or asked questions:

1. Miller
2. Garza
3. Seckel
4. Peterson
5. Kurtz
6. Abdo
7. Erdman
8. Bryant
9. Sutley

10. Gualtieri
11. Ortega
12. Quinn
13. Morris
14. De Jesus
15. Fellow
16. Fong-Sakai
17. Armstrong
18. Dick

Staff responded to the Directors' questions and comments.

6. FOLLOW UP ITEMS

None

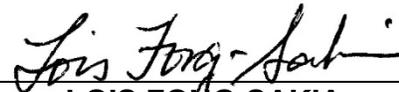
7. FUTURE AGENDA ITEMS

None

Meeting adjourned at 12:35 p.m.



LARRY DICK
COMMITTEE VICE CHAIR



LOIS FONG-SAKIA
SECRETARY OF THE BOARD