

The motion passed by a vote of 10 ayes, 0 no, 0 abstain, and 3 absent.

Director Apodaca entered at 9:05 a.m.

3. MANAGEMENT REPORTS

a. Subject: Report on investment activity

Presented by: Treasurer Roger Marumoto

Mr. Marumoto highlighted sections from the Fourth Quarter 2013 Investment Review report prepared by Disabato Advisers. The report is available on Metropolitan's website.

Mr. Marumoto reported on the investment portfolio for the month of January detailing the portfolio durations and investment performance of both short-term and long-term portfolios.

b. Subject: Financial highlights

Presented by: None. Chair Grunfeld stated that this item will be handled as part of the budget and rate workshop.

4. CONSENT CALENDAR ITEMS – ACTION

7-1 Subject: Grant conditional approval for Annexation No. 99 to Calleguas Municipal Water District and to Metropolitan Water District; and adopt resolution for imposition of water standby charges

Presented by: None

Motion: Adopt the CEQA determination that the proposed action is not subject to CEQA and is categorically exempt, and

- a. Grant conditional approval for Annexation No. 99 concurrently to Calleguas and Metropolitan, conditioned upon receipt in full of annexation fee of \$9,992.78 to Metropolitan if completed by December 31, 2014, or if completed later, the current annexation charge applies;
- b. Approve Calleguas' Water Use Efficiency Compliance Statement with the current Water Use Efficiency Guidelines; and
- c. Adopt resolution of intention to impose water standby charge at a rate of \$9.58 per acre, or per parcel of less than one acre, within the proposed annexation area.

The original motion passed by a vote of 11 ayes, 1 no, 0 abstain, and 1 absent.

6. BOARD INFORMATION ITEMS

None

7. COMMITTEE ITEMS

None

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

Next meeting will be held on March 10, 2014.

10. ADJOURN TO BUDGET AND RATE WORKSHOP #1

Meeting adjourned at 9:17 a.m.

BUDGET AND RATE WORKSHOP #1

11. WORKSHOP ITEMS

- a. Subject: Proposed biennial budget and revenue requirements for fiscal years 2014/15 and 2015/16, and ten-year financial forecast

Presented by: Chief Financial Officer Gary Breaux

Mr. Breaux gave an overview of the operating budget, the capital investment plan, the ten-year forecast, and the next steps.

Director Vasquez entered at 9:52 a.m.

b. Subject: Proposed rates for calendar years 2015 and 2016

Presented by: Section Manager June Skillman

Ms. Skillman gave an overview of the proposed revenue requirements and rate elements, full service and exchange costs and charges, power costs, treated water costs, and the treatment surcharges.

Several questions and comments were raised by Directors. Staff will address Directors' requests at the next Budget and Rate Workshop on February 25, 2014.

The workshop adjourned at 10:45 a.m.

Aaron Grunfeld
Chair