

Chair Dake announced that there would be a reordering of the meeting agenda while the committee waited for the arrival of the delayed train carrying a committee member. Items 6b and 6c would be heard first, followed by Item 8-1, followed by Item 6a.

6. COMMITTEE ITEMS

b. Subject: Debt Management Update
Presented by: Eric Goldstein, Debt Management Specialist
Mr. Goldstein presented the committee with an update of Metropolitan's Debt Management. He gave an overview of planned bond transactions, and presented as of April 2019 revenue debt by lien, revenue debt by type, as well as the makeup of variable rate debt. Mr. Goldstein also highlighted Metropolitan's high bond ratings from S&P Global Ratings and Fitch Ratings.

c. Subject: Quarterly Financial Report
Presented by: Bernadette Robertson, Controller
Ms. Robertson presented the committee with the preliminary third quarter financial review, which included cumulative water transactions year-to-date, and fiscal year (FY) 2018/19 projected water transactions, water revenues, expenses, and year-end unrestricted reserve balances. Ms. Robertson also provided an overview of California WaterFix advance funding, Metropolitan's reimbursable costs and billings, and non-reimbursable costs through March 2019.

The following Directors provided comments or asked questions:

1. Dake

Chair Dake announced that the meeting would now return to its originally scheduled order as listed on the agenda.

4. OTHER BOARD ITEMS -- ACTION

8-1 Subject: Approve resolutions fixing and adopting a Readiness-to-Serve Charge and a Capacity Charge for calendar year 2020; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA

Presented by: Stathis Kostopoulos, Principal Resource Specialist

Chair Dake noted that the San Diego County Water Authority's letter of opposition to Item 8-1 will be entered as part of the record. The letter was received via email on April 4, 2019 at 3:52 p.m.

Motion: Approve resolutions fixing and adopting a Readiness-to-Serve Charge and a Capacity Charge for calendar year 2020.

Moved: Director Record Seconded: Director Barbre

Ayes: Chair Dake, Directors Barbre, Blois, Dick, Faessel, and Record

Noes: None
Abstentions: None
Absent: Directors Paskett, Ramos, and Smith

The motion unanimously passed by a vote of 6 ayes, 0 noes, 0 abstain, and 3 absent.

5. BOARD INFORMATION ITEMS

None

6. COMMITTEE ITEMS

- a. Subject: Prefunding PERS and OPEB: Overview
Presented by: Mary Beth Redding, Vice President, Bartel Associates, LLC
Ms. Redding presented the committee with an overview of CalPERS and OPEB unfunded liabilities, preliminary results. Topics covered were definitions, CalPERS changes to actuarial assumptions, plan funded status, a projection of future contributions, the impact of electing to exit CalPERS, and an OPEB plan analysis.

Director Smith entered the meeting at 10:23 a.m.

The following Directors provided comments or asked questions:

1. Blois
2. Barbre
3. Peterson
4. Smith

7. MANAGEMENT REPORT

- a. Subject: Interim Chief Financial Officer's report
Presented by: June Skillman, Interim Chief Financial Officer/Assistant General Manager
Ms. Skillman presented the committee with an overview of historical water transactions as billed for fiscal years (FYs) 1999 through 2019, and unrestricted reserves, coverage targets and actual results for FYs 2010 through 2019.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

10. ADJOURNMENT

Next meeting will be held on May 13, 2019.

Meeting adjourned at 10:34 a.m.

Glen C. Dake
Chair