

**THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

**MINUTES**

**FINANCE AND INSURANCE COMMITTEE**

**December 7, 2020**

Chair Quiñonez called the teleconference meeting to order at 9:00 a.m.

Members present: Chair Quiñonez, Vice Chair Record, Directors Blois, Dick, Faessel, Goldberg, Hawkins (entered after roll call), Ortega, Quinn, Smith, and Tamaribuchi.

Members absent: Director Ramos

Other Board Members present: Chairwoman Gray, Directors Abdo, Ackerman, Atwater, Butkiewicz, Cordero, De Jesus, Hogan, Kurtz, Lefevre, McCoy, Morris, Murray, Peterson, and Pressman.

Committee Staff present: Beatty, Kasaine, Kightlinger, Ros, Scully, Upadhyay

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

Comment from an unidentified person, in opposition to partnering with Southern Nevada Water Authority.

<b>CONSENT CALENDAR ITEMS — ACTION</b>
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**2. CONSENT CALENDAR OTHER ITEMS – ACTION**

- A. Subject: Approval of the Minutes of the meeting of the Finance and Insurance Committee held November 9, 2020

**3. CONSENT CALENDAR ITEMS – ACTION**

- 7-2 Subject: Adopt the COVID-19 Member Agency Payment Deferment Program and amend the Administrative Code to add Section 4519 delegating authority to the General Manager to administer the

Program; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA

Motion:

- a. Adopt the proposed COVID-19 Member Agency Payment Deferment Program.
- b. Adopt the proposed amendment to the Administrative Code to add Section 4519 delegating authority to the General Manager to administer the Program.

Presented by: Bernadette Robertson, Controller

Ms. Kasaine introduced the item and Ms. Robertson presented the committee with the highlights of the program that included the policies of the new Administrative Code Section 4519 and the criteria for Member Agencies to qualify.

The following Directors provided comments or asked questions:

1. Ortega
2. Goldberg
3. Faessel

Staff responded to the Directors' questions and comments.

After completion of the presentation, Director Ortega made a motion, seconded by Director Faessel, to approve the consent calendar consisting of items 2A and 7-2.

The vote was:

Ayes: Directors Blois, Dick, Faessel, Goldberg, Hawkins, Ortega, Quinn, Quiñonez, Record, Smith, and Tamaribuchi

Noes: None

Abstentions: None

Absent: Director Ramos

The motion passed by a vote of 11 ayes, 0 noes, 0 abstain, and 1 absent.

<b>END OF CONSENT CALENDAR ITEMS</b>
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**4. OTHER BOARD ITEMS – ACTION**

None

**5. BOARD INFORMATION ITEMS**

None

**6. COMMITTEE ITEMS**

- a. Subject: Update on the Rate Refinement Process and Timeline  
Presented by: Drew Atwater, Unit Manager-Rates, Charges & Financial Planning

Ms. Kasaine introduced the item and Mr. Atwater presented the committee with an overview of the Rate Refinement process. His presentation included a background of the selected Facilitator, revenue structure timeline, key issues being reviewed, next steps and the draft timeline for the working group.

The following Directors provided comments or asked questions:

1. Butkiewicz
2. Hogan
3. Smith
4. Goldberg
5. Blois
6. Ortega

Staff responded to the Directors' questions and comments.

**7. MANAGEMENT REPORT**

- a. Subject: Chief Financial Officer's report  
No report was given; Ms. Kasaine stated that her Water Revenues report was posted.

**8. FOLLOW-UP ITEMS**

Director Goldberg requested that staff come back in January with a proposed amendment to item 7-2, to provide a passthrough option so that the program benefits are available to all retail agencies without regard to wholesale agency reserves.

Director Quiñonez responded that he will talk to the CFO and get back to Director Goldberg on next steps.

Director Smith requested that staff look at additional areas for item 6a that include:

1. Alternatives to the tax rate limitations and alternative ways to collect property tax.
2. How we address recovery of costs for the Regional Recycled Water Program and how we incorporate those costs in the rates.
3. Cost of service for the Delta conveyance project.
4. End of year Accounting.

Staff will add all of Director Smith's items, except item 4, to the list of items to be discussed for rate refinement. Ms. Kasaine stated that item 4 does not belong on the rate refinement list, but she will follow up with Director Smith for clarity and resolution.

**9. FUTURE AGENDA ITEM**

None

**10. ADJOURNMENT**

Next meeting will be held on January 11, 2020.

Meeting adjourned at 9:47 a.m.

Jesus Quiñonez

Chair