

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

FINANCE AND INSURANCE COMMITTEE

April 12, 2021

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

Members present: Vice Chair Record, Directors Blois, Dick, Faessel, Goldberg, Hawkins, Jung, Ortega, Quinn, Smith, and Tamaribuchi.

Members absent: Director Ramos

Other Board Members present: Chairwoman Gray, Directors Abdo, Ackerman, Atwater, Cordero, De Jesus, Erdman, Hogan, Kurtz, Lefevre, Luna, McCoy, Morris, Murray, Peterson, 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

None

CONSENT CALENDAR ITEMS — ACTION
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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 February 8, 2021

The following Directors provided comments or asked questions:

1. Director Smith Request for revision to the February 2021 minutes.

3. CONSENT CALENDAR ITEMS – ACTION

7-1 Subject: Approve resolutions fixing and adopting a Readiness-to-Serve Charge and a Capacity Charge for calendar year 2022; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA

Motion: Approve resolutions fixing and adopting a Readiness-to-Serve Charge and a Capacity Charge for calendar year 2022.

Presented by: Drew Atwater, Unit Manager-Rates, Charges & Financial Planning

Ms. Kasaine introduced the item and Mr. Atwater presented the committee with a background and overview of the Readiness-to-Serve Charge, Capacity Charge, and how fixed charges are determined.

7-2 Subject: Adopt a resolution authorizing moneys in the Iron Mountain Landfill Closure/Postclosure Maintenance Fund to be used to pay for potential non-water corrective action activities and amend Administrative Code Sections 5200 and 5201 to reflect the change; the General Manager has determined that this action is exempt or otherwise not subject to CEQA

Motion:

- a. Adopt a resolution authorizing moneys in the Iron Mountain Landfill Closure/Postclosure Maintenance Fund to be used to pay for potential non-water corrective actions, if necessary.
- b. Amend Sections 5200 and 5201 of the Metropolitan Water District Administrative Code to reflect that funds available in the Iron Mountain Landfill Closure/Postclosure Maintenance Fund may be used to cover potential non-water corrective actions.

Presented by: Emerson Lego, Team Manager-Environmental Program Support

Ms. Kasaine introduced the item and Mr. Lego presented the committee with a description of the Iron Mountain Landfill, a timeline of the landfill, financial assurance mechanism and requirements.

After completion of the presentation, Director Tamaribuchi made a motion, seconded by Director Dick, to approve the consent calendar consisting of items 2A, 7-1, and 7-2.

The vote was:

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

Noes: None

Abstentions: Director Ortega, item 2A only

Absent: Director Ramos

The motion for item 2A passed by a vote of 10 ayes, 0 noes, 1 abstain, and 1 absent.

The motion for items 7-1 and 7-2 passed by a vote of 11 ayes, 0 noes, 0 abstain, and 1 absent.

END OF CONSENT CALENDAR ITEMS

4. OTHER BOARD ITEMS – ACTION

None

5. BOARD INFORMATION ITEMS

None

6. COMMITTEE ITEMS

- a. Subject: Review of Demand Management Cost Recovery
Presented by: Arnout Van den Berg, Section Manager-Revenue & Budget
Patty Quilizapa, Senior Deputy General Counsel

Ms. Kasaine introduced the item and Mr. Van den Berg and Ms. Patty Quilizapa presented the committee with an overview of Demand Management Cost Recovery. The presentation included Demand Management program results, costs, cost recovery, functionalization, and key upcoming milestones.

The following Directors provided comments or asked questions:

1. Smith
2. Record
3. Ortega

Staff responded to the Directors' questions and comments.

Katano Kasaine noted SDCWA's April 9, 2021 letter received, commenting on the Rate Refinement Workgroup and Demand Management Cost Recovery. She stated she will respond later in the week. This item will be made part of the record.

7. MANAGEMENT REPORT

- a. Subject: Chief Financial Officer's report

Ms. Kasaine presented the committee with an update of water revenues for the eight-months period ending February 28, 2021.

The following Directors provided comments or asked questions:

1. Ortega
2. Smith

Staff responded to the Directors' questions and comments.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEM

None

10. ADJOURNMENT

Next meeting will be held on May 10, 2021.

Meeting adjourned at 10:00 a.m.

Randy Record

Vice Chair