

**MINUTES OF THE FORMAL BOARD OF DIRECTORS' MEETING
March 19, 2026**

FORMAL BOARD OF DIRECTORS' MEETING OF MARCH 19, 2026

1. **CALL TO ORDER**

Chair Serrano called the Formal Board of Directors' meeting to order at 9:09 a.m.

2. **SALUTE TO THE FLAG**

Director Scalzitti led the salute to the flag.

3. **ROLL CALL, DETERMINATION OF QUORUM**

Deputy Clerk of the Board Reifschneider called the roll. Directors present were Chair Serrano, Vice Chair Hilliker*, Secretary Acosta, and Directors Abdullahi*, Arant, Ayala, Butkiewicz, Castaneda, Coates-Hedberg, Douglass, Flesse, Frieauf, Heidemann, Katz, Kerschbaum, Lyndes, Macedo, Madaffer, Meyers, Miller, Molina, Norman, Paul, Rivera, Robak*, Scalzitti, and Wahl. Absent were Directors Fong-Sakai, Morrison, Qualin, Reeh, Sanchez(p), Whitburn, Williams, and Supervisor Desmond.

Staff present included General Manager Denham, General Counsel Edwards, Deputy General Manager/Chief Operating Officer Berge, Assistant General Manager Bradford, Director of Administrative Services Bartolome, Director of Engineering Kuzmich, Director of Finance Harris, Director of Human Resources Love, Director of Imported Water Westford, Director of Operations & Maintenance Plajzer, Director of Public Affairs Lee, Director of Water Resources Stephenson, and Deputy Clerk of the Board Reifschneider.

3-A **Report on proxies received.**

Director Arant was the proxy for Director Sanchez.

4. **OPPORTUNITY FOR MEMBERS OF THE PUBLIC WHO WISH TO ADDRESS THE BOARD ON MATTERS WITHIN THE BOARD'S JURISDICTION.**

The following members of the public provided comments:

- 1) Ms. Farrar, Friends of Lake Hodges.
- 2) Mr. Bernstein, RaiseLakeHodges.org.
- 3) Mr. Anshus, RaiseLakeHodges.org.
- 4) Mr. Houde, North County Climate Change Alliance.
- 5) Mr. Dudley, Friends of Lake Hodges and RaiseLakeHodges.org.
- 6) Ms. Brown, San Diego Coastkeeper.
- 7) Mr. Cannon, member of the public.

* Director Abdullahi arrived at 9:15 a.m. and Director Hilliker arrived at 9:23 a.m.

5. **ADDITIONS TO AGENDA**

There were no additions to the agenda.

6. **CLOSED SESSION(S)**

Mr. Edwards took the Board into Closed Session at 9:32 a.m.

- 6-A Conference with Real Property Negotiator
Government Code §54956.8
Property: QSA Portion of Colorado River Water/Carlsbad Desalination Water
Agency Negotiators: Dan Denham
Negotiating Parties: San Diego County Water Authority and Western Municipal
Water District
Under Negotiations: Terms and Price

*Director Robak arrived at 10:03 a.m.

Chair Serrano brought the Board out of Closed Session at 10:11 a.m. with no reportable action.

7. **ACTION/DISCUSSION/INFORMATION**

- 7-A Exchange Water Delivery Agreement with Western Municipal Water District.
Staff recommendation: Ratify an Exchange Water Delivery Agreement Between
the San Diego County Water Authority and Western Municipal Water District.

General Manager Denham provided background information and reviewed the partners, framework and priorities for the agreement. Additionally, he outlined key terms and benefits of the agreement.

Craig Miller, Western MWD General Manager, and Laura Roughton, Western MWD Board President, made comments and expressed appreciation to the Board and staff for their collaboration and hard work in preparing the agreement.

Adán Ortega, MWD Board Chair, and Shivaji Deshmukh, MWD General Manager, made comments, thanked staff and acknowledged the significance of the agreement.

Chair Serrano followed with commemorating remarks. Directors made comments and expressed their appreciation to staff.

Chair Serrano moved, Vice Chair Hilliker seconded, and the motion carried at 95.7860% to approve staff's recommendation.

8. **OTHER COMMUNICATION**

There was none.

9. **RECESS**

Chair Serrano took the Formal Board of Directors meeting into recess at 10:54 a.m.

IMPORTED WATER COMMITTEE
CALL TO ORDER/ROLL CALL

Chair Meyers called the Imported Water Committee meeting to order at 12:30 p.m. Committee members present were Chair Meyers, Vice Chairs Madaffer and Katz, and Directors Ayala, Flesse, Heidemann, Kerschbaum, Miller, Paul, Rivera, Scalzitti, and Serrano. Directors Castaneda and Fong-Sakai were absent. Also present were Directors Abdullahi, Acosta, Arant, Butkiewicz, Coates-Hedberg, Douglass, Frieauf, Hilliker, Lyndes, Macedo, Molina, Norman, Robak, Whitburn and Wahl. At that time, there was a quorum of the Board, and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Staff present were General Manager Denham, General Counsel Edwards, Deputy General Manager/Chief Operating Officer Berge, Assistant General Manager Bradford, Director of Imported Water Westford, Colorado River Program Manager Schnell, and Principal Water Resource Specialist Heide.

ADDITIONS TO THE AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

There were no members of the public who wished to speak.

CHAIR'S REPORT

Chair Meyers thanked the representatives from Western MWD and Metropolitan Water District for attending the signing of the exchange delivery agreement. He also gave updates on the 2028 California Water Plan, Colorado drought response plan and Post-2026 guidelines.

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

There were no items on the Consent Calendar.

II. ACTION/DICUSSION/PRESENTATIONS

1. Amend agreement for Consulting Services with M Strategic Communications.
Staff recommendation: Amend the agreement with M Strategic Communications for continued consulting services for the Water Authority through February 29, 2028, by \$192,000 for a period of 24 additional months with total contract funding not to exceed \$2,562,000.

Director Madaffer moved, Director Scalzitti seconded, and the motion to approve staff's recommendation passed. Director Paul voted no.

At that time, Chair Meyers combined items 2-A and 2-B and called for the staff presentation.

2. MWD Issues and Activities Update.
 - 2-A Metropolitan Water District Delegates Report.
 - 2-B Metropolitan Water District FY2026/27 & FY2027/28 Biennial Budget.

Ms. Westford provided background information and an overview of the presentation.

Mr. Hiede presented Metropolitan's biennial budget, including rate drivers, expenditures, capital investment plan, and alternatives under board considerations.

3. Colorado River Board Representatives report.

Vice Chair Madaffer had nothing to report.

III. INFORMATION

There were no Information items.

IV. CLOSED SESSION

There were no Closed Session items.

V. ADJOURNMENT

There being no further business to come before the Imported Water Committee, Chair Meyers adjourned the meeting at 12:51 p.m.

ADMINISTRATIVE AND FINANCE COMMITTEE

CALL TO ORDER / ROLL CALL

Chair Abdullahi called the Administrative and Finance Committee meeting to order at 12:56 p.m. Committee members present were Chair Abdullahi, Vice Chairs Arant and Kerschbaum, and Directors Acosta, Douglass, Hilliker, Morrison*, Norman, Qualin (remote)*, Robak, Serrano, and Whitburn. Committee members absent were Directors Sanchez and Williams. Also present were Directors Ayala, Butkiewicz, Coates-Hedberg, Flesse, Frieauf, Heidemann, Katz, Lyndes, Madaffer, Macedo, Meyers, Miller, Molina, Paul, Rivera, and Wahl. At that time, there was a quorum of the Board, and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Director Qualin participated remotely from the publicly accessible location identified on the agenda.

Staff present were General Manager Denham, General Counsel Edwards, Deputy General Manager/Chief Operating Officer Berge, Assistant General Manager Bradford, Director of Finance/Treasurer Harris, Director of Administrative Services Bartolome, Controller Woidzik, Budget and Treasury Manager Whyte, and Financial Planning Manager Rossum.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

There were two public speakers who provided comments on item I-2-1:

- 1) Joe Haeussler, Pendulum/Liberty Station
- 2) Steve Adams, Seligman/Liberty Station

CHAIR'S REPORT

There was no Chair's report.

DIRECTORS' COMMENTS

Director Acosta inquired about fair market and appraisal of property value at Liberty Station related Consent Calendar item I-2-1. Mr. Woidzik responded with clarification on compensation agreements.

*Director Qualin arrived at 1:05 p.m.

Directors made comments and asked questions, and staff responded.

I. CONSENT CALENDAR

1. Monthly Treasurer's Report on Investments and Cash Flow.
Staff recommendation: Note and file the monthly Treasurer's Report.
2. Approve City of San Diego Compensation Agreements and Accept Proceeds from the Transfer of Former Redevelopment Agency Parcels in San Diego, California.
Staff recommendations:
 - 1) Authorize the General Manager to enter into the attached compensation agreement with the City of San Diego and accept proceeds from real property transfer to the City (Naval Training Center Site) amounting to \$2,742.07; and
 - 2) Authorize the General Manager to enter into the attached compensation agreement with the City of San Diego and accept proceeds from real property transfer to the City (Walker Scott Site) amounting to \$1,664.05; and
 - 3) Authorize the General Manager to enter into the attached compensation agreement with the City of San Diego and accept proceeds from real property transfer to the City (Chinese Historical Museum Site) amounting to \$337.15.

3. Approve Capacity Fee Refund to KD Logan LLC.

Staff recommendation: Authorize the General Manager to issue a capacity fee refund in the amount of \$107,179.00 to KD Logan LLC (property owner).

Director Serrano moved to approve item I-2-1, Vice Chair Kerschbaum seconded, and the motion passed. Director Whitburn recused.

Director Acosta moved approval on the remaining Consent Calendar items, Vice Chair Kerschbaum seconded, and the motion passed.

II. ACTION/DISCUSSION/PRESENTATION

1. Preliminary Calendar Year 2027 Rates and Charges.

Ms. Rossum provided an overview of the calendar year 2027 rates and charges process. He presented rate setting priorities and framework, the rate development process, significant and persistent increases forecasted by MWD, rate component transformations and considerations. He ended with a review of capacity charges, water demands, and calendar year 2027 rates and charges timeline.

Directors made comments and asked questions, and staff responded.

*Director Morrison arrived at 1:29 p.m.

2. Approve the Recommended Debt Management Activities.

Staff recommendations:

- 1) Authorize staff to schedule Debt Management Activities including the issuance of a new Senior Lien Water Revenue Bond to fund the Capital Improvement Program, restructuring Series 11 of the Commercial Paper Program, and refunding of select Senior Lien bonds; and
- 2) Authorize the selection of the Financing Parties for associated Debt Management Activities.

Ms. Harris provided a debt management activities overview. She reviewed the 2026 Long-Range Financing Plan and its strategic approach to managing debt, and prudent long-term liabilities. She highlighted significant borrowing needs and debt refinancing opportunities in near-term, moderate risk related to CIP, and upcoming key debt management activities. Additionally, she provided a summary of proposed new debt issuance, significant savings totaling over \$100M to rate payers from the use of Commercial Paper, declining historical CP balances, an update to restructure a portion of SDCWA Commercial Paper Program, and future debt refunding. In closing, Ms. Harris outlined next steps including meetings with rating agencies, and a future staff recommendation to adopt debt Board resolutions.

Directors made comments and asked questions, and staff responded.

III. INFORMATION

The following Information items were received and filed:

1. Controller's Report on Monthly Financial Activity.
2. Board Calendar.

IV. CLOSED SESSION

There were no Closed Session items.

V. ADJOURNMENT

There being no further business to come before the Administrative and Finance Committee, Chair Abdullahi adjourned the meeting at 1:52 p.m.

LEGISLATION & PUBLIC OUTREACH COMMITTEE

CALL TO ORDER/ROLL CALL

Chair Macedo called the Legislation and Public Outreach Committee meeting to order at 2:00 p.m. Committee members present were Chair Macedo, Vice Chair Acosta, and Directors Butkiewicz, Hilliker, Katz, Lyndes, Madaffer, Molina, Morrison, Norman, Qualin (remote), and Whitburn. Vice Chair Reeh and Director Williams were absent. Also, present were Directors Abdullahi, Arant, Ayala, Coates-Hedberg, Douglass, Flesse, Frieauf, Heidemann, Kerschbaum, Meyers, Miller, Paul, Rivera, Robak, and Wahl. At that time, there was a quorum of the Board, and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Staff present were General Manager Denham, General Counsel Edwards, Deputy General Manager/Chief Operating Officer Berge, Assistant General Manager Bradford, Public Affairs Director Lee, and Government Relations Manager Quarles. Also, present were legislative representatives Devin Rhinerson and Kevin Eastman.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

There were no members of the public who wished to speak.

CHAIR'S REPORT

Chair Macedo thanked the Public Affairs team for the recent MOU and press conference events. He announced that Public Affairs launched the new SDCWA TikTok account, in response to the Board's requests in January.

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

1. Adopt positions on various bills.

Staff recommendation:

- Adopt a position of Oppose on H.R. 7078, the Equal Access to the Colorado River Act (Schweikert); and
- Adopt a position of Support on S. 3923, the Weather Research and Forecasting Innovation Reauthorization Act (Cruz and Cantwell); and
- Adopt a position of Support on AB 2180, Proposition 218 Omnibus Implementation Act: proportional cost of service (Ward); and
- Adopt a position of Oppose unless amended on AB 2013, Fire risk areas: water suppliers: emergency preparedness plan (Bennett); and
- Adopt a position of Support on SB 1153: Disaster preparedness: urban retail water suppliers and public water systems: wildfire (Caballero).

Director Katz moved, Vice Chair Acosta seconded, and the motion to approve the consent calendar passed unanimously.

II. ACTION/DISCUSSION/PRESENTATION

1. Government Relations update.

Ms. Quarles provided information on a recent ACWA conference in Washing D.C., and meetings held with elected officials. She also reported on SB 1125 Public water systems: drinking water needs assessment.

1-A Washington report.

Mr. Rhinerson provided a federal update, including a summary of recent meetings in Washington D.C. and how the Water Authority's communication team helped with those efforts.

1-B Sacramento report.

Mr. Eastman spoke regarding the recent MOU and how it has helped with outreach meetings with officials in Washington D.C.

Directors made comments and asked questions, and staff responded.

III. INFORMATION

There were no Information items.

IV. CLOSED SESSION

There were no Closed Session items.

V. ADJOURNMENT

There being no further business to come before the Legislation and Public Outreach Committee, Chair Macedo adjourned the meeting at 2:21 p.m.

WATER PLANNING AND ENVIRONMENTAL COMMITTEE
CALL TO ORDER/ROLL CALL

Chair Miller called the Water Planning and Environmental Committee meeting to order at 2:28 p.m. Committee members present were Chair Miller, Vice Chairs Frieauf and Scalzitti, and Directors Coates-Hedberg, Douglass, Lyndes, Macedo, Meyers, Molina, Paul, Robak*, and Wahl. Director Castaneda and Supervisor Desmond were absent. Also present were Directors Acosta, Arant, Ayala, Butkiewicz, Flesse, Heidemann, Hilliker, Katz, Kerschbaum, Madaffer, Morrison, Norman, and Rivera. At that time, there was a quorum of the Board, and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Staff present were General Manager Denham, General Counsel Edwards, Deputy General Manager/Chief Operating Officer Berge, Assistant General Manager Bradford, Director of Water Resources Stephenson, Water Resources Manager Crutchfield, and Senior Water Resources Specialists Jensen and Lopez.

ADDITIONS TO THE AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

Courtney Brown of San Diego Coastkeeper provided public comment.

* Director Robak arrived at 2:32 p.m.

CHAIR'S REPORT

There was no Chair's report.

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

There were no items on the Consent Calendar.

II. ACTION/DICUSSION/PRESENTATIONS

1. Update on Preparation of 2025 Urban Water Management Plan and Water Shortage Contingency Plan.

Mr. Lopez provided an overview of the 2025 Urban Water Management Plan, including regulatory context, draft chapters, and previous activities. Mr. Crutchfield discussed revisions to the total demand forecast and resource mix. Mr. Jensen provided background information on the Water Shortage Contingency Plan (WSCP) and reviewed notable updates to the 2025 WSCP. Mr. Lopez concluded the presentation with an overview of the public review and hearing process.

Directors asked questions and made comments and staff responded.

2. Water Supply Conditions Update.

This item was deferred due to time constraints.

III. INFORMATION

There were no Information items.

IV. CLOSED SESSION

There were no Closed Session items.

V. ADJOURNMENT

There being no further business to come before the Water Planning and Environmental Committee, Chair Miller adjourned the meeting at 2:50 p.m.

RECONVENED FORMAL BOARD OF DIRECTORS' MEETING OF MARCH 19, 2026

1. **RETURN FROM RECESS**

Chair Serrano reconvened and called the Formal Board of Directors' meeting to order at 2:58 p.m.

2. **SALUTE TO THE FLAG**

Director Hilliker led the salute to the flag.

3. **ROLL CALL, DETERMINATION OF QUORUM**

Deputy Clerk of the Board Reifschneider called the roll. Directors present were Chair Serrano, Vice Chair Hilliker, Secretary Acosta, and Directors Arant, Ayala, Butkiewicz, Coates-Hedberg, Douglass, Flesse, Frieauf, Heidemann, Katz, Kerschbaum, Lyndes, Macedo, Madaffer, Meyers, Miller, Molina, Morrison, Norman, Paul, Qualin, Robak, Scalzitti, Wahl, and Whitburn. Absent were Directors Abdullahi, Castaneda, Fong-Sakai, Reeh, Rivera, Sanchez(p), Williams, and Supervisor Desmond.

Staff present included General Manager Denham, General Counsel Edwards, Deputy General Manager/Chief Operating Officer Berge, Assistant General Manager Bradford, Acting Director of Administrative Services Bartolome, Director of Engineering Kuzmich, Director of Finance Harris, Director of Human Resources Love, Director of Imported Water Westford, Director of Operations & Maintenance Plajzer, Director of

Public Affairs Lee, Director of Water Resources Stephenson, and Deputy Clerk of the Board Reifschneider.

3-A **Report on proxies received.**

Director Arant was the proxy for Director Sanchez.

4. **OPPORTUNITY FOR MEMBERS OF THE PUBLIC WHO WISH TO ADDRESS THE BOARD ON MATTERS WITHIN THE BOARD'S JURISDICTION.**

There were no requests to speak.

5. **ADDITIONS TO AGENDA**

There were no additions to the agenda.

6. **APPROVAL OF MINUTES**

Director Ayala moved, Director Molina seconded, and the motion passed at 94.089% to approve the minutes of the Formal Board of Directors' meeting of February 26, 2026.

7. **PRESENTATIONS AND PUBLIC HEARINGS**

There were none.

8. **REPORT BY CHAIRS**

8-A Chair's Report: There was no Chair's report.

8-B **Report of Committee Actions**

Imported Water Committee

Administrative and Finance Committee

Legislation and Public Outreach Committee

Water Planning and Environmental Committee

Ms. Reifschneider reported on all committee actions.

9. **CONSENT CALENDAR**

Director Molina moved, Vice Chair Hilliker seconded, and the motion carried at 97.461% to approve Consent Calendar items 9.1 through 9.6. Directors voting no or abstaining on individual items are listed under the item.

9.1 **Amend Agreement for Consulting Services with M Strategic Communications.**

Amend the agreement with M Strategic Communications for continued consulting services for the Water Authority through February 29, 2028, by \$192,000 for a period of 24 additional months with total contract funding not to exceed \$2,562,000.

Director Paul voted no on 9.1. Item passed at 93.8830%

- 9.2 Monthly Treasurer's Report on Investments and Cash Flow.
Note and file the monthly Treasurer's Report.
- 9.3 Approve City of San Diego Compensation Agreements and Accept Proceeds from the Transfer of Former Redevelopment Agency Parcels in San Diego, California.
- 1) Authorize the General Manager to enter into the attached compensation agreement with the City of San Diego and accept proceeds from real property transfer to the City (Naval Training Center Site) amounting to \$2,742.07; and
 - 2) Authorize the General Manager to enter into the attached compensation agreement with the City of San Diego and accept proceeds from real property transfer to the City (Walker Scott Site) amounting to \$1,664.05; and
 - 3) Authorize the General Manager to enter into the attached compensation agreement with the City of San Diego and accept proceeds from real property transfer to the City (Chinese Historical Museum Site) amounting to \$337.15.
- 9.4 Approve Capacity Fee Refund to KD Logan LLC.
Authorize the General Manager to issue a capacity charges refund in the amount of \$107,179.00 to KD Logan LLC (property owner).
- 9.5 Approve the Recommended Debt Management Activities.
- 1) Authorize staff to schedule Debt Management Activities including the issuance of a new Senior Lien Water Revenue Bond to fund the Capital Improvement Program, restructuring Series 11 of the Commercial Paper Program, and refunding of select Senior Lien bonds; and
 - 2) Authorize the selection of the Financing Parties for associated Debt Management Activities.
- 9.6 Adopt positions on various bills.
- 1) Adopt a position of Oppose on H.R. 7078, the Equal Access to the Colorado River Act (Schweikert); and
 - 2) Adopt a position of Support on S. 3923, the Weather Research and Forecasting Innovation Reauthorization Act (Cruz and Cantwell); and
 - 3) Adopt a position of Support on AB 2180, Proposition 218 Omnibus Implementation Act: proportional cost of service (Ward); and
 - 4) Adopt a position of Oppose unless amended on AB 2013, Fire risk areas: water suppliers: emergency preparedness plan (Bennett); and
 - 5) Adopt a position of Support on SB 1153: Disaster preparedness: urban retail water suppliers and public water systems: wildfire (Caballero).
10. **ACTION/DISCUSSION/INFORMATION**
There were none.

11. **SPECIAL REPORTS**

- 11-A GENERAL MANAGER’S REPORT – No report was provided.
- 11-B GENERAL COUNSEL’S REPORT – No verbal report was provided. A written report was provided in the Board packet.
- 11-C SANDAG REPORT – No report was provided.
SANDAG Subcommittees:
Borders Committee – No report was provided.
Regional Planning Committee – No report was provided.
- 11-D AB 1234 Compliance Reports – There were none.

12. **CLOSED SESSION(S)**

Mr. Edwards took the Board into Closed Session at 3:06 p.m.

- 12-A Conference with the Labor Negotiator
Government Code §54957.6
Agency Designated Representatives: Jaymie Bradford,
Catherine Love, Jeff Stephenson, Cristina Lever-Santos
Employee Organizations: Teamsters Local 986 and Unrepresented Employees
- 12-B Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation pursuant to Government Code
§54956.9(d)(2)
One Case

Mr. Edwards brought the Board out of Closed Session at 4:02 p.m. with no reportable action.

13. **ACTION FOLLOWING CLOSED SESSION**

There was none.

14. **OTHER COMMUNICATION**


There was none.

15. **ADJOURNMENT**

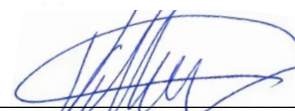
There being no further business to come before the Board, Chair Serrano adjourned the meeting at 4:03 p.m.



Nick Serrano, Chair



Frank Hilliker, Vice Chair



Kelly Cole-Walker, Clerk of the Board