



## BOARD MEMORANDUM

**DATE:** September 17, 2024

**TO:** Board of Directors

**FROM:** Rochelle Patterson *RP*  
Chief Financial and Administrative Officer

**SUBJECT:** September 16, 2024 Finance and Administration Committee Meeting Recap Report

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The Finance and Administration (F&A) Committee met at 5:30 PM on Monday, September 16, 2024, in the E.G. "Jerry" Gladbach Board Room of the SCV Water Administration Building. In attendance were Chair Ken Petersen and Directors Kathye Armitage and Dirk Marks. Staff members in attendance included: Administrative Technician Paul Hoover, Chief Engineer Courtney Mael, Financial Analyst Tanner Swire, General Manager Matt Stone, Information Technology Technician II Jonathan Thomas, Senior Management Analyst Erika Dill, Senior Financial Analyst Darine Conner, and myself. Additional presenters included Financial Advisors Lora Nichols from Fieldman Rolapp and Doug Brown from Stradling Yocca, as well as Ichiko Kido and Zach VanDinther from Ratepayer Advocate firm Robert D Neihaus, Inc. (RDN). Additional SCV Water staff were present remotely, and members of the public were present. A copy of the Agenda is attached.

**Item 1: Pledge of Allegiance**

**Item 2: Public Comment** – There was public comment.

**Item 3: Recommend Approval of a Resolution Adopting a Revised Investment Policy** – Staff presented this item to the Committee who unanimously agreed to place it on the Consent Calendar for the October 1, 2024 regular Board meeting.

**Item 4: Discuss WIFIA Loan Concerns and Challenges** – Staff and financial advisors Lora Nichols from Fieldman Rolapp and Doug Brown from Stradling Yocca presented this item. Due to unfavorable risks to the Agency in the contract documents, a change in market conditions (increase in the U.S. Treasury rate), complying with the Environmental Protection Agency (EPA) regulatory requirements, and higher than anticipated administrative burden, the Agency no longer stands to benefit from the WIFIA loan program as presented in 2023. The Committee unanimously agreed that using traditional tax-exempt bond issues (including using interim financing in the form of commercial paper) for its capital projects would be the better option and recommend to the Board to withdraw the Agency's WIFIA application. This recommendation will be presented as an action item at the October 1, 2024 regular Board meeting.

**Item 5: Review Utilization of Whittaker Corporation Damage Award** – Staff presented this item and discussed it with the Committee, who agreed that the funds should be spent as presented.

**Item 6: Discuss Cost of Service and Rate Design, Phase 3 of 7: Cost of Service Study –** Staff and Ratepayer Advocate representatives Ichiko Kido and Zach VanDinther from RDN presented a comprehensive PowerPoint presentation of Phase 3 for the retail water rate Cost of Service and Rate Study and will continue to bring this item back routinely to Committee to be discussed each month as the Study is developed. A review of phases 1 – 3 will be presented by Staff and RDN to the Board of Directors at the October 1, 2024, regular meeting.

**Item 7: Recommend Receiving and Filing of July 2024 Monthly Financial Report –** Staff presented this routine monthly item, which will be placed on the Consent Calendar for the October 1, 2024 regular Board meeting.

**Item 8: Committee Planning Calendar –** Staff briefly discussed upcoming topics for the next few Committee meetings.

**Item 9: Requests for Future Agenda Items –** No other requests at this time.

**Item 10: General Report on Finance and Administration Activities –** Staff stated that the Ratepayer Assistance Program (RAP) now has 660 applicants at the time of this meeting, and that staff will be recommending to the Board of Directors to approve a resolution for the commercial paper program at the October 15, 2024 regular Board meeting. Finally, staff announced the retirement of the Agency's Controller, whose last day in the office will be September 26, 2024. The entire Committee thanked her for her service and extended well wishes to her.

**Item 11: Adjournment –** The meeting was adjourned at 7:19 PM.

The meeting recording is available on the SCV Water Website or by clicking the following link: [Meeting Recording](#).

RP

Attachment

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**Date:** September 9, 2024

**To:** **Finance and Administration Committee**  
Ken Petersen, Chair  
Kathye Armitage  
Dirk Marks  
Maria Gutzeit

**From:** Rochelle Patterson  
Chief Financial and Administrative Officer

The **Finance and Administration Committee** is scheduled for **Monday, September 16, 2024** at **5:30 PM** at **27234 Bouquet Canyon Road, Santa Clarita, CA 91350** in the **SCV Water Administration Building, E.G. “Jerry” Gladbach Water Treatment Plant Board Room**. To attend this meeting virtually, please see below.

### **IMPORTANT NOTICES**

This meeting will be conducted in person at the address listed above. As a convenience to the public, members of the public may also participate virtually by using the **Agency’s Call-In Number 1-(833)-568-8864, Webinar ID 161 845 6822 or Zoom Webinar by clicking on the link <https://scvwa.zoomgov.com/j/1618456822>**. Any member of the public may listen to the meeting or make comments to the Committee using the call-in number or Zoom Webinar link above. However, in the event there is a disruption of service which prevents the Agency from broadcasting the meeting to members of the public using either the call-in option or internet-based service, this meeting will not be postponed or rescheduled but will continue without remote participation. The remote participation option is being provided as a convenience to the public and is not required. Members of the public are welcome to attend the meeting in person.

Members of the public unable to attend this meeting may submit comments either in writing to [phoover@scvwa.org](mailto:phoover@scvwa.org) or by mail to Paul Hoover, Administrative Technician, SCV Water, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. All written comments received before 3:00 PM the day of the meeting will be distributed to the Committee members and posted on the SCV Water website prior to the start of the meeting. Anything received after 3:00 PM the day of the meeting will be made available at the meeting, if practical, and will be posted on the SCV Water website the following day.

**MEETING AGENDA**

1. **PLEDGE OF ALLEGIANCE**
2. **PUBLIC COMMENTS** – Members of the public may comment as to items within the subject matter jurisdiction of the Agency that are not on the Agenda at this time. Members of the public wishing to comment on items covered in this Agenda may do so at the time each item is considered. (Comments may, at the discretion of the Committee Chair, be limited to three minutes for each speaker.) To participate in public comment from your computer, tablet, or smartphone, click the “raise hand” feature in Zoom. You will be notified when it is your turn to speak, please unmute when requested. To participate in public comment via phone, dial \*9 to raise your hand. When it is your turn to speak, dial \*6 to unmute.

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July 2024 Check Register Link: <a href="https://www.yourscvwater.com/sites/default/files/SCVWA/departments/finance/check-registers/Check-Register-July-2024.pdf">https://www.yourscvwater.com/sites/default/files/SCVWA/departments/finance/check-registers/Check-Register-July-2024.pdf</a>	
8. * Committee Planning Calendar	67
9. Requests for Future Agenda Items	
10. General Report on Finance and Administration Activities	
11. Adjournment	
* Indicates attachments ♠ To be distributed	

**NOTICES:**

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning **Erika Dill, Sr. Management Analyst** at (661) 297-1600, or writing to SCV Water at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Committee less than seventy-two (72) hours prior to the meeting will be available for public inspection at SCV Water, located at 27234 Bouquet Canyon Road, Santa Clarita, California 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on September 10, 2024.

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