



PALMDALE WATER DISTRICT

A CENTURY OF SERVICE

BOARD OF DIRECTORS

ROBERT E. ALVARADO
Division 1

DON WILSON
Division 2

GLORIA DIZMANG
Division 3

KATHY MAC LAREN
Division 4

VINCENT DINO
Division 5

DENNIS D. LaMOREAUX
General Manager

ALESHIRE & WYNDER LLP
Attorneys

May 22, 2019

AGENDA FOR REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT to be held at the District's office at 2029 East Avenue Q, Palmdale TUESDAY, May 28, 2019

6:00 p.m.

NOTES: To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Dawn Deans at 661-947-4111 x1003 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Additionally, an interpreter will be made available to assist the public in making **comments** under Agenda Item No. 4 and any action items where public input is offered during the meeting if requested at least 48 hours before the meeting. Please call Dawn Deans at 661-947-4111 x1003 with your request. (PWD Rules and Regulations Section 4.03.1 (c))

Adicionalmente, un intérprete estará disponible para ayudar al público a hacer **comentarios** bajo la sección No. 4 en la agenda y cualquier elemento de acción donde se ofrece comentarios al público durante la reunión, siempre y cuando se solicite con 48 horas de anticipación de la junta directiva. Por favor de llamar Dawn Deans al 661-947-4111 x1003 con su solicitud. (PWD reglas y reglamentos sección 4.03.1 (c))

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale (Government Code Section 54957.5). Please call Dawn Deans at 661-947-4111 x1003 for public review of materials.

PUBLIC COMMENT GUIDELINES: The prescribed time limit per speaker is three-minutes. Please refrain from public displays or outbursts such as unsolicited applause, comments, or cheering. Any disruptive activities that substantially interfere with the ability of the District to carry out its meeting will not be permitted, and offenders will be requested to leave the meeting. (PWD Rules and Regulations, Appendix DD, Sec. IV.A.)

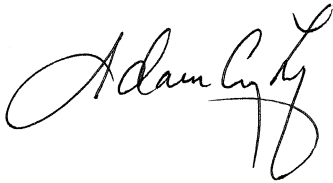
Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance to take action on any item.

- 1) Pledge of Allegiance/Moment of Silence.
- 2) Roll Call.
- 3) Adoption of Agenda.



- 4) Public comments for non-agenda items.
- 5) Presentations:
 - 5.1) Overview of existing water rate structure. (Finance Manager Williams/Tom Ash, RDN Consultant)
- 6) Action Items - Consent Calendar (The public shall have an opportunity to comment on any action item on the Consent Calendar as the Consent Calendar is considered collectively by the Board of Directors prior to action being taken.)
 - 6.1) Approval of minutes of regular meeting held May 13, 2019.
 - 6.2) Approval of minutes of special meeting workshop held May 16, 2019.
 - 6.3) Payment of bills for May 28, 2019.
 - 6.4) Approval of Resolution No. 19-8 being a Resolution of the Board of Directors of Palmdale Water District Authorizing Specified Individuals to Transact Business With Citizens Business Bank. (No Budget Impact – Finance Manager Williams)
 - 6.5) Approval of Resolution No. 19-9 being a Resolution of the Board of Directors of Palmdale Water District Authorizing Specified Individuals to Transact Business With UBS Financial Services, Inc. (No Budget Impact – Finance Manager Williams)
- 7) Action Items – Action Calendar (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.)
 - 7.1) Consideration and possible action on outreach activities for 2019. (Public Affairs Director Shay)
 - a) Outreach report.
 - b) Upcoming events/2019 plans.
 - c) Water Summit.
 - d) Outreach recommendations from Directors.
 - 7.2) Consideration and possible action on authorization of the following conferences, seminars, and training sessions for Board and staff attendance within budget amounts previously approved in the 2019 Budget:
 - a) Esri User Conference “GIS - The Intelligent Nervous System” to be held July 8-12, 2019 in San Diego.
- 8) Information Items:
 - 8.1) Report of President:
 - a) Standing Committee Structure and Assignments.
 - 8.2) Reports of Directors:
 - a) Meetings/General Report.
 - b) Standing Committee/Assignment Reports (Chair):
 - 1) Palmdale Recycled Water Authority.

- 8.3) Report of General Manager.
 - a) May 2019 written report of activities through April 2019.
- 8.4) Report of General Counsel.
- 9) Board members' requests for future agenda items.
- 10) Adjournment.

A handwritten signature in black ink, appearing to read "Adam C. Ly". The signature is fluid and cursive, with a large initial "A" and a stylized "L".

ADAM C. LY,
Assistant General Manager

ACL/dh

P A L M D A L E W A T E R D I S T R I C T
B O A R D M E M O R A N D U M

DATE: May 22, 2019 **May 28, 2019**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Michael Williams, Finance Manager
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 6.4 – APPROVAL OF RESOLUTION NO. 19-8 BEING A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT AUTHORIZING SPECIFIED INDIVIDUALS TO TRANSACT BUSINESS WITH CITIZENS BUSINESS BANK. (NO BUDGET IMPACT – FINANCE MANAGER WILLIAMS)***

Recommendation:

Staff recommends approval of Resolution No. 19-8 Authorizing Specified Individuals to Transact Business with Citizens Business Bank.

Alternative Options:

There are no alternative options.

Background:

A new Treasurer for the Board of Directors was appointed at the May 13, 2019 Board meeting. As a result, an updated resolution and updated signature cards are required by Citizens Business Bank.

Strategic Plan Initiative/Mission Statement:

This item is under Strategic Initiative No. 4 – Financial Health and Stability.
This item directly relates to the District’s Mission Statement.

Budget:

There is no financial impact from the approval of Resolution No. 19-8.

Supporting Documents:

- Resolution No. 19-8

RESOLUTION NO. 19-8

**A RESOLUTION OF THE
PALMDALE WATER DISTRICT
AUTHORIZING SPECIFIED INDIVIDUALS TO
TRANSACT BUSINESS WITH CITIZENS BUSINESS BANK**

WHEREAS, the Board of Directors of the Palmdale Water District (the “District”) has authorized certain public funds to be deposited with Citizens Business Bank for the purpose of protecting public funds; and

WHEREAS, from time to time the Palmdale Water District has cause to withdraw, deposit, reinvest, or otherwise change the disposition of those invested assets to fulfill the mission of the District; and

WHEREAS, the Board of Directors of the District, at their regular meeting of May 28, 2019, did authorize the President and/or Secretary to execute agreements with respect to accounts of the District held by Citizens Business Bank; and

WHEREAS, the Board of Directors of the District, at their meeting of May 28, 2019, did hereby approve the above described agreements authorizing certain individuals to act on the District’s behalf with respect to the certain specified accounts of the District with Citizens Business Bank; and

WHEREAS, the Board of Directors of the district intends and requires two Directors acting together or at least one Director acting with another director or designated staff member to execute authority over designated Treasury Management Agreement.

NOW, THEREFORE, BE IT RESOLVED, that Vincent Dino and Gloria Dizmang, acting together, are hereby authorized and directed to open an account with Citizens Business Bank in the District’s name and on its behalf, for the purpose of securing services, and that Citizens Business Bank is hereby authorized to act upon any orders and instructions with respect to such accounts listed below and/or the delivery of securities or money therefrom when received from any of the two said individuals, acting together, who are each likewise hereby authorized to sign and deliver in the District’s name and in its behalf, receipts for securities and/or funds so delivered or paid.

BE IT FURTHER RESOLVED, that any two of Don Wilson, Gloria Dizmang, Kathy Mac Laren, Robert Alvarado, or Vincent Dino acting together are hereby authorized to withdraw funds or to act on behalf of the District with respect to the General Account No. 047031559; Merchant Account No. 047031567; Customer Refund Account No. 047031575.

ADOPTED THIS 28TH DAY OF MAY, 2019.

President, Board of Directors

P A L M D A L E W A T E R D I S T R I C T
B O A R D M E M O R A N D U M

DATE: May 22, 2019 **May 28, 2019**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Michael Williams, Finance Manager
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 6.5 – APPROVAL OF RESOLUTION NO. 19-9 BEING A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT AUTHORIZING SPECIFIED INDIVIDUALS TO TRANSACT BUSINESS WITH UBS FINANCIAL SERVICES, INC. (NO BUDGET IMPACT – FINANCE MANAGER WILLIAMS)***

Recommendation:

Staff recommends approval of Resolution No. 19-9 Authorizing Specified Individuals to Transact Business with UBS Financial Services, Inc.

Alternative Options:

There are no alternative options.

Background:

A new Treasurer for the Board of Directors was appointed at the May 13, 2019 Board meeting. As a result, an updated resolution and updated signature cards are required by UBS Financial Services, Inc.

Strategic Plan Initiative/Mission Statement:

This item is under Strategic Initiative No. 4 – Financial Health and Stability.
This item directly relates to the District’s Mission Statement.

Budget:

There is no financial impact from the approval of Resolution No. 19-9.

Supporting Documents:

- Resolution No. 19-9

RESOLUTION NO. 19-9

A RESOLUTION OF THE PALMDALE WATER DISTRICT AUTHORIZING SPECIFIED INDIVIDUALS TO TRANSACTION BUSINESS WITH UBS FINANCIAL SERVICES, INC.

WHEREAS, the Board of Directors of the Palmdale Water District (the "District") has authorized certain public investments to be deposited with UBS Financial Services, Inc., for the purpose of protecting public assets and earning a safe rate of return on those invested assets being long-term Account No. SS-11475 and short-term Account No.'s SS-11432 and SS-11469 and rate stabilization fund Account SS-24016; and

WHEREAS, from time to time the Palmdale Water District has cause to withdraw, deposit, reinvest, or otherwise change the disposition of those invested assets to fulfill the mission of the District; and

WHEREAS, the Board of Directors of the District, at their regular meeting of May 28, 2019, did authorize the Secretary to execute resolutions with respect to accounts of the District held by UBS Financial Services, Inc.; and

WHEREAS, the Board of Directors of the District, at their meeting of May 28, 2019, did hereby approve the above described resolutions authorizing certain individuals to act on the District's behalf with respect to the certain specified investments of the District with UBS Financial Services, Inc.; and

WHEREAS, the Board of Directors of the District intends and requires at least one Director acting with another Director or designated staff member or two designated staff members acting together to exercise authority over investment accounts.

NOW THEREFORE, BE IT RESOLVED, that Don Wilson, Gloria Dizmang, Vincent Dino, and Robert Alvarado, with any two of them acting together, are hereby authorized and directed to open an account with UBS Financial Services, Inc. in the District's name and on its behalf, for the purpose of purchasing and selling securities, and that UBS Financial Services, Inc. is hereby authorized to act upon any orders and instructions with respect to such accounts listed below and/or the delivery of securities or money therefrom when received from any of the two said individuals, acting together, who are each likewise hereby authorized to sign and deliver in the District's name and in its behalf, receipts for securities and/or funds so delivered or paid.

BE IT FURTHER RESOLVED, that any two of the following, Don Wilson, Gloria Dizmang, Vincent Dino, or Robert Alvarado acting together or any one of them together with Dennis D. LaMoreaux, Robert M. Egan or Michael A. Williams or Dennis D. LaMoreaux and Michael A. Williams acting together are hereby authorized to act on behalf of the District with respect to long-term Account No. SS-11475, the short-term Account No.'s SS-11432 and SS-11469, and rate stabilization fund Account No. SS-24016.

ADOPTED THIS 28TH DAY OF MAY, 2019.

President, Board of Directors

P A L M D A L E W A T E R D I S T R I C T
B O A R D M E M O R A N D U M

DATE: May 20, 2019 **May 28, 2019**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Ms. Judy Shay, Public Affairs Director
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.1 – CONSIDERATION AND POSSIBLE ACTION
ON OUTREACH ACTIVITIES FOR 2019. (PUBLIC AFFAIRS
DIRECTOR SHAY)***

A detailed report on the Outreach activities listed below will be provided at the Board meeting.

- a) Outreach report.
- b) Upcoming events/2019 plans:
 - May 29 (11:30 a.m. - 12:30 p.m.): Weather Prediction Presentation by the Water & Energy Resources Dept. at Palmdale Prep Academy's Virtual Storm Chasers Class
 - May 31 (7:30 a.m. - 1:30 p.m.): OC Water Summit at Grand Californian Hotel in Anaheim
 - June 12 (9:00 - 11:00 a.m.): Coffee with Director Alvarado at Starbucks located at 1763 East Palmdale Blvd.
 - June 18 (8:30 - 9:00 a.m.): Prop 218 Overview by CFO/Finance Manager Michael Williams at Café Con Leche radio show
- c) Water Summit.
- d) Outreach recommendations from Directors.



AGENDA ITEM NO. 7.2
Hotel and Travel
Accommodations

Event Name/Date:

Esri User Conference "GIS - The Intelligent Nervous System" July 8-12, 2019 in San Diego

CONTACT INFORMATION

First Name

Last Name

Date

ACCOMMODATION INFORMATION

Rooms and rates are subject to availability. Complete and submit this form as soon as possible to guarantee a room at the host hotel. In the event that the host hotel is booked, every effort will be made to secure a room at the closest hotel within comparable rates to the event discounted rate.

Arrival Date

Departure Date

No. of guests

Room Type

Do you require a smoking room?

☐ Yes ☐ No

Do you need transportation from the airport to the hotel?

☐ Yes ☐ No

Flight Number

Time

ADDITIONAL INFORMATION/REQUESTS

Staff Representative

Esri User Conference

GIS—The Intelligent Nervous System

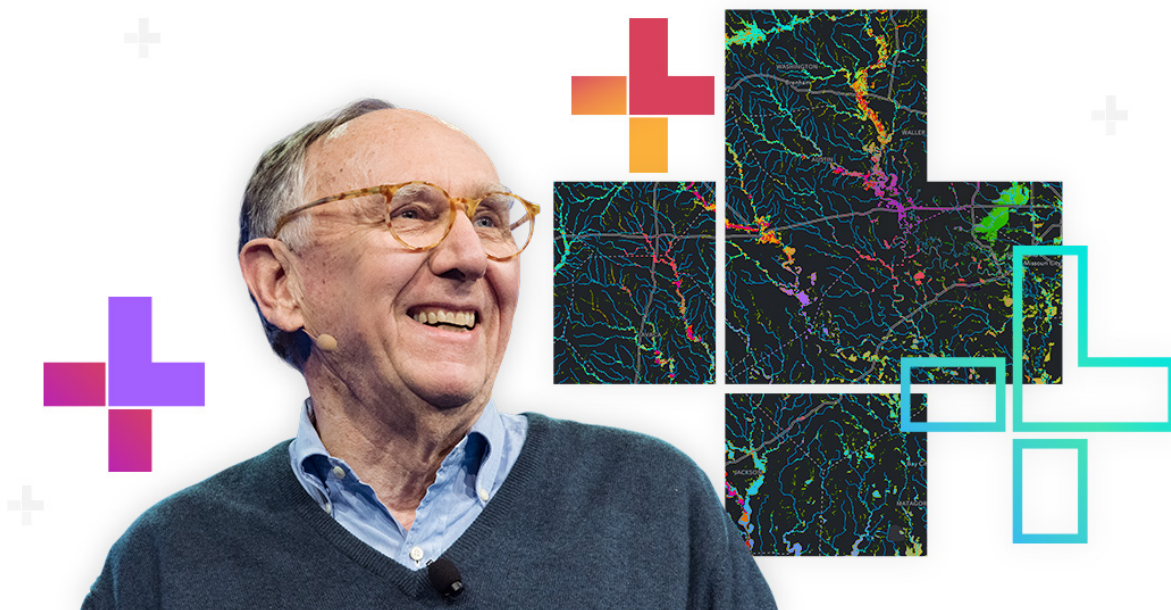
July 8 - 12, 2019 | San Diego Convention Center, San Diego, California



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We invite you to share some examples of your work and submit up to three of your best maps, photos, and diagrams for consideration.

Submit before the deadline



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Discover how GIS is the intelligent nervous system in the 2019 Plenary

[See the 2018 Plenary speakers](#)

Jack Dangermond

2018 KEYNOTE SPEAKER

Juan Enriquez

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Esri Services

Insights for ArcGIS

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Esri User Conference

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UPCOMING DATES AND LOCATIONS

July 8-12, 2019
San Diego Convention Center
111 Harbor Dr, San Diego, CA 92101

RESOURCES

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[2018 Map Gallery results](#)
[Esri UC Q&A](#)

UC HELP

[1-888-377-4576](#)



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Registration Rates and Details

Ready to join the world's largest GIS conference? You're in the right place.

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What's included in registration

Full registration includes all agenda items from for the entire week—Monday, July 8 to Friday, July 12. Access includes the Plenary Session, Expo, Map Gallery, breakout sessions, technical workshops, beverage breaks, and the Thursday Night Party.

Please note: One-day and Expo-only registrations do not include the Thursday Night Party—but don't worry, you're still invited. Tickets are available for purchase separately.

Early Bird Rate

Deadline January 11, 2019

Standard Rate

Deadline May 24, 2019

Late/Onsite Rate

After May 24, 2019

Full conference
registration


















One-day registration



Expo only registration



U.S. Federal Government

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Educational institution/Nonprofit organizations	
Full conference registration	
One-day registration	
Expo only registration	
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Esri Business Partners	
Educational institution/Nonprofit organizations	
Esri Maintenance Program Members	
Media	
Full conference registration	
One-day registration	
Expo only registration	
U.S. Federal Government	

Esri Business Partners



Educational institution/Nonprofit organizations



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WHAT YOU NEED TO REGISTER

Your [Esri account](#) user name and password. If you are registering multiple attendees, you will need the Esri account user name for each individual registrant.

Your Esri customer number. Can't find it? We can help. Contact our registration team at 888-377-4576 or email confregis@esri.com with your organization name.

Esri UC exhibitors will need their booth number.

PAYMENT DETAILS

Acceptable forms of payment include: Visa, MasterCard, American Express, and Discover credit cards.

Checks may be made payable to Esri.

Please send to:

Esri—Attention: Conference Registration, PO Box 741076, Los Angeles, CA 90074-1076

Cash will not be accepted onsite.

PWD 2019 STANDING COMMITTEES AND APPOINTMENTS

May 28, 2019

RESOURCE RELIABILITY AND OPERATIONAL EFFICIENCY:

Director_____

Director_____

GOAL: *To Ensure Reliable Water Sources, Facilities and Equipment*

Assignments:

- 1) Water System Master Plan and Asset Management
- 2) Recycled Water System
- 3) Water Supply Portfolio Diversification
- 4) Source Water Management
- 5) Water and Energy Conservation and Education Programs
- 6) Operation Resiliency and Safety

ORGANIZATIONAL EXCELLENCE:

Director_____

Director_____

GOAL: *To Promote Employee Retention and Excellence*

Assignments:

- 1) Compensation and benefits
- 2) Succession Planning Program
- 3) Organizational structure
- 4) Personnel policies
- 5) Training
- 6) Internships and Mentoring

FINANCIAL HEALTH AND STABILITY:

Director_____

Director_____

GOAL: *To Ensure and Maintain Financial Stability*

Assignments:

- 1) Grant funding
- 2) Five-year Water Rate Plan
- 3) Payment options
- 4) Budget and audit
- 5) Investments and reserves
- 6) Developer fees

REGIONAL LEADERSHIP AND OUTREACH:

Director_____

Director_____

GOAL: *To be an Industry Leader, Both Locally and Regionally, and to Develop New and Innovative Programs*

Assignments:

- 1) Antelope Valley partnerships and associations
- 2) Emergency Response Plan
- 3) Legislation and lobbying efforts
- 4) Board policies
- 5) Outreach Plan and publications
- 6) State-of-the-art concepts to improve efficiencies and operations

PALMDALE WATER DISTRICT DIRECTOR APPOINTMENTS:

▪ **Antelope Valley State Water Contractors Association**

Director_____

Director_____

Alternate_____

▪ **Palmdale Recycled Water Authority**

Director_____

Director_____

Alternate_____

▪ **Plant 42 Environmental Restoration Advisory Board**

Director_____

Director_____

Alternate_____

- Association of California Water Agencies & JPIA

Director_____

Alternate_____

BOARD LIAISONS:

The Board President shall act as and/or appoint Liaisons to various functions and organizations to represent PWD.

- AVEK

Director_____

- Fin & Feather Club

Director_____

*The Board President shall appoint Ad Hoc Committees
from time to time and reconstitute such committees as the need arises.*

PALMDALE RECYCLED WATER AUTHORITY (PRWA)

MINUTES OF APRIL 15, 2019
REGULAR MEETING AGENDA NO. 47
PALMDALE RECYCLED WATER AUTHORITY (PRWA)
HELD AT CITY OF PALMDALE
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
www.cityofpalmdale.org
www.palmdalewater.org

1. CALL TO ORDER.

Vice Chair Dino called the meeting to order at 7:00 p.m.

2. PLEDGE OF ALLEGIANCE.

3. ROLL CALL: CHAIR JUAN CARRILLO, DIRECTORS VINCENT DINO, KATHY MAC LAREN, AUSTIN BISHOP AND HELEN VELADOR

Director Bettencourt served as alternate in place of Director Bishop who was not present.

PRESENT: Directors Dino, Mac Laren, Velador, and Bettencourt

ABSENT: Chair Carrillo

Motion: Move to excuse the absence of Chair Carrillo.

Moved by Director Bettencourt, seconded by Director Mac Laren.

Vote: Motion Carried (4-0)

Yes: Directors Dino, Mac Laren, Velador, and Bettencourt

4. ADMINISTRATION OF OATH OF OFFICE. (Staff Reference: Authority Secretary Smith).

Authority Secretary Smith swore in Alternate Director Bettencourt.

5. CONSENT CALENDAR – PUBLIC COMMENTS ONLY:

Public Comments: None.

6. CONSENT CALENDAR:

6.1 Approve the Minutes from the previous meeting held on February 21, 2019 (7pm). (Staff Reference: Authority Secretary Smith)

6.2 Approve receipt and filing of the Treasurer's Report for the two months ending February 28, 2019. (Staff Reference: Treasurer-Auditor Williams)

Motion: Move to approve the recommendations and findings on all items listed under this Consent Calendar by one vote.

Moved by Director Velador, seconded by Director MacLaren.

Vote: Motion Carried (4-0)

Yes: Directors Dino, Mac Laren, Velador, and Bettencourt

Absent: Chair Carrillo

7. ACTION CALENDAR:

7.1 Discussion and possible action regarding changing the Palmdale Recycled Water Authority (PRWA) meeting date and time. (Staff Reference: Executive Director LaMoreaux)

There was no staff report for this item.

There was discussion among Board Directors regarding changing the meeting date and time of the meeting. .

Motion: Draft a resolution to bring back to the next meeting with language stating that the meeting will continue to be held on the 3rd Monday of the month at 7:00 p.m. and no date change will be considered for one year.

Moved by Director Bettencourt, seconded by Director Mac Laren.

Vote: Motion Carried (4-0)

Yes: Directors Dino, Mac Laren, Velador, and Bettencourt

Absent: Chair Carrillo

8. SPECIAL REPORT:

- 8.1 Informational report on possible financing option for Phase 2 through IBANK (California Infrastructure and Economic Development Bank). (Staff Reference: Treasurer-Auditor Williams)

Treasurer-Auditor Williams presented the staff report and provided an overview of funding for the project. Treasurer-Auditor Williams stated that the interest rate would be 3.75% on \$7 million.

Director Velador asked if the Joint Powers Authority will extend for 30 years. Treasurer-Auditor Williams replied yes that a provision can be set to extend the Joint Powers Authority for 30 years.

Treasurer-Auditor Williams stated that the Authority will seek approval from City of Palmdale City Council and the Palmdale Water District Board of Directors at a future meeting. Once approved, the money will be available in 90 days.

9. NON-AGENDA ITEMS - PUBLIC COMMENTS:

Public Comments: None.

10. REQUESTS FOR NEW AGENDA ITEMS:

Director Bettencourt asked if the California City wells will affect Palmdale. Executive Director LaMoreaux stated that the city would not be impacted.

Director Bettencourt would like a Public Service Announcement (PSA) regarding the dangers of dumping medications down the drain. She would like the PSA to remind citizens to take their unused/expired medications to Kaiser or to put them in drop boxes.

Director Bettencourt spoke regarding the expensive cost of ditch cleanup. She asked if we wanted the community to assist with cleanup the ditch. Executive Director LaMoreaux stated that heavy equipment was needed for the cleanup but maybe we can do a section with the community.

Director Mac Laren would like to increase public awareness regarding recycled water with a positive message about the Palmdale Recycled Water Authority.

Director Velador would like the message to get out early and would also like a message about safety, water healthfulness, and tours. She would also like to create a logo for Palmdale Recycled Water Authority.

Director Mac Laren stated that we need to start discussing what Palmdale Recycled Water Authority is about. Assistant Executive Director Heffernan spoke regarding a website for Palmdale Recycled Water Authority only.

Executive Director LaMoreaux stated that the Authority had a website in the past and discussed creating another website page.

Director Velador spoke regarding the WateReuse conference in San Francisco. Executive Director LaMoreaux stated that the National WateReuse Group will be meeting in San Diego later this fall.

Director Mac Laren spoke regarding the Aqua Conference and that it would be good for City members to attend as well. She stated that the conference is scheduled in May. Director Bettencourt asked Director Mac Laren to forward information to her in regards to the conference.

11. INFORMATIONAL REPORT OF THE BOARD OF DIRECTORS, EXECUTIVE DIRECTOR, AND ASSISTANT EXECUTIVE DIRECTOR.

Director Velador attended Read Across America event at Montecito Elementary School; WateReuse Conference in Garden Grove March 17-19, 2019; Smart Water Expo at the Antelope Valley Fairgrounds; and the Barrel Springs Clean up on March 30, 2019.

Director Mac Laren stated City joined in Casino Night for Sheriff's Boosters. She stated that Debbie Dino will initiate something with the Antelope Valley Fair for Agriculture days and stated that they will now include Palmdale Schools. She stated that Grace Resource Center and Saves will be included in food donations of proteins from the Antelope Valley Fair program Kids Feeding Kids.

Executive Director LaMoreaux stated that WateReuse presentations on flashdrives were given to the Board at this meeting.

12. ADJOURNMENT.

Vice Chair Dino adjourned the meeting at 8:30 p.m.

PASSED, APPROVED, and ADOPTED this _____ day of _____ 2019.

Juan Carrillo
Chair

ATTEST:

Rebecca J. Smith,
Secretary

PALMDALE WATER DISTRICT

BOARD MEMORANDUM

DATE: May 17, 2019 May 28, 2019
TO: BOARD OF DIRECTORS Board Meeting
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: *AGENDA ITEM NO. 8.3.a – MAY 2019 GENERAL MANAGER REPORT*

The following is the May 2019 report to the Board of activities through April 2019. It is organized to follow the District's six strategic initiatives adopted in January 2018 and is intended to provide a general update on the month's activities. A summary of the initiatives is as follows:



Water Resource Reliability

- Complete the 2018 phase of the Upper Armagosa Creek Recharge Project
- Ensure Palmdale Recycled Water Authority (PRWA) to be fully operational by year 2020
- Adopt new state-of-the-art water treatment technologies
- Implement the Antelope Valley Groundwater Adjudication agreement
- Complete the grade-control structure for the Littlerock Reservoir Sediment Removal Project
- Continue the next phase towards the completion of Palmdale Regional Groundwater Recharge and Recovery Project
- Identify and pursue opportunities to increase the reliability of water supply



Organizational Excellence

- Offer competitive compensation and benefits package to promote employee retention
- Focus Succession Planning Program on ensuring an overlap of training for key positions
- Continue providing transparency to our ratepayers
- Promote and support leadership training and professional development programs to enhance the District's customers' experience



Systems Efficiency

- Implement 2016 Water System Master Plan
- Develop a five-year Infrastructure Revitalization Plan to continue the reinvestment and preventative maintenance for aging infrastructure
- Explore energy independence
- Continue being the industry's leader on the use of Granular Activated Carbon (GAC)
- Research and test new technologies to increase efficiencies
- Improve safety and training for Directors, employees and customers
- Develop a crisis communications plan



Financial Health and Stability

Pursue additional grant funding for all District projects
Adopt a sustainable and balanced rate structure to meet short and long-term needs
Create a five-year financial plan in conjunction with the 2019 Water Rate Plan
Maintain adequate reserve levels, high-level bond rating, and financial stability



Regional Leadership

Enhance relationships with Antelope Valley partnerships, including local water agencies, Antelope Valley State Water Contractors Association and the Palmdale Recycled Water Authority
Expand school water education programs
Engage elected officials in water-related issues
Continue offering career opportunities through the Internship Program
Provide opportunities for local businesses to contract with the District



Customer Care, Advocacy and Outreach

Increase Customer Care accessibility through communication and feedback to enhance customers' experience
Evaluate, develop, and market additional payment options
Be point of communication for customers' water-related public health concerns
Develop the District's Public Outreach Plan
Increase public awareness of the District's history and promote centennial anniversary

This report also includes charts that show the effects of the District's efforts in several areas. They are organized within each strategic initiative and include status of the State Water Resources Control Board's (SWRCB) long-term conservation orders, 20 x 2020 status, the District's total per capita water use trends, 2019 water production and customer use graph, mainline leaks, and the water loss trends for both 12- and 24-month running averages.



Water Resource Reliability

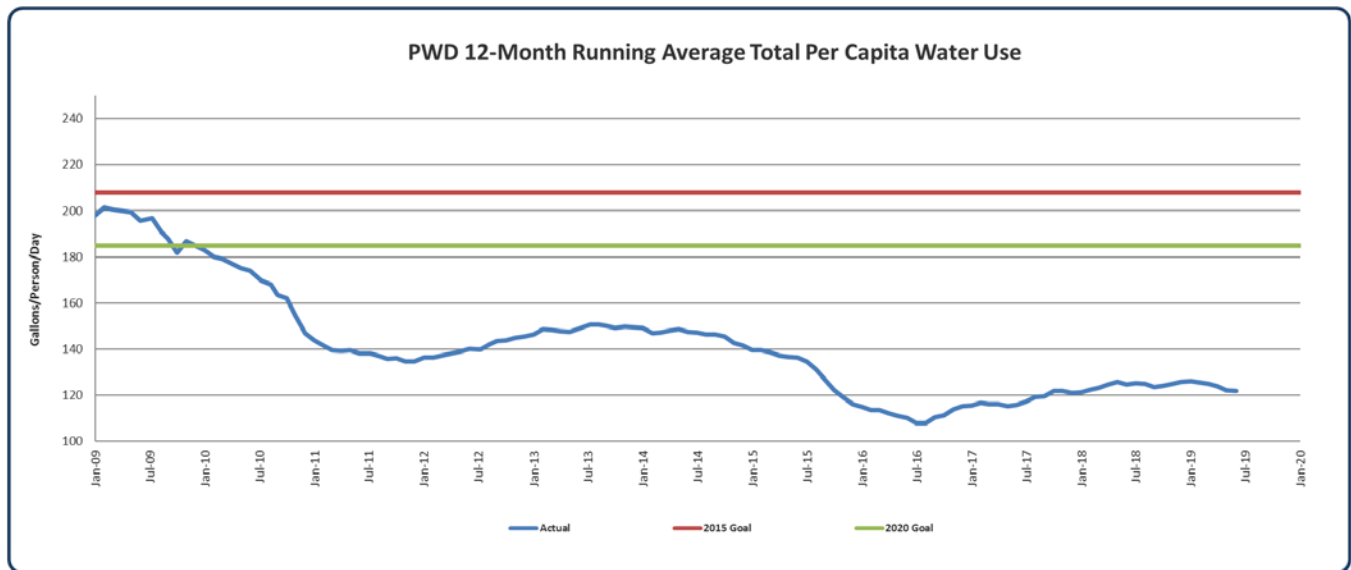
This initiative includes conservation efforts, water supply projects, and water planning. Recent highlights are as follows:

State Water Resources Control Board (SWRCB) Activities

- The 20 x 2020 per capita reduction goals passed by the legislature in 2009 with new long-term water budgeting requirements have now been replaced with new requirements and water agency water budgets. These follow through on the "Making Water Conservation

a California Way of Life” plan. The District expects to easily comply with the new requirements as they are based on the same philosophy as the District water budget rate structure.

The District’s compliance with the former 20 x 2020 law is evident from the chart titled “PWD 12-Month Running Average Total Per Capita Water Use.”:

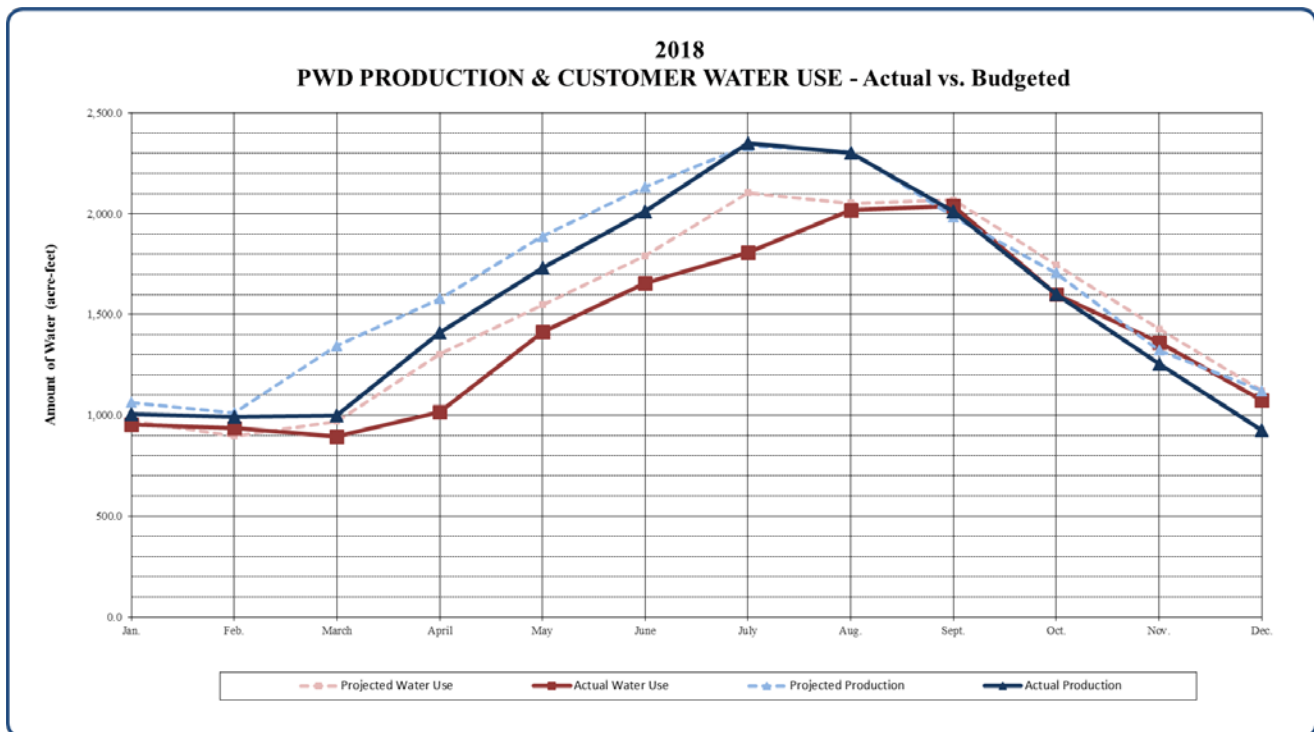
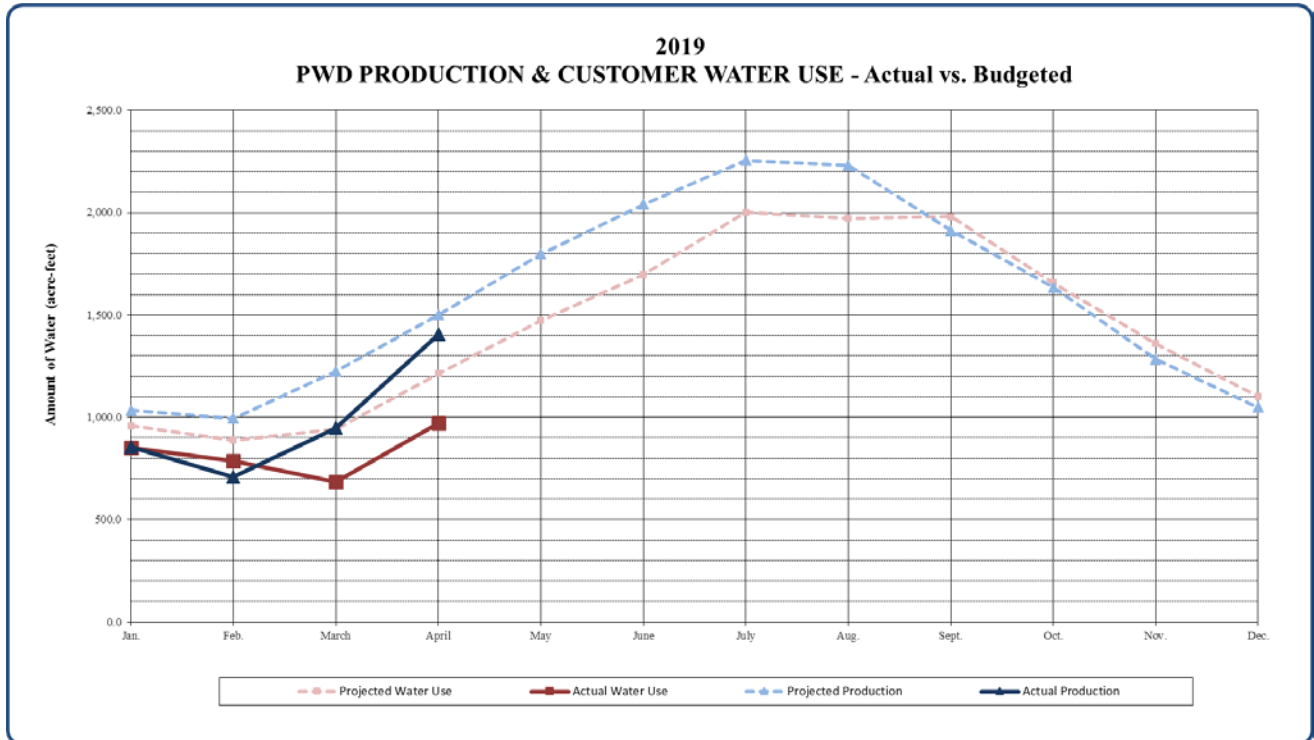


The District’s customers have cut their water use by **47.2%** from the baseline number of 231 and met the 2020 Goal in early 2010. The current Total-GPCD is 122.

Water Supply Information

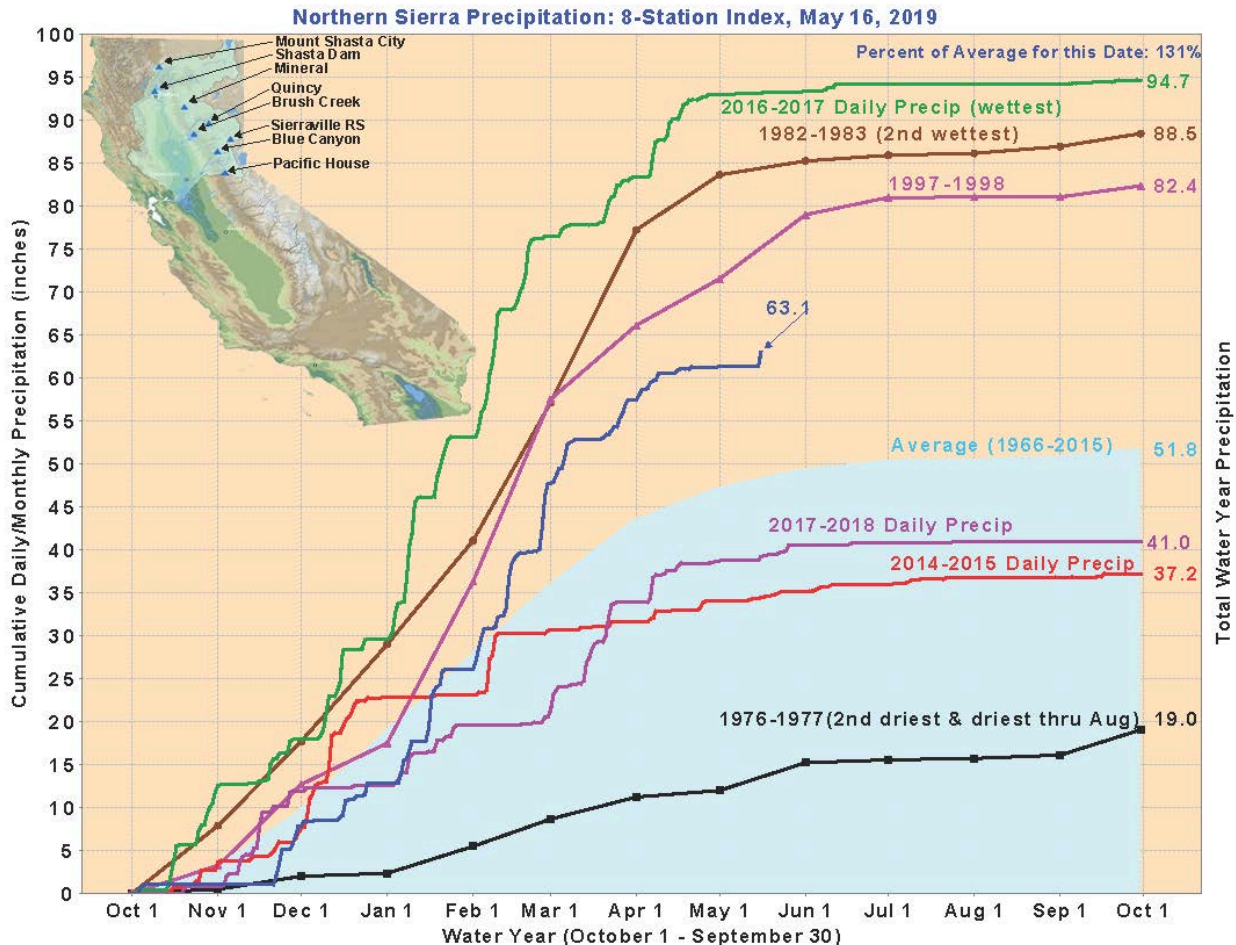
- The AV Adjudication is now in its fourth year, and the reduction to the native safe yield is in its second year. The District’s native groundwater right is 2,769.63 AF. Other groundwater rights for 2018 were 1,452.27 AF of unused Federal Reserve Rights, 3,828.41 AF of Return Flow Rights, and 3,911.94 AF of Carryover Rights. These groundwater rights total 11,962.55 AF. The District used approximately 6,073 AF. This leaves a total carryover amount of approximately 5,890 AF going into 2019. The District’s 2019 groundwater rights are expected to be similar to 2018 and will be calculated in the next couple months.
- The 2019 water resources plan will be finalized when the State Water Project (SWP) allocation is determined in May. The current SWP allocation is 70% and provides approximately 22,000 AF. The District will be using a higher amount of surface water than normal due to the SWP and Littlerock Reservoir supplies. SWP supplies beyond our customers’ needs will be banked or exchanged to help provide water during dry years.

The following graph shows actual amounts through April 2019 and monthly projections for both production and consumption, based on the prior five years of actual monthly information, for the entire year. Water use is less than anticipated so far this year due to the rainy weather and appears to be recovering. The 2018 chart is added in this report for comparison.



May 17, 2019

The precipitation index for the area contributing to the State Water Project is currently at 131% of average and appears to be leveling off as a significantly wet year. This is shown in the following graph.



Other Items

- The Littlerock Reservoir Sediment Removal Project Environmental Impact Report/Environmental Impact Statement (EIR/EIS) was fully approved in 2017. All required permits are in place, and a construction contract for the Grade Control Structure was awarded in July 2018 to ASI Construction, LLC (ASI) of Colorado Springs.

ASI installed dewatering wells around the construction area and began pumping out water in early November. Dewatering, excavation, and constructing a water bypass continued through December and early January. A series of storms during the week of January 14th overwhelmed the partially completed water bypass and flooded the construction site. The construction site is now secured. Work is expected to begin again in July or August of this and be complete by November.

A citizen's committee, Friends of Littlerock Dam (FOLD), was formed in the Littlerock, Pearblossom, and Juniper Hills area to find a way to reopen the Littlerock Reservoir Recreation area. They worked with the District and the USFS on this issue. The USFS plans to issue a request for proposals for a recreational operator. This process is expected to take over a year.

- The public review of the Draft California Environmental Quality Act (CEQA) EIR for the Palmdale Regional Groundwater Recharge and Recovery Project is complete. The Final EIR was certified by the Board on July 13, 2016, and the Notice of Determination was filed on July 14, 2016. The comments from the SWRCB Recycled Water Division on the Title 22 Engineering Report were addressed and returned for further review. Another set of comments was recently received and are being reviewed.

The analysis of information from the pilot spreading basin is complete. The soil column tests were completed and reported on late last year. The District reviewed additional geotechnical work done to verify the proposed location is suitable. The result is a recommendation to drill two additional monitoring wells.

- The long-planned Upper Amargosa Creek Recharge Project is now under contract for construction. One contract is for the California Aqueduct turnout and transmission water main. The other is for the recharge basins. They are higher than original estimates and will result in a request from the City of Palmdale to the District, LA County Waterworks, and AVEK for additional funding. A successful groundbreaking was held on November 15, 2018. Construction is expected to take a full year.
- California Water Fix: There have been recent regulatory approvals moving this project forward. However, the current Governor has only stated support for one of the proposed tunnels. The State Water Contractors and the Department of Water Resources are continuing discussions about the Project's financing and operations. These discussions will result in a clearer picture of the effect on individual contractors. Staff is directly involved in these discussions and will be able to update the Board in the future.



Organizational Excellence

This initiative includes efforts to restructure staff duties and activities to more efficiently provide service to our customers. Recent highlights are as follows:

- An initial workshop was held on January 30, 2019 to discuss the District's direction and begin to update the Strategic Plan for 2019.

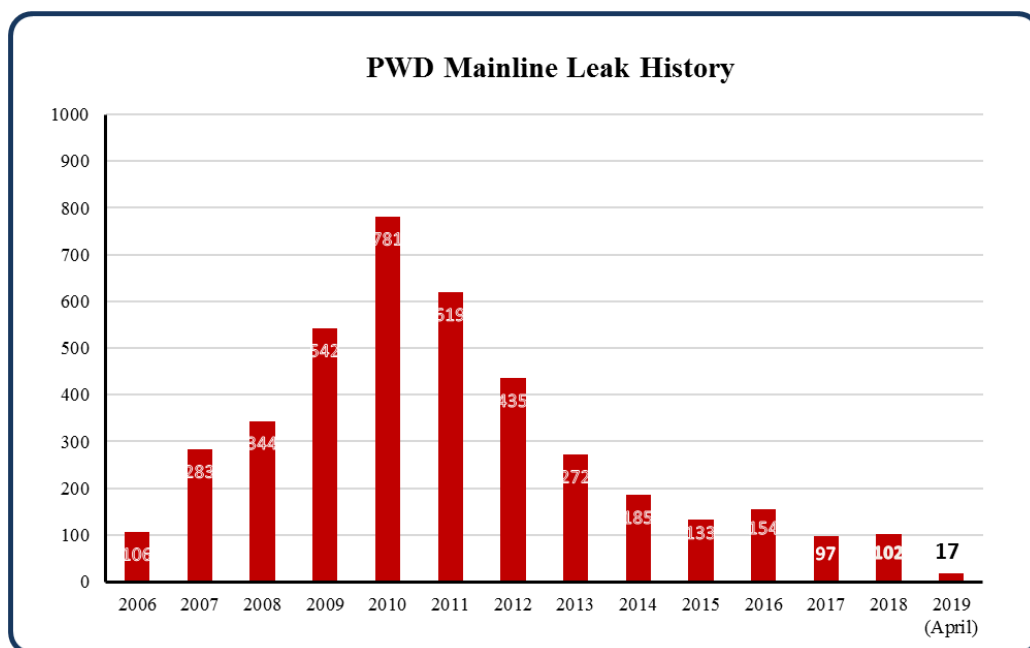
- The District and other members of the Public Water Agencies Group (PWAG) have hired and share the services of an Emergency Preparedness Coordinator. This has already resulted in a successful training held at the District office. More activities, including drills and a review of the Emergency Response Plan, are planned for 2019.
- The Board of Directors and staff completed a cultural survey in 2018. The results show continuing overall improvements in the District's operations. The Mathis Group will assist the Board and staff in following up on the survey and improving the District's operations. The staff Communications Committee has started working with the overall staff to reinforce strong areas from the Survey and help improve the other areas.



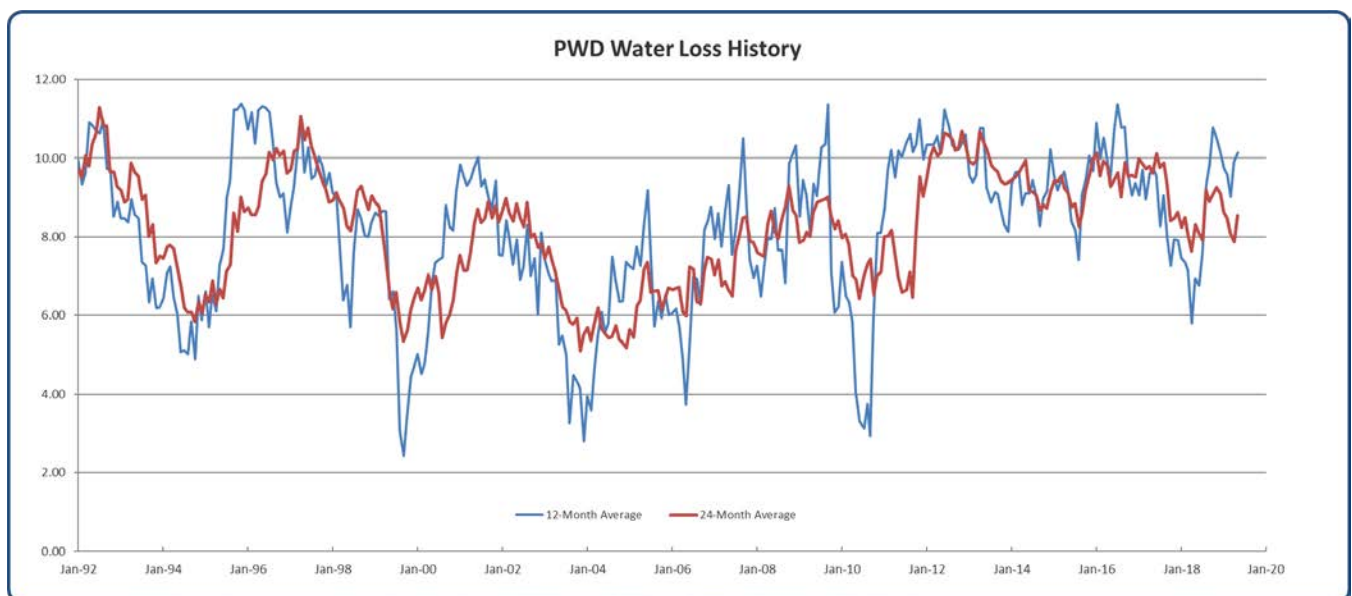
Systems Efficiency

This initiative largely focuses on the state of the District's infrastructure. Recent highlights are as follows:

- Installation of security upgrades for the Leslie O. Carter Water Treatment Plant is operational and complete. Additional cameras are now installed for the two access gates.
- The effects of the District's past efforts in replacing failing water mains and meters can be seen in the reduced number of mainline leaks. This is illustrated in the chart titled "Mainline Leak History." The mainline leaks through April 2019 are 17, and there were 24 service line leaks.



- The 2019 Budget includes replacing approximately 2,800 meters. Staff will do this replacement project and then evaluate how best to do it in future years.
- Facilities staff is focusing on maintenance activities to incorporate pressure reducing valves, air-vacuum release valves, and other facilities as their efforts can continue to be more preventative due to a lower number of emergency repairs.
- District staff's replacement work for 2019 includes Camares Drive south of Barrel Springs Road, Avenue V-5 west of 47th Street East, and East Avenue P-8 from 20th Street East to 25th Street East.
- The Final Environmental Impact Report for the 2016 Facilities Master Plan, the Master Plan itself, and the revised Capital Improvement Fee were all approved by the Board in 2018. These became effective on February 1, 2019.
- The positive effect of both water main and water meter replacement programs is shown on the chart titled "PWD Water Loss History." The running average for water losses is now under 10%.





Financial Health and Stability

- Engineering staff has successfully applied for planning grant funding for the Palmdale Regional Groundwater Recharge and Recovery Project and for the Phase II pipeline for the Palmdale Recycled Water Authority. Application packages for further funding have been determined to be complete by the State. A comment letter was also submitted to raise the priority of both projects in the State's funding plan for 2017/2018.

The State is satisfied with resolutions from the City and the District related to the PRWA Phase II funding application for compliance with their repayment requirements. An amendment to the JPA was also completed to tie these into PRWA. The outstanding financing issue is the State's approach to determining the District's Debt Coverage Ratio. They continue to include non-operating expenses into the calculation. Staff and our financial advisor are still working on this issue. PRWA is also trying to obtain completed booster station plans being held by Los Angeles County Waterworks District 40 to complete the Phase II design plans and financing.

Staff is also working with the California Infrastructure Bank for this project. Early discussions show this as a strong possibility to fund the work.

- A new water rate study conducted in accordance with Proposition 218 is started for 2019. Three proposals were received in March and a recommendation made to the Board to award a contract to RDN. The first staff meetings with RDN were held in April. Staff is providing all the needed information to project revenue needs over the next five years.
- Engineering/Grant Manager Riley has worked with the Bureau of Reclamation for the acceptance of a Feasibility Report for the Palmdale Regional Groundwater Recharge and Recovery Project and having it eligible for funding. The 2017 competition effort did not result in an award of funds from the Bureau. However, lessons from this submittal will be used in future funding competitions. The current Federal budget proposal makes dramatic cuts to the Bureau's Title XVI Program and makes it highly unlikely to assist the project.
- Water-Wise Landscape Conversion Program (Cash-for-Grass Program): The District received a \$75,000 Grant from the Bureau of Reclamation in 2017 to assist in funding the Program. The District has fully used the grant funds. The Board approved an application for additional funds in February.



Regional Leadership

This initiative includes efforts to involve the community, be involved in regional activities, and be a resource for other agencies in the area. Recent highlights are as follows:

- Activities of the Palmdale Recycled Water Authority (PRWA) and Antelope Valley State Water Contractors Association have continued.
- The District staff continues to share the administration of the Antelope Valley Watermaster Board (AVWB) with AVEK and related meetings.
- District staff is active in the local chambers, GAVEA, and area human resources and public information groups.
- The first “PWD Water Ambassador Academy” was conducted on September 19 and 26, October 3 and a tour/graduation on October 6, 2018. The response from them was overwhelmingly positive. The next Academy was successfully completed in March. A high school version of the Academy is also being planned as a one-day event on May 16, 2019.
- The District has joined with other water districts to express concerns with the proposed Statewide water tax over the last two years. It appears the new Governor plans to move forward with the idea, and more discussions are expected this year.



Customer Care and Advocacy

This initiative includes efforts to better serve our customers. Recent highlights are as follows:

- The ability to make payments at 7-Eleven and Family Dollar Store is also continuing to grow.
- Customer Care office and field staff are crosstraining to better understand the other’s interaction with customers and to improve communication.
- Customers are continuing to take advantage of the District’s electronic payment options. 59% of all payments made by customers were done electronically in 2018.