

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, MAY 13, 2019:

A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, May 13, 2019, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Vincent Dino, called the meeting to order at 6:00 p.m.

1) Pledge of Allegiance/Moment of Silence.

At the request of President Dino, Director Mac Laren led the pledge of allegiance followed by a moment of silence.

2) Roll Call.

Attendance:

Vincent Dino, President
Kathy Mac Laren, Vice President
Gloria Dizmang, Treasurer
(Arrived late at 6:26 p.m.)
Don Wilson, Secretary
Robert Alvarado, Assistant
Secretary

Others Present:

Dennis LaMoreaux, General Manager
Adam Ly, Assistant General Manager
Alondra Espinosa, Assistant General Counsel
Mike Williams, Finance Manager
Judy Shay, Public Affairs Director
Tara Rosati, Customer Care Supervisor
Linda Trevino, Water Use Efficiency Specialist II
Robert Rosati, Water Use Efficiency Specialist I
Bob Egan, Financial Advisor
Danielle Henry, Management Analyst
21 members of the public

3) Adoption of Agenda.

It was moved by Director Alvarado, seconded by Director Mac Laren, and unanimously carried by all members of the Board of Directors present at the meeting to adopt the agenda, as written.

4) Public Comments for Non-Agenda Items.

There were no public comments.

5) Presentations:

5.1) 2019 Water Awareness Contest Awards. (Water Use Efficiency Specialist II Trevino/Water Use Efficiency Specialist I Rosati)

Water Use Efficiency Specialist II Trevino and Water Use Efficiency Specialist I Rosati provided an overview of the 2019 Water Awareness Contest projects for grades K - 8 and then announced that this year's sole contest winner is the 2nd Grade Class of Ms. Janet Morris from Golden Poppy Elementary School for the creation of a paper-mache globe of the Earth and written statement regarding the importance of Earth Day.

Certificates were then presented to each student, and gift card prizes for 1st, 2nd and 3rd place were presented to Ms. Janet Morris to help with classroom supplies, after which Ms. Janet Morris stated that she is grateful her students had the opportunity to participate in this contest and incorporate the lesson into their social studies curriculum.

Director Alvarado then thanked Ms. Janet Morris, the students, the parents, and staff for efforts involved with participating in the 2019 Water Awareness Contest.

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 April 22, 2019.

6.2) Approval of Minutes of Special Meeting Held April 30, 2019.

6.3) Payment of Bills for May 13, 2019.

6.4) Approval of District 2019 Membership in the Water Research Foundation. (\$11,057.25 – Budgeted – Budget Item No. 1-02-4165-000, Administration, Memberships and Subscriptions – Operations Manager Masaya)

President Dino announced the items included in the Consent Calendar after which it was moved by Director Mac Laren, seconded by Director Wilson, and unanimously carried by all members of the Board of Directors present at the meeting to approve those items included in the Consent Calendar.

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 Board of Director Treasurer Position. (President Dino)

It was moved by Director Alvarado, seconded by Director Wilson, and unanimously carried by all members of the Board of Directors present at the meeting to appoint Director Dizmang as Treasurer.

7.2) Consideration and Possible Action on Revisions to Palmdale Water District Rules and Regulations Article 8.03.C – Miscellaneous Charges, No. 7. (No Budget Impact – Customer Care Supervisor Rosati)

Customer Care Supervisor Rosati provided an overview of the District's current policy regarding broken angle stop repair charges and the recommended revisions to base a repair charge waiver on the circumstances of the customer rather than the location history after which it was moved by Director Mac Laren, seconded by Director Alvarado, and after a brief discussion of isolation valve installation locations and of District procedures for customer repairs, the motion carried by a 4-0-1 vote, with Director Dizmang abstaining, to approve revisions to Palmdale Water District Rules and Regulations Article 8.03.C – Miscellaneous Charges, No. 7, as presented.

Director Dizmang arrived at 6:26 p.m.

7.3) Consideration and Possible Action on Ratification of Proposal Received from Eagle Aerial Solutions for Irrigated Vegetation Mapping Program. (\$31,500.00 – Budgeted – Budget Item No. 1-02-5070-007, Consultants – Finance Manager Williams)

Finance Manager William provided an overview of the proposal received from Eagle Aerial Solutions for Irrigated Vegetation Mapping Program, including the GIS technology of using aerial imagery to measure actual landscape square footage for greater accuracy of determining water allocations for each parcel in relation to the District's water budget rate structure and the assistance that the Program will provide for the 2019 Water Rate Study, after which it was moved by Director Dizmang, seconded by Director Mac Laren, and unanimously carried by all members of the Board of Directors present at the meeting to approve ratification of proposal received from Eagle Aerial Solutions for Irrigated Vegetation Mapping Program in the not-to-exceed amount of \$31,500.00.

7.4) 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:

There were no conferences, seminars, and training sessions to consider.

8) Information Items:

8.1) Finance Reports:

a) Status Report on Cash Flow Statement and Current Cash Balances as of March 2019. (Financial Advisor Egan/Finance Committee).

Financial Advisor Egan congratulated Director Dizmang and then provided an overview of the quarterly Investment Funds Report through March 2019, including the decrease in cash due to bond payments, expenditures, assessments, and RDA pass-through amounts received, and then reviewed the cash flow statement, including water receipts, future RDA pass-through amounts and the difference between cash flow and financial statements.

b) Status Report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for March 2019. (Finance Manager Williams/Finance Committee)

Finance Manager Williams reviewed in detail the balance sheet, profit and loss statement, year-to-year comparisons, month-to-month comparisons, quarter-to-quarter comparisons, consumption comparisons, and revenue and expense analysis reports for the period ending March 2019 and stated that most departments are operating at or below the targeted expenditure percentage of 25%, with the exception of Human Resources due to training, reimbursements, and temporary labor costs.

He then provided an overview on payments by transaction type, on accounts receivables, and on billing statistics for 2018.

c) Status Report on Committed Contracts Issued. (Finance Manager Williams/Finance Committee)

Finance Manager Williams provided an overview of the Contractual Commitments and Needs Report for new and replacement capital projects, consulting and engineering support projects, new and replacement equipment, water quality fee funded projects, committed and projected capital expenditures, and available funding sources through March 2019 and the summary of Water Revenue Bond Series 2018A payouts to date.

He then stated that the Debt Service Coverage for the period of April 2018 through March 2019 is 1.05 and that this will change as 2019 progresses.

8.2) Report of Directors:

a) Meetings/General Report.

b) Standing Committee/Assignment Reports (Chair):

1) Finance Committee.

Director Alvarado reported that on April 23, he attended the Finance Committee meeting; that on April 27, he attended the City of Palmdale's Book Heart Festival and recommended future participation by PWD; that on April 30, he attended the Palmdale Water District Special Board meeting; and that on May 8, he attended a Board briefing with Assistant General Manager Ly. He then congratulated Director Dizmang on position of Treasurer and Director Dino and General Manager LaMoreaux on their wedding anniversaries.

Director Mac Laren reported that on April 24, she attended the Antelope Valley Watermaster Board meeting; that on April 30, she attended the Palmdale Water District Special Board meeting; that on May 6 and 7, she attended the ACWA/JPIA meeting in Monterey where they discussed rates; that on May 7, she attended a Board briefing with General Manager LaMoreaux in Monterey; and that on May 8 to 10, she attended the ACWA Spring Conference in Monterey where discussions included the water tax and then stated that she is very proud of PWD's accomplishments.

Director Dizmang reported that on May 8, she met with Executive Assistant Deans to collect her Director materials; that on May 9, she attended a Board briefing with Assistant General Manager Ly; and that on May 13, she attended a Board briefing with General Manager LaMoreaux and Assistant General Manager Ly regarding tonight's meeting.

Director Wilson reported that on that on March 25, he attended a Board briefing with General Manager LaMoreaux; that on March 27, he attended the Antelope Valley Watermaster Board meeting; that on April 4, he attended a Board briefing with General Manager LaMoreaux and Assistant General Manager Ly; that on April 7 to 10, he attended the California Special District Leadership Foundation Conference in San Diego where he was very impressed with the Conference Program; that on April 18, he

attended a Board briefing with General Manager LaMoreaux and Assistant General Manager Ly; that on April 22, he attended the Palmdale Water District Regular Board meeting; that on April 23, he attended the Finance Committee agenda review and Finance Committee meeting; that on April 30, he attended the Palmdale Water District Special Board meeting; and that on May 7 to 10, he attended the ACWA Spring Conference in Monterey.

President Dino reported that on March 26, he attended the AVEK Board meeting; that on March 28, he attended an agenda review and approval meeting with General Manager LaMoreaux; that on April 4, he attended a Board briefing with General Manager LaMoreaux and Assistant General Manager Ly; that on April 8, he attended the Palmdale Water District Regular Board meeting; that on April 9, he attended an AVEK Board meeting; that on April 10, he attended an agenda review and approval meeting with General Manager LaMoreaux; that on April 11, he attended the Antelope Valley State Water Contractors Association meeting; that on April 15, he attended the Palmdale Recycled Water Authority meeting; that on April 17, he attended a Board briefing with General Manager LaMoreaux and Assistant General Manager Ly; that on April 22, he attended the Palmdale Water District Regular Board Meeting; that on May 6 and 7, he attended the ACWA/JPIA meeting in Monterey; and that on May 8 to 10 he attended the ACWA Spring Conference in Monterey where discussions included the removal of several dams.

There were no further reports on Standing Committee/Assignments.

8.3) Report of General Manager.

a) Update on Palmdale Recycled Water Authority Phase 2 Financing.

General Manager LaMoreaux provided an overview of the Palmdale Recycled Water Authority Phase 2 Project and the unfavorable status of the State Revolving Fund progress and then stated that staff is pursuing alternative funding opportunities with iBank.

8.4) Report of General Counsel.

Assistant General Counsel Espinosa provided a brief update on the proposed changes of the California Water Fix project as a single tunnel project and stated that she

will provide an update on SB 669, The Safe Water Trust bill, at the next meeting followed by a brief discussion on the condition of the Delta.

9) Board Members' Requests for Future Agenda Items.

Director Mac Laren stated that her first Coffee with PWD Directors is scheduled for May 28 from 9 to 11 a.m. at Irene's Burger Café followed by a brief discussion of the Brown Act.

Director Alvarado requested that District business contracts nearing expiration or renewal be reviewed for alternative cost-effective options.

10) Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 7:33 p.m.


Secretary