

## **MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, MARCH 22, 2021:**

*A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, March 22, 2021, at 2029 East Avenue Q, Palmdale, CA 93550 and via teleconference. President, Gloria Dizmang, called the meeting to order at 6:00 p.m.*

### **1) Pledge of Allegiance/Moment of Silence.**

At the request of President Dizmang, General Manager LaMoreaux led the pledge of allegiance followed by a moment of silence.

### **2) Roll Call.**

#### **Attendance:**

Gloria Dizmang, President  
Vincent Dino, Vice President  
Don Wilson, Treasurer  
Kathy Mac Laren-Gomez, Secretary  
Amberrose Merino, Assistant Secretary

#### **Others Present:**

Dennis LaMoreaux, General Manager  
Adam Ly, Assistant General Manager  
Eric Dunn, General Counsel  
Mike Williams, Finance Manager  
Judy Shay, Public Affairs Director  
Scott Rogers, Engineering/Grant Manager  
Bob Egan, Financial Advisor  
Dawn Deans, Executive Assistant  
0 members of the public

### **3) Adoption of Agenda.**

It was moved by Director Mac Laren, seconded by Director Dino, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to adopt the agenda, as written:

President Dizmang – aye  
Director Dino – aye  
Director Wilson – aye  
Director Mac Laren-Gomez – aye  
Director Merino – aye

### **4) Public Comments for Non-Agenda Items.**

There were no public comments for non-agenda items.

**5) Presentations:**

**5.1) None at This Time.**

There were no presentations.

**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 Board Meeting Held March 8, 2021.**

**6.2) Payment of Bills for March 22, 2021.**

**6.3) Approval of Resolution No. 21-8 Being a Resolution of the Board of Directors of the Palmdale Water District Concurring in the Nomination of Jo Mackenzie to the CSDA (California Special Districts Association) Board of Directors. (No Budget Impact –General Manager LaMoreaux)**

President Dizmang announced the items included in the Consent Calendar after which it was moved by Director Dino, seconded by Director Mac Laren, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to approve those items included in the Consent Calendar:

President Dizmang – aye  
Director Dino – aye  
Director Wilson – aye  
Director Mac Laren-Gomez – aye  
Director Merino – aye

Resolution No. 21-8 is hereby made a portion of the minutes of this meeting.

**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 Approval of Gafcon, Inc. to Serve as Community Workforce Coordinator. (\$30,000.00 – Budgeted Under Various Projects – Assistant General Manager Ly)**

Assistant General Manager Ly provided an overview of the District's Community Workforce Agreement requirements, and after a brief discussion of the Community Workforce Coordinators for other agencies and of firms that provide this type of service, it was moved by Director Dino, seconded by Director Wilson, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to approve Gafcon, Inc. to serve as the District's Community Workforce Coordinator in the not-to-exceed amount of \$30,000.00:

President Dizmang – aye  
Director Dino – aye  
Director Wilson – aye  
Director Mac Laren-Gomez – aye  
Director Merino – aye

**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 2021 Budget:**

a) Water Education Foundation "Water 101 Virtual Workshop: The Basics and Beyond" to be Held April 22 and 23, 2021; and

b) Water Education for Latino Leaders Webinar "The Balancing Act of Water & Agriculture in California" to be Held April 1, 2021.

After a brief discussion of these conferences, seminars, and training sessions, it was moved by Director Mac Laren, seconded by Director Dino, and unanimously carried by all members of the Board of Directors present at the meeting to approve the following conferences, seminars, and training sessions for Board and staff attendance within budget amounts previously approved in the 2021 Budget: Water Education Foundation "Water 101 Virtual Workshop: The Basics and Beyond" to be Held April 22 and 23, 2021 and Water Education for Latino Leaders Webinar "The Balancing Act of Water & Agriculture in California" to be Held April 1, 2021.

**8) Information Items:**

**8.1) Finance Reports:**

a) Status Report on Cash Flow Statement and Current Cash Balances as of December 2020 and as of February 2021. (Financial Advisor Egan/Finance Committee)

Financial Advisor Egan provided an overview of the 2020 4<sup>th</sup> Quarter Major Account Activity Report and September, November, and December 2020 Investment Funds Report, including assessments received, interest, and transfers to the Rate Stabilization Fund; the January to February 2021 Major Account Activity Report and February 2021 Investment Funds Report, including assessments received, interest earnings, and capital improvement funds received; and the January and February 2021 Cash Flow Statement, including the projected year-end balance.

**b) Status Report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for December 2020. (Finance Manager Williams/Finance Committee)**

Finance Manager Williams reviewed in detail the balance sheet, profit and loss statement and trends, quarter to quarter comparisons, and revenue and expense analysis reports for the period ending December 2020 and stated that most departments are operating at or below the targeted expenditure percentage of 100% with the exception of Administration District-wide due to increased costs from COVID-19, consulting costs, and membership costs approved mid-year; Facilities due to overruns in personnel costs and electricity costs for wells and boosters; and Customer Care due to under-budgeting for health insurance costs.

**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 through the last quarter of 2020, and the payout summary for the Water Revenue Bond Series 2018A through February 2021.

**d) Other Financial Reports. (Finance Manager Williams/Finance Committee)**

**1) The Effect of COVID-19 Event.**

Finance Manager Williams stated that due to COVID-19 events, as of December 31, 2020, there were 1,534 single family accounts with a balance of \$50 or more and over sixty days past due with a total past due amount of \$764,226 compared to 1,446 accounts at

November 30, 2020 with an outstanding balance of \$660,409 and 287 accounts at December 31, 2019 with an outstanding balance of \$80,213 and that cash received for December 2020 was \$307,381 less than November 2020 but \$16,696 higher than December 2019.

**2) Revenue Projections.**

He then stated that 2020 revenue is ahead of projections by approximately \$1.2 million.

**3) Payment Transactions by Type.**

He then stated that there is a 12,000 reduction in total payments for 2020 compared to 2019 but a 25,000 increase in electronic payments compared to 2019.

**4) Accounts Receivable Aging Report.**

He then stated that receivables at December 31, 2020 are approximately \$600,000 higher than December 31, 2019, but there is an increase in 60-day delinquencies of approximately \$340,000 compared to 2019.

**5) Rate Assistance Program.**

He then stated that as of December 31, 2020, there were 751 participants in the Rate Assistance Program with 406 seniors, 9 veterans, and 336 low income and that there has been a good response for 2021.

**6) Billing & Collection Statistics.**

He then stated that through November 2020, there is a slight increase in the number of bills issued but a slight decrease in notices mailed compared to December 2019.

He then stated that a \$10 million bond will be pursued in 2021 with a second \$10 million bond pursued in 2023 based on capital improvement projects included in the 2019 Rate Study; that a Reimbursement Resolution to prepare for these projects will be presented to the Board for consideration at the April 26, 2021 Regular Board Meeting; and that final bond documents will be presented to the Board for consideration at the May 24, 2021 Regular Board Meeting.

**8.2) Reports of Directors:**

**a) Standing Committees; Organization Appointments; Agency Liaisons:**

**1) Resource and Facilities Committee. (Director Dino, Chair/Director Merino)**

Director Dino, Chair of the Resource and Facilities Committee, stated that the Committee reviewed and discussed existing and potential Water Transfer/Exchange Agreements and provided a recommendation on a Term Sheet for a Long Term Transfer Agreement with Westside Districts and on the purchase of a new water truck, both of which were considered at the last Board meeting; provided a recommendation on a Water District Long Term Transfer with Littlerock Creek Irrigation District; and received updates on the 2021 State Water Project allocation and the removal of 19,000 acre-feet of sediment under the Littlerock Reservoir Emergency Sediment Removal Project.

**2) Antelope Valley East Kern Water Agency-AVEK. (Director Dino/Director Mac Laren-Gomez, Alternate)**

Director Dino, AVEK Liaison, reported that on March 9, he attended an AVEK Board meeting where they approved a contract with Miracle Machinery for the removal and disposal of spent coagulant from the Quartz Hill Water Treatment Plant.

**3) Finance Committee Meeting. (Director Wilson, Chair/Director Dizmang)**

Director Wilson, Chair of the Finance Committee, stated that the Finance Committee met on March 17 and discussed all items presented by Financial Advisor Egan and Finance Manager Williams at tonight's Board meeting.

**b) General Meetings Reports of Directors.**

Director Merino reported that on March 1, she attended the Resource and Facilities Committee meeting; that also on March 1, she read a book for Read Across America; that on March 2, she attended a CSDA Board Member Best Practices Workshop Webinar; that on March 4, she attended a Board briefing; that on March 8, she attended the Palmdale Water District Regular Board Meeting; that on March 9, she listened to the AVEK Board Meeting; that on March 11, she attended an AWCA 2021 Legislative Virtual Symposium webinar; that on March 16, she listened to the last

portion of the A.V. EDGE meeting; that on March 17, she listened to the Finance Committee meeting; and that on March 18, she attended a Board briefing.

Director Wilson reported that on March 10, he attended a Board briefing regarding the history of the Palmdale Recycled Water Authority; that on March 18, he attended a Board briefing; that on March 22, he is attending the Palmdale Water District Regular Board Meeting; and that on March 24, he will be attending an Environmental Restoration Advisory Board meeting.

Director Mac Laren-Gomez reported that on March 13, she attended the Antelope Valley Watermaster Public Water Supplier's meeting via teleconference; that on March 16, she attended AB 1234 Ethics Training; that on March 18, she attended a Board briefing; and that on March 22, she is attending the Palmdale Water District Regular Board Meeting.

Director Dino reported that on March 9, he attended an AVEK Board meeting; that on March 10 he attended a Board briefing regarding the history of the Palmdale Recycled Water Authority; that on March 16, he attended AB 1234 Ethics Training; that on March 17, he attended computer spam training; that on March 18, he attended a Board briefing; and that on March 22, he is attending the Palmdale Water District Regular Board Meeting.

President Dizmang reported that on March 8, she attended the Palmdale Water District Regular Board Meeting; that on March 11, she attended a Board briefing; that on March 16, she attended AB 1234 Ethics Training; that on March 17, she attended the Finance Committee Meeting; that on March 18, she attended a Board briefing; that on March 22, she is attending the Palmdale Water District Regular Board Meeting; and that on March 31, she will be attending an Agenda Briefing.

### **8.3) Report of General Manager.**

#### **a) March 2021 Written Report of Activities Through February 2021.**

General Manager LaMoreaux provided an overview of SB 222, which establishes a statewide Rate Assistance Program with no way to fund the program, and SB 223, which would waive 1/12 of a customers' past due water bill not paid due to COVID-19 for every water bill paid during a 12 month period with no replacement funding for District costs incurred to provide water service, and stated that both bills were presented by Senator Dodd and that the District has joined ACWA's coalition to oppose

these bills unless amended followed by discussion of meeting with members of CFEE regarding the District's and ACWA's opposition.

Assistant General Manager Ly then stated that the District's lobbyist, Reeb Consultants, indicate that Senator Dodd is pushing back these bills due to the large opposition; that Reeb Consultants is requesting support to include these bills as part of the CalFresh Program; and that the District has requested meetings with Assemblyman Lackey and Senator Wilk to convey the District's message that these bills be amended.

General Manager LaMoreaux then stated that his written report was included with the agenda packets if there are any questions on same and then stated that staff is scheduled to meet later this month to discuss the District's message to customers regarding this year's water supply and that staff and the District's consultant are reviewing the possible use of recycled water through advanced treatment and either groundwater or surface water augmentation.

**8.4) Report of General Counsel.**

General Counsel Dunn provided a brief update on the status of the State Water Contractors v. California Department of Water Resources case.

**9) Board Members' Requests for Future Agenda Items.**

There were no requests for future agenda items.

**10) Adjournment.**

There being no further business to come before the Board, the meeting was adjourned at 7:04 p.m.

  
Secretary



**RESOLUTION NO. 21-8  
RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE PALMDALE WATER DISTRICT  
CONCURRING IN THE NOMINATION OF JO MACKENZIE  
TO THE CSDA BOARD OF DIRECTORS**

**WHEREAS**, the California Special Districts Association (CSDA) is holding an election for its Board of Directors for the Southern Network, Seat A for the 2021-23 term; and

**WHEREAS**, the Palmdale Water District is a voting member of CSDA and a voting member of the Southern Network; and

**WHEREAS**, the incumbent, Jo MacKenzie, of the Vista Irrigation District, is seeking re-election for this position; and

**WHEREAS**, Jo MacKenzie has been involved with the CSDA Board since 2003 and has served in a wide variety of roles including Board President in 2011, Vice President in 2010, and Treasurer in 2008 and 2009; and

**WHEREAS**, the Board of Directors of the Palmdale Water District believe that Jo MacKenzie is an effective leader on the CSDA Board.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Palmdale Water District does concur in the nomination of Jo MacKenzie to represent the Southern Network, Seat A, on the CSDA Board of Directors; and

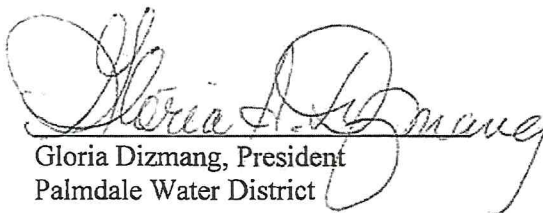
**BE IT FURTHER RESOLVED** that the District Secretary is hereby directed to transmit a copy of this resolution to the attention of the Board Secretary of the Vista Irrigation District at 1391 Engineer Street, Vista, CA 92081, or email [Lsoto@vidwater.org](mailto:Lsoto@vidwater.org) forthwith.

**PASSED AND ADOPTED** by the following roll call vote of the Board of Directors for the Palmdale Water District this 22nd day of March 2021.

AYES: President Dizmang, Directors Dino, Mac Laren-Gomez, Wilson, Merino  
NOES: None

ABSTAIN: None


ABSENT: None

  
Gloria Dizmang, President  
Palmdale Water District

ATTEST:

  
Kathy Mac Laren-Gomez, Secretary  
Palmdale Water District

APPROVED AS TO FORM:

  
Aleshire & Wynder, LLP,  
General Counsel