

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, JULY 22, 2019:

A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, July 22, 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 Wilson 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
Don Wilson, Secretary
Robert Alvarado, Assistant
Secretary - ABSENT

Others Present:

Dennis LaMoreaux, General Manager
Alondra Espinosa, Assistant General Counsel
Mike Williams, Finance Manager
Judy Shay, Public Affairs Director
Jennifer Emery, Human Resources Director
Mynor Masaya, Operations Manager
Chris Bligh, Facilities Manager
Peter Thompson II, Deputy Water & Energy Res. Dir.
Amanda Thompson, Water Quality/Reg. Affrs. Spvsr.
Dawn Deans, Executive Assistant
5 members of the public

3) Adoption of Agenda.

It was moved by Director Mac Laren, seconded by Director Dizmang, 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) Recognition of PWD's 101st Anniversary. (Public Affairs Director Shay)

Public Affairs Director Shay announced today is the District's 101st anniversary, reviewed 100th anniversary events, and invited the Board, staff, and the public for cake.

At 6:05 p.m., President Dino called for an eight-minute recess. He reconvened the Regular Board Meeting at 6:13 p.m.

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 July 8, 2019.

6.2) Payment of Bills for July 22, 2019.

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) Public Hearing on Adoption of 2019 Public Health Goal Report. (Water Quality/Regulatory Affairs Supervisor Thompson)

Water Quality/Regulatory Affairs Supervisor Thompson provided an overview of the District's 2018 Consumer Confidence Report, required annually, and Public Health Goal Report, required every three years, including the definition of Public Health Goals and required Maximum Contaminant Levels, and stated that the District is in total compliance with all required Maximum Contaminant Levels and Public Health Goals.

It was then moved by Director Mac Laren, seconded by Director Dizmang, and unanimously carried by all members of the Board of Directors present at the meeting to open the public hearing on the adoption of the District's 2019 Public Health Goal Report.

Hearing no public comment, it was moved by Director Mac Laren, seconded by Director Dizmang, and unanimously carried by all members of the Board of Directors present at the meeting to close the public hearing on the adoption of the District's 2019 Public Health Goal Report.

7.2) Consideration and Possible Action on Adoption of 2019 Public Health Goal Report. (Water Quality/Regulatory Affairs Supervisor Thompson)

It was moved by Director Mac Laren, seconded by Director Dizmang, and unanimously carried by all members of the Board of Directors present at the meeting to adopt the District's 2019 Public Health Goal Report.

7.3) Presentation, Consideration, and Possible Action on Receiving and Filing of 2018 Annual Financial Report. (No Budget Impact – Nigro & Nigro/Finance Manager Williams/Financial Health and Stability Committee)

Finance Manager Williams provided an overview of the highlights of the District's 2018 Annual Financial Report, including the increased net position, operating revenue, operating expense, and cash and cash equivalents, and stated that staff and the Financial Health and Stability Committee recommend the Board of Directors receive and file the 2018 Annual Financial Report.

After a brief discussion of the decrease in Capital Improvement Fees, 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 receive and file the 2018 Annual Financial Report.

7.4) Consideration and Possible Action on Adoption of Resolution No. 19-11 Being a Resolution of the Board of Directors of the Palmdale Water District Designating the Subrecipient's Agent for the Hazard Mitigation Grant Program and Pre-Disaster Mitigation Program. (No Budget Impact – Human Resources Director Emery)

Human Resources Director Emery provided an overview of Resolution No. 19-11, and after a brief discussion of the availability of potential grant funding and of matching funds, 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 adopt Resolution No. 19-11 Being a Resolution of the Board of Directors of the Palmdale Water District Designating the Subrecipient's Agent for the Hazard Mitigation Grant Program and Pre-Disaster Mitigation Program.

Resolution No. 19-11 is hereby made a portion of the minutes of this meeting.

7.5) 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) Women in Water Inland Empire Breakfast to be Held July 24, 2019 in Rancho Cucamonga.

b) 34th Annual WaterReuse Symposium to be Held September 8 – 11, 2019 in San Diego.

After a brief discussion of these conferences, seminars, and training sessions, 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 the following conferences, seminars, and training sessions for Board and staff attendance within budget amounts previously approved in the 2019 Budget: Women in Water Inland Empire Breakfast to be held July 24, 2019 in Rancho Cucamonga and 34th Annual WaterReuse Symposium to be held September 8 – 11, 2019 in San Diego.

8) Information Items:

8.1) Finance Reports:

a) Status Report on Cash Flow Statement and Current Cash Balances as of June 2019. (Financial Advisor Egan/Financial Health & Stability Committee)

Finance Manager Williams provided an overview of the Investment Funds Report and Cash Flow Statement through June 2019, including the increase in cash due to assessments received, interest income, transfers, total cash, and the projected year-end balance after which Director Wilson commended staff on a job well done predicting water sales and budgeting.

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

Finance Manager Williams reviewed in detail the balance sheet, profit and loss statement, year-to-year comparisons, month-to-month comparisons, consumption comparisons, and revenue and expense analysis reports for the period ending June 2019

and stated that most departments are operating at or below the targeted expenditure percentage of 50%.

c) Status Report on Committed Contracts Issued. (Finance Manager Williams/Financial Health & Stability 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 the summary of Water Revenue Bond Series 2018A payouts to date.

d) Proposition 218 Process and Timeline. (Finance Manager Williams/Financial Health & Stability Committee)

Finance Manager Williams provided an overview of the 2019 Rate Study Schedule, which includes upcoming Board Standing Committee meetings, workshops, an open house, and a potential date for a public hearing regarding the 2019 Rate Study.

e) Other Financial Items. (Finance Manager Williams/Financial Health & Stability Committee)

Finance Manager Williams provided an overview of payment transactions by type for the period January – June; billing and collection statistics; the accounts receivable aging report for June 30, 2019; revenue projections; and statistics for the Rate Assistance Program.

Director Wilson then stated that District staff has done an excellent job setting rates, developing a budget, having accurate forecasts, and running a very efficient District.

8.2) Reports of Directors:

a) Meetings/General Report.

Director Wilson reported that on July 8, he attended the Palmdale Water District Regular Board Meeting; that on July 11, he attended the Antelope Valley State Water Contractors Association meeting; that on July 16, he attended the Financial Health and Stability Committee meeting; that on July 17, he attended the Palmdale Chamber of

Commerce luncheon where Finance Manager Williams provided an overview of the Proposition 218 process; that on July 18, he attended a Board briefing with General Manager LaMoreaux regarding tonight's Board Meeting; and that on July 22, he is attending the Palmdale Water District Regular Board Meeting.

Director Dizmang reported that on July 8, she attended the Palmdale Water District Regular Board Meeting; that on July 10, she attended the employee all-hands lunch; that on July 17, she attended the Financial Health and Stability Committee meeting where in addition to Finance Manager Williams' earlier report, they established goals for 2019 and discussed revisions to financial reports; that also on July 17, she attended the Palmdale Chamber of Commerce luncheon where Finance Manager Williams provided an overview of the Proposition 218 process; that on July 18, she attended mandatory AB1234 Ethics Training and provided an overview of this training; that also on July 18, she attended a Board briefing with General Manager LaMoreaux regarding tonight's Board Meeting; that also on July 18, she met with Public Affairs Director Shay regarding outreach items, her upcoming Coffee with a Director, and annual water awareness contests; that on July 22, she is attending the Palmdale Water District Regular Board Meeting; and that on July 24, she will be attending the Organizational Excellence Committee meeting.

Director Mac Laren reported that on July 11, she attended the Antelope Valley State Water Contractors Association meeting where they are discussing the Big Rock Creek Recharge Project; that on July 15, she attended the Antelope Valley Watermaster Public Water Supplier meeting; that on July 17, she attended the Palmdale Chamber of Commerce luncheon where Finance Manager Williams provided an overview of the Proposition 218 process; that on July 18, she attended a Board briefing with General Manager LaMoreaux regarding tonight's Board Meeting; and that also on July 18, she met with Public Affairs Director Shay regarding ideas for a revised Water Summit.

President Dino reported that on July 9, he attended an AVEK Board meeting; that on July 10, he attended an agenda review and approval meeting; that also on July 10, he attended the employee all-hands lunch; that on July 11, he attended the Antelope Valley State Water Contractors Association meeting; that on July 17, he attended the Palmdale Chamber of Commerce luncheon where Finance Manager Williams provided an overview of the Proposition 218 process; that on July 18, he attended a Board briefing with General Manager LaMoreaux regarding tonight's Board Meeting; that on July 22, he is attending the Palmdale Water District Regular Board Meeting; and that on July 23, he will be attending an AVEK Board meeting.

b) Standing Committee/Assignment Reports (Chair):

1) Antelope Valley State Water Contractors Association.

There were no further reports on Standing Committee/Assignments.

8.3) Report of General Manager.

a) July 2019 Written Report of Activities Through June 2019.

General Manager LaMoreaux stated that he submitted a written report included with the agenda packets if there are any questions on same and then stated that additional detail is included in the report regarding the District's groundwater rights under the adjudication as requested by Director Wilson, the status of the Littlerock Sediment Removal Project, the number of main line leaks, and as requested by Director Alvarado, a summary of water main ages.

8.4) Report of General Counsel.

Assistant General Counsel Espinosa stated that she has no report and then introduced law intern Luis, who played soccer under the direction of Director Alvarado.

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 7:18 p.m.


Secretary

STATE OF CALIFORNIA
 CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES
 CAL OES 130

Cal OES ID No: _____

DESIGNATION OF SUBRECIPIENT'S AGENT RESOLUTION
Hazard Mitigation Grant Program and Pre-Disaster Mitigation Program

BE IT RESOLVED BY THE Board of Directors OF THE Palmdale Water District
 (Governing Body) (Name of Applicant)

THAT Human Resources Director OR
 (Title of Authorized Agent)
CFO/Finance Manager OR
 (Title of Authorized Agent)
Assistant General Manager
 (Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the Palmdale Water District, a public entity
 (Name of Subrecipient)
 established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Service.
 for the purpose of obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief
 and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.

THAT the Palmdale Water District, a public entity established under the laws of the State of California,
 (Name of Subrecipient)
 hereby authorizes its agent(s) to provide to the California Governor's Office of Emergency Service for all matters pertaining to such state
 disaster assistance the assurances and agreements required.

Please check the appropriate box below:

- ☐ This is a universal resolution and is effective for all open and futures Disasters/Grants up to three (3) years following the date of approval below.
- ☒ This is a Disaster/Grant specific resolution and is effective for only Disaster/Grant name/number(s) DR-4077

Passed and approved this 22 day of July, 20 19

Vincent Dino, President, Board of Directors
 (Name and Title of Governing Body Representative)

Kathy Mac Laren, Vice President, Board of Directors
 (Name and Title of Governing Body Representative)

Don Wilson, Secretary, Board of Directors
 (Name and Title of Governing Body Representative)

CERTIFICATION

I, Don Wilson, duly appointed and Board Secretary of
 (Name) (Title)

Palmdale Water District, do hereby certify that the above is a true and correct copy of a
 (Name of Applicant)

Resolution passed and approved by the Board of Directors of the Palmdale Water District
 (Governing Body) (Name of Applicant)

on the 22nd day of July, 20 19


 (Signature)

Secretary, Board of Directors
 (Title)