

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, JULY 22, 2024:

A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, July 22, 2024, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District Office. President, Kathy Mac Laren-Gomez, called the meeting to order at 6:00 p.m.

1) Pledge of Allegiance/Moment of Silence.

At the request of President Mac Laren-Gomez, General Manager LaMoreaux led the Pledge of Allegiance followed by a moment of silence.

2) Roll Call.

Attendance:

Kathy Mac Laren-Gomez, President
Scott Kellerman, Vice President
Don Wilson, Treasurer
Vincent Dino, Secretary
Cynthia Sanchez, Assistant Secretary

Others Present:

Dennis LaMoreaux, General Manager
Pam Lee, General Counsel
Dennis Hoffmeyer, Finance Manager
Bob Egan, Financial Advisor
Judy Shay, Public Affairs Director
Danielle Henry, Executive Assistant
1 member of the public

3) Adoption of Agenda.

It was moved by Director Dino, seconded by Director Sanchez, 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) 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 July 8, 2024.

6.2) Payment of Bills for July 22, 2024.

6.3) Receive and File Semi-Annual Employee Reimbursement Report for the Period Covering January 1, 2024 to June 30, 2024. (No Budget Impact – Finance Manager Hoffmeyer)

President Mac Laren-Gomez announced the items included in the Consent Calendar after which it was moved by Director Kellerman, 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 to Receive and File the 2023 Annual Financial Report. (No Budget Impact – Finance Manager Hoffmeyer)

Finance Manager Hoffmeyer provided an overview of the District's 2023 Annual Financial Report and Unmodified Opinion by Nigro & Nigro, including the statement of revenues and expenses, and the change in net position highlighting the surplus Table A water sales and purchases, the increase in billed water consumption, and increased assessments, and after a brief discussion of water banking and clarification of the audit delay due to GASB 75 reporting, it was moved by Director Kellerman, seconded by Director Sanchez, and unanimously carried by all members of the Board of Directors present at the meeting to receive and file the 2023 Annual Financial Report.

7.2) Discussion on Antelope Valley Watermaster Meeting Agenda for July 24, 2024. (President Mac Laren-Gomez)

General Manager LaMoreaux provided an overview of the representatives and purpose of the Antelope Valley Watermaster Advisory Committee after which President Mac Laren-Gomez reviewed in detail the July 24, 2024 Antelope Valley

Watermaster (Watermaster) Board Meeting agenda followed by discussion of her role as the Public Water Supplier Representative and of the Watermaster Board.

It was determined that Watermaster Board Meeting agendas be included with the monthly written General Manager reports and that a presentation on the Antelope Valley Groundwater Adjudication be provided at a future meeting followed by a brief discussion of water rights, of the number of known and unknown producers within the adjudicated basin, and of compliance and enforcement of production reporting.

7.3) 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 2024 Budget:

- a) **None at This Time.**

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

8) Information Items:

8.1) Finance Reports:

- a) **Status Report on Cash Flow Statement and Current Cash Balances as of June 2024. (Financial Advisor Egan/Finance Committee)**

Financial Advisor Egan provided an overview of the monthly Major Account Activity Report, the Quarterly Major Account Activity Report, the Investment Funds Report, and the Cash Flow Statement through June 2024, including account transfers, assessments received, capital improvement funds, interest and market values, scheduled payments, water transfer revenue, and the projected positive year-end balance followed by a brief discussion of long-term investment opportunities and interest rates.

- b) **Status Report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for June 2024. (Finance Manager Hoffmeyer/Finance Committee)**

Finance Manager Hoffmeyer reviewed in detail the Balance Sheet Report, the Balance Sheet Annual Quarterly Comparison Report, the Profit and Loss Statement, the Profit and Loss Quarterly Comparisons, the departmental budgets versus actual, the

projected year-end interest earnings, and individual departmental reports for the period ending June 2024, and stated that operating revenues are above the historical trend average at 46.1%, that expenses are below the historical trend average at 38.4%, and that most departments are at or below the traditional budgetary percentage of 50%.

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

Finance Manager Hoffmeyer provided a brief 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 projects paid out through the 2023A and 2024A Series Water Revenue Bonds in June 2024 and stated that future reports will include payments made through the WIFIA Loan.

d) Other Financial Reports. (Finance Manager Hoffmeyer/Finance Committee)

1) Accounts Receivable Overview.

There was no report on this item, a written report was included in the agenda packet.

2) Revenue Projections.

Finance Manager Hoffmeyer stated that based on selling 14,500 AF of water, 2024 revenue is behind projections by approximately \$127,650 as of June 30 and that staff anticipates exceeding revenue projections by year-end followed by a brief discussion of increased water usage.

3) Payment Transactions by Type.

4) Billing and Collection Statistics.

He then stated that these informational reports were included in the agenda packet.

8.2) Reports of Directors:

a) Standing Committees; Organization Appointments; Agency Liaisons:

**1) Antelope Valley East Kern Water Agency (AVEK) – July 9.
(Director Dino, Board Liaison/President Mac Laren-Gomez, Alt.)**

Director Dino reported that on July 9, he attended the AVEK Board Meeting where they approved a purchase order with Core & Main Supply for supplying pressure-reducing valves.

**2) Finance Committee Meeting – July 16. (Director Wilson,
Chair/Director Kellerman/Director Sanchez, Alt.)**

Director Wilson reported that on July 16, he attended the Finance Committee Meeting and that a written report has been distributed.

**3) Special Districts Association of North Los Angeles County
(SDANLAC) Board Meeting – July 17. (Director Dino, CSDA Chapter President)**

Director Dino reported that on July 17, he attended the SDANLAC Board Meeting where they discussed the speakers, topics, and panel of local legislative representatives for the Fall membership luncheon followed by a brief discussion of the luncheon location.

b) General Meetings Reports of Directors.

Director Kellerman reported that on July 11, he attended the Multi-Agency Regional Resilience Center (MARRC) groundbreaking ceremony; that on July 16, he attended the Finance Committee Meeting; that on July 18, he attended a Board Briefing; and that on July 23, he completed a CSDA Webinar regarding Ethics AB 1234 Compliance Training.

Director Wilson reported that on July 8, he attended the Palmdale Water District Regular Board Meeting; that on July 16, he attended the Finance Committee Meeting; and that on July 22, he is attending the Palmdale Water District Regular Board Meeting.

Director Sanchez reported that on July 11, she attended the MARRC groundbreaking ceremony; that on July 16, she attended the Finance Committee Meeting; and that on July 18, she attended a Board Briefing followed by a brief discussion of regional leadership.

Director Mac Laren-Gomez reported that on July 9, she attended the AVEK Board Meeting; that on July 10, she attended the MARRC groundbreaking ceremony; that on July 10, she also attended an Agenda Review Briefing; and that on July 18, she attended a Board Briefing.

Director Dino reported that on June 25, he attended the AVEK Board Meeting; that on July 3, he attended a Board Briefing; that on July 8, he attended the Palmdale Water District Regular Board Meeting; that on July 9, he attended the AVEK Board Meeting; that on July 17, he attended the SDANLAC Board Meeting; that on July 18, he attended a Board Briefing; and that on July 22, he is attending the Palmdale Water District Regular Board Meeting.

8.3) Report of General Manager.

a) July 2024 Written Report of Activities through June 2024.

General Manager LaMoreaux stated that a written report was provided with the agenda packet and highlighted the addition of the drought information for some parts of the state and the increase in water production and usage followed by a brief discussion of water sources for firefighting, of the salmon concentration in the Delta impacting the San Luis Reservoir and State Water Project allocations, and of the minimal number of District leaks.

He then stated that former Director Dizmang's painting of Littlerock Dam has been hung for display in the lobby and invited the Board to view after the meeting.

8.4) Report of General Counsel.

General Counsel Lee provided a brief update on the California Senate's approval of SB 867, a state general obligation bond for safe drinking water, wildfire prevention, drought preparedness, and climate measures.

9) Public Comments on Closed Session Agenda Matters.

There were no public comments.

10) Closed Session Under:

10.1) Government Code §54957(b)(1):

a) Public Employee Performance Evaluation: General Manager.

At 7:38 p.m., President Mac Laren-Gomez called for a closed session pursuant to Government Code §54957(b)(1) to conduct a Public Employee Performance Evaluation: General Manager. She reconvened the Regular Meeting at 8:48 p.m.

11) Public Report of Any Action Taken in Closed Session.

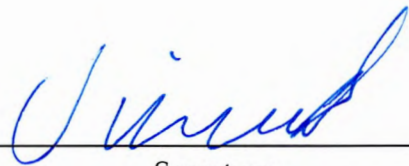
General Counsel Lee reported that a closed session was held pursuant to Government Code §54957(b)(1) to conduct a Public Employee Performance Evaluation: General Manager and that no reportable action was taken in closed session.

12) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

13) Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 8:48 p.m.



Secretary