

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, JULY 25, 2022:

A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, July 25, 2022, 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, Finance Manager Hoffmeyer 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
Scott Kellerman, Director

Others Present:

Dennis LaMoreaux, General Manager
Adam Ly, Assistant General Manager
G. Ross Trindle, General Counsel
Dennis Hoffmeyer, Finance Manager
Scott Rogers, Engineering Manager
Peter Thompson II, Resource and Analytics Director
Judy Shay, Public Affairs Director
Bob Egan, Financial Advisor
Danielle Henry, Management Analyst
1 member of the public

3) Adoption of Agenda.

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 adopt the agenda, as written:

President Dizmang – aye
Director Dino – aye
Director Wilson – aye
Director Mac Laren-Gomez – aye
Director Kellerman – 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 July 11, 2022.**

6.2) **Payment of Bills for July 25, 2022.**

6.3) **Approval of Resolution No. 22-20 Being a Resolution of the Board of Directors of the Palmdale Water District Proclaiming a Local Emergency Persists, Ratifying the Proclamation of a State of Emergency by the Governor Issued March 4, 2020, and Re-Authorizing Remote Teleconference Meetings of the Legislative Bodies of the Palmdale Water District for the Period Beginning August 1, 2022 and Ending August 30, 2022 Pursuant to Brown Act Provisions. (No Budget Impact – Assistant General Manager Ly)**

6.4) **Receive and File Semi-Annual Employee Reimbursement Report for the Period Covering January 1, 2022 to June 30, 2022. (No Budget Impact – Finance Manager Hoffmeyer)**

6.5) **Approval of Qualification Clarification for Facilities Manager Job Description. (No Budget Impact – Assistant General Manager Ly)**

President Dizmang announced the items included in the Consent Calendar after which it was moved by Director Dino, seconded by Director Kellerman, 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 Kellerman – aye

Resolution No. 22-20 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 Entering Into a Joint Community Facilities Agreement with California Municipal Finance Authority and Pacific Communities Builders, Inc. and Approval of Resolution No. 22-21 Being a Resolution of the Board of Directors of the Palmdale Water District Authorizing the Execution and Delivery of a Joint Community Facilities Agreement. (No Budget Impact – Assistant General Manager Ly)

Assistant General Manager Ly provided an overview of the Joint Community Facilities Agreement with California Municipal Finance Authority and Pacific Communities Builders, Inc., including the District’s facilitation of the pass-through funding and the required Resolution, after which it was moved by Director Kellerman, 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 approve entering into the Joint Community Facilities Agreement with California Municipal Finance Authority and Pacific Communities Builders, Inc. and approval of Resolution No. 22-21 being a Resolution of the Board of Directors of the Palmdale Water District Authorizing the Execution and Delivery of a Joint Community Facilities Agreement:

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

Resolution No. 22-21 is hereby made a portion of the minutes of this meeting.

7.2) Consideration and Possible Action on Authorizing Staff to Enter Into a Contract with J. Vega Engineering, Inc. for the Avenues Q-1, Q-2, Q-4, and Q-5 Water Main Replacement Project. (\$364,050.00 Not-to-Exceed – Budgeted – Work Order No. 20-625 – Engineering Manager Rogers)

Engineering Manager Rogers provided an overview of the proposed contract with J. Vega Engineering, Inc., and after clarification of the work involved, it was

moved by Director Dino, seconded by Director Kellerman, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to authorize staff to enter into a contract with J. Vega Engineering, Inc. for the Avenues Q-1, Q-2, Q-4, and Q-5 Water Main Replacement Project in the not-to-exceed amount of \$364,050.00:

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

7.3) Consideration and Possible Action on Authorizing Staff to Enter Into a Contract with J. Vega Engineering, Inc. for the Avenue Q-10 Water Main Replacement Project. (\$137,500.00 Not-to-Exceed – Budgeted – Work Order No. 21-610 – Engineering Manager Rogers)

Engineering Manager Rogers provided an overview of the proposed contract with J. Vega Engineering, Inc. after which it was moved by Director Mac Laren-Gomez, 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 authorize staff to enter into a contract with J. Vega Engineering, Inc. for the Avenue Q-10 Water Main Replacement Project.in the not-to-exceed amount of \$137,500.00:

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

7.4) Consideration and Possible Action to Authorize an Expression of Interest to Antelope Valley-East Kern Water Agency (AVEK) for Potential Participation in the High Desert Water Bank Phase 2. (\$75,000.00 Not-to-Exceed – Resource and Analytics Director Thompson II)

Resource and Analytics Director Thompson II provided an overview of the Antelope Valley-East Kern Water Agency (AVEK) High Desert Water Bank Phase 2 Project, including the opportunity for the District to store water in wet years and pump back into the aqueduct for use during dry years, after which it moved by Director Mac

Laren-Gomez, seconded by Director Kellerman, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to authorize an expression of interest to AVEK for potential participation in the High Desert Water Bank Phase 2 Project in the not-to-exceed amount of \$75,000.00:

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

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 2022 Budget:

a) None at this time.

8) Information Items:

8.1) Finance Reports:

a) Status Report on Cash Flow Statement and Current Cash Balances as of June 2022. (Financial Advisor Egan/Finance Committee)

Financial Advisor Egan provided an overview of the monthly Major Account Activity Report, Investment Funds Report, and Cash Flow Statement through June 2022 and for the second quarter of 2022, including Redevelopment Agency pass-through funds, assessments, interest, capital improvement fees, expected and anticipated payments, and the projected year-end balance.

b) Status Report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for June 2022. (Finance Manager Hoffmeyer/Finance Committee)

Finance Manager Hoffmeyer reviewed in detail the balance sheet, profit and loss statement, quarterly comparison report, departmental budgets versus actual, and individual departmental budgets for the period ending June 2022 and stated that most departments are operating at or near the historical trend average of 45.5% for revenues,

the historical trend average of 47.4% for expenses, and the traditional budgetary percentage of 50%.

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

Finance Manager Hoffmeyer 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 projects paid out through the 2018A Series and 2021A Series Water Revenue Bonds through June 2022 followed by a brief discussion of the District's contract retention policy.

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

1) The Effect of COVID-19 Event.

Finance Manager Hoffmeyer stated that due to COVID-19 events, as of June 2022, there were 914 single family accounts with a balance of \$50 or more and over sixty days past due with a total past due amount of \$308,973, which is a decrease of 19.6% from prior months; that one year ago, there were 1,576 accounts meeting this criteria with an amount owing of \$919,068; that staff continues to offer payment arrangements encouraging the payment of outstanding balances; and that 578 customers are enrolled in the Rate Assistance Program with 396 seniors, 10 veterans, and 172 low-income followed by a brief discussion of SB222.

2) Revenue Projections.

He then stated that based on selling 17,000 AF of water, 2022 revenue is behind projections by approximately \$152,300 as of June 2022.

3) Payment Transactions by Type.

He then reviewed Payment Transactions by Type indicating electronic payments are the most popular form of payment with mail and drop-box payments decreasing and front counter payments increasing.

Delinquent customer accounts, payment arrangements, and SB998 were then briefly discussed.

8.2) Reports of Directors:

a) Standing Committees; Organization Appointments; Agency Liaisons:

1) Fin & Feather Club – July 16 – (President Dizmang/Director Wilson, Alt.)

President Dizmang reported that she attended the Palmdale Fin & Feather Club Meeting on July 16; that the Club's annual BBQ and raffle will be held in August with tickets distributed soon; that they currently have 1,844 members; that night fishing has begun and is expected to be a success; that the excessive heat has caused many problems; and that they are discussing solutions for the conflict in operating times for hunting and fishing members.

2) Antelope Valley East Kern Water Agency (AVEK) – July 12. (Director Dino/Director Mac Laren-Gomez, Alt.)

Director Dino reported that he attended an AVEK Board Meeting on July 12 where they approved a letter of support for PWD's Ditch Replacement Project and contract Amendment No. 2 for Professional Services for a Technical Writer.

3) Resource and Facilities Committee Meeting – July 14. (Director Dino, Chair/Director Kellerman)

Director Dino reported that he attended the Resource and Facilities Committee Meeting on July 14 where Resource and Analytics Director Thompson II provided a presentation on anticipated demand in acre feet and Engineering Manager Rogers provided a presentation on the Palmdale Regional Water Augmentation Project.

4) Palmdale Recycled Water Authority (PRWA) Meeting – July 18. (Director Dino/Director Wilson/Director Mac Laren-Gomez, Alt.)

Director Dino reported that he attended the PRWA Meeting on July 18 where Engineering Manager Rogers provided a presentation on the Palmdale Regional Water Augmentation Project.

5) California Special Districts Association (CSDA) Chapter Meeting – July 19. (Director Dino, CSDA Chapter Chair/President Dizmang)

Director Dino reported that he attended the CSDA Chapter Meeting on July 19 where they discussed opening a bank account for the Chapter and potential guest speakers.

6) Finance Committee Meeting – July 19. (Director Wilson, Chair/President Dizmang)

Director Wilson reported that he submitted a written report for the July 19 Finance Committee Meeting.

b) General Meetings Reports of Directors.

Director Kellerman reported that on July 14, he attended the Resource and Facilities Committee Meeting; that on July 18, he attended the PRWA Meeting; and that on July 21, he attended a Board Briefing.

Director Wilson reported that on July 18, he attended the PRWA Meeting; that on July 19, he attended the Finance Committee Meeting; that on July 21 he attended a Board Briefing; that on July 23, he attended the East Valley Water District's Sterling Natural Resource Center ribbon cutting ceremony in Highland; that on July 26, he will be attending the Employee Handbook Ad Hoc Committee Meeting; and that on July 28, he will be attending the Outreach Committee Meeting.

Director Mac Laren-Gomez reported that on July 14, she attended the AV Edge Meeting where they discussed illegal cannabis grow operations and potential solutions for clean-up; that on July 18, she attended a Watermaster Steering Committee Meeting where they discussed candidates for providing administrative services; that also on July 18, she attended the PRWA Meeting; and that on July 21 she was in Washington D.C. and had the opportunity to speak with many legislators on water-related issues.

Director Dino reported that on July 12, he attended an AVEK Board Meeting; that on July 14, he attended the Resource and Facilities Committee Meeting; that on July 18, he attended the PRWA Meeting, that on July 19, he attended a CSDA Chapter Meeting; that on July 21, he attended a Board Briefing; that on July 23, he attended the East Valley Water District's Sterling Natural Resource Center ribbon cutting ceremony in Highland; that on July 25, he is attending the Palmdale Water District Regular Board Meeting; and that on July 26, he will be attending the AVEK Board Meeting.

President Dizmang reported that on July 13, she attended an Agenda Review Briefing; that on July 14, she attended the AV Edge Meeting where illegal cannabis production and dumping were discussed; that on July 16, she attended the Fin & Feather Club Board Meeting; that on July 19, she attended a CSDA Chapter Meeting; that also on July 19, she attended the Finance Committee Meeting; that on July 20, she met with Sarah Hodge, ACWA's new Region 8 Representative; that on July 21, she attended a Board Briefing, that on July 25, she is attending the Palmdale Water District Regular Board Meeting; and that on July 26, she will be attending the Employee Handbook Ad Hoc Committee Meeting.

8.3) Report of General Manager.

a) July 2022 Written Report of Activities through June 2022.

General Manager LaMoreaux reported that he submitted a written report included with the agenda packets if there are any questions and then stated that a supplemental report was included this month on the District's drought response which shows that customers are responding well to the drought with a 17% savings in May, a 16.9% savings in June, and they are on track with an over 20% savings in July.

He then reported that bids were opened on Friday for the Littlerock Dam Sediment Removal Project Phase 2 and that staff will be a meeting to discuss recommendations on the bids received.

8.4) Report of General Counsel.

General Counsel Trindle reported that discussions continue regarding the State Water Contractors vs. Department of Water Resources case and that the next case management conference will be held September 9, which is also the deadline for any other interested parties to file a motion to intervene.

He then reported that AB1944 regarding remote teleconference meetings is dead; that AB2449 regarding allowing remote teleconference participation with restrictive requirements is still in discussions; and that AB361 will sunset at the beginning of 2023.

He then stated that Assistance General Counsel Vargas will be attending the next Regular Board Meeting.

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 7:22 p.m.


Secretary

RESOLUTION NO. 22-20

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT PROCLAIMING A LOCAL EMERGENCY PERSISTS, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY THE GOVERNOR ISSUED MARCH 4, 2020, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE PALMDALE WATER DISTRICT FOR THE PERIOD BEGINNING AUGUST 1, 2022 AND ENDING AUGUST 30, 2022 PURSUANT TO BROWN ACT PROVISIONS

WHEREAS, the Palmdale Water District is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of Palmdale Water District's ("District") legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the District, specifically, a State of Emergency has been proclaimed by the Governor of the State of California on March 4, 2020 in response to the global outbreak of the novel Coronavirus disease ("COVID-19"); and

WHEREAS, meeting in person would present an imminent risk to the health and safety of attendees due to the continued impact of the COVID-19 pandemic; and

WHEREAS, the Board of Directors does hereby find that a State of Emergency has been proclaimed as a result of the threat of COVID-19 and the contagious nature of COVID-19 have caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to proclaim a local emergency and ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency, the Board of Directors does hereby find that the legislative bodies of the Palmdale Water District shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the Palmdale Water District offers the option of teleconferencing to ensure access for the public to attend meetings.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation of Local Emergency. The Board hereby proclaims that a local emergency now exists throughout the District, and meeting in person would present imminent risks to the health and safety of attendees due to the serious and contagious nature of COVID-19.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of a State of Emergency, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. The staff, General Manager, and legislative bodies of the Palmdale Water District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect on August 1, 2022 and shall be effective until the earlier of (i) August 30, 2022, which is 30 days from the adoption of this Resolution, or (ii) such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the Palmdale Water District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of the Palmdale Water District this 25th day of July, 2022, by the following vote:

AYES: President Dizmang, Directors Dino, Wilson, Mac Laren-Gomez, Kellerman
NOES: None
ABSENT: None
ABSTAIN: None



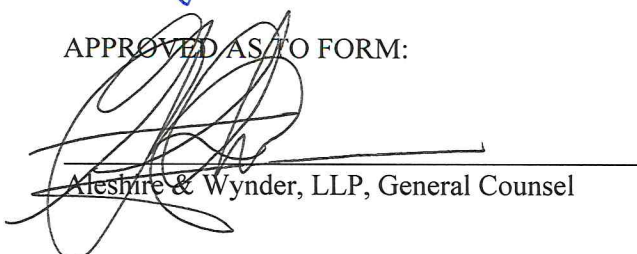
President, Board of Directors

ATTEST:



Secretary, Board of Directors

APPROVED AS TO FORM:



Aleshire & Wynder, LLP, General Counsel

RESOLUTION 22-21

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT AUTHORIZING THE EXECUTION AND DELIVERY OF A JOINT COMMUNITY FACILITIES AGREEMENT

WHEREAS, LCTH, L.P., an affiliate of Pacific Communities Builder, Inc. (the “Developer”), has submitted an application requesting that the Board of the California Municipal Finance Authority (the “Authority”) institute proceedings under the Mello-Roos Community Facilities Act of 1982 (the “Act”) to establish a community facilities district;

WHEREAS, the Developer and its affiliates are developing the property proposed to be included within the boundaries of the Community Facilities District (the “Property”);

WHEREAS, the Property is within the service boundaries of the Palmdale Water District (the “Water District”);

WHEREAS, pursuant to the Act, the Board of the Authority has instituted proceedings to establish California Municipal Finance Authority Community Facilities District No. 2022-8 (City of Palmdale – Wildflower/Creekside Encore) (the “Community Facilities District”), to authorize the levy of special taxes (the “Special Taxes”) upon the land within the Community Facilities District and the issuance of bonds (the “Bonds”) secured by the Special Taxes, the proceeds of which are to be used to finance certain public facilities;

WHEREAS, the facilities proposed to be financed by the Community Facilities District include certain facilities to be owned and operated by the Water District (the “Water District Facilities”) and certain facilities to be owned and operated by the City of Palmdale and certain other public agencies;

WHEREAS, Section 53316.2 of the Act provides that a community facilities district may finance facilities to be owned or operated by a public agency other than the agency that created the community facilities district only pursuant to a joint community facilities agreement or a joint exercise of powers agreement adopted pursuant to said Section;

WHEREAS, Section 53316.2 of the Act further provides that at any time prior to the adoption of the resolution of formation creating a community facilities district or a resolution of change to alter a district, or a resolution or resolutions authorizing issuance of bonds pursuant to Section 53356 of the Act, the legislative bodies of two or more local agencies may enter into a joint community facilities agreement pursuant to Sections 53316.2, 53316.4, and 53316.6 of the Act to exercise any power authorized by the Act with respect to the community facilities district being created if the legislative body of each entity adopts a resolution declaring that the joint agreement would be beneficial to the residents of that entity; and

WHEREAS, there has been presented to this meeting a form of Joint Community Facilities Agreement by and among the Authority, the Water District and the Developer that provides for the financing of the Water District Facilities from the proceeds of Bonds (such Joint Community Facilities Agreement, in substantially the form presented to this meeting, with such changes,

insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Joint Community Facilities Agreement");

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Palmdale Water District, as follows:

Section 1. Pursuant to Section 53316.2 of the Act, the Board of Directors of the Water District (the "Board of Directors") hereby declares and determines that the Joint Community Facilities Agreement will be beneficial to the residents of the territory served by the Water District.

Section 2. The form of Joint Community Facilities Agreement, on file with the Secretary of the Board of Directors, is hereby approved. The General Manager is hereby authorized and directed, for and in the name of the Water District, to execute and deliver the Joint Community Facilities Agreement in the form presented to this meeting, with such changes, insertions and omissions as the General Manager may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Joint Community Facilities Agreement by the General Manager.

Section 3. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Directors of Palmdale Water District this 25th day of July, 2022, by the following vote:

AYES: President Dizmang, Directors Dino, Wilson, Mac Laren-Gomez, Kellerman
NOES: None
ABSENT: None
ABSTAIN: None



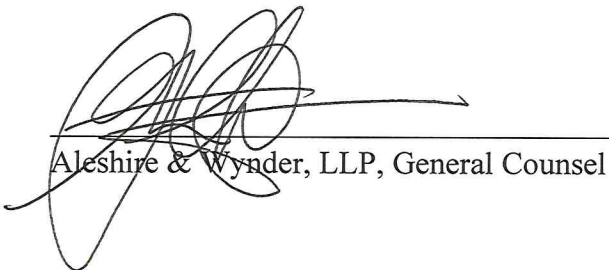
President, Board of Directors

ATTEST:



Secretary, Board of Directors

APPROVED AS TO FORM:



Aleshire & Wynder, LLP, General Counsel