

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, FEBRUARY 13, 2023:**

*A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, February 13, 2023, at 2029 East Avenue Q, Palmdale, CA 93550 and via teleconference. President, Don Wilson, called the meeting to order at 6:03 p.m.*

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

President Wilson led the pledge of allegiance followed by a moment of silence in memory of Dr. Bill Mathis.

**2) Roll Call.**

**Attendance:**

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

**Others Present:**

Dennis LaMoreaux, General Manager  
Adam Ly, Assistant General Manager  
G. Ross Trindle, General Counsel  
Dennis Hoffmeyer, Finance Manager  
Judy Shay, Public Affairs Director  
Scott Rogers, Engineering Manager  
Peter Thompson II, Resource & Analytics Director  
Angelica Barragan-Garcia, Human Resources Director  
Jim Stanton, Information Technology Manager  
Claudia Bolanos, Resource & Analytics Supervisor  
Diana Gunn, Accounting Supervisor  
Danielle Henry, Executive Assistant  
3 members of the public

**3) Adoption of Agenda.**

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 adopt the agenda, as written:

President Wilson – aye  
Director Kellerman – aye  
Director Mac Laren-Gomez – aye  
Director Dino – aye  
Director Dizmang – 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 January 23, 2023.**

**6.2) Payment of Bills for February 13, 2023.**

**6.3) Approval to Reorganize the Finance Department by Replacing One Position and Adding Another Position to the Organization Chart. (No Budget Impact – Human Resources Director Barragan-Garcia/Personnel Committee)**

**6.4) Approval to Award Contract for Janitorial Services to Executive Facilities Services for the Main Building, NOB, and Treatment Plant Offices and Laboratory. (\$39,775.72 – Budgeted – Facilities Manager Wall)**

**6.5) Approval to Reject Claim Received from Damon Conway and Refer to Joint Powers Insurance Authority. (No Budget Impact – Finance Manager Hoffmeyer)**

President Wilson announced the items included in the Consent Calendar after which it was moved by Director Dizmang, 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 Wilson – aye  
Director Kellerman – aye  
Director Mac Laren-Gomez – aye  
Director Dino – aye  
Director Dizmang – aye

**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) Review and Discussion of Evaluation Criteria for Strategic Water Resources Plan. (No Budget Impact - Assistant General Manager Ly/Woodard & Curran)**

Mr. Brian Van Liendan, from Woodard & Curran, provided a detailed overview of the Strategic Water Resources Plan update, including the stakeholder meetings, the progress update, the alternative portfolio options, the water supply options, and the potential evaluation criteria followed by a brief discussion of desalination, of recycled water options, of the Pure Water AV Project, and of project funding.

Assistant General Manager Ly then stated that any additional comments on the evaluation criteria may be submitted within two weeks.

**7.2) Consideration and Possible Action on 2022 Salary Survey. (Budgeted 2023 – Human Resources Director Barragan-Garcia/Personnel Committee)**

Human Resources Barragan-Garcia provided an overview of the 2022 Salary Survey recommendations, and after a brief discussion on the recommended salary ranges, on the criteria of the comparing agencies, and on the minimal staff impact, it was moved by Director Mac Laren-Gomez, seconded by Director Kellerman, and after further discussion of the recommendations presented, carried on a 3-2-0 vote by the members of the Board of Directors present at the meeting on the following roll call vote to approve the 2022 Salary Survey:

President Wilson – no  
Director Kellerman – aye  
Director Mac Laren-Gomez – aye  
Director Dino – aye  
Director Dizmang – no

**7.3) Consideration and Possible Action on Construction Contract Award to GSE Construction Company, Inc. for the Demolition and Installation of the On-Site Sodium Hypochlorite Generator System at the Leslie O. Carter Treatment Plant. (\$589,100.00 – Budgeted – Project No. 22-608 – Operations Manager Masaya)**

Operations Manager Masaya provided a brief overview of the proposed construction contract with GSE Construction Company, Inc., and after clarification that GSE Construction Company, Inc. was the lowest responsible bidder of the two proposals received, it was moved by Director Mac Laren-Gomez, seconded by President Wilson, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to award a construction contract to GSE Construction Company, Inc. for the demolition and installation of the on-site sodium hypochlorite generator system at the Leslie O. Carter Treatment Plant in the not-to-exceed amount of \$589,100.00:

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

**7.4) Consideration and Possible Action on Construction Contract Award to Cedro Construction, Inc. for the Installation of Water Main in 15th Street East from Avenue P to Well 36. (\$294,615.00 – Not – to – Exceed – Budgeted – Work Order No. 20-622(c) – Engineering Manager Rogers)**

Engineering Manager Rogers provided an overview of the proposed construction contract with Cedro Construction, Inc., including the updated bid proposal, after which it was moved by Director Mac Laren-Gomez, seconded by President Wilson, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to award a construction contract to Cedro Construction, Inc. for the installation of water main in 15<sup>th</sup> Street East from Avenue P to Well 36 in the not-to-exceed amount of \$294,615.00:

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

**7.5) Consideration and Possible Action to Authorize Formation of an Ad Hoc Committee for Legal Services. (General Manager LaMoreaux)**

General Manager LaMoreaux stated that staff recommends the formation of an Ad Hoc Committee for the review of updated rates and terms for legal services after which it was moved by President Wilson, 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 the formation of a Legal Services Ad Hoc Committee with President Wilson and Director Dizmang as the Committee Members:

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

**7.6) 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 2023 Budget:**

**a) Antelope Valley Hispanic Chamber of Commerce Installation Gala to be held March 3, 2023.**

It was moved by Director Dizmang, seconded by President Wilson, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to approve the following conferences, seminars, and training sessions for Board and staff attendance within budget amounts previously approved in the 2023 Budget: Antelope Valley Hispanic Chamber of Commerce Installation Gala to be held March 3, 2023:

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

**8) Information Items:**

**8.1) Finance Reports:**

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

Financial Advisor Egan provided an overview of the monthly Major Account Activity Reports, Investment Funds Report, and Cash Flow Statement through December 2022, including assessments received, increased interest rates and market values, transfers, payouts, capital improvement fees received, and the projected year-end balance.

**b) Status Report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for December 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 December 2022 and stated that most departments are operating slightly below the historical trend average of 100.0% for revenues, the historical trend average of 100.0% for expenses, and the traditional budgetary percentage of 100.0% followed by a brief discussion of the sediment removed from Littlerock Dam.

**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 2021A Series Water Revenue Bonds through December 2022.

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

**1) Accounts Receivable Overview.**

Finance Manager Hoffmeyer stated that as of December 2022, there are 11 commercial/industrial accounts with a balance of \$50 or more and over sixty days past due with a total past due amount of \$9,013 and \$1,357 over ninety days past due; that there are eight multi-family residential accounts with a balance of \$50 or more and over sixty days past due with a total past due amount of \$12,461 and \$126 over ninety days past due; that there are 1,431 residential accounts with a balance of \$50 or more and over sixty days past due with a total past due amount of \$459,583 and \$52,572 over ninety days past due; that these amount are typical past due account balances; and that

staff continues to offer payment arrangements encouraging the payment of outstanding balances with 25 current arrangements totaling \$46,253.

**1) Revenue Projections.**

He then stated that based on selling 17,000 AF of water and mandatory drought restrictions, 2022 revenue is behind projections by approximately \$901,000 as of December 2022.

**2) Rate Assistance Program Status.**

He then stated that as of January 9, 2023, there are 441 qualified accounts for the Rate Assistance Program with 281 accounts being seniors, 8 being veterans, and 152 being low-income with 259 openings remaining in the Program for the year.

**3) Payment Transactions by Type**

He then stated that the most popular type of payment continues to be electronic transactions followed by a brief overview of each transaction type.

**4) Billing and Collection Statistics.**

He then stated that monthly billing statistics are consistent in the number of shut-off notices, which are low compared to the total number of service connections at 1.3%.

**8.2) Reports of Directors:**

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

**1) Antelope Valley East Kern Water Agency (AVEK) – January 24.  
(Director Dino, Board Liaison/Director Mac Laren-Gomez, Alt.)**

Director Dino reported that on January 24, he attended an AVEK Board Meeting where they approved a Resolution authorizing AVEK Water Agency to provide water quality laboratory testing services to the California Department of Parks and Recreation.

**2) Special District Association North Los Angeles County (SDANLAC) Board Meeting – January 25. (Director Dino, CSDA Chapter Chair/President Dizmang)**

Director Dino reported that on January 25, he attended a SDANLAC meeting, and he will provide a written report on the meeting.

**3) Palmdale Fin & Feather Club – February 4. (Director Dizmang, Board Liaison/President Wilson, Alternate)**

Director Dizmang reported that she was unable to attend this meeting due to an emergency and that she will be attending their second meeting this month.

**4) Personnel Committee Meeting – February 6. (Director Mac Laren Gomez, Chair/Director Kellerman)**

Director Mac Laren-Gomez reported that on February 6, she attended the Personnel Committee where they discussed the Finance Department reorganization, the 2022 Salary Survey, and a platform for conducting employee surveys.

**5) Antelope Valley State Water Contractors Association (AVSWCA) – February 9. (President Wilson/Director Mac Laren/Director Dizmang, Alternate)**

Director Wilson reported that on February 9, he attended the AVSWCA where they discussed the Big Rock Creek Joint Groundwater Recharge Project, and he will provide a written report on the meeting.

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

Director Kellerman reported that on February 6, he attended the Personnel Committee Meeting and that on February 9, he attended a Board Briefing.

President Wilson reported that on January 5, he attended a Board Briefing; that on January 11, he attended an Agenda Review Briefing; that on January 17, he attended the Finance Committee Meeting; that on January 18, he attended the Outreach Committee Meeting; that on January 19 he attended a Board Briefing; that on January 25, he attended the CSDA SDANLAC Chapter Lunch; that on January 30, he attended an Agenda Review Briefing; that on February 9, he attended a Board Briefing; and that on February 9, he also attended the AVSWCA Meeting.



Director Dizmang reported that on January 25, she attended a CSDA SDANLAC Chapter Lunch; that on February 9, she attended a Board Briefing; and that on February 13, she is attending the Palmdale Water District Regular Board Meeting.

Director Dino reported that on January 24, he attended an AVEK Board Meeting; that on January 25, he attended the CSDA SDANLAC Chapter Lunch and that a written report will be provided; that on January 26, he attended a CSDA Webinar regarding "Ethics AB1234"; that on January 27, he attended a CSDA Webinar regarding "Sexual Harassment Prevention"; that on January 30, he attended a CSDA Webinar regarding the "American Water Infrastructure Act Risk Assessment and Emergency Response Plan"; that on February 9, he attended a Board Briefing; and that on February 13, he is attending the Palmdale Water District Regular Board Meeting.

Director Mac Laren-Gomez reported that on January 25, she attended the Antelope Valley Watermaster Meeting; that on February 6, she attended the Personnel Committee Meeting; that on February 9, she attended a Board Briefing; and that on February 9, she also attended the AVSWCA Meeting.

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

General Manager LaMoreaux stated that the ACWA Spring Conference is open for registration and that if there is interest in attending, staff will schedule a tour of the Monterey One Water Treatment Plant and Demonstration Facility.

He then stated that verbal Department Activity Reports will be provided on a quarterly basis beginning this evening.

#### **a) Department Activity Updates:**

##### **1) Resource & Analytics Department. (Resource & Analytics Supervisor Bolanos)**

Resource and Analytics Director Thompson II provided a detailed update of the Resource and Analytics Department's current and projected activities, including the State Water Project's increased allocation of 30% and the impact on water supply, transfers, and storage, the approval of the AVSWCA Big Rock Creek Joint Groundwater Recharge Project Feasibility Study, the AVSWCA member agencies' approval of the Emergency Response Plan for Antelope Valley Mutual Water Companies, the 2023 Replacement Water Assessments for the Antelope Valley Watermaster, water use

efficiency enforcement, the return of educational presentations, the grant funding received for rebate programs, the City of Palmdale and the Palmdale School District's conservation efforts, and a future update on the Water Shortage Contingency Plan.

**2) Information Technology Department. (Information Technology Manager Stanton)**

Information Technology Stanton provided a detailed update of the Information Technology Department's current and projected activities, including security awareness training, the Supervisory Control and Data Acquisition System (SCADA) analysis with SoCal SCADA, the Pure Water AV website and Intranet update by Tripepi Smith & Associates, the data housing with Oxcyon Centralpoint, and the timeline of the Board Room audio and visual upgrades.

**8.4) Report of General Counsel.**

General Counsel Trindle provided a brief update on OSHA's COVID standards filed with the Secretary of State and effective as of February 3, 2023 and then stated that the provisions of AB361 for teleconferencing for Board meetings are still on schedule to end February 28, 2023, which is when Governor Newsom is anticipated to announce an end to the State of Emergency; that the provisions of AB2449 will then take effect; and that the Federal Declaration of Emergency is anticipated to end May 11, 2023.

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

Director Dizmang requested a future agenda item regarding the General Manager recruitment process followed by a brief discussion of Dr. Mathis, of the support of a new consultant, and of the Board Room's new audio equipment translation capabilities.

There were no further requests for future agenda items.

**10) Adjournment.**

There being no further business to come before the Board, the meeting was adjourned at 8:12 p.m.

  
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Secretary