



**PALMDALE WATER DISTRICT**  
A CENTURY OF SERVICE

February 21, 2024

**BOARD OF DIRECTORS**

**W. SCOTT KELLERMAN**

Division 1

**DON WILSON**

Division 2

**CYNTHIA SANCHEZ**

Division 3

**KATHY MAC LAREN-GOMEZ**

Division 4

**VINCENT DINO**

Division 5

**AGENDA FOR REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
OF THE PALMDALE WATER DISTRICT  
TO BE HELD AT 2029 EAST AVENUE Q, PALMDALE**

**MONDAY, FEBRUARY 26, 2024**

**6:00 p.m.**

NOTES: To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Danielle Henry at 661-947-4111 x1059 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Additionally, an interpreter will be made available to assist the public in making **comments** under Agenda Item No. 4 and any action items where public input is offered during the meeting if requested at least 48 hours before the meeting. Please call Danielle Henry at 661-947-4111 x1059 with your request. (PWD Rules and Regulations Section 4.03.1 (c))

Adicionalmente, un intérprete estará disponible para ayudar al público a hacer **comentarios** bajo la sección No. 4 en la agenda y cualquier elemento de acción donde se ofrece comentarios al público durante la reunión, siempre y cuando se solicite con 48 horas de anticipación de la junta directiva. Por favor de llamar Danielle Henry al 661-947-4111 x1059 con su solicitud. (PWD reglas y reglamentos sección 4.03.1 (c))

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale or on the District's website at <https://www.palmdalewater.org/governance/board-activity/2023-meeting-agendas-minutes/> (Government Code Section 54957.5). Please call Danielle Henry at 661-947-4111 x1059 for public review of materials.

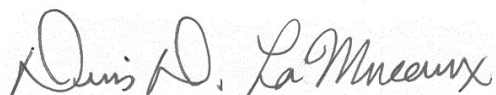
**PUBLIC COMMENT GUIDELINES:** The prescribed time limit per speaker is three-minutes. Please refrain from public displays or outbursts such as unsolicited applause, comments, or cheering. Any disruptive activities that substantially interfere with the ability of the District to conduct its meeting will not be permitted, and offenders will be requested to leave the meeting. (PWD Rules and Regulations, Appendix DD, Sec. IV.A.)

Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance to take action on any item.

- 1) Pledge of Allegiance/Moment of Silence.
- 2) Roll Call.
- 3) Adoption of Agenda.
- 4) Public comments for non-agenda items.



- 5) Presentations:
  - 5.1) None at This Time.
- 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 Special Board Meeting held February 12, 2024.
  - 6.2) Approval of Minutes of Regular Board Meeting held February 12, 2024.
  - 6.3) Payment of Bills for February 26, 2024.
- 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 Sponsorship of Antelope Valley Sheriff's Boosters Casino Night to be held May 18, 2024. (\$1,000.00 – President Mac Laren-Gomez)
  - 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 2024 Budget:
    - a) None at This Time.
- 8) Information Items:
  - 8.1) Reports of Directors:
    - a) Standing Committees; Organization Appointments; Agency Liaisons:
      - 1) Antelope Valley East Kern Water Agency (AVEK) – February 13. (Director Dino, Board Liaison/President Mac Laren-Gomez, Alt.)
      - 2) Finance Committee Meeting – February 20. (Director Wilson, Chair/Director Kellerman)
      - 3) Special Districts Association of North Los Angeles County (SDANLAC) Board Meeting – February 21. (Director Dino, CSDA Chapter President)
    - b) General Meetings Reports of Directors.
  - 8.2) Report of General Manager.
    - a) February 2024 Written Report of Activities through January 2024.
  - 8.3) Report of General Counsel.
- 9) Board Members' Requests for Future Agenda Items.
- 10) Adjournment.



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DENNIS D. LaMOREAUX,  
General Manager



# BOARD MEMORANDUM

**DATE:** February 26, 2024  
**TO:** BOARD OF DIRECTORS  
**FROM:** Dennis D. LaMoreaux, General Manager  
**RE:** *CONSIDERATION AND POSSIBLE ACTION ON SPONSORSHIP OF ANTELOPE VALLEY SHERIFF'S BOOSTERS CASINO NIGHT. (\$1,000.00 – NON-BUDGETED – PRESIDENT MAC LAREN-GOMEZ)*

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**Recommendation:**

Staff has no recommendation on this item.

**Alternative Options:**

The Board can choose not to approve sponsorship of this event.

**Impact of Taking No Action:**

There is no impact to the District from taking no action.

**Background:**

The Antelope Valley Sheriff's Boosters help raise money for providing valuable lifesaving equipment, memorial funds, and financial support to the Lancaster and Palmdale stations.

**Strategic Plan Initiative/Mission Statement:**

This work is part of Strategic Initiative No. 5 – Regional Leadership.

This item does not relate to the District's Mission Statement.

**Budget:**

This item is not budgeted.

**Supporting Documents:**

- Antelope Valley Sheriff's Boosters Casino Night Sponsorship Flyer



# ANTELOPE VALLEY SHERIFF'S BOOSTERS

## CASINO NIGHT

### SPONSORSHIP PACKAGES

**MAY 18, 2024 | 6PM - 11PM**

## CUSTOM SPONSORSHIP FOR ALL NEEDS

Name: \_\_\_\_\_  
 Company: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City, State, Zip: \_\_\_\_\_  
 Email: \_\_\_\_\_  
 Package: \_\_\_\_\_  
 Amount: \_\_\_\_\_  
 Credit Card #: \_\_\_\_\_  
 CVV: \_\_\_\_\_  
 Zip: \_\_\_\_\_

**Make Check Out To:**  
**Antelope Valley Sheriff's Boosters**  
**Tax ID#651190049**

**Mail or Email To:**  
**Nicole McCracken**  
**1160 Motor Lane**  
**Lancaster, CA 93534**  
**Nicole@AvChevy.com**

**ANTELOPE VALLEY FAIRGROUNDS**  
**2551 WEST AVENUE H \* LANCASTER**

**MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT, JANUARY 16, 2024:**

*A meeting of the Finance Committee of the Palmdale Water District was held Tuesday, January 16, 2024, at 2029 East Avenue Q, Palmdale, CA 93550. Chair Wilson called the meeting to order at 1:33 p.m.*

**1) Roll Call.**

**Attendance:**

Committee:  
Don Wilson, Chair  
Kathy Mac Laren-Gomez,  
Committee Member

**Others Present:**

Dennis LaMoreaux, General Manager  
Dennis Hoffmeyer, Finance Manager  
Bob Egan, Financial Advisor  
Judy Shay, Public Affairs Director  
Diana Gunn, Accounting Supervisor  
Danielle Henry, Executive Assistant  
Patricia Guerrero, Management Analyst  
2 members of the public

**2) Adoption of Agenda.**

It was moved by Committee Member Mac Laren-Gomez, seconded by Chair Wilson, and unanimously carried by all members of the Committee present at the meeting to adopt the agenda, as written.

**3) Public Comments for Non-Agenda Items.**

There were no public comments for non-agenda items.

**4) Action Items: (The Public Shall Have an Opportunity to Comment on Any Action Item as Each Item is Considered by the Committee Prior to Action Being Taken.)**

**4.1) Consideration and Possible Action on Approval of Minutes of Meeting Held December 19, 2023.**

It was moved by Committee Member Mac Laren-Gomez, seconded by Chair Wilson, and unanimously carried by all members of the Committee present at the meeting to approve the minutes of the Finance Committee meeting held December 19, 2023, as written.

**4.2) Presentation on 2024 Subordinate Bonds and the Funding Strategy for Pure Water AV. (Mr. Mark Northcross, NHA Advisors)**

Mr. Mark Northcross, of NHA Advisors, provided a detailed presentation on the Financing Plan for 2024 Subordinate Water Bonds and Funding Strategy for Pure Water Antelope Valley (AV), including the participants, the identified projects and costs, the sources and uses of funds, the debt structure, the covenants to bond owners, the minimized impact on rate payers, and the projected timeline.

General Manager LaMoreaux then stated that the Programmatic Environmental Impact Report (EIR) for the 2023 Strategic Water Resources Plan is currently in process and will establish the basis for future development fees which will be an additional funding source for bond payments followed by discussion of water rate increases, of the 2024 Water Rate Study, and of grant funding opportunities.

The Committee Members then thanked Mr. Northcross for the presentation.

**4.3) Discussion and Overview of Cash Flow Statement and Current Cash Balances as of December 2023. (Financial Advisor Egan)**

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 December 2023, including account transfers, assessments received, interest and market values, scheduled payments, capital improvement funds, water transfer revenues, and the year-end balance and then commended Finance Manager Hoffmeyer on the profitable investments made on behalf of the District.

**4.4) Discussion and Overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for December 2023. (Finance Manager Hoffmeyer)**

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, and individual departmental reports for the period ending December 2023 and stated that operating revenues are below the historical trend average at 97.5%, that expenses are below the historical trend average at 97.7%, and that most departments operated at or

near the traditional budgetary percentage of 100% followed by a brief discussion of accounts over this percentage.

**5.2) Financial Advisor Egan:**

**a) Debt Service Coverage Status.**

Financial Advisor Egan stated that he must excuse himself from this meeting for another appointment and reported that the Debt Service Coverage for January 2023 to December 2023 is 1.60 and remains healthy.

**4.5) Discussion and Overview of Committed Contracts Issued. (Finance Manager Hoffmeyer)**

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 and 2023A Series Water Revenue Bonds through December 2023.

**5) Reports.**

**5.1) Finance Manager Hoffmeyer:**

**a) Accounts Receivable Overview.**

Finance Manager Hoffmeyer provided a detailed overview of outstanding balances of amounts greater than \$50.00 for each account type at sixty and ninety days past due and stated that the increase in single family residential accounts is due to the delay of disconnections during the District's holiday closure.

He then stated that as of December 31, there are ten payment arrangements totaling \$11,841.62 with \$7,711.92 collected to date.

**b) Revenue Projections.**

He then stated that based on selling 14,500 AF of water, 2023 revenue is behind projections by approximately \$1,731,525 as of December 2023 followed by a brief discussion of customers' water usage.

**c) Payment Transactions by Type.**

He then stated that electronic payments continue to be the leading payment type with 220,917 of 296,257 payments being electronic in 2023.

**d) Billing and Collection Statistics.**

He then reviewed the Billing and Collections Statistics through December 2023.

**5.3) Other.**

The District's Debt Service Coverage was briefly discussed.

There were no other items to report.

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

There were no requests for future agenda items.

**7) Date of Next Committee Meeting.**

It was determined that the next Finance Committee meeting will be held February 20, 2024 at 1:30 p.m.

**8) Adjournment.**

There being no further business to come before the Finance Committee, the meeting was adjourned at 2:56 p.m.

  
\_\_\_\_\_  
Chair



**MINUTES OF REGULAR MEETING OF THE COMMISSIONERS OF THE ANTELOPE VALLEY STATE WATER CONTRACTORS ASSOCIATION, DECEMBER 14, 2023.**

*A regular meeting of the Commissioners of the Antelope Valley State Water Contractors Association was held Thursday, December 14, 2023, at 6450 West Avenue N, Palmdale, CA 93551, at 2856 Owens Way, Rosamond, CA 93560, and via teleconference. Chair Parris called the meeting to order at 6:00 p.m.*

**1) Pledge of Allegiance.**

At the request of Chair Parris, Commissioner Thibault led the pledge of allegiance.

**2) Roll Call.**

**Attendance:**

Robert Parris, Chair  
Kathy Mac Laren-Gomez, V. Chr.  
Don Wilson, Secretary  
Leo Thibault, Treasurer  
Barbara Hogan, Commissioner  
Keith Dyas, Commissioner

**Others Present:**

Peter Thompson II, General Manager  
Dennis Hoffmeyer, Controller  
Tom Barnes, Resources Manager  
Matthew Knudson, AVEK General Manager  
James Chaisson, LCID General Manager  
Scott Kellerman, PWD Board Director  
Angel Fitzpatrick, Administrative Technician  
Vickie Rausch, AVRCD  
0 members of the public

**3) Adoption of Agenda.**

It was moved by Commissioner Mac Laren-Gomez, seconded by Commissioner Hogan, and unanimously carried by all members of the Board of Commissioners present at the meeting on the following roll call vote to adopt the agenda, as written:

Chair Parris – aye  
Commissioner Mac Laren-Gomez – aye  
Commissioner Thibault – aye  
Commissioner Wilson – aye  
Commissioner Dyas – aye  
Commissioner Hogan – aye

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

There were no public comments.

**5) Presentation on Antelope Valley Resource Conservation District (AVRCD) Lawn Reduction Program. (Vickie Rausch, AVRCD, Outreach Coordinator)**

Ms. Rausch, AVRCD Outreach Coordinator, provided a detailed presentation on the AVRCD Lawn Reduction Program, including background information and program details on district boundaries, eligibility, and the rebate terms for participants.

**6) Consideration and Possible Action on Minutes of Regular Meeting Held October 12, 2023.**

It was moved by Commissioner Dyas, seconded by Commissioner MacLaren-Gomez, and unanimously carried by all members of the Board of Commissioners present at the meeting on the following roll call vote to approve the minutes of the regular meeting held October 12, 2023, as written:

Chair Parris – aye  
Commissioner Mac Laren-Gomez – aye  
Commissioner Thibault – aye  
Commissioner Wilson – aye  
Commissioner Dyas – aye  
Commissioner Hogan – aye

**7) Payment of Bills.**

It was moved by Commissioner Thibault, seconded by Commissioner Wilson, and unanimously carried by all members of the Board of Commissioners present at the meeting on the following roll call vote to approve payment and ratification of payment of the bills received from AVEK in the amount of \$987.55 for staff services, from Woodard and Curran in the amount of \$5,287.50 for professional services through November 24, 2023 related to the IRWM Plan Update and Funding, from ACWA/JPIA in the amount of \$2,182.00 for the 2023-2024 Policy Year Liability Deposit Premium, from ACWA in the amount of \$3,060.00 for the 2024 Annual Membership Dues, and payment to AVEK in the amount of \$8,790.00 for pass-through funds received from the Department of Water Resources on behalf of the AV IRWMP Group for Prop. 1 Grant Project Funding:

Chair Parris – aye  
Commissioner Mac Laren-Gomez – aye  
Commissioner Thibault – aye  
Commissioner Wilson – aye  
Commissioner Dyas – aye  
Commissioner Hogan – aye

**8) Presentation on Process, Timing, and Cost Estimate for Developing the Littlerock Creek Recharge Project. (General Manager Thompson II)**

General Manager Thompson II provided a detailed presentation on the development, cost estimate, and timeline of the Littlerock Creek Recharge Project, including the proposed Memorandum of Understanding (MOU) between the member agencies, the CEQA permitting, the installation and approval of Littlerock Creek Irrigation District's SWP turnout meter, the submission and approval of the Watermaster Storage Agreement, and the hardening of conveyance to the Creek.

**9) Consideration and Possible Action on Authorizing Staff to Work with the Member Agencies to Draft a MOU for the Development of the Littlerock Creek Recharge Project. (General Manager Thompson II)**

It was moved by Commissioner MacLaren-Gomez, seconded by Commissioner Thibault, and unanimously carried by all members of the Board of Commissioners present at the meeting on the following roll call vote to authorize staff to work with the member agencies to draft a MOU for the development of the Littlerock Creek Recharge Project:

Chair Parris – aye  
Commissioner Mac Laren-Gomez – aye  
Commissioner Thibault – aye  
Commissioner Wilson – aye  
Commissioner Dyas – aye  
Commissioner Hogan – aye

**10) Report of Resources Manager.**

**a) Antelope Valley Fair Conservation Garden.**

Resources Manager Barnes provided an update on the Antelope Valley Fair Conservation Garden sponsorship, including the approval of the amended funding contract in August 2023 and the anticipated approval of the amended documents by the AV Fair Association.

**b) Emergency Response Agreement.**

He then provided a brief update on the Antelope Valley Mutual Water Companies' participation in the Mutual Response Agreement (MRA).

**11) Report of Controller.**

**a) Update on Revenue, Expenses, and Change in Net Position.**

Controller Hoffmeyer provided an overview of the Association's revenue, expenses, and change in net position for the month ending November 30, 2023.

**12) Report of General Manager.**

**a) Status Updates:**

**1) Antelope Valley Watermaster Meetings.**

General Manager Thompson II reported that the Watermaster Board approved the 2024 budget and corresponding \$9.50/AF Administrative Assessment; that the Board approved the USGS Groundwater Monitoring Program Cost Sharing Agreement for 2023/2024; that the Hallmark Group declined to accept a single-year agreement for providing administrative services to the Watermaster; that the Watermaster Board granted consent for the Watermaster attorney to develop a MOU for AVEK to provide interim administrative services to the Watermaster in 2024; and that Association staff provided the Watermaster with the Replacement Water Plan.

**2) Watermaster Engineer's Use of the USGS Program.**

He then reported that the data provided through the USGS Monitoring Program provides the Watermaster Engineer with essential data used to maintain an accurate and consistent understanding of the basin including the understanding of groundwater levels and water quality, the need for data to complete material injury analysis for

various applications, the annual report, and the creation and maintenance of the Groundwater Model.

**3) Antelope Valley and Fremont Basin IRWMP Stakeholder Meetings.**

He then reported that the IRWMP Group anticipates receiving the Prop 1 Round 1 ninth quarterly invoice in January 2024; that staff is working on the AVIRWM cost share MOU for 2024-2026; and that LA County Waterworks District 40 and AVEK are working on a culvert plan for potential grant funding.

**4) ACWA/JPIA Certificate of Recognition.**

He then reported that staff received a certificate from ACWA/JPIA regarding special recognition of the Association for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums" in the Liability Program for the period of 10/01/2019 – 09/30/2022.

**5) Future Agenda Items.**

He then stated that the future agenda items will include "Presentation on Resilience Center at AV Fairgrounds," "Consideration and Possible Action on Election of Officers," "Consideration and Possible Action on Reallocating Remaining Big Rock Project Funds for Use in the Development of the Littlerock Creek Recharge Project" and updates on grant opportunities, Voluntary Agreements, and the Delta Conveyance Project.

**13) Reports of Commissioners.**

There were no reports of Commissioners.

**14) Report of Attorney.**

No attorney was present at the meeting.

**15) Commission Members' Requests for Future Agenda Items.**

There were no requests for future agenda items.

**16) Consideration and Possible Action on Scheduling the Next Association Meeting February 13, 2024.**

After a brief discussion, it was determined that the next regular meeting of the Association will be held February 8, 2024, at 6:00 p.m.

**17) Adjournment.**

With no further business to come before the Commissioners, the regular meeting of the Antelope Valley State Water Contractors Association Commissioners was adjourned at 7:11 p.m.

  
Secretary



# BOARD MEMORANDUM

**DATE:** February 26, 2024  
**TO:** BOARD OF DIRECTORS  
**FROM:** Dennis D. LaMoreaux, General Manager  
**RE:** *REPORT OF GENERAL MANAGER.*

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The following is the February 2024 report to the Board of activities through January 2024. It is organized to follow the District's 2022 Strategic Plan approved in October 2022 and composed of six strategic initiatives. The initiatives follow for reference. It is intended to provide a general framework to update the month's activities.

## PWD 2022 STRATEGIC PLAN SUMMARY



### **Water Resource Reliability:** *Resilience, Development, Partnership*

Support and participate with local agencies in the development of projects and policies that improve water reliability

Maximize state and federal funding opportunities for Pure Water AV

Support projects and initiatives that increase the resilience of the State Water Project

Develop water storage options for State Water Project supplies and improve groundwater capture capabilities

Strengthen stakeholder relationships and implement Littlerock Dam and Reservoir Sediment Removal Project



### **Organizational Excellence:** *Train, Perform, Reward*

Offer competitive compensation and benefits package for employee recruitment and retention

Focus Succession Planning Program on ensuring an overlap of training for key positions

Continue providing transparency to our ratepayers through training for the ongoing achievement of the Districts of Distinction certification

Encourage cohesiveness, transparency, and integrity within the staff through Codes of Conduct and increased accountability

Ensure employees are trained on the Strategic Plan and the District's Values of Diversity, Integrity, Teamwork, and Passion

Improve safety for Directors, employees, and customers

Develop career paths at the District for interns and pursue state and federal funding for intern programs

Cultivate a positive culture and increase employee engagement



**Systems Efficiency:** *Independence, Technology, Research*

- Explore energy independence and evaluate the feasibility of energy options, including wind and solar
- Incorporate more energy efficient technologies into the District's infrastructure
- Research state-of-the-art treatment techniques to enhance systems efficiency
- Re-evaluate Lake Palmdale by-pass pipeline and pursue funding options
- Improve Palmdale Ditch to reduce water loss



**Financial Health and Stability:** *Strength, Consistency, Balance*

- Pursue grant funding for District projects and operations
- Maintain the five-year financial plan adopted as part of the 2019 Water Rate Study, including the five-year Capital Improvement Plan
- Conduct and adopt a 2024 five-year Water Rate Plan
- Build adequate reserve levels and achieve high-level bond rating
- Seek potential revenue sources from vacant District properties
- Monitor finances, operations, and projects affected by emergencies
- Digitize and document departmental workflows



**Regional Leadership:** *Engage, Lead, Progress*

- Continue to provide opportunities and information for local businesses and agencies to contract with the District
- Continue to collaborate with neighboring water agencies and move to include more agencies throughout and outside of the Antelope Valley through Greater Antelope Valley Mutual Response Agreements and emergency response exercises
- Develop working relationships and mutually beneficial projects with other water agencies in the District's region
- Develop strategies, alliances, and funding to make Littlerock Dam and Reservoir recreational again
- Continue Memorandum of Understanding with United Water Conservation District to combine political forces to obtain grant funding and research other joint cooperative regional efforts
- Continue representation on larger regional organizations such as the California Special Districts Association (CSDA) and the Association of California Water Agencies (ACWA) and assist with the growth and influence of the Special Districts Association of North Los Angeles County, a CSDA local chapter





**Customer Care, Advocacy and Outreach: *Promote, Educate, Support***

**Enhance customers' experience through communication and feedback**

**Expand and market additional payment options**

**Continue to increase public awareness of current programs and services through traditional and new media platforms**

**Engage elected officials and the public on the importance of local and state water reliability issues**

**Complete conversion to an Advanced Metering Infrastructure (AMI) to increase customers' knowledge of water use and promote customer self-help portal**

**Continue to increase public awareness of the on-going drought and the importance of conservation efforts**

**Publicize, engage, and educate the community about Pure Water AV**

**Overview**

This report also includes charts that show the effects of the District's efforts in several areas. They are organized within each strategic initiative and include status of the State Water Resources Control Board's (SWRCB) former long-term conservation orders (20 x 2020), the District's total per capita water use trends, 2024 actual water production and customer use graph, mainline leaks, and the water loss trends for both 12- and 24-month running averages.



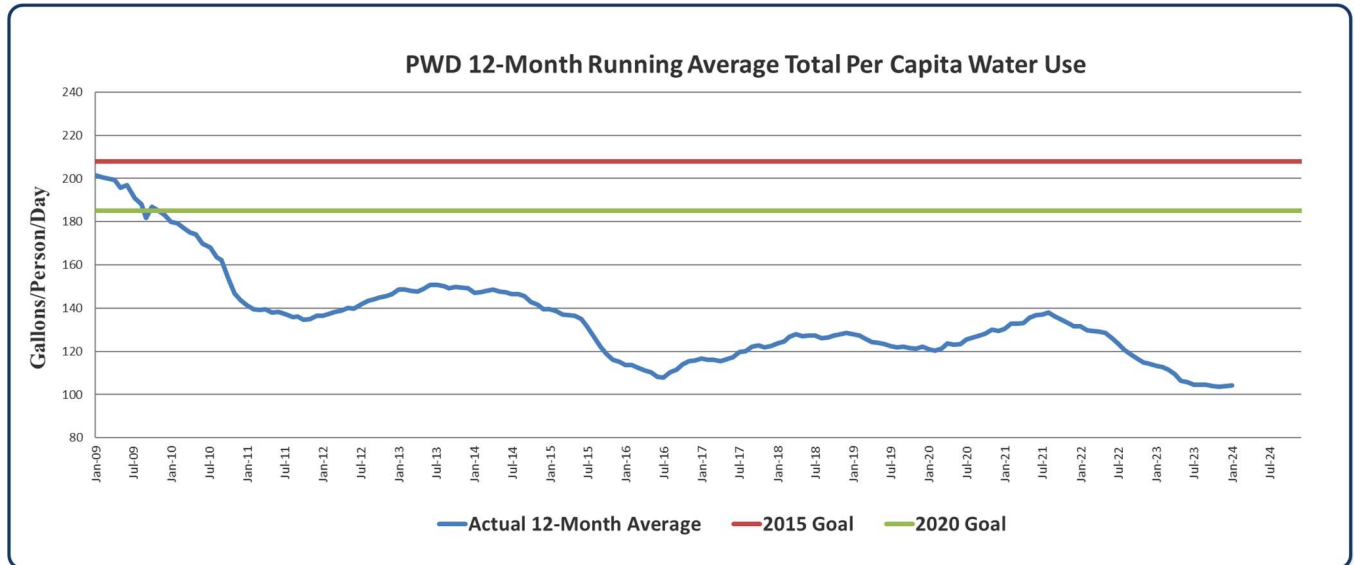
**Water Resource Reliability *Resilience, Development, Partnership***

This initiative includes conservation efforts, water supply projects, and water planning. Recent highlights are as follows:

**Overall Water Use Goals and Compliance**

The 2020 Urban Water Management Plan was adopted by the District in June 2021. This report still uses the 20 x 2020 requirements. It does not relate the District's water use to the upcoming agency water budget requirement. The new "Making Conservation a Way of Life" regulations are now being finalized. The District's use of a water budget-based rate structure is helpful in complying with the draft regulations.

The District's compliance with the former 20 x 2020 law is evident from the chart titled "PWD 12-Month Running Average Total Per Capita Water Use:"



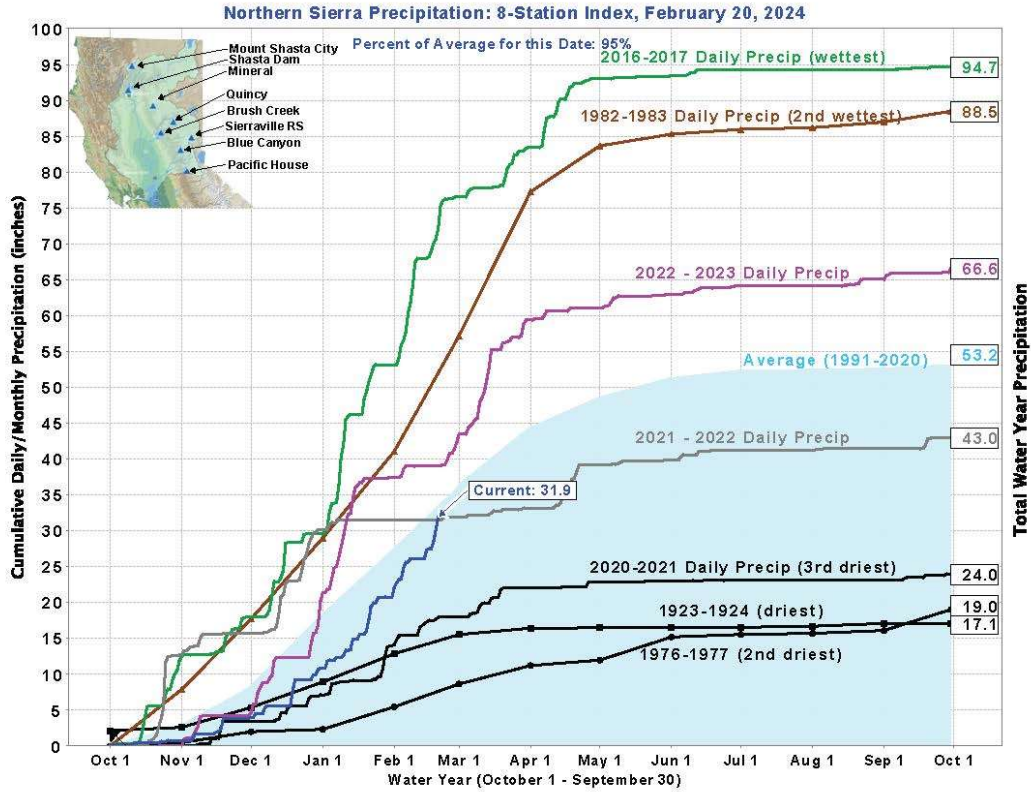
The District’s customers have cut their water use by **54.5%** from the baseline number of 231 re-established in the 2020 Urban Water Management Plan and met the 2020 Goal in early 2010. The current Metered-GPCD, gallons per capita per day, is now 105 showing our customers continued reduced usage.

Water Supply Information

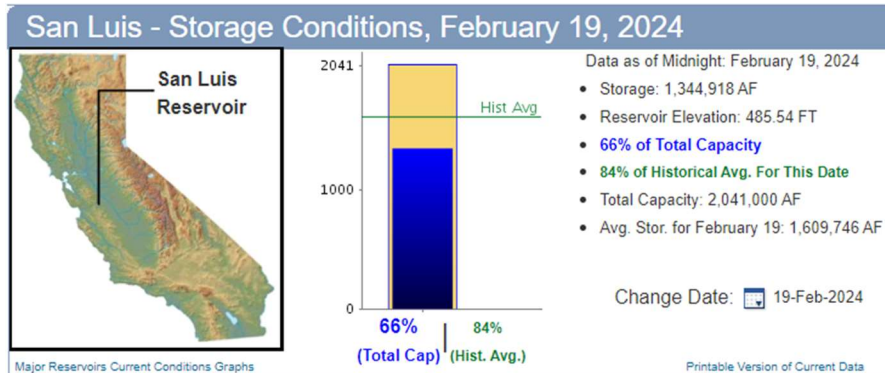
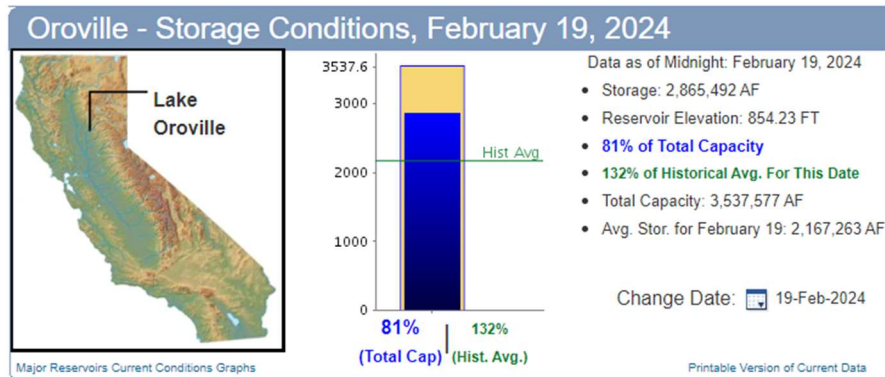
- The AV Adjudication is now entering its ninth year, and the ramp down to the native safe yield is complete. The District’s 2024 groundwater production right is as follows is not fully determined yet. The 2024 production rights is expected to be approximately 7,500 AF, 11,526 AF of unused carryover from prior years, and 8,297 AF of water banked in Littlerock Wash for a total rough total of 27,323 AF.
- The full 2024 Water Resources Plan is not yet set because the rainy season still has a couple more months. One goal will be to produce a minimum of 4,300 AF of groundwater to use the native and unused Federal production rights. The remainder of available groundwater production rights will be balanced with available surface water supplies. We are starting the year off with a full and spilling Littlerock Dam. The SWP allocation is at 10% at this time and is expected to be finalized by May.

Precipitation in the area that contributes to the State Water Project is now at 60% of average for the entire 2023-2024 Water Year (October through September) and 95% for this date.

The February 20, 2024 Northern Sierra precipitation is as follows:



The February 20, 2024 summaries for Oroville and San Luis Reservoirs are as follows:



The February 20, 2024 statewide snowpack summary is as follows:



CURRENT REGIONAL SNOWPACK FROM AUTOMATED SNOW SENSORS

% of April 1 Average / % of Normal for This Date



NORTH	
Data as of February 20, 2024	
Number of Stations Reporting	24
Average snow water equivalent (inches)	22.4
Percent of April 1 Average (%)	77
Percent of normal for this date (%)	99

CENTRAL	
Data as of February 20, 2024	
Number of Stations Reporting	50
Average snow water equivalent (inches)	17.3
Percent of April 1 Average (%)	64
Percent of normal for this date (%)	81

SOUTH	
Data as of February 20, 2024	
Number of Stations Reporting	28
Average snow water equivalent (inches)	13.7
Percent of April 1 Average (%)	62
Percent of normal for this date (%)	78

STATE	
Data as of February 20, 2024	
Number of Stations Reporting	102
Average snow water equivalent (inches)	17.5
Percent of April 1 Average (%)	67
Percent of normal for this date (%)	85

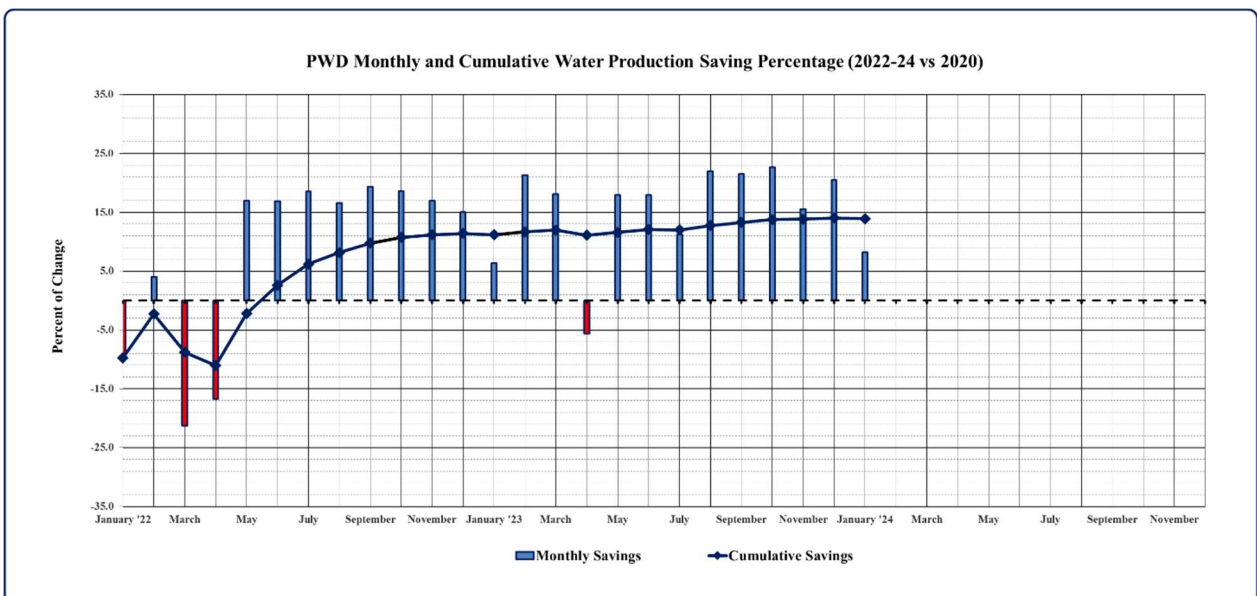
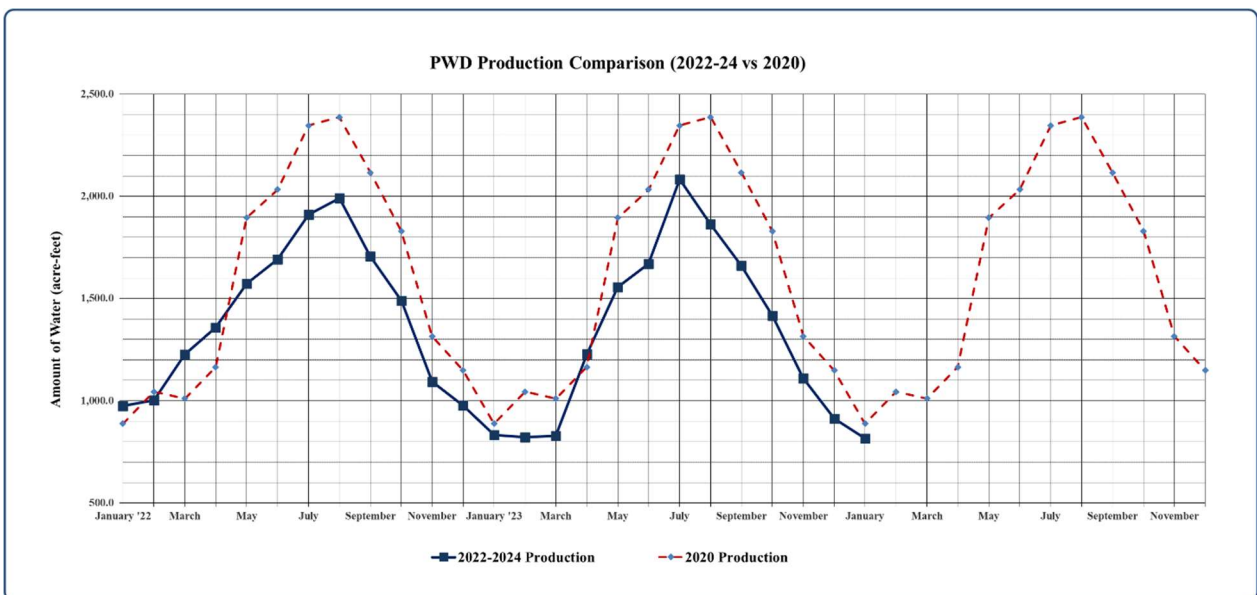
**Statewide Average: 67% / 85%**

Data as of February 20, 2024

2021-2024 Drought and Wet Year Water Use Summary

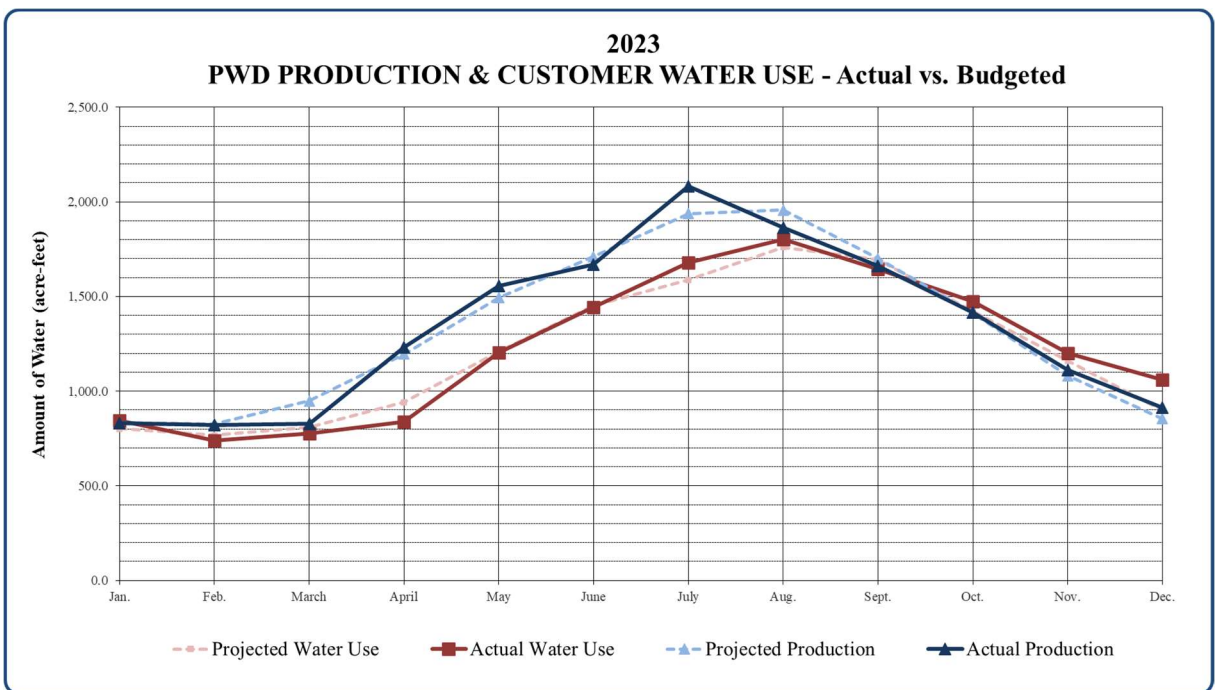
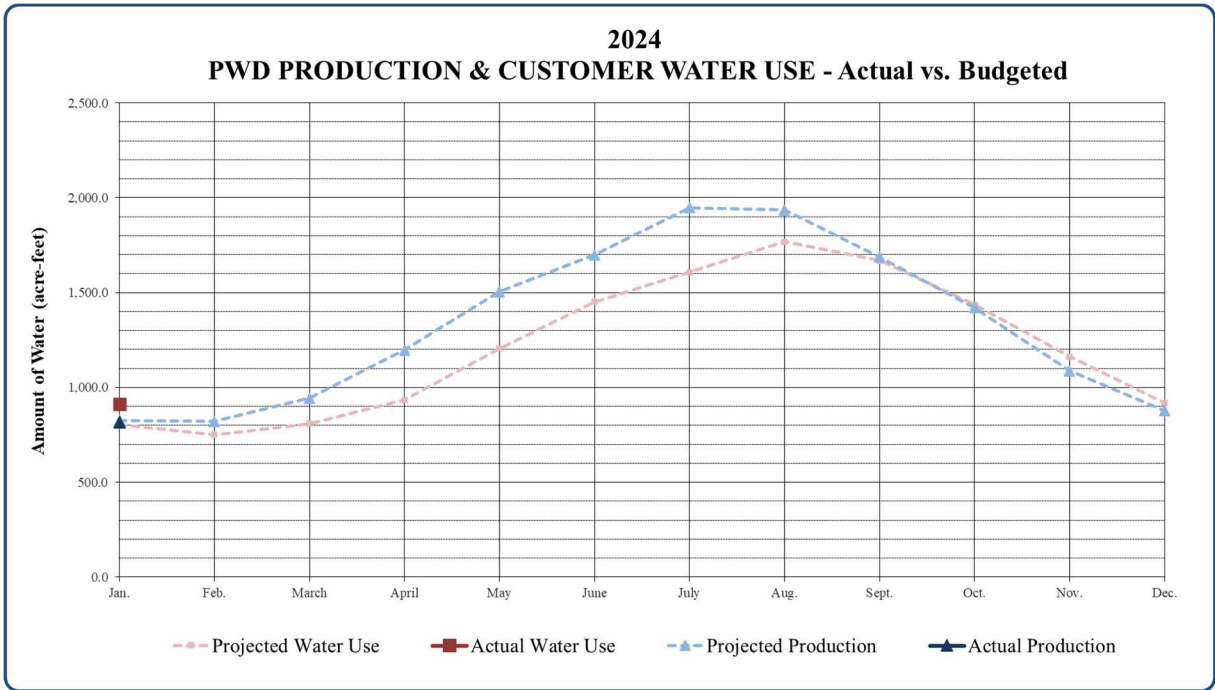
The following graphs help to show the 2021-2023 drought response and current use by our customers. The first graph, “PWD Production Comparison (2022-24 vs 2020),” shows the monthly water production in both 2022-24 and 2020.

The second graph, “PWD Monthly and Cumulative Water Production Saving Percentage (2022-24 vs. 2020),” illustrates the difference between each month in 2022-24 and 2020. Less production, or **savings** in 2022-24 is shown in **blue** and more production is shown in **red**. Despite ending mandatory conservation measures in March 2023, our customers’ continue to save water compared to 2020. The cumulative water savings is now 13.9%.



2023 and Historical Water Use Information

- The following graph is the actual and projected monthly water consumption and production for 2024 based on the prior five years of actual monthly information. The projected total consumption is based on the 2024 Budget amount of 14,500 AF, nearly the same as 2023 actual water use. The 2023 graph shows the projected and actual water use for that year.



### Other Items

- The Littlerock Reservoir Sediment Removal Project (Project) consists of three phases. The Grade Control Structure is Phase 1 and was completed in January 2020. Phase II is the removal of 1.2 million cubic yards (CY) of sediment from the reservoir. Approximately 58,000 cubic yards of sediment were removed in 2022 using a single year California Fish and Wildlife permit. Staff continues to work with Aspen Environmental to secure all the necessary permits for multi-year sediment removal. No sediment was removed in 2023 due to having a full reservoir through the end of the year. It is doubtful any sediment will be removed this year due to the wet conditions.
- The District's goal of using recycled water for a stable potable water supply is advanced water treatment and groundwater augmentation. The project is called Pure Water AV. The program management firm assisting the District with the Project is Stantec. Current activities include evaluating Project delivery methods, developing a funding strategy, and finalizing the demonstration facility design. Staff, Stantec, and financial consultants are also gathering information for potential grants and loan programs for the Pure Water AV Project.

Staff is working with the Sanitation Districts of Los Angeles County, District 20 (LASD), and the City of Palmdale as collaborators or partners in the Project. Pure Water AV will put the already highly treated tertiary recycled water to a higher beneficial use and satisfies LACSD's goals for use of the water. The City is interested in the Project for the potential benefits to the area's parks and landscaping during droughts without expanding the current purple pipe distribution system.

Related activities include the design and funding of a recycled water pipeline in Avenue Q from 30<sup>th</sup> Street East to the future demonstration facility. This pipeline will also provide additional access to recycled water for construction and Palmdale SOAR High School as a potential irrigation customer. This project is funded by a state grant, PRWA, and PWD.

- The Upper Amargosa Creek Recharge Project construction is complete. The Project partners, City of Palmdale, LA County Waterworks, and AVEK are working toward finalizing the operation and maintenance agreement. However, the recharge yield in 2023 was very disappointing and will also be discussed for how it improve it in the future.

The City of Palmdale also notified the Project partners about the mitigation requirements and costs. The two stages, 11.28 acres and 38.72 acres, of mitigation are being finalized with the regulatory agencies. The 2021 estimated construction costs are

\$1,715,662 and \$3,567,595, respectively, and will be built several years apart. The City received \$1,000,000 in grant funding toward the first phase costs. The District's anticipated share for the first phase is approximately \$75,000.

- Littlerock Creek Recharge Project: AVEK, LCID, and the District had an agreement with DWR and the AV Watermaster Engineer for a pilot project to use Littlerock Wash to recharge available Article 21, beyond the District's Table "A", SWP water. Due to the availability of Article 21 water until July. A total of 8,297 AF was recharged through this program.

A memorandum of understanding (MOU) is being developed through the Antelope Valley State Water Contractors Association to work on a permanent project to use Littlerock Wash as a recharge area.

- The 2022 Strategic Water Resources Plan Update is in the CEQA phase now. It looks at the water demands and supplies through 2050, identifies packages of projects to provide additional water supplies, looks at how they will be financed, and will ultimately be used to determine "Water Supply" fees within the Capital Improvement Fees paid by new water service connections.
- Delta Conveyance Design and Construction Authority (DCA): This joint power authority is responsible for the environmental, design, and engineering of the Project and works with the Department of Water Resources (DWR) on the Project. The Board includes two seats for the East Branch, Class 8, of the California Aqueduct. The Class 8 agencies are AVEK, PWD, Littlerock Creek Irrigation District (LCID), Mojave Water Agency (MWA), Crestline-Lake Arrowhead Water Agency, San Gabriel Valley Municipal Water District, San Bernardino Valley Municipal Water District (SBVMWD), San Geronio Pass Water Agency, Desert Water Agency, and Coachella Valley Water District (CVWD).

The Delta Conveyance Project (DCP) Final EIR for the Project was completed in December 2023. DWR then certified the document and issued a Notice of Determination naming the Bethany Alternative as the project moving forward. An updated cost estimate will now be worked on and permitting will start soon.

A Board of Directors briefing on the status of the Project will be scheduled after the updated cost estimate and benefit/cost analysis is completed.





**Organizational Excellence** *Train, Perform, Reward*

This initiative includes efforts to restructure staff duties and activities to more efficiently provide service to our customers. Recent highlights are as follows:

- Nearly 80 percent of the District’s staff is required to have certifications or licenses issued by the State of California. Many of these have continuing education requirements which must be met by technical training. The District provides an education reimbursement that can be used by staff for these requirements.
- The District has continued to find ways for internships and training opportunities for college and high school students who are interested in the water industry.
- Staff completed the applications to renew the District Transparency Certificate of Excellence and District of Distinction, Platinum Level. Both were presented to the District by CSDA/SDLF in 2023.
- Staff is beginning to use the telecommuting policy. It allows schedules with a maximum of 25% of time working out of the office.
- An Employee Engagement survey was conducted last November. Information from the survey is being compiled and will be presented to the Personnel Committee and staff in February.
- The Employee Handbook was last updated in 2022. Human Resources Director Garcia is working with staff representatives on recommended updates to the Handbook.

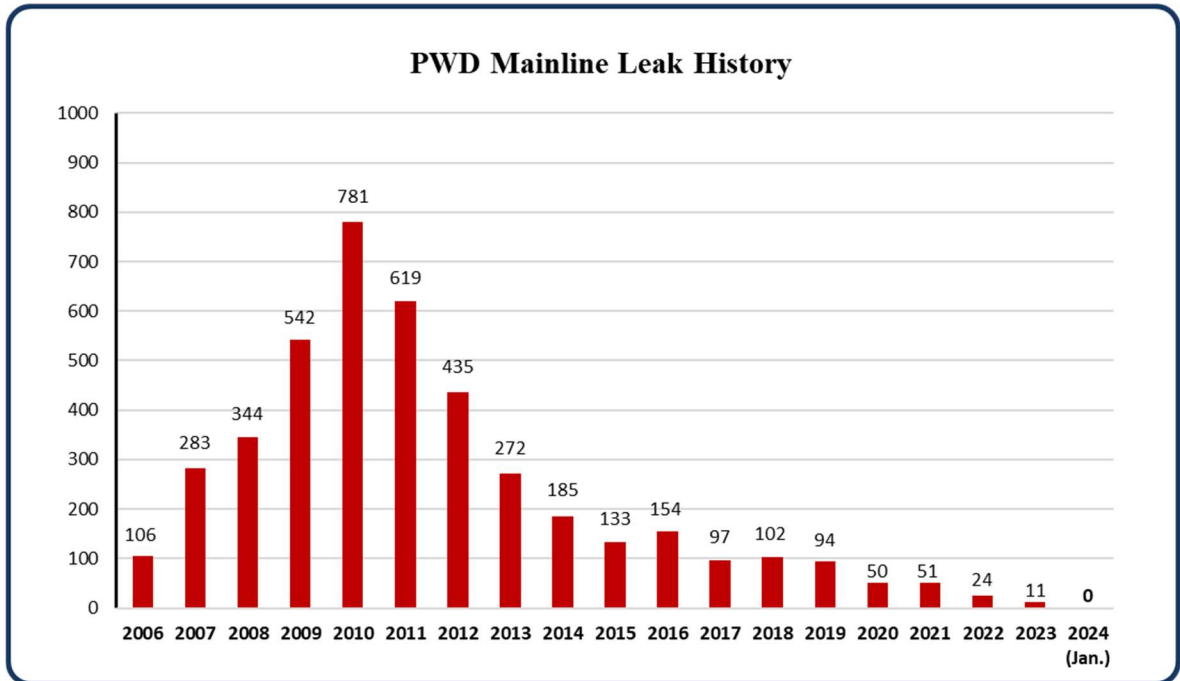


**Systems Efficiency** *Independence, Technology, Research*

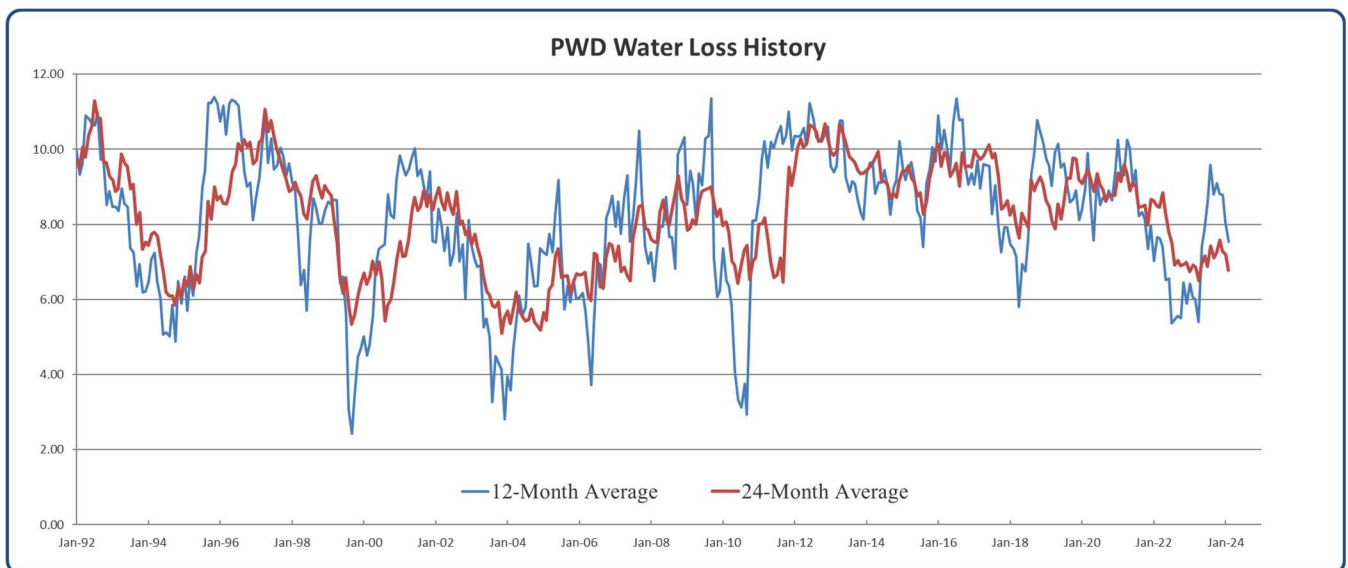
This initiative largely focuses on the state of the District’s infrastructure. Recent highlights are as follows:

- The effects of the District’s past efforts in replacing failing water mains can be seen in the reduced number of mainline leaks. There are eleven (11) mainline leaks through December 2023, and 64 service line leaks. The leak total of 75 in 2023 is down from 855 in 2010. This reduction is due to the Board and staff’s investment in water main

replacement projects. This is illustrated in the following chart titled “PWD Mainline Leak History.” There were no mainline leaks and five service line leaks in January 2024.



- The positive effect of both water main and water meter replacement programs is also shown on the chart titled “PWD Water Loss History.” The running average for water losses is less than 8%.



- The use of batteries for backup power is complete and operational at four booster facilities. This program was funded and managed by the California Public Utilities

Commission. The grant funds went directly to Tesla and its contractors. Tesla will maintain these facilities for ten years. These batteries are located at Well 5, the 3M booster site, the 45<sup>th</sup> Street Booster Station, and the Underground Booster Station.

- The District approved two solar PV projects to provide energy for wells, the Clearwell booster, and the Leslie O. Carter Water Treatment Plant in December. One will be located north of the maintenance yard and will provide power for a set of wells. The other will be located between Avenue S and Avenue R-8 on the west side of the railroad tracks. It will provide power for the Clearwell booster and Leslie O. Carter Water Treatment Plant. Notices to proceed were issued late last year and construction work is expected to begin later this summer.

Additionally, PV solar companies are expressing an interest in vacant District-owned parcels. Staff and the attorney's office are working through State requirements regarding the sale or long-term lease of vacant land.

- The Resources and Facilities Committee and Board have approved contracts to address improvements needed for the 6 Million Gallon (6M) tank used as the Clearwell for treated water from the Leslie O. Carter Water Treatment Plant. Tank Industry Consultants (TIC) was hired by the District a few years ago to inspect the District's tanks, including the 6M. The executive summary of their 2022 report was distributed to the Board on April 12, 2023 and is the basis of the awarded work.

Staff has completed some of TIC's recommendations. Other recommendations will be addressed when possible until the 6M can be taken out of service. This will be possible after the new 2950' booster station at the 3M tank is completed and the 3M can be used as the Clearwell. Meanwhile, staff is ensuring the 6M is operating safely. This includes removing the baffle curtain last fall due to finding pieces of it in transmission mains.



### **Financial Health and Stability** *Strength, Consistency, Balance*

- Staff is beginning to collect information to prepare for the new water rate study in 2024. The process will include issuing a request for proposals for a financial consultant in February, the development of forecasts of expenses and needed revenues, public input, and the adoption of a new water rate plan.

- Fitch Ratings reviewed the District’s bond rating in December 2023. The review affirmed the District’s rating with them of “A+” with a stable outlook.
- The District is seeking assistance from the State’s SAFER Program to provide water service to the Alpine Springs Mobile Home Park on Sierra Highway. It has poor water quality from its well, several health violations, and now relies on hauled water. Maria Kennedy, Kennedy Communications, is experienced with these programs and is contracted with the District to accomplish this. An agreement is now in place to fund water hauling until the connection to the District is approved by the State, constructed, and operational.



**Regional Leadership**    *Engage, Lead, Progress*

This initiative includes efforts to involve the community, be involved in regional activities, and be a resource for other agencies in the area. Recent highlights are as follows:

- Activities of the Palmdale Recycled Water Authority (PRWA), AV Integrated Regional Water Management Plan (IRWMP), and Antelope Valley State Water Contractors Association (AVSWCA) have continued. The District has leadership positions in these organizations. District staff is active in the local chambers, AV EDGE, regional human resources, and public information organizations.
- The PRWA Board consists of two Palmdale City Councilmembers, two PWD Board Members, and a public director, Zakeya Anson. Construction of new purple pipes with PRWA is on hold as the District works on the Pure Water AV Project. However, PRWA did approve partial funding of the Avenue Q purple pipe project. It is expected to be built in 2024.
- The “PWD Water Ambassador Academy” (WAA) is scheduled for April 2024 and a one-day Junior WAA is being discussed for later this year.
- The District and other members of the Public Water Agencies Group (PWAG) share the services of an Emergency Preparedness Coordinator. This approach also helped the District successfully comply with the America’s Water Infrastructure Act (AWIA) of 2018 and respond to the COVID-19 event. It has also been critical in developing mutual aid agreements and more universal equipping of mobile generators.
- Staff has taken a lead role in developing and implementing a valley-wide mutual aid agreement for agencies and mutual water companies.

### United Water Conservation District Memorandum of Understanding

The District and United Water Conservation District (United) approved a memorandum of understanding (MOU) to work cooperatively on projects where our interests overlap. These include internships and cooperation with community colleges, combined recreational funding for Piru and Littlerock Reservoir recreational improvements, and assistance and funding of advanced treatment of recycled or brackish water for potable use projects.

There have been several meetings between District staff and United Human Resources staff to discuss apprenticeship programs, intern programs, and work with three community college districts to support water-related curriculum. The first action item from these meetings was the funding of PWD interns for 2022. Participation in interview panels and the development of a mutual aid agreement are also being done.

Recreation staff from United met with District staff and visited the Littlerock Recreation Area in March. They provided good advice and input on a rough plan for helping the Area open in 2024. Staff worked with the Angeles National Forest (ANF) as the first step in clearing the prior recreational concessionaire's property in the recreational area. All the property now belongs to the ANF. A hazardous material survey is being funded to begin the process of clearing the site.

Several other meetings have been held regarding the use of available State Water Project (SWP) supplies. District and United staff are working with other East Branch SWP contractors on ways to recategorize water and avoid having water go unused. This is expected to make additional water available for United and the District. Staff also collaborated with United on legislative issues and completed a 2,000 AF SWP exchange agreement.

Additional coordination will also be focused on both agency's advanced water treatment projects. The United project will treat brackish groundwater for potable use by the military. The PWD project, Pure Water AV, will treat tertiary water for potable use by our customers. Once Pure Water AV is more established, joint meetings with state and federal representatives will be held to obtain funding assistance.



### **Customer Care, Advocacy, and Outreach** *Promote, Educate, Support*

This initiative includes efforts to better serve our customers. Recent highlights are as follows:

- The ability to make payments at 7-Eleven and Family Dollar Store as well as all electronic forms of payment critical for customers during the COVID-19 event. Despite the open lobby, many customers have stayed with alternate payment methods.
- The Rate Assistance Program is expected to reach capacity by February. Staff continually monitors the Program for openings and began taking applications for 2024 in November 2023. The Board approved changes to the program to increase the funds, standardize the monthly assistance to \$20.00 per month, and provide assistance to 700 customer accounts in 2024.
- Staff successfully conducted virtual coffee meetings with Directors and their constituents, online “Let’s Talk H2O” meetings, issued regular internal and public newsletters, coordinated drive-through giveaways for customers, an in-person customer appreciation day, monitored and maintained the District’s social media, and assisted with information for the current drought. In-person workshops have also been held.
- Staff finished updating the public website and is finalizing the intranet.
- Legislative staff from our elected state officials will begin providing the Board bimonthly updates on their activities in July.