



**PALMDALE WATER DISTRICT**  
A CENTURY OF SERVICE

**BOARD OF DIRECTORS**

**ROBERT E. ALVARADO**  
Division 1

**JOE ESTES**  
Division 2

**MARCO HENRIQUEZ**  
Division 3

**KATHY MAC LAREN**  
Division 4

**VINCENT DINO**  
Division 5

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**DENNIS LaMOREAUX**  
General Manager

**ALESHIRE & WYNDER LLP**  
Attorneys

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March 8, 2018

**AGENDA FOR REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
OF THE PALMDALE WATER DISTRICT  
to be held at the District's office at 2029 East Avenue Q, Palmdale  
WEDNESDAY, MARCH 14, 2018  
7:00 p.m.**

**NOTES:** To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Dawn Deans at 661-947-4111 x1003 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 Dawn Deans at 661-947-4111 x1003 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 Dawn Deans al 661-947-4111 x1003 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 (Government Code Section 54957.5). Please call Dawn Deans at 661-947-4111 x1003 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 carry out 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 regular meeting held February 28, 2018.
  - 6.2) Payment of bills for March 14, 2018.
- 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 'Agreement for the Purchase and Sale of Water' for water hauling companies to supply water to remote properties within the Palmdale Water District's boundaries. (Potential revenue through the sale of water – General Manager LaMoreaux)
  - 7.2) Consideration and possible action on hiring a financial consultant through the Antelope Valley State Water Contractors Association to establish Antelope Valley-wide replacement water rates. (Cost to be determined – Budgeted – Deputy Water and Energy Resources Director Thompson II)
  - 7.3) Consideration and possible action on outreach activities for 2018. (Public Affairs Director Shay)
    - a) Update on 100<sup>th</sup> year anniversary events.
    - b) Outreach plans for 2018.
    - c) Upcoming events.
    - d) Outreach recommendations from Directors.
  - 7.4) 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 2018 Budget:
    - a) None at this time.
- 8) Information Items:
  - 8.1) Reports of Directors:
    - a) Meetings/General Report.
    - b) Standing Committee/Assignment Reports (Chair):
      - 1) None.
  - 8.2) Report of General Manager.
  - 8.3) Report of General Counsel.

- 9) Public comments on closed session agenda matters.
- 10) Break prior to closed session.
- 11) Closed session under:
  - 11.1) Conference with Legal Counsel – Existing Litigation: A closed session will be held, pursuant to Government Code §54956.9 (d)(1), to confer with Special Litigation Counsel regarding existing litigation to which the District is a party. The title of such litigation is as follows: *Antelope Valley Ground Water Cases*.
- 12) Public report of any action taken in closed session.
- 13) Board members' requests for future agenda items.
- 14) Adjournment.



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DENNIS D. LaMOREAUX,  
General Manager

DDL/dd

**P A L M D A L E   W A T E R   D I S T R I C T**  
**B O A R D   M E M O R A N D U M**

**DATE:** March 7, 2018 **March 14, 2018**  
**TO:** BOARD OF DIRECTORS **Board Meeting**  
**FROM:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** ***AGENDA ITEM NO. 7.1 – CONSIDERATION AND POSSIBLE ACTION ON ‘AGREEMENT FOR THE PURCHASE AND SALE OF WATER’ FOR WATER HAULING COMPANIES TO SUPPLY WATER TO REMOTE PROPERTIES WITHIN THE PALMDALE WATER DISTRICT’S BOUNDARIES. (POTENTIAL REVENUE THROUGH THE SALE OF WATER – GENERAL MANAGER LAMOREAUX)***

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**Recommendation:**

Staff recommends the Board approve the Agreement for the Purchase and Sale of Water.

**Alternative Options:**

The Board can not approve the Agreement.

**Impact of Taking No Action:**

The District will not sell water to water hauling companies for the Juniper Hills area.

**Background:**

Many residents in the Juniper Hills area rely on water hauling companies for their water. A major local source for these companies is no longer available and more distant water sources increase water costs for residents.

Numerous properties in the Juniper Hills area annexed to the District in the early 1960’s for access to the State Water Project (SWP) and pay the annual assessment for SWP fixed costs. To date, there has not been a way to use SWP water for the Juniper Hills area due to the lack of a water system. However, the District can act as a water source for water hauling companies who service these properties.

Based on meetings with the District, water haulers, and Juniper Hills residents, Aleshire & Wynder drafted the attached ‘Agreement for the Purchase and Sale of Water’ for use between the District and water hauling companies. Once it is verified through a property tax bill that a Juniper Hills property is eligible for service through the Palmdale Water District, the water hauling company named in the Agreement can access Palmdale Water District water through a specific site, be charged a construction water rate, and then provide the water to the Juniper Hills customer.

This process shows the District's commitment to serve all customers within its boundaries, even in the absence of a water distribution system.

**Strategic Plan Initiative/Mission Statement:**

This item is under Strategic Initiative No. 5 – Regional Leadership.  
This item directly relates to the District's Mission Statement.

**Budget:**

This item could result in revenue based on the sale of construction water.

**Supporting Documents:**

- Agreement for the Purchase and Sale of Water

## **AGREEMENT FOR THE PURCHASE AND SALE OF WATER**

This Agreement for the Purchase and Sale of Water ("Agreement") is made and entered into as of this [ ] day of [ ], 2018 ("Effective Date"), between the PALMDALE WATER DISTRICT, a California Irrigation District ("Seller"), and WENDY'S WATER TRUCK COMPANY, LLC, a California corporation ("Purchaser"). The Seller and Purchaser may be referred to individually in this Agreement as a "Party" and collectively as the "Parties".

### **RECITALS**

A. Purchaser owns and operates a water delivery business for irrigation and potable uses by its customers.

B. Purchaser desires to purchase water from Seller ("Water") for the purpose of reselling Water to those customers located within remote portions of Seller's Service Area and not currently receiving water from Seller.

C. Seller desires to sell to Purchaser, and Purchaser desires to purchase from Seller, Water on the terms and conditions set forth below.

### **AGREEMENT**

1. Recitals Incorporated. The foregoing Recitals are hereby incorporated herein by reference and made a part of this Agreement as if set forth in full.

2. Term; Water Purchase and Sale.

A. Term. This Agreement shall become effective on the date first above written and shall remain in effect through [ ], 201[ ], unless otherwise extended by mutual agreement of the parties or earlier terminated in accordance with this Agreement ("Term").

3. Purchase Price; Billing.

Seller shall sell Water to Purchaser at a price equal to the current Tier 6 water rate ("Purchase Price") following Purchaser's submission to Seller of a completed "Application for Construction Meter" in the form attached as Appendix "P" to the Palmdale Water District Rules and Regulations, a copy of which may be obtained by Purchaser from Seller's office. Seller shall invoice Purchaser and Purchaser shall pay Seller in accordance with the Billing Procedures set forth in Article 8.04 of the Palmdale Water District Rules and Regulations.

4. Compliance with Laws; Licenses and Permits.

Purchaser shall keep itself informed concerning, and shall perform its obligations hereunder and deliver Water in accordance with, all ordinances, resolutions, statutes, rules, and regulations of Seller and any Federal, State or local governmental entity having jurisdiction in effect during the Term of this Agreement. Purchaser shall obtain at its sole cost and expense

such licenses, permits and approvals as may be required by law for the performance of any obligations or services under this Agreement. Copies of all such licenses, permits and approvals shall be provided to Seller upon Seller's request.

5. Delivery of Water.

A. Delivery. Seller will deliver Water to the Delivery Point(s) located at \_\_\_\_\_ ("Delivery Point(s)") at which Delivery Point(s) Purchaser may draw Water as needed. Seller may change the Delivery Point from time to time at Seller's discretion.

B. Delivery Restricted to Seller's Service Area. Purchaser shall not resell Water it receives from Seller to any person or location outside the Seller's area of service as shown on Exhibit "A" attached hereto and incorporated herein by this reference ("Seller's Service Area"). Purchaser shall submit to Seller a copy of the tax bill of each person or location receiving water from Purchaser under this Agreement to ascertain that the customer is within Seller's service area. Any sale of Water by Purchaser outside the Seller's Service Area shall: (i) allow Seller the right to terminate this Agreement immediately; and (ii) terminate Seller's obligation to continue its delivery of Water to Purchaser under this Agreement.

6. Measurement of Delivered Water.

All Water delivered pursuant to this Agreement shall be measured by the Seller at the meter located at the Delivery Point(s). Seller shall own, inspect, operate, maintain, repair and replace the meter and other measuring equipment. All determinations relative to the measuring of Water shall be made by the Seller. Upon request by Purchaser, the accuracy of a measurement shall be investigated by the Seller and any error appearing therein shall be adjusted. Purchaser may inspect such meter and measuring equipment for the purpose of determining the accuracy thereof.

7. Purchaser's Rights to Water Nontransferable.

Purchaser's rights to Water hereunder are not transferable or assignable, without the express written consent of the Seller. Purchaser shall not sell, give, transfer or distribute any of the Water purchased by it pursuant to this Agreement to any other party for the purpose of further resale of the Water without the prior written consent of Seller.

8. No Agency Relation.

Neither Seller nor any of its employees shall have any control over the manner, mode or means by which Purchaser, its agents or employees, perform its Water delivery to Purchaser's customers under this Agreement, except as otherwise set forth herein. Seller shall have no voice in the selection, discharge, supervision or control of Purchaser's employees, servants, representatives or agents, or Water delivery equipment. Purchaser shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of Seller. Seller shall not in any way or for any purpose become or be deemed to be a partner of Purchaser in its business or otherwise or a joint venturer or a member of any joint enterprise with Purchaser.

9. Indemnification.

To the full extent permitted by law, Purchaser agrees to indemnify, defend and hold harmless the Seller, its officers, employees and agents (“Indemnified Parties”) against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the performance of the work, operations or activities provided herein of Purchaser, its officers, employees, agents, subcontractors, invitees, or any individual or entity for which Purchaser is legally liable (“indemnitors”), or arising from Purchaser’s or indemnitors’ reckless or willful misconduct, or arising from Purchaser’s or indemnitors’ performance of or failure to perform any term, provision, covenant or condition of this Agreement, except claims or liabilities occurring as a result of Seller’s sole negligence or willful acts or omissions. The indemnity obligation shall be binding on successors and assigns of Purchaser and shall survive termination or expiration of this Agreement.

10. Termination.

A. Termination without Cause. Either Party shall have the right at any time, with or without cause, to terminate this Agreement upon provision of thirty (30) days’ written notice to the other Party. If a Party so elects to terminate this Agreement, it shall automatically terminate as of the date specified in the terminating Party’s notice and thereafter, the Seller shall be released from its obligation to sell Water and its other obligations under this Agreement and Purchaser shall be released from its obligation to buy Water and its other obligations under this Agreement; provided, however, that nothing herein shall release the parties from any obligations accruing with respect to the time period prior to the termination of this Agreement.

B. Termination for Cause. Should any party breach any of the terms and conditions in this Agreement, written notice of such breach shall be given in writing to the breaching party by the other party. If (i) such breach is not cured within ten (10) calendar days from the date of delivery of such notice or, (ii) cure reasonably requires more than ten (10) calendar days and the breaching party has not commenced within such time period to cure such breach and diligently prosecuted such cure to completion, the other party may, in addition to any remedies provided in this Agreement and/or by law, terminate this Agreement by provision of ten (10) day’s written notice to the other party. The cure period set forth herein does not apply to Seller’s termination right under Section 5.B of this Agreement.

11. Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the Seller, to the attention of the General Manager, dlamoreaux@palmdalewater.org, Palmdale Water District, 2029 East Avenue Q, Palmdale, California 93550, and in the case of the Purchaser, to the person(s) at the physical address and email address designated on the execution page of this



Agreement. Either party may change its address by notifying the other party of the change of address in writing.

Notices shall be deemed conclusively to have been duly given (i) when hand delivered to the other party; (ii) 72 hours after such notice has been sent by U.S. Postal Service via certified mail, return receipt requested, postage prepaid, and addressed; (iii) the next business day after such notice has been deposited with an overnight delivery service reasonably approved by the Parties (Federal Express, Overnight Express, United Parcel Service and U.S. Postal Service are deemed approved by the Parties), postage prepaid, addressed to the Party to whom notice is being sent as set forth below with next-business-day delivery guaranteed, or (iv) when transmitted if sent by email to the email address set forth above; provided that notices given by facsimile or email shall not be effective unless either (a) a duplicate copy of such notice is promptly sent by any method permitted under this Section other than by email (provided that the recipient party need not receive such duplicate copy prior to any deadline set forth herein); or (b) the receiving party delivers a written confirmation of receipt for such notice either by facsimile, email or any other method permitted under this Section.

12. Entire Agreement.

This Agreement shall constitute the entire agreement between the parties relating to the rights granted and obligations assumed in this Agreement. Any oral representations or modifications concerning this Agreement shall be of no force and effect unless contained in a subsequent written modification signed by both parties.

13. Amendments.

This Agreement may not be amended except by a written instrument that is signed by both parties.

14. California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Purchaser covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. Unless otherwise indicated, references in this Agreement to Sections, paragraphs, clauses and exhibits are to the same contained in or attached to this Agreement and all attachments referenced in this Agreement are incorporated in this Agreement by this reference as though fully set forth in this Section.

15. Attorneys' Fees.

If either party commences an action at law or in equity, arbitration or other proceeding against the other party to enforce or interpret this Agreement, the prevailing party shall be entitled to recover from the losing party reasonable attorneys' fees and costs of such proceeding, in addition to any other amounts which may be awarded.

16. Severability.

If any clause or provision of the Agreement is or becomes illegal, invalid, or unenforceable because of present or future laws, or any rules or regulations of any governmental body or entity, effective during its term, the intention of the parties is that the remaining parts of this Agreement shall remain in full force and effect if the fundamental purpose of the Agreement is not destroyed.

17. Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

18. Third-Party Beneficiaries.

This Agreement shall not create any right or interest in any non-party or in any member of the public as a third party beneficiary.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS THEREOF, this Agreement is entered into as of the date first above written.

**“SELLER”:**

PALMDALE WATER DISTRICT,  
a California Irrigation District

\_\_\_\_\_  
Dennis D. LaMoreaux, General Manager

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP

\_\_\_\_\_  
Eric Dunn, General Counsel

**“PURCHASER”:**

WENDY'S WATER TRUCK COMPANY, LLC, a  
California corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
email: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
email: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Two corporate officer signatures required when Purchaser is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. PURCHASER'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO PURCHASER'S BUSINESS ENTITY.**

## CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

COUNTY OF LOS ANGELES

On \_\_\_\_\_, 2018 before me, \_\_\_\_\_, personally appeared \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

### OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	_____
<input type="checkbox"/> CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT
_____	
TITLE(S)	
<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED	_____
<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> ATTORNEY-IN-FACT	
<input type="checkbox"/> TRUSTEE(S)	_____
<input type="checkbox"/> GUARDIAN/CONSERVATOR	DATE OF DOCUMENT
<input type="checkbox"/> OTHER _____	
_____	_____
	SIGNER(S) OTHER THAN NAMED ABOVE

### SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

\_\_\_\_\_  
\_\_\_\_\_

## CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On \_\_\_\_\_, 2018 before me, \_\_\_\_\_, personally appeared \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

### OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/>	INDIVIDUAL	_____
<input type="checkbox"/>	CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/>	TITLE(S) PARTNER(S) <input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/>	ATTORNEY-IN-FACT	DATE OF DOCUMENT
<input type="checkbox"/>	TRUSTEE(S)	_____
<input type="checkbox"/>	GUARDIAN/CONSERVATOR	SIGNER(S) OTHER THAN NAMED ABOVE
<input type="checkbox"/>	OTHER _____	

### SIGNER IS REPRESENTING:

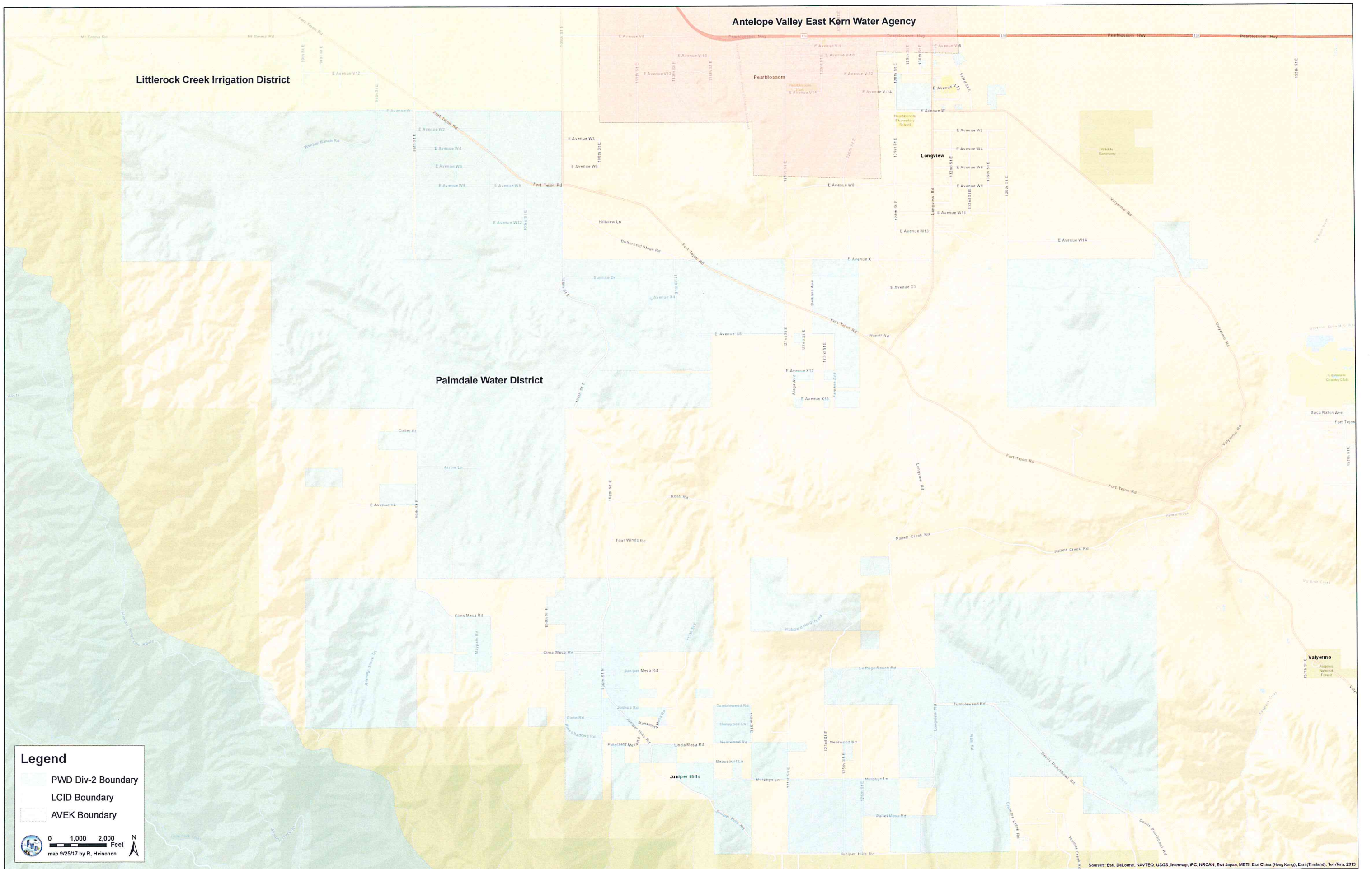
(NAME OF PERSON(S) OR ENTITY(IES))

\_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT “A”**

**SELLER’S SERVICE AREA**





PWD Division 2 Boundaries Near Juniper Hills

**P A L M D A L E   W A T E R   D I S T R I C T**  
**B O A R D   M E M O R A N D U M**

**DATE:** March 7, 2018 **March 14, 2018**  
**TO:** BOARD OF DIRECTORS **Board Meeting**  
**FROM:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** ***AGENDA ITEM NO. 7.2 – CONSIDERATION AND POSSIBLE ACTION ON  
HIRING A FINANCIAL CONSULTANT THROUGH THE ANTELOPE VALLEY  
STATE WATER CONTRACTORS ASSOCIATION TO ESTABLISH ANTELOPE  
VALLEY-WIDE REPLACEMENT WATER RATES. (COST TO BE  
DETERMINED – BUDGETED – DEPUTY WATER AND ENERGY RESOURCES  
DIRECTOR THOMPSON II)***

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**Recommendation:**

Staff recommends the Board hire a financial consultant through the Antelope Valley State Water Contractors Association to establish Antelope Valley-wide replacement water rates.

**Background:**

A Joint Workshop was recently held with the Boards of Directors for the District, the Antelope Valley East Kern Water Agency, and the Littlerock Creek Irrigation District. The concept of offering replacement water to properties within the boundaries of the three agencies was discussed, and it was determined that this replacement water be offered at a rate of \$415.00 per acre foot.

The General Managers for the three agencies recently met regarding this matter and determined that an Antelope Valley-wide replacement water rate should be established for consistency across the Valley and that this rate be established through a Financial Consultant.

**Strategic Plan Initiative/Mission Statement:**

This item is under Strategic Initiative No. 1 – Water Resource Reliability.  
This item directly relates to the District's Mission Statement.

**Budget:**

This item will have no impact on the budget.

**Supporting Documents:**

- None.



A detailed report on Outreach activities, as listed on the agenda, will be provided at the Board meeting.

**MINUTES OF MEETING OF THE FACILITIES COMMITTEE OF THE PALMDALE WATER DISTRICT, SEPTEMBER 11, 2017:**

*A meeting of the Facilities Committee of the Palmdale Water District was held Monday, September 11, 2017, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Dino called the meeting to order at 11:00 a.m.*

**1) Roll Call.**

**Attendance:**

Facilities Committee:  
Vincent Dino, Chair  
Joe Estes, Committee  
Member

**Others Present:**

Dennis LaMoreaux, General Manager  
Tim Moore, Facilities Manager  
Dawn Deans, Executive Assistant  
0 members of the public

**2) Adoption of Agenda.**

It was moved by Committee Member Estes, seconded by Chair Dino, and unanimously carried by all members of the Committee present at the meeting to adopt the agenda, as written.

**3) Public Comments.**

There were no public comments.

**4) Action Items:**

**4.1) Consideration and Possible Action on Approval of Minutes of Regular Meeting Held March 27, 2017.**

It was moved by Committee Member Estes, seconded by Chair Dino, and unanimously carried by all members of the Committee present at the meeting to approve the minutes of the Facilities Committee meeting held March 27, 2017, as written.

**4.2) Consideration and Possible Action on Purchase of Fuel Management and Tank Level Reader. (\$21,884.50 –Budgeted – Facilities Manager Moore)**

Facilities Manager Moore provided an overview of the proposed fuel management and tank level reader system and the benefits and reporting options of this system, and after a brief discussion of these benefits, it was moved by Committee Member Estes,

seconded by Chair Dino, and unanimously carried by all members of the Committee present at the meeting to approve the purchase of a fuel management and tank level reader system from FuelForce in the not-to-exceed amount of \$21,884.50.

**4.3) Consideration and Possible Action on Elevator Repairs. (Cost to be Determined – Budgeted – Facilities Manager Moore)**

Facilities Manager Moore provided an overview of repairs needed for the District's elevator, and after a brief discussion of these repairs, the age of the elevator, and the estimated cost of repairs, the Committee took no action on this item as it is presented for informational purposes.

**5) Information Items.**

**5.1) Upcoming Priorities and Strategic Plan Update. (Facilities Manager Moore)**

General Manager LaMoreaux stated that all Committees will be discussing the Strategic Plan update and recommending initiatives based on the Committee's viewpoint; that meetings will be held with Dr. Mathis, key staff, and Directors to review the initiatives; and that a workshop regarding the Strategic Plan will be scheduled in October with Dr. Mathis facilitating the workshop.

Facilities Manager Moore then recommended the Strategic Plan update address individual cycled maintenance plans for vehicles, the fuel system, wells and motors, and the water treatment plant and stated that information on deferred maintenance will be presented at the September 13, 2017 Regular Board meeting.

General Manager LaMoreaux then stated that a five-year Replacement Plan is being developed, which will be helpful in the next Proposition 218 process, and that an updated Master Plan will be presented for the Board's consideration later this year.

**5.2) Other.**

There were no additional information items.

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

Committee Member Estes requested a future agenda item for "Status update on the operation of the wind turbine" and recommended additional wording for the District's contracts with vendors regarding accountability to the type of work they perform.

He then recommended future trucks be equipped with electric windows as the operation of manual windows may be a safety hazard.

He then inquired as to the status of the electric car charging stations after which General Manager LaMoreaux provided an update on the status of the two electric car charging stations, their location at the District, and payment options for users of the stations.

There were no further requests for future agenda items.

**7) Adjournment.**

There being no further business to come before the Facilities Committee, the meeting was adjourned at 11:32 a.m.

  
Chair

## **MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT, JANUARY 22, 2018:**

*A meeting of the Finance Committee of the Palmdale Water District was held Monday, January 22, 2018, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Henriquez called the meeting to order at 4:35 p.m.*

### **1) Roll Call.**

#### **Attendance:**

Finance Committee:  
Marco Henriquez, Chair  
Robert Alvarado, Committee  
Member

#### **Others Present:**

Dennis LaMoreaux, General Manager  
Mike Williams, Finance Manager  
Judy Shay, Public Affairs Director  
Dennis Hoffmeyer, Accounting Supervisor  
Bob Egan, Financial Advisor  
Dawn Deans, Executive Assistant  
1 members of the public

### **2) Adoption of Agenda.**

It was moved by Committee Member Alvarado, seconded by Chair Henriquez, and unanimously carried by all members of the Committee present at the meeting to adopt the agenda, as written.

### **3) Public Comments on Non-Agenda Items.**

There were no public comments on non-agenda items.

### **4) Action Items:**

#### **4.1) Consideration and Possible Action on Approval of Minutes of Meeting Held December 11, 2017.**

It was moved by Committee Member Alvarado, seconded by Chair Henriquez, and unanimously carried by all members of the Committee present at the meeting to approve the minutes of the Finance Committee meeting held December 11, 2017, as written.

#### **4.2) Discussion and Overview of Cash Flow Statement and Current Cash Balances as of November, 2017. (Financial Advisor Egan)**



Financial Advisor Egan reviewed the investment funds report as of November, 2017, including assessments received, maturing CDs, capital improvement fees, interest, and remaining 2013A Water Revenue Bond funds and then provided an overview of the cash flow statement, including assessments, RDA pass-through funds, and the projected 2017 year-end balance.

**4.3) Discussion and Overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for November, 2017. (Finance Manager Williams)**

Finance Manager Williams reviewed in detail the balance sheet, profit and loss statement, year-to-year comparisons, month-to-month comparisons, consumption comparisons, and revenue and expense analysis reports for the period ending November, 2017 and stated that most departments are operating at or below the targeted expenditure percentage of 91.63% followed by discussion of several departmental budgets.

Chair Henriquez thanked staff for their good work on financial reports.

**4.4) Discussion and Overview of Committed Contracts Issued and Water Revenue Bond Projects. (Finance Manager Williams)**

Finance Manager Williams provided an overview of the updated Contractual Commitments and Needs for 2017 Report for capital projects, consulting and engineering support projects, new and replacement equipment, water quality fee funded projects, committed and projected capital expenditures, and available funding sources.

He then stated that this is the final report on Water Revenue Bond Series 2013A funds and payments to date.

**5) Information Items.**

**5.1) Status of Debt Service Coverage. (Financial Advisor Egan)**

Finance Manager Williams stated that the Debt Service Coverage for the period of December, 2016 through November, 2017 is 1.39 and meets the required Debt Service

Coverage followed by discussion of potential bond refinances, new bond issues, and the District's credit rating.

**5.2) Other.**

Financial Advisor Egan provided an overview of the upcoming audit with The Pun Group, and after a brief discussion of The Pun Group staff and of the audit, staff was directed to review the current auditing contract and contact other agencies for auditing proposals.

Finance Manager Williams then reviewed the status of the District's State Revolving Fund Loan application and staff's upcoming meeting with the state to discuss their financial analysis for the application and then stated that he will be attending the P3 Summit Conference to learn more about alternative financing options.

Chair Henriquez inquired about painting the exterior of the District's office building after which General Manager LaMoreaux stated that Facilities Manager Moore can provide an update on this matter at the next meeting.

There were no other information items.

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

Chair Henriquez requested an item be included on the next agenda for "Update on the status of painting the exterior of the District's office building.

There were no further requests for future agenda items.

It was then determined that the next Finance Committee meeting will be held February 26, 2018 at 4:30 p.m.

**7) Adjournment.**

There being no further business to come before the Finance Committee, the meeting was adjourned at 5:30 p.m.

  
Chair