



PALMDALE WATER DISTRICT
A CENTURY OF SERVICE

May 5, 2021

BOARD OF DIRECTORS

AMBERROSE MERINO

Division 1

DON WILSON

Division 2

GLORIA DIZMANG

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
OR VIA TELECONFERENCE**

FOR THE PUBLIC: VIA TELECONFERENCE ONLY

DIAL-IN NUMBER: 571-748-4021 ATTENDEE PIN: 213-069-132#

Submit Public Comments at: <https://www.gomeet.com/213-069-132>

MONDAY, MAY 10, 2021

6:00 p.m.

DENNIS D. LaMOREAUX

General Manager

ALESHIRE & WYNDER LLP

Attorneys

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.

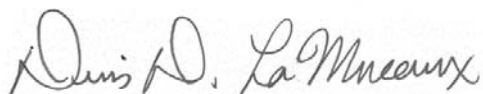
PUBLIC COMMENT GUIDELINES: The prescribed time limit per speaker is three-minutes. Please refrain from public displays or outbursts such as unsolicited applause, comments, or cheering. Any disruptive activities that substantially interfere with the ability of the District to carry out its meeting will 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 Board Meeting held April 26, 2021.
 - 6.2) Payment of bills for May 10, 2021.
 - 6.3) Approval of Water Service Agreement between the Palmdale Water District and Richard Diaz. (No Budget Impact – Engineering/Grant Manager Rogers)
- 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 Directors' compensation. (Potential Budget Impact – Human Resources Director Emery/Personnel Committee)
 - 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 2021 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. (Director Dino/Director Mac Laren-Gomez, Alternate)
 - 2) Resource and Facilities Committee. (Director Dino, Chair/Director Merino)
 - b) General Meetings Reports of Directors.
 - 8.2) Report of General Manager.
 - 8.3) Report of General Counsel.
- 9) Board members' requests for future agenda items.
- 10) Adjournment.



DENNIS D. LaMOREAUX,
General Manager

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: May 4, 2021 **May 10, 2021**
TO: BOARD OF DIRECTORS **Regular Board Meeting**
FROM: Mr. Scott Rogers, Engineering/Grant Manager
FROM: Mr. Adam Ly, Assistant General Manager
Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 6.3 – APPROVAL OF WATER SERVICE AGREEMENT
BETWEEN THE PALMDALE WATER DISTRICT AND RICHARD DIAZ. (NO
BUDGET IMPACT – ENGINEERING/GRA NT MANAGER ROGERS)***

Recommendation:

Staff recommends the Board approve the Water Service Agreement between the Palmdale Water District and Richard Diaz and provide water service under the conditions outlined in the Agreement.

Alternative Options:

The Board could choose to not approve the Water Service Agreement.

Impact of Taking No Action:

Mr. Diaz will not have water service to his property.

Background:

Mr. Diaz is developing his property on the north side of Avenue V-4 near 47th Street East and has requested a connection to the District's temporary water main in 47th Street East. This connection will satisfy domestic flow requirements at the meter only. To provide adequate pressure for domestic flow and fire flow as required by Los Angeles County, Mr. Diaz has agreed to construct a 5,000 gallon to 10,000 gallon water tank at the property. In addition, Mr. Diaz and the other property owners near Mr. Diaz agree to construct a water system that meet's the District's criteria once improvements from larger developers are constructed and operational in the area. Similar Water Service Agreements have been approved with the other property owners near Mr. Diaz.

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 not affect the budget.

Supporting Documents:

- Water Service Agreement

AGREEMENT

This agreement is entered into as of the 20 day of APRIL, 2021, by and between Palmdale Water District (hereinafter referred to as 'District') and Richard Diaz, (hereinafter referred to as 'Property Owner').

RECITALS:

- A. The property located at the north side of East Ave. V-4, identified as Los Angeles County Assessor's Parcel Number 3048-014-057, (hereinafter referred to as the 'Subject Property'); in the unincorporated area of Los Angeles County, near the City of Palmdale.
- B. The District is the owner of an existing six-inch water main in 47th St. East which currently has the capacity for one (1) additional equivalent unit to be tied-into the District's water distribution system as it is configured today.
- C. The Property Owner desires to connect to said water main in order to provide water service to the Subject Property.
- D. The District does not normally provide water service unless there is adequate pressure at the building site. However, Property Owner has represented that he plans to place a 5,000 gallon to 10,000 gallon water tank at the building site. Property Owner further represents and warrants that said water tank will meet Public Health and Safety regulations as required by Los Angeles County and will provide adequate pressure for domestic flow and fire flow to the Subject Property, as required by Los Angeles County.

NOW, THEREFORE the parties agree as follows:

1. Property Owner understands and acknowledges that the water service provided by the District, *at the meter* for the Subject Property, will satisfy domestic flow requirements as imposed by all applicable public health and safety and fire department regulations and the District shall install the meter on 47th St. East to satisfy all such regulations. It is the responsibility of Property Owner to satisfy domestic flow requirements beyond the meter, as imposed by public health and safety and fire department regulations.
2. Property Owner acknowledges and agrees that fire flow availability must meet Fire Department regulations at the building site and that he shall be responsible for compliance with such regulations. Property Owner hereby releases the District from any liabilities, costs or damages in relation to fire flow availability at building site, and indemnifies the District against, and holds the District harmless from any such liabilities, costs or damages.
3. The District will install a 3/4" x 5/8" meter at 47th St. East and Ave. V-4. Property Owner shall be responsible for installing the service lateral and all necessary appurtenances for the service, including an approved backflow device. Property Owner will pay to the District all applicable installation fees and charges, including applicable Capital Improvement Fees, in accordance with District Rules and Regulations.

4. Property Owner will pay to the District all applicable rates and charges for the water service in accordance with the District's water rates and charges as set forth in its Rules and Regulations, as modified and amended from time to time.
5. Should there be any deficient water service at the building site, it is the responsibility of Property Owner to disclose such deficiency in writing to any subsequent purchaser(s) prior to the transfer of title.
6. Property Owner agrees to obtain from any subsequent purchaser(s) a written acknowledgment of any deficient water service, should any exist, and to deliver the acknowledgment to the District prior to the transfer of title; as a condition of service to any subsequent purchaser.
7. Property Owner, his successors and assigns and any subsequent purchaser(s) of the property, shall defend and indemnify the District and its directors, officers and employees against, and hold the District, and its directors, officers and employees harmless from, any liabilities, claims, costs, expenses, damages, causes of action or judgments arising under this agreement and specifically, from any deficiencies in the water service at the building site, as provided under and in accordance with this agreement.
8. Property Owner and his successors and assigns and any subsequent purchaser(s) of the property, shall comply with the terms, conditions, restrictions and covenants of this agreement. This agreement shall be recorded in the County of Los Angeles, State of California, and is intended to and shall run with the land.
9. Property Owner agrees to design and construct, at his cost and expense, a water system in accordance with District rules and regulations, within twenty-four (24) months from the filing date in the Notice of Completion for the Capital Improvement Projects in association with the College Park specific plan. Said water system shall be a minimum of 8 inches in diameter, shall front APN: 3048-014-019, have two points of connection to the water main that will be located in 47th Street East, and be designed and constructed in accordance with District rules and regulations.
10. The District hereby agrees to collect financial reimbursement for and on behalf of Property Owner, per the District's Rules and Regulations, Appendix I, and upon the execution of a Main Extension Reimbursement Agreement by Property Owner.
11. The financial reimbursement to be collected for and on behalf of Property Owner; to be per the rates identified in Appendix I of the District's Rules and Regulations and shall be paid to Property Owner as set forth in said Appendix I.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-
above written.

Property Owner

"DISTRICT"

BY: 

Richard Diaz,
APN 3048-014-057

BY: _____

President, Palmdale Water District

BY: _____

Secretary, Palmdale Water District

**PROPERTY OWNER'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE
ATTESTATIONS SHALL BE INCLUDED.**

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

STATE OF CALIFORNIA

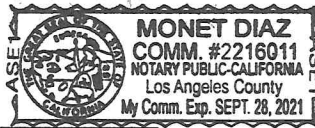
COUNTY OF LOS ANGELES

On 4-20, 2021, before me, Richard Diaz 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

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

TITLE(S)
☐ PARTNER(S) ☐ LIMITED
☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER _____

DESCRIPTION OF ATTACHED DOCUMENT

WATER RIGHTS Agreement

TITLE OR TYPE OF DOCUMENT

4
NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE

SIGNER IS REPRESENTING:

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



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: May 5, 2021 **May 10, 2021**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Jennifer Emery, Human Resources Director
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.1 – CONSIDERATION AND POSSIBLE ACTION
ON DIRECTORS’ COMPENSATION. (POTENTIAL BUDGET IMPACT –
HUMAN RESOURCES DIRECTOR EMERY/PERSONNEL COMMITTEE)***

Recommendation:

Staff and the Personnel Committee recommend the Board consider the 2021 Board Compensation and Benefit Survey to determine a competitive reimbursement/compensation package for the District’s Directors.

Alternative Options:

The alternative is to leave the current compensation.

Background:

Historically, the District reviews twelve similar water districts to determine a fair and competitive compensation package. These districts are of similar size or have similar facilities and have been consistently used over the past eight years.

Strategic Plan Initiative / Mission Statement:

This work is part of Strategic Plan Initiative No. 2 – Organizational Excellence.
This item directly relates to the District’s Mission Statement.

Budget:

An increase in Directors’ compensation will increase the budget.

Supporting Documents:

- 2021 Board Compensation and Benefit Survey
- Board memo from General Counsel Dunn regarding Board compensation presented at the February 8, 2021 Regular Board Meeting.

2021 Board Compensation and Benefit Survey					
District Name	Per Meeting	Conferences/Training Limit	Benefits	Life Insurance	Additional
Cucamonga Valley Water District	\$250.00	No	85% covered by District for Board Member Only	\$25,000	22% of Director's salary to a 401a and District paid premium of Armada Care (executive medical reimbursement plan).
Las Virgenes Municipal Water District	\$220.00	No	98% of Kaiser HMO for Family - Dental and Vision 100% for Board Member Only	\$25,000	
Yorba Linda Water District	\$150.00	No	100% Board Member; 66.66% of Dependent Cost	\$10,000	
Olivenhain Municipal Water District	\$150.00	No	100% for Board and Dependents	No Life Insurance	
Western Municipal Water District	\$240.67	No	District pays up to \$2338.58 toward cost	\$50000 for Board Member and \$1000 for each dependent	
Castaic Lake Water Agency	\$239.00	No	District pays up to \$2537.07 toward cost	\$10,000 for Board Member	100% of Short Term Disability EAP and if the Board Member waives insurance they receive \$525 for Single Director or \$833.33 per month for Director + One Dependent. Eligible for 457 but no matching
Desert Water Agency	\$389.75	No	100% Board Member and 87.5% for dependents	No Life Insurance	
Eastern Municipal Water District	\$223.00	No	District pays up to \$2009 medical; 100% Dental and Vision	\$25,000	
Mesa Consolidated Water District	\$291.00	No	District pays up to \$1600 toward costs	\$25,000 Board Member only	
Rancho California Water District	\$200.00	No	100% for Board Member and up to 85% for Dependents	\$150,000 for Board Member	
Walnut Valley Water District	\$150.00	No	100% of lowest plan	\$10,000 for Board Member	Retirement Plan - 7.5% of salary to deferred plan with Lincoln Max 7 meetings per month
Padre Dam Water District	\$145.00	No	District pays 100% for Director only; 90% if dependents - medical; 100% dental and vision	1.5x annual salary with maximum of \$250,000	
Average	\$220.70				
Median					
Palmdale Water District	\$150	No	\$2,035.57	\$10,000	

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: February 2, 2021 **February 8, 2021**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Eric Dunn, District General Counsel
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.3 – RECEIVE AND FILE MEMORANDUM
REGARDING BOARD COMPENSATION. (GENERAL COUNSEL DUNN)***

Recommendation:

Staff recommends that the Board receive and file this memorandum related to the Board's compensation.

Alternative Options:

Provide staff with further direction.

Impact of Taking No Action:

There is no potential impact.

Background:

Sections 20201 and 20202 of the California Water Code governs the manner the Board of the Palmdale Water District ("Board") is compensated.

Section 20201 of the Water Code states "the governing board of any water district may...provide compensation to members of the governing board...in an amount not to exceed one hundred dollars (\$100) per day for each day's attendance at meetings of the board, or for each day's service rendered as a member of the board by request of the board..."

Section 20202 of the Water Code states an "increase may not exceed an amount equal to 5 percent, for each calendar year following the operative date of the last adjustment," when considering an increase to the \$100 per day for each attendance at a meeting.

In other words, Section 20201 of the Water Code outlines two possible forms of compensation. The Board may receive compensation in an amount not to exceed \$100 per day (1) for each day's attendance at meetings or (2) for each day's service rendered as a member of the board by request of the board. As a result, a Board Member cannot receive a per diem or set amount. The Board's compensation may only be paid by attendance at a meeting or for each day the individual renders services.

February 2, 2021

In January of 1996, the then-Board voted to increase the \$100 compensation to \$171 per meeting after 13 years without a raise. In 1998, the Board once again voted to increase the compensation from \$171 to \$188 per meeting. In June of 2009, the Board voted to reduce the Board's compensation by 20% to \$150.40 *per day*. In December of 2009, the Board voted to reduce the Board compensation to \$150 *per meeting*, which remains in effect today.

Strategic Plan Initiative/Mission Statement:

This item is under Strategic Initiative No. 3 – Systems Efficiency.
This item directly relates to the District's Mission Statement.

Budget:

No known impact to the budget.

MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT, MARCH 17, 2021:

A meeting of the Finance Committee of the Palmdale Water District was held Thursday, March 17, 2021, at 2029 East Avenue Q, Palmdale, CA 93550 and via teleconference. Chair Wilson called the meeting to order at 3:00 p.m.

1) Roll Call.

Attendance:

Committee:

Don Wilson, Chair

Gloria Dizmang, Committee Member

Others Present:

Dennis LaMoreaux, General Manager

Adam Ly, Assistant General Manager

Mike Williams, Finance Manager

Judy Shay, Public Affairs Director

Dennis Hoffmeyer, Accounting Spvsr.

Bob Egan, Financial Advisor

Dawn Deans, Executive Assistant

0 members of the public

2) Adoption of Agenda.

It was moved by Committee Member Dizmang, 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 November 19, 2020.

It was moved by Committee Member Dizmang, 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 November 19, 2020.

4.2) Discussion and Overview of Cash Flow Statement and Current Cash Balances as of December 2020 and as of February 2021. (Financial Advisor Egan)

Financial Advisor Egan provided an overview of the 2020 4th Quarter Major Account Activity Report and September, November, and December 2020 Investment Funds Report, including assessments received, interest, and transfers to the Rate Stabilization Fund; the January to February 2021 Major Account Activity Report and February 2021 Investment Funds Report, including assessments received, interest earnings, and capital improvement funds received; and the January and February 2021 Cash Flow Statement, including the projected year-end balance.

4.3) Discussion and Overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for December 2020. (Finance Manager Williams)

Finance Manager Williams reviewed in detail the balance sheet, profit and loss statement and trends, quarter to quarter comparisons, and revenue and expense analysis reports for the period ending December 2020 and stated that most departments are operating at or below the targeted expenditure percentage of 100% with the exception of Administration District-wide due to increased costs from COVID-19, consulting costs, and membership costs approved mid-year; Facilities due to overruns in personnel costs and electricity costs for wells and boosters; and Customer Care due to under-budgeting for health insurance costs followed by discussion of budgeted personnel costs, the District's positive cash flow position, healthcare costs for employees, bank charges, accounting services, computer software support, CalPERS and the 457 Plan, and the Water Use Efficiency Department's Education Program.

4.4) Discussion and Overview of Committed Contracts Issued. (Finance Manager Williams)

Finance Manager Williams 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 through the last quarter of 2020, and the payout summary for the Water Revenue Bond Series 2018A through February 2021.

5) Reports.

5.1) Finance Manager Williams:

a) Effect of COVID-19 Event.

Finance Manager Williams stated that due to COVID-19 events, as of December 31, 2020, there were 1,534 single family accounts with a balance of \$50 or more and over sixty days past due with a total past due amount of \$764,226 compared to 1,446 accounts at November 30, 2020 with an outstanding balance of \$660,409 and 287 accounts at December 31, 2019 with an outstanding balance of \$80,213 and that cash received for December 2020 was \$307,381 less than November 2020 but \$16,696 higher than December 2019.

b) Revenue Projections.

He then stated that 2020 revenue is ahead of projections by approximately \$1.2 million.

c) Payment Transactions by Type.

He then stated that there is a 12,000 reduction in total payments for 2020 compared to 2019 but a 25,000 increase in electronic payments compared to 2019.

d) Accounts Receivable Aging Report September 30, 2020.

He then stated that receivables at December 31, 2020 are approximately \$600,000 higher than December 31, 2019, but there is an increase in 60-day delinquencies of approximately \$340,000 compared to 2019.

e) Rate Assistance Program.

He then stated that as of December 31, 2020, there were 751 participants in the Rate Assistance Program with 406 seniors, 9 veterans, and 336 low income and that there has been a good response for 2021.

f) Billing & Collection Statistics.

He then stated that through November 2020, there is a slight increase in the number of bills issued but a slight decrease in notices mailed compared to December 2019.

5.2) Financial Advisor Egan:

a) Debt Service Coverage Status.

Financial Advisor Egan stated that this report is not yet available and that the Cash Flow Statement and Debt Service Coverage reports for December 2020 will be provided prior to the March 22, 2021 Regular Board Meeting.

6) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

Finance Manager Williams then reported that work on the 2020 Audit is tentatively scheduled to begin April 5, 2021 and will be conducted primarily virtually.

He then stated that this is the third year of the auditor's three-year agreement, and he will prepare a Request for Proposals for auditing services for 2021, 2022, and 2023.

He then stated that the 2019 Rate Study included \$30 million in capital improvement projects with \$20 million in projects to be paid for through bonds; that the District's bond advisors recommend a \$10 million bond be pursued in 2021, and a second \$10 million bond be pursued in 2023; and that a Reimbursement Resolution to prepare for these projects will be presented for consideration at the April 26, 2021 Regular Board Meeting, along with a financing plan for issuing the debt, with final bond documents presented for consideration at the May 24, 2021 Regular Board Meeting.

7) Date of Next Committee Meeting.

It was determined that the next Finance Committee meeting will be held April 21, 2021 at 3:00 p.m.

8) Adjournment.

There being no further business to come before the Finance Committee, the meeting was adjourned at 3:57 p.m.


Chair