



PALMDALE WATER DISTRICT
A CENTURY OF SERVICE

November 17, 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: 780-933-953#

Submit Public Comments at: <https://www.gomeet.com/780-933-953>

MONDAY, NOVEMBER 22, 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.)

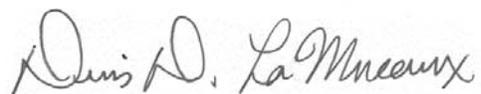
Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance to take action on any item.

- 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 November 8, 2021.
 - 6.2) Payment of bills for November 22, 2021.
 - 6.3) Approval of Resolution No. 21-24 being a Resolution of the Board of Directors of the Palmdale Water District Proclaiming a Local Emergency Persists, Ratifying the Proclamation of a State of Emergency by the Governor Issued March 4, 2020, and Re-Authorizing Remote Teleconference Meetings of the Legislative Bodies of the Palmdale Water District for the Period Beginning December 1, 2021 and Ending December 30, 2021 Pursuant to Brown Act Provisions. (No Budget Impact – Assistant General Manager Ly)
- 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 approving Resolution No. 21-25 being a Resolution of the Board of Directors of the Palmdale Water District Authorizing the District’s Application for Funding from the 2021 Urban and Multi-benefit Drought Relief Grant Program for Drilling and Equipping of Wells 36 and 37, Water Augmentation Demonstration Facility, Avenue Q Recycled Water Pipeline, and Rehabilitation of Wells 2A, 3A, 11A, and 15. (\$12,590,000 – Potential Revenue – Engineering Manager Rogers)
 - 7.2) Consideration and possible action on cancelling the second Regular Board Meeting in December, December 27, 2021, due to the District’s scheduled office closure. (No Budget Impact – General Manager LaMoreaux)
 - 7.3) 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) – November 9. (Director Dino/Director Mac Laren-Gomez, Alt.)
 - 2) Ad Hoc United Water Conservation District Committee – November 16. (President Dizmang/Director Mac Laren-Gomez)

- 3) Outreach Committee – November 17. (Director Mac Laren-Gomez, Chair/Director Wilson)
 - b) General Meetings Reports of Directors.
- 8.2) Report of General Manager.
 - a) November 2021 written report of activities through October 2021.
- 8.3) Report of General Counsel.
- 9) Board members' requests for future agenda items.
- 10) Adjournment.



DENNIS D. LaMOREAUX,
General Manager

DDL/dd

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: November 16, 2021 **November 22, 2021**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Adam Ly, Assistant General Manager
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 6.3 – CONSIDERATION AND POSSIBLE ACTION ON RESOLUTION NO. 21-24 BEING A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT PROCLAIMING A LOCAL EMERGENCY PERSISTS, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY THE GOVERNOR ISSUED MARCH 4, 2020, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE PALMDALE WATER DISTRICT FOR THE PERIOD BEGINNING DECEMBER 1, 2021 AND ENDING DECEMBER 30, 2021 PURSUANT TO BROWN ACT PROVISIONS. (NO BUDGET IMPACT – ASSISTANT GENERAL MANAGER LY)***

Recommendation:

Staff recommends the Board approve Resolution No. 21-24 being a Resolution of the Board of Directors of the Palmdale Water District Proclaiming a Local Emergency Persists, Ratifying the Proclamation of a State of Emergency by the Governor Issued March 4, 2020, and Re-Authorizing Remote Teleconference Meetings of the Legislative Bodies of the Palmdale Water District for the Period Beginning December 1, 2021 and Ending December 30, 2021 Pursuant to Brown Act Provisions.

Alternative Options:

The Board can choose not to approve Resolution No. 21-24.

Impact of Taking No Action:

Teleconference options for the District’s publicly noticed meetings will end.

Background:

With the issuance of the Governor’s State of Emergency Executive Order due to the COVID-19 pandemic, the Brown Act was modified regarding agenda postings, Board member attendance from remote locations via teleconference, public attendance, and participation at publicly noticed meetings via teleconference. These modifications were rescinded by the Governor effective September 30, 2021; however, agencies and special districts have the option to continue remote teleconferencing options under the provisions of newly enacted AB 361. AB 361 provides agencies the ability to meet remotely during proclaimed state emergencies under modified Brown Act requirements beyond September 30, 2021.

November 16, 2021

The criteria to rely on the provisions of AB 361 are as follows:

- 1) The local agency is holding a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing; or
- 2) The local agency is holding a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; or
- 3) The local agency is holding a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

Resolution No. 21-24 addresses these criteria and will remain in effect for a period of 30 days. If the District wishes to continue meeting under modified Brown Act requirements under AB 361 after 30 days, Resolution No. 21-24 must be renewed.

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:

There is no budget impact.

Supporting Documents:

- Resolution No. 21-24 being a Resolution of the Board of Directors of the Palmdale Water District Proclaiming a Local Emergency Persists, Ratifying the Proclamation of a State of Emergency by the Governor Issued March 4, 2020, and Re-Authorizing Remote Teleconference Meetings of the Legislative Bodies of the Palmdale Water District for the Period Beginning December 1, 2021 and Ending December 30, 2021 Pursuant to Brown Act Provisions

RESOLUTION NO. 21-24

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT PROCLAIMING A LOCAL EMERGENCY PERSISTS, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY THE GOVERNOR ISSUED MARCH 4, 2020, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE PALMDALE WATER DISTRICT FOR THE PERIOD BEGINNING DECEMBER 1, 2021 AND ENDING DECEMBER 30, 2021 PURSUANT TO BROWN ACT PROVISIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section 5. Effective Date of Resolution. This Resolution shall take effect on December 1, 2021 and shall be effective until the earlier of (i) December 30, 2021, which is 30 days from the adoption of this Resolution, or (ii) such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the Palmdale Water District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of the Palmdale Water District this 22nd day of November, 2021, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

President, Board of Directors

ATTEST:

Secretary, Board of Directors

APPROVED AS TO FORM:

Aleshire & Wynder, LLP, General Counsel

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: November 17, 2021 **November 22, 2021**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Scott Rogers, Engineering Manager
VIA: Mr. Adam Ly, Assistant General Manager
Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.1 – CONSIDERATION AND POSSIBLE ACTION ON APPROVING RESOLUTION NO. 21-25 BEING A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT AUTHORIZING THE DISTRICT’S APPLICATION FOR FUNDING FROM THE 2021 URBAN AND MULTI-BENEFIT DROUGHT RELIEF GRANT PROGRAM FOR DRILLING AND EQUIPPING OF WELLS 36 AND 37, WATER AUGMENTATION DEMONSTRATION FACILITY, AVENUE Q RECYCLED WATER PIPELINE, AND REHABILITATION OF WELLS 2A, 3A, 11A, AND 15. (\$12,590,000 POTENTIAL REVENUE – ENGINEERING MANAGER ROGERS)***

Recommendation:

Staff recommends the Board:

1. Approve a Resolution for submitting a grant application to the State of California’s 2021 Urban and Multi-benefit Drought Relief Grant Program;
2. Approve the grant application requesting \$12,590,000 in grant funds to complete projects that will meet the eligibility requirements of the grant program; and
3. Authorize the General Manager to sign and transmit the grant application to the State of California Department of Water Resources.

Alternative Options:

The Board can choose not to apply for the grant funding.

Impact of Taking No Action:

There will be no potential to receive this grant funding.

BOARD OF DIRECTORS
PALMDALE WATER DISTRICT

VIA: Mr. Adam Ly, Assistant General Manager
Mr. Dennis D. LaMoreaux, General Manager

November 17, 2021

Background:

The State of California allocated \$300 million to DWR to deliver grants for interim and immediate drought relief to urban communities and for multi-benefit projects. The Program strategy is intended to award all available Urban Community Drought Relief funding (approximately \$95 million) for projects benefitting areas covered by an Urban Water Management Plan. The other half of the available Multi-benefit Project funding (approximately \$95 million) are projects that produce two or more benefits with the primary benefit being related to water management. The primary benefit must be quantified unless it is a drought resilience planning project. Projects must be completed by March 31, 2026.

Staff has identified five projects that would benefit the District, qualify under the eligibility requirements of the funding, and can be completed by the end of March 2026. Staff is recommending the following projects be submitted for funding:

- Well 36 Drilling and Equipping – District currently is soliciting bids for the drilling and within four to six months will solicit bids for installation of the equipment on the well.
- Well 37 Drilling and Equipping – District currently has Well 37 budgeted for 2023 and can easily meet the project completion deadline.
- Water Augmentation Demonstration/Learning Facility – The groundwater augmentation project will require a demonstration facility to validate the treatment systems proposed for the advanced treatment system. Based on the current schedule, the facility can be constructed, and testing can be completed within the funding deadline. The facility has multi-benefits due to the fact that the District intends to transition the facility into a learning center for educating the public on the long term benefits of a pure water facility.
- Avenue Q Recycled Water Line – The Avenue Q recycled water pipeline from 30th Street East to 20th Street East – approximately 4,430 linear feet of 12-inch pipeline is estimated to provide the necessary water. The pipeline will provide recycled water to the water augmentation demonstration facility, recycled water fill station, and the District.
- Rehabilitation of Wells 2A, 3A, 11A and 15. The rehabilitation of the wells will include the evaluation and rehabilitation of the well structure and pump.

The grant application requires that the Board of Directors approve a Resolution and that the District make a good faith effort to enter into a cooperative agreement with the State for the receipt and administration of said grant funds.

BOARD OF DIRECTORS
PALMDALE WATER DISTRICT
VIA: Mr. Adam Ly, Assistant General Manager
Mr. Dennis D. LaMoreaux, General Manager

November 17, 2021

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:

There is no impact on the budget for preparing the Resolution, and the District has the potential to receive grant funding.

Supporting Documents:

- Resolution No. 21-25

RESOLUTION 21-25

RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT AUTHORIZING THE DISTRICT'S APPLICATION FOR FUNDING FROM THE 2021 URBAN AND MULTI-BENEFIT DROUGHT RELIEF GRANT PROGRAM FOR DRILLING AND EQUIPPING OF WELLS 36 AND 37, WATER AUGMENTATION DEMONSTRATION FACILITY, AVENUE Q RECYCLED WATER PIPELINE, AND REHABILITATION OF WELLS 2A, 3A, 11A, AND 15

WHEREAS, Palmdale Water District is an irrigation district established pursuant to Section 20500 et seq. of the California Water Code.

WHEREAS, water supply in the Palmdale area is facing a growing list of challenges associated with regulatory cutbacks on State Water Project deliveries due to the declining storage levels, Bay-Delta instability, climate change, aging infrastructure; and

WHEREAS, the State of California Budget Act of 2021 has made available \$200 million for funding for projects for immediate drought relief to urban communities and for multi-benefit projects; and

WHEREAS, the Board of Directors of the Palmdale Water District has identified several projects that exemplifies the objectives of the 2021 Urban and Multi-benefit Drought Relief Grant Program; and

WHEREAS, Palmdale Water District agrees to the administration as required in the Budget Act of 2021.

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

SECTION 1. That pursuant and subject to all of the terms and provisions of the Budget Act of 2021 (Stats. 2021, ch. 240, § 80), the Palmdale Water District General Manager, or designee, is hereby authorized and directed to prepare and file an application for funding with the Department of Water Resources and take such other actions necessary or appropriate to obtain grant funding.

SECTION 2. The Palmdale Water District General Manager, or designee, is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.

SECTION 3. The Palmdale Water District General Manager, or designee, is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

SECTION 4. This Resolution shall be effective as of the date of adoption.

CERTIFICATION

PASSED, APPROVED and ADOPTED this 22nd day of November 2021.

Gloria Dizmang, President
Board of Directors
Palmdale Water District

Kathy Mac Laren-Gomez, Secretary
Board of Directors
Palmdale Water District

Approved as to form:

Aleshire & Wynder, LLP
District Legal Counsel

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: November 16, 2021 **November 22, 2021**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.2 – CONSIDERATION AND POSSIBLE ACTION ON CANCELLING THE SECOND REGULAR BOARD MEETING IN DECEMBER, DECEMBER 27, 2021, DUE TO THE DISTRICT’S SCHEDULED OFFICE CLOSURE. (NO BUDGET IMPACT – GENERAL MANAGER LaMOREAUX)***

Recommendation:

Staff recommends that the second Regular Board Meeting in December, December 27, 2021, be cancelled due to the scheduled office closure.

Alternative Options:

The second Regular Board Meeting in December could be rescheduled to an earlier time in December.

Impact of Taking No Action:

The second Regular Board Meeting in December will not be held.

Background:

For the past several years, the District has closed from Christmas through New Year’s as a cost saving measure with the Board of Directors cancelling the second Regular Board Meeting in December due to this closure. This year's closure begins December 24, 2021 with the office reopening January 3, 2022.

Strategic Plan Initiative:

This item is under Strategic Initiative No. 5 – Regional Leadership.

Budget:

Cancelling the second Regular Board Meeting in December will not affect the budget.

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: November 17, 2021 **November 22, 2021**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: *AGENDA ITEM NO. 8.2.a – NOVEMBER 2021 GENERAL MANAGER REPORT*

The following is the November 2021 report to the Board of activities through October 2021. It is organized to follow the District's 2020 Strategic Plan approved in August 2020 and composed of six strategic initiatives. The initiatives follow for reference. It is intended to provide a general update on the month's activities.

PWD 2020 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

Expand the recycled water distribution system for both public access and construction water

Continue the Palmdale Regional Groundwater Recharge and Recovery Project to maximize state and federal funding opportunities

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

Expand access to available water supplies to increase drought resiliency, develop water storage projects, and improve the ability to capture groundwater, local surface water, and recycled water

Update the 2010 Strategic Water Resources Plan and Water Supply Fee to ensure funding for needed projects

Strengthen stakeholder relationships and implement Littlerock Dam and Reservoir sediment removal



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

Promote and support leadership training and professional development programs to enhance the District's customers' experience

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

Involve employees in community engagement and professional platforms



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

Advance new technologies to increase treatment efficiencies, including the use of Granular Activated Carbon (GAC)

Research state-of-the-art treatment techniques to help with systems efficiency and flexibility in using recycled water and surface water

Enhance technologies to increase efficiencies

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

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*

Increase involvement with water, business, and community partnerships

Provide opportunities for local businesses to contract with the District

Expand the Greater Antelope Valley Water Emergency Coalition by continuing to collaborate with neighboring water agencies and moving to include more agencies outside of the Antelope Valley

Develop working relationships and mutually beneficial projects with other water agencies in the District's state and federal representatives' districts

Develop events or activities with lessees of District properties

Host a 100th anniversary celebration for a fully re-opened Littlerock Dam and Reservoir recreation area in 2024



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

Enhance customers' experience through communication and feedback

Evaluate, develop, and market additional payment options

Develop the District's Public Outreach Plan and increase public awareness of current programs and services

Develop partnerships with various agencies to distribute information about resources available to the public

Engage elected officials and the public on the importance of local, state, federal, and global water reliability issues

Expand the District's social media platforms and find new avenues to share information and news

Plan and convert to an Advanced Metering Infrastructure (AMI) to increase customers' knowledge of water use

Continue to promote and expand school water education programs

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, 2021 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.

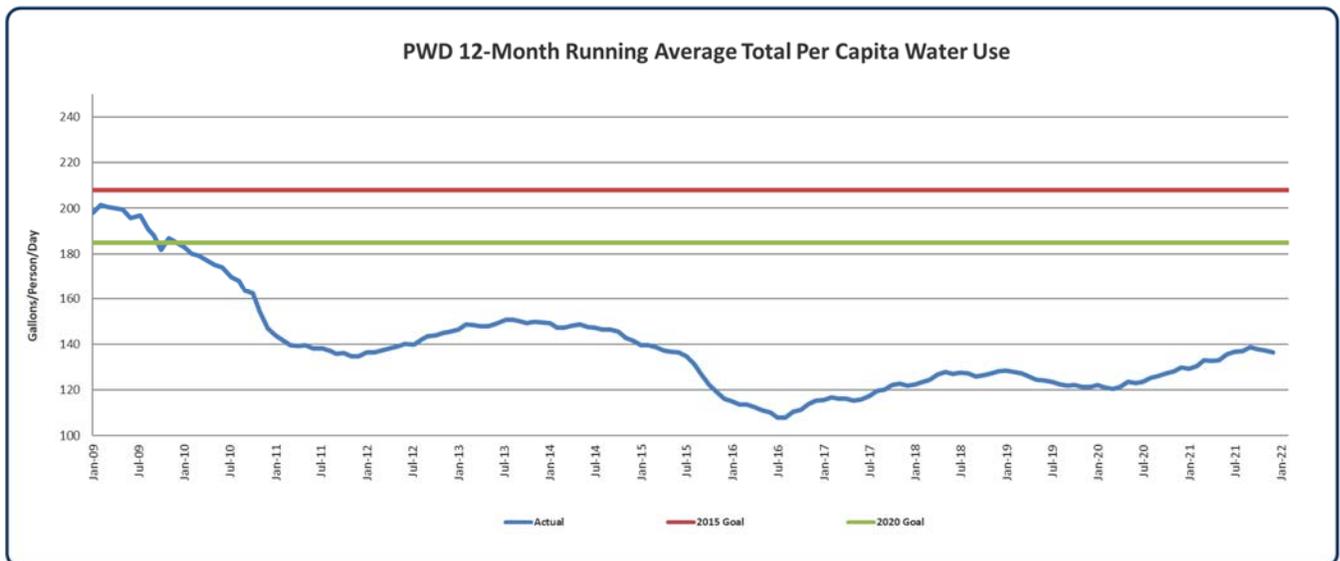
Recent highlights are as follows:

Overall Water Use Goals and Compliance

The 20 x 2020 per capita reduction goals passed by the legislature in 2009 with new long-term water budgeting requirements have now been replaced with new requirements and water agency water budgets. These follow through on the “Making Water Conservation a California Way of Life” plan. The District expects to easily comply with the new requirements as they are based on the same philosophy as the District’s water budget rate structure.

The 2020 Urban Water Management Plan was adopted by the District in June 2021. It does not relate the District’s water use to the upcoming agency water budget. Until these criteria are finalized, the customers’ performance is shown in this report using the 20 x 2020 requirements.

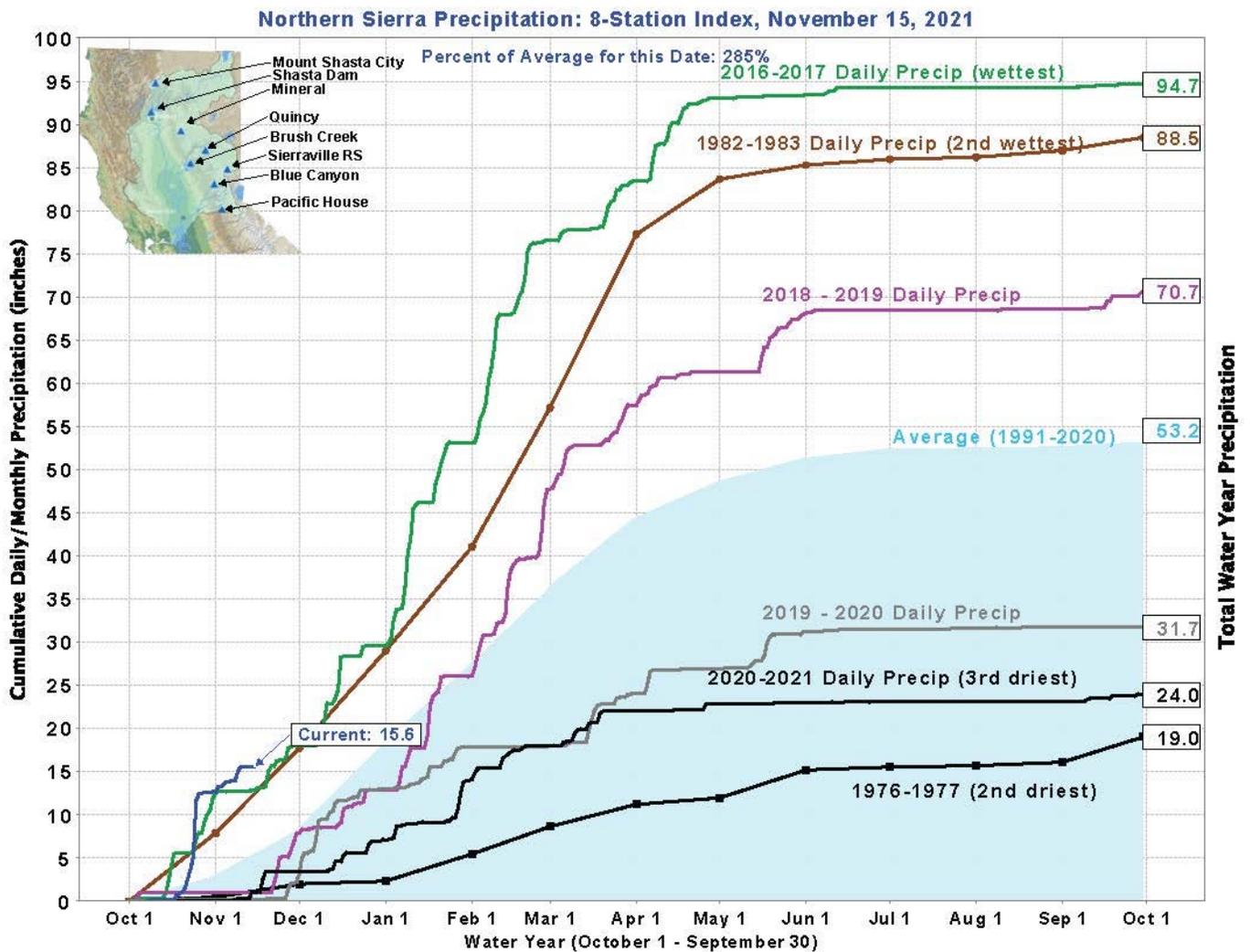
The District’s compliance with the former 20 x 2020 law is evident from the chart titled “PWD 12-Month Running Average Total Per Capita Water Use:”



The District’s customers have cut their water use by **41.1%** 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 is 136 showing our customers’ reduced usage.

2021 Water Supply Information – Extremely Dry Year

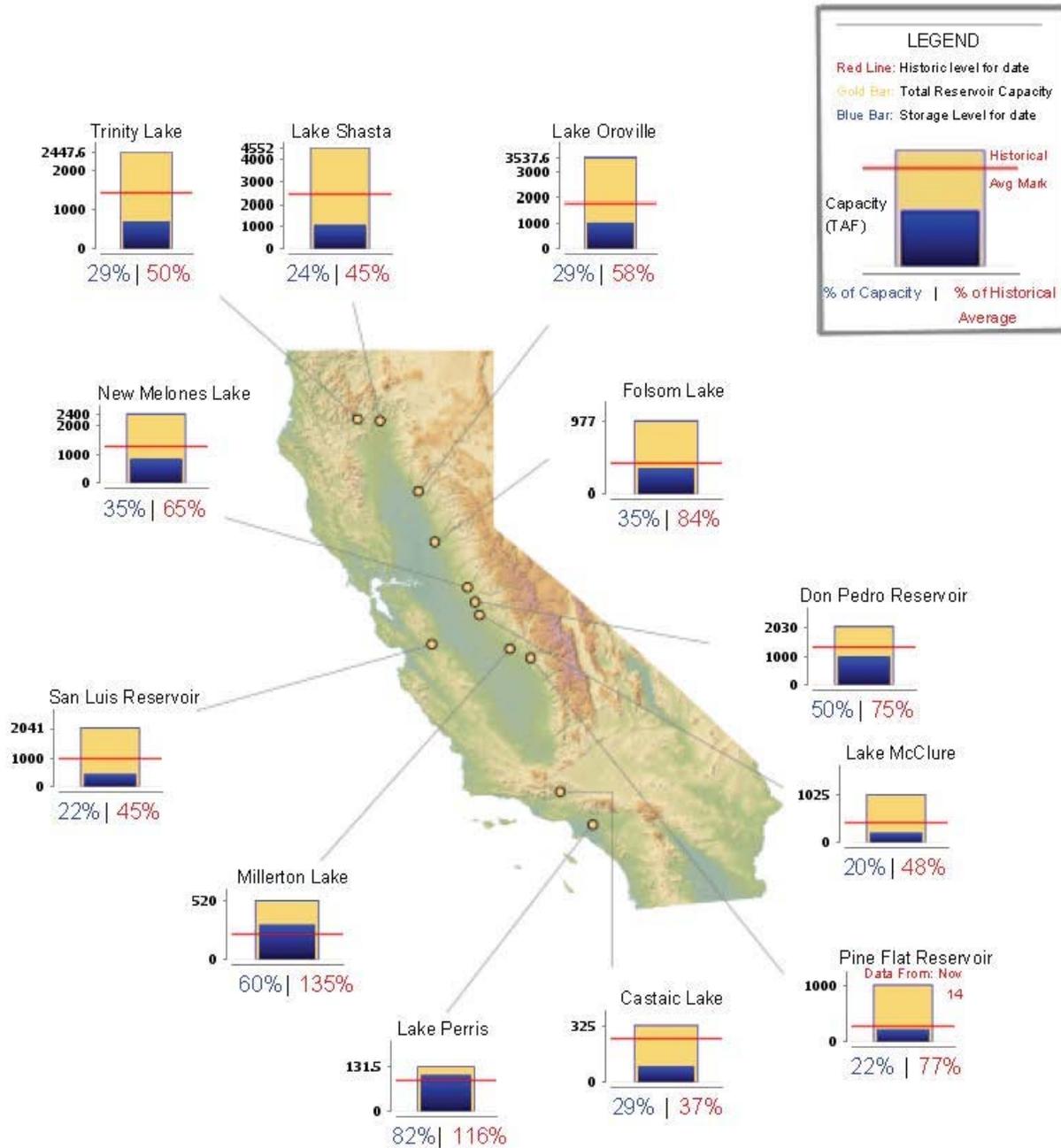
- The AV Adjudication is now entering its sixth year, and the reduction to the native safe yield is in its fourth year. The District’s native groundwater right is 2,769.63 AF. The District’s 2020 groundwater rights totaled 8,188 AF without the prior year’s Carryover Rights. The District’s 2021 groundwater rights are 8,359 AF with 10,260 AF of Carryover production rights from prior years for a total of 18,619 AF. This is more than the District’s existing wellfield can pump.
- The 2021 water resources plan is set at this point. Precipitation in the area that contributes to the State Water Project is at 46% of average for the 2020-2021 Water Year (October through September), and the SWP allocation is 5%. The District has solidified other water sources including the SWC Dry Year Program, Yuba Accord Water, return water from exchanges, new exchanges, LCID SWP water, Littlerock Reservoir water, and carryover SWP from 2020. The current precipitation and state reservoir storage as of Monday, November 15, 2021, are as follows:





SELECTED WATER SUPPLY RESERVOIRS

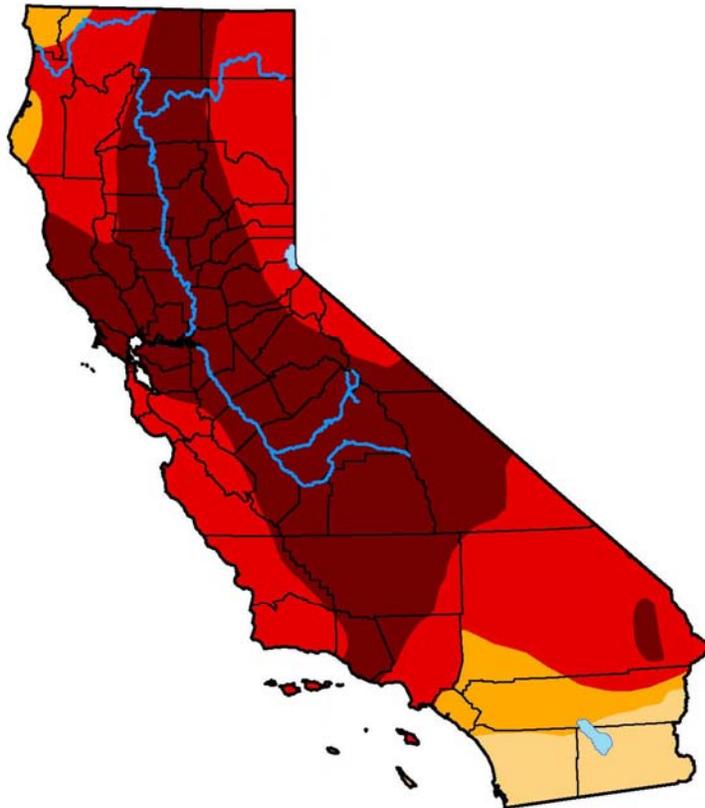
Midnight, November 15, 2021



Updated 11/16/2021 07:48 AM

- The dry conditions shown above led to the District’s implementation of its Stage 1 of the 2015 Water Shortage Contingency Plan in April 2021. This stage is a request to our customers to voluntarily reduce their water use by 15%. The focus is on additional outreach, education, and coordination with the largest water users. The following map of California shows the levels of drought in the state as of October 12, 2021. The Antelope Valley is in “Extreme Drought.” Most of Kern County, the eastern Sierras, and now Ventura County are in “Exceptional Drought.” This map is updated on a weekly basis and provides information that can help the District take needed steps to address the drought in the months ahead.

U.S. Drought Monitor California



October 12, 2021
(Released Thursday, Oct. 14, 2021)
Valid 8 a.m. EDT

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	0.00	100.00	100.00	93.93	87.18	45.66
Last Week <i>10-05-2021</i>	0.00	100.00	100.00	93.93	87.88	45.66
3 Months Ago <i>07-13-2021</i>	0.00	100.00	100.00	94.75	85.73	33.32
Start of Calendar Year <i>12-29-2020</i>	0.00	100.00	95.17	74.34	33.75	1.19
Start of Water Year <i>09-28-2021</i>	0.00	100.00	100.00	93.93	87.88	45.66
One Year Ago <i>10-13-2020</i>	15.40	84.60	67.54	35.61	12.74	0.00

Intensity:

None	D2 Severe Drought
D0 Abnormally Dry	D3 Extreme Drought
D1 Moderate Drought	D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

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droughtmonitor.unl.edu

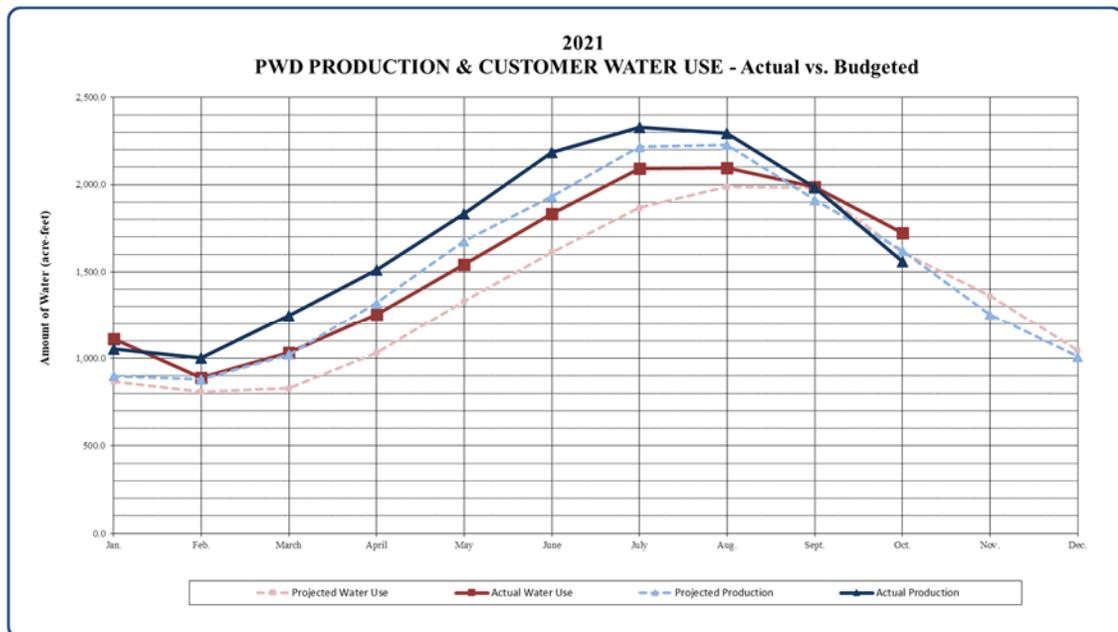
The 2020 Water Shortage Contingency Plan was approved by the Board in June. Under this Plan, the current 15% voluntary water use reduction is a Stage II response. Stage II consists of either voluntary or mandatory conservation when the goal is between 10% and 20%. The Board approved this as voluntary on August 9, 2021.

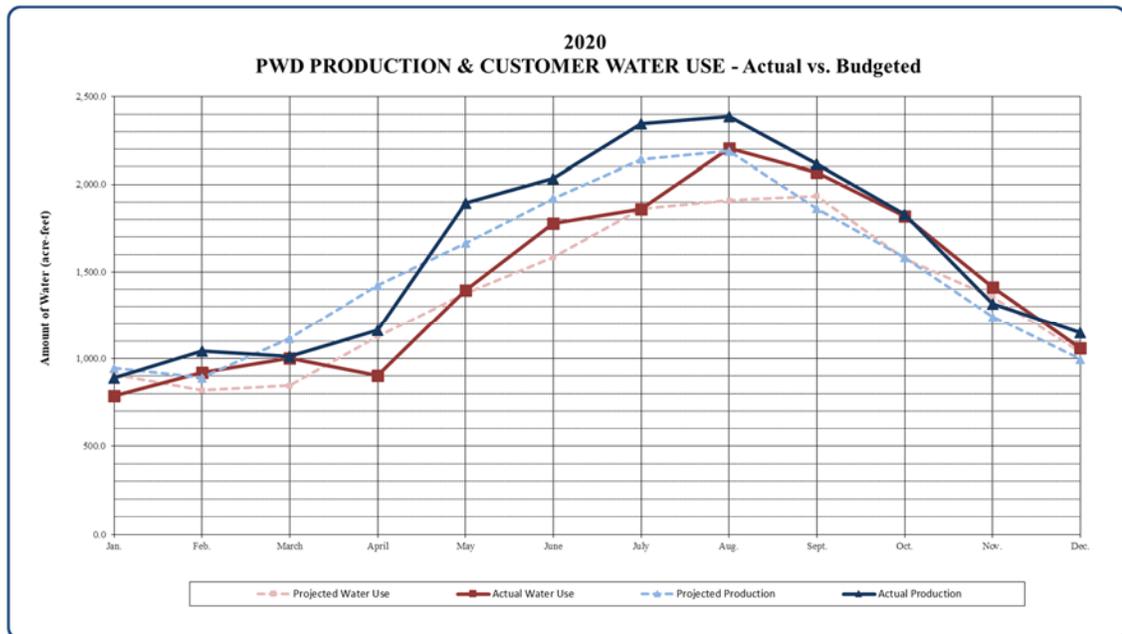
The following table summarizes the District’s water production, billed customer water usage, unaccounted for water, and per capita usage differences between 2020 and 2021 through October 31st. While total water production is up 1.7%, the billed usage is up 5.6%. This shows the progress made to reduce unaccounted (lost) water. It also shows the customers’ actions to reduce their usage in response to the 15% voluntary reduction issued by the State.

Year to Date Comparisons								
Year to Date Through:	Total Prod. (ac.-ft.)	Total Billed (ac.-ft.)	Water Loss			Aver. Active Connections	Aver. Gallons per Conn./month	Aver. Per Cap. Use (gal/day/per.)
			(ac.-ft.)	(year %)	(12 mo %)			
October 31, '20	16,716.1	14,740.1	1,976.0	11.8	7.6	26,782	17,928	134.0
October 31, '21	17,002.2	15,563.6	1,438.6	8.5	10.0	26,903	18,847	141.2
Increase	286.1	823.4	-537.3	-3.4	2.5	121	920	7.1
% Increase	1.7	5.6	-27.2	-28.4	32.4	0.5	5.1	5.3
5 yr. Average ('16-'20)	15,612.0	13,855.8	1,756.2	11.2	8.8	26,677	16,921	127

- The following graph is the projected monthly water consumption and production for 2021 based on the prior five years of actual monthly information. The projected total consumption is based on the 2021 Budget amount of 16,341 AF. Actual amounts are shown through September with solid lines. The 2020 graph shows the projected and actual water use last year.

Customer water use in 2020 was 17,213 AF and is projected to be about 17,800 AF this year. This is the most water used by customers since 18,127 AF in 2014, before the 2015-2017 drought. Through October, customers have used 823.5 AF more water, a 5.6% increase over the first nine months of 2020, also shown above. This percentage has lowered over the months due to our customers’ efforts to reduce their usage.





Other Items

- The Littlerock Reservoir Sediment Removal Project (Project) Environmental Impact Report/Environmental Impact Statement (EIR/EIS) was fully approved in 2017. The 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. The District received a good, competitive response to the emergency 19,000 CY sediment removal project that included the disposal of the removed sediment. The interest is promising for starting Phase II of the Project later this year in the amount of about 120,000 CY. The Board approved moving forward with Aspen Environmental for the next five years as the environmental permitting and monitoring firm. Staff is working with Aspen Environmental to secure all the necessary permits. However, the regulatory agencies have made it difficult, and the sediment removal season of Labor Day through December has been missed for this year.

- The public review of the Draft California Environmental Quality Act (CEQA) EIR for the Palmdale Regional Groundwater Recharge and Recovery Project (PRGRRP) was completed in 2016. A test well was drilled at a different location on the proposed project site. The information learned about the aquifer show it is not adequate for the proposed project.

Stantec is contracted with the District to look at the feasibility of advanced treatment of the tertiary recycled water. If feasible, the highly treated recycled water can potentially be used in surface water or groundwater augmentation to meet the goal of adding recycled water as an additional potable water source for our customers. PRWA has also suspended work on additional purple pipe while advanced treatment is being evaluated. Staff has

invited several engineering firms to make presentations about various advanced treatment projects to better understand the process that will be involved with this type of project. A RFP will be issued later this month for a program management firm to assist the District with this project.

- The Upper Amargosa Creek Recharge Project is complete. One contract is for the California Aqueduct turnout and transmission water main. The other is for the recharge basins. The project partners, City of Palmdale, LA County Waterworks, and AVEK, are now finalizing the operation and maintenance agreement.

The City of Palmdale recently 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 estimated construction costs are \$1,305,472 and \$3,100,000, respectively, and will be built several years apart. The City is planning meetings to discuss these costs and the responsibilities of the project partners.

- 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 is now reorganized with more representation from smaller agencies. This includes adding two seats for the East Branch, Class 8, of the California Aqueduct. The 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).
- A set of amendments to the State Water Project Contract was finalized in 2020. These changes provide for increased flexibility for SWP contractors to develop long-term exchanges of water within the SWP. This is beneficial for all the contractors and will help the District maintain the SWP's current level of reliability for our customers. Enough State Water Project Contractors have approved the amendment for it to be effective.

The District will work within these amendments with Littlerock Creek Irrigation District and other State Water Contractors for our customers' benefit.



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 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 for this in several ways including hosting classes given by the California Rural Water Association, having a training budget for staff to attend conferences, and providing an education tuition allowance for each employee.

- COVID-19 Pandemic Response: District staff initiated a draft Pandemic Response Plan on March 4, 2020 as the State of California and County of Los Angeles issued declarations of emergency. Over the next two weeks, many District events were canceled. These included the Water Ambassadors Academy third session and facility tour, Strategic Plan Workshop, director in person coffees, and all-staff lunch and meeting. The District also reduced the lobby's capacity and eventually closed it to the public due to Los Angeles County health orders.

The other options to conduct business with the District, including using the website, calling Customer Care, using the automated phone system, and using remote payment sites, were promoted on social media, the website, and radio spots. The District has continued to comply with social distancing regulations by updating the Pandemic Response Plan, rotating staff to work from home, staggering work hours, and providing non-medical face coverings for staff.

The District is largely back to normal operations as the state and county regulations allow. The lobby has been open since Monday, July 12, 2021. Customer Care representatives are now available in the office and from home. Small meetings are being held in person.

- Despite the pandemic, 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.
- The update of job descriptions for the District's positions is now complete. The updated job descriptions will be used as the basis of this year's salary survey with comparable water agencies.
- The Employee Handbook update is being reviewed by the District's general counsel. It will then be presented to the Ad-Hoc Committee to review and make a recommendation to the Board on its adoption.

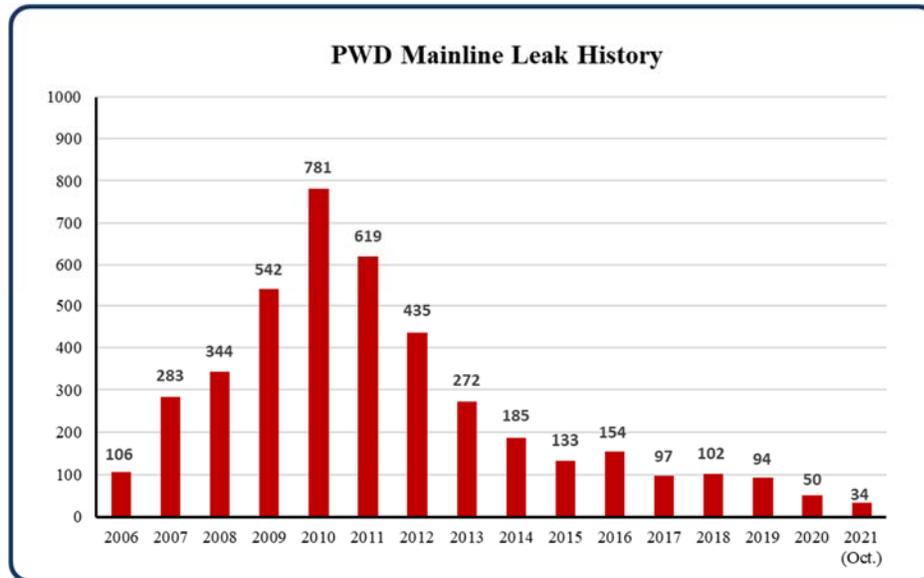


Systems Efficiency *Independence, Technology, Research*

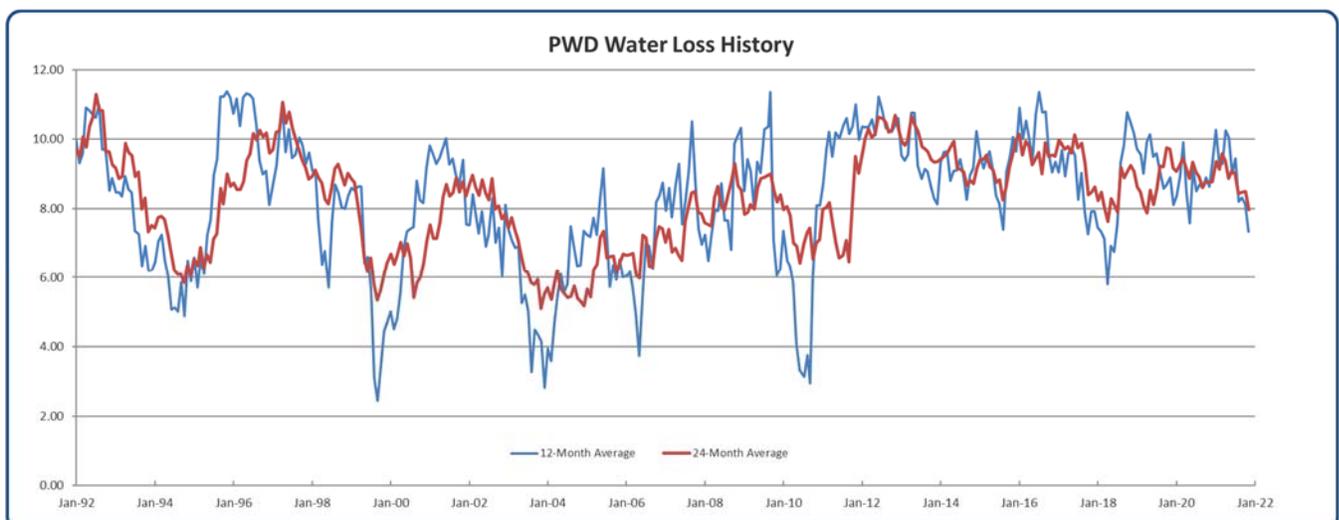
This initiative largely focuses on the state of the District's infrastructure. Recent highlights are as follows:

- The effects of the District's past efforts in replacing failing water mains and meters can be seen in the reduced number of mainline leaks. This is illustrated in the chart titled

“Mainline Leak History.” The mainline leaks through October 2021 total 34 (five additional in October), and there were 86 service line leaks.



- Additional water main replacement projects are being designed for construction as planned in the 2019 Water Rate Plan. The first project to be constructed is replacing water mains in and near Sierra Highway and Barrel Springs Road. Work on this project is nearly complete despite some problems that were encountered. The neighborhood replacement project bounded by Desert Sands Park, Avenue Q, Division Street, and 3rd Street East and in 10th Street East north of Avenue P was awarded to a contractor and is expected to begin in November.
- The positive effect of both water main and water meter replacement programs is shown on the chart titled “PWD Water Loss History.” The running average for water losses is lowering and running near 8%.



- District staff is working on two energy technologies that will benefit our customers. One is the use of batteries for backup power at four booster facilities. The other is a demonstration project for the generation and storage of hydrogen from wind energy.

These programs are grant funded and managed by the California Public Utilities Commission and California Energy Commission, respectfully. The grant funds go directly to the technology providers, Tesla and DasH2Energy. Both projects involve the installation of pre-designed and assembled equipment at District facilities with minimal construction work at the sites. The approved sites are Well 5 Booster, Underground Booster, 45th Street East Booster, and the new 3M Booster Station. The battery systems are completed and active at Well 5 and the Underground Booster.

- The wind turbine has been inoperable for several months due to a bad anemometer and the maintenance firm's unwillingness to comply with prevailing wage requirements. Staff is working on a couple fronts to resolve this. A maintenance contract has been completed with a new firm and the needed part received. The new firm is working to replace the part. Staff is looking at the longer-term project of replacing the wind turbine. It has been in operation for seventeen years as of August 2021, and parts are difficult to find. The main considerations moving forward are maximizing the generation, the availability of repair parts, and adequate competition for maintenance contracts.



Financial Health and Stability *Strength, Consistency, Balance*

- PWD and City of Palmdale staffs have worked together to obtain funding for the Palmdale Recycled Water Authority (PRWA) Phase II Project. However, PRWA will consider a change in direction to using advanced treatment for recycled water. Work on Phase II is now suspended while the advanced treatment project is studied.
- The Littlerock Sediment Removal Project was awarded nearly \$900,000 through the AVIRWMP Grant Program in the current round of funding. The approved grant for Phase II will be redistributed to other projects in the Antelope Valley. This will change the Littlerock grant to over \$1M.
- The 2019 Water Rate Study and Proposition 218 was completed when the Board unanimously approved Resolution No. 19-15. This set the water rate structure and water rates for 2020-2024 and includes criteria to evaluate the District's financial condition each year. It gives the Board the ability to reduce the water rates if the District's financial position meets four (4) of the criteria in an annual review while preparing the following year's budget.

- Fitch Ratings reviewed the District’s bond rating in December 2020. The review affirmed the District’s rating with them of “A+” with a stable outlook. This is a good result considering the uncertainty of unpaid water bills due to the COVID-19 shutoff moratorium.
- The District is seeking State and/or Federal assistance to provide water service to the Alpine Springs Mobile Home Park on Sierra Highway. It has poor water quality from its well and several health violations. Maria Kennedy, Kennedy Communications, is experienced with these programs and is contracted with the District to accomplish it.
- The Finance Department is continuing to monitor the effect of the State’s moratorium on shutoffs due to nonpayment on cash flow. The effect is fluctuating somewhat but is remaining 5% or less below what is usually expected. Customers with large outstanding balances are being contacted to see what assistance the District can provide. Staff is also placing property liens as appropriate to help secure payment of large, outstanding bills.

Finance has submitted all the requested information regarding unpaid water bills to the State Water Resources Control Board (SWRCB). The SWRCB will be implementing procedures to reimburse water agencies in this year with the goal of issuing the funds before 2022.
- The 2019 Rate Plan called for a \$20M bond issue this year. However, the current plan is to split the \$20M into two separate bond issues with the second one in 2023. The 2021A Series \$10M bond issue was priced on June 30 with the very good result of a combined interest rate of 2.75%. It closed on July 20, 2021, and the funds were transferred to the trustee for the District’s use on projects.
- NHA Advisors informally presented a potential refunding opportunity to the Finance Committee in July. It would refinance a portion of the 2013A Series Issue with a private bank with a projected savings of \$98,000 per year. It was presented to the Finance Committee and full Board and approved in August.



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 have continued. The District has leadership positions in these organizations.

- The PWRA Board consists of two Palmdale City Councilmembers, two PWD Board members, and a public director. A new public member, Zakeya Anson, took the Oath of Office at the April meeting and attended the California WaterReuse Conference in September.
- The District staff continues to share the administration of the Antelope Valley Watermaster Board (AVWB) with AVEK and related meetings.
- District staff is active in the local chambers, the transition of the AV Board of Trade and Greater Antelope Valley Economic Alliance into AV EDGE, regional human resources, and public information organizations.
- 2021 “PWD Water Ambassador Academy” (WAA) and Junior WAA are now scheduled for the first half of 2022 due to the continuing pandemic.
- The District and other members of the Public Water Agencies Group (PWAG) have hired and 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 current COVID-19 event.
- Staff has taken a lead role in developing and implementing a valley-wide mutual aid agreement.
- Ad-Hoc committees of the District and the United Water Conservation District are scheduled to meet on September 21, 2021 to discuss potential cooperative projects. Initially, these might include combined recreational funding for Piru and Littlerock Reservoir recreational improvements and advanced treatment of recycled or brackish water for potable use.



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

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

- The Board approved moving forward with a new supplier, meter brand, and reading system at the first meeting in September 2020. This change moves the District toward being able to offer customers more information about their water use. The first large order of the new Neptune meters has been placed. Staff is now beginning to install the new meters as part of the overall water meter replacement project.

A grant from the US Bureau of Reclamation is being sought to assist with implementing the Automated Meter Infrastructure (AMI).

- The ability to make payments at 7-Eleven and Family Dollar Store as well as all electronic forms of payment are continuing to grow due to the COVID-19 event.
- 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, and monitored and maintained the District’s social media.
- Staff is continuing to work with the consultant to update the public website and ensure it is fully compliant with all relevant regulations.