MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, OCTOBER 12, 2016:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, October 12, 2016, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Robert Alvarado, called the meeting to order at 7:00 p.m.

1) Pledge of Allegiance.

At the request of President Alvarado, Director Henriquez led the pledge of allegiance followed by a moment of silence in honor of local fallen hero, Sergeant Owens, and the two Palm Springs officers.

2) Roll Call.

Attendance:	**Others Present:**
Robert Alvarado, President	Dennis LaMoreaux, General Manager
Marco Henriquez, Treasurer	Eric Dunn, General Counsel
Kathy Mac Laren, Director	Mike Williams, Finance Manager
	Jennifer Emery, Human Resources Director
Vincent Dino, Vice President –	Jim Riley, Engineering/Grant Manager
Joe Estes, Secretary –	Peter Thompson Sr., Project Manager
EXCUSED ABSENCE	Dawn Deans, Executive Assistant
	2 members of the public

3) Adoption of Agenda.

President Alvarado stated that Agenda Item No.'s 9, 10, 11, and 12 can be removed from tonight's agenda as there is no information to report under these items after which it was moved by Director Henriquez, seconded by Director Mac Laren, and unanimously carried by all members of the Board of Directors present at the meeting to adopt the agenda, as amended, removing Agenda Item No.'s 9, 10, 11, and 12.

4) Public Comments for Non-Agenda Items.

There were no public comments.

5) Presentations:

5.1) None at This Time.

There were no presentations.

6) Action Items – Consent Calendar: (The Public Shall Have an Opportunity to Comment on Any Action Item on the Consent Calendar as the Consent Calendar is Considered Collectively by the Board of Directors Prior to Action Being Taken.)

6.1) Approval of Minutes of Regular Meeting Held September 28, 2016.

6.2) Payment of Bills for October 12, 2016.

6.3) Approval of Contract Amendment With DCSE Incorporated for Expanding the Capabilities of Palmdale Water District's Centralized Database Water Management Information System (WMIS). ($12,060.00 – Budgeted – Engineering/Grant Manager Riley)

President Alvarado announced the items included in the Consent Calendar after which it was moved by Director Mac Laren, seconded by Director Henriquez, and unanimously carried by all members of the Board of Directors present at the meeting to approve those items included in the Consent Calendar.

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) Status Report on Cash Flow Statement and Current Cash Balances as of August, 2016. (Financial Advisor Egan)

Finance Manager Williams reviewed the investment funds report as of August, 2016, including the increase of funds due to assessments received and water receipts and then provided an overview of the cash flow statement for August and the bond payments for September.

He then informed the Board that S & P's credit rating for the District remains at A- indicating the District is stable; that the bond refinance is on hold as the market is still not favorable to achieve a 5% savings; and that the final audit has been received.

7.2) Status Report on Financial Statements, Revenue, and Expense and departmental Budget Reports for August, 2016. (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 July, 2016 and stated that most departments are operating at or below the targeted expenditure percentage of 67%.

7.3) Status Report on Committed Contracts Issued and Water Revenue Bond Projects. (Assistant General Manager Knudson)

General Manager LaMoreaux reviewed emergency repairs and the projects and payments included in the updated committed contracts schedule, provided an update on the Water Revenue Series 2013A Bond funds, and gave an update on the upcoming pilot testing project for the Palmdale Regional Groundwater Recharge and Recovery Project.

7.4) Consideration and Possible Action on Ratification of Contract With California Work Opportunity and Responsibility to Kids (CalWORKS) Greater Avenues for Independence (GAIN) General Relief Opportunities for Work (GROW) LA County Department of Children and Family Services (DCFS) Work Experience/Work Study/Community Service Combined Agreement. (No Budget Impact – Human Resources Director Emery)

Human Resources Director Emery provided an overview of the Work Experience/Work Study/Community Service Combined Agreement, and after a brief discussion of the savings and benefit to the District from this Agreement, the number of workers to be requested and timeline for employment, and supervision requirements, it was moved by Director Henriquez, seconded by Director Mac Laren, and unanimously carried by all members of the Board of Directors present at the meeting to ratify the Contract with California Work Opportunity and Responsibility to Kids (CalWORKS) Greater Avenues for Independence (GAIN) General Relief Opportunities for Work (GROW) LA County Department of Children and Family Services (DCFS) Work Experience/Work Study/Community Service Combined Agreement.

7.5) Consideration and Possible Action on Award of Contract for the Construction of the Domestic Water Meter Change-Out in Various Areas Located Within the District's Primary Service Area Under Specification No. 1602. ($144,442.60 – Budgeted – Project Manager Thompson, Sr.)

Project Manager Thompson, Sr. provided an overview of the work to be completed under Specification No. 1602, and after a brief discussion of the references included in the recommended proposal, it was moved by Director Henriquez, seconded

by Director Mac Laren, and unanimously carried by all members of the Board of Directors present at the meeting to award the contract for the construction of the domestic water meter change-out in various areas located within the District's primary service area under Specification No. 1602 to Bob O. Construction in the not-to-exceed amount of $144,442.60.

7.6) Consideration and Possible Action on Award of Contract for the Construction of the Water Main Replacement in Avenues Q-1, Q-2, and Q-3 on the West Side of 16th Street East Under Specification No. 1211. ($60,000.00 – Budgeted – Project Manager Thompson, Sr.)

Project Manager Thompson, Sr. provided an overview of the work to be completed under Specification No. 1211, and after a brief discussion of the location of the water main, the number of services to be replaced, and the District's aggressive water main and water meter replacement programs, it was moved by Director Mac Laren, seconded by Director Henriquez, and unanimously carried by all members of the Board of Directors present at the meeting to award the contract for the construction of the water main replacement in Avenues Q-1, Q-2, and Q-3 on the west side of 16th Street East under Specification No. 1211 to Bob O. Construction in the not-to-exceed amount of $60,000.00.

7.7) 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 2016 Budget:

a) ESRI Training/ArcGIS Pro: Essential Workflows to be Held November 2 – 4, 2016 in Broomfield, Colorado.

After a brief discussion, it was moved by Director Henriquez, seconded by Director Mac Laren, and unanimously carried by all members of the Board of Directors present at the meeting to authorize the following conferences, seminars, and training sessions for Board and staff attendance within budget amounts previously approved in the 2016 budget: ESRI Training/ArcGIS Pro: Essential Workflows to be Held November 2 – 4, 2016 in Broomfield, Colorado.

8) Information Items:

8.1) Reports of Directors:

a) Meetings/General Report.

Director Mac Laren reported that on October 4, she attended the Special Meeting Town Hall Forum.

Director Henriquez reported that on October 3, he attended a Board briefing with General Manager LaMoreaux regarding the Special Meeting; that on October 4, he attended the Special Meeting Town Hall Forum; that on October 6, he attended the Finance Committee meeting with President Alvarado where they reviewed the items considered earlier this evening as well as the preliminary 2017 Budget; and that on October 10, he attended a Board briefing with General Manager LaMoreaux.

President Alvarado reported that on October 3, he attended a Board briefing with General Manager LaMoreaux; that on October 4, he attended an agenda review and approval meeting with General Manager LaMoreaux; that also on October 4, he attended the Special Meeting Town Hall Forum; that on October 6, he attended the Finance Committee meeting with Director Henriquez; and that on October 11, he attended a Board briefing with General Manager LaMoreaux.

He then reminded the Board that AB 1234 Ethics Training is scheduled for October 13 from 2 p.m. to 4 p.m. at the District sponsored by the Antelope Valley State Water Contractors Association and stated that he will be attending this training.

b) Standing Committee/Assignment Reports (Chair):

1) Finance Committee

President Alvarado stated that a report on this meeting was provided earlier in the meeting.

8.2) Report of General Manager.

General Manager LaMoreaux reported that during their recent visit to Palmdale, one of the activities for the City of Palmdale's Sister City delegation was cancelled; that President Alvarado suggested they tour the Leslie O. Carter Water Treatment Plant; and that Operations Manager Masaya and Lab Analyst Narez did a great job of providing the tour and answering questions.

Director Henriquez then commended Operations Manager Masaya and Lab Analyst Narez on their tours.

President Alvarado then stated that the President of the City of Palmdale's Sister City Committee expressed their thanks and gratitude to the District and staff for scheduling the last minute tour and accommodating their members and delegation, they were very impressed with the facilities, and they are looking forward to a future tour of Palmdale Lake.

He then thanked General Manager LaMoreaux for scheduling the tour.

General Manager LaMoreaux then reported that a draft contract between the District and the Sanitation Districts for the purchase of recycled water has been presented to the District, and it is hoped this contract can be brought to the Board soon for consideration.

8.3) Report of General Counsel.

General Counsel Dunn stated that he has no report.

13) Board Members' Requests for Future Agenda Items.

Director Mac Laren inquired about scheduling a Board Norms Workshop after which General Manager LaMoreaux stated that staff is working on coordinating Board and consultant schedules for this meeting.

Director Henriquez requested "Presentation regarding the recent ACWA Regulatory Summit" be placed on the next agenda.

Director Mac Laren then requested a follow-up report from the ideas discussed at the Ad Hoc Energy Committee meeting.

President Alvarado requested "Presentation updating the Board on deferred maintenance items" be placed on the next agenda.

At the request of Director Mac Laren, General Manager LaMoreaux provided a brief update on a recent meeting with the Palmdale School District regarding recycled water and the District hosting the next Wi-Fi meeting for the Palmdale School District.

There were no further requests for future agenda items.

14) Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 7:53 p.m.

Secretary