MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, FEBRUARY 14, 2018:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, February 14, 2018, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Vincent Dino, called the meeting to order at 7:00 p.m.

1) Pledge of Allegiance/Moment of Silence.

At the request of President Dino, Director Mac Laren led the pledge of allegiance followed by a moment of silence in honor of the victims of the Florida incident.

2) Roll Call.

Attendance:	**Others Present:**
Vincent Dino, President	Dennis LaMoreaux, General Manager
Marco Henriquez, Treasurer	Eric Dunn, General Counsel
Joe Estes, Secretary	Mike Williams, Finance Manager
Kathy Mac Laren, Director	Judy Shay, Public Affairs Director
Robert Alvarado, Director	Jim Stanton, Information Technology Manager
	Peter Thompson II, Deputy Water & Energy Res. Dir.
	Dawn Deans, Executive Assistant
	6 members of the public

3) Adoption of Agenda.

It was moved by Director Mac Laren, seconded by Director Alvarado, and unanimously carried by all members of the Board of Directors present at the meeting to adopt the agenda, as written.

4) Public Comments for Non-Agenda Items.

Mr. David Palmer, Palmdale resident, provided information on bearings regarding how they operate and maintenance needed.

5) Presentations:

5.1) Lake Palmdale Biological Research Regarding Bird Species. (Dr. Callyn D. Yorke, Ph.D./Public Affairs Director Shay)

Dr. Callyn Yorke, who has conducted bird research at Palmdale Lake since 1986 and is a professor at Antelope Valley College, provided an overview of the 53 bird species

that breed and inhabit Palmdale Lake followed by a brief discussion of Dr. Yorke's research and the more than 253 resident birds at Palmdale Lake.

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 January 24, 2018.

6.2) Payment of Bills for February 14, 2018.

6.3) Receive and File Semi-Annual Employee Reimbursement Report for the Period Covering July 1, 2017 Through December 31, 2017. (Finance Manager Williams)

6.4) Approval of Resolution No. 18-2 Being a Resolution of the Board of Directors of the Palmdale Water District Authorizing Specified Individuals to Transact Business with Citizens Business Bank. (No Budget Impact – Finance Manager Williams)

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

A copy of Resolution No. 18-2 is hereby made a portion of the minutes of this meeting.

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 Engagement Letter with Nigro & Nigro for the Preparation of the Annual Audit for 2017 and 2018. ($18,500.00 for 2017, $19,000.00 for 2018 – Budgeted – Finance Manager Williams)

Finance Manager Williams provided an overview of the preparation of the District's annual audit, and after a brief discussion of fees and the previous auditor, 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 approve the engagement letter with Nigro & Nigro for the preparation of the annual audit for 2017 and 2018 in the not-to-exceed amount of $18,500.00 for 2017 and the not-to-exceed amount of $19,000.00 for 2018.

7.2) Consideration and Possible Action on Participation Through the Antelope Valley State Water Contractors Association in the 2018 Home Show and Water Expo to be Held March 17 – 18, 2018 in Lancaster. ($4,739.00 – Budgeted – Deputy Water and Energy Resources Director Thompson II)

Deputy Water and Energy Resources Director Thompson II provided an overview of the proposed participation in the 2018 Home Show and Water Expo, and after a brief discussion of this participation and the cost, it was moved by Director Mac Laren, seconded by Director Alvarado, and unanimously carried by all members of the Board of Directors present at the meeting to authorize participation through the Antelope Valley State Water Contractors Association in the 2018 Home Show and Water Expo to be held March 17 – 18, 2018 in Lancaster in the not-to-exceed amount of $4,739.00.

7.3) Consideration and Possible Action on Changing the Meeting Days for Regular Board Meetings. (Director Mac Laren)

Director Mac Laren stated that due to the length of Antelope Valley Watermaster Board meetings and continuing Antelope Valley State Water Contractors Association Ad Hoc Committee meetings, she recommends the Board discuss changing the days of the District's Regular Board meetings as well as changing the time to an earlier time to make it more convenient for the public to attend Board meetings.

After discussion of changing meeting days and times, it was moved by Director Mac Laren, seconded by Director Estes, and unanimously carried by all members of the Board of Directors present at the meeting to change Regular Board Meetings to the second Wednesday of each month and the fourth Monday of each month with the time of the meetings to remain at 7:00 p.m. beginning in April 2018.

General Counsel Dunn then stated that a formal change to the District's Rules and Regulations will be brought back to the Board for consideration.

7.4) Consideration and Possible Action on Authorization of the Following Conferences, Seminars, and Training Sessions for Board and Staff Attendance Within Budget Amounts Previously Approved in the 2018 Budget:

a) Water Education for Latino Leaders (WELL) 2018 Annual Conference to be Held March 22 – 23, 2018 in Sacramento. (Director Henriquez)

After a brief discussion of this conference, it was moved by Director Mac Laren, seconded by Director Estes, and unanimously carried by all members of the Board of Directors present at the meeting to approve the following conferences, seminars, and training sessions for Board and staff attendance within budget amounts previously approved in the 2018 Budget: Water Education for Latino Leaders (WELL) 2018 Annual Conference to be Held March 22 – 23, 2018 in Sacramento.

8) Information Items:

8.1) Reports of Directors:

a) Meetings/General Report.

Director Alvarado reported that on February 7, he attended an interview with the writer for the District's 100-year commemorative book; that on February 8, he completed his Security Awareness Training for the District via webinar; that on February 12, he attended a Board briefing with General Manager LaMoreaux regarding tonight's meeting; and that also on February 12, he attended the Palmdale Recycled Water Authority meeting.

Director Mac Laren reported that on February 1, she attended a 100-Year Anniversary Ad Hoc Committee meeting; that on February 8, she attended an interview with the writer for the District's 100-year commemorative book; that on February 9, she attended the African American Chamber of Commerce luncheon where Public Affairs Director Shay presented information regarding the District's 100-year anniversary; and that on February 12, she attended the Palmdale Recycled Water Authority meeting where they elected Austin Bishop as Chair and Juan Carrillo as Vice Chair, and the Investment Policy was approved.

Director Henriquez reported that on February 7, he attended an interview with the writer for the District's 100-year commemorative book; that on February 12, he attended a telephone Board briefing with General Manager LaMoreaux regarding

tonight's meeting; and that on February 14, he attended a Board briefing with Finance Manager Williams regarding Agenda Item No. 7.1. He then stated that the Joint Workshop with Antelope Valley East-Kern Water Agency and Littlerock Creek Irrigation District is scheduled for tomorrow at 4:30 p.m.

Director Estes reported that on February 6, he attended an interview with the writer for the District's 100-year commemorative book; that on February 12, he attended the Palmdale Recycled Water Authority meeting and was sworn in as an Alternate Director; that on February 13, he attended a Board briefing with General Manager LaMoreaux regarding tonight's meeting; and that on February 20, he will be attending a Facilities Committee meeting.

President Dino reported that on February 1, he attended a 100-Year Anniversary Ad Hoc Committee meeting; that on February 6, he attended an agenda review and approval meeting with General Manager LaMoreaux; that on February 8, he attended an interview with the writer for the District's 100-year commemorative book; that on February 12, he attended a Board briefing with General Manager LaMoreaux regarding tonight's meeting; that also on February 12, he attended the Palmdale Recycled Water Authority meeting; that on February 13, he attended the AVEK Board meeting; and that on February 14, he is attending the Palmdale Water District Board meeting.

b) Standing Committee/Assignment Reports (Chair):

1) Palmdale Recycled Water Authority.

There were no further reports on Standing Committee/Assignments.

8.2) Report of General Manager.

General Manager LaMoreaux reported that as stated by Director Henriquez, the joint Board Workshop with Palmdale Water District, Antelope Valley East Kern Water Agency, and Littlerock Creek Irrigation District is scheduled for tomorrow at 4:30 p.m. to discuss water storage projects, water programs, and future storage projects; that the author of the District's 100-year commemorative book will be attending this meeting taking photographs; and that the Antelope Valley State Water Contractors Association Commissioners will meet later that evening.

8.3) Report of General Counsel.

General Counsel Dunn reported on SB 623, being the water tax bill to fund disadvantaged water districts around the state, and SB 998 regarding shut-off policies followed by discussion of how this may affect the District's shut-off policies.

9) Public Comments on Closed Session Agenda Matters.

There were no public comments on closed session agenda matters.

10) Break Prior to Closed Session.

At 8:32 p.m., President Dino called for an eight-minute recess. He reconvened the regular meeting at 8:40 p.m.

11) Closed Session Under:

11.1) Conference with Legal Counsel – Existing Litigation: A Closed Session Will be Held, Pursuant to Government Code §54956.9 (D)(1), to Confer with Special Litigation Counsel Regarding Existing Litigation to Which the District is a Party. The Title of Such Litigation is as Follows: *Antelope Valley Ground Water Cases.*

At 8:40 p.m., President Dino called for a closed session pursuant to Government Code §54956.9 (d)(1), to confer with Special Litigation Counsel regarding existing litigation to which the District is a party, the title of such litigation being: *the Antelope Valley Ground Water Cases.*

12) Public Report of Any Action Taken in Closed Session.

President Dino stated that a closed session was held pursuant to Government Code §54956.9 (d)(1), to confer with Special Litigation Counsel regarding existing litigation to which the District is a party, the title of such litigation being: *the Antelope Valley Ground Water Cases*; that the Board was updated on this matter; but that no reportable action was taken in closed session.

13) Board Members' Requests for Future Agenda Items.

Director Mac Laren requested a future closed session item for the Palmdale Recycled Water Authority.

Director Alvarado requested information on CSDA outreach programs and how CSDA can assist the District with the upcoming Proposition 218 process after which General Manager LaMoreaux stated that Mr. Chris Palmer, CSDA representative, will be attending a future Board meeting and can address questions regarding their outreach programs.

Director Alvarado then requested a copy of the latest unclaimed funds list.

Director Estes informed the Board he invited citizens concerned about fire hydrant charges to a future meeting after which General Manager LaMoreaux recommended these citizens meet with staff to gain a full understanding of the concerns.

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 9:04 p.m.

Secretary

RESOLUTION NO. 18-2

**A RESOLUTION OF THE
PALMDALE WATER DISTRICT
AUTHORIZING SPECIFIED INDIVIDUALS TO
TRANSACT BUSINESS WITH CITIZENS BUSINESS BANK**

WHEREAS, the Board of Directors of the Palmdale Water District (the "District") has authorized certain public funds to be deposited with Citizens Business Bank for the purpose of protecting public funds; and

WHEREAS, from time to time the Palmdale Water District has cause to withdraw, deposit, reinvest, or otherwise change the disposition of those invested assets to fulfill the mission of the District; and

WHEREAS, the Board of Directors of the District, at their regular meeting of January 13, 2016, did authorize the President and/or Secretary to execute agreements with respect to accounts of the District held by Citizens Business Bank; and

WHEREAS, the Board of Directors of the District, at their meeting of January 13, 2016, did hereby approve the above described agreements authorizing certain individuals to act on the District's behalf with respect to the certain specified accounts of the District with Citizens Business Bank; and

WHEREAS, the Board of Directors of the district intends and requires two Directors acting together or at least one Director acting with another director or designated staff member to execute authority over designated Treasury Management Agreement.

NOW, THEREFORE, BE IT RESOLVED, that Vincent Dino and Marco Henriquez, acting together, are hereby authorized and directed to open an account with Citizens Business Bank in the District's name and on its behalf, for the purpose of securing services, and that Citizens Business Bank is hereby authorized to act upon any orders and instructions with respect to such accounts listed below and/or the delivery of securities or money therefrom when received from any of the two said individuals, acting together, who are each likewise hereby authorized to sign and deliver in the District's name and in its behalf, receipts for securities and/or funds so delivered or paid.

BE IT FURTHER RESOLVED, that any two of Joe Estes, Marco Henriquez, Kathy Mac Laren, Robert Alvarado, or Vincent Dino acting together are hereby authorized to withdraw funds or to act on behalf of the District with respect to the General Account No. 047031559; Merchant Account No. 047031567; Customer Refund Account No. 047031575.

ADOPTED THIS 14TH DAY OF FEBRUARY, 2018.

President, Board of Directors