MINUTES OF SPECIAL MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT, APRIL 21, 2014:

A meeting of the Finance Committee of the Palmdale Water District was held Monday, April 21, 2014, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Dizmang called the meeting to order.

1) **Roll Call.**

Attendance:	**Others Present:**
Finance Committee:	Dennis LaMoreaux, General Manager
Gloria Dizmang, Chair	Matt Knudson, Assistant General Manager
Vincent Dino, Committee Member	Mike Williams, Finance Manager
	Dennis Hoffmeyer, Senior Accountant
	Bob Egan, Financial Advisor
	Dawn Deans, Executive Assistant
	1 member of the public

2) **Adoption of Agenda.**

It was moved by Committee Member Dino, seconded by Chair Dizmang, and unanimously carried to adopt the agenda, as written.

3) **Public Comments.**

There were no public comments.

4) **Action Items:**

4.1) Consideration and Possible Action on Approval of Minutes of Meeting Held April 7, 2014.

It was moved by Committee Member Dino, seconded by Chair Dizmang, and unanimously carried to approve the minutes of the Finance Committee meeting held April 7, 2014, as written.

4.2) Discussion and Overview of Cash Flow Statement and Current Cash Balances as of March 31, 2014. (Financial Advisor Egan)

Financial Advisor Egan reviewed the investment funds and cash flow reports as of March 31, 2014, including the overall decrease in cash of $2.1 million due to the bond

payment and expected capital expenditure payments, and stated that projected year-end looks positive.

General Manager LaMoreaux then stated that information regarding projects that are budgeted but not yet committed will be provided in future reports.

4.3) Discussion and Overview of Financial Statements, Revenue and Expense and Departmental Budget Reports for March 31, 2014. (Finance Manager Williams)

Finance Manager Williams reviewed 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 March 31, 2014 along with the graphic presentations for these reports and stated that all departments, with the exceptions of Administration, Engineering, and Finance, operated at or below the targeted expenditure percentage of 25% or less followed by discussion of the Directors' budget, number of meetings allowed per month, training, adjustments to this budget, and overtime in several departments.

4.4) Discussion and Overview of Committed Contracts Issued. (Assistant General Manager Knudson)

Assistant General Manager Knudson reviewed the status of engineering projects included in the Committed Contracts and Payout Schedule, including those projects contractually committed and budgeted projects, and payments for projects funded from the Water Revenue Series 2013A Bonds.

4.5) Discussion and Review of the District's Bid Procurement and Change Order Policy – Rules and Regulations Appendix M. (General Manager LaMoreaux)

General Manager LaMoreaux stated that he and Assistant General Manager Knudson have met several times with representatives from the Building Trades Association and their legal counsel regarding Project Labor Agreements; that sample Project Labor Agreements with other water agencies have been received; that staff is conducting an analysis of past District jobs; and that staff will begin work on a potential Project Labor Agreement.

4.6) Consideration and Possible Action on Proposal(s) Received for Conducting a Water Rate Study and Outreach. ($50,000 – Budgeted – General Manager LaMoreaux)

The proposals received for conducting a Water Rate Study and Outreach were reviewed and discussed, along with the budget for this work and training on talking points for staff and the Board, after which it was moved by Committee Member Dino, seconded by Chair Dizmang, and unanimously carried that the Committee concurs with staff's recommendation to award a contract to Bartle Wells in the not-to-exceed amount of $48,125.00 for conducting the financial section of the Water Rate Study, to award a contract to Passantino Andersen in the not-to-exceed amount of $78,732.00 for the outreach section of the Water Rate Study subject to the receipt of additional work examples, and this item be presented to the full Board for consideration at the April 23, 2014 Regular Board Meeting.

5) Information Items.

There were no further information items.

6) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

It was then stated that the next Finance Committee meeting will be held June 2, 2014 at 9:30 a.m.

7) Adjournment.

There being no further business to come before the Finance Committee, the meeting was adjourned.

Chair