MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, APRIL 27, 2020:

A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, April 27, 2020, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Vincent Dino, called the meeting to order at 6:00 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.

2) Roll Call.

Attendance:
Vincent Dino, President (via teleconference)
Kathy Mac Laren, Vice Pres. (via teleconference)
Gloria Dizmang, Treasurer (via teleconference)
Don Wilson, Secretary (via teleconference)
Robert Alvarado, Assistant Secretary (via teleconference)

Others Present:
Dennis LaMoreaux, General Manager
Eric Dunn, General Counsel (via teleconference)
Adam Ly, Assistant General Manager
Mike Williams, Finance Manager (via teleconf.)
Judy Shay, Public Affairs Director via teleconf.)
Jennifer Emery, Human Res. Dir. (via teleconf.)
Jim Stanton, Information Technology Manager
Chris Bligh, Facilities Manager (via teleconference)
Bob Egan, Financial Advisor (via teleconference)
Dawn Deans, Executive Assistant
0 members of the public

3) Adoption of Agenda.

It was moved by Director Alvarado, seconded by Director Mac Laren, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to adopt the agenda, as written:

President Dino – aye
Director Mac Laren – aye
Director Dizmang – aye
Director Wilson – aye
Director Alvarado - aye

4) Public Comments for Non-Agenda Items.

There were no public comments for non-agenda items.

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 April 13, 2020.

6.2) Payment of Bills for April 27, 2020.

6.3) Approval to Revise Project Funding Source for the Construction of the Palmdale Regional Groundwater Recharge and Recovery Project Test Well No. 1 Under Specification No. 1701A From 2018A Water Revenue Bonds to Water Supply. (No Budget Impact – Finance Manager Williams)

President Dino announced the items included in the Consent Calendar after which it was moved by Director Dizmang, seconded by Director Wilson, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to approve those items included in the Consent Calendar:

President Dino – aye
Director Mac Laren – aye
Director Dizmang – aye
Director Wilson – aye
Director Alvarado - aye

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 Adoption of Palmdale Water District Coronavirus Disease (COVID-19) Pandemic Response Plan. (No Budget Impact – General Manager LaMoreaux)

General Manager LaMoreaux provided an overview of the Coronavirus Disease (COVID-19) Pandemic Response Plan, and after a brief discussion of staff's efforts, it was moved by Director Alvarado, seconded by Director Mac Laren, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to adopt the Palmdale Water District Coronavirus Disease (COVID-19) Pandemic Response Plan.

President Dino – aye
Director Mac Laren – aye
Director Dizmang – aye
Director Wilson – aye
Director Alvarado - aye

7.2) Consideration and Possible Action on Adoption of Resolution No. 20-6 Being a Resolution of the Board of Directors of the Palmdale Water District Authorizing Application for Covid-19 Public Assistance and Designating Agents to Act on the District's Behalf (Designation of Applicant's Agents). (No Budget Impact – Human Resources Director Emery)

Human Resources Director Emery provided an overview of Resolution No. 20-6, which is needed to apply for grant funding for expenses related to the COVID-19 pandemic, and after a brief discussion of the Resolution, it was moved by Director Alvarado, seconded by Director Mac Laren, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to adopt Resolution No. 20-6 being a Resolution of the Board of Directors of the Palmdale Water District Authorizing Application for Covid-19 Public Assistance and Designating Agents to Act on the District's Behalf (Designation of Applicant's Agents).

President Dino – aye
Director Mac Laren – aye
Director Dizmang – aye
Director Wilson – aye
Director Alvarado – aye

Resolution No. 20-06 is hereby made a portion of the minutes of this meeting.

7.3) Consideration and Possible Action on Rescheduling Second Regular Board Meeting in May From May 25, 2020 to May 26, 2020 Due to the Memorial Day Holiday. (No Budget Impact – General Manager LaMoreaux)

General Manager LaMoreaux reviewed the need to reschedule the second Regular Board Meeting in May after which it was moved by Director Mac Laren, seconded by Director Dizmang, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to reschedule the second Regular Board Meeting in May from May 25, 2020 to May 26, 2020 due to the Memorial Day holiday.

President Dino – aye
Director Mac Laren – aye
Director Dizmang – aye
Director Wilson – aye
Director Alvarado - aye

8) Information Items:

8.1) Finance Reports:

a) Status Report on Cash Flow Statement and Current Cash Balances as of March 2020. (Financial Advisor Egan/Finance Committee)

Financial Advisor Egan provided an overview of the Investment Funds Report through March 2020, including assessments received, planned debt payments, and interest income, and then reviewed the cash flow statement.

b) Status Report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for March 2020. (Finance Manager Williams/Finance Committee)

Finance Manager Williams reviewed in detail the balance sheet, profit and loss statement and trends, and revenue and expense analysis reports for the period ending March 2020 and stated that most departments are operating at or below the targeted expenditure percentage of 25% with the exception of Information Technology due to software license renewals followed by discussion of the effect of COVID-19 on the District's finances and the status of the annual audit.

c) Status Report on Committed Contracts Issued. (Finance Manager Williams/Finance Committee)

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, and the payout summary for the Water Revenue Bond Series 2018A through March 2020.

d) Other Financial Reports. (Finance Manager Williams/Finance Committee)

1) Effect of COVID-19 Event.

Finance Manager Williams stated that due to COVID-19 events, collection efforts have stopped as of March 17, 2020; that no reminder or shut-off notices have been mailed; that there have been no disconnections for non-payment of bills; that as of April 14, thousands in penalties have been deferred and are being tracked in the event FEMA funds become available; that at this point, there is no noticeable reduction in cash flow; but that more will be known after two months of billings.

2) Rate Assistance Program Status.

He then stated that as of March 31, there were 634 participants in the Rate Assistance Program with 297 seniors, 6 veterans, and 331 low income.

3) Billing and Collection Statistics.

He then stated that comparing December 2019 to December 2018, there is a slight increase in bills issued and invoices mailed but a decrease in the percentage of shut off's for non-payment.

4) Revenue Projections.

He then stated that as of March 31, revenue projections for 2020 are ahead by approximately $200,000 based on the rate model.

5) Accounts Receivable Aging Report.

He then stated that as of March 31, 2020, the aging report shows receivables are approximately $300,000 higher than 2019 and is reflective of higher water sales in 2020; that there is a slight increase in 60-day delinquencies from February 2020; and that the

effects of SB 998 are unknown at this time as collection activities have been halted due to the effects of COVID-19 followed by discussion of cash payment alternatives for customers.

6) Payment Transactions by Type.

He then stated that as of March 31, 2020, total payments have been reduced by approximately 2,500, which may be due to closing the office the second half of March, but that electronic payments via Pay-Near-Me have almost doubled from March to April.

8.2) Reports of Directors:

a) Meetings; Standing Committee/Assignment Reports; General Report.

Director Wilson reported that on April 16, he attended a weekly conference call; that on April 21, he attended the Finance Committee meeting; that on April 22 and 23, he attended a virtual webinar workshop regarding finance management; that also on April 22, he attended a Board briefing; and that on April 27, he is attending the Palmdale Water District Regular Board meeting.

Director Dizmang reported that on April 16, she attended a Board briefing; that on April 21, she attended the Finance Committee meeting; that on April 23, she attended the Personnel Committee meeting; and that on April 27, she is attending the Palmdale Water District Regular Board Meeting.

She then reported as Chair of the Finance Committee that the Committee discussed refinancing options for the District's 2013A Water Revenue Bonds with the possibility of reducing the interest rate from 4% to 3% to save $40,000 to $70,000 annually; that the Committee concurred with staff's recommendation to move forward with the next steps in this process to obtain bid packages for the refinance; and that the Committee also reviewed the financial reports reviewed earlier this evening.

She then reported as Chair of the Personnel Committee that the Committee discussed and concurred with staff's recommendations to approve salaries for several Engineering Department positions with no budget impact and to approve revisions to the Organizational Structure moving SCADA/Instrumentation Tech positions from the Facilities Department to the Information Technology Department with no budget impact.

Director Mac Laren reported that on April 16, she attended a weekly update briefing with General Manager LaMoreaux and Assistant General Manager Ly; that on April 20, she attended the Antelope Valley Watermaster Public Water Supplier meeting via telephone; that on April 22, she attended the Antelope Valley Watermaster meeting; that on April 23, she attended a Board briefing; that also on April 23, she attended the Personnel Committee meeting; and that on April 2, 9, 16, and 23, she attended the City of Palmdale's emergency update meetings.

Director Alvarado reported that on April 15, he read several articles; that also on April 15, he had a staff briefing report with General Manager LaMoreaux and Assistant General Manager Ly; that also on April 15, he read an ACWA outreach alert regarding AB 182; that also on April 15, he attended the City of Palmdale's update meeting regarding COVID-19; that also on April 15, he read the CSDA update on AB 2093 regarding email retention; and that on April 16, he read several articles.

Director Dizmang then called for a point-of-order regarding reading articles as part of the official activities report of a Director after which General Counsel Dunn stated that this reporting is acceptable under General Reports under Agenda Item No. 8.2.a.

Director Alvarado continued that also on April 16, he read the Antelope Valley Regional Partners briefing; that also on April 16, he attended a Board briefing with General Manager LaMoreaux and Assistant General Manager Ly; that on April 21, he attended a briefing with the President of the Fin and Feather Club regarding their general membership meeting; that on April 23, he attended a Board briefing; that also on April 23, he attended the Antelope Valley Partners Regional Briefing; and that on April 30, he will be attending a weekly briefing with General Manager LaMoreaux and Assistant General Manager Ly.

President Dino reported that on April 14, he attended an AVEK Board meeting via teleconference; that on April 15, he attended an Agenda Review and Approval meeting; that on April 16, he attended a weekly update report with General Manager LaMoreaux and Assistant General Manager Ly; that on April 23, he attended a Board briefing; that on April 27, he is attending the Palmdale Water District Regular Board Meeting; that on April 28, he will be attending an AVEK Board meeting via teleconference; and that on April 30, he will be attending a weekly update report via teleconference.

8.3) Report of General Manager.

a) April 2020 Written Report of Activities Through March 2020.

General Manager LaMoreaux stated that a written report regarding activities through March 2020 was included with the agenda packets if there are any questions and then reported that the District's State Water Project allocation remains at 15% and that there were zero mainline leaks in March.

Director Wilson inquired about public outreach regarding the low snowpack level and Director Mac Laren inquired about Senator Wilk's comment regarding a megadrought after which General Manager LaMoreaux stated that this information will be conveyed by the Public Affairs Department at the appropriate time and that the District has maintained banking and exchange programs as water sources during dry years.

Human Resources Director Emery then reported that the District has been awarded a FEMA and CalOES grant for its Hazard Mitigation Plan and has applied for an additional smaller grant for the management of the Hazard Mitigation Plan grant.

8.4) Report of General Counsel.

General Counsel Dunn stated that he has no report.

9) Board Members' Requests for Future Agenda Items.

Director Mac Laren inquired about the potential for Coffee with a Director in a virtual format.

Director Alvarado requested ACWA and CSDA webinars regarding the COVID-19 pandemic be placed on an agenda for approval.

There were no further requests for future agenda items.

10) Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 6:54 p.m.

Secretary

RESOLUTION NO. 20-6

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT AUTHORIZING APPLICATION FOR COVID-19 PUBLIC ASSISTANCE AND DESIGNATING AGENTS TO ACT ON THE DISTRICT'S BEHALF (DESIGNATION OF APPLICANT'S AGENTS)

WHEREAS, on March 13, 2020, the President declared the ongoing coronavirus ("COVID-19") pandemic of sufficient severity and magnitude to warrant a nationwide emergency declaration. As a result of this declaration, local government entities, including the Palmdale Water District ("District"), are eligible to seek reimbursement from the Federal Emergency Management Agency ("FEMA") for the cost of eligible emergency protective measures taken to respond to the COVID-19 emergency. This reimbursement is called "Public Assistance." Public Assistance is distributed to California local government entities through the California Governor's Office of Emergency Services ("Cal OES"); and

WHEREAS, in order to apply for Public Assistance, the District must submit a "Request for Public Assistance" ("RPA") to Cal OES. As part of the RPA, the District must submit a Designation of Applicant's Agents Resolution. This Resolution designates District employees who are authorized to submit the RPA to Cal OES on behalf of the District; and

WHEREAS, additional actions must be taken to complete the RPA; and

WHEREAS, additional reimbursement for COVID-19-related costs may be available from other federal agencies, the State of California, or Los Angeles County; and

WHEREAS, the Board of Directors of the Palmdale Water District ("Board of Directors") desire to appoint and authorize agents of the District to apply and seek reimbursement for disaster-related expenditures under FEMA, Cal OES, the federal government, the California government, Los Angeles County, and any agency or department thereof.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT DO HEREBY RESOLVE THAT:

Section 1. The above recitals are all true and correct and hereby adopted as findings.

Section 2. The Designation of Applicant's Agent Resolution for Non-State Agencies, attached as Exhibit A, is adopted.

Section 3. The General Manager, Assistant General Manager, Finance Manager, or Human Resources Director, are authorized to take all necessary actions and execute all necessary documents to apply for reimbursement of eligible District costs resulting from the COVID-19 pandemic, from FEMA, Cal OES, the federal government, the California government, Los Angeles County, and any agency or department thereof.

Section 4. If any provision in this Resolution, or the application thereof to any person or circumstances, is for any reason held invalid, the validity of the remainder of this Resolution, or the application of such provisions to other persons or circumstances shall not be affected thereby. The Board of Directors hereby declares that it would have passed this Resolution, and each provision thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstance be held invalid.

Section 5. This Resolution is effective on the day of its adoption, and effective for all open and future disasters up to three (3) years following the effective date.

PASSED, APPROVED AND ADOPTED this 27h day of April, 2020.

VINCENT DINO, PRESIDENT

ATTEST:

DON WILSON, SECRETARY

APPROVED AS TO FORM:

ERIC DUNN, GENERAL COUNSEL

EXHIBIT "A"

STATE OF CALIFORNIA
GOVERNOR'S OFFICE OF EMERGENCY SERVICES
Cal OES 130

Cal OES ID No: _____

DESIGNATION OF APPLICANT'S AGENT RESOLUTION FOR NON-STATE AGENCIES

BE IT RESOLVED BY THE Board of Directors (Governing Body) OF THE Palmdale Water District (Name of Applicant)

THAT General Manager (Title of Authorized Agent), OR

Assistant General Manager (Title of Authorized Agent), OR

Finance Manager or Human Resources Directo (Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the Palmdale Water District (Name of Applicant), a public entity established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Services for the purpose of obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.

THAT the Palmdale Water District (Name of Applicant), a public entity established under the laws of the State of California, hereby authorizes its agent(s) to provide to the Governor's Office of Emergency Services for all matters pertaining to such state disaster assistance the assurances and agreements required.

Please check the appropriate box below:

☑ This is a universal resolution and is effective for all open and future disasters up to three (3) years following the date of approval below.

☐ This is a disaster specific resolution and is effective for only disaster number(s) _____

Passed and approved this 27th day of April, 2020

Vincent Dino, President
(Name and Title of Governing Body Representative)

_____
(Name and Title of Governing Body Representative)

_____
(Name and Title of Governing Body Representative)

CERTIFICATION

I, Don Wilson (Name), duly appointed and Secretary (Title) of the Palmdale Water District (Name of Applicant), do hereby certify that the above is a true and correct copy of a Resolution passed and approved by the Board of Directors (Governing Body) of the Palmdale Water District (Name of Applicant) on the 27th day of April, 2020.

_____ (Signature)

Secretary (Title)

Cal OES Form 130 Instructions

A Designation of Applicant's Agent Resolution for Non-State Agencies is required of all Applicants to be eligible to receive funding. A new resolution must be submitted if a previously submitted Resolution is older than three (3) years from the last date of approval, is invalid or has not been submitted.

When completing the Cal OES Form 130, Applicants should fill in the blanks on page 1. The blanks are to be filled in as follows:

Resolution Section:

Governing Body: This is the group responsible for appointing and approving the Authorized Agents.
Examples include: Board of Directors, City Council, Board of Supervisors, Board of Education, etc.

Name of Applicant: The public entity established under the laws of the State of California. Examples include: School District, Office of Education, City, County or Non-profit agency that has applied for the grant, such as: City of San Diego, Sacramento County, Burbank Unified School District, Napa County Office of Education, University Southern California.

Authorized Agent: These are the individuals that are authorized by the Governing Body to engage with the Federal Emergency Management Agency and the Governor's Office of Emergency Services regarding grants applied for by the Applicant. There are two ways of completing this section:

1. Titles Only: If the Governing Body so chooses, the titles of the Authorized Agents would be entered here, not their names. This allows the document to remain valid (for 3 years) if an Authorized Agent leaves the position and is replaced by another individual in the same title. If "Titles Only" is the chosen method, this document must be accompanied by a cover letter naming the Authorized Agents by name and title. This cover letter can be completed by any authorized person within the agency and does not require the Governing Body's signature.

2. Names and Titles: If the Governing Body so chooses, the names **and** titles of the Authorized Agents would be listed. A new Cal OES Form 130 will be required if any of the Authorized Agents are replaced, leave the position listed on the document or their title changes.

Governing Body Representative: These are the names and titles of the approving Board Members.
Examples include: Chairman of the Board, Director, Superintendent, etc. The names and titles **cannot** be one of the designated Authorized Agents, and a minimum of two or more approving board members need to be listed.

Certification Section:

Name and Title: This is the individual that was in attendance and recorded the Resolution creation and approval.
Examples include: City Clerk, Secretary to the Board of Directors, County Clerk, etc. This person **cannot** be one of the designated Authorized Agents or Approving Board Member (if a person holds two positions such as City Manager and Secretary to the Board and the City Manager is to be listed as an Authorized Agent, then the same person holding the Secretary position would sign the document as Secretary to the Board (not City Manager) to eliminate "Self Certification."