

MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, NOVEMBER 20, 2017:

A special meeting of the Board of Directors of the Palmdale Water District was held Monday, November 20, 2017, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Robert Alvarado, called the meeting to order at 7:05 p.m.

1) Pledge of Allegiance/Moment of Silence.

At the request of President Alvarado, Engineering/Grant Manager Riley led the pledge of allegiance followed by a moment of silence in honor of our troops and law enforcement.

2) Roll Call.

Attendance:

Robert Alvarado, President
Vincent Dino, Vice President
Marco Henriquez, Treasurer
Kathy Mac Laren, Director -
(arrived at 7:18 p.m.)

Joe Estes, Secretary --
EXCUSED ABSENCE

Others Present:

Dennis LaMoreaux, General Manager
Maya Mouawad, Assistant General Counsel
Mike Williams, Finance Manager
Judy Shay, Public Affairs Director
Jim Riley, Engineering/Grant Manager
Dawn Deans, Executive Assistant
3 members of the public

3) Adoption of Agenda.

It was moved by Director Henriquez and seconded by Director Dino to adopt the agenda, as written.

President Alvarado then stated that Agenda Item No.'s 9, 10, 11, and 12 can be removed from the agenda as there is no need for a closed session after which Director Henriquez amended his motion, Director Dino amended his second, and it was 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.

Ms. Joanne Granai, Palmdale resident, stated that she is dismayed at the Board's recent action to increase Director budgets by \$5,000.00 each; that she will be monitoring the District's financial reports; and that she will be sharing this information with the community.

Mr. David Palmer, Palmdale resident, stated that he is thankful to the Board of Directors and District staff for the opportunity to attend and speak at Board meetings and that NASA has new technology for measuring snowpack.

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 November 8, 2017.

6.2) Payment of Bills for November 20, 2017.

President Alvarado announced the items included in the Consent Calendar after which it was moved by Director Henriquez, seconded by Director Dino, 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) Discussion on Conducting a Board Performance Assessment. (Director Mac Laren)

Director Mac Laren stated that the book “52 Ways to be a Better Board” recommends Directors conduct a Board Performance Assessment; that this book has been ordered for all Directors; and that she recommends this Assessment be conducted.

After a brief discussion of the Assessment, the Board concurred with Director Mac Laren’s recommendation, and staff was directed to obtain a proposal from Dr. Bill Mathis, The Mathis Consulting Group, to facilitate a Board Performance Assessment in conjunction with the 2018 annual General Manager and General Counsel evaluations.

It was then stated that this information was obtained from attending a conference and highlights the benefit of Board attendance at conferences.

**7.2) Consideration and Possible Action on Outreach Activities for 2017.
(Public Affairs Director Shay)**

- a) **Update on 100th Year Anniversary Events.**
- b) **Outreach Plans for 2017.**
- c) **Upcoming Events.**
- d) **Outreach Recommendations From Directors.**

Public Affairs Director Shay stated that a public tour of the Leslie O. Carter Water Treatment Plant was held November 16, and the attendees appreciated the opportunity; that filming for the videos is now complete, and final filming included congratulations from several legislative officials on the District's 100th anniversary; that the next issue of The Pipeline will be sent in December; that the District has partnered with the City of Palmdale to place ads or articles in each other's publications; that Greenbee Nursery will be assisting the District with the Learning Garden at Yucca Elementary School; that the logo has been finalized, business materials and uniforms are in process, work on the 100th anniversary book has begun, and a commemorative flag will be printed; and that the press event for the District's electric car charging station is scheduled for December 5 at 11 a.m.

Director Henriquez then stated that two of the District's interns also attended the tour and were very appreciative of the District and inquired about Spanish translation for The Pipeline.

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 2017 Budget:

- a) **None at This Time.**

There were no conferences, seminars, and training sessions to consider.

8) Information Items:

8.1) Finance Reports:

a) Status Report on Cash Flow Statement and Current Cash Balances as of September, 2017. (Financial Advisor Egan/Finance Committee)

Finance Manager Williams reviewed the investment funds report as of September, 2017 including the principal and interest bond payment, treasury notes, and remaining 2013A Water Revenue Bond funds and then provided an overview of the cash flow statement, including the planned principal and interest bond payments, carry-over projects for 2018, and the projected 2017 year-end balance.

b) Status Report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for September, 2017. (Finance Manager Williams/Finance Committee)

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 September, 2017 and stated that most departments are operating at or below the targeted expenditure percentage of 75% followed by discussion of GAC purchases and State Water Project water purchases.

c) Status Report on Committed Contracts Issued and Water Revenue Bond Projects. (Finance Manager Williams/Finance Committee)

Finance Manager Williams provided an overview of the updated Contractual Commitments and Needs for 2017 Report for capital projects, consulting and engineering support projects, new and replacement equipment, water quality fee funded projects, committed and projected capital expenditures, available funding sources, and remaining Water Revenue Bond Series 2013A funds and payments to date.

8.2) Reports of Directors:

a) Meetings/General Report.

Director Dino reported that on November 14, he attended the Strategic Plan Workshop; that on November 16, he attended a Board briefing with General Manager

LaMoreaux regarding tonight's meeting; that on November 20, he is attending the Palmdale Water District Board meeting; and that on November 21, he will be attending the Personnel Committee meeting.

Director Mac Laren reported that on November 13, she attended the Watermaster Board meeting; that also on November 13, she attended the California Foundation for the Environment and the Economy "Where Will We be in the Next Decade with Water" Conference where AVEK Director Rob Parris gave an overview of water storage issues in the Antelope Valley and other water issues of concern to the Antelope Valley, included recycled water and grant funding, were discussed and then recommended Mr. Parris' presentation be made to the District's Board of Directors; and that on November 14, she attended the Strategic Plan Workshop.

Director Henriquez reported that on November 14, he attended the Strategic Plan Workshop; that on November 16, he attended the public tour of the Leslie O. Carter Water Treatment Plant; and that also on November 16, he attended and chaired the Finance Committee meeting where the items reviewed earlier this evening were discussed in detail.

President Alvarado reported that on November 13, he attended an agenda review and approval meeting; that on November 14, he attended the Strategic Plan Workshop; that on November 16, he attended the Finance Committee meeting; that also on November 16, he attended a Board briefing with General Manager LaMoreaux regarding tonight's meeting; that on November 20, he is attending the Palmdale Water District Board meeting; and that on November 26 he will be attending the ACWA Conference with ACWA/JPIA meetings to be held November 27 and 28 and the ACWA Conference meetings to be held November 29 and 30 and December 1.

Director Dino then added to his report that on November 28, he will be attending the AVEK Board meeting.

Director Henriquez then added to his report that also on November 16, he attended a Board briefing with General Manager LaMoreaux regarding tonight's meeting and that he is also planning on attending the ACWA Conference.

b) Standing Committee/Assignment Reports (Chair):

1) Finance Committee.

There were no further reports on Standing Committee/Assignments.

8.3) Report of General Manager.

a) November, 2017 Written Report of Activities Through October, 2017.

General Manager LaMoreaux reported that he submitted a written report included with the agenda packets if there are any questions on same and then stated that leaks through the end of October are at 85; that Supervisor Barger's office and LAFCO are scheduling a meeting with the District, AVEK, Littlerock Creek Irrigation District, and Los Angeles County Waterworks to discuss unserved properties in Juniper Hills; and then reviewed the District's state audit resulting from Cal Water rates.

He then stated that as of today at 4:00 p.m., the wind turbine is operational.

8.4) Report of General Counsel.

Assistant General Counsel Mouawad provided a brief legislative report on AB 1180 authorizing the Los Angeles Flood Control District to levy special taxes used in storm water management; the State Water Resources Control Board's draft regulation regarding wasteful water use practices; SB 92 requiring owners of state regulated dams, except those classified as low hazard, to prepare an Emergency Action Plan containing inundations maps; and Rubio bills AB 869, AB 968, and AB 1654, which are in the Committee review process.

General Manager LaMoreaux then reviewed the District's requirement and progress on preparing Emergency Action Plans and inundation maps for Littlerock Dam, which is classified as an extremely hazardous dam, and Palmdale Dam, which is classified as a high hazard dam, followed by discussion of the effect of AB 1180 on the District.

13) Board Members' Requests for Future Agenda Items.

Director Mac Laren requested a future agenda item for "Presentation by AVEK Director Rob Parris on water storage issues in the Antelope Valley."

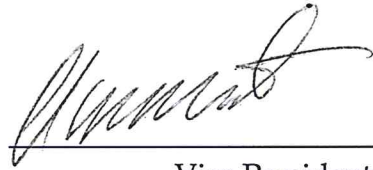
President Alvarado requested a future agenda item for "Update on the benefit of attending conferences and obtaining certifications."

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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 8:06 p.m.

A handwritten signature in black ink, appearing to read "J. J. [unclear]", is written over a horizontal line.

Vice President