

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, APRIL 24, 2023:

A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, April 24, 2023, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District Office. President, Don Wilson, called the meeting to order at 6:00 p.m.

1) Pledge of Allegiance/Moment of Silence.

At the request of President Wilson, Director Dino led the pledge of allegiance followed by a moment of silence.

2) Roll Call.

Attendance:

Don Wilson, President
Scott Kellerman, Vice President
Kathy Mac Laren-Gomez, Treasurer
Vincent Dino, Secretary
Gloria Dizmang, Assistant Secretary

Others Present:

Dennis LaMoreaux, General Manager
Adam Ly, Assistant General Manager
Yecenia Vargas, Assistant General Counsel
Dennis Hoffmeyer, Finance Manager
Judy Shay, Public Affairs Director
Danielle Henry, Executive Assistant
1 member of the public

3) Adoption of Agenda.

It was moved by Director Dino, seconded by Director Kellerman, 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 Wilson – aye
Director Kellerman – aye
Director Mac Laren-Gomez – aye
Director Dino – aye
Director Dizmang – aye

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 Board Meeting held April 10, 2023.

6.2) Payment of Bills for April 24, 2023.

President Wilson announced the items included in the Consent Calendar after which it was moved by Director Kellerman, seconded by Director Dino, 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 Wilson – aye
Director Kellerman – aye
Director Mac Laren-Gomez – aye
Director Dino – aye
Director Dizmang – 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) Discussion and Possible Action on Memorializing Dr. Bill Mathis of the Mathis Group for His Contributions to the District. (Amount to be Determined – Non-Budgeted – Director Dino)

Director Dino stated that he recommends the District's Board Room be dedicated to the late Dr. Bill Mathis with a plaque and photo in his honor, and after a brief discussion of Dr. Mathis' contributions to the Board of Directors and to the District over the years and of including a member of his family on the design of the plaque, it was the consensus of the Board of Directors to direct staff to prepare and present a formal proposal for consideration at a future Board meeting.

7.2) Consideration and Possible Action to Authorize Staff to Submit an Application Package to Join the Los Angeles High Road Transition Collaborative (LA HRTC) and Participate in the Community Economic Resilience Fund (CERF) Program. (No Budget Impact – Director Mac Laren-Gomez)

After a brief discussion of the regional project funding provided through the Community Economic Resilience Fund (CERF) Program, of the Antelope Valley participants, of the regional leadership, and of the opportunity for future resources and letters of support, it was moved by Director Mac Laren-Gomez, 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 authorize staff to submit an application package to join the Los Angeles High Road Transition Collaborative (LA HRTC) and participate in the Community Economic Resilience Fund (CERF) Program:

President Wilson – aye
Director Kellerman – aye
Director Mac Laren-Gomez – aye
Director Dino – aye
Director Dizmang – aye

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 2023 Budget:

a) AV Edge 2023 Installation Dinner to be held June 23, 2023.

After a brief discussion, it was moved by Director Kellerman, seconded by Director Mac Laren-Gomez and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to approve the following conferences, seminars, and training sessions for Board and staff attendance within budget amounts previously approved in the 2023 Budget: AV Edge 2023 Installation Dinner to be held June 23, 2023:

President Wilson – aye
Director Kellerman – aye
Director Mac Laren-Gomez – aye
Director Dino – aye
Director Dizmang – aye

8) Information Items:

8.1) Finance Reports:

a) Status Report on Cash Flow Statement and Current Cash Balances as of March 2023. (Financial Advisor Egan/Finance Committee)

In the absence of Financial Advisor Egan, Financial Manager Hoffmeyer provided an overview of the monthly Major Account Activity Reports, the Quarterly Major Account Activity, the Investment Funds Report, and the Cash Flow Statement through March 2023, including account transfers, bond payments, assessments received, increased interest, market adjustments, capital improvement fees, face and market values of the Certificates of Deposit, Treasury Bills and Treasury Notes, and the projected year-end balance.

b) Status Report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for March 2023. (Finance Manager Hoffmeyer/Finance Committee)

Finance Manager Hoffmeyer reviewed in detail the balance sheet, profit and loss statement, quarterly comparison report, departmental budgets versus actual, and individual departmental budgets for the period ending March 2023 and stated that operating revenue is on track with the historical trend average of 20.6%, that expenses are slightly below the historical trend average at 20%, and that most departments are operating at or below the traditional budgetary percentage of 25% with the exception of a few departments due to early year expenses.

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

Finance Manager Hoffmeyer 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 projects paid out through the 2021A Series Water Revenue Bonds through March 2023 and stated that all funds through this Bond are on track to be exhausted by the July 31, 2024 deadline.

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

1) Accounts Receivable Overview.

Finance Manager Hoffmeyer stated that as of March 2023, there are 3 non-classified accounts with a balance of \$50 or more and over sixty days past due with a total past due amount of \$14,045; 12 commercial/industrial accounts with a balance of \$50 or more and over sixty days past due with a total past due amount of \$8,246.66 and \$643 over ninety days past due; that there are 2 multi-family residential accounts with a balance of \$50 or more and over sixty days past due with a total past due amount of \$2,357 and \$337 over ninety days past due; that there are 973 single-family residential accounts with a balance of \$50 or more and over sixty days past due with a total past due amount of \$276,308 and \$31,382 over ninety days past due; and that staff continues to offer payment arrangements encouraging the payment of outstanding balances with 20 arrangements made as of March 31.

2) Revenue Projections.

He then stated that based on selling 14,500 AF of water, revenue is behind projections by approximately \$584,672 as of March 2023.

3) Payment Transactions by Type.

He then stated that electronic payments continue to be the leading payment type and that the percentage of electronic payments is impressive.

4) Billing and Collection Statistics.

He then stated that there were 450 off and locks in March 2023 with the return of normal operating procedures.

8.2) Reports of Directors:

a) Standing Committees; Organization Appointments; Agency Liaisons:

**1) Antelope Valley East Kern Water Agency (AVEK) – April 11.
(Director Dino, Board Liaison/Director Mac Laren-Gomez, Alt.)**

Director Dino reported that on April 11, he attended an AVEK Board Meeting where they approved a purchase order for the replacement of two 18" effluent valves at their Eastside Treatment Plant.

2) Finance Committee Meeting – April 18. (President Wilson, Chair/Director Mac Laren-Gomez)

President Wilson stated that on April 18, he attended the Finance Committee Meeting, and that Finance Manager Hoffmeyer has already provided a thorough report this evening.

3) Special District Association North Los Angeles County (SDANLAC) Board Meeting – April 19. (Director Dino, CSDA Chapter Chair/Director Dizmang)

Director Dino reported that on April 19, he attended the SDANLAC Board Meeting and that a written report will be distributed.

b) General Meetings Reports of Directors.

Director Kellerman reported that on April 18, he attended the Coffee with President Wilson; that on April 18, he also attended an Ad Hoc Committee Meeting regarding the General Manager recruitment process; and that on April 20, he attended a Board Briefing.

President Wilson reported that on April 18, he attended the Coffee with President Wilson; that on April 18, he also attended the Finance Committee Meeting; that on April 12, he received the April 24 Board Meeting draft agenda via e-mail for review; and that on April 20, he attended a Board Briefing.

Director Dizmang reported that on April 18, she attended the Coffee with President Wilson; that on April 18, she also attended an Ad Hoc Committee Meeting regarding the General Manager recruitment process where they discussed a formal program to present to the full Board for consideration and that the next meeting is scheduled on April 27; that on April 19, she attended a CSDA SDANLAC Chapter Meeting where they continued discussions on membership dues and the formation of the committee and that the May luncheon will be held at the District with a guest speaker from the Local Agency Formation Commission (LAFCO); that on April 20, she attended a Board Briefing; and that on April 25, she will be attending an Outreach Committee Meeting.

Director Mac Laren-Gomez reported that on April 17, she attended a Watermaster Steering Committee Meeting; that on April 18, she attended the Finance Committee Meeting; and that on April 20, she attended a Board Briefing.

Director Dino reported that on April 10, he attended an AVEK Board Meeting; that on April 18, he attended the Coffee with President Wilson; that on April 19, he attended the CSDA SDANLAC Chapter Meeting; that on April 20, he attended a Board Briefing; and that on April 24, he is attending the Palmdale Water District Regular Board Meeting.

8.3) Report of General Manager.

a) April 2023 Written Report of Activities through March 2023.

General Manager LaMoreaux stated that the written General Manager Report included in the agenda packet does not include the recent State Water Project allocation increase from 75% to 100%; that staff is determining the best use of water; that the District received approval of a \$5 million dollar grant application from the Bureau of Reclamation for the Palmdale Ditch conversion; and that guest Directors from Antelope Valley-East Kern Water Agency joined the Water Ambassadors Academy for a tour of Littlerock Reservoir followed by a brief discussion of the current spill level at Littlerock Reservoir and of the impact the Palmdale Ditch grant may have on the proposed Barrel Springs Farms project.

b) Department Activity Updates:

1) Finance Department. (Finance Manager Hoffmeyer)

Finance Manager Hoffmeyer provided a detailed update of the Finance Department's current and projected activities, including the 2022 audit reports, the completion of government compensation reports required by the State Controller's Office, the typical annual public records request from Transparent California, various state reports regarding water consumption class and treatment, ACWA/JPIA claims management, contract reviews, and the daily operations of meter readings and invoicing.

8.4) Report of General Counsel.

Assistant General Counsel Vargas provided a brief update on SB753 regarding increased penalties on illegal groundwater diversion for cannabis activity.

9) Board Members' Requests for Future Agenda Items.

President Wilson inquired about Tesla batteries followed by a brief discussion of the District's current use of Tesla batteries as back-up power source for outages.

There were no requests for future agenda items.

10) Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 7:22 p.m.


Secretary