

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, SEPTEMBER 11, 2023:

A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, September 11, 2023, at 2029 East Avenue Q, Palmdale, CA 93550 in the Board Room of the District Office and at 37640 Grant Court, Palmdale, CA 93552. 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 Kellerman 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
-- Absent

Others Present:

Dennis LaMoreaux, General Manager
Adam Ly, Assistant General Manager
Pam Lee, General Counsel
Dennis Hoffmeyer, Finance Manager
Judy Shay, Public Affairs Director
Scott Rogers, Engineering Manager
Wendell Wall, Facilities Manager
Tara Rosati, Customer Care Supervisor
Danielle Henry, Executive Assistant
4 members of the public

3) Adoption of Agenda.

It was moved by Director Mac Laren-Gomez, 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

4) Public Comments for Non-Agenda Items.

There were no public comments.

5) Presentations:

5.1) Bi-Monthly Legislative Updates by Elected Officials. (Public Affairs Director Shay/Mr. Jack Danielson, Representative for Senator Wilk, Ms. Pamela Balch, Representative for Assemblymember Lackey, Mr. Kimble Goodman, Representative for Assemblymember Carrillo)

Public Affairs Director Shay introduced Ms. Jowail Mobaraka, Intern for Senator Wilk, after which Ms. Mobaraka provided legislative updates on SB868, SB247, SB446, SB698, SB389 and AB1627, including legislation related to the State Water Resources Control Board and the California Safe Drinking Water Act, and stated that internship applications are being accepted for the fall season.

Mr. Thomas Moreno then introduced himself as Senator Wilk's new Field Representative.

Public Affairs Director Shay then introduced Ms. Pamela Balch, Representative for Assemblymember Lackey, after which Ms. Balch provided legislative updates on AB676, SB337, SB753, AB1616, and future proposed legislation related to illegal cannabis grows and then invited the District to contact Assemblymember Lackey's office for any assistance or support that may be needed.

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 August 14, 2023.

6.2) Ratification of Payment of Bills for August 28, 2023.

6.3) Payment of Bills for September 11, 2023.

6.4) Approval to Reject Claim Received from George Gallagher. (No Budget Impact – Assistant General Manager Ly)

6.5) Approval to Add Orthodontics Coverage to the PPO Dental Plan Option for 2024. (No Budget Impact - Human Resources Director Garcia/Personnel Committee)

6.6) Approval to Change the District's 2024 Medical Benefit Contribution Amount. (\$461,072.94 – Not-to-Exceed – Human Resources Director Garcia/Personnel Committee)

6.7) Consideration and Possible Action on California Quitclaim Deed for APN No. 3021-022-026, NOVA Storage Palmdale, L.P. (No Budget Impact – Engineering Manager Rogers)

President Wilson announced the items included in the Consent Calendar after which it was moved by Director Mac Laren-Gomez, 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 approve those items included in the Consent Calendar:

President Wilson – aye
Director Kellerman – aye
Director Mac Laren-Gomez – aye
Director Dino – 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 Resolution No. 23-10 being a Resolution of the Board of Directors of the Palmdale Water District Declaring that Certain Real Property Owned by the Agency (APNs: 3022-002-916 and 3022-004-908) is Exempt Surplus Land Necessary for the Agency's Use Pursuant to Government Code Sections 54221(f)(1)(K) and 54221(c)(2)(B)(i) and Finding that Such Declaration is Exempt from Environmental Review Under the California Environmental Quality Act. (No Budget Impact – Assistant General Manager Ly)

Assistant General Manager Ly provided an overview of Resolution No. 23-10 and the proposed land lease for a community solar project after which it was moved by Director Mac Laren-Gomez, 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 approve Resolution No. 23-10 being a Resolution of the Board of Directors of the Palmdale Water District Declaring that Certain Real Property Owned by the Agency (APNs: 3022-002-916 and 3022-004-908) is Exempt Surplus Land Necessary for the Agency's Use Pursuant to Government Code Sections 54221(f)(1)(K) and 54221(c)(2)(B)(i) and Finding that Such Declaration is Exempt from Environmental Review Under the California Environmental Quality Act:

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

Resolution No. 23-10 is hereby made a portion of the minutes of this meeting.

7.2) Consideration and Possible Action on Approval of Third Amendment to County Sanitation District Contract No. 5001 with Palmdale Water District and Authorizing General Manager LaMoreaux to Finalize and Execute Said Amendment. (No Budget Impact – Engineering Manager Rogers)

Engineering Manager Rogers provided a detailed overview of the proposed contract amendment for the purchase and sale of recycled water after which it was moved by Director Mac Laren-Gomez, 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 approve the Third Amendment to County Sanitation District Contract No. 5001 with Palmdale Water District and Authorize General Manager LaMoreaux to Finalize and Execute Said Amendment:

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

7.3) Consideration and Possible Action on Authorizing Staff to Negotiate and Enter Into a Professional Services Agreement for the Design, Permitting, and Construction of the Palmdale Ditch Conversion with Hazen and Sawyer, P.C. (\$2,800,000.00 – Not-to-Exceed – Budgeted – Work Order No. 21-613 – Engineering Manager Rogers)

Engineering Manager Rogers provided an overview of the proposed Agreement and the grant funding received for this Project after which it was moved by Director Mac Laren-Gomez, 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 authorize staff to negotiate and enter into a Professional Services Agreement for the Design, Permitting, and Construction of the Palmdale Ditch Conversion with Hazen and Sawyer, P.C. in the not-to-exceed amount of \$2,800,000.00:

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

7.4) Adjourn to Palmdale Water District Annual Meeting of the Public Facilities Corporation. (General Manager LaMoreaux)

At 6:25 p.m., President Wilson adjourned the Regular Meeting to the Palmdale Water District Public Facilities Corporation Meeting. He reconvened the Regular Meeting at 6:30 p.m.

7.5) 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) AWWA 2023 Annual Fall Conference to be held on October 23-26, 2023 in Las Vegas, NV.

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: AWWA 2023 Annual Fall Conference to be held on October 23-26, 2023 in Las Vegas, NV:

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

7.6) Consideration and Possible Action on Resolution No. 23-11 being a Resolution of the Board of Directors of the Palmdale Water District Authorizing the District's Application, Acceptance and Execution of an Agreement for Funding from State of California Strategic Growth Council's Community Resilience Centers Grant Program. (Up to \$10,000,000 Potential Revenue – Engineering Manager Rogers)

Engineering Manager Rogers provided an overview of Resolution No. 23-11 and the grant application process after which 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 Resolution No. 23-11 being a Resolution of the Board of Directors of the Palmdale Water District Authorizing the District's Application, Acceptance and Execution of an Agreement for Funding from State of California Strategic Growth Council's Community Resilience Centers Grant Program:

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

Resolution No. 23-11 is hereby made a portion of the minutes of this meeting.

8) Information Items:

8.1) Reports of Directors:

a) Standing Committees; Organization Appointments; Agency Liaisons:

1) Palmdale Recycled Water Authority (PRWA) Meeting – August 21. (President Wilson/Director Dino/Director Mac Laren-Gomez, Alt.)

President Wilson reported that on August 21, he attended the PRWA Meeting and that a written report will be distributed.

2) Antelope Valley East Kern Water Agency (AVEK) – August 22. (Director Dino, Board Liaison/Director Mac Laren-Gomez, Alt.)

Director Dino reported that on August 22, he attended an AVEK Board Meeting and that a written report will be distributed.

3) Personnel Committee Meeting – August 22. (Director Mac Laren-Gomez, Chair/Director Kellerman)

Director Mac Laren-Gomez reported that on August 22, she attended the Personnel Committee Meeting where they approved the recommendations considered this evening to add orthodontics coverage to the District's PPO Dental Plan and to increase the medical benefits contribution amount for 2024.

4) Finance Committee Meeting – August 23. (President Wilson, Chair/Director Mac Laren-Gomez)

President Wilson reported that on August 23, he attended the Finance Committee Meeting and then provided a brief overview of the District's finances and debt service coverage.

b) General Meetings Reports of Directors.

Director Kellerman reported that on August 22, he attended the Personnel Committee Meeting and that on September 7, he attended a Board Briefing.

President Wilson reported that on August 10, he attended the AVSWCA Meeting; that on August 21, he attended a PRWA Meeting; that on August 24, he attended an Agenda Review Briefing; that on August 28-31, he attended the 2023 Annual California Special Districts Association Conference in Monterey where there were excellent presentations and that a written report has been distributed; and that on September 7, he attended a Board Briefing.

Director Mac Laren-Gomez reported that on August 21, she attended a Public Water Suppliers Meeting; that on August 21, she also attended a PRWA Meeting; that on August 23, she attended the Watermaster Meeting; that on August 23, she also attended a Finance Committee Meeting; that on September 7, she attended a Board Briefing; and that on September 11, she met with Exhibit 4 Parties of the Antelope Valley Adjudication and that it was a positive meeting.

Director Dino reported that on August 3, he attended the Let's Talk H2O Event and tour of the Leslie O. Carter Water Treatment Plant's lab; that on August 8, he attended an AVEK Board Meeting; that on August 9, he attended the CSDA Chapter Meeting; that on August 10, he attended a Board Briefing; that on August 14, he attended the Palmdale Water District Regular Board Meeting; that on August 15, he attended a Special AVEK Board Meeting; that on August 28-31, he attended the 2023 Annual California Special Districts Association Conference in Monterey; and that on September 7, he attended a Board Briefing.

8.2) Report of General Manager.

General Manager LaMoreaux provided a brief update on the water levels and spillage at Littlerock Reservoir (Dam) and staff's continued efforts to contact the Forest Service regarding access to the Dam and the need for improved security measures.

a) Department Activity Updates:

1) Customer Care Department. (Customer Care Supervisor Rosati)

Customer Care Supervisor Rosati provided a detailed update of the Customer Care Department's current activities, including Customer Care statistics, pledges received from the Maravilla Foundation assisting customers with payments, and the success of the Customer Appreciation Event held on July 18, 2023 followed by a brief discussion of the District's historical average of shut-offs for non-payment.

2) Facilities Department. (Facilities Manager Wall)

Facilities Manager Wall provided a detailed update of the Facilities Department's current and completed activities, including facility and fleet maintenance, repairs, replacements, installations and upgrades, mainline flushing, valve exercising, meter exchanges, progress of the Well 15 rehabilitation, electrical upgrades, furniture replacement, and staffing and then commended staff for their excellent work rebuilding the access road and coordinating the installation of temporary power and pumps at Littlerock Dam followed by a brief discussion of the cistern located at the Dam.

8.3) Report of General Counsel.

General Counsel Lee provided a brief legislative update on SB756 regarding State Water Resources Control Board water inspection warrants for unlicensed cannabis cultivation sites.

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

There was no closed session held.

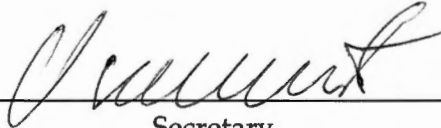
10) Board Members' Requests for Future Agenda Items.

Director Dino requested that a closed session item be added to the next Regular Board Meeting agenda.

There were no further requests for future agenda items.

11) Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 7:09 p.m.


Secretary

RESOLUTION NO. 23-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT DECLARING THAT CERTAIN REAL PROPERTY OWNED BY THE AGENCY (APNS: 3022-002-916 AND 3022-004-908) IS EXEMPT SURPLUS LAND NECESSARY FOR THE AGENCY'S USE PURSUANT TO GOVERNMENT CODE SECTIONS 54221(f)(1)(K) AND 54221(c)(2)(B)(i) AND FINDING THAT SUCH DECLARATION IS EXEMPT FROM ENVIRONMENTAL REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, Palmdale Water District (“Agency”) is the owner in fee simple of certain real property identified by APN: 3022-002-916 located in the City of Palmdale, County of Los Angeles (“Property A”) and certain real property identified by APN: 3022-004-908 located in the County of Los Angeles (“Property B”) (collectively the "Property"); and

WHEREAS, the Surplus Land Act (“Act”) (Gov. Code, §§ 54220 *et seq.*) and California Department of Housing and Community Development (“HCD”) Surplus Land Act Guidelines (“Guidelines”) require that local agencies declare property as either “surplus land” or “exempt surplus land,” as supported by written findings, prior to sale or lease of the property owned by the local agency; and

WHEREAS, under the Act, exempt surplus land means land that is described under any subdivision of section 54221(f)(1) of the Act; and

WHEREAS, under section 54221(f)(1)(K) of the Act, real property that is used by a district for the “agency's use” as expressly authorized in subdivision (c) of section 54221 is exempt surplus land; and

WHEREAS, section 54221(c)(2)(B)(i) of the Act provides that in the case of a local agency that is a district (excepting those whose primary mission or purpose is to supply the public with a transportation system, which is not the case for the Agency) "agency's use" may include "commercial or industrial uses or activities, including nongovernmental retail, entertainment, or office development" or may "be for the sole purpose of investment or generation of revenue" provided that the Agency’s governing body takes action in a public meeting declaring that the use of the site will "(directly further the express purpose of agency work or operations" or “be expressly authorized by a statute governing the local agency, provided the district complies with Section 54233.5 where applicable”; and

WHEREAS, pursuant to California Water Code Section 22506, when a board determines that any property of the Agency may be leased for a use or purpose that will not interfere with or be inconsistent with district uses or purposes, the Agency may, for a valuable consideration, lease the property for such use or purpose upon terms that appear to the board to be for the best interests of the district; and

WHEREAS, pursuant to California Water Code Section 22078, the Agency may control, distribute, store, spread, sink, treat, purify, recapture and salvage any water including but not limited to sewage waters for the beneficial use or uses of the district or its inhabitants or the owners

of rights to waters therein, and under California Water Code Section 22225 has the power generally to perform all acts necessary to carry out fully the provisions of Division 11 of the California Water Code; and

WHEREAS, Agency staff has determined that the Property A is zoned industrial by the City of Palmdale and Property B is zoned industrial by the County of Los Angeles and has further determined that use of the Property to generate revenue will directly further the express purpose of the Agency's work or operations, as described above, and constitutes "agency's use" within the meaning of section 54221(c)(2) of the Act. The Property may be leased or sold to generate revenue, which in turn will be used by Agency to enhance the Agency's distribution of water to its inhabitants; and

WHEREAS, Section 54222.3 of the Act provides that Agency may dispose of property declared exempt surplus land without further regard to the requirements of the Act; and

WHEREAS, the Board now desires to adopt declare the Property exempt surplus land and authorize the General Manager and General Counsel to take all actions necessary with the California Department of Housing and Community Development consistent with the terms hereof.

THEREFORE, THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and incorporated herein.

Section 2. Based upon the above-stated Recitals, and pursuant to Sections 54221(f)(1)(K) and 54221(c)(2)(B)(i) of the Act, the Board of Directors hereby declares that the Property described and identified in Exhibit "A" is exempt surplus land. The Board of Directors hereby finds as follows:

A. The Property is zoned for industrial use and is suitable to be sold or leased by the Agency for commercial use and activities, for the purpose of generation of revenue. The revenue from any sale or lease of the Property will be realized by the Agency which owns the Property in fee.

B. Revenue from any lease of the Property or the sale of all or portions of the Property should either occur, will further the express purpose of Agency's work or operations.

C. Lease of the Property would not interfere with or be inconsistent with Agency uses or purposes and would be for the best interests of the Agency.

D. Sale or lease revenue may be used directly to construct wells on the Property or on water system infrastructure located on another site or sites within Agency or may be used to advance programs implemented by the Agency to further its purpose of distribution of water to residents.

Section 3. This Resolution is exempt from review under the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*) ("CEQA") pursuant to 14 Cal. Code of Regulations, section 15061(b)(3), because it can be seen with certainty that there is no possibility

that only declaring the Property exempt surplus land may have a significant effect on the environment.

Section 4. The General Manager and District staff are hereby authorized and directed to take such further actions as may be necessary and appropriate to implement this Resolution, including sending a copy of this Resolution to the State of California Department of Housing and Community Development and taking such other and further action as may be necessary or appropriate to carry out the purposes of this Resolution.

Section 5. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Board of Directors of the Palmdale Water District this 11th day of September, 2023, by the following vote:

AYES: President Wilson, Directors Kellerman, Mac Laren-Gomez, Dino
NOES: None.
ABSENT: Director Dizmang
ABSTAIN: None.




President, Board of Directors

ATTEST:



Secretary, Board of Directors

APPROVED AS TO FORM:



Aleshire & Wynder, LLP, General Counsel

RESOLUTION NO. 23-11

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT AUTHORIZING THE DISTRICT'S APPLICATION, ACCEPTANCE AND EXECUTION OF AN AGREEMENT FOR FUNDING FROM STATE OF CALIFORNIA STRATEGIC GROWTH COUNCIL'S COMMUNITY RESILIENCE CENTERS GRANT PROGRAM

WHEREAS, Palmdale Water District is a municipal water district established pursuant to Section 71000 et seq. of the California Water Code.

WHEREAS, water supply in the Palmdale area is facing a growing list of challenges associated with regulatory cutbacks on State Water Project deliveries due to the declining storage levels, Bay-Delta instability, climate change, aging infrastructure; and

WHEREAS, in 2021 the Legislature and the Governor of the State of California provided funds for CRC in the Climate Reliance budget (2021-2022), and Assembly Bill (AB) 211 (2022); and

WHEREAS, the SGC is responsible for the administration of this grant program, including developing guidelines and selection criteria; and

WHEREAS, the SGC released the application guidance on June 29, 2023, with a due date of September 18, 2023; and

WHEREAS, procedures established by the SGC require a resolution certifying the approval of application(s) by the Applicant's governing board before submission to the State; and

WHEREAS, the Palmdale Water District is authorized to apply for and accept a Community Resilience Center (CRC) grant if awarded, and authority to execute all related documents.

NOW, THEREFORE, LET IT BE RESOLVED by the Board of Directors of the Palmdale Water District as follows:

SECTION 1. That pursuant and subject to all of the terms and provisions of the Budget Act of 2021-2022 and AB (211), the Palmdale Water District General Manager, or designee is hereby authorized and directed to prepare and file an application for funding with the Strategic Growth Council and take such other actions necessary or appropriate to obtain grant funding.

SECTION 2. The Palmdale Water District General Manager, or designee is hereby authorized and directed to execute the funding agreement with the Strategic Growth Council and any amendments thereto.

SECTION 3. The Palmdale Water District General Manager, or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

SECTION 4. This Resolution shall be effective as of the date of adoption.

CERTIFICATION

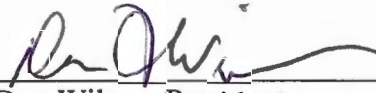
PASSED, APPROVED and ADOPTED by the Board of Directors of the Palmdale Water District this 11th day of September 2023, by the following vote:

AYES: President Wilson, Directors Kellerman, Mac Laren-Gomez, Dino

NOES: None

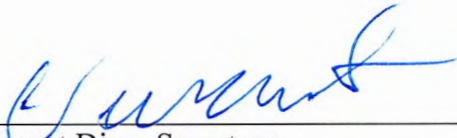
ABSENT: Director Dizmang

ABSTAIN: None




Don Wilson, President
Board of Directors
Palmdale Water District

ATTEST:



Vincent Dino, Secretary
Board of Directors
Palmdale Water District

Approved as to form:



Aleshire & Wynder, LLP
District Legal Counsel