

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, FEBRUARY 24, 2025:**

*A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, February 24, 2025, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District Office. President, Kathy Mac Laren-Gomez, called the meeting to order at 6:00 p.m.*

**1) Pledge of Allegiance/Moment of Silence.**

At the request of President Mac Laren-Gomez, Director Wilson led the Pledge of Allegiance followed by a moment of silence.

**2) Roll Call.**

**Attendance:**

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

**Others Present:**

Dennis LaMoreaux, General Manager  
Scott Rogers, Assistant General Manager  
Paul Early, General Counsel  
Dennis Hoffmeyer, Finance Manager  
Wendell Wall, Facilities Manager  
Danielle Henry, Executive Assistant  
1 member of the public

**3) Adoption of Agenda.**

It was moved by Director Kellerman, seconded by Director Wilson, and unanimously carried by all members of the Board of Directors present at the meeting to adopt the agenda, as written.

**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 Board Meeting held February 10, 2025.

6.2) Payment of Bills for February 24, 2025.

6.3) Approval of Absence of President Mac Laren-Gomez from February 10, 2025 Regular Board Meeting due to Illness. (General Counsel Early)

6.4) Approval to Reschedule Second Regular Board Meeting in May from May 26 to May 27, 2025 due to the Memorial Day Holiday. (General Manager LaMoreaux)

6.5) Approval of Resolution No. 25-1 being a Tax Sharing Resolution with Los Angeles County Sanitation District No. 14. (No Budget Impact – General Manager LaMoreaux)

President Mac Laren-Gomez announced the items included in the Consent Calendar after which it was moved by Director Dino, seconded by Director Sanchez, and unanimously carried by all members of the Board of Directors present at the meeting to approve those items included in the Consent Calendar.

Resolution No. 25-1 is hereby made a portion of the minutes of this meeting

**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 Approval of Contract with Collicutt Energy to Overhaul the Well No. 11A Engine. (\$196,000.00 – Not-to-Exceed – Budgeted – Facilities Manager Wall)

Facilities Manager Wall provided an overview on the status of the engine overhaul for Well No. 11A, including the performance failure of Emission Compliant Controls (ECC) to rebuild the engine, the notice of default letter sent to ECC on January 16, 2025, and the vendor proposals received to complete this work, after which it was moved by Director Wilson, seconded by Director Dino, and unanimously carried by all members of the Board of Directors present at the meeting to approve a contract with Collicutt Energy to overhaul the Well No. 11A engine in the not-to-exceed amount of \$196,000.00.

**7.2) 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 2025 Budget:**

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

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

**8) Information Items:**

**8.1) Finance Reports:**

**a) Status Report on Cash Flow Statement and Current Cash Balances as of December 2024. (Financial Advisor Egan/Finance Committee)**

Finance Manager Hoffmeyer provided an overview of the monthly Major Account Activity Report, the Quarterly Major Account Activity Report, the Investment Funds Report, and the Cash Flow Statement through December 2024, including account transfers, assessments received, capital improvement funds, interest and market values, scheduled payments, and anticipated grant reimbursements and assessments and stated that the year-end balance was ahead of projections by \$4,470,673 due to increased water sales followed by a brief discussion of investment types and interest earnings.

**b) Status Report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for December 2024. (Finance Manager Hoffmeyer/Finance Committee)**

Finance Manager Hoffmeyer reviewed in detail the Balance Sheet Report, the Balance Sheet Annual Quarterly Comparison Report, the Profit and Loss Statement, the Profit and Loss Quarterly Comparisons, the departmental budgets versus actual, the projected year-end interest earnings, and individual departmental reports for the period ending December 2024, including bond payments, water purchases, increased chemical costs, contracted services, water sales, and the personnel to operations ratio and stated that operating revenues are above the historical trend average at 104.6%; that expenses are below the historical trend average at 87.1%; that most departments are at or below the traditional budgetary percentage of 100%; and that staff is preparing for the annual audit and seeking accounting guidance from the auditors regarding the WIFIA Loan.

**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 2023A and 2024A Series Water Revenue Bonds in December 2024 and stated that all funds have been committed for the 2023A Water Revenue Bond; that staff anticipates partial reimbursement from Palmdale Recycled Water Authority for the Avenue Q Recycled Water Pipeline Project; that \$6,345,000.00 remains unallocated for the 2024A Water Revenue Bond; and that staff anticipates the first WIFIA Loan withdrawal in April for Pure Water AV followed by a brief discussion of Water Revenue Bond interest earnings.

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

**1) Rate Assistance Program Status.**

Finance Manager Hoffmeyer stated that the Rate Assistance Program is nearing full capacity of 700 customers with only 31 openings currently available.

**2) Accounts Receivable Overview.**

There was no verbal report on this item, statistics were included in the agenda packet.

**3) Revenue Projections.**

He then stated that based on selling 14,500 AF of water, 2024 revenue was ahead of projections by approximately \$360,600.00 as of December 31.

**4) Payment Transactions by Type.**

There was no verbal report on this item, a printed report was included in the agenda packet.

**5) Billing and Collection Statistics.**

There was no verbal report on this item, a printed report was included in the agenda packet.

**8.2) Reports of Directors:**

**a) Standing Committees; Organization Appointments; Agency Liaisons:**

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

Director Dino stated that on February 11, he attended the AVEK Meeting and that a written report will be distributed.

President Mac Laren-Gomez then stated that this meeting was well attended and that the Delta Conveyance Project was discussed.

**2) Resource and Facilities Committee Meeting – February 13. (Director Dino, Chair/Director Sanchez/Director Kellerman, Alt.)**

Director Dino stated that he did not attend the February 13 Resource and Facilities Committee Meeting after which Director Sanchez reported that she attended this Meeting and that a written report will be distributed.

**3) Antelope Valley State Water Contractors Association (AVSWCA) Meeting – February 13. (President Mac Laren-Gomez, Chair/Director Wilson/Director Kellerman, Alt.)**

Director Wilson reported that on February 13, he attended the AVSWCA Meeting and that a written report will be distributed.

**4) Palmdale Fin & Feather Club Meeting – February 15. (Director Wilson/Director Kellerman, Alt.)**

Director Wilson reported that on February 15, he attended the Palmdale Fin & Feather Club Meeting and that a written report will be distributed.

**5) Finance Committee Meeting – February 18. (Director Wilson, Chair/Director Kellerman/Director Sanchez, Alt.)**

Director Wilson reported that on February 18, he attended the Finance Committee Meeting and that he has nothing more to report beyond the information provided this evening.

**b) General Meetings Reports of Directors.**

Director Kellerman reported that on February 13, he donated blood during the District's Blood Drive and attended the Resource and Facilities Committee Meeting; that on February 13, he also attended the AVSWCA Meeting; that on February 18, he attended the Finance Committee Meeting; and that on February 20, he attended a Board Briefing.

Director Wilson reported that on February 13, he attended the AVSWCA Meeting; that on February 18, he attended the Finance Committee Meeting; that on February 19, he attended the Special Districts Association of North Los Angeles County (SDANLAC) membership luncheon; that on February 20, he attended a Board Briefing; and that on February 24, he is attending the Palmdale Water District (PWD) Regular Board Meeting.

Director Sanchez reported that on February 13, she attended the Resource and Facilities Committee Meeting; that on February 18, she attended the Finance Committee Meeting; that on February 19, she attended the SDANLAC membership luncheon; and that on February 20, she attended a Board Briefing.

Director Mac Laren-Gomez reported that on January 29, she attended the AV Edge luncheon; that on January 30, she attended an Agenda Review Briefing; that on February 6, she attended a Board Briefing; that on February 11, she attended the AVEK Meeting; that on February 13, she attended an Agenda Review Briefing; that on February 13, she also attended the AVSWCA Meeting; that on February 19, she attended the SDANLAC membership luncheon; that on February 20, she attended a Board Briefing; and that on February 24, she attended a Public Water Suppliers Meeting.

Director Dino reported that on February 5, he attended a SDANLAC Board Meeting; that on February 6, he attended a Board Briefing; that on February 10, he attended the PWD Regular Board Meeting; that on February 11, he attended the AVEK

Meeting; that on February 19, he attended the SDANLAC membership luncheon; that on February 20, he attended a Board Briefing; that on February 21, he attended a CSDA on-demand webinar regarding ADA Transparency; that on February 23, he attended a CSDA on-demand webinar regarding the California Voting Rights Act; that on February 24, he is attending the PWD Regular Board Meeting; and that on February 25, he will be attending the AVEK Meeting.

**8.3) Report of General Manager.**

**a) February 2025 Written Report of Activities through January 2025.**

General Manager LaMoreaux stated that a written report focused on water resources was provided this evening and highlighted the Oroville Reservoir conditions, the Northern Sierra precipitation, the drought status comparison, the status of the Delta Conveyance Project and the anticipated update on the State Water Project Table A allocation followed by a brief discussion of water reliability from the Delta.

**8.4) Report of General Counsel.**

General Counsel Early provided a brief update on AB 362 regarding proposed changes related to consultation with all California tribal communities related to water quality control followed by a brief discussion of President Trump's request to release additional water from the Delta and the late allocation to the farmers.

**9) Public Comments on Closed Session Agenda Matters.**

There were no public comments on closed session agenda matters.

**10) Closed Session:**

**a) Conference With Legal Counsel - Existing Litigation pursuant to California Government Code Section 54956.9(d)(1) State Water Contractors v California Department of Fish and Wildlife, Case No. 20CECG01302.**

**b) Conference With Legal Counsel – Anticipated Litigation pursuant to California Government Code Section 54956.9(d)(4) in 1 Case.**

**c) Conference with Assistant General Manager – Discussion of Matters Posing a Threat to the Security of Public Buildings, a Threat to the Security of**

**Essential Public Services, or a Threat to the Public's Right of Access to Public Services or Public Facilities pursuant to California Government Code Section 54957(a).**

At 7:20 p.m., President Mac Laren-Gomez called for a closed session for Conference with Legal Counsel for Existing Litigation pursuant to California Government Code Section 54956.9(d)(1) State Water Contractors v California Department of Fish and Wildlife, Case No. 20CECG01302; Conference With Legal Counsel – Anticipated Litigation pursuant to California Government Code Section 54956.9(d)(4) in 1 Case; and Conference with Assistant General Manager – Discussion of Matters Posing a Threat to the Security of Public Buildings, a Threat to the Security of Essential Public Services, or a Threat to the Public's Right of Access to Public Services or Public Facilities pursuant to California Government Code Section 54957(a). She reconvened the Regular Meeting at 7:54 p.m.

**11) Public Report of Any Action Taken in Closed Session.**

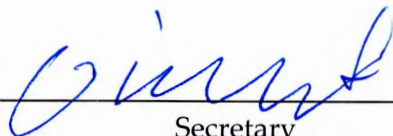
General Counsel Early reported that a closed session was held for Conference with Legal Counsel for Existing Litigation pursuant to California Government Code Section 54956.9(d)(1) State Water Contractors v California Department of Fish and Wildlife, Case No. 20CECG01302; Conference With Legal Counsel – Anticipated Litigation pursuant to California Government Code Section 54956.9(d)(4) in 1 Case; and Conference with Assistant General Manager – Discussion of Matters Posing a Threat to the Security of Public Buildings, a Threat to the Security of Essential Public Services, or a Threat to the Public's Right of Access to Public Services or Public Facilities pursuant to California Government Code Section 54957(a) and that no reportable action was taken in closed session.

**12) Board Members' Requests for Future Agenda Items.**

There were no requests for future agenda items.

**13) Adjournment.**

There being no further business to come before the Board, the meeting was adjourned at 7:54 p.m.

  
Secretary