

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, JULY 28, 2025:

A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, July 28, 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 6:15 p.m.

1) Pledge of Allegiance/Moment of Silence in Honor and Memory of Director Vincent Dino.

At the request of President Mac Laren-Gomez, Director Kellerman led the Pledge of Allegiance followed by a moment of silence in honor and memory of Director Vincent Dino.

Members of the PWD Board, Assemblyman Lackey, AVEK Directors Mr. Gary Van Dam and Mr. Ray Tremblay, and Mr. Chuck Bostwick on behalf of Supervisor Barger expressed their heartfelt condolences to the Dino family and shared their gratitude for Mr. Dino's many years of friendship, cherished memories, and dedicated public service. Following these tributes, Mrs. Deborah Dino shared reflections on her husband's passion for serving on the PWD Board and his deep appreciation and support for staff.

President Mac Laren-Gomez called for a recess at 6:25 p.m. She reconvened the Regular Meeting at 6:40 p.m.

2) Roll Call.

Attendance:

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

Others Present:

Dennis LaMoreaux, General Manager
Scott Rogers, Assistant General Manager
Paul Early, General Counsel
Dennis Hoffmeyer, Finance Manager
Viri Iguaran, Finance Manager
Shadi Bader, Engineering Manager
Judy Shay, Public Affairs Director
Claudia Bolanos, Resource and Analytics Director
Tara Rosati, Customer Care Supervisor
Danielle Henry, Executive Assistant
Kelly Jeters, Engineering Analyst
Patricia Guerrero, Management Analyst
Michelle Trejo, Public Affairs Specialist

Bob Wallace, Senior Field Customer Care Rep.
Angel Abarca, Help Desk Assistant
Ramon Rodriguez, Customer Care Representative
Beatriz Caballero, Temp. Customer Care Rep.
17 members of the public

3) Adoption of Agenda.

It was moved by Director Kellerman, seconded by Director Sanchez, 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) Certificates of Achievement. (Public Affairs Director Shay/Representatives for Antelope Valley Legislators)

Public Affairs Director Shay introduced Assemblymember Lackey; Mr. Jack Danielson, Representative for Senator Valladarez; Ms. Jasmin Hernandez, Representative for Congressman Whitesides; Ms. Isla Garcia, Representative for Assemblymember Carrillo; and Mr. Chuck Bostwick, Representative for Supervisor Barger, each of whom congratulated Finance Manager Hoffmeyer on his upcoming retirement and presented him with distinguished certificates of recognition honoring his 36 years of dedicated service to the Palmdale Water District.

President Mac Laren-Gomez then expressed her appreciation for our local legislators and their collaboration efforts with the District.

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 July 14, 2025.

6.2) Payment of Bills for July 28, 2025.

6.3) Approval of Ernst & Young Statement of Work for 2025-2026 State Water Project Procedures Related to the 2026 Statement of Charges. (\$11,144.00 – Not-to-Exceed – Budgeted – General Manager LaMoreaux)

6.4) Approval of Updated District Standard Specifications, Drawings, and List of Approved Materials for Water Distribution Construction. (No Budget Impact – Engineering Manager Bader)

President Mac Laren-Gomez announced the items included in the Consent Calendar after which it was moved by Director Wilson, seconded by Director Kellerman, 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) Consideration and Possible Action to Cast Ballot for Association of California Water Agencies (ACWA) President, Vice President, and Region Board Members Election for the 2026-2027 Term. (No Budget Impact – General Manager LaMoreaux)

General Manager LaMoreaux provided an overview of the options for casting the District's vote in this election, and after a brief discussion of the candidates, 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 abstain from voting for the President candidate and concur with ACWA's recommendations for the Vice President candidate and slate of Region Board Members for the 2026-2027 Term.

7.2) Consideration and Possible Action on Authorizing the General Manager to Enter Into a Professional Services Agreement with Kennedy-Jenks Consultants to Prepare the District's 2025 Urban Water Management Plan and Water Shortage Contingency Plan Update. (\$78,440.00 – Not-to-Exceed – Budgeted – Budget Item No. 1-02-5070-007 – Resource and Analytics Director Bolanos)

Resource and Analytics Director Bolanos provided an overview of the California Water Code requirement for urban water suppliers to prepare and adopt an Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) every five years, the proposals received, and staff's recommendation for Kennedy-Jenks to

prepare the update based on their knowledge and experience with completing the District's 2015 and 2020 UWMPs, after which it was moved by Director Sanchez, seconded by Director Kellerman, and unanimously carried by all members of the Board of Directors present at the meeting to authorize the General Manager to enter into a Professional Services Agreement with Kennedy-Jenks Consultants to Prepare the District's 2025 Urban Water Management Plan and Water Shortage Contingency Plan Update in the not-to-exceed amount of \$78,440.00.

7.3) Consideration and Possible Action on Resolution No. 25-5 Approving the Funding Application for the Land and Water Conservation Fund for Littlerock Reservoir Recreation Area Upgrades. (No Budget Impact – Assistant General Manager Rogers)

Assistant General Manager Rogers provided an overview of this grant funding opportunity for the Littlerock Reservoir Recreation area, and after a brief discussion of environmental requirements, 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 approve Resolution No. 25-5 Approving the Funding Application for the Land and Water Conservation Fund for Littlerock Reservoir Recreation Area Upgrades.

Resolution No. 25-5 is hereby made a portion of the minutes of this meeting.

7.4) 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 June 2025. (Financial Advisor Egan/Finance Committee)**

Finance Manager Hoffmeyer introduced Mrs. Viridiana Iguaran, the District's new Finance Manager/CFO after which the Board welcomed Mrs. Iguaran to the District.

Finance Manager Iguaran thanked the Board and staff for their warm welcome and provided a brief overview of her professional background and expressed her enthusiasm to be part of the PWD team.

Finance Manager Hoffmeyer then provided an overview of the Quarterly Major Account Activity Report, the Investment Funds Report, and the Cash Flow Statement through June 2025, including account transfers, assessments received, capital improvement funds, interest and market values, Redevelopment Agency (RDA) passthrough funds received, scheduled payments, and the projected year-end balance followed by a brief discussion of interest yields on various investment types and grant reimbursements.

b) Status Report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for June 2025. (Finance Manager Hoffmeyer/Finance Committee)

He then reviewed in detail the new Balance Sheet, Balance Sheet Variance, Income Statement, Income Statement Variance, and Departmental Reports for the period ending June 2025, including account transfers, investments and interest earnings, scheduled payments, capital improvement fees and assets, Table A Water sales, increased water sales and meter fees, water revenue bond interest earnings, and GASB 101 adjustments related to sick leave benefits and then stated that operating revenues are above the historical trend average at 53.4%; that expenses are below the historical trend average at 42% reflecting strong fiscal management by staff; and that two departments are above the traditional budgetary percentage of 50% due to the front-loading of employee Health Savings Accounts (HSA) and payment of annual contracts.

Director Wilson then commended Finance Manager Hoffmeyer on his management of the District's investments.

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

Finance Manager Hoffmeyer provided an overview of active District projects and contractor payments through the general construction fund and the 2023A and 2024A

Series Water Revenue Bonds in June 2025 followed by a brief discussion of anticipated grant reimbursements, unallocated Water Revenue Bond funds, and the anticipated tax obligation on the restricted interest earned.

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

1) Accounts Receivable Overview.

He then provided a brief update on outstanding balances for accounts 60 days delinquent and stated that as of June 30, there are eight payment arrangements totaling \$3,179.40 with \$834.11 collected to date with leak adjustments, financial hardships, and reinstatement of prior arrangements as the contributing factors.

2) Revenue Projections.

He then stated that based on selling 15,000 AF of water, 2025 revenue is ahead of projections by approximately \$2.2 million as of June 30.

8.2) Reports of Directors:

a) Standing Committees; Organization Appointments; Agency Liaisons:

1) Palmdale Fin & Feather Club Meeting – July 19. (Director Wilson/Director Kellerman, Alt.)

Director Kellerman reported that on July 19, he attended the Palmdale Fin and Feather Club Meeting where they discussed Club memberships and highlighted low District participation, the total number of trout caught, the tractor that was donated by a Club member and used for yard cleanup and weed clearance, and their annual BBQ to be held on August 24 which District staff is invited to attend.

2) Finance Committee Meeting – July 22. (Director Wilson, Chair/Director Kellerman/Director Sanchez, Alt.)

Director Wilson reported that on July 22, he attended the Finance Committee Meeting and that a written report will be distributed.

b) General Meetings Reports of Directors.

Director Kellerman reported that on July 10, he attended a Board Briefing; that on July 19, he attended a Palmdale Fin and Feather Club Meeting; that on July 22, he attended the Finance Committee Meeting; that on July 24, he attended a Board Briefing; that on July 28, he attended a Littlerock Reservoir Ad Hoc Committee Meeting; and that on July 28, he is also attending the Palmdale Water District (PWD) Regular Board Meeting.

Director Wilson reported that on July 22, he attended the PWD Customer Appreciation Event; that on July 22, he also attended the Finance Committee Meeting; that on July 24, he attended a Board Briefing; and that on July 31, he will be attending the Coffee with Director Kellerman Event.

Director Sanchez reported that on July 22, she attended the PWD Customer Appreciation Event; that on July 22, she also attended the Finance Committee Meeting; that on July 24, she attended a Board Briefing; that on July 28, she is attending the PWD Regular Board Meeting; and that on July 31, she will be attending the Coffee with Director Kellerman Event.

Director Mac Laren-Gomez reported that on July 16, she attended an Agenda Review Briefing; that on July 22, she attended the PWD Customer Appreciation Event and really enjoyed the outdoor showcase; that on July 24, she attended a Board Briefing; that on July 25, she attended the Watermaster Meeting; and that on July 28, she attended a Littlerock Reservoir Ad Hoc Committee Meeting.

She then stated that Director Dino will be greatly missed.

8.3) Report of General Manager.

a) Department Activity Updates:

1) Engineering Department. (Engineering Manager Bader)

Engineering Manager Bader provided a detailed update of the Engineering Department's current and projected activities including the structure and daily functions of the Department, the Capital Projects in construction, the planning and development support, the completion of the non-potable fill station, the backflow

prevention updates and Cross-Connection Control Policy submitted to the State in March, and Inspection and Administrative staff updates.

8.4) Report of General Counsel.

General Counsel Early stated that the status of the assembly bills previously reported on remain the same and then provided a brief overview on AB 1146, as amended, regarding provisions to prohibit the release of stored water from a reservoir owned and operated by the United States if the release is done under false pretenses.

9) Public Comments on Closed Session Agenda Matters.

There were no public comments on closed session agenda matters.

10) Closed Session:

10.1) Government Code § 54956.8:

- a) Conference With Real Property Negotiators – Property Negotiations:**
Negotiating Parties: *PWD General Manager and Calandri Farms, Inc.*
Property: *Water Rights*
Under Negotiations: *Price and Terms*

At 7:56 p.m., President Mac Laren-Gomez called for a closed session pursuant to Government Code § 54956.8 to conduct a Conference With Real Property Negotiators: Negotiating Parties: PWD General Manager and Calandri Farms, Inc.; Property: Water Rights; Under Negotiations: Price and Terms. She reconvened the Regular Meeting at 8:30 p.m.

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

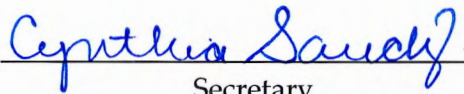
General Counsel Early reported that a closed session was held pursuant to Government Code § 54956.8 to conduct a Conference With Real Property Negotiators and that no reportable action was taken in closed session.

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 8:31 p.m.


Secretary