

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, MAY 26, 2026:

A regular meeting of the Board of Directors of the Palmdale Water District was held Tuesday, May 26, 2026, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District Office and at 1117 South Marquette Avenue, Minneapolis, MN 55403. 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 Kellerman 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
Cynthia Sanchez, Secretary
Debbie Dino, Assistant Secretary

Others Present:

Dennis LaMoreaux, General Manager
Scott Rogers, Assistant General Manager
Paul Early, General Counsel
Viridiana Iguaran, Finance Manager
Wendell Wall, Facilities Manager
Angelica Garcia, Human Resources Director
Judy Shay, Public Affairs Director
Danielle Henry, Executive Assistant
Angel Abarca, Help Desk Assistant
0 members of the public

3) Adoption of Agenda.

It was moved by Director Kellerman, seconded by Director Wilson, and unanimously carried to adopt the agenda as presented on the following roll-call vote:

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

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 May 11, 2026.

6.2) Payment of Bills for May 26, 2026.

President Mac Laren-Gomez announced the items included in the Consent Calendar after which it was moved by Director Kellerman, seconded by Director Wilson, and unanimously carried to approve the Consent Calendar on the following roll-call vote:

President Mac Laren-Gomez – aye
Director Kellerman – aye
Director Wilson – aye
Director Sanchez – 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 to Approve and Authorize the General Manager, or His Designee, to Execute a Second Amendment to the Contract with Weber Water Resources for the Rehabilitation of Wells 2A and 3A, Subject to Approval by General Counsel, and to Authorize Related Budget Adjustments. (\$166,000.00 – Not-to-Exceed – Non-Budgeted – Capital Project No. 26-600 – Facilities Manager Wall)

Facilities Manager Wall provided an overview of the proposed Second Amendment to the contract with Weber Water Resources for the equipping of Well 2A to continue rehabilitation work, and following a brief discussion regarding patch completion and the future equipping of Well 3A, it was moved by Director Wilson, seconded by Director Kellerman, and unanimously carried to approve and authorize the General Manager, or his designee, to execute a Second Amendment to the contract with Weber Water Resources for the Rehabilitation of Wells 2A and 3A, subject to approval by General Counsel, and authorize related budget adjustments in an amount not-to-exceed \$166,000.00 on the following roll-call vote:

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

7.2) Consideration and Possible Action to Approve and Authorize the General Manager, or His Designee, to Execute a Contract with Western Pacific Roofing Corporation for

Roof Repair at the T-8 Booster Station, Subject to Approval by General Counsel. (\$26,000.00 – Not-to-Exceed – Budgeted – Facilities Manager Wall)

Facilities Manager Wall provided an overview of the proposed contract with Western Pacific Roofing to complete roof repairs at the T-8 Booster Station to address the deteriorating roof that is beyond the condition suitable for temporary patchwork, and following a brief discussion regarding the vendor quotes received, it was moved by Director Kellerman, seconded by Director Wilson, and unanimously carried to approve and authorize the General Manager, or his designee, to execute a contract with Western Pacific Roofing Corporation for the roof repair at the T-8 Booster Station, subject to approval by General Counsel, in an amount not-to-exceed \$26,000.00 on the following roll-call vote:

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

7.3) Consideration and Possible Action to Approve and Authorize the General Manager, or His Designee, to Execute a Professional Services Agreement with Operational Technical Services, LLC (OTS) for Recruitment Services, Subject to Approval by General Counsel, and to Authorize Related Budget Adjustments. (\$100,000.00 – Not-to-Exceed – Non-Budgeted – Human Resources Director Garcia)

Human Resources Garcia provided an overview of the proposed Professional Services Agreement with Operational Technical Services, LLC (OTS) for recruitment services to support temporary staff positions over a two-year term, after which it was moved by Director Dino, seconded by Director Sanchez, and unanimously carried to approve and authorize the General Manager, or his designee, to execute a Professional Services Agreement with Operational Technical Services, LLC (OTS) for recruitment services, subject to approval by General Counsel, and to authorize related budget adjustments in an amount not-to-exceed \$100,000.00:

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

7.4) Consideration and Possible Action to Approve and Authorize the General Manager, or His Designee, to Execute a Professional Services Agreement with waterTalent for Recruitment Services, Subject to Approval by General Counsel, and to Authorize Related Budget Adjustments. (\$100,000.00 – Not-to-Exceed – Non-Budgeted – Human Resources Director Garcia)

Human Resources Director Garcia provided an overview of the proposed Professional Services Agreement (PSA) with waterTalent for recruitment services to support temporary staff positions over a two-year term and noted that the unbudgeted costs associated with both PSAs for recruitment services presented this evening would be offset by salary savings from vacant staff position, and following a brief discussion regarding the recruiting process and payment schedule, it was moved by Director Kellerman, seconded by Director Wilson, and unanimously carried to approve and authorize the General Manager, or his designee, to execute a Professional Services Agreement with waterTalent for recruitment services, subject to approval by General Counsel, and to authorize related budget adjustments in an amount not-to-exceed \$100,000.00:

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

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 2026 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 Current Cash Balances and Investment Funds Report as of March 2026. (Financial Advisor Egan/Finance Committee)**

Financial Manager Iguaran provided an overview of the cash balances and Investment Funds Report through March and the first quarter of 2026, including account transfers, scheduled debt service payments, interest and market values, assessments received, grant reimbursements, WIFIA loan reimbursements, and capital improvement fees received.

b) **Status Report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for March and the First Quarter of 2026. (Finance Manager Iguaran/Finance Committee)**

She then presented a detailed review of the unaudited Balance Sheet Variance, Income Statement, Income Statement Variance, and Departmental Reports for the period ending March 31 and the first quarter of 2026, covering assets and liabilities, retained earnings, operating and non-operating revenues, non-cash expenses, personnel and operational costs,

scheduled payments, capital improvement fees, and grant funding received, noting a positive variance in assets driven by capital construction investments and stating that the District remains in a strong financial position with stable revenues, controlled expenses, and positive net income, while staff also highlighted year-over-year asset growth, continued capital investments, and departmental budget trends showing some departments tracking slightly above the historical March baseline, with the Information Technology Department being the highest due to computer software and software maintenance and services, though all departments remain within their authorized annual budgets.

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

She then provided an overview of the committed and uncommitted 2024A and 2023A Water Revenue Bond funds through March 31.

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

1) Revenue Projections.

Finance Manager Iguaran reported that year-to-date 2026 revenues are tracking closely with budgeted projections based on the sale of 15,000 acre-feet (AF) of water, with 921 AF billed in March 31.

2) Monthly Billing Statistics.

She then reported on the March billing activity, including the number of billings, late fee notices, shutoff notices, and shutoffs and locks, noting an increase in completed shutoffs and locks due to available staff resources.

3) Rate Assistance Program Status.

She reported that, as of March 31, 632 customers were enrolled in the Rate Assistance Program, each receiving a monthly credit of \$25.00, and that revenue from cell tower leases support up to 634 customers, followed by a brief discussion regarding priority for senior applicants.

4) Payment Arrangements.

She then reported that there are twelve active payment arrangements totaling \$18,170.51, of which \$4,621.15 is outstanding.

8.2) Reports of Directors:

a) Standing Committees; Organization Appointments; Agency Liaisons:

1) Antelope Valley East Kern Water Agency (AVEK) Meeting – May 12. (Director Dino, Board Liaison/President Mac Laren-Gomez, Alt.)

Director Dino reported on her attendance at the May 12 AVEK Board Meeting, where updates were provided on the status of Lake Oroville, San Luis Reservoir, and the northern region snowpack, and where the Board also discussed bids received for construction of the SNIP Phase 2 Pipeline and Pump Station Project.

2) Palmdale Fin & Feather Club Meeting – May 26. (Director Wilson/Director Kellerman, Alt.)

Directors Kellerman and Wilson stated that they did not attend the May 26 Palmdale Fin & Feather Club Meeting.

3) Outreach Committee Meeting – May 18. (Director Dino, Chair/Director Sanchez/Director Wilson, Alt.)

Director Dino reported on her attendance at the May 18 Outreach Committee Meeting, where they discussed strong engagement and attendance for the PWD 2026 Earth Day Poster Contest and received an update on the District's inaugural H2GO Run/Walk at Lake Palmdale, which has over 200 participants registered, and noted that she and President Mac Laren-Gomez shared information about this event with the Palmdale School District Board.

4) Finance Committee Meeting – May 19. (Director Wilson, Chair/Director Kellerman/Director Sanchez, Alt.)

Director Wilson reported attending the May 19 Finance Committee meeting and stated that a written report will be distributed.

b) General Meeting Reports of Directors.

Director Kellerman reported attending the Finance Committee Meeting on May 19, a Board Briefing on May 21, and the Palmdale Water District (PWD) Regular Board Meeting on May 26.

Director Wilson reported attending the Plant 42 Environmental Restoration Advisory Board (ERAB) Meeting on May 13, the Finance Committee Meeting on May 19, and a Board Briefing on May 21, and stated that he will attend the Coffee with the Director event for Director Dino on May 28.

Director Sanchez reported attending the Plant 42 ERAB Meeting on May 13, the Outreach Committee Meeting on May 18, a California Special Districts Association (CSDA) on-demand webinar titled "CalPERS Update" on May 20, a Board Briefing on May 21, and a CSDA on-demand webinar titled "Dealing with Evolving Boundaries and Boards" on May 23.

Director Mac Laren-Gomez reported attending the PWD Regular Board Meeting on May 11, an Agenda Review Briefing on May 14, the Special Districts Association of North Los Angeles County (SDANLAC) Meeting on May 20, a Board Briefing on May 21, and a Public Water Suppliers Meeting on May 26.

Director Dino reported attending the PWD Regular Board Meeting on May 11, the AVEK Board Meeting on May 12, the Outreach Committee Meeting on May 18, a Board Briefing on May 21, and the PWD Regular Board Meeting on May 26.

8.3) Report of General Manager.

a) Department Activity Updates:

1) Finance Department. (Finance Manager Iguaran)

Finance Manager Iguaran provided an update on Finance Department activities, including new staffing, the Workday Enterprise Resource Planning (ERP) kick-off, improved financial processes, work order cleanup, department budget reviews, and implementation of the monday.com platform for audit preparation and project management, and stated that, as of April 30, staff processed 108,441 bills, 72 purchase orders, and 1,874 invoices.

b) May Written Report of Activities through April 2026.

General Manager LaMoreaux stated that a written report was included with the agenda packet and highlighted water supply conditions, including 54,000 acre-feet of available water, the State Water Project Table A allocation increase to 45%, average precipitation levels, full capacity at Lake Oroville, and the emergence of slight drought conditions in parts of California, and then further noted the increased water production for March and nine leaks reported through April.

8.4) Report of General Counsel.

General Counsel Early provided an update on SB 2180, addressing legal challenges related to the Proposition 218 process, specifically concerning property-related fees assessed by class versus by parcel.

9) Public Comments on Closed Session Agenda Matters.

There were no public comments on closed session agenda matters.

10) Closed Session Under:

10.1) Government Code § 54956.9:

a) Conference with Legal Counsel – Existing Litigation: *Southern California Gas Company v Patriot Pipeline et al. Case No. 26AVCV0066211.*

At 7:14 p.m., General Counsel Early announced the need for a closed session pursuant to Government Code section 54956.9 to confer with legal counsel regarding existing litigation in the matter of *Southern California Gas Company v. Patriot Pipeline et al., Case No. 26AVCV0066211.*

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

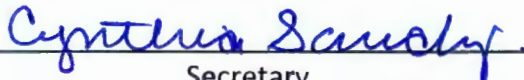
General Counsel Early reported that a closed session was held pursuant to Government Code section 54956.9(d)(1) to confer with legal counsel regarding existing litigation in the matter of *Southern California Gas Company v. Patriot Pipeline et al., Case No. 26AVCV0066211,* and that no reportable action was taken.

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 7:28 p.m.


Secretary