

**RESOLUTION OF THE BOARD OF DIRECTORS
OF PALMDALE WATER DISTRICT RESCINDING RESOLUTION NO. 09-17**

RESOLUTION NO. 10-8

WHEREAS, on September 30, 2009, the Board of Directors of Palmdale Water District (the "Board") adopted Resolution No. 09-17, to convert certain existing potable water facilities to use for non-potable water and other related actions for the delivery of that non-potable water to users (the "Project"); and

WHEREAS, in Resolution No. 09-17, the Board also made certain findings under the California Environmental Quality Act, Public Resources Code §§ 21000 *et seq.* ("CEQA"); and


WHEREAS, subsequent to the Board's adoption of Resolution No. 09-17, the City of Palmdale (the "City") commenced a legal action (Los Angeles County Superior Court Case No. BS123302; the "Action") to challenge adoption of that resolution; and

WHEREAS, Palmdale Water District (the "District") and the City have agreed to settle the Action, which settlement includes the District's vacating and rescinding Resolution No. 09-17 and the Board's approval of the Project.

NOW, THEREFORE, IT IS RESOLVED, the Board hereby vacates and rescinds Resolution No. 09-17 in its entirety, including approval of the Project and the making of findings under CEQA, and directs District staff to suspend all District activity pertaining to the Project and to return all Project-related facilities to the status quo prior to approval of the Project on September 30, 2009; with the exception of the approximately 140 feet of 12-inch pipeline installed at the District's water treatment plant, which may remain in place, but shall be disconnected, cut and plugged at both ends.

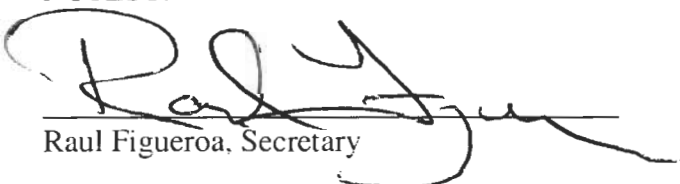
RESOLVED FURTHER, that District staff and legal counsel are hereby directed to take any and all further actions necessary to implement the agreed upon settlement of the Action.

PASSED AND ADOPTED by the Board of Directors of the Palmdale Water District on this 24th day of February, 2010.



Gordon Dexter, President

ATTEST:



Raul Figueroa, Secretary