

MEDIA ALERT



COURT DENIES CITY OF PALMDALE’S REQUEST TO CONSOLIDATE ITS LAWSUITS AGAINST PALMDALE WATER DISTRICT

PALMDALE, CA, October 16, 2009 – Today Judge Conrad Aragon of the Los Angeles County Superior Court denied the City of Palmdale’s request to consolidate two lawsuits that the City filed against Palmdale Water District in May of this year. One of the lawsuits stops the District from reimbursing itself \$20 million by issuing bonds, and the other challenges the District’s new rate structure.

Judge Aragon ruled that the lawsuit related to the water district’s ability to borrow money will be given priority and set a hearing date of February 8, 2010. He noted that trying that lawsuit first should be more economical for all concerned, and then only the remaining issues will need to be addressed in the City’s second lawsuit.

The Judge also urged the parties to continue toward private mediation to see if a settlement can be reached. After the city said mediation was too costly Palmdale Water District offered to pay the first \$20,000 in costs. However the city rejected the offer because they did not agree to have two city council members participate in the mediation. The judge ordered the mediation issue be addressed at the next status meeting on November 3, 2009.

“Palmdale Water District is strongly in favor of mediation” remarked Randy Hill, General Manager, Palmdale Water District, “we need to be talking to each other rather than spending the community’s money on attorneys. However, the mediation needs to address all the issues including all three lawsuits the City has against us, and the one lawsuit we have against them. Because the City refused to have their elected officials participate, and because they have filed yet another lawsuit against us, we will insist the mediation cost be equally shared.”

“I’m impressed with Judge Aragon, he is a no-nonsense guy and is equally hard on either side that he feels is dragging their feet or playing games. We continue to respond to the city’s multiple requests for information. We have already provided a mountain of paperwork and the stack continues to grow.”

“Unfortunately, it is our customers, which include most of the people that the City Council represents, who suffer when the District is forced to defend itself in court. We are encouraged that the Judge is forcing mediation and hopefully the City will show more flexibility than it has in the past in addressing the issues.”

About Palmdale Water District

The Palmdale Water District has grown from an agency providing irrigation water for 60 customers, to an agency providing domestic water to the thriving community we know today. Founded as an Irrigation District supplying water mainly to farms for agricultural use, the district’s boundaries have expanded with Palmdale’s rapid population growth and the District has shifted to providing predominantly municipal and industrial water. The Palmdale Water District is currently divided into five divisions covering areas in East and West Palmdale. The Palmdale Water District remains dedicated to providing clean, pure water; state of the art facilities to meet current and future needs; attentive staff committed to customer satisfaction; treatment and testing to ensure high quality water; education on water conservation and safety; and reliable supply and resourceful planning insuring customer satisfaction and continued reasonable rates. The Palmdale Water District can be reached by calling (661) 947-4111. The Palmdale Water District is located at 2029 E Avenue Q in Palmdale, California.

Palmdale Water District Board Members:

Division 1	Jeff Storm - President
Division 2	Dick Wells - Treasurer
Division 3	Linda Godin - Secretary
Division 4	Raul Figueroa - Director
Division 5	David Gomez - Vice President

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