

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, OCTOBER 22, 2018:

A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, October 22, 2018, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Vincent Dino, called the meeting to order at 6:00 p.m.

1) Pledge of Allegiance/Moment of Silence.

At the request of President Dino, Director Alvarado led the pledge of allegiance followed by a moment of silence.

2) Roll Call.

Attendance:

Vincent Dino, President
Kathy Mac Laren, Vice President
Marco Henriquez, Treasurer
Robert Alvarado, Assistant
Secretary

Joe Estes, Secretary --
ABSENT

Others Present:

Dennis LaMoreaux, General Manager
Adam Ly, Assistant General Manager
Eric Dunn, General Counsel
Judy Shay, Public Affairs Director
Jim Riley, Engineering/Grant Manager
Jennifer Emery, Human Resources Director
Mynor Masaya, Operations Manager
Dawn Deans, Executive Assistant
8 members of the public

3) Adoption of Agenda.

It was moved by Director Alvarado, seconded by Director Mac Laren, 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.

Mr. Don Wilson, Division 2 opponent, presented his plan for a high-efficiency toilet rebate program if elected to the Division 2 seat.

There were no further public comments.

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 Meeting Held October 8, 2018.

6.2) Payment of Bills for October 22, 2018.

6.3) Approval of Revisions to Palmdale Water District Rules and Regulations Article 4.07.3 – Director Compensation and Article 4.07.4 – Director Expenses Clarifying Limitations on the Directors’ Annual Budgets. (Director Mac Laren/General Counsel Dunn)

6.4) Acknowledge Unexcused Absence of Director Estes From October 8, 2018 Regular Board Meeting Due to Lack of Notification as Required by Article 4.07.2 of the District’s Rules and Regulations. (General Counsel Dunn)

President Dino announced the items included in the Consent Calendar after which it was moved by Director Alvarado and seconded by Director Mac Laren to approve those items included in the Consent Calendar after which Director Henriquez requested Agenda Item No. 6.3 be removed from the Consent Calendar for separate consideration. The motion was then unanimously carried to approve Agenda Item No.’s 6.1, 6.2, and 6.4 included in the Consent Calendar.

6.3) Approval of Revisions to Palmdale Water District Rules and Regulations Article 4.07.3 – Director Compensation and Article 4.07.4 – Director Expenses Clarifying Limitations on the Directors’ Annual Budgets. (Director Mac Laren/General Counsel Dunn)

Director Henriquez requested language be added to Article 4.07.4 of the District’s Rules and Regulations to clarify that a Director shall reimburse the District for half their hotel costs if a spouse accompanies them to a conference to ensure the District is paying only the costs of the Director’s attendance and that the District only pay hotel costs for the duration of a conference.

After a brief discussion of presenting Director Henriquez’ additional revisions at the next Regular Board Meeting for consideration, it was moved by Director Mac Laren and seconded by Director Henriquez to approve revisions to Palmdale Water District

Rules and Regulations Article 4.07.3 – Director Compensation and Article 4.07.4 – Director Expenses, as presented, clarifying limitations on the Directors' annual budgets.

Ms. Joanne Granai, Palmdale resident, requested the Board investigate that ratepayers are paying the cost for Director Estes' health insurance yet he is absent again tonight and stated that it should not matter if a spouse attends a conference after which Mr. Sheik Aslam, Division 5 opponent, stated that Director Estes is extremely sick and suggested the Board reach out to him.

President Dino then clarified that only his direct expenses are charged to his District CalCard, and any expenses for his wife are paid for with his personal credit card, and Director Henriquez clarified that his proposed revisions are to ensure more transparency.

The motion was then unanimously carried.

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 Waive Attorney-Client Privilege Regarding the August 30, 2018 Public Records Act Request Received From Director Mac Laren. (Director Mac Laren/General Counsel Dunn)

General Counsel Dunn provided an overview of Director Mac Laren's Public Records Act request regarding emails from certain District staff members and himself regarding Director Estes and clarified attorney-client privileges regarding the release of disclosable items to the general public.

Director Mac Laren stated that she requested the information in her Public Records Act request to ensure transparency and to make the Board and public aware that Director Estes has made numerous false statements and there have been articles in the A.V. Press with his false statements regarding changing his campaign address; that she has been kicked, hit, and verbally abused by Director Estes; that the Board has worked hard to accommodate his lack of being able to follow rules and regulations, and she has worked hard to make amends with him; that there was another incident where Director Estes threatened staff, and she must stand up for this; that there is no woman on District staff that deserves his anger and abuse directed at them; and that she wants these items public and must try to do something to prevent his abuse of power as a Director.

A discussion then ensued regarding the proper and respectful treatment of all District staff after which it was moved Director Mac Laren and seconded by Director Alvarado to waive attorney-client privilege regarding the August 30, 2018 Public Records Act request received from Director Mac Laren.

Ms. Joanne Granai, Palmdale resident, commended the Board for having the courage to address this issue and stated that she looks forward to the cohesiveness of the Board, and staff deserves to be treated with dignity, respect, and value.

The motion was then unanimously carried.

7.2) Consideration and Possible Action on Resolution No. 18-11 Being a Resolution of the Board of Directors of the Palmdale Water District Authorizing the Purchase of Tax Defaulted Properties. (\$51,227.00 – Budgeted (2019) – Engineering/Grant Manager Riley)

Engineering/Grant Manager Riley provided an overview of Resolution No. 18-11 and the location of the properties proposed for purchase, and after a brief discussion of the benefit and potential use of these properties, it was moved by Director Henriquez, seconded by Director Alvarado, and unanimously carried by all members of the Board of Directors present at the meeting to approve Resolution No. 18-11 Being a Resolution of the Board of Directors of the Palmdale Water District Authorizing the Purchase of Tax Defaulted Properties in the not-to-exceed amount of \$51,227.00.

A copy of said Resolution No. 18-11 is hereby made a portion of the minutes of this meeting.

7.3) Consideration and Possible Action on Outreach Activities for 2018. (Public Affairs Director Shay)

a) Outreach Plans for Remainder of 2018.

Public Affairs Director Shay stated that staff presented information on Imagine a Day Without Water to students at the Palmdale Preparatory Academy; that she appeared on the Café Con Leche radio program discussing the District's rebate programs; that the District will be featured in the next issue of ACWA News for participation in Water Professionals Appreciation Week; that Team PWD participated in the Palmdale Chamber of Commerce golf tournament; that weekly updates are being posted on social media regarding progress on the construction of the grade control structure at Littlerock Dam;

that the District was featured on the front page of the Antelope Valley Press for Imagine a Day Without Water and for the Water Ambassadors Academy; and that an article highlighting Assistant General Manager Ly was published in the Antelope Valley Board of Trade's recent publication and in the ACWA News.

b) Upcoming Events.

She then stated that she is coordinating with the City of Palmdale for the November 15 groundbreaking ceremony for the Upper Amargosa Creek Recharge Project; that a Waterwise Landscape Conversion Workshop is scheduled for October 27 at the Antelope Valley Resource Conservation District from 9 a.m. to noon; and that General Manager LaMoreaux and a representative from Los Angeles County Waterworks are scheduled to speak to a group of Cub Scouts on October 29.

c) Outreach Recommendations From Directors.

Director Henriquez requested staff research rebate opportunities for water conservation instant hot water circulators, and the Board commended Public Affairs Director Shay on her community participation and representation of the District.

There were no further outreach recommendations from Directors.

At 6:48 p.m., President Dino called for an eight-minute recess. He reconvened the Regular Board Meeting at 6:56 p.m.

7.4) Discussion and Overview of 2018 Cultural Survey. (No Budget Impact – Dr. Bill Mathis, The Mathis Group)

Dr. Bill Mathis, The Mathis Group, provided a detailed overview of the results of the 2018 Cultural Survey, including the District's 44% overall gain in performance and the lowest ranked survey categories of Innovative, Mentor, and Proactive and the highest ranked survey categories of Excellence, Teamwork, and Optimism and stated that the performance gain would have been higher had all Directors participated.

The Board's full participation in this process, staff's high level of innovation in bringing new ideas and processes to the District, investments towards the Survey, evaluations by The Mathis Group, efforts to create a cohesive, productive, and accountable Board, and the benefit of measuring the District's continuous improvement were then discussed, and there was no action taken on this item.

7.5) Consideration and Possible Action on Rescheduling First Regular Board Meeting in November. (General Manager LaMoreaux)

After a brief discussion of the Veteran's Day Holiday and of the November 14, 2018 Plant 42 Restoration Advisory Board meeting, it was moved by Director Mac Laren, seconded by Director Alvarado, and unanimously carried by all members of the Board of Directors present at the meeting to reschedule the first Regular Board Meeting in November from November 14, 2018 to November 13, 2018 at 6:00 p.m.

8) Information Items:

8.1) Reports of Directors:

a) Meetings/General Report.

Director Alvarado reported that on October 17, he attended the AVEK open house and lab tour; that on October 18, he attended required AB 1234 Ethics Training; that also on October 18, he attended a Board briefing with General Manager LaMoreaux regarding tonight's meeting; that also on October 18, he attended the Antelope Valley State Water Contractors Association meeting; that on October 24, he will be attending the evening airpark tour; that on October 25, he will be attending the Finance Committee meeting; and that on October 27, he will be attending Community Disaster Assistance Response Training.

Director Mac Laren reported that on October 11, she attended the Antelope Valley Watermaster Public Water Supplier meeting via telephone and that on October 18, she attended the Antelope Valley State Water Contractors Association meeting where they reviewed all area recycled water projects.

Director Henriquez reported that on October 17, he attended a Board briefing with Assistant General Manager Ly regarding tonight's meeting and that on October 18, he attended the Antelope Valley State Water Contractors Association meeting where they also reviewed progress on the Big Rock Creek Recharge Project and the Upper Amargosa Recharge Project.

President Dino reported that on September 11, he attended an AVEK Board meeting; that on September 12, he attended an Agenda Review and Approval meeting with General Manager LaMoreaux regarding tonight's meeting; that on September 13, he attended the Antelope Valley State Water Contractors Association meeting; that on

September 17, he attended the Palmdale Recycled Water Authority meeting; that on September 19, he attended the Water Ambassadors Academy; that on September 24 – 26, he attended the California Special Districts Association Conference in Indian Wells; that on October 9, he attended an AVEK Board meeting; that on October 10, he attended an Agenda Review and Approval meeting with General Manager LaMoreaux regarding tonight's meeting; that on October 17, he attended a Board briefing with Assistant General Manager Ly regarding tonight's meeting; that on October 18, he attended the Antelope Valley State Water Contractors Association meeting; that on October 22, he is attending the Palmdale Water District Regular Board Meeting; and that on October 23, he will be attending an AVEK Board meeting.

b) Standing Committee/Assignment Reports (Chair):

1) Antelope Valley State Water Contractors Association.

There were no further reports on Standing Committee/Assignments.

8.2) Report of General Manager.

a) October 2018 Written Report of Activities Through September 2018.

General Manager LaMoreaux stated that he submitted a written report included with the agenda packets if there are any questions on same and then reported that there have been 80 leaks to date.

8.3) Report of General Counsel.

General Counsel Dunn reported that pursuant to the request from Director Alvarado for an update on ballot propositions regarding funding or tax revenues, Proposition 3 is the Water Bond providing \$8.9 billion for water projects and Proposition 5 will provide adjustments to the tax base of homeowners over the age of 55 and could result in changes to assessed valuations after which Director Henriquez stated that this is a realtor-sponsored bill.

9) Public Comments on Closed Session Agenda Matters.

There were no public comments on closed session agenda matters.

10) Break prior to closed session.

At 7:52 p.m., President Dino called for a four-minute recess. He reconvened the Regular Board Meeting at 7:56 p.m.

11) Closed Session Under:

11.1) Conference with Legal Counsel – Existing Litigation: A Closed Session Will be Held, Pursuant to Government Code §54956.9 (d)(1), to Confer with Special Litigation Counsel Regarding Existing Litigation to Which the District is a Party. The Title of Such Litigation is as Follows: *Antelope Valley Ground Water Cases*.

11.2) Conference with Legal Counsel – Existing Litigation: A Closed Session Will be Held, Pursuant to Government Code §54956.9 (d)(1), to Confer with Legal Counsel Regarding Pending Litigation to Which the District is a Party. The Title of Such Litigation is as Follows: *United States, et al. v. J-M Manufacturing Company, Inc., et al., United States District Court for the Central District of California; Case No. ED CV06-0055-GW*.

At 7:56 p.m., President Dino called for a closed session pursuant to Government Code §54956.9 (d)(1), to confer with Special Litigation Counsel regarding existing litigation to which the District is a party, the title of such litigation being: *the Antelope Valley Ground Water Cases*. He reconvened the regular Board meeting at 8:20 p.m.

12) Public report of any action taken in closed session.

President Dino stated that a closed session was held pursuant to Government Code §54956.9 (d)(1), to confer with Special Litigation Counsel regarding existing litigation to which the District is a party, the title of such litigation being: *the Antelope Valley Ground Water Cases*; but that no reportable action was taken in closed session.

He then stated that Agenda Item No. 11.2 was not considered in closed session.

13) Board Members' Requests for Future Agenda Items.

Director Henriquez requested "Consideration and possible action on revisions to Palmdale Water District Rules and Regulations Article 4.07.4 – Director Expenses clarifying hotel expenses" be included on the next agenda.

Director Alvarado requested General Counsel Dunn provide an update on SB929.

There were no further requests for future agenda items.

14) **Adjournment.**

There being no further business to come before the Board, the meeting was adjourned at 8:23 p.m.



Assistant Secretary

**PALMDALE WATER DISTRICT
RESOLUTION NO. 18-11**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
PALMDALE WATER DISTRICT AUTHORIZING THE PURCHASE
OF TAX DEFAULTED PROPERTIES**

WHEREAS, the real properties described as Assessor's Identification Numbers (AIN) 3024-031-049, 3051-014-018, and 3051-014-022 are situated within and/or adjacent to the boundaries of the Palmdale Water District ("District"), and the District has an interest in acquiring said properties; and

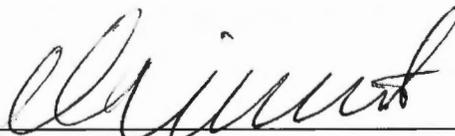
WHEREAS, said real properties are tax defaulted and subject to the power of sale by the tax collector of Los Angeles County for the non-payment of taxes, pursuant to provision of law.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Palmdale Water District authorizes the Palmdale Water District to purchase said tax defaulted properties.

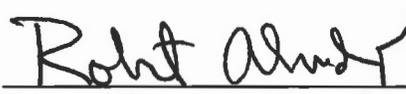
BE IT FURTHER RESOLVED, that the Board of Directors of the Palmdale Water District authorizes the Palmdale Water District to pay the total purchase price listed for each real property described, including all costs related to the purchase, including, but not limited to, cost of notification, cost of publication, cost of postage, title report fee and Forfeited State Lands Fee.

BE IT FURTHER RESOLVED, that District staff is hereby authorized and directed to prepare such additional documents and take such further actions as may be necessary to implement this Resolution.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Board of Directors of Palmdale Water District held on October 22, 2018.



Vincent Dino, President
Palmdale Water District



Robert Alvarado, Assistant Secretary
Palmdale Water District

Approved As To Form:



Eric Dunn
General Counsel