

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, JUNE 11, 2014:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, June 11, 2014, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Vice President, Robert Alvarado, called the meeting to order.

1) Pledge of Allegiance.

At the request of Vice President Alvarado, Assistant General Manager Knudson led the pledge of allegiance.

2) Roll Call.

Attendance:

Robert Alvarado, Vice President
Gloria Dizmang, Treasurer
Joe Estes, Secretary
Vincent Dino, Director

Kathy Mac Laren, President --
EXCUSED ABSENCE

Others Present:

Dennis LaMoreaux, General Manager
William Wynder, Attorney
Matt Knudson, Assistant General Manager
Mike Williams, Finance Manager
Tim Moore, Facilities Manager
Bob Egan, Financial Advisor
Dawn Deans, Executive Assistant
4 members of the public

3) Adoption of Agenda.

It was moved by Director Dizmang, seconded by Director Estes, and unanimously carried to adopt the agenda, as written.

4) Public Comments for Non-Agenda Items.

There were no public comments.

5) Presentations:

5.1) No Presentations Scheduled at This Time.

There were no presentations scheduled.

6) Action Items – Consent 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.)

6.1) Approval of Minutes of Regular Meeting Held May 28, 2014.

6.2) Payment of Bills for June 11, 2014.

Vice President Alvarado announced the items included in the Consent Calendar after which it was moved by Director Dizmang, seconded by Director Dino, 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) Status Report on Cash Flow Statement and Current Cash Balances as of April 30, 2014. (Financial Advisor Egan/Finance Committee)

Financial Advisor Egan reviewed the investment funds and cash flow reports as of April 30, 2014, including the increase in cash of nearly \$2 million due to assessments, and then stated that with the Committee's concurrence, some funds have been transferred to higher interest-bearing accounts within the guidelines of the District's Investment Policy and that year-end projections are as expected.

Vice President Alvarado then stated that hearing no objections, this report is ordered received and filed.

7.2) Status Report on Financial Statements, Revenue and Expense and Departmental Budget Reports for April 30, 2014. (Finance Manager Williams/Finance Committee)

Finance Manager Williams reviewed the balance sheet, profit and loss statement, year-to-year comparisons, month-to-month comparisons, consumption comparisons, and revenue and expense analysis reports for the period ending April 30, 2014, along with the graphic presentations for these reports, and stated that all departments, with the exceptions of Directors, Administration, and Finance, operated at or below the targeted expenditure percentage of 33% and then reviewed those line items over budget.

Vice President Alvarado then stated that hearing no objections, this report is ordered received and filed.

7.3) Status Report on Committed Contracts Issued. (Assistant General Manager Knudson/Finance Committee)

Assistant General Manager Knudson reviewed the status of engineering projects included in the Committed Contracts and Payout Schedule, including those projects contractually committed, budgeted projects, and payments for projects funded from the Water Revenue Series 2013A Bonds, followed by discussion of future projects.

Vice President Alvarado then stated that hearing no objections, this report is ordered received and filed.

7.4) Consideration and Possible Action on the District's Position on Proposed California Water Bond Bills. (Attorney Wynder/General Manager LaMoreaux)

General Manager LaMoreaux reviewed ACWA's recommended principles to be included in proposed water bond bills, and after a brief discussion of these principles, proposed letters of support, and of having all Directors sign future letters of support, it was moved by Director Dizmang, seconded by Director Estes, and unanimously carried by all members of the Board of Directors present at the meeting to authorize Vice President Alvarado to sign letters of support regarding ACWA's recommended principles to be included in proposed water bond bills.

7.5) Consideration and Possible Action on Board and Staff Attendance at Conferences, Seminars, and Training Sessions as Follows: None at This Time.

There were no conferences, seminars, and training sessions to consider.

8) Information Items.

8.1) Reports of Directors: Meetings/Committee Meetings/General Report.

Director Dizmang reported that on May 31, she was unable to attend the Employee Memorial Picnic due to illness and extended her apologies for not being able to attend; that on June 3, she attended the Finance Committee meeting with Director Dino where they discussed and reviewed the cash flow and current balances, financial statements, and Project Labor Agreements for which she requested the Board's approval to continue discussions on these Agreements; that on June 4, she attended an Ad Hoc Committee meeting with President Mac Laren where they discussed Board norms and Article 4 of the District's Rules and Regulations, and the meeting was very successful; that

on June 9, she attended a Board briefing with General Manager LaMoreaux; that on June 10, she attended the Outreach Committee meeting with Director Estes where they reviewed and discussed the eWater News, the District's website redesign, plans for this weekend's Plant Sale where all Board members are requested to be in attendance by 8:00 a.m., inventory for District community events, the District's upcoming participation at the Four-Points Swap Meet, and the PIO/Conservation Director position.

Director Dino reported that on May 31, he attended the Employee Memorial Picnic with his family, it was enjoyable, and he hopes to see more of these types of events; that on June 3, he attended the Finance Committee meeting with Director Dizmang; that on June 4, he attended the Ad Hoc Committee meeting as an observer, and he found the meeting to be very educational; that on June 5, he attended iPad training with Information Technology Manager Stanton, who did a great job of explaining the iPad; that also on June 5, he was scheduled to attend the Sanitation District's Site Supervisor training, but this training was cancelled; and that on June 9, he attended a Board briefing with General Manager LaMoreaux.

Director Estes reported that on May 31, he attended the Employee Memorial Picnic; that on June 5, he and fellow Directors attended the iPad training class; that also on June 5, he was scheduled to attend the Sanitation District's Site Supervisor training, but it was cancelled; that on June 9, he and Director Alvarado attended a Board briefing with General Manager LaMoreaux; and that on June 10, he attended the Outreach Committee meeting with Director Dizmang. Director Estes' detailed written report is hereby made a portion of these minutes.

Vice President Alvarado reported that on May 29, he attended the Antelope Valley State Water Contractors Association meeting; that on May 31, he and his family attended the Employee Memorial Picnic, they had a wonderful time, it was great to see employees having a great time with family and friends, the food and entertainment were great, he hopes the District can continue this tradition in years to come, and employees need to see with tangible actions that the Board appreciates them; that on June 5, he attended the iPad training; that also on June 5, he was scheduled to attend the Sanitation District's Site Supervisor training, but it was cancelled; that on June 9, he and Director Estes attended a Board briefing with General Manager LaMoreaux; and that he is looking forward to attending this weekend's Plant sale.

There were no further reports from Directors.

8.2) Report of General Manager.

General Manager LaMoreaux reported that the instructor for the Sanitation District's Site Supervisor Training forgot the date of the training, this training will be rescheduled, and this is a good course to attend to learn all phases of recycled water; that three major and three smaller vendors are scheduled to attend this weekend's Plant Sale; and that a luncheon meeting of the Greater Antelope Valley Economic Alliance Association is scheduled for next week if the Board is interested in attending after which all Directors expressed their interest in attending the luncheon.

Vice President Alvarado then inquired as to advertising for the Plant Sale after which General Manager LaMoreaux reviewed the District's efforts to advertise the event.

8.3) Report of Attorney.

Attorney Wynder stated that based on technology discussions from the recent Ad Hoc Committee, they provided a written report on how to use technology, its use in this day and age, and included the policy they developed for the City of Carson on this topic, which the District can use as a reference for the development of their own policy.

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 Section 54956.9(d)(1), pending litigation: *Antelope Valley Ground Water Cases*.

10.2) Government Code Section 54956.9(d)(1), pending litigation: *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*.

10.3) Government Code Section 54956.9(d)(1), pending litigation: *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561*.

10.4) Government Code Section 54956.9(d)(1), pending litigation: *Omar Ramirez v. Palmdale Water District*.

At 7:53 p.m., Vice President Alvarado called for a closed session pursuant to Government Code Section 54956.9(d)(1), Pending Litigation – Four Cases: *Antelope Valley Ground Water Cases* and *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* and *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561* and *Omar Ramirez v. Palmdale Water District*.

He reconvened the regular meeting at 8:12 p.m.

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

Attorney Wynder reported that a closed session had also been held under Government Code Section 54956.9(d)(1), Pending Litigation – Two Cases: *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* and *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561*; that the Board was provided with a privileged and confidential briefing on the current status of these cases; and that no reportable action was taken in closed session.

General Manager LaMoreaux then reported that a closed session had been held under Government Code Section 54956.9(d)(1), Pending Litigation – One Case: *Antelope Valley Ground Water Cases*; that the Board was briefed on the current status of this case; and that no reportable action was taken in closed session.

12) Board Members' Requests for Future Agenda Items.

The Finance Committee's further review of Project Labor Agreements was discussed, and it was determined that the Committee continue these discussions.

Director Dizmang then requested a future report regarding the equalization of water rights in the state.

Director Estes stated that Retired Annuitant Beck recently retired and then requested that she and future retirees be congratulated and honored by the Board with some type of recognition for their years of service and dedication to the District.

Vice President Alvarado requested a future report regarding every step or action the District has taken to address the drought with our customers.

He then requested customers be acknowledged or recognized for their efforts to use less than their allocated amount of water after which General Manager LaMoreaux stated that he will discuss with staff building this option into the water bill on a percentage basis.

Vice President Alvarado then requested this option be looked into and stated that Agenda Item No. 4 will now again be considered.

4) Public Comments for Non-Agenda Items.

Ms. Eleanore Anselm, of 957 East Avenue Q-9, Palmdale, addressed the Board regarding the recent unnoticed shut-off of her tenant's water and requested the Board address this practice, and after a brief discussion of her circumstances, General Manager LaMoreaux stated that he will review her account, provide a report to the Board, and then requested Ms. Anselm contact him to discuss her account.

Vice President Alvarado then stated that Agenda Item No. 13 will now be considered.

13) Adjournment.

There being no further business to come before the Board, it was moved by Director Dizmang, seconded by Director Dino, and unanimously carried by all members of the Board of Directors present at the meeting to adjourn the meeting.


Secretary

Director Joe Estes Board Report for June 11, 2014

- 1) On May 31, 2014, I attended along with directors Alvarado, Dino, and President Mac Laren our first annual Memorial Picnic in honor of our dear departed friend and colleague Frank Collett he is truly missed. Just as a note *Franks Charity Toys for Tots* made over \$700.00 dollars that day Frank would no doubt be proud.

Discussion:

- 1) It was good to see all our kids playing and having such a great time together as well as the employees. in short it was a miraculous day
 - 2) Had a chance to get into a little friendly match of horseshoes with a few of the employees. Come to find out Kelly's a horseshoe shark. LOL. It was a lot of fun however my back sure paid for it the next day.
 - 3) President Mac Laren and I even managed to get in a quick game of ladder golf. Of course she kicked my butt. I would also like to thank the Fin & Feather Club for the use of their facilities.
 - 4) However most important of all. I would really like to Thank Jennifer our wonderful HR- Manager for all her hard work and dedication that went into coordinating all of the events and schedules of everyone involved so we could all attend. I believe this picnic Franks day would not have been as successful as it was without Jennifer's support. As if that wasn't enough you and your family stayed long after everyone else had left and made sure everything was cleaned up you are my new hero.
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- 2) On June 05, 2014
I along with all other directors attended an iPad training class here at the district office given by our Technology Manager Jim Stanton.

3) Also on June 05, 2014

I along with all other directors attended the Recycled Water Authority User Site Supervisor Training at the city. However not long after arriving the training was rescheduled for a future date.

4) On June 09, 2014,

Director Alvarado and I had a Board Briefing with our General Manager Dennis LaMoreaux here at the PWD District Office.

Discussion:

- 1) (Agenda) For Regular Board Meeting to be held on June 11, 2014

5) On June 10, 2014, Director Dizmang and I attended the Outreach Committee Meeting

Discussion:

- 1) Review of Water News from Annuitant Beck
- 2) Update on plant sale on June 14, 2014 from General Manager Dennis LaMoreaux.
- 3) Technology Manager Jim Stanton also discussed the District website redesign. Looks great so far
- 4) General Manager Dennis LaMoreaux gave an update on the Strategic Plan brochure should be ready for the Four Points Swap Meet and Thursday Night on the Square and from what I understand it should be available in Spanish as well as English.

That concludes my report.