MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, JANUARY 26, 2011:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, January 26, 2011, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Gordon Dexter, called the meeting to order at 7:00 p.m.

1) Pledge of Allegiance.

At the request of President Dexter, Director Godin led the pledge of allegiance.

2) Moment of Silence.

Director Godin requested everyone remain standing and observe a moment of silence.

3) Roll Call.

Attendance:	**Others Present:**
Gordon Dexter, President	Dennis LaMoreaux, General Manager
Steve Cordova, Vice President	Tim Gosney, Attorney
Raul Figueroa, Secretary	Jeannie Burns, Human Resources Manager
Linda Godin, Treasurer	Peter Thompson II, Operations Manager
Jeff Storm, Director	Tim Moore, Facilities Manager
	Ed Boka, Treatment Plant Supervisor
	Kelly Jeters, Systems Supervisor
	Randy Hardenbrook, Sr. Equipment Mechanic
	Dawn Deans, Executive Assistant
	2 members of the public

4) Adoption of Agenda.

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

5) Public Comments for Non-Agenda Items.

There were no public comments.

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 January 12, 2011.

6.2) Payment of Bills for January 26, 2011.

It was moved by Director Figueroa, seconded by Director Godin, and unanimously carried 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) Consideration and Possible Action on General Manager Evaluation Process. (Personnel Committee)

President Dexter stated that the Personnel Committee reviewed the General Manager evaluation process, requested consultant proposals for this process, and discussed conducting a Board workshop without a consultant to set direction, goals, and objectives for the General Manager.

After a further discussion of the evaluation process, of previous facilitators and workshops, of clearly defining the Board's goals and objectives for the General Manager, and of Human Resources Manager Burns serving as facilitator, it was determined that a Board Workshop be held February 17, 2011 at 6:00 p.m. to discuss the General Manager evaluation process and to set goals and direction for the General Manager.

7.2) Consideration and possible action on Board attendance at conferences, seminars, and training sessions as follows:

7.2.1) CA-NV American Water Works Association 2011 Spring Conference "My H20-Sustainable-Dependable-Innovative" to be Held March 28 – 31, 2011 in Long Beach.

After a brief discussion, it was moved by Director Storm, seconded by Director Godin, and unanimously carried to approve attendance at the CA-NV American Water Works Association 2011 Spring Conference "My H20-Sustainable-Dependable-Innovative" to be Held March 28 – 31, 2011 in Long Beach.

General Manager LaMoreaux then reminded the Board to let staff know of any interest in the conferences presented at the last Board meeting so they can be placed on a future agenda for consideration.

8) Information Items.

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

Director Figueroa reported that the Personnel Committee met and in addition to the General Manager evaluation, discussed the Communications Plan and Employee Handbook, and Committee members received draft copies of the Plan and the Handbook for review and for discussion at the next Committee meeting.

Director Godin reported that the Environmental Committee met and staff informed the Committee that District facilities are not large enough for Borrengo Solar's needs for a solar project; that a proposal for either a power purchase or public/private partnership agreement was received from Grid Solar, but these projects are not feasible based on realistic assumptions and the model prepared by Carollo Engineers; and that the next meeting will include a review of the District's overall energy programs and a determination of whether the Environmental Committee will meet monthly or quarterly.

President Dexter reported that he participated on the Personnel Committee; that he met with Director Godin, General Manager LaMoreaux, and the Antelope Valley Press editorial board last Friday; that the meeting was positive; that an article resulting from that meeting was in a recent edition of the Antelope Valley Press; and that they are ready to move forward with community outreach by visiting community associations and continuing discussions of what the District has done in the last year and the District's desire for transparency.

There were no further reports from Directors.

8.2) Report of General Manager.

General Manager LaMoreaux reported that the District's State Water Project allocation went from 50% to 60% and that staff is making a series of calls for using this water to pay off old debt, have someone hold the water, or carry-over the water in the Project to take full advantage of the water available.

At the request of President Dexter, he then explained carry-over water use through the State Water Project.

8.3) Report of Attorney.

Attorney Gosney reported that the District's share in the Peter Kiewit Construction faulty pipe matter is only $58.00, and the Attorney General's office has recommended no funds be distributed if there is not an interest in excess of $10,000.

He then reported on the topics discussed at the first ACWA Legislative meeting including the state budget, state board regulation of groundwater, analysis of the Little Hoover Commission report and ACWA's position on this analysis, creating a new entity responsible for the operational aspects of the State Water Project, the concern to water retailers from Proposition 26, and it was stressed that every agency interested and favorable on the 2012 water bond create an outreach program for local legislators so they understand its importance as it is not anticipated to receive much support from the Governor's office.

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 54957, Personnel Matters: Public Employee Discipline/Dismissal (Personnel Committee).

10.2) Government Code Section 54956.9(a), Existing Litigation: ***Antelope Valley Ground Water Cases.***

10.3) Government Code Section 54956.9(a), Existing Litigation: ***City of Palmdale vs. Palmdale Water District, Case No. BC413432 (Rate Litigation).***

10.4) Government Code Section 54956.9(a), Existing Litigation: ***City of Palmdale vs. Palmdale Water District and Palmdale Water District Public Facilities Corporation, Case No. BC413907 (Validation Action).***

10.5) Government Code Section 54956.9(a), Existing Litigation: ***Palmdale Water District vs. City of Palmdale, Case No. BC420492 (Recycled Water Litigation).***

10.6) Government Code Section 54956.9(a), Existing 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.***

10.7) Government Code Section 54956.9(a), Existing Litigation: ***Palmdale Water District vs. City of Palmdale, Case No. MC021487 (Excavation Permit Litigation).***

10.8) Government Code Section 54956.9(a), Pending Litigation: ***Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561.***

10.9) Government Code Section 54956.9(b), Potential Litigation: One Case.

At 7:30 p.m., President Dexter called for a closed session pursuant to Government Code Section 54957, Personnel Matters: Public Employee Discipline/Dismissal; pursuant to Government Code Section 54956.9(a), Existing Litigation – seven cases: *Antelope Valley Ground Water Cases* and *City of Palmdale vs. Palmdale Water District, Case No. BC413432 (Rate Litigation)* and *City of Palmdale vs. Palmdale Water District and Palmdale Water District Public Facilities Corporation, Case No. BC413907 (Validation Action)* and *Palmdale Water District vs. City of Palmdale, Case No. BC420492 (Recycled Water Litigation)* 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 *Palmdale Water District vs. City of Palmdale, Case No. MC021487 (Excavation Permit Litigation)* and *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561;* and pursuant to Government Code Section 54956.9(b), potential litigation: one case. He reconvened the regular meeting at 8:05 p.m.

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

Attorney Gosney reported that a closed session had been held under Government Code Section 54957, Personnel Matters: Public Employee Discipline/Dismissal and that no action reportable under the Brown Act was taken in closed session on this matter.

He then reported that the closed session had also been held under Government Code Section 54956.9(a), Existing and Pending Litigation – seven cases: *Antelope Valley Ground Water Cases* and *City of Palmdale vs. Palmdale Water District, Case No. BC413432 (Rate Litigation)* and *City of Palmdale vs. Palmdale Water District and Palmdale Water District Public Facilities Corporation, Case No. BC413907 (Validation Action)* and *Palmdale Water District vs. City of Palmdale, Case No. BC420492 (Recycled Water Litigation)* 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 *Palmdale Water District vs. City of Palmdale, Case No. MC021487 (Excavation Permit Litigation)* and *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561;* that the Board was briefed on the current circumstances in each of the matters, and to the extent needed, the Board gave instructions to staff and counsel as to how to proceed; and that no action reportable under the Brown Act was taken in closed session on any of these matters.

He then reported that the closed session had also been held under Government Code Section 54956.9(b) for one item of potential litigation; that the Board was briefed on the circumstances of this matter and staff and counsel were given instructions as to how to proceed; and that no action reportable under the Brown Act was taken in closed session on any of these matters.

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 regular meeting of the Board of Directors of the Palmdale Water District was adjourned at 8:07 p.m.

Secretary