MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, MARCH 28, 2012:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, March 28, 2012, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Gordon Dexter, called the meeting to order.

1) Pledge of Allegiance.

President Dexter led the pledge of allegiance.

2) Roll Call.

Attendance:	**Others Present:**
Gordon Dexter, President	Dennis LaMoreaux, General Manager
Gloria Dizmang, Vice President	Jim Ciampa, Attorney
Kathy Mac Laren, Treasurer	Mike Williams, Finance Manager
Robert Alvarado, Secretary	Peter Thompson II, Operations Manager
Steve Cordova, Director	Tim Moore, Facilities Manager
	Jon Pernula, Water & Energy Resources Mngr.
	Kelly Jeters, Systems Supervisor
	Ed Boka, Treatment Plant Supervisor
	Joe Kerschner, Water Quality Supervisor
	Claudette Roberts, Water Conservation Spvsr.
	Linda Garza, Water Conservation Aide
	Dawn Deans, Executive Assistant
	4 members of the public

3) Adoption of Agenda.

It was moved by Director Mac Laren, seconded by Director Alvarado, 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) Cash for Grass Rebate Program. (Water Conservation Supervisor Roberts)

Water Conservation Supervisor Roberts informed the Board of the three recipients qualified for the Cash for Grass Rebate Program being Rocque Banuelos in the amount of $400.80 for removing 1,002 sq. ft. of turf, Jose Ayala in the amount of $739.20 for removing 1,848 sq. ft. of turf, and Ling Rogers in the amount of $771.20 for removing 1,928 sq. ft. of turf and then presented Ms. Rogers with her rebate check. Ms. Rogers then informed the Board of her cash for grass project and thanked the Board for the rebate opportunity.

5.2) Presentation on Overview of Water Resource Activities. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula reviewed the recent precipitation index and the District's State Water Project allocation and then provided an overview of the District's water resources and supplies including the District's three water sources; a comparison of source water, production, and consumption; the District's planning documents and objectives and regional planning documents for meeting current and future demands; delivery of the water; water banking; removal of sediment from Littlerock Reservoir and how this will affect supply; and the District's current water resource projects and negotiations.

5.3) Presentation on Water Quality. (Operations Manager Thompson II/Water Quality Supervisor Kerschner)

Operations Manager Thompson II introduced key Water Treatment staff contributing to the role of water quality and gave a detailed overview of the steps involved with meeting, and exceeding, water quality regulations for the District's water system including sampling requirements and analysis; the various types of sampling and operational strategies; the use of Granular Activated Carbon (GAC) and efforts to reduce GAC costs; and upcoming water quality compliance and regulations.

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 March 14, 2012.

6.2) Payment of Bills for March 28, 2012.

It was moved by Director Cordova, seconded by Director Alvarado, 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 Energy Efficiency Proposal Received From Orion Engineering Systems West. (Facilities Committee/General Manager LaMoreaux)

General Manager LaMoreaux provided an overview of the services provided by Orion Engineering Systems West, and after a brief discussion of the Facilities Committee's recommendation to move forward with the energy efficiency lighting upgrade proposal, the cost and rebates, the work force for this project, and future energy saving programs, it was moved by Director Alvarado, seconded by Director Cordova, and unanimously carried to approve the Lighting Energy Efficiency Proposal received from Orion Engineering Systems West in the not-to-exceed amount of $136,327.10 after rebates and that this amount will not be financed.

7.2) Consideration and Possible Action on Authorization to Execute a Contract With NorthStar Engineering Environmental Division for CEQA Work for a Long Term Water Transfer From Butte County to Palmdale Water District. ($29,930.00 – Budgeted – Water Supply & Reliability Committee/Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula provided an overview of the environmental work associated with the Butte County water transfer and the Water Supply & Reliability Committee's recommendation to move forward with this work after which it was moved by Director Dizmang, seconded by Director Mac Laren, and unanimously carried to approve the contract with NorthStar Engineering Environmental Division for CEQA work for a long term water transfer from Butte County to Palmdale Water District in the not-to-exceed amount of $29,930.00.

7.3) Consideration and Possible Action on District Membership in Greater Antelope Valley Economic Alliance. ($2,500.00 – Budgeted – General Manager LaMoreaux)

General Manager LaMoreaux provided an overview of the District's involvement with the Greater Antelope Valley Economic Alliance, and after a brief discussion, it was moved by Director Mac Laren, seconded by Director Cordova, and unanimously carried

to approve District membership in the Greater Antelope Valley Economic Alliance in the not-to-exceed amount of $2,500.00.

8) Information Items.

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

Director Alvarado reported that on March 19, he attended AB 1234 Ethics Training to fulfill a mandatory requirement for elected officials; on March 21, he chaired the Facilities Committee meeting with President Dexter where the Orion Engineering Systems proposal was reviewed; on March 22, he attended a tour of the Palmdale Water Reclamation Plant with other water officials and Palmdale Mayor Ledford; and on March 28, he attended the Palmdale Water District's all-hands quarterly meeting where he had an opportunity to meet most of the District's 88 employees.

Director Dizmang reported that she also attended the Palmdale Water Reclamation Plant tour on March 22; that the District's water looks much better than their water; that she was unable to attend the all-hands quarterly meeting; but that she hopes to attend the next meeting.

Director Mac Laren reported that the Personnel Committee meeting was held March 26; that the Committee revisited some of the items where additional information had been requested from staff; that the Committee is waiting for results from an employee survey on cost-saving ideas; that this survey was presented at today's all-hands meeting; and that this will, hopefully, be brought to the full Board for consideration.

There were no further reports from Directors.

8.2) Report of General Manager.

General Manager LaMoreaux stated that he has no report unless there are questions on the monthly Department Status Report followed by discussion of the potential Utility Trak R system through Starnik, Inc. as an alternate to the Cogsdale system.

8.3) Report of Attorney.

Attorney Ciampa reported that the Public Water Agencies Group met earlier today; that the District is one of 17 members of this Group; that the Group received an

extensive legislative report and pension reform legislation, which will be provided to General Manager LaMoreaux for distribution; that their office will be updating public contract documents and investigating the reasons for election cost increases; and that the application of the California Voting Rights Act, which deals primarily with at-large districts, was also discussed.

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(a), Existing Litigation: ***Antelope Valley Ground Water Cases.***

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

10.3) 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).***

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

10.5) 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.***

10.6) 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.***

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

At 8:50 p.m., President Dexter called for a closed session pursuant to Government Code Section 54956.9(a), Existing Litigation – six 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 *Central Delta Water Agency vs. Department of*

Water Resources, Sacramento Superior Court Case No. 34-2010-8000056 and pursuant to Government Code Section 54956.9(b), Potential Litigation: one case.

He reconvened the regular meeting at 9:22 p.m.

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

Attorney Ciampa reported that a closed session had been held under Government Code Section 54956.9(a), Existing Litigation – six 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 *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561; 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 under Government Code Section 54956.9(b), potential litigation: one case; that the Board was briefed on each item of existing litigation as well as the one item of potential litigation; but that no reportable action 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.

Robt E. Ahmad

Secretary