MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, APRIL 25, 2012:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, April 25, 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.

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

2) Roll Call.

Attendance:	**Others Present:**
Gordon Dexter, President	Dennis LaMoreaux, General Manager
Gloria Dizmang, Vice President	Tom Bunn, Attorney
Kathy Mac Laren, Treasurer	Mike Williams, Finance Manager
Robert Alvarado, Secretary	Matt Knudson, Engineering Manager
Steve Cordova, Director	Peter Thompson II, Operations Manager
Tim Moore, Facilities Manager	Jeannie Burns, Human Resources Manager
	Claudette Roberts, Water Conservation Spvsr.
	Kelly Jeters, Systems Supervisor
	Ed Boka, Treatment Plant Supervisor
	Dawn Deans, Executive Assistant
	12 members of the public

3) Adoption of Agenda.

It was moved by Director Dizmang, seconded by Director Mac Laren, 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 provided landscape photographs for the Cash for Grass Rebate Program recipients and then awarded rebate checks to Ricardo

Ureno in the amount of $566.00 for removing 1,415 square feet of turf and to Abel Flamenco in the amount of $348.00 for removing 870 square feet of turf. Mr. Ureno and Mr. Flamenco thanked the Board for the rebate opportunity.

5.2) Presentation on Water Conservation. (Water Conservation Supervisor Roberts)

Water Conservation Supervisor Roberts provided an overview of the history of water conservation, legislation and reporting requirements, Demand Management Measures and Best Management Practices, the details of the District's conservation program, and the District's rebate programs and water savings achieved through these programs.

The District's favorable report from the California Urban Water Conservation Council was then discussed after which President Dexter requested copies of the rebate program water saving calculations.

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 April 11, 2012.

6.2) Payment of Bills for April 25, 2012.

6.3) Approval of Resolution No. 12-4 Authorizing the Purchase of Tax-Defaulted Properties. (Engineering Manager Knudson)

6.4) Approval of Resolution No. 12-5 Consenting to Join the Health Benefits Program of the ACWA Joint Powers Insurance Authority, Ratifying the Action of the ACWA Health Benefits Authority Board of Directors to Terminate the Health Benefits Authority Joint Powers Agreement, and Authorizing and Directing the District to Execute all Necessary Documents. (General Manager LaMoreaux)

It was moved by Director Mac Laren, seconded by Director Alvarado, and unanimously carried to approve those items included in the Consent Calendar.

Copies of Resolution No. 12-4 and Resolution No. 12-5 are hereby made a portion of the minutes of this meeting.

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) Reconsideration and Possible Action on Resolution No. 10-20 Amending Appendix M, the Bid Procurement and Change Order Policy, of the Rules and Regulations of the Palmdale Water District to Include Provisions Prohibiting the Requirement of Project Labor Agreements and Other Anticompetitive Measures Except Where Otherwise Required by State or Federal Law. (Director Dizmang)

After a brief discussion and review of Senate Bill 922, which makes Resolution No. 10-20 ineffective, it was moved by Director Dizmang and seconded by Director Mac Laren to repeal Resolution No. 10-20 Amending Appendix M, the Bid Procurement and Change Order Policy, of the Rules and Regulations of the Palmdale Water District to Include Provisions Prohibiting the Requirement of Project Labor Agreements and Other Anticompetitive Measures Except Where Otherwise Required by State or Federal Law from the District's process.

After several public comments regarding Resolution No. 10-20, Senate Bill 922 and other proposed legislation, California's financial state, and the District's budget, the motion unanimously carried.

7.2) Consideration and Possible Action on Resolution No. 12-6 to Grant Another Designated Period for Two-Years Additional Service Credit. (Personnel Committee/Human Resources Manager Burns)

Human Resources Manager Burns provided an overview of Resolution No. 12-6 after which it was moved by Director Dizmang, seconded by Director Alvarado, and unanimously carried to approve Resolution No. 12-6 to Grant Another Designated Period for Two-Years Additional Service Credit.

A copy of Resolution No. 12-6 is hereby made a portion of the minutes of this meeting.

7.3) Consideration and Possible Action on Proposals for Preparation of Local Groundwater Assistance (LGA) Grant Application. ($50,000.00 – Non-Budgeted – Water Supply & Reliability Committee/Engineering Manager Knudson)

Engineering Manager Knudson provided an overview of the proposals received for preparation of the Local Groundwater Assistance grant application, and after a brief discussion of the grant application process, it was moved by Director Alvarado, seconded by Director Dizmang, and unanimously carried to approve the proposal received from Wildermuth Environmental, Inc. in the not-to-exceed amount of $35,000.00 for the preparation of the Local Groundwater Assistance (LGA) grant application.

7.4) Consideration and Possible Action on Award of Contract for Specification No. 0902, Being the Water Main Replacement in Division St., Carolside Ave., Glenraven Ave., Stanridge Ave., 3rd St. E., Sumac Ave., Ave. Q-3, Ave. Q-4, and Ave. Q-7. (Option A - $1,025,000; Option B - $625,000.00 – Engineering Manager Knudson)

Engineering Manager Knudson informed the Board of the bids received for this project and requested this item be tabled to allow staff the opportunity to fully review the bids and the options for this project.

President Dexter then stated that this item is tabled.

7.5) Consideration and Possible Action on Hosting a One-Day Plant Sale and District Conservation Programs. ($3,476.00 – Budgeted – Outreach Committee/Water Conservation Supervisor Roberts)

Water Conservation Supervisor Roberts provided an overview of the proposed one-day plant sale, and after a brief discussion of the cost and details for the plant sale, it was moved by Director Mac Laren, seconded by Director Dizmang, and unanimously carried for the District to host a one-day plant sale and provide information on District conservation programs in the not-to-exceed amount of $3,476.00.

General Manager LaMoreaux then stated that the plant sale details will be refined through the Outreach Committee.

8) Information Items.

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

Director Mac Laren reported that the Personnel Committee met; that they have several cost saving ideas they are working on regarding health and welfare benefits; that due to some changes in the District's current plan, as considered under the Consent

Calendar, and legislation, the Committee is taking some more time to look at all avenues of the cost saving measures; that these cost saving measures have been discussed with all staff; that the Committee has heard some of staff's opinions and there will be additional follow-up; and that the Committee is doing its best to look at all angles and come up with good ways to save which would not be detrimental to employees.

Director Dizmang reported that she also attended the Personnel Committee meeting and the Water Supply & Reliability Committee meeting, and she is please to report the District has water.

Director Alvarado reported that he attended the Personnel Committee meeting and he learned a great deal about how the District runs.

President Dexter then reported that the Water Supply & Reliability Committee met; that the District's State Water Project allocation is back up to 60%; that this is probably the last increase the District will see for this year; that 60% is good compared to past years; that there is a decent supply of water in Littlerock Reservoir; that snow pack is melting and saturating the ground; and that water supply wise, the District is in relatively good shape for this year.

Director Mac Laren made a presentation on behalf of the Board to Executive Assistant Deans and Administrative Assistant Henry in honor of Administrative Professionals Day and stated that they are very helpful to the Board, look out for us, and help the Board by providing information.

There were no further reports from Directors.

8.2) Report of General Manager.

General Manager LaMoreaux called the Board's attention to the Department Reports included with the agenda packets if there are any questions on same and stated that he has no further report.

8.3) Report of Attorney.

Attorney Bunn reported that he has no report.

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.***

At 8:15 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.*

He reconvened the regular meeting at 8:52 p.m.

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

Attorney Bunn 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;* that the Board discussed each of these matters; 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.

Robert Ahrak

Secretary

RESOLUTION NO. 12-04

RESOLUTION OF THE BOARD OF DIRECTORS OF
PALMDALE WATER DISTRICT

WHEREAS, the real property described in Exhibit "A" attached hereto and made a part hereof is situated within and adjacent to the District boundaries and the District has an interest in acquiring said property set forth; and

WHEREAS, said real property is tax defaulted and is subject to the power of sale by the tax collector of said county for the nonpayment of taxes, pursuant to provision of law.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors authorizes the Palmdale Water District to purchase the tax defaulted properties described in Exhibit "A" attached hereto.

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

BE IT FURTHER RESOLVED that the 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 AND ADOPTED by the Board of Directors of the Palmdale Water District.

President	April 25, 2012 (date)
Secretary	April 25, 2012 (date)

AGREEMENT TO PURCHASE
LOS ANGELES COUNTY TAX-DEFAULTED PROPERTY
(Public/Taxing Agency)

This Agreement is made this_____day of_____, 20____, by and between the Board of Supervisors of Los Angeles County, State of California, and the **PALMDALE WATER DISTRICT** ("Purchaser"), pursuant to the provisions of Division 1, Part 6, Chapter 8, of the Revenue and Taxation Code.

The real property situated within said county, hereinafter set forth and described in Exhibit "A" attached hereto and made a part hereof, is tax-defaulted and is subject to the power of sale by the tax collector of said county for the nonpayment of taxes, pursuant to provision of law.

It is mutually agreed as follows:

1. That as provided by Section 3800 of the Revenue and Taxation Code, the cost of giving notice of this agreement shall be paid by the PURCHASER.

2. That the PURCHASER agrees to pay the total purchase price listed for each real property described in Exhibit "A" within 14 days after the date this agreement becomes effective. Upon payment of said sum to the tax collector, the tax collector shall execute and deliver a deed conveying title to said property to PURCHASER.

3. *That the PURCHASER agrees that the real property be used for the public use specified on Exhibit "A" of this agreement.*

4. That if said PURCHASER is a **TAXING AGENCY**, said agency would not share in the distribution of the payment required by this Agreement as defined by § 3791 and § 3720 of the Revenue and Taxation Code.

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By_____
Senior Associate County Counsel

If all or any portion of any individual parcel listed in Exhibit "A" is redeemed prior to the effective date of this agreement, this agreement shall be null and void only as it pertains to that individual parcel. This agreement shall also become null and void and the right of redemption restored upon the PURCHASER'S failure to comply with the terms and conditions of this agreement. Time is of the essence.

0§§3791, 3791.3 3793 R&T Code

X: ID:Chptr 8 Pubagency form
Revised 6/24/03

The undersigned hereby agree to the terms and conditions of this agreement and are authorized to sign for said agencies.

ATTEST:

By_____

(Seal)

ATTEST:

Board of Supervisors
Los Angeles County

By_____
Clerk of the Board of Supervisors

By_____
Chairman of the Board of Supervisors

By_____
Deputy
(seal)

Pursuant to the provisions of Section 3775 of the Revenue and Taxation Code the governing body of the Palmdale Water District hereby agrees to the selling price as provided in this agreement.

ATTEST:

PALMDALE WATER DISTRICT

By_____
Board President

(seal)

This agreement was submitted to me before execution by the board of supervisors and I have compared the same with the records of Los Angeles County relating to the real property described therein.

_____
Los Angeles County Tax Collector

Pursuant to the provisions of Sections 3775 and 3795 of the Revenue and Taxation Code, the Controller agrees to the selling price hereinbefore set forth and approves the foregoing agreement this ___ day of _____, 20___.

By:_____, STATE CONTROLLER

SUPERVISORIAL DISTRICT 5
AGREEMENT NUMBER 2700

EXHIBIT "A"

LOCATION	FIRST YEAR DELINQUENCY	DEFAULT NUMBER	PURCHASE PRICE	PURPOSE OF ACQUISITION
CITY OF PALMDALE	2006	3023-001-067	$4,354.00*	GROUNDWATER RECHARGE AND EXTRACTION WELLS
LEGAL DESCRIPTION				
TRACT # 2916 N 1/2 OF S 1/2 OF W 165 FT MEASURED ON S LINE OF E 1/2 OF LOTS 22 AND LOT 27				
COUNTY OF LOS ANGELES	2006	3027-012-071	$5,682.00*	GROUNDWATER RECHARGE AND EXTRACTION WELLS
LEGAL DESCRIPTION				
TR=44753 LOT 4				
COUNTY OF LOS ANGELES	2006	3042-021-028	$3,099.00*	GROUNDWATER RECHARGE AND EXTRACTION WELLS
LEGAL DESCRIPTION				
N 1/2 OF SW 1/4 OF NW 1/4 OF NW 1/4 OF NW 1/4 OF SEC 31 T 6N R 10W				

The purchase price quoted on this Exhibit "A" is a projection of the purchase price for a schedule of twelve (12) months. In addition, all cost related to the sale will be added to this price as follows: Cost of Notification, Cost of Publication, Cost of Postage, STPTS Fees, Title Report Fee and Forfeited State Lands Fee. If the agreement is completed in less than the twelve (12) month projection time, then the purchase price will be decreased; however if the completion of the agreement is longer than the twelve (12) month projection time, the price will increase accordingly.

SUPERVISORIAL DISTRICT 5
AGREEMENT NUMBER 2700

EXHIBIT "A"

LOCATION	FIRST YEAR DELINQUENCY	DEFAULT NUMBER	PURCHASE PRICE	PURPOSE OF ACQUISITION
COUNTY OF LOS ANGELES	2006	3042-021-029	$3,099.00*	GROUNDWATER RECHARGE AND EXTRACTION WELLS

LEGAL DESCRIPTION

S 1/2 OF SW 1/4 OF NW 1/4 OF NW 1/4 OF SEC 31 T 6N R 10W

The purchase price quoted on this Exhibit "A" is a projection of the purchase price for a schedule of twelve (12) months. In addition, all cost related to the sale will be added to this price as follows: Cost of Notification, Cost of Publication, Cost of Postage, STPTS Fees, Title Report Fee and Forfeited State Lands Fee. If the agreement is completed in less than the twelve (12) month projection time, then the purchase price will be decreased, however if the completion of the agreement is longer than the twelve (12) month projection time, the price will increase accordingly.

RESOLUTION NO. 12-5

RESOLUTION CONSENTING TO JOIN THE HEALTH BENEFITS PROGRAM OF THE ACWA JOINT POWERS INSURANCE AUTHORITY, RATIFYING THE ACTION OF THE ACWA HEALTH BENEFITS AUTHORITY BOARD OF DIRECTORS TO TERMINATE THE HEALTH BENEFITS AUTHORITY JOINT POWERS AGREEMENT, AND AUTHORIZING AND DIRECTING THE PALMDALE WATER DISTRICT TO EXECUTE ALL NECESSARY DOCUMENTS

WHEREAS, this Agency entered into a joint exercise of powers agreement ("HBA Agreement") with the Association of California Water Agencies Health Benefits Authority ("HBA") in order to pool its purchasing needs with other public agencies desiring to provide their employees with comprehensive and economical health and welfare benefits; and

WHEREAS, this Agency entered into a Health Benefits Memorandum of Understanding ("MOU") to enroll in specific health programs and ancillary programs ("Existing Employee Benefits Coverage") offered by HBA and agreed to abide by: (1) the HBA Agreement; (2) all rules and procedures established by HBA in the administration of the Agency's Existing Employee Benefits Coverage; and (3) all underwriting, eligibility, and contribution requirements in Appendix A to the MOU; and

WHEREAS, this Agency entered into a joint exercise of powers agreement ("JPIA Agreement") with the Association of California Water Agencies Joint Powers Insurance Authority ("JPIA") in order to pool its purchasing needs with other public agencies desiring to obtain comprehensive and economical public liability, workers' compensation, unemployment, health, accident and/or dental, or property coverage; and

WHEREAS, JPIA is both qualified and authorized by the laws of the State of California to administer the Existing Employee Benefits Coverage to this Agency through JPIA's Employee Benefits Program; and

WHEREAS, during a noticed special meeting held on February 6, 2012, the HBA Board of Directors unanimously voted to transfer all HBA operations and administrative functions to JPIA on or about July 1, 2012, and to pursue a merger of the two public agencies after which the HBA Agreement would be terminated; and

WHEREAS, pursuant to Article 22 of the HBA Agreement, the HBA Agreement may be terminated by the HBA Board of Directors subject to ratification by the written consent of three-fourths of the HBA Member agencies within 90 days of the HBA Board's action, provided, however, that HBA and the HBA Agreement shall continue to exist for the purpose of concluding all functions necessary to wind up HBA's affairs; and

WHEREAS, during a noticed regular meeting held on March 28, 2012, the HBA Board of Directors approved HBA Resolution 12-03-02: (1) electing to terminate the HBA Agreement pursuant to Article 22 of the HBA Agreement and, except as provided in clause 2 below, said termination shall become effective upon ratification by the written consent of three-fourths of the HBA member districts and agencies; (2) recognizing that pursuant to Article 22 of the HBA Agreement, HBA and the HBA Agreement shall continue to exist for the purpose of winding up

and dissolving the business affairs of HBA, and acknowledge that the HBA Board of Directors is vested with all powers of HBA for doing the same; and (3) declaring that Resolution 12-03-02 shall take effect on April 1, 2012, thereby beginning the 90-day ratification period.

NOW, THEREFORE, BE IT RESOLVED that the Directors of the Palmdale Water District hereby:

1. Agree that the HBA Memorandum of Understanding referred to in the recitals above is incorporated in this resolution by reference.

2. Consent to join JPIA's Employee Benefits Program and acknowledge, represent, and agree that all terms and conditions of the HBA Memorandum of Understanding apply to the provision of this Agency's Existing Employee Benefits Coverage through JPIA.

3. Authorize and direct this Agency's General Manager to cooperate fully with HBA and JPIA in the execution of any other documents and in the completion of any additional actions that may be necessary or appropriate for the purpose of ensuring that this Agency's Existing Employee Benefits Coverage continues without lapse through JPIA.

4. Ratify the action of the HBA Board of Directors to terminate the HBA Agreement, to be effective as provided in Article 22 of the HBA Agreement.

5. Direct the Secretary of the Board of this Agency to immediately send a certified copy of this resolution to: Association of California Water Agencies Health Benefits Authority, 4600 Northgate Blvd, Suite 100, Sacramento, California, 95834.

PASSED AND ADOPTED by the Directors of the Palmdale Water District this 25th day of April, 2012, by the following vote:

AYES: Directors Dexter, Dizmang, Mac Laren, Alvarado, and Cordova

NOES: None

ABSENT: None

President

Attest by:

RESOLUTION NO. 12-6

Of THE
Palmdale Water District

RESOLUTION
TO
GRANT ANOTHER DESIGNATED PERIOD
FOR
TWO YEARS ADDITIONAL SERVICE CREDIT

WHEREAS, the of the Palmdale Water District is a contracting Water/Flood Control District of the Public Employees' Retirement System; and

WHEREAS, desires to provide another designated period for Two Years Additional Service Credit, 20903, based on the contract amendment included in said contract which provided for 20903, Two Years Additional Service Credit, for Eligible members;

NOW, THERE, BE IT RESOLVED, that does seek to add another designated period, and does hereby authorize this Resolution, indicating a desire to add a designated period from

June 30, 2012 - September 30, 2012 for _____

members in the all Employees

Adopted and approved this 25th day of April, , 2012

BY _____



Presiding Officer

Attest:

Robt E. Almack

Clerk/Secretary

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Actuarial and Employer Services Branch
Public Agency Contract Services
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (225-7377)

CERTIFICATION OF GOVERNING BODY'S ACTION

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the

BOARD OF DIRECTORS of the
(governing body)

PALMDALE WATER DISTRICT
(public agency)

on April 25, 2012
(date)

Robert E. Alvarez
Clerk/Secretary

Secretary, Board of Directors
Title