MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, MAY 23, 2012:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, May 23, 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 Alvarado led the pledge of allegiance followed by a moment of silence in honor of William Redcay, Palmdale Water District Facilities Manager 1992 - 1999.

2) Roll Call.

Attendance:	**Others Present:**
Gordon Dexter, President	Dennis LaMoreaux, General Manager
Gloria Dizmang, Vice President	Tim Gosney, Attorney
Kathy Mac Laren, Treasurer	Mike Williams, Finance Manager
Robert Alvarado, Secretary	Peter Thompson II, Operations Manager
Steve Cordova, Director -- EXCUSED ABSENCE	Jim Stanton, Information Technology Manager
	Tim Moore, Facilities Manager
	Kelly Jeters, Systems Supervisor
	Ed Boka, Treatment Plant Supervisor
	Dawn Deans, Executive Assistant
	3 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)

There were no Cash for Grass Rebate presentations.

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 9, 2012.

6.2) Payment of Bills for May 23, 2012.

It was moved by Director Mac Laren, 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 District 2012 Membership in the Water Research Foundation (Formerly Known as American Water Works Association Research Foundation ($12,881.25 – Budgeted – Operations Manager Thompson II)

Operations Manager Thompson II provided an overview of the cost and benefit of District membership in the Water Research Foundation, and after a brief discussion of the benefit to the District from this membership, it was moved by Director Mac Laren, seconded by Director Alvarado, and unanimously carried to approve District 2012 membership in the Water Research Foundation in the not-to-exceed amount of $12,881.25.

General Manager LaMoreaux then informed the Board of the District's potential participation in the Water Research Foundation's Chromium VI study.

7.2) Consideration and Possible Action on Authorizing the Maximum Amount of Up to $3,000.00 to Help Enhance the District's Web Site and Social Media Presence. ($3,000.00 – Budgeted – Director Dizmang/Outreach Committee)

Director Dizmang, Outreach Committee Chair, and Information Technology Manager Stanton provided an overview of the proposal received from Constant Contact for enhancing the District's web site and social media presence and of the benefit of impact videos, and after a brief discussion of these options, it was moved by Director Mac Laren, seconded by Director Dizmang, and unanimously carried to authorize the maximum amount of up to $3,000.00 to help enhance the District's web site and social media presence.

7.3) Consideration and Possible Action to Recruit for the Position of Human Resources Manager. (General Manager LaMoreaux)

General Manager LaMoreaux informed the Board of the retirement of Human Resources Manager Burns and of the critical need for filling this position, and after a brief discussion of cutting the District's budget and of the key duties of this position, it was moved by Director Dizmang, seconded by Director Alvarado, and unanimously carried to table this item until the second regular Board meeting in June to allow staff the opportunity to assess the budget and staff vacancies resulting from the Two Year Service Credit Retirement Program.

Human Resources Manager Burns was commended on the talents that she has brought to the District.

8) Information Items.

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

Director Alvarado reported that on May 12, he attended the Fire Service Day hosted by the L.A. County Fire Department; that on May 14, he attended the 2012 Installation of Officers of the Antelope Valley International Heritage Festival and Committee, and Palmdale Mayor Ledford was the installing official; that on May 16, he attended the luncheon and candidate forum at the Embassy Suites hosted by the Palmdale Chamber of Commerce; and that on May 19, he attended the Bill Warford Walk for Wellness Celebration at Poncitlan Square.

Director Dizmang reported that she attended the Water Supply & Reliability Committee meeting and will defer the meeting report to President Dexter as Chair of the Committee.

Director Mac Laren reported that the Personnel Committee will meet the first of next month, and she will have a report at the next meeting.

President Dexter reported that the Water Supply & Reliability Committee met, and the District's State Water Project allotment is now at 65%; that the Committee will begin review of water reliability issues at the next meeting; that reports will be developed through this Committee on how water is transported through the Delta, on ideal water

banking locations, and on water banking opportunities for the District; and that these reports will eventually be presented to the full Board.

He then publicly apologized to Director Alvarado as he was abrupt at the last meeting and should have taken more time for discussion after which Director Alvarado accepted the apology.

There were no further reports from Directors.

8.2) Report of General Manager.

General Manager LaMoreaux informed the Board that the monthly Department Status Report was included with the agenda packets.

He then informed the Board that Facilities Manager Moore provided a written report this evening on the District's coordination with the Fire Department on the recent fire at the former H & E building; that District staff was able to direct firefighters to the larger water mains for increased flow to fight the fire; and that fire protection is a large part of planning for the sizing of storage, production, and the distribution system to ensure flows are available when needed after which Director Dizmang stated that this needs to be publicized as few understand or even consider this role of the District.

General Manager LaMoreaux then informed the Board that a redistricting consultant list is being developed based on that provision in the budget and that the Department of Water Resources held a workshop in the District's Boardroom this afternoon as part of developing the next water plan.

Director Alvarado then stated that he received inquiries about the recent unclaimed funds notification included in the Antelope Valley Press and requested that Directors be informed when these types of advertisements are published after which General Manager LaMoreaux provided an overview of unclaimed funds.

8.3) Report of Attorney.

Attorney Gosney stated 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.***

10.7) Government Code Section 54956.9(a), Existing Litigation: ***Aqualliance, et al, v. Butte Water District, Butte County Superior Case No. 156719.***

At 7:32 p.m., President Dexter called for a closed session 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 *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-8000056* and *Aqualliance, et al, v. Butte Water District, Butte County Superior Case No. 156719.*

He reconvened the regular meeting at 8:23 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 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 *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 *Aqualliance, et al, v. Butte Water District, Butte County Superior Case No. 156719;* that the Board discussed and was briefed on each of these matters; that Counsel, as appropriate, was given instructions as to how to proceed; 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.

President Dexter stated that Agenda Item No. 7.3 regarding recruitment of the Human Resources Manager position will be considered at the second regular Board meeting in June.

Director Dizmang requested an item be placed on the next agenda for "Discussion and possible action on Board approval of District staff attendance at conferences and seminars."

She then requested an item be placed on the next agenda for "Consideration and possible action on review of consultant contracts and Board approval of all future consultant contracts."

She then requested President Dexter's previous request of comparative personnel expenses from other agencies be presented soon.

General Manager LaMoreaux then stated that Finance Manager Williams will provide a report on level pay plans at the first Board meeting in June.

Director Mac Laren then stated that she obtained additional financial information from Financial Advisor Egan and various reports may be revised as a result of this meeting.

Director Alvarado inquired when the financial workshop will be scheduled after which President Dexter stated that an item will be placed on the next agenda for "Consideration and possible action on the District's Finance Committee and finance reporting" and the financial workshop be discussed under this item.

There were no further 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 E. Alvarado
Secretary