PALMDALE RECYCLED WATER AUTHORITY (PRWA)

MINUTES OF JUNE 17, 2015
REGULAR MEETING AGENDA NO. 18 OF THE
PALMDALE RECYCLED WATER AUTHORITY (PRWA)
HELD AT CITY OF PALMDALE CITY HALL COUNCIL CHAMBERS
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA

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1. CALL TO ORDER.

Chair Ledford called the meeting to order at 7:00 p.m.

2. PLEDGE OF ALLEGIANCE.

3. ROLL CALL: DIRECTORS JAMES C. LEDFORD, JR., KATHY MAC LAREN, ROBERT ALVARADO, FRED THOMPSON, AND HELEN VELADOR

PRESENT: Chair Ledford, Directors Mac Laren, Alvarado, and Velador
Motion: Move to excuse the absence of Director Thompson.
Moved by Director Alvarado, seconded by Director Mac Laren

Vote: Motion Carried (4-0)
Yes: Chair Ledford, Directors Mac Laren, Alvarado, and Velador
Absent: Director Thompson

4. WAIVER OF FULL READING OF RESOLUTION(S).

Motion: Move to waive full reading of the Resolution(s) to be considered and voted on at this meeting.
Moved by Director Velador, seconded by Director Mac Laren

Vote: Motion Carried (4-0)
Yes: Chair Ledford, Directors Mac Laren, Alvarado, and Velador
Absent: Director Thompson

5. CONSENT CALENDAR – PUBLIC COMMENTS ONLY:

There were no public comments.

6. CONSENT CALENDAR:

6.1 Approve the Minutes from the previous meeting held on May 20, 2015 (7pm). (Staff Reference: Authority Secretary Smith)

6.2 Approve Receipt and Filing of the Treasurer's Report for the five months ending May 31, 2015. (Staff Reference: Treasurer/Auditor Johnston).

Motion: Move to approve the recommendations and findings on all items listed under this Consent Calendar.
Moved by Director Velador, seconded by Director Mac Laren

Vote: Motion Carried (4-0)
Yes: Chair Ledford, Directors Mac Laren, Alvarado, and Velador
Absent: Director Thompson

7. SPECIAL REPORT:

7.1 **This item was continued from the May 20, 2015 meeting.** Discussion and possible action regarding priority of use of Recycled Water and a status on the Recycled Water Allocation Agreements. (Staff Reference: Authority Counsel Ditzhazy)

There was No Staff Report for this Item. The following documents were provided to the Board:

- **Correspondence to Supervisor Antonovich dated June 10, 2015**
- **Joint Exercise of Powers Agreement – 2nd Amendment dated 10/2/2013**
- **Joint Exercise of Powers Agreement – 1st Amendment dated 03/06/2013**
- **Joint Exercise of Powers Agreement – dated 09/26/2012**

City Attorney Ditzhazy stated that at the last meeting the Board directed staff to prepare a letter to Supervisor Antonovich which was prepared and delivered to the Supervisor and all other entities, the Sanitation Districts and Water Districts, that were involved and it was to be delivered in advance of the joint meeting that was held today.

Assistant Executive Director Mischel stated that in addition to himself and Interim City Manager Ken Pulskamp the were also representatives attending the joint meeting on behalf the City of Lancaster, Palmdale Water District, the Sanitation District, and L.A. County Waterworks.

Assistant Executive Director Mischel stated that the bottom line is that County Waterworks has agreed to go back to their Board and unwind what they need to unwind to get out of the recycled water business within a 6 to 8 week time frame which will allow the Sanitation District to move forward with the revised allocation contracts to the authorities. Each of the cities will have to go back to their council. Assistant Executive Director Mischel stated that it went the way that we had hoped it would go and it is good news. He stated this will include expanding the boundaries to include the west portion of the City of Palmdale. Also, we will need a recycled water purveyor and owner and operator of the backbone system in the City of Palmdale. He stated that staff will come back to the Board to ask for permission to add the west portion.

Director Alvarado stated he was surprised about the outcome of the meeting and their decision and asked if there is anything that might create problems in the future. Assistant Executive Director Mischel stated there are some legal qualifiers that have to be taken care of and he does not foresee problems. Executive Director LaMoreaux stated that nothing was apparent at this time but we will wait and see what the process is and exactly what they are going to pass on to us and at what price. That this is all fresh as the decision was made by Supervisor Antonovich last Friday.

There was further discussion by the Board members.

Director Alvarado stated that once everything has been resolved, he would like to see a letter of appreciation sent to the Board of Supervisors and L.A. County Waterworks to thank them for making this happen.

The Board members concurred that this is good news.

8. NON-AGENDA ITEMS - PUBLIC COMMENTS:

Gordon Phair provided the Board with an update of the design. He stated Barry Munz is the designer and they are almost finished with mapping the utilities and the base plan. An application has been submitted for a grant pursuant to Board approval at the last meeting.

Chair Ledford asked if we will see some shared money from the County. Executive Director LaMoreaux stated this will augment our potable water.

Executive Director LaMoreaux stated the Water District staff is preparing a package for the Bureau of Reclamations to get in line for construction loans for this project.

Director Alvarado would like to see an update of the streamlining for releasing funding for water storage and recycled water at a much higher rate and asked for the lastest information. Executive Director LaMoreaux stated we will check into that specific statement and as far as Prop 1 that was passed and there will

hearings for rules for distributing that will come up next month. Chair Ledford stated we should talk to our State Senator and Assemblyman and maybe they will able to provide insight on how to get some money and that we have a shovel ready project Assistant Executive Director Mischel stated there are a couple of shovel ready projects that are ready, but we just need funding.

9. CLOSED SESSION – PUBLIC COMMENTS ONLY:

City Attorney Ditzhazy stated the Closed Session item listed as 10.1 was not needed.

10. CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:

10.1 The reason for holding a closed session is for the purpose of conferring with and/or receiving advice from the Authority's legal counsel and to receive direction from the Board of Directors regarding the possible initiation of litigation in one matter.

This closed session is being held pursuant to the authority of California Government Code Section 54956.9(c). Number of cases – One.

Possible litigation by the Authority regarding a possible civil action which the Authority believes is not yet known to potential defendants.

Closed session is recommended because the Board will assess the merits of this matter and consider the Authority's perspective. Based on existing facts and circumstances it is the opinion of the Authority Counsel that it would prejudice the position of the Authority to discuss these matters in public or to disclose further the circumstances in this potential case; such disclosure may harm other efforts to resolve the matter and, it is believed possible defendants are unaware of possible litigation.

11. INFORMATIONAL REPORT OF THE BOARD OF DIRECTORS, EXECUTIVE DIRECTOR, AND ASSISTANT EXECUTIVE DIRECTOR.

Director Alvarado had nothing to report.

Chair Ledford: Suggested looking into grants and stated he felt the Board received great news today.

Director Velador: Want to extend a thank you to Executive Director LaMoreaux and Assistant Executive Director Mischel for their work.

Authority Counsel Ditzhazy asked the Board if we should have a July meeting and that the County Waterworks report will come back at the end of July. He suggested having an August meeting instead. The Board members concurred.

12. ADJOURNMENT:

Chair Ledford adjourned the meeting at 8:30 p.m. to August 19, 2015 at 7:00 p.m. at the Palmdale Water District Board Room located at 2029 East Avenue Q, Palmdale, California

PASSED, APPROVED, and ADOPTED this 19th day of August 2015.

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James C. Ledford, Jr.
Chair

ATTEST:

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Rebecca J. Smith
Secretary