MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, FEBRUARY 10, 2016:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, February 10, 2016, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Robert Alvarado, called the meeting to order at 7:00 p.m.

1) Pledge of Allegiance.

At the request of President Alvarado, Danny Bazzell, Field Representative for Senator Sharon Runner, led the pledge of allegiance followed by a moment of silence in honor of our troops.

2) Roll Call.

Attendance:	**Others Present:**
Robert Alvarado, President	Dennis LaMoreaux, General Manager
Vincent Dino, Vice President	Matt Knudson, Assistant General Manager
Joe Estes, Treasurer	Eric Dunn, General Counsel
Marco Henriquez, Secretary	Mike Williams, Finance Manager
Kathy Mac Laren, Director	Mike McNutt, PIO/Conservation Director
	Jennifer Emery, Human Resources Director
	Tim Moore, Facilities Manager
	Jim Stanton, Information Technology Manager
	Jon Pernula, Water & Energy Resources Director
	Mynor Masaya, Operations Manager
	Dennis Hoffmeyer, Accounting Supervisor
	Bob Egan, Financial Advisor
	Dawn Deans, Executive Assistant
	20 members of the public

3) Adoption of Agenda.

It was moved by Director Mac Laren to adopt the agenda, as written. The motion died from lack of a second.

It was then moved by Director Estes to adopt the agenda, as amended, removing Agenda Item No. 7.7 and table this item to a later date. The motion was seconded by Director Henriquez. Director Estes then stated his reason for removing this item, and after a further discussion of Agenda Item No. 7.7, of reasons for removing this item from the agenda, and of reasons for this item to remain on the agenda, the motion failed on a 2 – 3 vote, with Directors Mac Laren and Dino and President Alvarado opposed.

General Counsel Dunn then requested Agenda Item No.'s 9, 10, 11, and 12 be removed from the agenda as there are no updates at this time.

It was then moved by Director Mac Laren, seconded by Director Dino, and unanimously carried to adopt the agenda, as amended, removing Agenda Item No.'s 9, 10, 11, and 12 as recommended by General Counsel Dunn.

4) Public Comments for Non-Agenda Items.

Mr. Thomas Llewellyn, Palmdale resident, stated that his comments are about Director Estes as a Board member; that as a full disclosure, he volunteered on Director Estes' campaign and regrets that decision; that in his interactions with Director Estes and the evidence presented in the public and in the newspaper, he believes Director Estes to be guilty of theft; that the plea of no contest is a protection from civil litigation; that he believes this to be a moral and not a political issue; that Directors represent constituents and form policy; that Director Estes does not represent him as he is not power hungry, not self-serving, not a liar, or not a thief; that he requests Director Estes step down from his position as a Director to truly represent his constituents, save the District money and embarrassment, to truly do the right thing, and to protect the District; that he does not see a divided house and Directors and staff work towards the goal of providing safe and healthy water; that Director Estes maintaining his innocence is where the division is, and this is impeding the goals and innovation of the District; and then again called for Director Estes to step down.

Ms. Judy Emelcio, IBEW organizer for Kinkisharyo, located at the Los Angeles World Airports' facility on Avenue P, and Mr. Vincent Luke, employee of Kinkisharyo, stated that they lease the building north of Avenue P and are concerned about the quality of their water and do not trust the water from the tap; that there was a malfunction of their well Monday morning which was fixed, but the water is brown, and filtered water is not clear; and that they have exhausted all resources and request assistance from the District for brown water from the tap and workers becoming sick from drinking tap water.

General Manager LaMoreaux then clarified that the Kinkisharyo buildings are north of 30th Street East and Avenue P; that they are not served by the Palmdale Water District; that they are served by on site wells owned by Los Angeles World Airports; and that he can provide contact information for the Los Angeles World Airports.

There were no further public comments.

5) Presentations:

5.1) None at This Time.

There are no presentations at this time.

6) Action Items – Consent Calendar: (The Public Shall Have an Opportunity to Comment on Any Action Item on the Consent Calendar as the Consent Calendar is Considered Collectively by the Board of Directors Prior to Action Being Taken.)

6.1) Approval of Minutes of Special Meeting Held January 19, 2016.

6.2) Approval of Minutes of Regular Meeting Held January 27, 2016.

6.3) Payment of Bills for February 10, 2016.

6.4) Approval of Resolution No. 16-4 Amending Resolution No. 16-3 for Employer Paid Member Contributions for CalPERS. (Human Resources Director Emery)

6.5) Approval of Lease Agreement With GE Capital for Lease of Printers. ($3,390.00/Month for Five Years – Budgeted – Information Technology Manager Stanton)

President Alvarado announced the items included in the Consent Calendar after which it was moved by Director Mac Laren, seconded by Director Dino, and after additional clarification of the GE Capital lease of printers, it was unanimously carried by all members of the Board of Directors present at the meeting to approve those items included in the Consent Calendar.

A copy of Resolution No. 16-4 is 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) Status Report on Cash Flow Statement and Current Cash Balances as of December, 2015. (Financial Advisor Egan)

Financial Advisor Egan stated that cash increased due to assessments received; that matured cds will be reinvested; reviewed the Cash Flow Statement as of December, 2015, which details the assessments received, the Butte payment, increased capital improvement fees, and Department of Water Resources refunds; and then stated that year-end cash is very optimistic and stressed the importance of maintaining a cash balance above $10 million followed by discussion of the investment report.

7.2) Status Report on Financial Statements, Revenue, and Expense, and Departmental Budget Reports for December, 2015. (Finance Manager Williams)

Finance Manager Williams reviewed the balance sheet, profit and loss statement, year-to-year comparisons, month-to-month comparisons, consumption comparisons, and revenue and expense analysis reports for the period ending December 31, 2015 and stated that most departments are operating at or below the targeted expenditure percentage of 100%. He then reviewed line items over budget and updated information from the Customer Care Department regarding payment transactions by type and customer activity from 5:00 p.m. to 6:00 p.m. followed by discussion of a monthly report of Other Operating Revenue, door-tag fees, and payment transactions.

7.3) Status Report on Committed Contracts Issued and Water Revenue Bond Projects. (Assistant General Manager Knudson)

Assistant General Manager Knudson reviewed the status of approved 2016 engineering projects included in the Committed Contracts and Payout Schedule, including those projects contractually committed, budgeted projects but not yet committed with these projects listed in order of priority, payments for projects funded from the Water Revenue Series 2013A Bonds, and payments from District funds followed by a brief discussion of Financial Advisor Egan's recommendation to closely track these projects to maintain cash flow and the infrastructure projects constructed with bond proceeds.

7.4) Consideration and Possible Action on Resolution No. 16-5 Being a Resolution of the Board of Directors of the Palmdale Water District Declaring Continued Emergency Water Conservation Restrictions and Reaffirming State Water Resources Control Board Regulations for the Purpose of Achieving the Mandatory Prescribed 28% Reduction in Potable Water Use and Extending Stage 3 of Palmdale

Water District's Urban Water Management Plan Calling for Mandatory Conservation in Compliance with the State Water Resources Control Board's Emergency Regulation as Amended on February 2, 2016. (Water & Energy Resources Director Pernula)

Water & Energy Resources Director Pernula reviewed the District's conservation efforts and the State Water Resources Control Board's decision to extend mandatory drought regulations through October 31, 2016 and reduce the District's mandatory conservation percentage from 32% to 28%, and after a brief discussion of the District's current conservation percentage reduction, fines, and penalties, it was moved by Director Mac Laren, seconded by Director Dino, and unanimously carried by all members of the Board of Directors present at the meeting to approve Resolution No. 16-5 being a Resolution of the Board of Directors of the Palmdale Water District Declaring Continued Emergency Water Conservation Restrictions and Reaffirming State Water Resources Control Board Regulations for the Purpose of Achieving the Mandatory Prescribed 28% Reduction in Potable Water Use and Extending Stage 3 of Palmdale Water District's Urban Water Management Plan Calling for Mandatory Conservation in Compliance with the State Water Resources Control Board's Emergency Regulation as Amended on February 2, 2016.

A copy of said Resolution No. 16-5 is hereby made a portion of the minutes of this meeting.

7.5) Consideration and Possible Action on Special District Local Agency Formation Commission (LAFCO) Representative. (General Manager LaMoreaux)

After a brief discussion of LAFCO and of the candidates for LAFCO representation, it was moved by Director Mac Laren, seconded by Director Henriquez, and unanimously carried by all members of the Board of Directors present at the meeting to cast the District's ballot for Donald L. Dear as the Special District LAFCO Representative.

7.6) Consideration and Possible Action to Reconsider the Palmdale Water District's Nominee to Fill the Public Water Supplier Seat on the Antelope Valley Watermaster Board of Directors. (Director Mac Laren)

General Manager LaMoreaux respectfully declined the previous nomination to fill the Public Water Supplier seat on the Antelope Valley Watermaster Board of Directors, and after a brief discussion, it was moved by President Alvarado, seconded

by Director Dino, and unanimously carried by all members of the Board of Directors present at the meeting to nominate Director Mac Laren as the Palmdale Water District's nominee to fill the Public Water Supplier seat on the Antelope Valley Watermaster Board of Directors.

7.7) Consideration and Possible Action on the Board Offices of Treasurer and Secretary. (Director Mac Laren)

Director Mac Laren moved that Director Estes be removed as Treasurer and become Secretary of the Board of Directors and Director Henriquez be removed as Secretary and become Treasurer of the Board of Directors, and after a further discussion of these positions, the motion was seconded by Director Dino.

Ms. Gloria Dizmang, Palmdale resident, clarified that the Palmdale Water District is not involved in the court case of Director Estes, and the District is not responsible and cannot be sued or brought into this court case; that this is a political issue and involves a minor misdemeanor; that when she was informed that Director Estes had pleaded no contest, she was very proud of him because she felt he stood up and accepted his responsibilities like a man as a no contest plea implies a guilty plea; that innocent people do not receive community service and are not put on probation; that she would have informed the Board sooner that the District is not involved in Director Estes' issue but she did not receive the outcome of this matter until January; that the District Attorney has apologized for all the mistakes in handling this matter as she was not informed of the court hearing and was not allowed to attend; that her issue is with Director Estes becoming a martyr by stating he is saving the District, and this is not the case as the matter has nothing to do with the District; and that this Board is good, solid, and has a good reputation, and everyone needs to defend this reputation and not use it as a cloak of martyrdom.

Director Henriquez thanked Ms. Dizmang for her comments and for looking out for the residents of Palmdale and stated that she did a wonderful job during her time as a Director.

Mr. Alex Landa, Littlerock resident, stated that from his understanding, a no contest plea is a guilty plea.

After a brief discussion of the Board offices of Treasurer and Secretary and of holding Directors to a higher standard, the motion was unanimously carried by all members of the Board of Directors present at the meeting.

7.8) Consideration and Possible Action to Authorize the Formation of an Ad Hoc Committee to Consider and Potentially Recommend Changes to Article 4 of the Palmdale Water District's Rules and Regulations. (President Alvarado)

After a brief discussion of the formation of an Ad Hoc Committee, it was moved by Director Mac Laren, seconded by Director Dino, and unanimously carried by all members of the Board of Directors present at the meeting to authorize the formation of an Ad Hoc Committee to consider and potentially recommend changes to Article 4 of the Palmdale Water District's Rules and Regulations.

7.9) Consideration and Possible Action on Authorization of the Following Conferences, Seminars, and Training Sessions for Board and Staff Attendance Within Budget Amounts Previously Approved in the 2016 Budget:

a) A.W.W.A. Spring Conference "Building a Sustainable Future" to be Held March 21 – 24, 2016 in Sacramento.

b) Professionals in Human Resources Association California HR Conference to be Held August 29 – 31, 2016 in Long Beach.

After a brief discussion of these conferences, it was moved by Director Henriquez, seconded by Director Mac Laren, and unanimously carried by all members of the Board of Directors present at the meeting to authorize the following conferences, seminars, and training sessions for Board and staff attendance within budget amounts previously approved in the 2016 Budget as follows: A.W.W.A. Spring Conference "Building a Sustainable Future" to be Held March 21 – 24, 2016 in Sacramento and Professionals in Human Resources Association California HR Conference to be Held August 29 – 31, 2016 in Long Beach.

8) Information Items.

8.1) Reports of Directors:

a) Meetings/General Report.

Director Estes stated that he has no report.

Director Mac Laren reported that on February 8, she attended a meeting with Antelope Valley East Kern Water Agency, Littlerock Creek Irrigation District, General

Manager LaMoreaux, Assistant General Manager Knudson, Water & Energy Resources Director Pernula, and Director Dino, and exciting ideas were discussed and that also on February 8, she attended a Board briefing with General Manager LaMoreaux.

Director Henriquez reported that on February 8, he attended a Board briefing with General Manager LaMoreaux and that today he attended a field trip at Littlerock Dam touring the inside of the Dam and thanked staff for the informative tour.

Director Dino reported that on February 8, he attended a Board briefing with General Manager LaMoreaux; that also on February 8, he attended a brainstorming meeting with Antelope Valley East Kern Water Agency, Littlerock Creek Irrigation District, General Manager LaMoreaux, Assistant General Manager Knudson, Water & Energy Resources Director Pernula, and Director Mac Laren, and this was very educational; and that on February 9, he attended the AVEK Board meeting where they discussed the lease of 1,400 acres of property to S-Power for a solar panel project.

President Alvarado reported that on February 2, he attended an agenda review briefing with the General Manager; that on February 3, he attended the Palmdale City Council meeting where they discussed a stipend for the fifth PRWA Board member; and that on February 8, he attended a Board briefing with General Manager LaMoreaux.

There were no further reports from Directors.

b) Standing Committee/Assignment Reports (Chair):

1) None at This Time.

President Alvarado stated that he will present Standing Committee and Assignment Reports prior to or at the next regular Board meeting.

8.2) Report of General Manager.

General Manager LaMoreaux stated that distributed this evening is the latest Precipitation: 8-Station Index showing the status of precipitation in northern California, and snow pack levels are just over 100% of what is expected at this time of year.

8.3) Report of General Counsel.

General Counsel Dunn stated that he has no report.

13) Board Members' Requests for Future Agenda Items.

Director Dino requested an item be placed on the next agenda for "Consideration and possible action on development of an appreciation program recognizing ratepayers from each of the Director's divisions for great reductions in water consumption" in the form of a letter or as a Certificate of Appreciation.

There were no further requests for future agenda items.

14) Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 9:03 p.m.

Vice President

RESOLUTION NO. 16-4
AMENDING RESOLUTION NO. 16-3
FOR EMPLOYER PAID MEMBER CONTRIBUTIONS

WHEREAS, the governing body of the Palmdale Water District has the authority to implement Government Code Section 20691;

WHEREAS, the governing body of the Palmdale Water District has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer;

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the Palmdale Water District of a Resolution to commence said Employer Paid Member Contributions (EPMC);

WHEREAS, the governing body of the Palmdale Water District has identified the following conditions for the purpose of its election to pay EPMC:

- This benefit shall apply to all employees of the Palmdale Water District.
- This benefit shall consist of paying 4.59 percent of the normal member contributions as EPMC.
- The effective date of this Resolution shall be February 7, 2016.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Palmdale Water District elects to pay EPMC, as set forth above.

BY:

Robert E. Alvarez
Name of Official

President, Board of Directors
Title

February 10, 2016
Date adopted and approved

APPROVED AS TO FORM:

BY: _____
ALESHIRE & WYNDER, General Counsel

PALMDALE WATER DISTRICT
RESOLUTION NO. 16-5
REVISING RESOLUTION NO. 15-14

RESOLUTION OF THE BOARD OF DIRECTORS OF PALMDALE WATER DISTRICT DECLARING CONTINUED EMERGENCY WATER CONSERVATION RESTRICTIONS AND REAFFIRMING STATE WATER RESOURCES CONTROL BOARD REGULATIONS FOR THE PURPOSE OF ACHIEVING THE MANDATORY PRESCRIBED 28% REDUCTION IN POTABLE WATER USE AND EXTENDING STAGE 3 OF PALMDALE WATER DISTRICT'S URBAN WATER MANAGEMENT PLAN CALLING FOR MANDATORY CONSERVATION IN COMPLIANCE WITH THE STATE WATER RESOURCES CONTROL BOARD'S EMERGENCY REGULATION AS AMENDED ON FEBRUARY 2, 2016

WHEREAS, Palmdale Water District ("District") is a water district empowered to provide water service within District boundaries; and

WHEREAS, due to inadequate water storage, opposition to the development and construction of water supply facilities, and legal restrictions on the flow of State Water Project water to Southern California, California in general, and the Antelope Valley, in particular, is experiencing shortages in water supplies; and

WHEREAS, the early State Water Project allocation for 2016 has been established at a critically low 15% and deliveries have, therefore, been drastically curtailed in response to the inadequacy of water supplies; and

WHEREAS, groundwater supplies which provide a supplemental source of water to the District, are limited in nature, being subjected to increased demands, and now subject to legal rulings arising from a groundwater basin adjudication action that further limit the District groundwater supplies; and

WHEREAS, conservation of water by all District consumers that have not already conserved will help relieve the problems caused by the shortage in water supplies; and

WHEREAS, the District has attempted, through its public information program, to advise and alert the consumers to the serious nature of the water supply situation. Customers have made significant progress in water use efficiency from pre-2009 by exceeding the State required 20% reduction by the year 2020 under SBX 7-7; and

WHEREAS, on January 17, 2014, Governor Edmund G. Brown Jr. issued a Proclamation January 17, 2014 declaring a State of Emergency to exist in California due to severe drought conditions; and

WHEREAS, on April 25, 2014, Governor Edmund G. Brown Jr. further issued an Executive Order to strengthen the state's ability to manage water and habitat effectively in drought conditions and called on all Californians to redouble their efforts to conserve water; and

WHEREAS, the District adopted Resolution No. 14-9 on May 14, 2014 urging heightened water conservation by customers in response to drought and the April 25, 2014 Governor's Proclamation; and

WHEREAS, Water Code Section 1058.5 grants the State Water Resources Control Board the authority to adopt emergency regulations in certain drought years in order to: "prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, to promote water recycling or water conservation;" and

WHEREAS, on July 15, 2014, the State Water Resources Control Board adopted emergency water conservation regulations prohibiting all individuals from engaging in certain water use practices and would require mandatory conservation-related actions of public water suppliers during the current drought emergency; and

WHEREAS, on April 1, 2015, Governor Edmund G. Brown Jr. further issued an Executive Order to re-affirm the orders and provisions contained in the January 17, 2014 Proclamation, the April 25 Proclamation, and Executive Orders B-26-14 and B-28-14 and mandated further restrictions and programs for the purpose of achieving a statewide reduction in potable water use through February 28, 2016; and

WHEREAS, on May 5, 2015, the State Water Resource Control Board adopted Resolution 2015-0032, prescribing mandatory 32% conservation for Palmdale Water District from June 1, 2015-February 28, 2016 compared to the same months in 2013; and further affirmed the restrictions and programs specified in Executive Order B-29-15; and

WHEREAS, on November 13, 2015, Governor Edmund G. Brown Jr. further issued an Executive Order to extend the orders and the provisions of the January 17, 2014 Proclamation, his April 25, 2014 Proclamation, and Executive Orders B-26-14, B-28-14, and B-29- 15; and

WHEREAS, on February 2, 2016, the State Water Resource Control Board adopted a resolution extending and revising Emergency Conservation Regulations such that they shall carry through until October 31, 2016 and revisions for climate adjustments will reduce the District's conservation target from 32% to 28%; and

WHEREAS, following the making of findings as required by law, the District has the power and authority to adopt mandatory water conservation measures within its boundaries pursuant to Part 5 of the Irrigation District Law, codified at Division 11 of the California Water Code; and

WHEREAS, the District is required to comply with State law, including regulations adopted by the State Water Resources Control Board (SWRCB), codified at Title 23 of the California Code of Regulations and is authorized pursuant thereto to implement its requirements; and

WHEREAS, the District desires to comply with the SWRCB emergency water conservation regulations and to continue the Stage 3 Water Shortage Emergency Plan contained in the District's 2010 Urban Water Management Plan, including mandatory water rationing which measures have been implemented; and

WHEREAS, the District's achieved conservation of 25.7% from June through December, 2015 is short of the 28% mandated goal, and the restrictions and fines set forth in revision to Resolution No. 15-9 shall be extended in order to improve the overall level of compliance with mandatory water restriction found herein.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Palmdale Water District as follows:

Section 1: Findings: The Board of Directors of the District hereby finds and declares as follows:

1) On July 15, 2014, the State Water Resources Control Board issued mandatory Emergency Water Conservation Regulations prohibiting all individuals from engaging in certain water use practices and requiring the District to implement its mandatory water conservation measures.

2) The State Water Project water available to the District is a critically low (15%) allocation.

3) Continued production of water from the groundwater basin without proportionate recharge of the basin through stream runoff, rainfall, and snow melt could result in irreparable damage to the storage capacity of the basin aquifers and impair the long-term water delivery capability of the District.

4) Voluntary and mandatory water conservation measures have not resulted in the recommended 28% reduction in consumption.

5) At present, without supplemental supplies, the anticipated water available to the District is insufficient to meet anticipated demands.

6) Should existing drought conditions continue, or should the District lose its water production capacity, there may be insufficient water available for human consumption, sanitation and fire protection.

Section 2: Extension of Stage 3 Water Shortage Emergency: The Board of Directors of the District, in accordance with the foregoing findings, hereby determines and declares the existence of an emergency condition of water shortage within its service area and further determines and declares that the regulations and restrictions on delivery of water and consumption of water within its service area as hereinafter set forth are necessary, in the sound discretion of the Board of Directors of the District, to conserve the water supply for the greatest public benefit with particular regard to domestic use, sanitation, and fire protection.

Section 3: Authorization to Implement Restrictions on Water Consumption: The Board of Directors of the District hereby authorizes the General Manager of the District to take specific steps to meet water conservation goals, regulations, and restrictions on water consumption as hereinafter set forth.

Section 4: Conservation Goal and Authorized Actions. The conservation goal of the District and the State Water Board is a reduction in water use of twenty-eight percent (28%) when compared against usage in 2013, which goal is mandatory through October 31, 2016. The General Manager is authorized to implement Action 1 Paragraphs 1 through 13 of this Resolution to meet said conservation goal.

Action 1. Mandatory Water Conservation Regulations. The General Manager shall take all steps necessary to advise the District's customers of the following mandatory regulations and to enforce them in accordance with the District's existing Waste of Water Policy:

1. There shall be no hose washing of sidewalks, walkways, buildings, walls, patios, driveways, parking areas or other paved surfaces, or walls, except to eliminate conditions dangerous to public health or safety or when required as surface preparation for the application of architectural coating or painting.

2. Washing of motor vehicles, trailers, boats and other types of equipment shall be done only with a hand-held nozzle for quick rinses, except that washing may be done with reclaimed wastewater or by a commercial car wash using recycled water.

3. No water shall be used to clean, fill or maintain levels in decorative fountains, ponds, lakes or other similar aesthetic structures unless such water is part of a closed recycling system.

4. No restaurant, hotel, cafe, cafeteria or other public place where food is sold, served or offered for sale, shall serve drinking water to any customer unless expressly requested and shall display a notice to that effect.

5. All water users shall promptly repair all leaks from indoor and outdoor plumbing fixtures.

6. No lawn, landscape, or other turf area shall be watered more often than two (2) days per week nor during the hours between 10:00 a.m. and 6:00 p.m. Water days will be set as follows: Wednesdays and Saturdays only.

7. Irrigation with potable water of ornamental turf on public street medians is prohibited.

8. Irrigation with potable water outside of newly constructed homes and buildings not delivered by drip or microspray is prohibited.

Exemptions:

a. No watering hour restrictions during the months of November, December, January, February, and March. Watering can occur between the hours of 10:00 am and 6:00 pm

9. No water users shall cause or allow the water to run off landscape areas into adjoining streets, sidewalks, or other paved areas due to incorrectly directed or maintained sprinklers or excessive watering. If cited, random acts of vandalism will be considered in any appeal.

10. No water shall be applied to outdoor landscapes during and within 48 hours of measurable rainfall.

11. The owner and manager of every hotel, motel, inn, guest house, bed and breakfast facility, and short-term commercial lodging shall post a notice of such shortage and any necessary compliance measures.

12. Commercial nurseries, golf courses, parks, school yards, and other public open space, and landscaped areas shall be prohibited from watering lawn, landscaping, and other turf areas more often than two (2) days per week (Wednesdays and Saturdays) and between the hours of 6:00 a.m. and 6:00 p.m. except that there shall be no restriction on watering utilizing reclaimed water or where public use requires a modified and approved watering schedule.

Exemptions:

a. Athletic field watering can occur between the hours of 6:00 p.m. and 10:00 a.m. the following morning.

b. No watering hour restrictions during the months of November, December, January, February, and March. Water can occur between the hours of 6:00 a.m. and 6:00 p.m.

c. Watering schedules must be adhered to at all times. The District requires advance written notice of any maintenance activities requiring water use between the hours of 6:00 a.m. and 6:00 p.m.

13. The use of water from fire hydrants shall be limited to fire fighting and related activities and other uses of water for municipal purposes shall be limited to activities necessary to maintain the public health, safety, and welfare. Ongoing water system improvement projects are also exempt under this section and may continue to use construction meters in accordance with standard District policy.

Action 2: Mandatory Water Rationing: Upon specific authorization by the Board of Directors, the General Manager shall implement a phased water rationing to protect the water supply of the District and to guarantee adequate supply for domestic use, sanitation, and fire protection as follows:

1. Stage 3: Water Rationing: An over thirty percent (30%) reduction in water deliveries to all District customers.

Action 3: Extension of Drought Surcharge: Upon specific authorization by the Board of Directors, the General Manager shall implement a phased drought surcharge to cover costs due to lost revenue during mandatory water cutbacks.

1. Stage 1: Drought Surcharge: A 45 cent surcharge on all non-essential usage tiers. The Stage 1 Drought Surcharge as implemented June 1, 2015. (Tiers 2-6)

Section 5: Duration of Water Emergency: The regulations, restrictions, and actions set forth herein shall take full force and effect immediately upon authorization by the Board of Directors and shall remain in full force and effect through October 31, 2016 or until otherwise directed by the SWRCB.

Section 6: Appeal: Decisions made by the District under the regulations set forth in this Resolution may be appealed by consumers in accordance with the procedure set forth in the District Rules and Regulations.

Section 7: Violation: A violation of the regulations and restrictions set forth herein will result in progressive warnings, fines, or result in the discontinuance of service to consumers willfully violating the conservation measures set forth herein or such other penalty or restriction as may be allowed by law. The Stage 3 fines under Water Shortage Emergency Plan (2010 UWMP) will be set as follows:

1. First violation will result in a fine of $50.
2. Second violation will result in fine of $250.
3. Third violation will result in a fine of $500.
4. Fourth violation will result in discontinuance of service.

Section 8: Severability: If any portion of this Resolution is found to be unconstitutional or invalid, the District hereby declares that it would have enacted the remainder of this Resolution regardless of the absence of any such valid part.

Section 9: Effective Date: This Resolution shall take effect immediately.

BE IT FURTHER RESOLVED, that the Board of Directors finds that the provisions of this Resolution are exempt from the provisions of the California Environmental Quality Act as an action to mitigate emergency conditions and as a rate setting measure pursuant to Public Resources Code §21080(b)(4) and (8).

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Palmdale Water District held on February 10, 2016.

Robert E Alvarez

President, Board of Directors
Palmdale Water District

Secretary, Board of Directors
Palmdale Water District

APPROVED AS TO FORM:

Aleshire & Wynder, LLP
District Legal Counsel