MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, FEBRUARY 24, 2016:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, February 24, 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, Finance Manager Williams led the pledge of allegiance followed by a moment of silence in honor of three Palmdale residents who passed in automobile and motorcycle accidents.

2) Roll Call.

Attendance:	**Others Present:**
Robert Alvarado, President	Dennis LaMoreaux, General Manager
Vincent Dino, Vice President	Matt Knudson, Assistant General Manager
Marco Henriquez, Treasurer	Eric Dunn, General Counsel
Joe Estes, Secretary	Mike Williams, Finance Manager
Kathy Mac Laren, Director	Mike McNutt, PIO/Conservation Director
	Jennifer Emery, Human Resources Director
	Jim Riley, Engineering/Grant Manager
	Dennis Hoffmeyer, Accounting Supervisor
	Dawn Deans, Executive Assistant
	12 members of the public

3) Adoption of Agenda.

It was moved by Director Mac Laren and seconded by Director Dino to adopt the agenda, as written.

General Counsel Dunn then stated that there is no report under Agenda Item No. 11.2.

Director Mac Laren then amended her motion, Director Dino amended his second, and it was unanimously carried by all members of the Board of Directors present at the meeting to adopt the agenda, as amended, removing Agenda Item No. 11.2.

4) Public Comments for Non-Agenda Items.

Ms. Joanne Granai, Palmdale resident, stated that she previously inquired about Director Estes' intentions if he was found guilty of theft; that there is a misconception that

a no contest plea is anything other than a guilty verdict; and that no contest means guilty and not being able to be sued in civil court.

She then requested additional time be added to her three minutes due to interruptions from Director Estes and continued that Director Estes was convicted and needs to step down; that you can be convicted of a drug possession, plead no contest, complete a drug program, and it will be removed from your record and dismissed; and then informed Director Estes that there will be letters written to the judge regarding his attitude this evening and that she hopes he is not getting paid as a Director to perform community service because if he is, he is doing a real bad job.

Mr. Omar Ruiz, Palmdale resident, as translated by President Alvarado, stated that Hispanics or Latinos have trusted in people to represent us such as the District's Board; that they feel strange with the behavior of certain individuals; that as people of low economic resources, when we commit an infraction or violation of the law, we are given sometimes the most severe punishment; that we are not always given the opportunity for community service and are ordered to pay restitution via fines or tickets; that we are not setting a good example for our children by the law playing favorites and treating people differently; that he asks each of the Directors to treat them with respect; that some of us cannot express ourselves in three minutes plus the time consumed by interpreting and need additional time; and that he does not know if that will bother Director Estes.

Mr. Jose Martinez, Palmdale resident, as translated by President Alvarado, stated that as a Hispanic, leaders are needed that represent us and who do not live at the expenses of our taxes; that we need leaders that will represent all different groups as we belong to a bigger community; and that we are here to support any leader that is willing to support the entire community of Palmdale.

Ms. Ana Sanchez, Palmdale resident, as translated by Director Henriquez, inquired if it is okay that we, as Hispanics or Latinos, have to go work outside and go far away to work yet other people just can come here and do community service and what are we going to tell our kids, our sons and daughters, about not following the rules and then asked for the Board's help and they need a person to help them.

Director Estes then recommended getting on with the business of the District followed by discussion from Director Mac Laren and the public.

President Alvarado then called for order and professionalism among the Board and the public followed by discussion of the Board changing seats and issues between Director Estes and Director Mac Laren.

Ms. Ruth Tinajero, Palmdale resident, clarified that she belongs to no one's gang of friends as referred to by Director Estes; that this is the kind of bullying Director Estes does to every single woman because he does not have the guts to do this to a man; that she is appalled he pled no contest, which does not mean innocent or guilty, but allows the court to give the infraction or give penalties with no further proceeding or investigation; that she had this conversation with Director Henriquez and is upset that Director Henriquez is turning a blind eye to the fact that Director Estes committed the crime; that she voted for and publicly endorsed Director Henriquez; that she feels Director Henriquez owes her and everyone in the community an apology as the public elected him and he should be saying he is not okay with the actions of Director Estes; that Director Estes does not have the decency to step down; but that she will gather signatures to recall him because he is an embarrassment to the Board and an embarrassment period.

Mr. Jason Zink, Palmdale resident, stated that he agrees with the public; that what Director Estes did is wrong, and he owes the community and Gloria Dizmang an apology; and that Director Henriquez should stand for what is right because he is serving the community and should start with a good footing with the people who elected him and the people he represents and then made recommendations for the District's website regarding the calendar and links to agendas and Board meetings.

Issues between Director Estes and Director Mac Laren were then discussed after which Mr. Zink continued his public comments stating that on February 27, there is a tour of the Sanitation Districts' Palmdale and Lancaster plants and encouraged all Board members and the public to attend this as $150 million of public money was used for these plants and then questioned relatives being on Boards and Commissions as this could lead to less transparency.

Mr. Thomas Llewellyn, Palmdale resident, stated that at the last meeting he spoke regarding someone on the Board being dishonest, who has broken laws, and who won't admit they are wrong; that he received messages thanking him for saying comments others were not comfortable saying, and a number of folks said they were afraid to say these things; that representative government works on trust, understanding, and communication; that if people are intimidated to the point of being afraid, there is no trust and no communication; that this is not a political issue; that this is about doing what is right and wrong, and Director Estes states he is trying to do what is right; that what is

right is for him to step down, make his case, and if he is wanted back in office, the public will vote him back in; that Director Estes cannot swallow his pride enough to follow simple rules of order in this Board room; that he lied and cheated in an election he had no skin in; that when something really matters, how can we trust Director Estes to do the right thing; and then again asked him to do the right thing and step down.

There were no further public comments.

5) Presentations:

5.1) Drought Report-Review of "Water Conservation and Reduction in Water Demand Efforts Report as of January, 2016." (PIO/Conservation Director McNutt)

PIO/Conservation Director McNutt stated that we are still in a severe drought; that El Nino appears to be weakening and will likely become neutral by late spring or early summer with La Nina conditions then developing; that precipitation to date is at 35.5" in the water year, which is close to last year's total level of 37.2"; that reservoir levels are all extremely low; that snow pack is at 106% of average; that water use through January, 2016 was reduced an average of 25.3% compared to 2013; that residential gallons per capita per day is now at 61 gpcd, which is much lower than many other area water agencies; and that 174 water waste appeals have been received, and General Manager LaMoreaux is reviewing these appeals to see if water reduction requirements have been met followed by discussion of the District's customers' water use in gallons per capita per day and how this use compares to the water use of other water agencies

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 Regular Meeting Held February 10, 2016.

6.2) Payment of Bills for February 24, 2016.

President Alvarado announced the items included in the Consent Calendar after which it was moved by Director Dino, seconded by Director Henriquez, and unanimously carried by all members of the Board of Directors present at the meeting 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 Amendment to Existing Contract With Aspen Environmental Group for the Littlerock Reservoir Sediment Removal Project EIR/EIS. ($129,518.00 – Budgeted – Assistant General Manager Knudson)

Assistant General Manager Knudson provided an overview of the work conducted by Aspen Environmental Group for the EIR/EIS needed for the Littlerock Reservoir Sediment Removal Project and the work included in the proposed amendment, and after a brief discussion of funding for this work, of this amount being budgeted, and of the existing contract, it was moved by Director Henriquez and seconded by Director Estes to approve the amendment to the existing contract with Aspen Environmental Group for the Littlerock Reservoir Sediment Removal Project EIR/EIS in the not-to-exceed amount of $129,518.00 and to authorize General Manager LaMoreaux to execute said amendment.

Mr. Jason Zink, Palmdale resident, then inquired about potential grant funding for this work and recommended the Board authorize staff to attend the HydroPower Association's Conference in Washington, D.C. to meet with legislators regarding the District's projects.

Director Mac Laren then retired from the meeting.

Assistant General Manager Knudson and Engineering/Grant Manager Riley then provided a detailed overview of all grant opportunities available to help fund this project, of grant funding received by the District, and of staff's efforts to pursue grant funding.

The motion then unanimously carried by all members of the Board of Directors present at the meeting, with Director Mac Laren absent from the meeting.

7.2) 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. (Director Dino)

Director Dino recommended that a program be developed to recognize customers from each of the Director's divisions for great reductions in water consumption and

suggested customer names be included in the District's newsletter and posted in the lobby after which President Alvarado recommended these customers be invited to Board meetings for presentation of a certificate of appreciation.

General Manager LaMoreaux then stated that staff will sort the top water savers within each of the divisions based on the State Water Resources Control Board's order for water usage from June, 2015 through the end of February, 2016 compared to the same months in 2013 followed by discussion of how often to present certificates of appreciation and recognizing customers with water use completely in Tier 1.

There was no action taken on this item.

7.3) Consideration and Possible Action on Candidates to Fill Public Water Supplier Seat on the Antelope Valley Watermaster Board of Directors. (General Manager LaMoreaux)

General Manager LaMoreaux reviewed the Public Water Suppliers' recommendation to nominate Mr. Leo Thibault, Director for Littlerock Creek Irrigation District, to fill the Public Water Supplier seat on the Antelope Valley Watermaster Board of Directors and to nominate Director Mac Laren as the alternate, and after a brief discussion of each of the Public Water Suppliers considering these nominations, it was moved by Director Henriquez, seconded by Director Estes, and unanimously carried by all members of the Board of Directors present at the meeting, with Director Mac Laren absent from the meeting, to ratify the nomination of Leo Thibault, Littlerock Creek Irrigation District Director, to fill the Public Water Supplier seat on the Antelope Valley Watermaster Board of Directors and to ratify the nomination of Kathy Mac Laren, Palmdale Water District Director, to fill the Public Water Supplier alternate seat on the Antelope Valley Watermaster Board of Directors.

7.4) Discussion of Potential Joint Water Storage Projects With Antelope Valley State Water Contractors Association Member Agencies. (Director Dino)

Director Dino stated that Antelope Valley East-Kern Water Agency, Littlerock Creek Irrigation District, and the Palmdale Water District will be working together towards the development of a water storage program; that this will be a great partnership; and that additional information will be brought to the Board as discussions progress.

Mr. Jason Zink, Palmdale resident, then recommended that a recreational element be included in future discussions and that the Palmdale Water District take over Los Angeles County Waterworks.

There was no action taken on this item.

7.5) Consideration and Possible Action on Outreach Activities. (PIO/Conservation Director McNutt)

a) Rebates/Cash for Grass Program
b) AguaPalooza Music Contest
c) High Desert Water Summit
d) Palmdale Chamber Activities
e) Calendar of Upcoming Events
f) Board Media Training
g) Outreach Board Input.

President Alvarado stated that this item will be postponed until later in the meeting.

7.6) 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) Antelope Valley Hispanic Chamber of Commerce 19th Annual Installation of 2016 Board of Directors to be Held March 4, 2016 in Palmdale.

At 8:10 p.m., sheriff deputies interrupted the Board meeting after which President Alvarado called for a twenty-minute recess. He reconvened the regular meeting at 8:30 p.m. with Director Dino, Director Henriquez, and himself in attendance.

It was then moved by Director Henriquez, seconded by Director Dino, and unanimously carried by all members of the Board of Directors present at the meeting, with Director Mac Laren and Director Estes absent from 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: Antelope Valley Hispanic Chamber of Commerce 19th Annual Installation of 2016 Board of Directors to be Held March 4, 2016 in Palmdale.

President Alvarado then recommended that the Board meeting adjourn due to this evening's events.

14) Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 8:34 p.m.

Vice President