MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, NOVEMBER 23, 2016:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, November 23, 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 7:02 p.m.

1) Pledge of Allegiance.

At the request of President Alvarado, Ms. Alisha Semchuck led the pledge of allegiance followed by a moment of silence in honor of our troops and our law enforcement.

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	Jennifer Emery, Human Resources Director
Kathy Mac Laren, Director	Mike Williams, Finance Manager
	Mike McNutt, Public Affairs & Sustainability Dir.
	Tim Moore, Facilities Manager
	Laura Gallegos, Public Affairs Specialist
	Dawn Deans, Executive Assistant
	13 members of the public

3) Adoption of Agenda.

President Alvarado stated that Agenda Item No.'s 7.3 and 7.4 can be removed from tonight's agenda after which 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 adopt the agenda, as amended, removing Agenda Item No.'s 7.3 and 7.4.

4) Public Comments for Non-Agenda Items.

Mr. Felix Menendez, Palmdale resident, as translated by Reliable Translations, stated that many people are not happy with the 4.25% water rate increase because salaries have been increased for the workers; that many people are unemployed and usually only one person works in the household; that a reasonable rate increase is okay and it needs to be negotiable; that the employees have a voice, but please consider the people's voice and please consider the 4.25% increase; that we don't think employees answering complaints and comments on Facebook is the proper way to spend work time; and that remember,

elections are approaching, and the people are paying attention to it so take that into consideration.

Ms. Shari Preciado, speaking on behalf of family and friends who live within the Palmdale Water District, stated that she is very distressed over the dire straits of the community; that many are unemployed, disabled, or social security recipients; that on Facebook, it was suggested that the increase is the equivalent to a cup of Starbucks coffee or bottle of water, and she was offended by this comment; that the public knows what the District's salaries are and some people are barely scraping by; that she asks that the Board consider instead of standing on the backs of people being represented, you help them; and that an increase of 13% is undoable.

Ms. Natasha Sekol, Palmdale resident, stated that the rate increase is going to affect her and her family so drastically; that if she is lucky she eats maybe once a day because that is all she can afford; that the increase could easily put people on the streets or make people starve; that she won't be able to feed her dog; that she does not know how it is fair that the raises are so unbelievable compared to what is being done; that she does not understand how 13% can be an okay number when there are so many homeless people; and that she hopes the Board takes this into consideration and finds a different plan because things need to change but for the better for everyone.

Ms. Ruth Sanchez, Palmdale resident, stated that she is not in disagreement that a rate increase may be needed; that she met with Public Affairs & Sustainability Director McNutt and General Manager LaMoreaux to try and come up with some sort of a solution; that this increase will not only affect undocumented people but low income people, which is everybody; that she was told the majority of the money from the increase will go to run the water department but also covers raises for the employees, and she does not think this is fair; that she understands the need for the increase but is asking it be postponed for a year; that the increase should wait until grants are received to see if the 4.25% increase is needed; that she is not okay with being insulted by Public Affairs Specialist Gallegos on Facebook; and that her position becoming full time is not acceptable.

Ms. Joanne Granai, Palmdale resident, stated that she is happy there is a Spanish interpreter at the meeting and thanked the Board for acknowledging it is important for the Spanish-speaking community to have this; that it is unfortunate the people here today were not at the Town Hall Forum that went into great depth as to why the rate increase is needed; that she finds it odd that there is a problem with a $2.50 per month water rate increase; that she makes very close to minimum wage but understands, does not want

corroded pipes, it costs money to replace old pipes, and she wants water that is drinkable straight from the tap, which is better quality than bottled water; that Public Affairs & Sustainability Director McNutt has done a great job outreaching to the community; and that this Board has been more open and accepting than any other Board elected in this whole community.

Mrs. Debbie Dino, spouse of Director Dino, stated that she and her husband have lived on a fixed income for almost eleven years with no increase; that she understands as a business things have to change; that she researched rate increases of other utilities over the last several years and found all utility companies' increases are to cover the cost of plant maintenance and repairs as well as inflation; that Southern California Gas Company had a 7.0% increase in 2014 and 5.5% in 2015; that Southern California Edison Company had a 9.2% increase in 2013 and 16.6.% in 2014; that TimeWarner Cable will increase basic cable by $3.75 per month plus $5.00 per month for sports packages in 2017; that Los Angeles Department of Water and Power had a base rate of $57.97 and increased to $72.90 in March, 2016; that AT&T cell phone coverage increased $5.00 effective February, 2016 and the rate is similar for Verizon; and that she commends and thanks the Board for their 4 – 1 vote last night to approve the budget.

Ms. Alisha Semchuck, Antelope Valley Press reporter, stated that in her recent article, the water rate increase was noted as not a $13.00 per month increase but near $2.00 per month for a $50.00 water bill and stated that the water rate increase is not 13% but is 4.25%.

There were no further public comments.

5) Presentations:

5.1) None at This Time.

There were no presentations.

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 November 9, 2016.

6.2) Payment of Bills for November 23, 2016.

6.3) Approval to Reject Claim Received From Jamal P. Panoussi and Refer to Joint Powers Insurance Authority. (General Manager LaMoreaux)

6.4) Approval of California Special Districts Association 2017 Membership. ($6,485.00 – Budgeted – General Manager LaMoreaux)

6.5) Approve Absence of Director Mac Laren From October 26, 2016 Board Meeting Due to Vacation. (General Counsel Dunn)

President Alvarado announced the items included in the Consent Calendar after which it was moved by Director Dino, seconded by Director Mac Laren, 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 Cancellation of Second Regular Board Meeting in December. (No Budget Impact – General Manager LaMoreaux)

After a brief discussion, 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 cancel the second Regular Board Meeting in December.

7.2) Consideration and Possible Action on Outreach Activities. (Public Affairs and Sustainability Director McNutt)

a) Preliminary Outreach Plans for 2017

Public Affairs & Sustainability Director McNutt provided a detailed overview of a preliminary outreach plan for 2017 including a "water walk" with Directors by division, new graphic design and videos for social media with the creation of an internal social media team, ensuring factual information on social media, public speaking engagements, quarterly publication of The Pipeline in both English and Spanish, by-laws for a Community Liaison Group, Spanish translation of materials, continued community involvement and participation on local radio stations, continued updating of the lobby video boards, and scheduling "coffee with the Directors."

b) Upcoming Events

There were no updates for upcoming events.

c) Status of AguaVaganza Music Contest

Public Affairs & Sustainability Director McNutt stated that no submissions were received for this contest.

d) Board Outreach Recommendations.

Director Mac Laren inquired about partnering with Waste Management after which Public Affairs & Sustainability Director McNutt stated that he will be working on this partnership after the first of the year regarding trash clean-up, turf disposal, and household hazardous waste events.

President Alvarado then added that Waste Management has requested partnering with the District and the City of Palmdale on an education campaign including programs and services available to the community.

Director Henriquez requested a video be added to the video board on how to use JACK.

President Alvarado requested a Palmdale Water District Community Appreciation Day be held with components similar to previous Water Fairs with a day dedicated to the community showcasing each department and providing information on the programs and services available to the community.

Director Henriquez then requested that the "coffee with the Director" for Division 3 be held in February or March at Oasis Park and they be held on a rotation basis with the different divisions.

Ms. Joanne Granai, Palmdale resident, stated that it is unfortunate that some people refuse to stay for the entire meeting to hear where money goes and what the public information department does; that instead they want to come and complain about what Public Affairs & Sustainability Director McNutt is being paid instead of listening to what they are getting for their dollar; and that she listens for return on investment and will speak up if it is not enough.

8) Information Items:

8.1) Reports of Directors:

a) Meetings/General Report.

Director Dino reported that on November 15, he attended a budget meeting; that on November 16, he attended the Palmdale Recycled Water Authority meeting; that on November 21, he attended a Board briefing with General Manager LaMoreaux; that on November 22, he attended the Budget Special Meeting; that also on November 22, he attended the AVEK Board meeting; and that on November 23, he is attending the Palmdale Water District Board meeting.

Director Mac Laren reported that on November 22, she attended a briefing with General Manager LaMoreaux and that also on November 22, she attended the Budget Special Meeting.

Director Henriquez reported that on November 15, he attended the Special Finance Committee meeting where they discussed the budget; that on November 17, he attended the Antelope Valley State Water Contractors Association meeting as the Alternate Commissioner; that on November 21, he attended a Board briefing with General Manager LaMoreaux; and that on November 22, he attended the Budget Special Meeting.

Director Estes reported that on November 21, he attended a Board briefing with General Manager LaMoreaux and that on November 22, he attended the Budget Special Meeting.

President Alvarado reported that on November 15, he attended the Special Finance Committee meeting; that also on November 15, he attended an agenda review and approval meeting with General Manager LaMoreaux; that on November 16, he attended the Palmdale Recycled Water Authority meeting; that on November 17, he chaired the Antelope Valley State Water Contractors Association meeting where they reviewed the success of the Water Expo; that on November 21, he attended a Board briefing with General Manager LaMoreaux; and that on November 22, he attended the Budget Special Meeting.

b) Standing Committee/Assignment Reports (Chair):

1) **Finance Committee**

2) **PRWA Committee**

3) **AVSWCA.**

President Alvarado stated that reports on these meetings were provided earlier in the meeting.

8.2) Report of General Manager.

a) November, 2016 Written Report of Activities Through October, 2016.

General Manager LaMoreaux reported that his written monthly report was included with the agenda packets if there are any questions and then reviewed an article from the Los Angeles Times highlighting 411 of the best and worst water saving agencies with 1 being the worst and 411 being the best; that the District ranked 247; and that this highlights the good job the District's customers have done with water conservation.

He then stated that the leak graph has been enlarged; that staff will do its best with budget funds to replace the worst leaks; that at its worst, annual system leaks were averaging one leak for every half mile of water main; and that there is now one leak for every four miles.

He then reported that it was announced at the PRWA meeting that advertisements will be placed for the public member of the PRWA Board; that this is a yearly process; that electing officers is also a yearly process; and that these processes have not been followed but will now be conducted annually.

He then stated that a few brochures summarizing 2016 legislation have been received from ACWA and will be placed in the Board's office for review.

He then stated that regarding comments this evening, staff will follow-up with group representatives to reach a point of understanding.

8.3) Report of General Counsel.

General Counsel Dunn stated that he has no report.

9) Board Members' Requests for Future Agenda Items.

Director Mac Laren requested an item be placed on the next agenda for "Consideration and possible action on consolidating the District's election cycle with the statewide general election in 2018."

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 8:12 p.m.

Secretary