MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, AUGUST 28, 2013:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, August 28, 2013, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Kathy Mac Laren, called the meeting to order.

1) Pledge of Allegiance.

At the request of President Mac Laren, Director Cordova led the pledge of allegiance.

2) Roll Call.

Attendance:	**Others Present:**
Kathy Mac Laren, President	Dennis LaMoreaux, General Manager
Gordon Dexter, Vice President	Jim Ciampa, Attorney
Gloria Dizmang, Treasurer	Vincent Dino, Director Elect
Robert Alvarado, Secretary	Joe Estes, Director Elect
Steve Cordova, Director	Mike Williams, Finance Manager
	Matt Knudson, Engineering Manager
	Peter Thompson II, Operations Manager
	Tim Moore, Facilities Manager
	Jim Stanton, Information Technology Manager
	Claudette Roberts, Water Conservation Spvsr.
	Kelly Jeters, Systems Supervisor
	Amanda Williams, Water Quality Supervisor
	Mynor Masada, Treatment Plant Supervisor
	Dawn Deans, Executive Assistant
	18 members of the public

3) Adoption of Agenda.

President Mac Laren stated that Agenda Item No.'s 9, 10, and 11 can be removed from the agenda after which it was moved by Director Dexter, seconded by Director Alvarado, and unanimously carried to adopt the agenda, as amended, removing Agenda Item No.'s 9, 10, and 11.

4) Public Comments for Non-Agenda Items.

There were no public comments.

5) **Presentations:**

There were no 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 Workshop Meeting Held August 12, 2013.

6.2) Approval of Minutes of Regular Meeting Held August 14, 2013.

6.3) Payment of Bills for August 28, 2013.

6.4) Approval of District 2013 Membership in The Water Research Foundation (Formerly Known as American Water Works Association Research Foundation-AWWARF). ($13,139.00 – Budgeted – Operations Manager Thompson II)

It was moved by Director Dexter, seconded by Director Cordova, 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 Organizational Assessment Results and Recommendations. (Dr. Bill Mathis, The Mathis Group)

Dr. Bill Mathis, of The Mathis Group, stated that as part of the Organizational Assessment, a culture survey has been completed; that this survey provides information about the organization and the vision and expectations of the Board, which are very high; and that the survey can help the Board drive change towards a high performance culture and will assist in the preparation of an updated Strategic Plan.

He then provided an overview of the culture survey being role clarity, role consistency, employee satisfaction, and commitment to customer service; how the District compares to the average and constructive organizations and specific District examples in each of these cultures; and then reviewed the culture charts outlining bureaucracy, unresolved conflict, and positive constructive communication for the

Board, the District as a whole, managers, supervisors, and individual departments; and how to resolve some of the discrepancies in these charts through the development of clear, measurable goals for General Manager LaMoreaux, assistance from a Human Resources Manager, assistance from legal counsel, developing written standards, establishing clear goals to help in creating consistency and a healthy work environment, and specific behaviors to increase and decrease.

He then recommended that the Board conduct a General Manager evaluation in closed session and 12 – 14 measurable, realistic goals be developed to share with department heads for work plans; that a Human Resources Manager be hired; that the Strategic Plan be updated beginning January, 2014; and then challenged the Board to conduct another culture survey in 18 months to measure progress.

After a brief discussion of Dr. Mathis' presentation and recommendations, there was no action taken on this item.

7.2) Consideration and Possible Action on Schedule for Recruitment of the Human Resources Manager Position. (Financial Advisor Egan/Finance Committee)

After a brief discussion of the posted ad for the Human Resources Manager position, it was moved by Director Dizmang, seconded by Director Dexter, and unanimously carried to accept the updated Human Resources Manager job description.

7.3) Consideration and Possible Action on Schedule for Request for Qualifications for District/Board's Attorney. (Dr. Bill Mathis)

After a brief discussion of the draft Request for Proposals for providing legal services, it was moved by Director Dizmang, seconded by Director Dexter, and unanimously carried to refer this item to the Ad Hoc Legal Committee for further review and discussion.

7.4) Consideration and Possible Action on Proposal From The Mathis Group for Conducting the General Manager Evaluation Process and for Establishing New General Manager Goals for 2014. (Dr. Bill Mathis)

After a brief discussion of the General Manager evaluation process proposed by Dr. Mathis, it was moved by Director Dexter, seconded by Director Dizmang, and unanimously carried to accept the proposal from The Mathis Group in the not-to-exceed

amount of $6,000.00 for conducting the General Manager evaluation process and for establishing new General Manager goals for 2014.

7.5) Consideration and Possible Action on Recommendation From The Mathis Group to Update the District's Strategic Plan Beginning January, 2014. (Dr. Bill Mathis)

After a brief discussion of updating the District's Strategic Plan and of the 2014 budget, it was moved by Director Dexter and seconded by Director Cordova to table this item. The motion failed on a 2 – 2 – 1 vote with Directors Dexter and Cordova in favor of the motion, Director Alvarado and President Mac Laren opposed to the motion, and Director Dizmang abstaining.

After a further discussion of the timing for updating the District's Strategic Plan, Board norms, and the 2014 budget process, it was moved by Director Alvarado to accept the proposal from The Mathis Group to update the District's Strategic Plan beginning January, 2014. The motion died for lack of a second.

It was then moved by Director Dizmang, seconded by Director Dexter, and unanimously carried to table this item until the second regular Board meeting in September, 2013.

At 7:52 p.m., President Mac Laren called for an eight-minute recess. She reconvened the regular meeting at 8:00 p.m.

7.6) Consideration and Possible Action on Award of Contract for the Construction of the Water Main Replacement in 20th Street East, 22nd Street East, Avenue Q-1, Avenue Q-2, Malby Avenue, Ladelle Avenue, Avenue Q-5, Sweetbriar Street, and Puerta Avenue Under Specification No. 1201. ($1,410,042.00 – 2013A Water Revenue Bonds – Engineering Manager Knudson)

Engineering Manager Knudson provided an overview of the bids received and staff's recommendation for awarding the contract for Specification No. 1201, and after a brief discussion, it was moved by Director Dizmang, seconded by Director Alvarado, and unanimously carried to award a contract to B.V. Construction, Inc. for the construction of the water main replacement in 20th Street East, 22nd Street East, Avenue Q-1, Avenue Q-2, Malby Avenue, Ladelle Avenue, Avenue Q-5, Sweetbriar Street, and Puerta Avenue under Specification No. 1201 in the not-to-exceed amount of $1,410,042.00.

7.7) Consideration and Possible Action on ACWA Committee Appointment Nominations for the 2014-2015 Term. (General Manager LaMoreaux)

After a brief discussion of the ACWA Committee appointments requested by Lagerlof Senecal Gosney & Kruse LLP, it was moved by Director Dizmang, seconded by Director Dexter, and unanimously carried to approve the ACWA Committee appointment nominations for the 2014-2015 term for members of the District's legal counsel firm, Lagerlof Senecal Gosney & Kruse LLP, to ACWA's Legal Affairs, State Legislative, Groundwater, and Local Government Committees.

7.8) Consideration and Possible Action on Board and Staff Attendance at Conferences, Seminars, and Training Sessions as Follows:

a) Tri-State Seminar to be held September 24 – 26, 2013 in Las Vegas, Nevada.

b) American Water Works Association 2013 Annual Conference "Water Challenges - Working Together Towards Solutions" to be held September 30 – October 3, 2013 in Sacramento;

c) The Premier Conference for Water Quality Professionals Around the World to be held November 3 – 7, 2013 in Long Beach;

d) HACH Water Training to be held November 5 – 7, 2013 in Fullerton.

After a brief discussion, it was moved by Director Dizmang, seconded by Director Dexter, and unanimously carried to approve Board and staff attendance at conferences, seminars, and training sessions as follows: Tri-State Seminar to be held September 24 – 26, 2013 in Las Vegas, Nevada; American Water Works Association 2013 Annual Conference "Water Challenges - Working Together Towards Solutions" to be held September 30 – October 3, 2013 in Sacramento; The Premier Conference for Water Quality Professionals Around the World to be held November 3 – 7, 2013 in Long Beach; and HACH Water Training to be held November 5 – 7, 2013 in Fullerton.

8) Information Items.

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

Director Alvarado reported that on August 17, he participated in the Antelope Valley Fair Parade along with many other local elected officials; that on August 19, he attended the Facilities Committee meeting and that, as always, he appreciates the monthly reports from managers, supervisors, and staff; that these well-detailed reports keep the Committee informed about the operation, condition, inventory, and maintenance of the District's buildings, wells, boosters, and vehicle fleet; that he will continue to support staff with all the necessary tools and equipment needed to continue to provide the District with the safest and effective operation possible; and that staff is appreciated; and that on August 27, he attended an informative Board briefing.

Director Dizmang reported that she attended the League of Women Voters luncheon where they presented an award; that on August 26, she attended a Board briefing; and that she has been busy with the start of school.

Director Dexter reported that on August 19, he also attended the Facilities Committee meeting.

President Mac Laren reported that on August 21, she attended the Palmdale Recycled Water Authority meeting; that this was a brief meeting; and that General Manager LaMoreaux will provide a more detailed report on the meeting; and that on August 26, she attended a Board briefing.

There were no further reports from Directors.

8.2) Report of General Manager.

a) District Vacancies. (No Changes)

General Manager LaMoreaux stated that there have been no changes to the District vacancies report; that vacant, funded positions include a Service Worker I position and the Human Resources Manager position; and that two departments have temporary staff due to medical and leave of absence issues.

b) Palmdale Recycled Water Authority Status.

He then stated that the Chair of the Palmdale Recycled Water Authority has requested a discussion at the next meeting of the proposed power plant's potential impact on Palmdale's recycled water supply; that he has requested information from City staff regarding construction of the backbone recycled water system and recycled water

contracts; and that discussion from the Authority staff's focus will address the impact specifically to the Authority's recycled water supply and its operations; that the Chair also requested an update on the supply of recycled water to the next park facility, and Authority staff will provide an update on Carollo Engineer's progress on combining the City's and District's Plans into an Authority Plan, which will include a balanced phasing of the growth of the recycled water system to include both the City's and District's requested use of recycled water; and that the next regular meeting is scheduled for September 18 dependent on the availability of information to present at that meeting.

c) Monthly Department Reports.

He then stated that the monthly Department Status Report was included in the agenda packets if there are any questions on same.

He then informed the Board that last week the state announced their Maximum Contaminant Level (MCL) for Chromium 6 of 10 ppb; that the comment period for this MCL is scheduled to begin; that this MCL will affect the District's well used for the Chromium 6 Water Research Foundation project; and that the results from this Research project and how the enforcement of the proposed MCL will affect the District will be provided at a later date.

d) Selection of Winner of Landscape Makeover for 'Before the First Drop' Marketing Campaign. (Water Conservation Supervisor Beck)

Water Conservation Supervisor Beck requested the Board and Outreach Committee Chair, Director Dizmang, select the finalists and winner of the 'Before the First Drop' renovation landscape makeover contest, and it was announced that the finalists of the contest are Charles Redfern, Pedro Martinez, Michael Blymyer, and David Marcelo, and Charles Redfern is the winner of this contest.

8.3) Report of Attorney.

Attorney Ciampa reported that an adjudication case management conference is scheduled for September 6, and an update will be provided at the next Board meeting; that the J.M. Manufacturing trial is scheduled to start September 17, and Engineering Manager Knudson will be on call to testify in this trial; and that settlement discussions regarding the Velez case are ongoing, so the trial scheduled to start in October has been continued to March, 2014.

12) Board Members' Requests for Future Agenda Items.

Director Dizmang requested an item be placed on the next agenda for "Consideration and possible action on requiring staff attendance reports for conferences, seminars, and training sessions."

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.

Secretary