

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, APRIL 23, 2014:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, April 23, 2014, 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 Dizmang led the pledge of allegiance.

2) Roll Call.

Attendance:

Kathy Mac Laren, President
Robert Alvarado, Vice President
Gloria Dizmang, Treasurer
Joe Estes, Secretary
Vincent Dino, Director

Others Present:

Dennis LaMoreaux, General Manager
William Wynder, Attorney
Matt Knudson, Assistant General Manager
Mike Williams, Finance Manager
Jennifer Emery, Human Resources Manager
Tim Moore, Facilities Manager
Mynor Masaya, Treatment Supervisor
Kelly Jeters, Systems Supervisor
Dawn Deans, Executive Assistant
3 members of the public

3) Adoption of Agenda.

It was moved by Director Dino, seconded by Director Alvarado, and unanimously carried to adopt the agenda, as written.

4) Public Comments for Non-Agenda Items.

There were no public comments.

5) Presentations:

5.1) No Presentations Scheduled at This Time.

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 Regular Meeting Held April 9, 2014, as Revised.

6.2) Approval of Minutes of Workshop Meeting Held April 14, 2014, as Revised.

6.3) Payment of Bills for April 23, 2014.

President Mac Laren announced the items included in the Consent Calendar after which it was moved by Director Dino, seconded by Director Dizmang, 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 Proposals(s) Received for Conducting a Water Rate Study and Outreach. (\$50,000.00 – Budgeted – General Manager LaMoreaux/Finance Committee)

General Manager LaMoreaux reviewed the RFP and proposals received for conducting a Water Rate Study and Outreach along with staff's and the Finance Committee's recommendation on this item, the budget for these proposals, additional materials presented by Passantino Andersen, and Attorney Wynder's recommended review of the contracts, and after a brief discussion, it was moved by Director Alvarado, seconded by Director Estes, and unanimously carried by all members of the Board of Directors present at the meeting to award a contract to Bartle Wells in the not-to-exceed amount of \$48,125.00 for conducting the financial section of the Water Rate Study and to award a contract to Passantino Andersen in the not-to-exceed amount of \$78,732.00 for conducting the outreach section of the Water Rate Study subject to final approval of the contracts as to form by General Counsel.

7.2) Consideration and Possible Action on Special District LAFCO Representative. (General Manager LaMoreaux)

After a brief review of the candidates for Special District LAFCO Representative, it was moved by Director Dizmang, seconded by Director Alvarado, and unanimously carried by all members of the Board of Directors present at the meeting to cast the District's vote for E.G. "Jerry" Gladbach.

7.3) Consideration and Possible Action on District Participation in ACWA/JPIA Commitment to Excellence Program. (Facilities Manager Moore)

Facilities Manager Moore reviewed the ACWA/JPIA's Commitment to Excellence Program and stated that the District complies with all best practices of this Program, and after a brief discussion, it was moved by Director Dizmang, seconded by Director Dino, and unanimously carried by all members of the Board of Directors present at the meeting to authorize the District's participation in the ACWA/JPIA Commitment to Excellence Program.

7.4) Consideration and Possible Action on Internship Program. (Human Resources Manager Emery/Personnel Committee)

Human Resources Manager Emery reviewed the proposed Internship Program and cost along with staff's and the Personnel Committee's recommendation on this item, and after a brief discussion of the job descriptions and of the potential expansion of this Program, it was moved by Director Estes, seconded by Director Dino, and unanimously carried by all members of the Board of Directors present at the meeting to approve the job descriptions and budget for the District's Internship Program subject to Department Manager and General Counsel's approval of the job descriptions.

7.5) Consideration and Possible Action on Alcohol at Annual Employee Memorial Picnic. (Human Resources Manager Emery)

Human Resources Manager Emery informed the Board that the Palmdale Fin & Feather Club would like to sell alcohol at the District's Annual Employee Memorial Picnic and that this is General Counsel's recommendation as well, and after a brief discussion of the invitation clarifying the sale of alcohol, it was moved by Director Dizmang, seconded by Director Estes, and unanimously carried by all members of the Board of Directors present to have the Palmdale Fin & Feather Club sell alcohol at the District's Annual Employee Memorial Picnic.

7.6) Consideration and Possible Action on Revised Organization Chart. (General Manager LaMoreaux)

General Manager LaMoreaux reviewed discussions from the Strategic Plan Workshop regarding the proposed Organization Chart after which it was moved by Director Estes, seconded by Director Alvarado, and unanimously carried by all members of the Board of Directors present at the meeting to refer the Organization Chart back to the Personnel Committee for further review and discussion.

7.7) Consideration and Possible Action on Board and Staff Attendance at Conferences, Seminars, and Training Sessions as Follows: None at This Time.

There were no conferences, seminars, and training sessions to consider.

8) Information Items.

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

Director Dino reported that on April 10, he had a telephone conference with Dr. Mathis to discuss the Strategic Plan and the PIO position; that on April 14, he attended the Strategic Plan Workshop; that on April 16, he attended the Facilities Committee meeting; that on April 21, he attended the Special Finance Committee meeting, and they discussed the rate study; and that on April 22, he attended a Board briefing with General Manager LaMoreaux.

Director Dizmang reported that on April 11, she had a telephone conference with Dr. Mathis; that on April 14, she attended the Strategic Plan Workshop, which was from 2:00 p.m. to 7:00 p.m.; that on April 21, she attended the Special Finance Committee meeting, and the main topic was the selection of the consultants for the water rate study along with discussion of general business and expenditures; and that also on April 21, she attended a Board briefing with General Manager LaMoreaux.

Director Estes reported that on April 14, he attended the Strategic Plan Workshop with all Directors; that on April 16, he attended the Facilities Committee meeting with Director Dino; that on April 21, he attended the Personnel Committee meeting with President Mac Laren; and that on April 22, he attended a Board briefing with Director Alvarado and General Manager LaMoreaux. A copy of Director Estes' detailed written report is hereby made a portion of the minutes of this meeting.

Director Alvarado reported that on April 10, he presided over the Antelope Valley State Water Contractors Association meeting; that on April 14, he attended the Strategic Plan Workshop; that on April 16, he attended the Facilities Committee meeting; that on

April 21, he attended the Personnel Committee meeting; that on April 22, he and Director Estes had a joint Board briefing with General Manager LaMoreaux; and that on April 25, he will be attending a C.S.D.A. training module in Bakersfield with fellow Directors. A copy of Director Alvarado's detailed written report is hereby made a portion of the minutes of this meeting.

He then reported that a flyer was received earlier this evening regarding the Palmdale Community Foundation's upcoming fundraiser to build a bronze statue of former mayor Larry Chimbole in Poncitlan Square and he encourages his fellow Directors to participate in this program.

President Mac Laren reported that on April 10, she attended the Antelope Valley State Water Contractors Association meeting, and they are working on becoming more active and expanding their efforts with the member agencies of the Association; that on April 15, she attended Antelope Valley East Kern Water Agency's Board meeting regarding their Dry Year Program, which was very interesting regarding the use of their water banks; that she will be attending a Littlerock Creek Irrigation District meeting; that on April 14, she attended the Strategic Plan Workshop and is looking forward to the end product to share with the public and to help in the District's outreach efforts; that on April 16, she attended the Facilities Committee meeting as an observer; that on April 21, she attended the Personnel Committee meeting where they discussed the Internship Program and the Employee Handbook; and that also on April 21, she attended a Board briefing with General Manager LaMoreaux.

There were no further reports from Directors.

8.2) Report of General Manager.

a) Palmdale Recycled Water Authority Status.

General Manager LaMoreaux stated that at the May City Council meeting, staff expects the City Council to appoint a second member to the Authority's Board and that if an appointment is made, an Authority meeting will be scheduled in May to review the draft Master Plan for the Authority.

b) Monthly Department Reports.

General Manager LaMoreaux stated that the Department Status Report was included in the agenda packet if there are any questions on same after which Director

Alvarado stated that he appreciates the detailed reports, the Board enjoys reading these reports and the detailed summary reports on staff's conference attendance, and offered kudos to the District's employees for doing a good job.

c) 2014 Water Supply Status.

General Manager LaMoreaux stated that staff continues to work on the District's water supply status and water supply options; that the allocation from the State Water Project has been increased to 5% after September 1; and that the District's drought message continues to be in support of the Governor's message for a 20% reduction in water use.

Director Alvarado then stated that he, Director Dizmang, and President Mac Laren were looking for ways to improve the District when they first became Board Members; that by attending other water agency meetings, events, and activities and learning about their programs and services, he is glad he is serving as a Director for the District; that he appreciates how things are done at the District, and the District is much more organized than other groups; and that he really appreciates all staff even more now, especially General Manager LaMoreaux, who has great knowledge about all issues and then thanked General Manager LaMoreaux for the information provided at briefings.

8.3) Report of Attorney.

Attorney Wynder stated that their written report included with the agenda packet includes information regarding AB 800 which gives the F.P.P.C. greater enforcement and powers to investigate a candidate's campaign during the campaign and allows them to audit candidate statements prior to statements being submitted to the F.P.P.C. followed by discussion of AB 800.

9) Public Comments on Closed Session Agenda Matters.

There were no public comments on closed session agenda matters.

At 7:56 p.m., President Mac Laren called for a thirteen-minute recess. She reconvened the regular meeting at 8:09 p.m.

10) Closed Session Under:

10.1) Government Code Section 54956.9(d)(1), pending litigation: *Antelope Valley Ground Water Cases*.

10.2) Government Code Section 54956.9(d)(1), pending litigation: *United States, et al. v. J-M Manufacturing Company, Inc., et al., United States District Court for the Central District of California Case No. ED CV06-0055-GW*.

10.3) Government Code Section 54956.9(d)(1), pending litigation: *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561*.

10.4) Government Code Section 54956.9(d)(1), pending litigation: *Omar Ramirez v. Palmdale Water District*.

At 8:09 p.m., President Mac Laren called for a closed session pursuant to Government Code Section 54956.9(d)(1), Pending Litigation – Four Cases: *Antelope Valley Ground Water Cases* and *United States, et al. v. J-M Manufacturing Company, Inc., et al., United States District Court for the Central District of California Case No. ED CV06-0055-GW* and *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561* and *Velez v. City of Palmdale, et al, Los Angeles Superior Court Case No. MC023216*.

She reconvened the regular meeting at 8:27 p.m.

11) Public report of any action taken in closed session.

General Manager LaMoreaux reported that a closed session had been held under Government Code Section 54956.9(d)(1), Pending Litigation – One Case: *Antelope Valley Ground Water Cases*; that the Board was briefed on the current status of this item of litigation; and that no reportable action was taken in closed session.

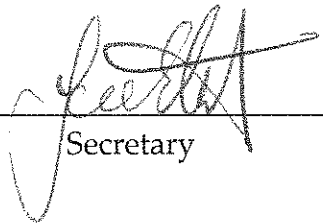
Attorney Wynder then reported that a closed session had also been held under Government Code Section 54956.9(d)(1), Pending Litigation – Three Cases: *United States, et al. v. J-M Manufacturing Company, Inc., et al., United States District Court for the Central District of California Case No. ED CV06-0055-GW* and *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561* and *Velez v. City of Palmdale, et al, Los Angeles Superior Court Case No. MC023216*; that General Counsel provided a privileged and confidential briefing on the status of these cases; but that no reportable action was taken nor was any solicited in closed session.

12) **Board Members' Requests for Future Agenda Items.**

There were no requests for future agenda items.

13) **Adjournment.**

There being no further business to come before the Board, the meeting was adjourned.


Secretary

Director Joe Estes Board Report for April 23, 2014

- 1) On April 14, 2014, along with all other directors we attended part two of the Strategic Planning workshop here at the district office with Dr. Mathias and the staff.
- 2) On April 16, 2014, Director Dino and I attended or Facilities Meeting

Discussion:

- 1) Some discussion on moving the Board room voting board to allow more visibility to the public. Also had a discussion with the General Manager we thought it would be a good idea to do this now since the audio system and the voting system are integrated and it would save quite a bit on labor charges.
- 2) Some discussion regarding unrestricted access to all facilities for all board members. After some discussion with General Manager LaMoreaux we agreed to have some access through the treatment plant for all board members and have the rest sent to the *Ad hoc committee* for further review and discussion.
- 3) Report on the wind turbine performance, form our Assistant General Manager Matt Knudson.
- 4) A very well written and detailed report, from our Facilities manager Tim Moore, explaining our flushing program. Which should answer a lot of our customer's questions? Thank you Tim.

- 3) On April 21, 2014 President Mac Laren and attended or Personnel Committee meeting.

Discussion:

- 1) Human Resources Manager Jennifer Emery Talked a little about the progress on the development of the Internship Program.
President Mac Laren and I agreed to send all three positions to the board.
 - 2) Jennifer also gave us a brief status update on Employee Handbook
 - 3) President Mac Laren and I agreed along with Human Resources Manager Jennifer Emery. To seek proposals for new benefits this year and every three years following to see if we can get more and better benefits for our money.
 - 4) Discussions on how we can approve upon our customer service.
 - 5) Discussed a few items regarding Employee Recognition.
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- 4) On April 22, 2014,
Director Alvarado and I had a Board Briefing with our General Manager Dennis LaMoreaux here at the PWD District Office.

Discussion:

(Agenda) For Regular Board Meeting to be held on April 23, 2014

DIRECTOR ALVARADO'S REPORT

APRIL 23, 2014

ON APRIL 10, I HAD THE PRIVILEGE TO PRESIDE OVER THE ANTELOPE VALLEY STATE WATER CONTRACTORS ASSOCIATION MEETING. PRESIDENT BARBARA HOGAN WAS OUT OF THE COUNTRY. COMMISSIONER MCLAREN ATTENDED TOO.

ON APRIL 14, I ATTENDED THE STRATEGIC PLAN WORKSHOP # II

ON APRIL 16, I ATTENDED THE FACILITIES COMMITTEE MEETING

ON APRIL 21TH, I ATTENDED THE PERSONNEL COMMITTEE MEETING.

ON APRIL 22ND, DIRECTOR ESTES AND I HAD OUR REGULAR JOIN BRIEFING WITH OUR GENERAL MANAGER TO GO OVER THE AGENDA, BILLS AND OTHER WATER RELATED ISSUES.

COMING UP ...

ON APRIL THE 25TH, I WILL BE ATTENDING AN ALL DAY MODULE II TRAINING IN BAKERSFIELD WITH SOME OF MY FELLOW DIRECTORS.