



# PALMDALE WATER DISTRICT

2029 East Avenue Q • Palmdale, California 93550 •

Telephone (661) 947-4111

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[www.palmdalewater.org](http://www.palmdalewater.org)

LAGERLOF, SENECA, GOSNEY & KRUSE LLP  
Attorneys



## Board of Directors

ROBERT E. ALVARADO  
Division 1

GORDON G. DEXTER  
Division 2

GLORIA DIZMANG  
Division 3

KATHY MAC LAREN  
Division 4

STEVE R. CORDOVA  
Division 5

March 7, 2013

*Agenda for Regular Meeting  
of the Board of Directors of the Palmdale Water District  
to be held at the District's office at 2029 East Avenue Q, Palmdale  
Wednesday, March 13, 2013  
7:00 p.m.*

**NOTE:** To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Dawn Deans at 661-947-4111 x1003 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale. Please call Dawn Deans at 661-947-4111 x1003 for public review of materials.

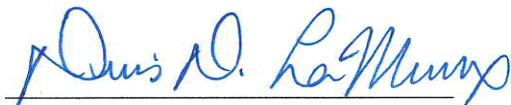
**PUBLIC COMMENT GUIDELINES:** The prescribed time limit per speaker is three-minutes. Please refrain from public displays or outbursts such as unsolicited applause, comments, or cheering. Any disruptive activities that substantially interfere with the ability of the District to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.

Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance to take action on any item.

- 1) Pledge of Allegiance.
- 2) Roll Call.
- 3) Adoption of Agenda.
- 4) Public comments for non-agenda items.
- 5) Presentations:
  - 5.1) ACWA/JPIA insurance rebate. (Andy Sells, ACWA/JPIA Chief Executive Officer/Melody McDonald, ACWA/JPIA Executive Committee)

- 5.2) Review of Palmdale Water District salary survey methodology. (Director Alvarado/General Manager LaMoreaux)
- 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 February 27, 2013.
  - 6.2) Payment of bills for March 13, 2013.
- 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 January 31, 2013. (Financial Advisor Egan/Finance Committee)
  - 7.2) Status report on project financing options. (Financial Advisor Egan/Finance Manager Williams/Finance Committee)
  - 7.3) Status report on Financial Statements, Revenue and Expense and Departmental Budget Reports for January 31, 2013. (Finance Manager Williams/Finance Committee)
  - 7.4) Status report on committed contracts issued. (Engineering Manager Knudson/Finance Committee)
  - 7.5) Consideration and possible action on District membership in Antelope Valley African American Chamber of Commerce. (\$475.00 – Non-Budgeted – Rich Posten/General Manager LaMoreaux)
  - 7.6) Consideration and possible action on amendment to Palmdale Recycled Water Authority (PRWA) Agreement regarding fifth Board member. (General Manager LaMoreaux)
  - 7.7) Discussion on updating the District's Strategic Plan. (General Manager LaMoreaux/Director Alvarado)
- 8) Information Items:
  - 8.1) Reports of Directors: Meetings, Committee meetings, and general report.
  - 8.2) Report of General Manager.
    - a) District vacancies.
    - b) Palmdale Recycled Water Authority status.
  - 8.3) Report of Attorney.
- 9) Public comments on closed session agenda matters.

- 10) Closed session under:
  - 10.1) Government Code Section 54956.9(a), existing litigation: *Antelope Valley Ground Water Cases*.
  - 10.2) Government Code Section 54956.9(a), existing 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(a), 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(a), pending litigation: *Velez v. City of Palmdale, et al, Los Angeles Superior Court Case No. MC023216*.
  - 10.5) Government Code Section 54956.9(a), pending litigation: *Miller v. Fairweather, et al, Los Angeles Superior Court Case No. MC023677*.
- 11) Public report of any action taken in closed session.
- 12) Board members' requests for future agenda items.
- 13) Adjournment.



DENNIS D. LaMOREAUX,  
General Manager

DDL/dd

**PALMDALE  
WATER DISTRICT  
BOARD MEMORANDUM**

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<b>DATE:</b>	March 6, 2013	March 13, 2013
<b>TO:</b>	BOARD OF DIRECTORS	Board Meeting
<b>FROM:</b>	Mr. Bob Egan, Financial Advisor	
<b>RE:</b>	<i><b>AGENDA ITEM NO. 7.1 – STATUS REPORT ON CASH FLOW STATEMENT AND CURRENT CASH BALANCES AS OF JANUARY 31, 2013</b></i>	

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Attached is the Investment Funds Report and current cash balance as of January, 2013. The reports will be reviewed in detail at the Board meeting.

PALMDALE WATER DISTRICT  
INVESTMENT FUNDS REPORT

				January 31, 2013				
DESCR							January-13	December-12
A/C #							VALUE	VALUE
CASH								
0-0103	Citizens/US Bank - Checking						339,401.89	192,858.38
0-0104	Citizens- Merchant						84,170.54	65,737.68
						Bank cash	423,572.43	258,596.06
0-0119	PETTY CASH						300.00	300.00
0-0120	CASH ON HAND						3,400.00	3,400.00
	TOTAL CASH						427,272.43	262,296.06
INVESTMENTS								
0-0110	UBS ACCOUNT SS 11469 GG							
	UBS RMA Government Portfolio						4,253,373.99	4,633,135.02
	UBS Bank USA Dep acct						250,000.00	250,000.00
	1998 Debt Reserve Fund							
	FHLB par 1.4Mil matures 10/18/13 3.625% interest						1,434,188.00	1,438,038.00
	Accrued interest						14,520.10	10,290.98
							5,952,082.09	6,331,464.00
0-1110	UBS ACCOUNT SS 11475 GG							
	UBS Bank USA Dep acct						83,942.45	83,939.57
	UBS RMA Government Portfolio						0.00	0.00
							83,942.45	83,939.57
0-0115	LAIF						11,682.45	11,672.98
0-0111	UBS ACCOUNT SS 11432 GG							
	UBS Bank USA Dep acct						47,151.28	0.00
	UBS RMA Government Portfolio						0.00	47,882.27
	Accrued interest						4,708.65	5,406.60
	US GOVERNMENT SECURITIES:							
		ISSUE		EXPIR			MARKET	MARKET
		DATE	ISSUER	DATE	RATE	PAR	VALUE	VALUE
			FNMA	10/26/15	1.625	500,000	516,485.00	517,255.00
			FNMA	06/28/17	1.125	500,000	501,470.00	502,040.00
			FNMA	07/17/17	1.2	500,000	501,760.00	502,115.00
			FNMA	08/22/17	0.625	500,000	500,170.00	500,395.00
			FHLB	12/28/17	0.95	500,000	496,900.00	499,285.00
						2,500,000.00	2,516,785.00	2,521,090.00
	TOTAL MANAGED ACCOUNT						2,568,644.93	2,574,378.87
	TOTAL INVESTMENTS						8,616,351.92	9,001,455.42
GRAND TOTAL CASH AND RESTRICTED CASH							9,043,624.35	9,263,751.48
						Incr (Decr)	(220,127.13)	
	Checking				427,272			
	UBS MM				6,036,025			
	LAIF				11,682			
	UBS Investment				2,568,645			
	Restricted				0			
				Total	9,043,624			

REVISED 03/06/13	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Water Sales	1,650,519	1,467,300	1,591,900	1,530,000	1,686,200	2,048,500	2,340,300	2,454,000	2,452,200	2,221,000	2,054,200	1,759,700	23,255,819
	1,650,519	1,467,300	1,591,900	1,530,000	1,686,200	2,048,500	2,340,300	2,454,000	2,452,200	2,221,000	2,054,200	1,759,700	
Beginning Balance	9,001,455	9,043,624	8,847,796	6,430,003	7,767,103	8,526,403	8,371,803	8,735,303	9,193,703	7,664,064	7,413,714	7,645,514	
Water Receipts	2,428,492	1,467,300	1,591,900	1,530,000	1,686,200	2,048,500	2,340,300	2,454,000	2,452,200	2,221,000	2,054,200	1,759,700	24,033,792
Other													
Total Operating Revenue	2,428,492	1,467,300	1,591,900	1,530,000	1,686,200	2,048,500	2,340,300	2,454,000	2,452,200	2,221,000	2,054,200	1,759,700	
Operating Expenses:													
Total Operating Expenses excl GAC	1,965,762	1,808,900	1,799,900	1,198,900	1,108,100	1,718,600	1,729,200	1,776,600	1,725,700	1,839,550	1,794,100	2,255,100	20,720,412
													2,535,407
Non-Operating Revenue Expenses:													
Assessments, net	620,213	287,572	7,800	1,470,300	684,500	2,800	394,200	143,000			113,500	2,383,600	6,107,485
Special Avek CIF Payment													0
Interest	(5,316)	2,100	2,100	2,100	2,100	2,100	2,100	1,900	2,100	2,100	2,100	2,100	17,584
Grant Re-imbursement					485,000								485,000
Capital Improvement Fees	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
													0
DWR Refund													0
Other /Palmdale Redevel Agency	9,828												9,828
Total Non-Operating Revenues	637,224	302,172	22,400	1,484,900	1,184,100	17,400	408,800	157,400	14,600	14,600	128,100	2,398,200	6,769,896
Capital Expenditures	(194,434)		(174,455)	(72,500)	(17,500)	(322,500)			(12,000)				(793,389)
GAC	(233,893)		(23,000)	(250,000)	(339,000)	(23,000)		(220,000)	(220,000)				(1,308,893)
SWP Capitalized	(629,459)	(156,400)	(180,600)	(156,400)	(156,400)	(156,400)	(656,400)	(156,400)	(184,600)	(156,400)	(156,400)	(156,400)	(2,902,259)
Prepaid Insurance (paid) refunded													0
Bond Payments Interest			(798,603)						(798,603)				(1,597,205)
Principal			(1,055,536)						(1,055,536)				(2,111,072)
System Work for AVEK													0
Butte payments					(490,000)					(490,000)			(980,000)
Capital leases													0
Legal adjudication fees													0
Total Cash Ending Balance	9,043,624	8,847,796	6,430,003	7,767,103	8,526,403	8,371,803	8,735,303	9,193,703	7,664,064	7,413,714	7,645,514	9,391,914	(9,692,818)
											Budget	8,193,078	(387,515)
											diff	1,198,836	

The report for this item will be hand-delivered prior to the Board meeting.



# Engineering Department Projected Payout Schedule

## March - 2013

### AGENDA ITEM NO. 7.4

Project Title	2013 Budget	Budget No.	Payee	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
Litterock Dam Sediment Removal	\$ 270,000	NCP02	Aspen	\$ 1,874		\$ 8,955	\$ 2,500	\$ 2,500	\$ 2,500						
Acquisition of Tax Defaulted Property	\$ 18,000	NCC03	LA County			\$ 18,000						\$ 12,000			
Annual Tank Maint. (Year 1 of 5)	\$ 315,000	RCP04	TBD						\$ 315,000						
Spec. No. 0902 - Ave. Q-3, Division, Sumac	\$ 125,000	RCP03	BV Const.	\$ 192,560		\$ 60,000	\$ 65,000								
3600' Hydro-Pneumatic Tank Replacement	\$ 80,000	N/A	Superior Tank			\$ 79,000									
2012 Redistricting	\$ 10,000	PL01	NDC			\$ 8,500									
Water Supply Fee Policy	\$ 25,000	PL06	TBD				\$ 5,000	\$ 15,000	\$ 5,000						
Total Projected Payout:				\$ 194,434	\$ -	\$ 174,455	\$ 72,500	\$ 17,500	\$ 322,500	\$ -	\$ -	\$ 12,000	\$ -	\$ -	\$ -

Water Quality Fund	2013 Budget	Budget No.	Payee	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
2013 Granular Activated Carbon Supply	\$ 1,388,000	N/A	Calgon			\$ 23,000	\$ 220,000	\$ 220,000	\$ 13,000		\$ 220,000	\$ 220,000			
2013 Change-Outs			Prominent			\$ 30,000	\$ 65,000	\$ 10,000							
GAC @ Underground Booster Station - Vessel			TBD												
GAC @ Underground Booster Station - Misc.															
Total Water Quality Projected Payout:				\$ -	\$ -	\$ 23,000	\$ 250,000	\$ 339,000	\$ 23,000	\$ -	\$ 220,000	\$ 220,000	\$ -	\$ -	\$ -

Approved for Payment



**PALMDALE WATER DISTRICT  
BOARD MEMORANDUM**

**DATE:** March 6, 2013 **March 13, 2013**  
**TO:** BOARD OF DIRECTORS **Board Meeting**  
**FROM:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** *AGENDA ITEM NO. 7.5 – CONSIDERATION AND POSSIBLE ACTION  
ON DISTRICT MEMBERSHIP IN ANTELOPE VALLEY AFRICAN  
AMERICAN CHAMBER OF COMMERCE.*

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**Recommendation:**

Joining the Antelope Valley African American Chamber of Commerce is presented for the Board's consideration.

**Alternative Options:**

The alternative is to not join the Antelope Valley African American Chamber of Commerce.

**Background:**

Mr. Rich Posten, representing the Antelope Valley African American Chamber of Commerce, has requested the Palmdale Water District become a member of this Chamber. The District has not been a past member of this Chamber, and membership was not budgeted.

**Strategic Plan Element:**

This work is part of Strategic Element 5.0 Administrative Management.

**Budget:**

This item is non-budgeted.

**Supporting Documents:**

- Antelope Valley African American Chamber of Commerce Membership application
- Antelope Valley African American Chamber of Commerce 2013-14 Chairman's Circle Program and Event Selections



# Antelope Valley African American Chamber of Commerce Membership Application

**RECEIVED**

MAR 05 2013

## Contact Information

Date: \_\_\_\_\_

Company Name	
Street Address	
City, State, Zip	
Phone & Fax	
E-Mail Address	
Website Address	
Business Category	
Description for Website Listing (35 Characters Max.)	

## Name of Representative(s)

## Title

## E-Mail


## Payment

The undersigned hereby applies for membership in the A.V. African American Chamber of Commerce and in consideration of this application being approved and accepted, agrees to pay \$\_\_\_\_\_ annually, plus a one-time \$25 processing fee.

<input type="checkbox"/>	<b>Check</b>	<input type="checkbox"/>	<b>Cash</b>	<input type="checkbox"/>	<b>Visa</b>	<input type="checkbox"/>	<b>MasterCard</b>	<input type="checkbox"/>	<b>Discover</b>	<input type="checkbox"/>	<b>Amex</b>
Credit Card #								Exp.:		Zip:	
Signature								Title			
								Check #			

## INVESTMENT STRUCTURE

Please check one:

First time members require a one-time \$25.00 processing fee.

<input type="checkbox"/>	1-5 Employees	\$165.00	<input checked="" type="checkbox"/>	51-100 Employees	\$450.00
<input type="checkbox"/>	6-10 Employees	\$210.00	<input type="checkbox"/>	100+ Employees	\$525.00
<input type="checkbox"/>	11-20 Employees	\$265.00	<input type="checkbox"/>	Non-Profit/Organizations	\$125.00
<input type="checkbox"/>	21-35 Employees	\$325.00	<input type="checkbox"/>	Individual	\$95.00
<input type="checkbox"/>	36-50 Employees	\$395.00	<input type="checkbox"/>	Satellite Businesses	\$50.00 ea.

Restaurants up to 100 seats \$425, over 100 seats \$525. Corporate Level Memberships – please call for information regarding memberships that include dues, sponsorships, advertising and events.

A.V. A.A. Chamber of Commerce – 3053 Rancho Vista Blvd. Ste. H – Palmdale, CA 93551 – (661) 272-5807 – (661) 267-2995 Fax  
[www.avaacc.org](http://www.avaacc.org) / [info@avaacc.org](mailto:info@avaacc.org)

# 2013-14 CHAIRMAN'S CIRCLE PROGRAM & EVENT SELECTIONS

FY 2-13

FY 3-14



Annual Membership Investment

Dues Sponsorship

## Business Enhancement & Networking

### Business Showcase Expo:

Economic Enhancement Forums:

☐ Both \$125

☐ \$75 Each

## Special Events & Community Involvement

### SuperMixers (Quarterly):

☐ Presenting Sponsor \$500 ☐ \$125 General Sponsor ☐ \$75 Give-a-way Sponsor

### College Tour Golf Tournament:

☐ Tournament Sponsor \$2,500 ☐ \$500 Course Sponsor ☐ \$500 Putting Contest

☐ \$400 Beverage/Snack Cart ☐ \$300 Ticket Sponsor ☐ \$400 Fun Hole Sponsor

☐ \$400 Awards Sponsor ☐ \$375 Foursome ☐ \$95 Individual Player

☐ \$75 Swag-Bag Sponsor

### Installation/Gala: (Black Tie)

☐ Presenting Sponsor \$2,500 ☐ \$1,500 Wineglass Sponsor

☐ Entertainment Sponsor \$1,200 ☐ \$1,000 Connoisseur Sponsor

☐ Program Sponsor \$750 ☐ \$150 Swag-Bag Sponsor ☐ Individual Tickets \$55

### Harlem Casino Night:

☐ Presenting Sponsor \$1,500 ☐ \$1,200 Entertainment Sponsor

☐ Brandy Glass Sponsor \$800 ☐ \$800 Connoisseur Sponsor

☐ Casino Sponsor \$1,000 ☐ \$250 Award Sponsor ☐ Individual Tickets \$35

### Bowling For Scholarships:

☐ Presenting Sponsor \$1,500 ☐ \$500 Awards Sponsor ☐ Beverage Sponsor \$350

## Advertising & Promotion Opportunities

☐ Mailing Labels \$50/Per ☐ \$50 Full Page Flyer (JPEG) ☐ Facebook Event Post \$75

☐ Digital Presentations for upload \$175 ☐ \$150 Website Banner Ads (All Pages)

☐ \$65 Website Banner Ad (Home Pg Only)

## Legislative Advocacy

☐ Public Policy Forum - Presenting Sponsor \$1,000 Table Sponsor \$500

☐ State of the County - Presenting Sponsor \$500 (Speaker M. Antonovich)

☐ State of the City - Presenting Sponsor \$500 (Speaker J. Ledford Jr.)

TOTAL CASH DUE

TOTAL IN-KIND TRADE

TOTAL COMMITMENT

PAYMENT OPTIONS: ☐ Payment in Full ☐ Invoice Per Event ☐ Quarterly Payments

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_



## Antelope Valley African American Chamber of Commerce Chairman's Circle

Our Chairman's Circle concept provides members with an opportunity to an extensive measure of involvement and visibility in the business community, for one annual investment. Through a choice of three (3) levels, members can budget their Chamber commitments well in advance. The amount chosen includes the annual membership dues, with the additional amount applied to various sponsorships, supporting Chamber programs, and unique advertising opportunities.

### **Diamond Level (\$10,000 or more) Valued \$15,500**



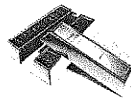
- Two (2) Business Showcase Expo 6' table booth space.
- General Sponsor at all Super Mixers.
- Presenting Sponsor for Installation/Gala – Table of eight (8)
- Presenting Sponsor for Harlem Casino Night
- Presenting Sponsor for Bowling for Scholarships
- Monthly Facebook Event Posting
- 24 – Luncheon tickets per year
- Eight (8) Super Mixer tickets per year
- Advertising on all Monthly Constant Contact Digital E- Blast
- Website Banner Ads (All Pages)
- Public Policy Forum – Presenting Sponsor
- Prominent logo listing in all Chamber special event programs
- Featured listing on Chamber website member directory combined with your own webpage and the ability to add business profile, video and radio ads.
- Logo displayed at all Chamber events on the Chairman's Circle Banner
- Logo on Chamber's homepage providing a link to your website.
- Recognition in the Chamber's Annual Report

### **Gold Level (\$5,000 to \$9,999) Valued \$10,250**



- Two (2) Business Showcase Expo 6' table booth space.
- Two (2) General Sponsor at all Super Mixers.
- VIP Seating for four (4) at Installation/Gala
- Connoisseur Sponsor
- Beverage Sponsor at Bowling for Scholarships
- Monthly Facebook Event Posting
- 12 – Luncheon tickets per year
- Four (4) Super Mixer tickets per year
- Advertising on all Monthly Constant Contact Digital E- Blast
- Website Banner Ads (All Pages)
- Prominent logo listing in all Chamber special event programs
- Featured listing on Chamber website member directory combined with your own webpage and the ability to add business profile, video and radio ads.
- Logo displayed at all Chamber events on the Chairman's Circle Banner
- Logo on Chamber's homepage providing a link to your website.
- VIP seating at all major Chamber events (Table of eight)
- Recognition in the Chamber's Annual Report

### **Silver Level (\$2,500 to \$4,999) Valued \$7,250**



- One (1) Business Showcase Expo 6' table booth space.
- One (1) General Sponsor at all Super Mixers.
- VIP Seating for two (2) at Installation/Gala
- Award Sponsor for Harlem Casino Night Event
- Monthly Facebook Event Posting
- 6 – Luncheon tickets per year
- Two (2) Super Mixer tickets per year
- Advertising on six (6) Monthly Constant Contact Digital E- Blast
- Website Banner Ads (All Pages)
- Prominent logo listing in all Chamber special event programs
- Featured listing on Chamber website member directory combined with your own webpage and the ability to add business profile, video and radio ads.
- Logo displayed at all Chamber events on the Chairman's Circle Banner
- Logo on Chamber's homepage providing a link to your website.
- VIP seating at all major Chamber events (Table of eight)
- Recognition in the Chamber's Annual Report

**PALMDALE WATER DISTRICT  
BOARD MEMORANDUM**

**DATE:** March 7, 2013 **March 13, 2013**  
**TO:** BOARD OF DIRECTORS **Board Meeting**  
**FROM:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** ***AGENDA ITEM NO. 7.6 – CONSIDERATION AND POSSIBLE ACTION  
ON AMENDMENT TO PALMDALE RECYCLED WATER AUTHORITY  
(PRWA) AGREEMENT REGARDING FIFTH BOARD MEMBER.***

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**Recommendation:**

Staff and the PRWA Board recommend the Board approve the First Amendment to the “Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority” clarifying the process of removal of the fifth Board member.

**Alternative Options:**

The alternative is to not approve this Amendment.

**Impact of Taking No Action:**

No guidelines would be in place for removal of the fifth PRWA Board member.

**Background:**

The Palmdale Recycled Water Authority was formed by the Palmdale Water District and the City of Palmdale via the "Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority" in September 2012. That Agreement provides for the joint appointment by those two entities of a fifth Director in addition to two directors from each of their respective Boards. All Authority directors are appointed to serve one-year terms that may be renewed annually.

The appointment process is clear as to all the Authority directors; however, there was no clear process to remove the Fifth Director. At the Authority Meeting of January 16, 2013, the Board was concerned about removal of the "fifth member" prior to that member's one year term being concluded. Authority Counsel recommended the following First Amendment be added to the Joint Exercise of Powers Agreement:

The proposed First Amendment to the Agreement would be added to Section 4.4 as follows:

*"The fifth Director shall serve for renewable one-year terms at the pleasure of both Members. In the case of removal of the fifth Director before the expiration of his or her term, both Members would be required to adopt resolutions for removing said director. Cause for removal need not be stated in the resolutions as the fifth Director serves at the joint pleasure of both Members."*

**Strategic Plan Element:**

This work is part of Strategic Element 2.0 Natural Resources Management.

**Budget:**

This item will have no impact on the budget.

**Supporting Documents:**

- First Amendment to the Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority dated September 26, 2012.

**FIRST AMENDMENT TO THE  
JOINT EXERCISE OF POWERS AGREEMENT CREATING THE PALMDALE  
RECYCLED WATER AUTHORITY  
DATED SEPTEMBER 26, 2012 (CITY AGREEMENT NO. A-4113)**

Dated March \_\_, 2013

This First Amendment to the "Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority" dated September 26, 2012 (hereinafter "Agreement") is made and entered into this \_\_ day of March 2012, by and between the City of Palmdale, State of California, a California Charter City (hereinafter "City") and the Palmdale Water District, an Irrigation District under Division 11 of the California Water Code (hereinafter "District").

**WITNESSETH:**

**WHEREAS**, pursuant to Section 1.1, "Definitions", of the Agreement, the District and the City are the constituent "Members" of the Palmdale Recycled Water Authority (hereinafter "PRWA" or "Authority"); and

**WHEREAS**, Section 7.1, "Amendments", of the Agreement states, "This Agreement may be amended only upon the affirmative vote of both Members."; and

**WHEREAS**, pursuant to the Agreement provides for a five-member Authority Board wherein each of the two Members appoint two members from their respective governing boards to serve on the Authority Board and jointly appoint the "Fifth Director", and

**WHEREAS**, it is the desire of the City and the District as Members of the Authority to amend the Agreement to clarify the conditions under which the Fifth Director may be removed from the Authority Board.

**NOW THEREFORE**, the City and the District agree as follows:

**SECTION 1.** Article 4 "Organization", sub-section 4.4 of the Agreement, is amended to add the following paragraph to read as follows:

*"The fifth Director shall serve for renewable one-year terms at the pleasure of both Members. In the case of removal of the fifth Director before the expiration of his or her term, both Members would be required to adopt resolutions for removing said director. Cause for removal need not be stated in the resolutions as the fifth Director serves at the joint pleasure of both Members."*



**SECTION 2. EFFECTIVE DATE.** This First Amendment to the Agreement shall become effective when approved by the City Council of the City of Palmdale and the Palmdale Water District Board of Directors and is duly signed by both of those parties.

IN WITNESS WHEREOF, each of the parties have caused this "Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority" dated September 26, 2012," to be executed by their duly authorized representatives as signed below.

**CITY OF PALMDALE**

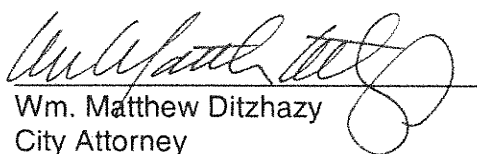
**PALMDALE WATER DISTRICT**

\_\_\_\_\_  
James C. Ledford, Jr.  
Mayor

\_\_\_\_\_  
Kathy Mac Laren  
President

**APPROVED AS TO FORM:**

**APPROVED AS TO FORM:**

  
Wm. Matthew Ditzhazy  
City Attorney

\_\_\_\_\_  
Thomas S. Bunn, III  
District Counsel

**ATTEST:**

\_\_\_\_\_  
Rebecca J. Smith  
City Clerk

**MINUTES OF MEETING OF THE PERSONNEL COMMITTEE OF THE PALMDALE  
WATER DISTRICT, FEBRUARY 6, 2013:**

*A meeting of the Personnel Committee of the Palmdale Water District was held Wednesday, February 6, 2013, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Mac Laren called the meeting to order.*

**1) Roll Call.**

**Attendance:**

Personnel Committee:

Kathy Mac Laren, Chair

Gloria Dizmang, Committee  
Member

**Others Present:**

Dennis LaMoreaux, General Manager

Matt Knudson, Engineering Manager

Peter Thompson II, Operations Manager

Jeannie Burns, Acting Human Resources Manager

Randy Hardenbrook, Equipment Mechanic Spvsr.

Kelly Jeters, Systems Supervisor

Dawn Deans, Executive Assistant

3 members of the public

**2) Adoption of Agenda.**

It was moved by Committee Member Dizmang, seconded by Chair Mac Laren, and unanimously carried to adopt the agenda, as written.

**3) Public Comments.**

There were no public comments.

**4) Action Items:**

**4.1) Consideration and Possible Action on Approval of Minutes of Meeting  
Held January 22, 2013.**

It was moved by Committee Member Dizmang, seconded by Chair Mac Laren, and unanimously carried to approve the minutes of the Personnel Committee meeting held January 22, 2013, as written.

**4.2) Discussion and Possible Action on Conducting an Organizational  
Assessment. (General Manager LaMoreaux)**

General Manager LaMoreaux stated that the Request for Proposals for conducting an Organizational Assessment for the District was sent Monday; that six consultants responded; that five indicated they will submit a proposal; and that he distributed the Request for Proposals to Department Managers earlier today followed by discussion of the scope of work items and developing a succession plan for the District.

**4.3) Discussion and Possible Action on Recruitment to Fill Treatment Plant Supervisor Position. (General Manager LaMoreaux)**

General Manager LaMoreaux informed the Committee of Operations Manager Thompson II's memo outlining the need and recommendation to fill the Treatment Plant Supervisor position followed by discussion of waiting until the Organizational Assessment is complete, the regulatory aspects of this position, new pension rules and regulations, filling the position in-house and leaving another position open, the need to fill all Plant Operator positions, and revisions to the Organization Chart.

At 6:47 p.m., Chair Mac Laren called for a seven-minute recess. She reconvened the Committee meeting at 6:54 p.m.

General Manager LaMoreaux then informed the Committee of the entry level salary for this position after which Operations Manager Thompson II reviewed the need to fill this position followed by continued discussion of waiting until the Organizational Assessment is complete, temporarily filling positions, and filling this position based on discussions from revising the Organization Chart.

Chair Mac Laren then stated that this item will be presented to the full Board at the next regular Board meeting with no Personnel Committee recommendation.

**4.4) Discussion and Possible Action on Optional ACWA Programs and Benefits. (Chair Mac Laren)**

Acting Human Resources Manager Burns reviewed the ACWA high-deductible plan, items covered under this plan, deductible cost to the employee, and the District's current healthcare plans followed by discussion of the District paying a certain amount towards the cost of healthcare coverage with employees paying the remainder, developing an HRA plan through District savings from a high deductible plan, the District's pooled insurances through ACWA, increases in annual healthcare premiums, prescription costs driving up costs, encouraging wellness programs to drive down costs,

and remaining competitive to attract and retain talented staff after which staff was directed to obtain two independent proposals for healthcare coverage similar to the District's current healthcare options and investigate incentives for a wellness program.

**4.5) Discussion and Possible Action on Employee Contribution Towards CalPERS Retirement. (Chair Mac Laren)**

Committee Member Dizmang requested this item be tabled until a decision has been made on the healthcare issue followed by discussion of the employee's portion of CalPERS retirement.

Chair Mac Laren then stated that this item will be tabled until a decision has been reached on healthcare issues.

**4.6) Discussion and Possible Action on Minimal Employee Premium Contribution Towards Health Insurance Benefits. (Chair Mac Laren)**

Chair Mac Laren stated that the Committee is waiting for additional information on this item followed by discussion of different health insurance plan options after which General Manager LaMoreaux recommended the District suggest to ACWA that other health insurance plan options in between the high deductible plan and the currently provided plans be developed as other agencies may also be interested in these options and that Acting Human Resources Manager Burns research the best approach to this recommendation.

Attending the ACWA/JPIA spring conference was then discussed.

Mr. Ed Boka, former District employee, then requested clarification on the Committee's direction on this item as he is concerned with employees' health benefits; that he sees employee contributions towards healthcare and retirement; and that he does not understand the Committee's fiscal thinking after which increasing healthcare costs and passing costs to ratepayers were clarified, and General Manager LaMoreaux recommended the agenda be followed and comments be limited to three minutes.

Chair Mac Laren then stated that the Committee has established a goal to research each and every opportunity regarding healthcare with a decision made by the time of open enrollment; that to ease frustration of employees, any changes would occur in

January 2014; and that the Committee is reviewing all options in 2013 depending on the District's finances, the economy, health plans, and Obamacare.

**4.7) Discussion and Possible Action on Retiree Healthcare Benefits. (Chair Mac Laren)**

General Manager LaMoreaux stated that retiree healthcare benefits were explored two years ago, and no changes were made; that other agency's plans were researched; and that research indicated that the District's plan is more stringent than that of other agencies.

Committee Member Dizmang then recommended this item be approached carefully and inquired if retirees could buy into lower ACWA rates if retiree District benefits were provided to only age 65.

The District's Employee Handbook and Rules and Regulations, who is covered under the retiree healthcare policy, and legal review of any policy revisions were then discussed after which General Manager LaMoreaux stated that in addition to Committee Member Dizmang's suggestion, other retiree healthcare options include covering the employee only, covering the employee and spouse, making employees opt for the District's lowest cost plan, and implementing a two-tiered system for the policy.

Staff was then directed to research these items as well as any cost savings from a retiree pledging Medicare Plan A and B to the District.

Mr. Ed Boka, former employee, then informed the Committee of a recent case in Orange County regarding retiree benefits.

**5) Information Items.**

Acting Human Resources Manager Burns informed the Committee that JPIA is conducting a Respect in the Workplace workshop tomorrow as part of the Communications Plan.

Committee Member Dizmang stated that a representative from Universal Gym can make a presentation on their gym and discounts for District employees at an all-hands meeting.

There were no further information items.

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

It was requested that an item be placed on the next agenda for "Discussion and possible action on developing a wellness program."

There were no further requests for future agenda items.

It was determined that the next Personnel Committee meeting will be held March 6, 2013 at 6:30 p.m.

**7) Adjournment.**

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

  
Chair

RE: ***AGENDA ITEM NO. 8.2 – REPORT OF GENERAL MANAGER –  
DISTRICT VACANCIES***

Executing hiring process approved 11/14/12