

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
PALMDALE WATER DISTRICT, MARCH 9, 2011:**

*A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, March 9, 2011, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Gordon Dexter, called the meeting to order at 7:00 p.m.*

**1) Pledge of Allegiance.**

At the request of President Dexter, Director Godin led the pledge of allegiance.

**2) Moment of Silence.**

President Dexter requested everyone remain standing and observe a moment of silence.

**3) Roll Call.**

**Attendance:**

Gordon Dexter, President  
Steve Cordova, Vice President  
Raul Figueroa, Secretary  
Linda Godin, Treasurer  
Jeff Storm, Director

**Others Present:**

Dennis LaMoreaux, General Manager  
Tim Gosney, Attorney  
Mike Williams, Finance Manager  
Matt Knudson, Engineering Manager  
Peter Thompson, Operations Manager  
Jeannie Burns, Human Resources Manager  
Tim Moore, Facilities Manager  
Jon Pernula, Water & Energy Resources Mngr.  
Kelly Jeters, Systems Supervisor  
Joe Kerschner, Water Quality Supervisor  
Dawn Deans, Executive Assistant  
3 members of the public

**4) Adoption of Agenda.**

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

**5) Public Comments for Non-Agenda Items.**

Mr. Doug Wilson, Palmdale resident, stated that his water bill and gas prices have gone up; that he is forced to work outside the Antelope Valley; that he understands the

District adopted a resolution to stop local hires for District jobs; that he is disgusted with this action and would prefer to work local; that he has heard rumor of a lawsuit regarding this matter; and then requested information on how this lawsuit will affect the City of Palmdale and the recipients of the Palmdale Water District.

President Dexter stated that the Board cannot provide comment on pending litigation and invited Mr. Wilson to contact either him or General Manager LaMoreaux to discuss his concerns; that Mr. Wilson has been misinformed, and there is no intention to not hire local workers; and that these jobs are contracted at prevailing wage.

There were no further public comments.

**6) Presentations:**

**6.1) Overview of the District's Overall Energy Programs. (Water & Energy Resources Manager Pernula/Environmental Committee)**

Water & Energy Resources Manager Pernula stated that the District uses various energy strategies to accomplish stated goals, and there is a continued commitment to operate efficiently using available emerging technologies. He then provided an overview of the District's energy programs including efforts to reduce the District's Gas and Edison prices through continuous evaluation of our accounts; using the most efficient pump first; off-peak production to determine the best time to pump; categorizing the District's facilities for the best electricity costs; incentives from Edison to increase efficiency of our pumps; time-of-use, super-off-peak, and rate structures designated for each account for the best pricing; gas commodity pricing based on the market and on fixed rates; the hydro-electric plant at Palmdale Lake commissioned in 2008; the wind turbine at the water treatment plant constructed in 2004; and the solar array panels at the shop building completed in 2003.

**7) 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.)**

**7.1) Approval of Minutes of Special Workshop Meeting Held February 17, 2011.**

**7.2) Approval of Minutes of Regular Meeting Held February 23, 2011.**

**7.3) Payment of Bills for March 9, 2011.**

**7.4) Approval of District Membership in Greater Antelope Valley Economic Alliance (\$2,500.00 – Budgeted – General Manager LaMoreaux)**

It was moved by Director Storm, seconded by Director Figueroa, and unanimously carried to approve those items included in the Consent Calendar with the exception of Agenda Item No. 7.4.

President Dexter stated that Agenda Item No. 7.4 will be considered as Agenda Item No. 8.4.

**8) 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.)**

**8.1) Consideration and Possible Action on Employee Handbook. (Human Resources Manager Burns/Personnel Committee)**

Human Resources Manager Burns stated that staff and the Personnel Committee recommend Board approval of the 2011 Employee Handbook and then provided an overview of how the Employee Handbook was updated including staff, legal counsel, and JPIA involvement, and after a brief discussion, it was moved by Director Figueroa, seconded by Director Godin, and unanimously carried to approve the 2011 Employee Handbook.

The Board then commended staff on a job well done in revising the Employee Handbook.

**8.2) Consideration and Possible Action on District Participation in the California Special Districts Association/Special District Leadership Foundation's Districts of Distinction Program. (Director Godin)**

Director Godin requested Board interest in participating in the Districts of Distinction Program, and after a brief discussion of the requirements and application fee for this Program, potential benefit to the District, and the District or the Antelope Valley State Water Contractors Association hosting training, there was no action taken on this item.

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

**8.3.1) Association of California Water Agencies Region 8 "H<sub>2</sub>O: It's Only Money...Or Is It?" Program to be Held April 13, 2011 in Thousand Oaks.**

After a brief discussion, it was moved by Director Storm, seconded by Director Figueroa, and unanimously carried to approve Board attendance at the Association of California Water Agencies Region 8 "H<sub>2</sub>O: It's Only Money...Or Is It?" Program to be held April 13, 2011 in Thousand Oaks.

**8.4) Consideration and Possible Action on District Membership in Greater Antelope Valley Economic Alliance. (\$2,500.00 - Budgeted - General Manager LaMoreaux)**

Director Storm questioned the benefit to the District from this organization, and after a brief discussion, it was moved by Director Storm, seconded by Director Figueroa, and unanimously carried to approve District membership in the Greater Antelope Valley Economic Alliance in the amount of \$2,500.00.

**9) Information Items.**

**9.1) Reports of Directors: Meetings/Committee Meetings/General Report.**

Director Godin reported that the Facilities Committee met and staff provided an overview of specific equipment and vehicles to be included in the lease purchase program along with their methods for researching and obtaining the best possible pricing for these items; that the Committee determined to take a site tour of District facilities including the dam, the ditch, and the water treatment plant; and that there is no future meeting scheduled at this point.

Director Figueroa reported that the Personnel Committee met and in addition to the Employee Handbook reviewed the Employee Communications Plan, which will be presented to the Board for consideration in the near future, and then commended staff and the employee committees for an excellent job on both the Employee Communications Plan and the Employee Handbook.

There were no further reports from Directors.

**9.2) Report of General Manager.**

General Manager LaMoreaux reported that he and Engineering Manager Knudson visited Washington, D.C. during the recent ACWA Conference for meetings with both senators, Congressman McKeon's office, the Corp., the EPA, and the Bureau of Reclamation; that Capitol Dynamics will submit a full written report on these meetings with all contacts; and that these agencies now have a packet of information about the District including the efforts with Littlerock Dam.

**9.3) Report of Attorney.**

Attorney Gosney reported on several matters of upcoming legislation from his work on the ACWA Legislative Committee.

**10) Public Comments on Closed Session Agenda Matters.**

There were no public comments on closed session agenda matters.

At 7:48 p.m., President Dexter called for a closed session. He reconvened the regular meeting at 7:50 p.m.

**11) Closed Session Under:**

**11.1) Government Code Section 54956.9(a), Existing Litigation: *Antelope Valley Ground Water Cases.***

**11.2) Government Code Section 54956.9(a), Existing Litigation: *City of Palmdale vs. Palmdale Water District, Case No. BC413432 (Rate Litigation).***

**11.3) Government Code Section 54956.9(a), Existing Litigation: *City of Palmdale vs. Palmdale Water District and Palmdale Water District Public Facilities Corporation, Case No. BC413907 (Validation Action).***

**11.4) Government Code Section 54956.9(a), Existing Litigation: *Palmdale Water District vs. City of Palmdale, Case No. BC420492 (Recycled Water Litigation).***

**11.5) 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.***

**11.6) Government Code Section 54956.9(a), Existing Litigation: *Palmdale Water District vs. City of Palmdale, Case No. MC021487 (Excavation Permit Litigation).***

**11.7) 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.***

**11.8) Government Code Section 54956.9(b), Potential Litigation: One Case.**

**11.9) Government Code Section 54957, Personnel Matters: General Manager Evaluation.**

At 7:50 p.m., President Dexter called for a closed session pursuant to Government Code Section 54956.9(a), Existing Litigation – seven cases: *Antelope Valley Ground Water Cases* and *City of Palmdale vs. Palmdale Water District, Case No. BC413432 (Rate Litigation)* and *City of Palmdale vs. Palmdale Water District and Palmdale Water District Public Facilities Corporation, Case No. BC413907 (Validation Action)* and *Palmdale Water District vs. City of Palmdale, Case No. BC420492 (Recycled Water Litigation)* 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 *Palmdale Water District vs. City of Palmdale, Case No. MC021487 (Excavation Permit Litigation)* and *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561* and pursuant to Government Code Section 54956.9(b), potential litigation: one case and pursuant to Government Code Section 54957, Personnel Matters: General Manager evaluation. He reconvened the regular meeting at 8:21 p.m.

**12) Public Report of Any Action Taken in Closed Session.**

Attorney Gosney reported that a closed session had been held under Government Code Section 54956.9(a), Existing and Pending Litigation – seven cases: *Antelope Valley Ground Water Cases* and *City of Palmdale vs. Palmdale Water District, Case No. BC413432 (Rate Litigation)* and *City of Palmdale vs. Palmdale Water District and Palmdale Water District Public Facilities Corporation, Case No. BC413907 (Validation Action)* and *Palmdale Water District vs. City of Palmdale, Case No. BC420492 (Recycled Water Litigation)* 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 *Palmdale Water District vs. City of Palmdale, Case No. MC021487 (Excavation Permit Litigation)* and *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561*; that the Board was briefed on the current status of each of these items identified; and that no reportable action under the Brown Act was taken in closed session on any of these matters.

He then reported that the closed session had also been held under Government Code Section 54956.9(b) potential litigation, one case; that the Board was briefed on this item of potential litigation; and that no reportable action under the Brown Act was taken in closed session on this matter.

He then reported that the closed session had also been held under Government Code Section 54957, personnel matters: General Manager evaluation; that the Board conducted an evaluation of the General Manager in closed session; and that no reportable action under the Brown Act was taken in closed session on this matter.

**13) Consideration and Possible Action on Evaluation of General Manager.**

President Dexter stated that the Board engaged in an evaluation of the General Manager in closed session; that an interactive evaluation process has been developed over the past several weeks with clear goals and objectives; that four goals and objectives were established at the last meeting along with a clear understanding of these goals and objectives and how they would be measured; and that the overall performance rating was a melding of five individual performance evaluations with all five Directors rating General Manager LaMoreaux as "good" based on the categories of excellent, good, satisfactory, needs improvement, unacceptable, and no basis for judgment.

He continued that regarding the issue of salary increase, in his review of the five individual evaluations, four Directors felt a merit increase, although clearly warranted, is not possible at this time, and one Director recommended a 3% increase.

Director Figueroa then stated that the evaluation process is improving; that he is glad to see the goals established; that he feels that General Manager LaMoreaux strongly deserves an increase but this is not possible at this time because of the District's financial state; that he was glad to see all Directors working together to make this overall performance evaluation possible; and then thanked General Manager LaMoreaux for the great job he has done.

Director Godin then stated that while hesitant, she can justify recommending an increase due to the lack of an Assistant General Manager but that it is difficult with the District's fiscal position.

Director Storm then stated that it is not just the District's fiscal position but that of everyone's fiscal position; that 95% of the people out there are not seeing merit increases of any kind no matter where they work; and that this is the reality of the times.

General Manager LaMoreaux then thanked the Board for fine-tuning this evaluation process so it is clearer going forward.

Director Cordova then thanked General Manager LaMoreaux for the time he takes from his schedule to meet with the individual Directors as it is time consuming but helpful after which Director Storm concurred and stated that communication has improved tremendously, and he appreciates this effort.

Attorney Gosney then clarified that the tentative view of the Board regarding any salary increase was not discussed in closed session but was from President Dexter's review of the individual evaluations, which President Dexter and the Board members confirmed.


President Dexter then thanked General Manager LaMoreaux.

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

There were no requests for future agenda items.

**15) 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 at 8:27 p.m.



Secretary