

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, JUNE 8, 2011:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, June 8, 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 7:02 p.m.

1) Pledge of Allegiance.

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

2) Moment of Silence.

Director Godin 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
Tom Bunn, Attorney
Mike Williams, Finance Manager
Matt Knudson, Engineering Manager
Peter Thompson II, Operations Manager
Tim Moore, Facilities Manager
Kelly Jeters, Systems Supervisor
Ed Boka, Treatment Plant Supervisor
Dawn Deans, Executive Assistant
4 members of the public

4) Adoption of Agenda.

President Dexter requested Agenda Item No. 7.6 be considered after Agenda Item No. 7.1 and Agenda Item No. 7.4 be removed from tonight's agenda after which it was moved by Director Cordova, seconded by Director Storm, and unanimously carried to adopt the agenda, as amended.

5) Public Comments for Non-Agenda Items.

There were no public comments.

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 May 25, 2011.

6.2) Payment of Bills for June 8, 2011.

It was moved by Director Figueroa, seconded by Director Godin, 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 Request Received From Teresita Callenback Regarding Penalty Charges. (Finance Manager Williams)

After review and discussion of the series of events regarding Ms. Callenback's account and of her refund request of the \$25.00 rejected payment fee, it was moved by Director Storm to waive the \$25.00 rejected payment fee as it is excessive.

After a further discussion of customer notification of rejected payments, of Ms. Callenback's efforts to ensure payment of her account, and of setting precedent for similar situations, Director Storm restated the motion to waive the \$25.00 rejected payment fee for Ms. Callenback. The motion was seconded by Director Godin and unanimously carried.

7.6) Consideration and Possible Action on Possible Revisions to the Rules and Regulations Regarding a Grace Period for Electronic Payments. (Director Storm)

Director Storm stated that it is not so much a grace period issue as it is the District's policy of posting doortags and shutting off customers who make electronic payments that fail but their accounts are not delinquent and that a customer making timely electronic payment may not be aware their electronic payment has failed if they do not check their email for a period of days.

President Dexter then reviewed when water bills are due, when they become delinquent regardless of payment type, the doortag process for failure of payment, and electronic feedback to the customer regarding their electronic payment, and after a brief discussion of the District's notification process to customers, the percentage of rejected

electronic payments from April 1 to May 31 for incorrect information, the source of the rejected payment charge, and the grace period being the same for all types of payments, it was moved by Director Figueroa and seconded by Director Cordova to deny any possible revisions to the Rules and Regulations regarding a grace period for electronic payments.

Director Storm then stated that the \$25.00 rejected payment charge is excessive and suggested an Ad Hoc Committee be formed to review this charge after which President Dexter stated this can be requested through the Finance Committee as all fees are reviewed from time to time.

Director Figueroa then suggested the Outreach Committee discuss options of notifying customers of the water bill payment process.

Mr. Michael Leighty, Palmdale resident, inquired if studies had been conducted on the efficiency of doortags to prevent a penalty to the customer after which it was stated that a penalty is charged when the doortag is issued.

Mr. Steve Chisolm, Palmdale resident, inquired if there is a doortag log and a secondary notice after which it was stated that the doortag log includes the time, date, and location of the doortag, and the secondary notice is the water being turned off.

The motion then carried on a 4 – 1 vote, with Director Storm opposed.

7.2) Consideration and Possible Action on Claim Received for Service Address 36725 Petra Drive, Palmdale. (Customer Service Supervisor Taylor)

General Manager LaMoreaux reviewed the claim received from Ms. Williams, and after a brief discussion of the claim, it was moved by Director Figueroa, seconded by Director Cordova, and carried on a 4 – 0 vote, with Director Storm abstaining, to deny the claim received for service address 36725 Petra Drive, Palmdale.

7.3) Consideration and Possible Action on Ratification of Water Supply Assessment for the Palmdale Transit Village Development. (Engineering Manager Knudson)

After a brief discussion of the Palmdale Transit Village Development project and of the District's planning for and previous approval of this Water Supply Assessment, it was moved by Director Storm, seconded by Director Godin, and unanimously carried to

approve, and authorize General Manager LaMoreaux to sign, the Water Supply Assessment for the Palmdale Transit Village Development.

7.5) Consideration and Possible Action on Resolution No. 11-4 Placing in Nomination Director Godin as a Member of the Association of California Water Agencies Region 8 Board of Directors as a Board Member. (Director Godin)

Director Godin stated that she has been a Region 8 Board member for the past two years; that they have requested she continue as a Board member; that AVEK has passed a similar Resolution in support of her nomination; and that Resolution No. 11-4 is a duplicate of the Resolution approved two years ago.

It was then moved by Director Storm to approve Resolution No. 11-4 Placing in Nomination Director Godin as a Member of the Association of California Water Agencies Region 8 Board of Directors as a Board Member.

Director Figueroa then questioned the benefit to the District's customers from participation on the Region 8 Board and any extra costs involved, and after a brief discussion of these benefits, the costs, and the boundaries of Region 8, Resolution No. 11-4 was modified under Section B-ii) to add "within the approved Director's budgets." Director Storm amended his motion to include the recommended revisions, the motion was seconded by Director Godin, and the motion unanimously carried.

A copy of Resolution No. 11-4 is hereby made a portion of the minutes of this meeting.

8) Information Items.

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

There were no reports from Directors.

8.2) Report of General Manager.

General Manager LaMoreaux reported that the federal agency tour was held last Friday; that a copy of the information package distributed at the tour was placed in the mail boxes for Directors unable to attend the tour; and that one gentleman attending the

tour was a past army protocol officer and made revisions to the placement and presentment of the District's Board room flags for proper display.

8.3) Report of Attorney.

Attorney Bunn stated that he has no report.

9) Public Comments on Closed Session Agenda Matters.

There were no 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: *City of Palmdale vs. Palmdale Water District, Case No. BC413432 (Rate Litigation).*

10.3) 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).*

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

10.5) 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.*

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

10.7) 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.*

10.8) Government Code Section 54956.9(a), Pending Litigation: *Los Angeles and Orange Counties Building and Construction Trades Council, et al. v. Palmdale Water District, United States District Court, Central District, Case No. CV11 02279 (Project Labor Agreement Litigation).*

At 7:49 p.m., President Dexter called for a closed session pursuant to Government Code Section 54956.9(a), Existing Litigation – eight 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 *Los Angeles and Orange Counties Building and Construction Trades Council, et al. v. Palmdale Water District*, United States District Court, Central District, Case No. CV11 02279 (Project Labor Agreement Litigation). He reconvened the regular meeting at 8:13 p.m.

11) Public Report of Any Action Taken in Closed Session.

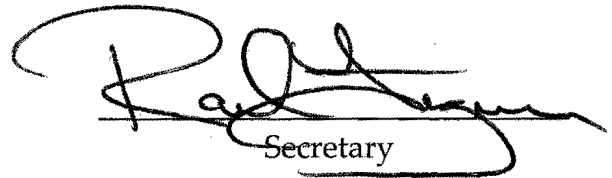
Attorney Bunn reported that a closed session had been held under Government Code Section 54956.9(a), Existing Litigation – eight cases: *Antelope Valley Ground Water Cases* and *City of Palmdale vs. Palmdale Water District*, Case No. BC413432 (Rate Litigation) and *City of Palmdale vs. Palmdale Water 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 *Los Angeles and Orange Counties Building and Construction Trades Council, et al. v. Palmdale Water District*, United States District Court, Central District, Case No. CV11 02279 (Project Labor Agreement Litigation); that Counsel updated the Board on the current status of each of these items of existing litigation; that the Board gave instruction to Counsel; and that no reportable action under the Brown Act was taken in closed session on any of these matters.

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 regular meeting of the Board of Directors of the Palmdale Water District was adjourned at 8:15 p.m.



Secretary

RESOLUTION NO. 11-4

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
PALMDALE WATER DISTRICT
PLACING IN NOMINATION DIRECTOR LINDA GODIN AS A
MEMBER OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES
REGION 8 BOARD OF DIRECTORS AS A BOARD MEMBER**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PALMDALE
WATER DISTRICT AS FOLLOWS:

A. Recitals:

- (i) The Board of Directors of the Palmdale Water District does encourage and support the participation of its members in the affairs of the Association of California Water Agencies (ACWA).
- (ii) Director Linda J. Godin has indicated a desire to continue to serve as a Board Member of ACWA Region 8.

B. Resolves:

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF
DIRECTORS OF THE PALMDALE WATER DISTRICT:

- (i) Does place its full and unreserved support in the nomination of Director Linda J. Godin for Board Member of ACWA Region 8.
- (ii) Does hereby determine that the expenses attendant with the services of Director Linda J. Godin in ACWA Region 8 shall be borne by the Palmdale Water District within the approved Directors' budgets.

Adopted and approved this 8th day of June, 2011.



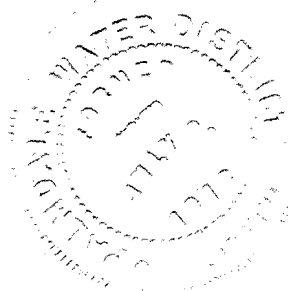
Gordon Dexter,
President, Board of Directors

ATTEST:



Raul Figueroa,
Secretary, Board of Directors

(SEAL)



CERTIFICATION:

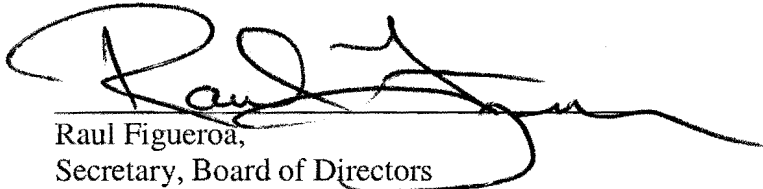
I, Raul Figueroa, Secretary to the Board of Directors of the Palmdale Water District, hereby certify that the foregoing Resolution was introduced at a regular meeting of the Board of Directors of said District held on the 8th day of June, 2011 and was adopted at that meeting by the following vote:

AYES: President Gordon Dexter, Directors Steve Cordova, Raul Figueroa, Linda Godin, and Jeff Storm

NOES: None.

ABSENT: None.

ATTEST:



Raul Figueroa,
Secretary, Board of Directors
Palmdale Water District