

**MINUTES OF MEETING OF THE WATER SUPPLY & RELIABILITY COMMITTEE
OF THE PALMDALE WATER DISTRICT, JULY 12, 2011:**

A meeting of the Water Supply & Reliability Committee of the Palmdale Water District was held Tuesday, July 12, 2011, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Dexter called the meeting to order at 5:00 p.m.

1) Roll Call.

Attendance:

Water Supply & Reliability Cmte:
Gordon Dexter, Chair
Jeff Storm, Committee
Member

Others Present:

Dennis LaMoreaux, General Manager
Jon Pernula, Water & Energy Resources Mngr.
Matt Knudson, Engineering Manager
Dawn Deans, Executive Assistant
2 members of the public

2) Adoption of Agenda.

General Manager LaMoreaux requested a closed session to discuss water storage rights be added to the agenda as this matter arose after the posting of the agenda for this meeting and requires discussion prior to the time of the next meeting after which it was moved by Committee Member Storm, seconded by Chair Dexter, and unanimously carried to adopt the agenda, as amended, adding the following items:

- 6.A) Public comments on closed session agenda matters.
- 6.B) Closed session under Government Code Section 54956.8 - Conference with real property negotiator:
 - Subject: Water storage rights
 - Property Negotiator: Dennis LaMoreaux, Jon Pernula
 - Negotiating Party: Homer, LLC
 - Under Negotiations: Price and terms
- 6.C) Public report of any action taken in closed session.

3) Public Comments.

There were no public comments.

4) Action Items:

4.1) Consideration and Possible Action on Approval of Minutes of Meeting Held June 14, 2011.

It was moved by Committee Member Storm, seconded by Chair Dexter, and unanimously carried to approve the minutes of the meeting held June 14, 2011, as written.

4.2) Presentation: Report of Activities by Capitol Dynamics. (Keith Dunn, Capitol Dynamics, LLC)

Mr. Keith Dunn and Mr. Dave Kennett, of Capitol Dynamics, stated that the District has done a good job with its innovative projects but has not received the recognition it deserves; that Capitol Dynamics was brought in to augment the District's relationship with federal and state entities; and then gave an overview of their work on the federal and state levels regarding available funding, legislative issues and regulations affecting District projects, campaigns to make the District more competitive for grants, the water bond, the budget process, and gaining support from local elected officials.

4.3) Presentation of Monthly Water Demand and Supply Status. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula informed the Committee that water is being taken from Littlerock Dam; that 8,200 acre-feet of water is available for potential water banking projects; and then reviewed projected and actual consumption and production, customer water use, and the ground water/surface water split.

4.4) Status Report on Water Treatment and Transportation Agreement Between Palmdale Water District and Antelope Valley East Kern Water Agency – Acton Water Treatment Plant. (Engineering Manager Knudson)

Engineering Manager Knudson stated that Antelope Valley East Kern Water Agency (AVEK) staff have reviewed the proposed Agreement, have presented it to their Water Projects Committee, and will present it to their full Board this evening; that AVEK would like the term of the Agreement lengthened but have been informed the District's demand triggers the termination of the Agreement; and that an update on this Agreement is anticipated to be presented to the District's Board for consideration at the next meeting.

5) Project Updates.

5.1) Recycled Water Master Plan. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula stated that this Plan is on hold due to legal issues.

5.2) Strategic Water Resources Plan. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula stated that the final screen-check of the Programmatic Environmental Impact Report for the Strategic Water Resources Plan has been received and is under review by staff.

5.3) Water Purchase Opportunities. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula stated that staff is scheduled to meet with Butte County regarding a potential water purchase opportunity.

5.4) Garden Bar Water Supply and Power Project. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula distributed a press release on the Reconnaissance Study for this Project and stated that comments have been received, but it has been clarified this is the study phase to determine if there is a viable project to pursue.

6) Information Items.

There were no further additional information items to discuss.

6.A) Public Comments on Closed Session Agenda Matters.

There were no public comments on closed session agenda matters.

6.B) Closed Session Under Government Code Section 54956.8 - Conference With Real Property Negotiator:

Subject: Water Storage Rights

Property Negotiator: Dennis LaMoreaux, Jon Pernula

Negotiating Party: Homer, LLC

Under Negotiations: Price and Terms.

At 5:35 p.m., Chair Dexter called for a closed session pursuant to Government Code Section 54956.8 - Conference with real property negotiator:

Subject: Water storage rights

Property Negotiator: Dennis LaMoreaux, Jon Pernula

Negotiating Party: Homer, LLC

Under Negotiations: Price and terms.

He reconvened the Committee meeting at 5:43 p.m.

6.C) Public Report of Any Action Taken in Closed Session.

Chair Dexter reported that a closed session had been held under Government Code Section 54956.8 - Conference with real property negotiator:

Subject: Water storage rights

Property Negotiator: Dennis LaMoreaux, Jon Pernula

Negotiating Party: Homer, LLC

Under Negotiations: Price and terms; that water storage rights were discussed; and that no action reportable under the Brown Act was taken in closed session on this matter.

7) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

The next Water Supply & Reliability Committee meeting will be held August 9, 2011 at 5:00 p.m.

8) Adjournment.

There being no further business to come before the Water Supply Committee, the meeting was adjourned at 5:45 p.m.



Chair