MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, JANUARY 11, 2012:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, January 11, 2012, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Gordon Dexter, called the meeting to order.

1) Pledge of Allegiance.

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

2) Roll Call.

Attendance:	**Others Present:**
Gordon Dexter, President	Dennis LaMoreaux, General Manager
Gloria Dizmang, Vice President	Tim Gosney, Attorney
Kathy Mac Laren, Treasurer	Mike Williams, Finance Manager
Robert Alvarado, Secretary	Matt Knudson, Engineering Manager
Steve Cordova, Director	Peter Thompson II, Operations Manager
	Tim Moore, Facilities Manager
	Jeannie Burns, Human Resources Manager
	Claudette Roberts, Water Conservation Spvsr.
	Ed Boka, Treatment Plant Supervisor
	Dawn Deans, Executive Assistant
	8 members of the public

3) Adoption of Agenda.

It was moved by Director Dizmang, 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) Board of Directors Orientation of the Palmdale Water District. (Human Resources Manager Burns/Attorney Gosney)

Human Resources Manager Burns provided an orientation for the Board of Directors including Board structures, governance and management, and key Board roles and responsibilities.

Attorney Gosney then provided an overview of the legal requirements of public service including Brown Act provisions and requirements, conflicts of interest, Political Reform Act filings, indemnification and immunities for Board actions, and required AB 1234 training.

Human Resources Manager Burns then continued orientation with an overview of Board officers, meetings, coordination between the Board and the General Manager, a history of the District, the District's Strategic Plan, and the duties of the District's departments.

After a brief discussion, the Board thanked Human Resources Manager Burns for the presentation.

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 December 14, 2011.

6.2) Approval of Minutes of Special Meeting Held December 14, 2011.

6.3) Approval of Minutes of Special Meeting Held December 21, 2011.

6.4) Ratification of Payment of Bills for December 28, 2011.

6.5) Payment of Bills for January 11, 2012.

It was moved by Director Cordova, seconded by Director Alvarado, 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 ACWA Health Benefits Authority Board of Directors. (General Manager LaMoreaux)

After a brief discussion of the candidates for the ACWA Health Benefits Authority Board of Directors, the Board concurred that President Dexter cast the District's vote for Steven M. Ruettgers to fill the open Director position for the ACWA Health Benefits Authority.

7.2) Consideration and Possible Action on Proposals for Hiring a Financial Advisor. (President Dexter)

President Dexter withdrew his request for this agenda item.

7.3) Consideration and Possible Action on Reorganization of the Board of Directors Tabled From December 14, 2011 Regular Board Meeting.

President Dexter requested separate motions for each of the Board positions after which it was moved by Director Cordova, seconded by Director Dizmang, and unanimously carried that President Dexter remain President.

It was then moved by Director Dizmang and seconded by Director Cordova that Director Alvarado become Vice President. Director Alvarado respectfully declined the nomination after which it was moved by Director Alvarado, seconded by Director Cordova, and unanimously carried that Director Dizmang become Vice President.

It was then moved by Director Dizmang, seconded by Director Alvarado, and unanimously carried that Director Mac Laren become Treasurer.

It was then moved by Director Dizmang, seconded by Director Mac Laren, and unanimously carried that Director Alvarado become Secretary.

The officers of the Board of Directors are as follows:

Gordon Dexter, President
Gloria Dizmang, Vice President
Kathy Mac Laren, Treasurer
Robert Alvarado, Secretary
Steve Cordova, Director

7.4) Consideration and Possible Action on the District's Standing Committees. (Director Dizmang)

President Dexter suspended the Finance Committee and stated that District finances will be reviewed and discussed at the second regular Board meeting of each month; that Director Mac Laren, as Treasurer, will be Chair of the Finance Committee; that he will assign all other Committees and requested input from each of the Directors for serving on specific Committees; and then appointed Director Alvarado as a Commissioner to the Antelope Valley State Water Contractors Association after discussion of the Association.

7.5) Consideration and Possible Action on Scheduling a Budget Workshop.

After a brief discussion of the budget process, it was determined that a budget workshop be held Wednesday, January 18, 2012, at 6:00 p.m.

7.6) Consideration and Possible Action on Board Attendance at Conferences, Seminars, and Training Sessions as follows:

7.6.1) Antelope Valley Board of Trade Business Outlook Conference to be Held February 24, 2012 in Lancaster.

7.6.2) Water Education Foundation 29th Annual Executive Briefing "Decision Points 2012" to be Held March 27 – 28, 2012 in Sacramento.

After a brief discussion of Board attendance at these conferences and of the budget, it was moved by Director Mac Laren, seconded by Director Alvarado, and unanimously carried to approve Board attendance at the Antelope Valley Board of Trade Business Outlook Conference to be held February 24, 2012 in Lancaster and at the Water Education Foundation 29th Annual Executive Briefing "Decision Points 2012" to be held March 27 – 28, 2012 in Sacramento.

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 software upgrade is working and that Information Technology Manager Stanton and Finance Manager Williams have

completed another portion of this upgrade to migrate reports from the old system to the new system.

He then reported that District staff is working with Fin & Feather Club Board members on the removal of debris from the shoreline of Palmdale Lake, and interfering debris removal will be complete prior to opening weekend at the Fin & Feather Club.

President Dexter then stated that Agenda Item No. 4 will again be considered.

4) Public Comments for Non-Agenda Items.

Mr. Joe Estes, Board Member for the Fin & Feather Club, congratulated Directors Alvarado, Dizmang, and Mac Laren on their election to the Board and then thanked General Manager LaMoreaux and Operations Manager Thompson for their efforts to remove the shoreline debris.

There were no further public comments, and President Dexter stated that Agenda Item No. 8.3 will now be considered.

8.3) Report of Attorney.

Attorney Gosney reported that a field hearing by the Delta Stewardship Council on CEQA evaluation of their project is scheduled for tomorrow from 6:00 p.m. to 8:00 p.m.

He then reported that several members of their firm have been appointed to several ACWA Committees and benefit of these appointments will be provided to their clients.

Director Alvarado then requested information on the Brown Act be provided to the Directors.

At 7:44 p.m., President Dexter called for a five minute recess. He reconvened the regular meeting at 7:49 p.m.

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), Pending Litigation: ***Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561.***

At 7:49 p.m., President Dexter called for a closed session pursuant to Government Code Section 54956.9(a), Existing Litigation – six 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 *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-8000056.*

He reconvened the regular meeting at 8:17 p.m.

11) 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 Litigation – six 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 *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 state of affairs in these matters; that the Board provided staff and counsel with instructions; but 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.

The 2012 Budget and transparency for Director fees were discussed, and there were no requests for future agenda items.

President Dexter requested an AB 1234 class be scheduled and officials from other agencies be invited to attend.

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.

Robert E. Alvarado

Secretary