

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
PALMDALE WATER DISTRICT, JUNE 27, 2012:**

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, June 27, 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/Moment of Silence (H. Jess Senecal, Lagerlof Senecal Gosney & Kruse LLP).

President Dexter led the pledge of allegiance followed by a moment of silence in honor and memory of H. Jess Senecal, Lagerlof Senecal Gosney & Kruse LLP.

2) Roll Call.

Attendance:

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

Others Present:

Dennis LaMoreaux, General Manager
Jim Ciampa, Attorney
Mike Williams, Finance Manager
Matt Knudson, Engineering Manager
Tim Moore, Facilities Manager
Claudette Roberts-Beck, Water Conservation Spvsr.
Joe Kerschner, Water Quality Supervisor
Kelly Jeters, Systems Supervisor
Randy Hardenbrook, Equipment Mechanic Spvsr.
Dawn Deans, Executive Assistant
3 members of the public

3) Adoption of Agenda.

It was moved by Director Alvarado, seconded by Director Mac Laren, 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) Cash for Grass Rebate Program. (Water Conservation Supervisor Roberts-Beck)

Water Conservation Supervisor Roberts-Beck provided landscape photographs for the Cash for Grass Rebate Program recipients and then awarded a rebate check to Carlos Gonzales in the amount of \$635.20, and checks will be mailed to Maria Guillen in the amount of \$741.60, to Jose Padilla in the amount of \$393.20, and to Claudio Martinez in the amount of \$249.60. Mr. Gonzales then explained his reasons for participating in the program, how his project progressed, and then thanked the Board for the rebate opportunity.

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 June 13, 2012.

6.2) Payment of Bills for June 27, 2012.

It was moved by Director Mac Laren, seconded by Director Dizmang, 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 District 2012 Membership in the Water Education Foundation. (\$1,051.00 – Budgeted – Water Conservation Supervisor Roberts-Beck)

Water Conservation Supervisor Roberts-Beck provided an overview of the benefit to the District from membership in the Water Education Foundation, and after a brief discussion, it was moved by Director Dizmang, seconded by Director Mac Laren, and unanimously carried to approve the District's 2012 membership in the Water Education Foundation in the amount of \$1,051.00.

7.2) Consideration and Possible Action on Palmdale Water District Grievance Policy. (Personnel Committee/General Manager LaMoreaux)

Director Mac Laren, Chair of the Personnel Committee, provided an overview of the revisions to the District's Grievance Policy, and after a brief discussion of the current Policy and the proposed revisions, it was moved by Director Mac Laren, seconded by

Director Dizmang, and carried on a 3 – 2 vote, with President Dexter and Director Cordova opposed, to approve the Palmdale Water District's Grievance Policy, as revised.

7.3) Consideration and Possible Action to Recruit for the Position of Human Resources Manager. (Personnel Committee/General Manager LaMoreaux)

After a brief discussion of the potential savings resulting from the early retirement program, of other options for filling the Human Resources Manager position, and development of an overall staffing plan, this item was referred to the Personnel Committee for further discussion and evaluation.

7.4) Consideration and Possible Action on California Special Districts Association (CSDA) 2012 Board Elections. (General Manager LaMoreaux)

It was moved by Director Alvarado, seconded by Director Mac Laren, and unanimously carried to authorize President Dexter to cast the District's ballot in the California Special Districts Association (CSDA) 2012 Board elections.

8) Information Items.

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

Director Alvarado reported that on June 14, he attended the Flag Day ceremony at Poncitlan Square, and he had the opportunity to meet City of Palmdale Manager Dave Childs, who was welcoming to the Board and looks forward to working with the District; that on June 15, he attended the Water Supply & Reliability Committee meeting; that on June 23, he attended the very successful Plant Sale, he was impressed on the attendance, congratulated Water Conservation Supervisor Roberts-Beck and staff on the wonderful job they did on preparing and presenting the event, thanked the groups selling plants, and commended the promotion of the event.

Director Dizmang reported that on June 15 she attended the Water Supply & Reliability Committee meeting; that she was privileged to be invited to the District's June 20 employee lunch and all-hands meeting, she was able to meet staff, and the food was delicious; that also on June 20 she attended the Personnel Committee meeting; and that at the June 23 Plant Sale, she worked the morning hours and then thanked Water Conservation Supervisor Roberts-Beck and Water Conservation Aide Garza for their work on making the event a success, Customer Service Representatives Kosick and

Rodriguez for working the event, Engineering Manager Knudson for training Aquadog, Service Worker Jenkins for being Aquadog, the vendors being the A.V. Resource Conservation District, A.V. Garden & Turf, Greenbee Nursery, Denise K. Designs, and Natural Solutions, and stated the event was a very successful and pleasant day, and she heard many comments about how much the public likes the District.

Director Mac Laren reported that the Personnel Committee met June 20; that the Committee is reviewing many cost saving measures and is waiting on the Supreme Court decision on health care, which will help with decisions on employee benefits; and that she attended the June 23 Plant Sale, extends her thanks to everyone who made it successful, it was a very good job, people were very positive in their comments about the District, her job was to hand out brochures, workshop information, and composting information, people were very enthusiastic about and appreciated the event, and the seniors she met with indicated they would appreciate someone from the District speaking at the senior center, as many seniors cannot drive.

Director Cordova clarified that when the voting occurred under Agenda Item No. 7.2, he meant to vote against the motion.

President Dexter reported that the Water Supply & Reliability Committee met; that the District's water supply and production is reviewed on a monthly basis by this Committee; that the Committee also discussed water banking projects north and south of the Delta and in the Antelope Valley; that there are limited resources available for water banking, and wise choices need to be made; that good discussions were held on this topic; and that the Committee will continue water banking discussions and bring this information to the full Board.

He then stated that the Finance Committee has been suspended, and all financial elements are presented to the full Board; that he would like to continue this practice at the first Board meeting of the month but recommends the Finance Committee also meet on a regular basis; and that he recommends financial information be presented to both the Committee and to the full Board.

There were no further reports from Directors.

8.2) Report of General Manager.

General Manager LaMoreaux reported that the Department Status Report has been included with the agenda packets if there are any questions on same and that Orion is partially complete with their change-out of light bulbs in the building, are on schedule to receive their rebate, and the rebate does not affect the District's price for this work.

Director Alvarado then inquired about the recent algae bloom at Palmdale Lake after which Water Quality Supervisor Kerschner provided a report on what causes the algae blooms, how the blooms affect the treatment plant, how the Solarbees help with water quality, and how the use of GAC prevents taste and odor issues.

Director Alvarado then inquired about aquatic weeds clogging screens at Palmdale Lake after which Plant Operator Cobb provided information on how screens from the aqueduct are cleaned and the need to clean the screens.

Director Dizmang then inquired about the District's Enernoc Demand System Program after which Systems Supervisor Jeters provided a report on how this program operates and helps the District save on energy costs.

8.3) Report of Attorney.

Attorney Ciampa reported that there has been discussion about moving the water bond from the November 2012 election; that legislation to make this move will be introduced next week; and that they will keep the Board informed of this matter.

9) Public Comments on Closed Session Agenda Matters.

Mr. Steve Chisolm, Palmdale resident, inquired under Agenda Item No. 7.3 if there is a maximum salary established for the Human Resources Manager position and how the General Manager can recruit for the position with a hiring freeze after which President Dexter stated that the position exists now and is budgeted and that the General Manager cannot recruit for the position without Board approval due to the hiring freeze.

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.*

10.7) Government Code Section 54956.9(a), Existing Litigation: *Aqualliance, et al, v. Butte Water District, Butte County Superior Case No. 156719.*

At 7:45 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 *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-8000056* and *Aqualliance, et al, v. Butte Water District, Butte County Superior Case No. 156719.*

He reconvened the regular meeting at 8:19 p.m.

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

Attorney Ciampa reported that a closed session had been held under Government Code Section 54956.9(a), Existing Litigation, on the following 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; 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 and that the Board was briefed on the current status of each of these matters of litigation.

He reported further that a closed session had been held under Government Code Section 54956.9(a), Existing Litigation on one additional case: *Aqualliance, et al, v. Butte Water District, Butte County Superior Case No. 156719*; that the Board was informed that the District has been dismissed from this action; and that this is no longer an existing item of litigation regarding the Palmdale Water District.


12) Board Members' Requests for Future Agenda Items.

Director Dizmang inquired about the Board's legal responsibility for the financial situation of the District, and after a brief discussion, President Dexter stated that an item will be placed on the next agenda for "Discussion of the District's accounting reporting and process and the Board's role in this process."

There were no further 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.


Secretary