

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
PALMDALE WATER DISTRICT, AUGUST 22, 2012:**

*A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, August 22, 2012, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Gordon Dexter, called the meeting to order and welcomed back Director Cordova.*

**1) Pledge of Allegiance.**

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

**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  
Tim Gosney, Attorney  
Mike Williams, Finance Manager  
Matt Knudson, Engineering Manager  
Peter Thompson II, Operations Manager  
Claudette Roberts-Beck, Water Conservation Spvrs.  
Joe Kerschner, Water Quality Supervisor  
Kelly Jeters, Systems Supervisor  
Ed Boka, Treatment Plant Supervisor  
Randy Hardenbook, Equipment Mechanic Spvrs.  
Dawn Deans, Executive Assistant  
25 members of the public

**3) Adoption of Agenda.**

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

Water Conservation Supervisor Roberts-Beck informed the Board of the Cash for Grass Rebate Program recipients and then stated that in their absence, rebate checks will be mailed to Josephine Polites in the amount of \$253.20 and to Timothy Weld in the amount of \$787.20.

**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 Workshop Held August 1, 2012.
- 6.2) Approval of Minutes of Regular Meeting Held August 8, 2012.
- 6.3) Payment of Bills for August 22, 2012.

It was moved by Director Mac Laren, seconded by Director Alvarado, and unanimously carried to approve those items included in the Consent Calendar.

Director Dizmang thanked the Finance Committee and staff for the cash disbursement report.

**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 Resolution No. 12-11 Congratulating the City of Palmdale on the 50<sup>th</sup> Anniversary of its Incorporation. (President Dexter)**

General Manager LaMoreaux informed the Board that two of the Fifty Grand Men responsible for the City of Palmdale's incorporation were former Palmdale Water District General Manager Lowell Felt and former Director Dr. James Sloan, and after a reading of Resolution No. 12-11, it was moved by Director Dizmang and seconded by Director Alvarado to approve Resolution No. 12-11 Congratulating the City of Palmdale on the 50<sup>th</sup> Anniversary of its Incorporation.

Mr. Dave Childs, Palmdale City Manager, invited the Board to attend their 50<sup>th</sup> anniversary celebration where several of the Fifty Grand Men and their families will be in attendance, distributed a 50<sup>th</sup> anniversary pin to the Board and staff, and then thanked the District for the proclamation and continuing partnership with the City of Palmdale and

stated that they appreciate the work of the District as public servants, as Board members and as staff and that he looks forward to a great relationship going forward and having the District attend a City Council meeting when the District celebrates its 100<sup>th</sup> anniversary.

The motion then unanimously carried.

A copy of said Resolution No. 12-11 is hereby made a portion of the minutes of this meeting.

**7.2) Consideration and Possible Action on Cost of Living Allowance in Accordance With the U.S. Department of Labor. (Budgeted – General Manager LaMoreaux/Personnel Committee)**

After a brief discussion of the cost of living index, of the budget, of a one-time cost of living option, required certifications for District employees, staff's efforts to reduce costs, and of no cost of living for the General Manager or executive management, it was moved by Director Dizmang, seconded by Director Alvarado, and unanimously carried to make a prospective incentive payment to the District's employees based on a 1.9% increase in the cost of living totaling approximately \$37,000 (one-third of \$113,633 being 1.9% of the District's annual payroll) for the four month period ending December 31, 2012 with the Board addressing the cost of living allowance in the 2013 budget process.

**7.3) Consideration and Possible Action on Vacation Purchase Program Employee Benefit Cost Saving Option. (\$24,000/Year Potential Savings w/Full Employee Participation – General Manager LaMoreaux/Personnel Committee)**

Director Mac Laren, Chair of the Personnel Committee, stated that the Personnel Committee and staff recommend the Vacation Purchase Program be approved, and after a brief discussion of the details of the Program, it was moved by Director Dizmang, seconded by Director Mac Laren, and unanimously carried to approve the Vacation Purchase Program employee benefit cost saving option as a revision to the District's Employee Handbook Paid Leave Policy.

**7.4) Consideration and Possible Action on Letter Supporting the Appointment of Keith Dyas, AVEK Director, to Lahontan Regional Water Quality Control Board. (General Manager LaMoreaux)**

Mr. Keith Dyas, AVEK Director, provided an overview of the Lahontan Regional Water Quality Control Board and the responsibilities of this Board, and after a brief discussion, it was moved by Director Alvarado, seconded by Director Cordova, and unanimously carried to approve a letter supporting the appointment of Keith Dyas, AVEK Director, to the Lahontan Regional Water Quality Control Board.

**7.5) Consideration and Possible Action on Setting Palmdale Water District's Assessment Rates for Fiscal Year 2012-13 and Adoption of Resolution No. 12-12 Regarding Said Rates. (Financial Advisor Egan)**

General Manager LaMoreaux reviewed the proposed assessment rates and the purpose of these rates, and after a brief discussion, it was moved by Director Alvarado, seconded by Director Cordova, and unanimously carried to set the Palmdale Water District's assessment rates for fiscal year 2012-13 at .333614 and adopt Resolution No. 12-12 regarding said rates.

A copy of said Resolution No. 12-12 is hereby made a portion of the minutes of this meeting.

**7.6) Consideration and Possible Action on Agreement With Starnik for the Use of Utility TrakR Customer Service Information Software. (President Dexter)**

After a brief discussion of legal counsel's review of the proposed Agreement, staff's proposed implementation date for use of the software, and the maintenance agreement with Cogsdale, it was moved by Director Dizmang, seconded by Director Mac Laren, and carried on a 4 – 1 vote, with President Dexter opposed, to approve the Agreement with Starnik Systems, Inc. for the use and implementation of Utility TrakR customer service information software pending legal counsel's final approval of the Agreement language.

**7.7) Consideration and Possible Action on Participation in the Hexavalent Chromium Study With the Water Research Foundation. (\$14,500.00 – Non-budgeted – Operations Manager Thompson II)**

Operations Manager Thompson II and Dr. Issam Najm, of Water Quality & Treatment Solutions, Inc., provided an overview of upcoming Hexavalent Chromium regulations and the District's proposed involvement in the Hexavalent Chromium Study, and after a brief discussion, it was moved by Director Alvarado, seconded by Director

Mac Laren, and unanimously carried in the spirit of the District's mission statement to approve District participation in the Hexavalent Chromium Study with the Water Research Foundation in the not-to-exceed amount of \$14,500.00.

**7.8) Review and Discussion of Current Representation Arrangement With District General Counsel. (Director Dizmang)**

Director Dizmang stated that she became aware there is no formal, written contract with the District's legal counsel; that she has no issue with legal counsel; that the Board needs to be aware of legal services provided and hourly rates charged for those services; and that she recommends a contract be entered into for the District's legal representation.

After a brief discussion of the need for a legal counsel contract, of legal counsel's typical practice in engaging with agencies, of legal counsel serving at the pleasure of the Board, and of legal counsel's hourly rates, it was determined that the Board address specific questions with legal counsel and this matter be placed on the agenda for consideration at the second regular Board meeting in September.

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

a) ACWA Regions 5 & 8 Joint Program to be Held September 9 & 10, 2012 in Santa Barbara.

b) American Backflow Prevention Association "2012 Western Regional Backflow Conference" to be Held September 24 – 26, 2012 in Las Vegas, Nevada.

After a brief discussion, it was moved by Director Mac Laren, seconded by Director Alvarado, and unanimously carried to approve Board attendance at the ACWA Regions 5 & 8 Joint Program to be held September 9 & 10, 2012 in Santa Barbara and the American Backflow Prevention Association "2012 Western Regional Backflow Conference" to be held September 24 – 26, 2012 in Las Vegas, Nevada.

**8) Information Items.**

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

Director Mac Laren reported that she enjoyed participating in the Antelope Valley Fair parade, Aquadog was great, and District participation was positive; that she attended

the District's landscape workshop at A.V. College after the parade, the public was excited and appreciated the information presented, it was well attended, and it is good that the District can participate in these workshops giving back to the community in a very positive way; that the Personnel Committee met and had an opportunity to listen to employee concerns, the Committee is looking at all areas for possible cuts, they value employees and the good job they do, and she is glad the Board was able to grant the cost of living allowance; and that the Finance Committee did not meet due to the Financial Information Workshop, and they will meet when budget discussions begin.

Director Dizmang publicly apologized to General Manager LaMoreaux for her actions at the last Board meeting and then reported that she attended the Hispanic Chamber of Commerce event; that she attended the Fin & Feather Club barbecue; that she attended the Personnel Committee meeting and appreciates the comments from employees for their insight; that she visited the water main replacement project at Stanridge with Engineering Manager Knudson, the public had been notified of the work, the work was organized and professionally done, and she hopes to see the installation of the pipeline on 3<sup>rd</sup> Street East; and then complimented Director Alvarado for his persistence in the District's participation in the Antelope Valley Fair parade, the parade was very successful, and Aquadog was a hit.

Director Alvarado reported that he chaired the Facilities Committee meeting, and they are working on obtaining new technology to enhance the District's SCADA system to help District staff and the ratepayers; that he attended the Antelope Valley Fair parade along with Director Mac Laren, they had a good-sized delegation representing the District with their family members, the parade fee was waived, the District received a VIP entry, being visible to the public does a lot of good for the District, Aquadog was the only mascot at the parade and was a big hit with many pictures requested, it was a good opportunity to let the public know about the District, a banner was created including the District's mission statement and web site, the local media read the script about the District twice, and overall it was a great success and then thanked the Board and employees for the opportunity to participate in the parade and represent the District.

There were no further reports from Directors.

**8.2) Report of General Manager.**

**a) District vacancies.**

General Manager LaMoreaux reported that there are no vacancies in approved positions at the District, and this will be a standing report for future agendas and that the monthly Department Status Report was included in the agenda packets if there are any questions on same.

Participants in the Cash for Grass Rebate Program and the Smart Controller and MP Rotator Rebate Programs were then briefly discussed.

**8.3) Report of Attorney.**

Attorney Gosney advised the Board of ACWA's legislative alert on Assembly 685 and encouraged the District to respond to ACWA's legislative alert and submit a letter of opposition to this legislation.

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

There were no public comments on closed session agenda matters.

At 8:58 p.m., President Dexter called for a four-minute recess. He reconvened the regular meeting at 9:03 p.m.

**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), Pending Litigation: *Velez vs. City of Palmdale, et al, Los Angeles Superior Court Case No. MC023216.*

10.8) Government Code Section 54957, Personnel Matters: *Evaluation of Personnel Consultant.*

At 9:03 p.m., President Dexter called for a closed session pursuant to 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 *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-8000056* and *Velez vs. City of Palmdale, et al, Los Angeles Superior Court Case No. MC023216* and pursuant to Government Code Section 54957, Personnel Matters: *Evaluation of Personnel Consultant.*

He reconvened the regular meeting at 9:53 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 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 *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 *Velez vs. City of Palmdale, et al, Los Angeles Superior Court Case No. MC023216*; that these matters were reviewed; but 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 pursuant to Government Code Section 54957, Personnel Matters: *Evaluation of Personnel Consultant*; that the evaluation of the Personnel Consultant was reviewed; but that no reportable action under the Brown Act was taken in closed session on this matter.


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

Director Mac Laren requested more involvement with Capitol Dynamics after which President Dexter stated that an item will be placed on the agenda for the second regular Board meeting in September for "Report and discussion on the District's interaction with Capitol Dynamics."

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

**RESOLUTION NO. 12-11**

**CONGRATULATING THE CITY OF PALMDALE  
ON THE 50<sup>TH</sup> ANNIVERSARY OF ITS INCORPORATION**

WHEREAS, the Palmdale Water District was formed in 1918 under the provisions of Division 11 of the Water Code of the State of California and has been providing high quality water to the residents of Palmdale for 94 years;

WHEREAS, through the contributions of "Fifty Grand Men," the City of Palmdale incorporated on August 24, 1962;


WHEREAS, the Palmdale Water District acknowledges commendations received from the City of Palmdale in 1963 for providing 45 years of diligent devoted public service and in 1998 for recognition of 80 years of continued diligent devoted public service;

WHEREAS, the Palmdale Water District fully appreciates the efforts, achievements, and accomplishments of the City of Palmdale in making Palmdale "a place to call home" by providing facilities, programs, and growth for the citizens of Palmdale.

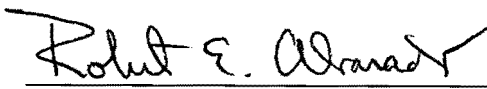
WHEREAS, the Palmdale Water District fully appreciates the spirit of cooperation exhibited between the Palmdale Water District and the City of Palmdale.

NOW, THEREFORE, the Board of the Directors of the Palmdale Water District does hereby congratulate the City of Palmdale on the 50<sup>th</sup> anniversary of its incorporation and urges all citizens of the community to join in the City of Palmdale's 50<sup>th</sup> anniversary celebration.

PASSED AND ADOPTED by the Board of Directors of the Palmdale Water District at a regular Board meeting held August 22, 2012.

  
\_\_\_\_\_  
GORDON DEXTER, President,  
Board of Directors

ATTEST:

  
\_\_\_\_\_  
ROBERT ALVARADO, Secretary,  
Board of Directors

**PALMDALE WATER DISTRICT  
RESOLUTION NO. 12-12**

WHEREAS, the Los Angeles County Auditor-Controller has submitted to the Palmdale Water District the assessed value information necessary to enable the District to establish its assessment rates; and

WHEREAS, the Board of Directors has reviewed the assessed value information and has calculated the amounts needed to be raised to meet the State Water Contract; and

WHEREAS, the Board of Directors has determined the assessment rate required to raise the required funds.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Palmdale Water District hereby establishes the following secured tax rates for 2012-2013:

<u>ACCOUNT #</u>	<u>AGENCY NAME</u>	<u>TAX RATE</u>
308.60	Palmdale Water District	.000000
308.61	Palmdale Water District Zone B	.333614
308.62	Palmdale Water District Zone B2	.333614
308.63	Palmdale Water District Zone C	.333614
308.65	Palmdale Water District Zone E	.333614
308.66	Palmdale Water District Zone A	.333614
308.67	Palmdale Water-Westmont Imp. Dist.	.000000

FURTHER RESOLVED, that the Board of Supervisors of the County of Los Angeles, State of California, is hereby authorized and directed, at the time and in the manner directed by law, in addition to any and all other taxes and assessments levied against the lands within the Palmdale Water District, to levy and collect assessments against all of the lands within said District and the aforesaid improvement District at the rates set forth above.


PASSED AND ADOPTED at a regular meeting of the Board of Directors held on August 22, 2012, by the following roll call vote:

AYE: Gordon Dexter, Gloria Dizmang, Kathy Mac Laren, Robert Alvarado, Steve Cordova

NO: None

ABSENT: None

I hereby certify under penalty of perjury that the tax rates levied herein are exempt from the application of Article XIII A, Section 1(A) of the Constitution of the State of California.

  
\_\_\_\_\_  
Name: Gordon Dexter  
Title: President, Board of Directors

DATED: August 22, 2012

RESOLUTION NO. 12-12

CR52RPTA

COUNTY OF LOS ANGELES  
AUDITOR-CONTROLLER, TAX DIVISION

2012 - 13 SECURED TAX RATES

ACCT #	AGENCY NAME	TAX RATE
308.60	PALMDALE WATER DIST	<u>.000000</u>
308.61	PALMDALE WATER DIST ZONE B	<u>.333614</u>
308.62	PALMDALE WATER DIST ZONE B2	<u>.333614</u>
308.63	PALMDALE WATER DIST ZONE C	<u>.333614</u>
308.65	PALMDALE WATER DIST ZONE E	<u>.333614</u>
308.66	PALMDALE WATER DIST ZONE A	<u>.333614</u>
308.67	PALMDALE WATER-WESTMONT IMP DIST	<u>.000000</u>

I, Gordon Dexter, AM ~~A MEMBER OF THE CITY COUNCIL~~, A MEMBER OF THE GOVERNING BOARD, ~~THE CHIEF EXECUTIVE OR THE CHIEF FINANCIAL OFFICER~~ FOR THIS AGENCY AND I HEREBY CERTIFY THAT THE TAX RATES LEVIED HEREIN ARE EXEMPT FROM THE APPLICATION OF ARTICLE XIII A, SECTION 1(A) OF THE CONSTITUTION OF THE STATE OF CALIFORNIA.

  
\_\_\_\_\_  
AUTHORIZED SIGNATURE

President  
Board of Directors  
\_\_\_\_\_  
TITLE

August 22, 2012  
\_\_\_\_\_  
DATE