

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
PALMDALE WATER DISTRICT, SEPTEMBER 26, 2012:**

*A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, September 26, 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:**

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  
Joe Kerschner, Water Quality Supervisor  
Kelly Jeters, Systems Supervisor  
Danielle Henry, Administrative Assistant  
3 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:**

There were no presentations scheduled.

**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 Special Meeting Held September 6, 2012.**
- 6.2) Approval of minutes of Regular Meeting Held September 12, 2012.**
- 6.3) Payment of Bills for September 26, 2012.**

General Manager LaMoreaux stated that the amended minutes provided to the Board for the September 12, 2012 Board meeting include a recommended change to Item No. 7.5, and after a brief review, it was moved by Director Mac Laren, seconded by Director Cordova, and unanimously carried to approve those items included in the Consent Calendar, as amended.

**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 Claim received from Thomas Brian McDow. (General Manager LaMoreaux)**

General Manager LaMoreaux reviewed the claim received from Thomas Brian McDow requesting reimbursement of \$350.00 for vehicle damages after driving over a loose valve lid and after a brief discussion of the District not receiving any prior notification of problems within the reported location, and the estimate provided by the claimant for the vehicle repair being an audio-visual materials company, it was moved by Director Mac Laren, seconded by Director Cordova, and unanimously carried to deny the claim received by Thomas Brian McDow.

**7.2) Consideration and Possible Action on Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority. (General Manager LaMoreaux)**

It was moved by Director Dizmang, seconded by Director Alvarado, and unanimously carried to approve the Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority.

**7.3) Consideration and Possible Action on Human Resources Consultant Contract. (General Manager LaMoreaux)**

General Manager LaMoreaux provided an overview of the proposed Human Resources Consultant Contract and stated that the Personnel Committee reviewed and

approved this item with the duties of the consultant being the job description of the Human Resources Director and limited to a maximum number of hours per month, and formalized in a standard professional services agreement, after which Director Dizmang stated that this arrangement is only temporary as indicated in the background of the supporting documents, and moved to approve the Professional Services Agreement between Palmdale Water District and Burns Business Solutions for Human Resources Services, the motion was seconded by Director Mac Laren and unanimously carried.

**7.4) Consideration and Possible Action on Water Meter Exchange Project at Various Locations under Specification No. 1202. (\$50,000.00 – Non-budgeted – Engineering Manager Knudson)**

Engineering Manager Knudson provided an overview the proposed water meter exchange project, and after a brief discussion of the Facilities Committee's review of the project, the proposals received to complete the work, and the large number of meters not properly registering water usage, it was moved by Director Alvarado, seconded by Director Dizmang, and unanimously carried to approve the Water Meter Exchange Project at Various Locations under Specification No. 1202 in the not-to-exceed amount of \$50,000.00.

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

**a) Schneider Electric Advanced ClearSCADA Training to be held November 6-8, 2012 in Fresno.**

After a brief discussion, it was moved by Director Dizmang, seconded by Director Mac Laren, and unanimously carried to approve staff attendance at the Schneider Electric Advanced ClearSCADA Training to be held November 6-8, 2012 in Fresno.

**8) Information Items.**

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

Director Alvarado reported that on September 13, 2012 he attended the Taste of Palmdale; on September 15, 2012 he attended the Palmdale Tamale Festival; On September 17, 2012 he attended the Facilities Committee meeting and discussed the water meter exchange project in detail; on the evening of September 17, 2012 he attended the Antelope Valley Hospital Candidate debate; on September 19, 2012 he attended the Plant

42 ERAB Committee meeting and a new Commander joined the Committee as Vice Chair; and on September 22, 2012 he attended the Palmdale Relay for life.

Director Dizmang reported that she was happy to attend the PWD Retirement luncheon on September 19, 2012; that the same evening she attended the Personnel Committee meeting; and on September 21, 2012 she attended the Water Supply & Reliability Committee meeting.

Director Mac Laren reported that on September 19, 2012 she attended the Personnel Committee meeting; that the Committee was able to bring an item that was approved by the Board this evening; and that the Committee is currently doing research and gathering information before any decisions are made on making changes to the District's healthcare and CalPERS plans.

The recent cost increase for prescription drugs was then briefly discussed.

President Dexter reported that on September 19, 2012 he also attended the PWD Retirement luncheon; that on September 17, 2012 he attended the Facilities Committee meeting and the District's maintenance management system was discussed; and on September 21, 2012 he attended the Water Supply & Reliability Committee meeting and stated that the District's water supply is stable for now.

There were no further reports from Directors.

**8.2) Report of General Manager.**

**a) District vacancies.**

General Manager LaMoreaux reviewed the District's current vacant positions and reported that there will be two additional positions to add in the next meeting report.

**b) Status on interaction with Capitol Dynamics.**

General Manager LaMoreaux stated that Capitol Dynamics continues to provide the District with weekly updates on Washington; that they assisted the District with opposition letters for legislation AB 685; and that the Governor signed legislation AB 685 yesterday.

Legislation AB 685 was then briefly discussed.

**c) Status of legal services survey.**

General Manager LaMoreaux informed that Board that he researched the District's past legal costs, and aside from the City's lawsuits, he came up with an amount of approximately \$225,000.00 a year for general legal counsel, and after a brief discussion of other water agency contracts and hourly rates, it was decided that an Ad Hoc Committee will meet to further review this item.

He then reported that the District received a draft copy of the Municipal Services Review from the Local Agency Formation Commission (LAFCO); that it was a favorable review of the District; that staff submitted suggested corrections to the LAFCO staff; and that a final draft should be received in the next few weeks with the adoption by LAFCO tentatively scheduled for November or December.

He concluded his report by stating that staff is on track for a smooth transition over to Starknik Systems starting Monday morning.

At the request of President Dexter, Engineering Manager Knudson then provided a detailed overview on the status of the Hydro-Electric Generator Repair.

**8.3) Report of Attorney.**

Attorney Gosney informed the Board that a lawsuit has been filed by a tax payers group against the San Juan District in relation to the District's tiered rate structure and possible violation of Proposition 218, after which he concluded his report by stating that there will be a brief closed session.

**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*.

10.7) Government Code Section 54956.9(a), Pending Litigation: *Velez vs. City of Palmdale, et al, Los Angeles Superior Court Case No. MC023216*.

At 7:33 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. 34-2010-80000561* and *Velez vs. City of Palmdale, et al, Los Angeles Superior Court Case No. MC023216*.

He reconvened the regular meeting at 7:46 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 – three 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)*; that these matters were reviewed, and with the action taken by the Board this evening on the approval of the Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority, and with the anticipated

action taken by City Council to approve the Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority, it is anticipated that these three cases be dismissed with prejudice tomorrow morning.

He then reported that a closed session had been held under Government Code Section 54956.9(a), Existing and Pending Litigation – four cases: *Antelope Valley Ground Water Cases, 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 *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.

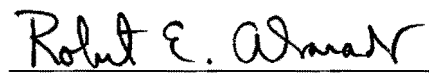
**12) Board Members' Requests for Future Agenda Items.**

Director Dizmang requested an update on low income payment assistance at the next meeting.

Director MacLaren then inquired about solar related revenue opportunities on vacant District property, and after a brief discussion, it was decided that this item be reviewed at the next Facilities Committee meeting.

**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