MINUTES OF REGULAR MEETING OF THE WATER SUPPLY & RELIABILITY COMMITTEE OF THE PALMDALE WATER DISTRICT, OCTOBER 21, 2013:

A regular meeting of the Water Supply & Reliability Committee of the Palmdale Water District was held Monday, October 21, 2013, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Dexter called the meeting to order.

1) **Roll Call.**

Attendance:	**Others Present:**
Water Supply & Reliability Cmte:	Dennis LaMoreaux, General Manager
Gordon Dexter, Chair	Vincent Dino, PWD Director Elect
Gloria Dizmang, Committee Member	Jon Pernula, Water & Energy Resources Manager
	Matt Knudson, Engineering Manager
	Dawn Deans, Executive Assistant
	1 member of the public

2) **Adoption of Agenda.**

It was moved by Committee Member Dizmang, seconded by Chair Dexter, and unanimously carried to adopt the agenda, as written.

3) **Public Comments.**

There were no public comments.

4) **Action Items:**

4.1) Consideration and Possible Action on Approval of Minutes of Meeting Held October 11, 2013.

It was moved by Committee Member Dizmang, seconded by Chair Dexter, and unanimously carried to approve the minutes of the Water Supply & Reliability Committee meeting held October 11, 2013, as written.

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

Water & Energy Resources Manager Pernula reviewed the water supply projections and charts included with the agenda packet and stated that water use is slightly higher than budgeted and that staff anticipates 3,180 acre feet of carry-over water

at year-end followed by discussion of variations to this amount based on actual consumption.

4.3) Consideration and Possible Action on Water Supply Fee. (Engineering Manager Knudson/Water & Energy Resources Manager Pernula)

Engineering Manager Knudson provided an overview of Resolution No. 13-12 Modifying the Policy Regarding Capital Improvement Fees for New Water Service Connections and Adopting a New Water Supply Fee, staff's recommendation to approve Option 2 for the Water Supply Fee, the amount of the Water Supply Fee, spreading the increase over a two-year period through 2015, and the planned increase based on the Construction Cost Index; requested the Committee's support of staff's recommendation to adopt Resolution No. 13-12 and accept and file the Water Supply Fee analysis prepared by Carollo Engineers; and stated that the District's Rules and Regulations will be revised prior to the Board meeting to reflect staff's recommendation.

Ms. Marta Brown, of the Building Industry Association, then expressed their support of the Water Supply Fee provided Resolution No. 13-12 adopts and references Table H.

After a further discussion, it was moved by Committee Member Dizmang, seconded by Chair Dexter, and unanimously carried that the Committee concurs with staff's recommendations and that the Water Supply Fee be presented to the full Board for consideration at the next regular Board meeting.

4.4) Discussion of the District's Water Banking Opportunities. (Chair Dexter)

Water & Energy Resources Manager Pernula informed the Committee that the District has 2,600 acre feet of water in the A.V. Water Bank; that staff continues negotiations on different water banking opportunities with several agencies, including Semitropic and Westside-Dudley Ridge; and that a full report will be provided when available.

4.5) Status on the Operations of the State Water Project. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula reviewed current reservoir conditions and historical averages and stated that an additional 250,000 acre feet of water is in Oroville Reservoir due to a river valve issue; that he anticipates an initial 2014 allocation

of 20%; and that a third amendment to the Delta Habitat Conservation and Conveyance Plan (the Delta fix) funding agreement is anticipated, which will allow a bond opportunity for pre-project planning.

Chair Dexter then stated that at some point the Delta fix places a huge burden on the District's water rates and recommended the public be informed of this potential increase.

5) Project Updates.

5.1) Palmdale Recycled Water Authority. (General Manager LaMoreaux)

Chair Dexter stated that no Palmdale Recycled Water Authority meeting was held.

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

Water & Energy Resources Manager Pernula stated that water purchase opportunity negotiations are ongoing including contract extension negotiations.

5.3) Littlerock Dam Sediment Removal Project. (Engineering Manager Knudson)

Engineering Manager Knudson stated that the aerial and topographic survey of Littlerock Reservoir has been conducted to calculate sediment accumulation and to help with the design of the grade control structure and that the meeting with the Forest Service was cancelled due to the government shutdown and will be rescheduled.

5) Information Items.

Water & Energy Resources Manager Pernula stated that he included information in the agenda packet from the Bay Delta Conservation Plan blog regarding desalination.

General Manager LaMoreaux then stated that several hundred acre feet of water remains in Littlerock Reservoir rather than taking the water into Palmdale Lake due to poor water quality.

6) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

The next Water Supply & Reliability Committee meeting is scheduled for November 25, 2013 at 5:00 p.m.

7) Adjournment.

There being no further business to come before the Water Supply & Reliability Committee, the meeting was adjourned.

Chair