MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, JANUARY 27, 2016:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, January 27, 2016, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Robert Alvarado, called the meeting to order at 7:00 p.m.

1) Pledge of Allegiance.

At the request of President Alvarado, Alisha Semchuck, Antelope Valley Press reporter, led the pledge of allegiance.

2) Roll Call.

Attendance:	**Others Present:**
Robert Alvarado, President	Dennis LaMoreaux, General Manager
Vincent Dino, Vice President	Matt Knudson, Assistant General Manager
Joe Estes, Treasurer	Christina Burrows, Assistant General Counsel
Marco Henriquez, Secretary	Tom Bunn, Special Litigation Counsel
Kathy Mac Laren, Director	Mike Williams, Finance Manager
	Jim Riley, Engineering/Grant Manager
	Mynor Masaya, Operations Manager
	Peter Thompson II, Deputy Water & Energy Res. Dir.
	Dawn Deans, Executive Assistant
	7 members of the public

3) Adoption of Agenda.

It was moved by Director Dino and seconded by Director Henriquez to adopt the agenda, as written. After a brief discussion, Director Dino amended his motion, Director Henriquez amended his second, and it was unanimously carried by all members of the Board of Directors present at the meeting to adopt the agenda, as amended, to consider Agenda Item No.'s 9, 11.1, and 12 prior to Agenda Item No. 7.1.

4) Public Comments for Non-Agenda Items.

There were no public comments.

5) Presentations:

5.1) Drought Report-Review of "Water Conservation and Reduction in Water Demand Efforts as of December, 2015." (Water & Energy Resources Director Pernula)

Deputy Water & Energy Resources Director Thompson II provided an overview of the District's Water Conservation and Reduction in Water Demand Efforts Report and Reporting Table for December, 2015, which shows a 25.7% reduction in water use compared to June through December 2013, and stated that this is below the 32% target; that the State Water Resources Control Board is scheduled to meet February 2 to consider revising emergency drought regulations, which could lower the District's target to 28%; that fines collected from the end of October through December, 2015 are $25,550.00; and that residents are responding to the District's watering restrictions as peaks in demand are now being seen around watering days.

5.2) Award of Plaque to Director Mac Laren for her Years of Service as President of the Board of Directors. (President Alvarado)

President Alvarado stated that one of his goals and objectives for the District is to recognize immediate past-Presidents of the Board of Directors for their years of service and then presented Director Mac Laren with a plaque recognizing her three years of service as President of the Board of Directors.

Director Mac Laren then thanked the Board for the recognition and stated that it was a great honor to serve and that she feels the Board has grown together with staff and will keep moving forward to make the District a better place for employees, for the residents, and for the Board.

6) Action Items – Consent Calendar: (The Public Shall Have an Opportunity to Comment on Any Action Item on the Consent Calendar as the Consent Calendar is Considered Collectively by the Board of Directors Prior to Action Being Taken.)

6.1) Approval of Minutes of Regular Meeting Held January 13, 2016.

6.2) Approval of Revision to Minutes of Regular Meeting Held December 9, 2015 Regarding Time of Adjournment.

6.3) Payment of Bills for January 27, 2016.

6.4) Approval of Reappointment of Helen Velador to Palmdale Recycled Water Authority Board. (General Manager LaMoreaux)

6.5) Approval of Resolution No. 16-1 Authorizing Specified Individuals to Transact Business with Citizens Business Bank. (Finance Manger Williams)

6.6) Approval of Resolution No. 16-2 Authorizing Specified Individuals to Transact Business with UBS Financial Services, Inc. (Finance Manager Williams)

6.7) Approval of Resolution No. 16-3 for Employer Paid Member Contributions for CalPERS. (Human Resources Director Emery)

6.8) Receive and File Semi-Annual Employee Reimbursement Report for the Period Covering July 1, 2015 Through December 31, 2015. (Finance Manager Williams)

President Alvarado announced the items included in the Consent Calendar after which it was moved by Director Mac Laren, seconded by Director Estes, and unanimously carried by all members of the Board of Directors present at the meeting to approve those items included in the Consent Calendar.

Copies of Resolution No.'s 16-1, 16-2, and 16-3 are hereby made a portion of the minutes of this meeting.

President Alvarado stated that Agenda Item No.'s 9, 11.1, and 12 will now be considered.

9) Public comments on closed session agenda matters.

There were no public comments on closed session agenda matters.

11) Closed session under:

11.1) Conference with Legal Counsel – Existing Litigation: A Closed Session Will be Held, Pursuant to Government Code §54956.9 (d)(1), to Confer With Special Litigation Counsel Regarding Pending Litigation to Which the District is a Party. The Title of Such Litigation is as Follows: *Antelope Valley Ground Water Cases.*

At 7:14 p.m., President Alvarado called for a closed session pursuant to Government Code §54956.9 (d)(1), to confer with Special Litigation Counsel regarding pending litigation to which the District is a party. The title of such litigation is as follows: *Antelope Valley Ground Water Cases.*

He reconvened the regular meeting at 7:40 p.m.

12) Public report of any action taken in closed session.

Special Litigation Counsel Bunn stated that a closed session was held pursuant to Government Code §54956.9 (d)(1), to confer with Special Litigation Counsel regarding pending litigation to which the District is a party. The title of such litigation is as follows: *Antelope Valley Ground Water Cases;* that the Board was updated on this matter; but that no reportable action was taken.

President Alvarado then stated that Agenda Item No. 7.1 would now be considered.

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 to Nominate a Palmdale Water District Representative to Fill the Public Water Supplier Seat on the Antelope Valley Watermaster Board of Directors. (General Manager LaMoreaux)

Special Litigation Counsel Bunn provided an overview of the creation of a Watermaster and the selection process for the Board of Directors for the Watermaster in the judgment for the Antelope Valley Groundwater Cases, and after a brief discussion, it was moved by President Alvarado, seconded by Director Mac Laren, and unanimously carried by all members of the Board of Directors present at the meeting to nominate General Manager LaMoreaux as the Palmdale Water District representative to fill the Public Water Supplier seat on the Antelope Valley Watermaster Board of Directors.

7.2) Consideration and Possible Action to Appoint a Palmdale Water District Representative to the Public Water Supplier Group Advisory Committee. (General Manager LaMoreaux)

Special Litigation Counsel Bunn provided an overview of the duties of the Public Water Supplier Group Advisory Committee after which it was moved by Director Dino and seconded by Director Henriquez to appoint Assistant General Manager Knudson as the Palmdale Water District representative to the Public Water Supplier Group Advisory Committee, and after a brief discussion of an alternate representative, Director Dino amended his motion and Director Henriquez amended his second to appoint Assistant General Manager Knudson as the Palmdale Water District

representative to the Public Water Supplier Group Advisory Committee and to also appoint an alternate representative.

President Alvarado then moved that Director Mac Laren be named alternate Palmdale Water District representative to the Public Water Supplier Group Advisory Committee. The motion was seconded by Director Henriquez.

After a further discussion, the motions were unanimously carried by all members of the Board of Directors present at the meeting to appoint Assistant General Manager Knudson as the Palmdale Water District representative to the Public Water Supplier Group Advisory Committee, to also appoint an alternate representative, and to appoint Director Mac Laren as the Palmdale Water District alternate representative to the Public Water Supplier Group Advisory Committee.

7.3) Consideration and Possible Action on Authorization of the Following Conferences, Seminars, and Training Sessions for Board and Staff Attendance Within Budget Amounts Previously Approved in the 2016 Budget:

1) California Special Districts Association (CSDA) Webinar: Public Meetings and the Brown Act to be Held February 2, 2016.

2) CSDA Webinar: Annual Employment Law Update: Recent Cases & Trends to be Held February 4, 2016.

3) Water Education Foundation (WEF) Water 101 Workshop to be Held February 4 – 5, 2016 in Sacramento.

4) CSDA Proposition 26, Proposition 218 & Rate Setting to be Held February 9, 2016 in Fountain Valley.

5) CSDA Supervisory Skills for the Public Sector to be Held February 11, 2016 in Sacramento.

6) CSDA Webinar: The Affordable Care Act in 2016 to be Held February 11, 2016.

7) CSDA Understand Board Member & District Liability Issues (Plumas) to be Held February 17, 2016 in Quincy.

8) CSDA How to be an Effective New Board Member to be Held February 18, 2016 in Martinez.

9) CSDA Webinar: Workplace Violence Prevention to be Held February 18, 2016.

10) WEF and DWR Dry, Wet or Average "The Challenges for Water Project Operations" to be Held February 23, 2016 in Sacramento.

11) Association of California Water Agencies (ACWA) DC2016 Annual Washington D.C. Conference to be Held February 23 – 25, 2016 in Washington, D.C.

12) CSDA Governance Foundations (Tehachapi) to be Held February 24, 2016 in Tehachapi.

13) CSDA Webinar: Paying for Capital Projects: Key Considerations to be Held February 24, 2016.

14) CSDA Webinar: Rules of Order Made Easy! to be Held February 25, 2016.

15) CSDA Webinar: Understanding Board Member & District Liability to be Held March 1, 2016.

16) CSDA Understand Board Member/District Liability and Harassment Prevention to be Held March 2, 2016 in Clovis.

17) CSDA Webinar: Ethics AB 1234 Compliance Training to be Held March 3, 2016.

18) WEF Lower Colorado River Tour 2016 to be Held March 2 – 4, 2016 in Las Vegas, Nevada.

19) CSDA HR Boot Camp for Special Districts to be Held March 9, 2016 in Vista.

20) ACWA 2016 Legislative Symposium to be Held March 9, 2016 in Sacramento.

21) CSDA Financial Management for Special Districts to be Held March 10, 2016 in Vista.

22) CSDA Webinar: Grassroots Advocacy and Public Outreach to be Held March 15, 2016.

23) WateReuse California Annual Conference "Reuse: The New Normal" to be Held March 13 – 15, 2016 in Santa Rosa.

24) WEF 2016 Executive Briefing "Defining the New Normal" to be Held March 17, 2016 in Sacramento.

25) CSDA Webinar: Completing Statement of Economic Interest-Form 700 to be Held March 17, 2016.

26) CSDA Webinar: Conflict of Interest & When One Must Step Aside to be Held March 24, 2016.

27) CSDA Special District Risk Management Authority Safety/Claims Education Day to be Held March 28 – 29, 2016 in Newport Beach.

28) CSDA Webinar: How to Prepare for Your District's Annual Audit to be Held April 5, 2016.

29) CSDA Webinar: New Developments in the Brown Act to be Held April 7, 2016.

30) CSDA Staying in Compliance: Understand Special District Laws to be Held April 12, 2016 in Sacramento.

31) CSDA Board Secretary/Clerk Foundations to be Held April 13, 2016 in Sacramento.

32) WEF Central Valley Tour 2016 to be Held April 13 – 14, 2016 in Sacramento.

33) CSDA Webinar: Legislative Round-up to be Held April 14, 2016.

34) CSDA Supervisory Skills for the Public Sector to be Held April 20, 2016 in Rancho Cucamonga.

35) CSDA Webinar: Compensation Earnable – Comply with CalPERS to be Held April 20, 2016.

36) California Water Policy Conference to be Held April 20 and 21, 2016 in Davis.

37) Green California Summit and Exposition 2016 "Greening the Golden State Ten Years and Growing" to be Held April 20 – 21, 2016 in Sacramento.

38) CSDA Who Does What? Best Practices in Board/Staff Relations to be Held April 25, 2016 in McKinleyville.

39) CSDA Webinar: Technology and the Public Records Act to be Held April 26, 2016.

40) CSDA Webinar: Best Practices in Agenda Prep and Taking Minutes to be Held April 28, 2016.

41) ACWA 2016 Spring Conference & Exhibition to be Held May 3 – 6, 2016 in Monterey.

42) CSDA Webinar: Records Retention & Management to be Held May 10, 2016.

43) CSDA Webinar: Communication Protocols for Board Members/Staff to be Held May 12, 2016.

44) CSDA 2016 Special District Legislative Days to be Held May 17 – 18, 2016 in Sacramento.

45) WEF San Diego Tour 2016 to be Held May 19 – 20, 2016 in a Location to be Determined.

46) CSDA Webinar: AB1825 Sexual Harassment Prevention Training to be Held June 1, 2016.

47) CSDA General Manager Leadership Summit to be Held June 12 – 14, 2016 in Olympic Valley.

48) WEF Bay-Delta Tour 2016 to be Held June 16 – 17, 2016 in Sacramento.

49) WEF International Groundwater Conference to be Held June 28 – 30, 2016 in San Francisco.

50) CSDA Webinar: LAFCO 101 for Special Districts to be Held June 29, 2016.

51) CSDA Special District Leadership Academy Conference #2 to be Held July 10 – 13, 2016 in Napa.

52) CSDA Webinar: Avoiding Construction Payment & Performance Problems to be Held July 19, 2016.

53) CSDA Webinar: What is Public Engagement and Why Do It? to be Held July 21, 2016.

54) CSDA Webinar: New Tools to Pay for Infrastructure to be Held July 27, 2016.

55) CSDA HR Boot Camp for Special Districts to be Held August 3, 2016 in El Dorado Hills.

56) CSDA Financial Management for Special Districts to be Held August 4, 2016 in El Dorado Hills.

57) CSDA Webinar: Legislative Round-Up to be Held August 11, 2016.

58) CSDA Webinar: Understanding Property Taxes and Your Budget to be Held August 16, 2016.

59) CSDA The Who, What, Where, When, Why and How of Public Engagement to be Held September 7, 2016 in Sacramento.

60) ACWA 2016 Continuing Legal Education for Water Professionals to be Held September 15 – 16, 2016 in San Diego.

61) CSDA CEQA-California Environmental Quality Act to be Held September 21, 2016 in Sacramento.

62) CSDA 2016 Annual Conference & Exhibitor Showcase to be Held October 10, 2016 in San Diego.

63) WEF Northern California Tour 2016 to be Held October 19 – 21, 2016 in Sacramento.

64) WEF San Joaquin Restoration Tour 2016 to be Held November 2 – 3, 2016 in Fresno.

65) CSDA Webinar: Ethics AB 1234 Compliance Training to be Held November 8, 2016.

66) CSDA Board Secretary/Clerk Conference and Certificate Program to be Held November 14 – 16, 2016 in Seaside.

67) ACWA 2016 Fall Conference & Exhibition to be Held November 29 – December 2, 2016 in Anaheim.

68) CSDA Webinar: Responding to Data Breaches to be Held December 6, 2016.

After a brief discussion of these conferences, it was moved by Director Henriquez, seconded by Director Estes, and unanimously carried by all members of the Board of Directors present at the meeting to authorize the following conferences, seminars, and training sessions for Board and staff attendance within budget amounts previously approved in the 2016 Budget as follows: California Special Districts Association (CSDA) Webinar: Public Meetings and the Brown Act to be held February 2, 2016; CSDA Webinar: Annual Employment Law Update: Recent Cases & Trends to be held February 4, 2016;Water Education Foundation (WEF) Water 101 Workshop to be held February 4 – 5, 2016 in Sacramento; CSDA Proposition 26, Proposition 218 & Rate Setting to be held February 9, 2016 in Fountain Valley; CSDA Supervisory Skills for the Public Sector to be held February 11, 2016 in Sacramento; CSDA Webinar: The Affordable Care Act in 2016 to be held February 11, 2016; CSDA Understand Board Member & District Liability Issues (Plumas) to be held February 17, 2016 in Quincy; CSDA How to be an Effective New Board Member to be held February 18, 2016 in Martinez; CSDA Webinar: Workplace Violence Prevention to be held February 18, 2016; WEF and DWR Dry, Wet or Average "The Challenges for Water Project Operations" to be held February 23, 2016 in Sacramento; Association of California Water Agencies (ACWA) DC2016 Annual Washington D.C. Conference to be held February 23 – 25, 2016 in Washington, D.C.; CSDA Governance Foundations (Tehachapi) to be held February 24, 2016 in Tehachapi; CSDA Webinar: Paying for Capital Projects: Key Considerations to be held February 24, 2016; CSDA Webinar: Rules of Order Made Easy! to be held February 25, 2016; CSDA Webinar: Understanding Board Member & District Liability to be held March 1, 2016; CSDA Understand Board Member/District Liability and Harassment Prevention to be held March 2, 2016 in Clovis; CSDA Webinar: Ethics AB 1234 Compliance Training to be held March 3, 2016; WEF Lower Colorado River Tour 2016 to be held March 2 – 4, 2016 in Las Vegas, Nevada; CSDA HR Boot Camp for Special Districts to be held March 9, 2016 in Vista; ACWA 2016 Legislative Symposium to be held March 9, 2016 in Sacramento; CSDA Financial Management for Special Districts to be held March 10, 2016 in Vista; CSDA Webinar: Grassroots Advocacy and Public Outreach to be held March 15, 2016; WateReuse California Annual Conference "Reuse: The New Normal" to be held March 13 – 15, 2016 in Santa Rosa; WEF 2016 Executive Briefing "Defining the New Normal" to be held March 17, 2016 in Sacramento; CSDA Webinar: Completing Statement of Economic Interest-Form 700 to be held March 17, 2016; CSDA Webinar: Conflict of Interest & When One Must Step Aside to be held March 24, 2016; CSDA Special District Risk Management Authority Safety/Claims Education Day to be held March 28 – 29, 2016 in Newport Beach; CSDA Webinar: How to Prepare for Your District's Annual Audit to be held April 5, 2016; CSDA Webinar: New Developments in the Brown Act to be held April 7, 2016; CSDA Staying in Compliance: Understand Special District Laws to be

held April 12, 2016 in Sacramento; CSDA Board Secretary/Clerk Foundations to be held April 13, 2016 in Sacramento; WEF Central Valley Tour 2016 to be held April 13 – 14, 2016 in Sacramento; CSDA Webinar: Legislative Round-up to be held April 14, 2016; CSDA Supervisory Skills for the Public Sector to be held April 20, 2016 in Rancho Cucamonga; CSDA Webinar: Compensation Earnable – Comply with CalPERS to be held April 20, 2016; California Water Policy Conference to be held April 20 and 21, 2016 in Davis; Green California Summit and Exposition 2016 "Greening the Golden State Ten Years and Growing" to be held April 20 – 21, 2016 in Sacramento; CSDA Who Does What? Best Practices in Board/Staff Relations to be held April 25, 2016 in McKinleyville; CSDA Webinar: Technology and the Public Records Act to be held April 26, 2016; CSDA Webinar: Best Practices in Agenda Prep and Taking Minutes to be held April 28, 2016; ACWA 2016 Spring Conference & Exhibition to be held May 3 – 6, 2016 in Monterey; CSDA Webinar: Records Retention & Management to be held May 10, 2016; CSDA Webinar: Communication Protocols for Board Members/Staff to be held May 12, 2016; CSDA 2016 Special District Legislative Days to be held May 17 – 18, 2016 in Sacramento; WEF San Diego Tour 2016 to be held May 19 – 20, 2016 in a location to be determined; CSDA Webinar: AB1825 Sexual Harassment Prevention Training to be held June 1, 2016; CSDA General Manager Leadership Summit to be held June 12 – 14, 2016 in Olympic Valley; WEF Bay-Delta Tour 2016 to be held June 16 – 17, 2016 in Sacramento; WEF International Groundwater Conference to be held June 28 – 30, 2016 in San Francisco; CSDA Webinar: LAFCO 101 for Special Districts to be held June 29, 2016; CSDA Special District Leadership Academy Conference #2 to be held July 10 – 13, 2016 in Napa; CSDA Webinar: Avoiding Construction Payment & Performance Problems to be held July 19, 2016; CSDA Webinar: What is Public Engagement and Why Do It? to be held July 21, 2016; CSDA Webinar: New Tools to Pay for Infrastructure to be held July 27, 2016; CSDA HR Boot Camp for Special Districts to be held August 3, 2016 in El Dorado Hills; CSDA Financial Management for Special Districts to be held August 4, 2016 in El Dorado Hills; CSDA Webinar: Legislative Round-Up to be held August 11, 2016; CSDA Webinar: Understanding Property Taxes and Your Budget to be held August 16, 2016; CSDA The Who, What, Where, When, Why and How of Public Engagement to be held September 7, 2016 in Sacramento; ACWA 2016 Continuing Legal Education for Water Professionals to be held September 15 – 16, 2016 in San Diego; CSDA CEQA-California Environmental Quality Act to be held September 21, 2016 in Sacramento; CSDA 2016 Annual Conference & Exhibitor Showcase to be held October 10, 2016 in San Diego; WEF Northern California Tour 2016 to be held October 19 – 21, 2016 in Sacramento; WEF San Joaquin Restoration Tour 2016 to be held November 2 – 3, 2016 in Fresno; CSDA Webinar: Ethics AB 1234 Compliance Training to be held November 8, 2016; CSDA Board Secretary/Clerk Conference and Certificate Program to be held November 14 – 16, 2016 in Seaside; ACWA 2016 Fall Conference & Exhibition to be held November

29 – December 2, 2016 in Anaheim; and CSDA Webinar: Responding to Data Breaches to be held December 6, 2016.

8) Information Items.

8.1) Reports of Directors:

a) Meetings/General Report.

Director Henriquez reported that on January 14, he attended a Board briefing with General Manager LaMoreaux and staff for the budget workshop that was held on January 19; that on January 21, he attended a Board briefing with General Manager LaMoreaux; that on January 22, he attended the Palmdale Chamber of Commerce installation event with several Board Members, and a certificate was presented to Mr. Chuck Church, immediate past-president for the Palmdale Chamber of Commerce; and that January 24 – 27 he attended the C.S.D.A. Leadership Academy with Assistant General Manager Knudson, which was a good learning experience and networking opportunity, and he and Assistant General Manager Knudson are now certified.

Director Dino reported that on January 17, he attended a Board briefing with General Manager LaMoreaux and staff for the budget workshop; that on January 19, he attended the budget workshop; that on January 20, he attended the Palmdale Recycled Water Authority meeting where they discussed a stipend for Director Velador, and this topic will be discussed at a later date; that on January 25, he attended a Board briefing with General Manager LaMoreaux; and that on January 26, he attended the AVEK Board meeting where he presented the Antelope Valley State Water Contractors Association's Certificate of Appreciation to outgoing General Manager Dan Flory, and Mr. Flory indicated during the meeting that the elevation of Oroville Dam has risen twenty feet in ten days.

Director Mac Laren reported that on January 19, she attended the budget workshop; that on January 20, she attended the Palmdale Recycled Water Authority meeting where additional items will be considered, and they continued discussions on the settlement of the recycled water reallocation; that on January 25, she attended a brunch meeting with Dan Flory and Rob Parris regarding partnership opportunities; and that on January 27, she attended a telephone Board briefing with General Manager LaMoreaux.

Director Estes reported that on January 11, he attended a Board briefing with General Manager LaMoreaux; that on January 14, he attended the Antelope Valley State

Water Contractors Association meeting with President Alvarado where President Alvarado was elected as the new Chair and then offered his congratulations to President Alvarado and the remaining officers elected to the Association; that on January 19, he attended the budget workshop with all Directors; and that on January 26, he attended a Board briefing with General Manager LaMoreaux.

President Alvarado reported that on January 14, he attended a Board briefing with General Manager LaMoreaux and staff to prepare for the budget workshop; that on January 14, he attended the Antelope Valley State Water Contractors Association meeting where he was elected Chair of this organization; that on January 19, he attended the budget workshop; that on January 20, he attended the Palmdale Recycled Water Authority meeting where the Directors are working hard to obtain the reallocation of recycled water by June, and he is proud to serve with colleagues of different organizations; that on January 22, he attended the Palmdale Chamber of Commerce installation event, the District sent a strong delegation to this event with PIO/Conservation Director McNutt and four Directors attending, and an award was presented to the outgoing President; and that on January 25, he attended a Board briefing with General Manager LaMoreaux.

There were no further reports from Directors.

b) Standing Committee/Assignment Reports (Chair):

1) Antelope Valley State Water Contractors Association.

2) Palmdale Recycled Water Authority.

President Alvarado stated that he, Director Mac Laren, and Director Estes provided detailed reports on these Standing Committee and Assignment Reports.

8.2) Report of General Manager.

a) December, 2015 Written Report. (Financial Advisor Egan)

General Manager LaMoreaux stated that his written report as of December, 2015 was distributed yesterday and reviewed an additional graph showing the District's plan for production and consumption, which indicates the District's mandated 32% goal has not yet been met, but also indicates there has been a significant difference in water use due to customer's conservation efforts.

He then reported that the State Water Project allocation has been increased from 10% to 15%; that snowpack levels are over 100% of normal for this time of year; and then provided an overview of Table A allocations and the amount of water the District is entitled to take from the State Water Project, the level of Littlerock Reservoir, and the capacity of Palmdale Lake.

8.3) Report of General Counsel.

Assistant General Counsel Burrows stated that she has no report.

9) Public Comments on Closed Session Agenda Matters.

There were no public comments on closed session agenda matters.

10) Break Prior to Closed Session.

At 8:13 p.m., President Alvarado called for a seven-minute recess. He reconvened the regular meeting at 8:20 p.m.

11) Closed Session Under:

11.2) Conference with Legal Counsel – Existing Litigation: A closed session will be held, pursuant to Government Code §54956.9 (d)(1), to confer with District General Counsel regarding pending litigation to which the District is a party. The title of such litigation is as follows: *Palmdale Water District v. Lagerlof, et al, Los Angeles County Superior Court Case No. BC 605450.*

At 8:20 p.m., President Alvarado called for a closed session pursuant to Government Code §54956.9 (d)(1), to confer with District General Counsel regarding pending litigation to which the District is a party. The title of such litigation is as follows: *Palmdale Water District v. Lagerlof, et al, Los Angeles County Superior Court Case No. BC 605450.*

He reconvened the regular meeting at 8:27 p.m.

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

Assistant General Counsel Burrows stated that a closed session was held pursuant Government Code; §54956.9 (d)(1), to confer with District General Counsel regarding

pending litigation to which the District is a party. The title of such litigation is as follows: *Palmdale Water District v. Lagerlof, et al, Los Angeles County Superior Court Case No. BC 605450;* that Assistant General Counsel Burrows provided the Board with an update on this matter; but that no reportable action was taken.

13) Board Members' Requests for Future Agenda Items.

Director Mac Laren requested an item be placed on the next agenda for "Discussion on the role of Treasurer."

Lease negotiations with the Palmdale Fin & Feather Club were discussed, and General Manager LaMoreaux stated that these negotiations will begin, and an Ad Hoc Committee of the Board may be requested.

President Alvarado then requested an item be placed on the next agenda for "Consideration and possible action to authorize the formation of an Ad Hoc Committee to consider and potentially recommend changes to Article 4 of the District's Rules and Regulations" and directed staff to work with Dr. Mathis and this Ad Hoc Committee to complete Board Norms.

Director Henriquez then requested a status on the appointment of Board Standing Committees after which President Alvarado stated that he is working on the list of Board Standing Committees.

There were no further requests for future agenda items.

14) Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 8:32 p.m.

Secretary

RESOLUTION NO. 16-1

**A RESOLUTION OF THE
PALMDALE WATER DISTRICT
AUTHORIZING SPECIFIED INDIVIDUALS TO
TRANSACT BUSINESS WITH CITIZENS BUSINESS BANK**

WHEREAS, the Board of Directors of the Palmdale Water District (the "District") has authorized certain public funds to be deposited with Citizens Business Bank for the purpose of protecting public funds; and

WHEREAS, from time to time the Palmdale Water District has cause to withdraw, deposit, reinvest, or otherwise change the disposition of those invested assets to fulfill the mission of the District; and

WHEREAS, the Board of Directors of the District, at their regular meeting of January 13, 2016, did authorize the President and/or Secretary to execute agreements with respect to accounts of the District held by Citizens Business Bank; and

WHEREAS, the Board of Directors of the District, at their meeting of January 13, 2016, did hereby approve the above described agreements authorizing certain individuals to act on the District's behalf with respect to the certain specified accounts of the District with Citizens Business Bank; and

WHEREAS, the Board of Directors of the district intends and requires two Directors acting together or at least one Director acting with another director or designated staff member to execute authority over designated Treasury Management Agreement.

NOW, THEREFORE, BE IT RESOLVED, that Robert Alvarado and Marco Henriquez, acting together, are hereby authorized and directed to open an account with Citizens Business Bank in the District's name and on its behalf, for the purpose of securing services, and that Citizens Business Bank is hereby authorized to act upon any orders and instructions with respect to such accounts listed below and/or the delivery of securities or money therefrom when received from any of the two said individuals, acting together, who are each likewise hereby authorized to sign and deliver in the District's name and in its behalf, receipts for securities and/or funds so delivered or paid.

BE IT FURTHER RESOLVED, that any two of Joe Estes, Marco Henriquez, Kathy Mac Laren, Robert Alvarado, or Vincent Dino acting together are hereby authorized to withdraw funds or to act on behalf of the District with respect to the General Account No. 047031559; Merchant Account No. 047031567; Customer Refund Account No. 047031575.

ADOPTED THIS 27TH DAY OF JANUARY, 2016.

Robert E Alvarado

President, Board of Directors

RESOLUTION NO. 16-2

**A RESOLUTION OF THE
PALMDALE WATER DISTRICT
AUTHORIZING SPECIFIED INDIVIDUALS TO
TRANSACT BUSINESS WITH UBS FINANCIAL SERVICES, INC.**

WHEREAS, the Board of Directors of the Palmdale Water District (the "District") has authorized certain public investments to be deposited with UBS Financial Services, Inc., for the purpose of protecting public assets and earning a safe rate of return on those invested assets being long-term Account No. SS-11475 and short-term Account No.'s SS-11432 and SS-11469 and rate stabilization fund Account SS-24016; and

WHEREAS, from time to time the Palmdale Water District has cause to withdraw, deposit, reinvest, or otherwise change the disposition of those invested assets to fulfill the mission of the District; and

WHEREAS, the Board of Directors of the District, at their regular meeting of January 13, 2016, did authorize the Secretary to execute resolutions with respect to accounts of the District held by UBS Financial Services, Inc.; and

WHEREAS, the Board of Directors of the District, at their meeting of January 13, 2016, did hereby approve the above described resolutions authorizing certain individuals to act on the District's behalf with respect to the certain specified investments of the District with UBS Financial Services, Inc.; and

WHEREAS, the Board of Directors of the District intends and requires at least one Director acting with another Director or designated staff member or two designated staff members acting together to exercise authority over investment accounts.

NOW THEREFORE, BE IT RESOLVED, that Joe Estes, Marco Henriquez, Vincent Dino, and Robert Alvarado, with any two of them acting together, are hereby authorized and directed to open an account with UBS Financial Services, Inc. in the District's name and on its behalf, for the purpose of purchasing and selling securities, and that UBS Financial Services, Inc. is hereby authorized to act upon any orders and instructions with respect to such accounts listed below and/or the delivery of securities or money therefrom when received from any of the two said individuals, acting together, who are each likewise hereby authorized to sign and deliver in the District's name and in its behalf, receipts for securities and/or funds so delivered or paid.

BE IT FURTHER RESOLVED, that any two of the following, Joe Estes, Marco Henriquez, Vincent Dino, or Robert Alvarado acting together or any one of them together with Dennis D. LaMoreaux, Robert M. Egan or Michael A. Williams or Dennis D. LaMoreaux and Michael A. Williams acting together are hereby authorized to act on behalf of the District with respect to long-term Account No. SS-11475, the short-term Account No.'s SS-11432 and SS-11469, and rate stabilization fund Account No. SS-24016.

ADOPTED THIS 27TH DAY OF JANUARY, 2016.

Robert E. Alvarado
President, Board of Directors

RESOLUTION NO. 16-3

RESOLUTION FOR EMPLOYER PAID MEMBER CONTRIBUTIONS

WHEREAS, the governing body of the Palmdale Water District has the authority to implement Government Code Section 20691;

WHEREAS, the governing body of the Palmdale Water District has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer;

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the Palmdale Water District of a Resolution to commence said Employer Paid Member Contributions (EPMC);

WHEREAS, the governing body of the Palmdale Water District has identified the following conditions for the purpose of its election to pay EPMC:

- This benefit shall apply to all employees of the Palmdale Water District.
- This benefit shall consist of paying 4.59 percent of the normal member contributions as EPMC.
- The effective date of this Resolution shall be January 1, 2016.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Palmdale Water District elects to pay EPMC, as set forth above.

BY:

Robert E. Alvarez

Name of Official

President, Board of Directors

Title

January 27, 2016

Date adopted and approved

APPROVED AS TO FORM:

BY: C Brun

ALESHIRE & WYNDER, General Counsel