MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, OCTOBER 26, 2016:

A regular meeting of the Board of Directors of the Palmdale Water District was held Wednesday, October 26, 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, Director Dino led the pledge of allegiance followed by a moment of silence in honor of our servicemen and women and deputy sheriffs.

2) Roll Call.

Attendance:	**Others Present:**
Robert Alvarado, President	Dennis LaMoreaux, General Manager
Vincent Dino, Vice President	Matt Knudson, Assistant General Manager
Marco Henriquez, Treasurer	Christina Burrows, Assistant General Counsel
Joe Estes, Secretary	Mike Williams, Finance Manager
	Jim Riley, Engineering/Grant Manager
Kathy Mac Laren, Director – EXCUSED ABSENCE	Mike McNutt, Public Affairs & Sustainability Dir.
	Jim Stanton, Information Technology Manager
	Peter Thompson II, Deputy Water & Energy Res. Dir.
	Dawn Deans, Executive Assistant
	1 member of the public

3) Adoption of Agenda.

It was moved by Director Estes to adopt the agenda, as written.

President Alvarado then stated that Agenda Item No.'s 9, 10, 11, and 12 can be removed from tonight's agenda as there is no information to report under these items after which Director Estes amended his motion, Director Henriquez seconded the motion, and it was unanimously carried by all members of the Board of Directors present at the meeting to adopt the agenda, as amended, removing Agenda Item No.'s 9, 10, 11, and 12.

4) Public Comments for Non-Agenda Items.

There were no public comments.

5) Presentations:

5.1) ACWA Regulatory Summit. (Director Henriquez/Deputy Water & Energy Resources Director Thompson II)

Director Henriquez stated that the information presented at the ACWA Regulatory Summit is beneficial to the Board and thanked Deputy Water & Energy Resources Director Thompson II for presenting this information.

Deputy Water & Energy Resources Director Thompson II then provided an overview of upcoming California regulatory policies discussed at the ACWA Regulatory Summit including renewable resource load requirements through 2030, energy peaks and demands, over-generation of renewable energy, sharing surplus loads of renewable energy with other states for greater flexibility, potential increased costs for this surplus, changes to time of use rates and how this will affect the District's operations, and new incentivized programs followed by discussion of renewable energy storage, maximizing the District's time of use rates, and wind generation.

Mr. Jason Zink, Littlerock resident, then inquired about joining with the City of Lancaster's new power provider, going off the energy grid, hydro-generation, and grants for battery storage after which Deputy Water & Energy Resources Director Thompson II stated that the District's current power charges are less than Lancaster's due to the District's energy saving programs, and the District operates a small hydro-electric generating station at Palmdale Lake in addition to its solar array and wind turbine.

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 Special Meeting Held October 4, 2016.

6.2) Approval of Minutes of Regular Meeting Held October 12, 2016.

6.3) Payment of Bills for October 26, 2016.

6.4) Approve Absences of Director Dino and Director Estes From October 12, 2016 Board Meeting Due to Conference Attendance. (General Counsel Dunn)

6.5) Approval to Reject Claim Received From Steve Voloshin and Refer to Joint Powers Insurance Authority. (Finance Manager Williams)

President Alvarado announced the items included in the Consent Calendar after which it was moved by Director Estes, seconded by Director Dino, and unanimously carried by all members of the Board of Directors present at the meeting 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 Recycled Water Purchase Agreement with County Sanitation District No. 20 of Los Angeles County. (No Budget Impact – Assistant General Manager Knudson)

Assistant General Manager Knudson reviewed the process and details of the Recycled Water Purchase Agreement and how having this water available will ensure the success of the Palmdale Regional Groundwater Recharge and Recovery Project after which it was moved by Director Henriquez and seconded by Director Estes to approve the Recycled Water Purchase Agreement with County Sanitation District No. 20 of Los Angeles County.

Mr. Jason Zink, Littlerock resident, inquired as to the annual amount and cost of recycled water produced by Sanitation District No. 20 after which Assistant General Manager Knudson reviewed this information.

The motion was then unanimously carried by all members of the Board of Directors present at the meeting, and the Board commended staff on their research and negotiation of the Recycled Water Purchase Agreement.

7.2) Consideration and Possible Action on Ratification of No-Cost Lease Agreement with County Sanitation District No. 20 of Los Angeles County for the Purpose of Installing Three Monitoring Wells in Connection With the Palmdale Regional Groundwater Recharge and Recovery Project. (No Budget Impact – Assistant General Manager Knudson)

Assistant General Manager Knudson provided an overview of the no-cost Lease Agreement, the requirement for monitoring wells for the Palmdale Regional

Groundwater Recharge and Recovery Project, and access to the proposed site after which it was moved by Director Estes and seconded by Director Henriquez to ratify the no-cost Lease Agreement with County Sanitation District No. 20 of Los Angeles County for the purpose of installing three monitoring wells in connection with the Palmdale Regional Groundwater Recharge and Recovery Project.

Mr. Jason Zink, Littlerock resident, then inquired about using the Sanitation District's facilities after which Assistant General Manager Knudson reviewed the purpose of the District having its own facilities, and General Manager LaMoreaux reviewed how water will be blended for the Palmdale Regional Groundwater Recharge and Recovery Project.

The motion was then unanimously carried by all members of the Board of Directors present at the meeting.

7.3) Consideration and Possible Action on Ratification of No-Cost Entry Permit with County Sanitation District No. 20 of Los Angeles County for the Purpose of Soils Investigation and Constructing a Temporary Infiltration Test Basin in Connection with the Palmdale Regional Groundwater Recharge and Recovery Project. (No Budget Impact – Assistant General Manager Knudson)

Assistant General Manager Knudson provided an overview of the no-cost Entry Permit needed for additional testing and soil borings for the Palmdale Regional Groundwater Recharge and Recovery Project and stated that the Permit is another critical step in moving this Project forward after which 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 ratify the no-cost Entry Permit with County Sanitation District No. 20 of Los Angeles County for the purpose of soils investigation and constructing a temporary infiltration test basin in connection with the Palmdale Regional Groundwater Recharge and Recovery Project.

7.4) Consideration and Possible Action on New Video and Voting System for Main Board Room. ($60,000.00 – Budgeted – Information Technology Manager Stanton)

Information Technology Manager Stanton provided an overview of the proposed video and voting system equipment for the main Board room, and after a brief discussion of the need for this equipment, the cost, possible alternatives, and options for the proposed equipment, it was moved by Director Estes and seconded by Director

Dino to approve the purchase of a new video and voting system for the main Board room in the not-to-exceed amount of $60,000.00.

Director Henriquez stated that this item is probably not needed at the moment but at the same time staff is looking into ways to save money into this item.

Mr. Jason Zink, Littlerock resident, then recommended the Board add cameras and ensure adequate lighting to televise meetings.

The motion was then unanimously carried by all members of the Board of Directors present at the meeting.

7.5) Consideration and Possible Action on Outreach Activities. (Public Affairs and Sustainability Director McNutt)

a) Preliminary Outreach Plans for 2017

Public Affairs & Sustainability Director McNutt provided an overview of staff's recommended outreach plans for 2017 including sending The Pipeline to customers with water bills; continuing video production and showcasing employees; addressing and understanding the District's demographics through Latino radio talk shows and continued translations of the District's forms, publications, and written communications; continued social media presence; television advertising; working with the school system and youth in the Antelope Valley to ensure they understand the value of water; additional customer appreciation outreach days; target marketing to convey information to customers; integrating the District into the City of Palmdale's culture and strengthening the relationship with City Council members; and continued involvement in local civic and non-profit organizations.

President Alvarado then recommended consistency in planning events at elementary, middle, and high school sites.

Director Dino stated that constituents appreciate one on one sharing of information.

b) Upcoming Events

Public Affairs & Sustainability Director McNutt then stated that upcoming events include an employee/Director food drive; a customer appreciation outreach day

between Thanksgiving and Christmas; and the SMART Landscaping Expo scheduled for November 5, 2016 from 8:30 a.m. to 3:00 p.m. at the Antelope Valley Fairgrounds with free admission, parking, and vendor space.

c) Status of AguaVaganza Music Contest

There was no update on the AguaVaganza Music Contest.

d) Board Outreach Recommendations.

President Alvarado recommended an additional tour for elected officials of all District facilities with a lunch at Palmdale Lake and cost saving measures, which are passed on to the ratepayers, be conveyed.

Director Estes recommended informational visuals on how the District's facilities operate be developed and included as part of these tours.

Director Henriquez recommended that The Pipeline be printed with English on one side and Spanish on the other side, the Spanish translation of District materials be at a level that is easier to understand, and staff research texting options to communicate with customers and stated that he agrees with showcasing employees and facilities; that addressing the Latino demographics is very important; that social media presence and continuing to work with the schools and City of Palmdale is great; and that partnering with other agencies on any advertising can reduce costs.

Mr. Jason Zink, Littlerock resident, recommended the Antelope Valley Audubon Society present information on the bird species at Palmdale Lake, and General Manager LaMoreaux recommended he be contacted directly to arrange for the presentation.

Mr. Zink then stated that Kamala Harris will be in Lancaster this Sunday and recommended that a representative from the Palmdale Water District present her with information about the District and its projects.

7.6) 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:

a) None at This Time.

There were no conferences, seminars, or training sessions to consider.

8) Information Items:

8.1) Reports of Directors:

a) Meetings/General Report.

Director Dino reported that on October 3, he attended a Board briefing with General Manager LaMoreaux regarding the Special Meeting; that on October 4, he attended the Special Meeting Town Hall Forum; that October 10 to 13, he attended the California Special Districts Association Conference in San Diego where he attended sessions on the Public Records Act and the Brown Act, and he brought literature back for Directors unable to attend the Conference; that on October 19, he attended the Financial Workshop Special Meeting; that on October 24, he attended a Board briefing with General Manager LaMoreaux; that on October 25, he attended the AVEK Board meeting; and that on October 26, he is attending the Palmdale Water District Board meeting.

Director Henriquez reported that on October 19, he attended the Financial Workshop Special Meeting; that on October 20, he attended the Antelope Valley State Water Contractors Association meeting as an Alternate where they discussed the SMART Landscaping Expo; and that on October 24, he attended a Board briefing with General Manager LaMoreaux.

Director Estes reported that on October 3, he attended a Board briefing with General Manager LaMoreaux regarding the Special Meeting; that on October 4, he attended the Special Meeting Town Hall Forum; that October 9 to 13, he attended the California Special Districts Association Conference in San Diego where he attended a session on communication strategies and a multitude of other break-out sessions, he was unable to attend the Carlsbad Desalination Plant but heard it is an impressive tour, he recommends the opening session's speaker's book on how corporations stay relevant for staff and the Board, and he won the closing session grand prize raffle; that on October 19, he attended the Financial Workshop Special Meeting; and that on October 25, he attended a Board briefing with General Manager LaMoreaux.

President Alvarado reported that on October 18, he attended an agenda review and approval meeting with General Manager LaMoreaux; that on October 19, he attended the Financial Workshop Special Meeting; that on October 20, he attended the Antelope Valley State Water Contractors Association meeting, which was reported on

earlier by Director Henriquez; and that on October 24, he attended a Board briefing with General Manager LaMoreaux.

He then commended General Manager LaMoreaux, Assistant General Manager Knudson, and Human Resources Director Emery for providing staff the tools they need to succeed at their jobs and for receiving a wellness grant from ACWA/JPIA.

b) Standing Committee/Assignment Reports (Chair):

1) AVSWCA

President Alvarado stated that a report on this meeting was provided earlier in the meeting.

8.2) Report of General Manager.

a) October, 2016 Written Report of Activities Through September, 2016.

General Manager LaMoreaux provided an overview of his written report included with the agenda packets and highlighted the comparison of residential gallons per capita per day among high desert water agencies and the District's customers' excellent water conservation efforts.

He then reported that an ACWA representative will meet with District staff on November 9 at 10:30 a.m. to review the District's concerns, and two Directors can attend this meeting.

8.3) Report of General Counsel.

Assistant General Counsel Burrows stated that she has no report.

13) Board Members' Requests for Future Agenda Items.

President Alvarado requested a written month by month schedule of 2017 outreach activities be presented for the Board's information.

There were no requests for future agenda items.

14) Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 8:58 p.m.

Secretary