MINUTES OF SPECIAL TOWN HALL MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, MARCH 8, 2018:

A Special Town Hall meeting of the Board of Directors of the Palmdale Water District was held Thursday, March 8, 2018, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Vincent Dino, called the meeting to order at 6:00 p.m.

1) Pledge of Allegiance.

At the request of President Dino, Director Alvarado led the pledge of allegiance.

2) Roll Call.

Attendance:	**Others Present:**
Vincent Dino, President	Dennis LaMoreaux, General Manager
Marco Henriquez, Treasurer	Eric Dunn, General Counsel
Joe Estes, Secretary -- (arrived 6:38 p.m.)	Mike Williams, Finance Manager
	Jim Riley, Engineering/Grant Manager
Robert Alvarado, Director	Tim Moore, Facilities Manager
	Peter Thompson II, Deputy Water & Energy Res. Dir.
Kathy Mac Laren, Vice President- EXCUSED ABSENCE	Judy Shay, Public Affairs Director
	Jennifer Emery, Human Resources Director
	Jim Stanton, Information Technology Manager
	Jon Pernula, Water & Energy Resources Director
	Mynor Masaya, Operations Manager
	Tara Peuse, Customer Care Supervisor
	Ruth Flood, Customer Care Rep. II
	Laura Gallegos, Public Affairs Specialist
	Dawn Deans, Executive Assistant
	15 members of the public

3) Adoption of Agenda.

It was moved by Director Alvarado, seconded by Director Henriquez, and unanimously carried by all members of the Board of Directors present at the meeting to adopt the agenda, as written.

4) Town Hall Forum.

a) Presentation on Palmdale Water District Projects. (District Staff)

b) Public Questions and Answers Period.

Public Affairs Director Shay reviewed the Town Hall's purpose to bring awareness to the District's projects, activities, and ensure transparency; encouraged the public to ask questions; and then reviewed activities and events for the District's 100th anniversary.

General Manager LaMoreaux then provided an overview of the District's water supply for 2018, including the District's State Water Project allocation, improvements to Littlerock Dam and Reservoir, the large reduction in customer water use, the need to produce less water, infrastructure improvements, and the costs and potential grant funding associated with continuing to provide reliable, high quality water followed by questions and discussion regarding the sustainability of the District's water supply, aerospace contracts, additional housing for the homeless, and permit approval by the Watermaster for well drilling.

Engineering/Grant Manager Riley then provided an overview of the Littlerock Dam Sediment Removal Project, including the environmental work required for this Project, construction of a grade control structure to further protect the endangered arroyo toad, the timeline for this work, the amount of sediment to be removed initially and annually, disposal of the sediment, and the timeframe for traffic impact from this work followed by questions and discussion regarding the capacity of Littlerock Reservoir, the potential value of the sediment, state and federal endangered species rulings, potential road damage due to high traffic, percolation under the Dam, standing water at the base of the Dam, the sediment excavation area, and the closure of the Littlerock Dam area.

Deputy Water & Energy Resources Director Thompson II then provided an overview of the Palmdale Regional Groundwater Recharge & Recovery Project, including water stability, storing State Water Project water blended with high quality tertiary water from the reclamation plant in the ground during wet years for later use, the construction phases of the Project, the long-term water supply reliability of this Project, the cost and who bears this cost, and the benefit and cost saving of water banking followed by questions and discussion regarding protecting the water in this Project from developers and farmers, the designation of purple pipes, fresh water versus sanitation district water, the effect of high quality tertiary water on groundwater, the use of solar arrays near the ponds, and rebates for rainwater barrels.

Facilities Manager Moore then provided an overview of the work and responsibilities of the Facilities Department, including the 414 miles of pipeline within the District's boundaries, pipeline replacements and the reduction in water leaks, pressure

reducing stations, water storage tanks, fire hydrants, meters, wells, booster pumps, flushing, and maintenance of these facilities followed by questions and discussion regarding collecting flushed water from water mains, water turbine systems, and the types and lifespan of pipelines in the District's system.

Finance Manager Williams then provided an overview of the 2019 Rate Study and the Proposition 218 process, including District goals, projects, debt, and reserves for the next five years, the Proposition 218 process, public outreach for this process to meet the concerns of the ratepayers, and setting water rates for each of the next five years to assist with the budgeting process followed by questions and discussion regarding proportional costs, the use of Granular Activated Carbon, and the District's below average water rates compared to other agencies.

The minimal rate increases under the current Rate Study, the efforts to reach the general public regarding these rates, the professionalism of the speakers presenting this evening, the impressive tour of the Leslie O. Carter Water Treatment Plant, and hosting the Town Hall Forum were then commended, and the public was encouraged to tour the District's facilities.

The Board was then invited to attend a meeting of the "Opening of the Littlerock Recreation Facilities Committee" on March 22, 2018 at Littlerock High School, and the purpose of Grenenrg.org was provided.

An overview of the formation of the Antelope Valley State Water Contractors Association was then provided, and the Board thanked the public for attending and for their questions and input.

5) Board members' requests for future agenda items.

There were no requests for future agenda items.

6) Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 7:55 p.m.

Secretary