

**PALMDALE RECYCLED WATER AUTHORITY (PRWA)
HELD AT CITY OF PALMDALE
CITY HALL COUNCIL CHAMBERS
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
ADJOURNED REGULAR MEETING
TUESDAY
JANUARY 18, 2022
6:00 P.M.**

www.palmdalerwa.org

WELCOME

As a result of the dramatic increase in COVID-19 cases, and our desire to keep both the public and staff safe, the public will be permitted to physically attend the Palmdale Recycled Water Authority meeting scheduled for January 18, 2022, including public seating available at limited capacity. Masks are required to be worn by all persons in attendance. It is recommended that all citizens practice social distancing to the extent possible while in attendance. Directors may choose to participate in person or via conference call.

1) VERBAL PUBLIC COMMENT DURING THE MEETING –

ZOOM Number: US: + 1 720 707 2699
Webinar ID: 819 5604 8408
Passcode: 133586

Webinar attendee link

<https://us06web.zoom.us/j/81956048408?pwd=TzgyUzFabFd1WlI0ZFBDRGhBNmJpZz09>

PLEASE NOTE: You can view this agenda and related items on our website at <https://palmdalerwa.org/>. You can request a copy of this agenda or attachments, if any, by contacting the City Clerk's Office at 661-267-5151.

A **three-minute time limit** will be imposed on all speakers other than staff members.

The safety and well-being of employees and the public remains the City's top priority. The Palmdale Recycled Water Authority appreciates your patience and understanding during these challenging times.

The Palmdale Recycled Water Authority is making every effort to follow the spirit and intent of the Brown Act and other applicable laws regulating the conduct of public meetings in order to maximize transparency and public access.

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk’s Office at (661) 267-5151 at least 72 hours prior to the meeting.

If you require oral Spanish translation, please contact the City Clerk’s Office at (661) 267-5151 at least 72 hours prior to the meeting.

Your courtesy is requested to help our meeting run smoothly. If you will be kind enough to follow these simple rules, we can make the best possible use of your time and ours:

- Please refrain from public displays or outbursts such as unsolicited applause, comments, cheering, foul language, or obscenities.
- Any disruptive activities that substantially interfere with the ability of the Board of Directors to carry out its meeting will not be permitted, and offenders will be requested to leave the meeting.
- Please turn off or mute your cell phones and mobile devices.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

**3. ROLL CALL CHAIR VINCENT DINO, DIRECTORS AUSTIN BISHOP,
DON WILSON, JUAN CARRILLO, AND ZAKEYA ANSON**

4. PUBLIC COMMENTS

This is the time for public participation. If you are attending the meeting by phone, please press *9 to “raise your hand.” If attending by personal computer, please click the “raise your hand” button. Press *6 to un-mute yourself, state your name and begin speaking. PLEASE NOTE: A three-minute limit is imposed on each speaker.

5. APPOINTMENT:

Approve the appointment of Zakeya Anson as Public Member Director for a one-year renewable term to expire in January of 2023. (Staff Reference: Executive Director LaMoreaux)

There is no staff report for this item.

Staff Recommendation: Move to appoint Zakeya Anson as the Public Member Director. (Roll Call Vote – Requires a majority to appoint)

6. CONSENT CALENDAR:

NOTICE: All matters listed under the Consent Calendar will be enacted by one motion unless an item(s) is pulled by the Board, in which case the item(s) will be removed from the Calendar and will be considered separately following this portion of the Agenda.

6.1 Approve the Minutes from the previous meeting held on October 18, 2021. (Staff Reference: Acting Authority Secretary Faber)

6.2 Approve receipt and filing of the Treasurer’s Report for the eleven months ending November 30, 2021. (Staff Reference: Treasurer-Auditor Hoffmeyer)

6.3 Approve receipt and filing of the Investment Report for the quarter ending December 31, 2021. (Staff Reference: Treasurer-Auditor Hoffmeyer)

Staff Recommendation: Move to approve the recommendations and findings on all items listed under this Consent Calendar. (Roll Call Vote - Requires a majority to approve.)

7. ACTION ITEM:

7.1 Election of Chair and Vice Chair pursuant to Article 4.10 of the Joint Exercise of Powers Agreement the term of office of the Chair and Vice Chair shall continue for one year, but there shall be no limit on the number of terms held by either the Chair or Vice Chair. (Staff Reference: Executive Director LaMoreaux)

There is no staff report for this item.

Staff Recommendation: Move to appoint _____ as Chair and _____ as Vice Chair. (Roll Call Vote – Requires a majority to appoint.)

8. Update on Palmdale Regional Water Augmentation Project

Oral Presentation only

9. DIRECTOR REQUESTS FOR NEW AGENDA ITEMS:

10. INFORMATIONAL REPORT OF THE BOARD OF DIRECTORS, EXECUTIVE DIRECTOR, AND ASSISTANT EXECUTIVE DIRECTOR.

11. ADJOURNMENT to Monday, March 21, 2022, at 6:00 p.m. at the City of Palmdale City Hall Council Chambers located at 38300 Sierra Highway, Suite B, Palmdale, California.

Complete packets can be viewed at City Hall, located at 38300 Sierra Highway, Suite A, Palmdale, California and Palmdale Water District, 2029 East Avenue Q, Palmdale, California. You can also view the Agenda for the Palmdale Recycled Water Authority on the Authority's website at www.palmdalerwa.org.

Thank you for attending your Palmdale Recycled Water Authority meeting. If you have any further questions, please contact the Secretary's Office at (661) 267-5151, Monday through Thursday, 7:30 a.m. to 6:00 p.m., closed every Friday.

PALMDALE RECYCLED WATER AUTHORITY (PRWA)

**MINUTES OCTOBER 18, 2021
PALMDALE RECYCLED WATER AUTHORITY (PRWA)
HELD AT CITY OF PALMDALE
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
6:00 P.M.**

1. CALL TO ORDER

Chair Dino called the meeting to order at 6:00 p.m.

2. PLEDGE OF ALLEGIANCE

**3. ROLL CALL CHAIR VINCENT DINO, DIRECTORS AUSTIN BISHOP,
DON WILSON, JUAN CARRILLO, AND ZAKEYA ANSON**

PRESENT: Directors Dino, Carrillo, Wilson, Anson, and Alternate Director Bettencourt

Alternate Director Bettencourt attended the meeting for Austin Bishop.

All Directors attended in person or telephonically and were able to participate in all matters.

4. PUBLIC COMMENTS

Public Comments: None.

5. CONSENT CALENDAR:

5.1 Approve Minutes from the previous meeting held on June 21, 2021. (Staff Reference: Acting Authority Secretary Faber)

5.2 Approve receipt and filing of the Treasurer's Report for the nine months ending September 30, 2021. (Staff Reference: Treasurer-Auditor Hoffmeyer)

5.3 Approve receipt and filing of the Investment Report for the quarter ending September 30, 2021. (Staff Reference: Treasurer-Auditor Hoffmeyer)

- 5.4 Adopt Resolution No. PRWA 2021-003, a Resolution of the Board of Directors of the Palmdale Recycled Water Authority designating by title and name those officials who are authorized to sign checks and warrants. (Staff Reference: Treasurer-Auditor Hoffmeyer)

Alternate Director Bettencourt pulled this item for discussion. She wanted to know why Director Bishop was being replaced. She wanted to advocate for him since she was attending the meeting in his stead. Acting Authority Secretary Faber stated that the Resolution was to change out former Chair and Vice Chair and replace them with the current Chair and Vice Chair.

Moved by Director Carrillo, seconded by Director Bettencourt.

Vote: (5-0)

Yes: Directors Dino, Carrillo, Wilson, Anson, and Bettencourt

- 5.5 Adopt Resolution No. PRWA 2021-004, a Resolution of the Board of Directors of the Palmdale Recycled Water Authority updating its investment policy. (Staff Reference: Treasurer-Auditor Hoffmeyer)

- 5.6 Ratify Director Anson’s attendance at the WateReuse Conference held September 19-21, 2021. (Staff Reference: Executive Director LaMoreaux)

Acting Authority Secretary made a correction to the date of the meeting minutes to be approved.

Move to approve the recommendations and findings on all items listed under this Consent Calendar with the exception of Item 5.4.

Moved by Director Carrillo, seconded by Director Wilson.

Vote: (5-0)

Yes: Directors Dino, Carrillo, Wilson, Anson, and Bettencourt

6. ACTION ITEM:

- 6.1 Consideration and possible action on Resolution No. PRWA 2021-002, a Resolution of the Board of Directors of the Palmdale Recycled Water Authority authorizing the adoption of the Palmdale Recycled Water Authority 2022 Annual Budget. (Staff Reference: Treasurer-Auditor Hoffmeyer)

Treasurer-Auditor Hoffmeyer presented the proposed 2022 Annual Budget. Mr. Hoffmeyer stated that the major changes for this year will be the suspension of the contributions from City of Palmdale and Palmdale Water

District, that water sales were higher than normal, due to the drought conditions and potable water being shifted over to recycled water for construction purposes. Treasurer-Auditor Hoffmeyer stated that \$50,000 has been budgeted for updating the Master Plan and another \$10,000 for the website when and if we decide to move forward.

Director Carrillo asked if the PRWA Conference budget would allow for any member on the Board to attend conferences. Executive Director LaMoreaux stated that during the formation of the Authority it was agreed that each entity would carry the cost of their respective members as it pertained to training. Director Carrillo asked if that provision could be provided to all the members of the Board. Executive Director LaMoreaux stated that he would provide that section of the Joint Powers Agreement to all Board Members.

Public Comments: None.

Move to Adopt Resolution No. PRWA 2021-002.

Moved by Director Carrillo, seconded by Director Wilson.

Vote: (5-0)

Yes: Directors Dino, Carrillo, Wilson, Anson, and Bettencourt.

7. PRESENTATIONS:

- 7.1 Presentation on the Monterey 1 Water Tour (Staff Reference: Scott Rogers, PWD Engineering Manager)

PWD Engineering Manager Rogers gave a brief overview of the tour that Chair Dino and PWD President Dizmang took while in Monterey attending the California Special Districts Association Annual Conference. Mr. Rogers set up a tour of the Monterey 1 Water to tour their advanced treatment facility in Salinas, CA. Monterey staff gave an overview of the project itself. This \$140 million project is similar to what we would like to do in Palmdale. Toured the learning center where they had a pilot where they showed the MF Filter RO filter advanced oxidation system and UV system. We had a great discussion with District Staff and General Manager regarding the project, lessons learned, and anything that they would recommend as part of our project.

- 7.2 Status updated on the advanced water treatment project. (Staff Reference: Scott Rogers, PWD Engineering Manager)

PWD Engineering Manager Rogers provided the Board with an update on the Advanced Water Treatment plant. Currently he is working on an RFP for Palmdale Water District to hire a Program Manager for the project. The

Program Manager will handle the initial work for the design, groundwater modeling, testing, and coming up with the requirements for the pilot as well as the demonstration facility. After that they will work on the initial design up to 30% and then they will hand off to a design build team. The Program Manager is also going to look at alternative delivery methods.

Director Carrillo asked if we are still waiting to get the plans for the booster stations and if the advanced water treatment project is tied to us getting those plans from LA County or is it a separate project. Executive Director LaMoreaux stated that there is no connection with those plans and the advanced water treatment.

7.3 Discussion of status of the 2015 PRWA Recycled Water Master Facilities Plan and potentially performing an update of the Plan. (Staff Reference: Executive Director LaMoreaux)

Executive Director LaMoreaux spoke regarding this item. There was a discussion earlier in the year regarding the Phase 2 project. Staff's recommendation was to suspend work on the project due to funding concerns. We had grants secured in the amount of \$900,000 and it didn't seem logical to proceed with the project. This project will require the booster station plans from the County. Another reason we suspended the project was the change in the direction from blended recharge project to advanced water treatment. One of the advantages is if the City of Palmdale were to participate in the cost of the project, we would be able to drought proof city facilities within PWD boundaries without the need for purple pipe.

Executive Director LaMoreaux requested the Board's permission to work on a draft Request for Proposal to have the Master Plan updated. Director Carrillo asked about the cost difference and how much staff time/cost would be involved. Executive Director LaMoreaux stated that Advanced Water Treatment would cost \$87M-\$100M and provide us with 5,000 ac-ft as compared to the 2,000 ac-ft using purple pipe. Assistant Executive Director Heffernan stated that the draft RFP would take about 6 hours or so of his time.

Executive Director LaMoreaux explained the water treatment process and its uses. Mr. Heffernan stated that the city would be able to bank water in the aquifer and that water would be outside of the State's jurisdiction should restrictions be issued.

Director Carrillo asked if the city would be charged for the water. Mr. LaMoreaux stated that it would depend on the city's financial participation in the project.

Director Wilson asked about the separate systems required for schools/parks. Executive Director LaMoreaux stated that the facilities would have to be replumbed in order to use the recycled water, and that the cost would be beyond the scope of the Master Plan.

Director Anson asked what the plans were for public buy-in. PWD Engineering Manager Rogers stated that part of the RFP would include a learning center similar to the one in Monterey. The pilot would be turned into a learning center to engage the community and get them onboard.

Authority Counsel Beck stated that the item was listed on the agenda as a presentation. This is a representation of how staff would like to proceed. The Board had no objections.

8. DIRECTOR REQUESTS FOR NEW AGENDA ITEMS:

Director Carrillo asked if they could bring back an update on the Littlerock Dam. Executive Director LaMoreaux stated that the dam was closed until April 2022. In the meantime, PWD is working with regulatory agencies to obtain the necessary permits. He also stated that 19,000 cubic yards of sediment was taken to a local quarry.

9. INFORMATIONAL REPORT OF THE BOARD OF DIRECTORS, EXECUTIVE DIRECTOR, AND ASSISTANT EXECUTIVE DIRECTOR.

Director Anson spoke about the WateReuse conference she attended in September.

10. ADJOURNMENT.

Director Dino adjourned the meeting to Tuesday, January 18, 2022, at 6:00 p.m. at the City of Palmdale City Hall Council Chambers located at 38300 Sierra Highway, Suite B, Palmdale, California.

Chair

ATTEST:

Roxanne Faber
Acting Authority Secretary

PALMDALE RECYCLED WATER AUTHORITY BOARD MEMORANDUM

DATE: January 11, 2022 **January 18, 2022**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Dennis J. Hoffmeyer, Treasurer-Auditor, PRWA
VIA: Mr. Dennis LaMoreaux, Executive Director, PRWA

RE: AGENDA ITEM NO 6.2 – TREASURER’S REPORT FOR NOVEMBER 2021

Recommendation:

Palmdale Recycled Water Authority (PRWA) staff recommends the Board of Directors to receive and file the Treasurer’s Report for the eleven months ending November 30, 2021.

Background:

To comply with provisions required by Section 4.13 of the Joint Powers of Authority Agreement and responsibilities of Treasurer, a Financial Report is prepared and submitted to the Board of Directors who certifies the availability of funds for the reports presented. These reports are hereby submitted to the Board of Directors for ratification.

Financial Impact:

As of November 30, 2021, the PRWA has \$2,808,206.09 in cash and investments. PRWA had interest and market adjustment of \$70.45, received \$14,766.75 in receivables, and there were \$52.65 in expenses and fees paid for the month.

Supporting Documents:

Treasurer’s Report for month ending November 30, 2021.
Balance Sheet for period ending November 30, 2021.
Income Statement for period ending November 30, 2021.

**Palmdale Recycled Water Authority
Treasurer's Report
Month Ended November 30, 2021**

Cash/Funds Available and held at Bank of America, Citizens Business Bank, & UBS Financial Svcs:

Bank Balance, beginning November 1, 2021	2,793,460.69
Less: Expenses Paid	(91.80)
Less: Bank Fees Paid (Analysis Fees & Credit Card Processing)	-
Add: Deposits Made	14,766.75
Add: Interest Earned & Market Adjustment on Investments	70.45
Add: Deposit in Transit	-
Less: Outstanding Check (Ledger Tie-Out)	-
	-
Bank Balance, ending November 30, 2021	2,808,206.09
Less: Accounts Payable	-
Less: Accrued Purchases	-
Less: Accrued Payroll Taxes	91.80
Less: Deposits - Customer	(14,000.00)
Add: Accounts Receivable	(8,975.40)
Add: Interest Receivable	-
Adjusted Bank Balance, ending November 30, 2021	2,785,322.49

Outstanding Checks (Prior Month(s)):

November Checks Issued:

Total Checks Issued

-

Palmdale Recycled Water Authority
Balance Sheet
For the Eleven Months Ending 11/30/2021

	YTD
ASSETS	
UBS- Investment Funds	\$2,242,482
Bank of America - Checking	\$40,832
Citizens Business Bank - Checking	\$524,892
Prepaid Memberships	
Prepaid Insurance	2,518
Accounts Receivable	
- Water	(8,975)
- Government Agency	
Interest Receivable	
Property, Plant and Equipment, net	1,646,718
Total Assets	\$4,448,467
 LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts Payable	
Accrued Expense	(92)
Deposits - Customer	14,000
Total Liabilities	13,908
FUND BALANCE	
Unassigned	4,434,559
Total Fund Balance	4,434,559
 Total Liabilities and Fund Balance	 \$4,448,467

**Palmdale Recycled Water Authority
Income Statement - Current and YTD
For the Eleven Months Ending 11/30/2021**

	November	YTD
REVENUES:		
Contributions - Palmdale Water District		
Contributions - City of Palmdale		
Grant Funds		
Water Sales	15,021.96	127,302.17
Interest Earnings	1,552.86	21,164.14
Market Adjustment on Investments	(1,482.41)	(20,304.09)
Total Revenue	\$15,092.41	\$128,162.22
EXPEDITURES:		
General Government		
Public Representative - Payroll Tax Expense (Employer)		68.85
Public Representative - Travel & Meeting		900.00
Banking Fees		689.77
Provision for Bad Debt		
Insurance	629.58	6,741.86
Memberships		8,144.50
Operating Supplies		120.45
Marketing & Outreach		6,405.00
Travel & Meeting		
Permits & Fees		
Utilities - Purchased Water		11,034.17
Materials & Supplies		
Maint. & Repair - Water System		
	\$629.58	\$34,104.60
Public Resource		
Contracted Services - Professional Svcs		5,137.50
Contracted Services - Audit		8,500.00
		13,637.50
	\$629.58	\$47,742.10
Non-Cash Operating Expense		
Depreciation	4,450.59	48,956.49
Non-Operating Revenue		
Capital Contribution		
	(\$4,450.59)	(\$48,956.49)
Change in Net Position	\$10,012.24	\$31,463.63
Net Position - Beginning of Year		4,403,095.35
Net Position - End of Year	\$10,012.24	\$4,434,558.98

PALMDALE RECYCLED WATER AUTHORITY BOARD MEMORANDUM

DATE: January 11, 2022 **January 18, 2022**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Dennis J. Hoffmeyer, Treasurer-Auditor, PRWA
VIA: Mr. Dennis LaMoreaux, Executive Director, PRWA

**RE: AGENDA ITEM NO 6.3 – INVESTMENT REPORT FOR QUARTER ENDING
DECEMBER 31, 2021**

Recommendation:

Palmdale Recycled Water Authority (PRWA) staff recommends to the Board of Directors to receive and file the Investment Report for the quarter ending December 31, 2021.

Background:

To comply with provisions of California Government Code 53646, the attached investment report includes a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed for the Authority by third party contracted managers. The report is hereby submitted to the Board of Directors for ratification.

Financial Impact:

As of December 31, 2021, the PRWA has \$319,527.34 in cash, \$1,171,088.80 in U.S. Treasury Bill/Note and \$745,749.50 in Certificates of Deposits with UBS Investment Services with accrued interest in the amount of \$5,884.86.

Supporting Documents:

Investment Report for quarter ending December 31, 2021.

PALMDALE RECYCLED WATER AUTHORITY

December 31, 2021

INVESTMENTS

December 2021

UBS Money Market Account (SS 30999)

Cash **\$319,527.34**

US Government Securities

CUSIP #		Issuer	Maturity Date	Rate	PAR	Market Value
912796L98	1	US Treasury Bill	03/03/2022	0.000	500,000	499,960.00
912828J76	2	US Treasury Note	03/31/2022	1.750	300,000	301,188.00
912828ZR4	3	US Treasury Note	05/31/2022	0.125	370,000	369,940.80
					1,170,000	1,171,088.80

Certificates of Deposit

CUSIP #		Issuer	Maturity Date	Rate	Face Value	
61690UED8	1	Morgan Stanley	02/14/2022	2.850	150,000	150,487.50
140420Y53	2	Capital One Bank	03/01/2022	2.300	250,000	250,852.50
81500JBE2	3	Security State Bank TX	03/31/2022	0.050	93,000	92,953.50
88224PMJ5	4	Texas Capital Bank TX	09/06/2022	0.200	150,000	149,910.00
02007GMN0	5	Ally Bank Sandy UT	01/17/2023	1.850	100,000	101,546.00
					743,000	\$745,749.50

Acct. Total **\$2,236,365.64**

Accrued interest \$5,884.86

TOTAL CASH AND INVESTMENTS **\$2,242,250.50**