

PALMDALE RECYCLED WATER AUTHORITY (PRWA)
HELD AT CITY OF PALMDALE
CITY HALL COUNCIL CHAMBERS
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
REGULAR MEETING
MONDAY
OCTOBER 17, 2022
6:00 P.M.

www.palmdalerwa.org

WELCOME

The Council Chamber is open for in-person public comment and seating. Board Members may choose to participate via conference call.

1) VERBAL PUBLIC COMMENT DURING THE MEETING –

ZOOM Number: US: + 1 720 707 2699

Webinar ID: 832 5508 8524

Passcode: 449984

Webinar attendee link

<https://us06web.zoom.us/j/83255088524?pwd=L1BOazZRTlppNzBYQjdLcFZDLys5QT09>

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.

In general, a **three-minute time limit** will be imposed on all speakers other than staff members, although the chair has the authority to change the amount of time allotted.

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: In general, a three-minute limit is imposed on each speaker, although the chair has the authority to change the amount of time allotted.

5. 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.

5.1 Approve the Minutes from the previous meeting held on July 18, 2022.
(Staff Reference: Acting Authority Secretary Faber)

5.2 Approve receipt and filing of the Treasurer's Report for the nine months ending September 30, 2022. (Staff Reference: Treasurer-Auditor Hoffmeyer)

- 5.3 Approve receipt and filing of the Investment Report for the quarter ending September 30, 2022. (Staff Reference: Treasurer-Auditor Hoffmeyer)
- 5.4 Adopt Resolution No. PRWA 2022-002, a Resolution of the Board of Directors of the Palmdale Recycled Water Authority updating its investment policy. (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.)

6. ACTION ITEM(S):

- 6.1 Consideration and possible action on Resolution No. PRWA 2022-001, a Resolution of the Board of Directors of the Palmdale Recycled Water Authority authorizing the adoption of the Palmdale Recycled Water Authority 2023 Annual Budget. (Staff Reference: Treasurer-Auditor Hoffmeyer)

Call for Public Comments

Staff Recommendation: Move to Adopt Resolution No. PRWA 2022-001. (**Vote by Roll Call** – requires a majority to adopt and/or approve and per Section 4.9(e) of the Authority’s Joint Exercise of Powers Agreement, the affirmative vote of at least one director from each member agency.)

7. SPECIAL REPORT(S):

- 7.1 Update on the Pure Water Antelope Valley Project (formerly Palmdale Regional Water Augmentation Project). (PWD Engineering Manager Scott Rogers)

8. DIRECTOR REQUESTS FOR NEW AGENDA ITEMS:

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

10. **ADJOURNMENT** to Tuesday, January 17, 2023, 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
BOARD MEMORANDUM**

DATE: October 10, 2022 **October 17, 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 5.2 – TREASURER’S REPORT FOR SEPTEMBER 2022

Recommendation:

Palmdale Recycled Water Authority (PRWA) staff recommends the Board of Directors to receive and file the Treasurer’s Report for the nine months ending September 30, 2022.

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 September 30, 2022, the PRWA has \$2,850,720.41 in cash and investments. PRWA had interest and market adjustment of \$189.45, received \$56,495.08 in receivables, and there were \$(3,691.38) in expenses and fees paid for the month.

Supporting Documents:

Treasurer’s Report for the month ending September 30, 2022.
Balance Sheet for the period ending September 30, 2022.
Income Statement for the period ending September 30, 2022.

Palmdale Recycled Water Authority
Treasurer's Report
Month Ended September 30, 2022

Cash/Funds Available and held at Bank of America, Citizens Business Bank, & UBS Financial Svcs:	
Bank Balance, beginning September 1, 2022	2,797,779.91
Less: Expenses Paid	-
Less: Bank Fees Paid (Analysis Fees & Credit Card Processing)	(52.65)
Add: Deposits Made	56,495.08
Add: Interest Earned & Market Adjustment on Investments	189.45
Add: Deposit in Transit	-
Less: Outstanding Check (Ledger Tie-Out)	(3,691.38)
Bank Balance, ending September 30, 2022	2,850,720.41
Less: Accounts Payable	-
Less: Accrued Purchases	-
Less: Accrued Payroll Taxes	-
Less: Deposits - Customer	(14,000.00)
Add: Accounts Receivable	(40,739.23)
Add: Interest Receivable	-
Adjusted Bank Balance, ending September 30, 2022	2,795,981.18

Outstanding Checks (Prior Month(s)):

September Checks Issued:

Deposit Refund - Pilot Travel Centers	3,691.38
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Total Checks Issued	<u><u>3,691.38</u></u>
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**Palmdale Recycled Water Authority
Balance Sheet
For the Nine Months Ending 9/30/2022**

	YTD
ASSETS	
UBS- Investment Funds	\$2,233,125
Bank of America - Checking	\$40,880
Citizens Business Bank - Checking	\$576,716
Prepaid Memberships	
Prepaid Insurance	3,923
Accounts Receivable	
- Water	(40,739)
- Government Agency	
Interest Receivable	
Property, Plant and Equipment, net	1,602,212
Total Assets	\$4,416,116

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts Payable
Accrued Expense

Deposits - Customer

Total Liabilities

14,000

14,000

FUND BALANCE

Unassigned

Total Fund Balance

4,402,116

4,402,116

Total Liabilities and Fund Balance

\$4,416,116

**Palmdale Recycled Water Authority
Income Statement - Current and YTD
For the Nine Months Ending 9/30/2022**

	September	YTD
REVENUES:		
Contributions - Palmdale Water District		
Contributions - City of Palmdale		
Grant Funds		
Water Sales	7,746.37	68,260.04
Interest Earnings	1,886.20	14,017.89
Market Adjustment on Investments	(1,696.75)	(23,077.95)
Total Revenue	\$7,935.82	\$59,199.98
EXPEDITURES:		
General Government		
Public Representative - Payroll Tax Expense (Employer)		34.43
Public Representative - Travel & Meeting		450.00
Banking Fees	52.65	702.86
Provision for Bad Debt		
Insurance	653.83	5,811.76
Memberships		4,042.50
Operating Supplies		
Marketing & Outreach		
Travel & Meeting		
Permits & Fees		
Utilities - Purchased Water		2,450.73
Materials & Supplies		
Maint. & Repair - Water System		
	\$706.48	\$13,492.28
Public Resource		
Contracted Services - Professional Svcs		
Contracted Services - Audit		8,500.00
		8,500.00
	\$706.48	\$21,992.28
Non-Cash Operating Expense		
Depreciation	4,450.59	40,055.31
Non-Operating Revenue		
Capital Contribution		
	(\$4,450.59)	(\$40,055.31)
Change in Net Position	\$2,778.75	(\$2,847.61)
Net Position - Beginning of Year		4,404,964.04

Palmdale Recycled Water Authority
Income Statement - Current and YTD
For the Nine Months Ending 9/30/2022

	<u>September</u>	<u>YTD</u>
Net Position - End of Year	<u>\$2,778.75</u>	<u>\$4,402,116.43</u>

**PALMDALE RECYCLED
WATER AUTHORITY
BOARD MEMORANDUM**

DATE: October 10, 2022 October 17, 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 5.3 – INVESTMENT REPORT FOR QUARTER ENDING
SEPTEMBER 30, 2022**

Recommendation:

Palmdale Recycled Water Authority (PRWA) staff recommends to the Board of Directors to receive and file the Investment Report for the quarter ending September 30, 2022.

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 September 30, 2022, the PRWA has \$164,177.90 in cash, \$1,270,653.55 in U.S. Treasury Bill/Note and \$792,714.50 in Certificates of Deposits with UBS Investment Services with accrued interest in the amount of \$5,578.59.

Supporting Documents:

Investment Report for quarter ending September 30, 2022.

PALMDALE RECYCLED WATER AUTHORITY
INVESTMENT REPORT
September 30, 2022

UBS Money Market Account (SS 30999)

Cash	\$164,177.90
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US Government Securities

	CUSIP #	Issuer	Maturity Date	Rate	Face Value	Market Value
1	912796T33	US Treasury Bill	02/23/2023	0.000	500,000	493,000.00
2	9128283C2	US Treasury Note	10/31/2022	2.000	115,000	114,929.85
3	9128284A5	US Treasury Note	02/28/2023	2.625	300,000	298,677.00
4	912828R69	US Treasury Note	05/31/2023	1.625	370,000	364,046.70
					1,285,000	\$1,270,653.55

Certificates of Deposit

	CUSIP #	Issuer	Maturity Date	Rate	Face Value	Market Value
1	90275DNB2	UBS AG Stamford CT	12/02/2022	0.455	250,000	248,845.00
2	02007GMN0	Ally Bank Sandy UT	01/17/2023	1.850	100,000	99,527.00
3	910286EP4	United Fidelity Bank IN	02/28/2023	0.700	200,000	197,550.00
4	06740KNZ6	Barclays Bank DE	03/09/2023	0.850	250,000	246,792.50
					800,000	\$792,714.50

	Acct. Total
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	\$2,227,545.95
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Accrued interest

	\$5,578.59
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TOTAL CASH AND INVESTMENTS

	\$2,233,124.54
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**PALMDALE RECYCLED
WATER AUTHORITY
BOARD MEMORANDUM**

DATE: October 10, 2022 **October 17, 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 5.4 – RESOLUTION NO. PRWA 2022-002 BEING A
RESOLUTION OF THE PALMDALE RECYCLED WATER AUTHORITY
ESTABLISHING ITS INVESTMENT POLICY FOR CALENDAR YEAR 2023**

Recommendation:

Palmdale Recycled Water Authority (PRWA) staff recommends the Board of Directors approve Resolution No. PRWA 2022-002 establishing its Investment Policy for calendar year 2023.

Background:

It is required by law for the Authority to adopt an annual Investment Policy. The Policy is to invest funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of District funds with the primary objectives of the investment activities being safety, liquidity, and return on investments.

Financial Impact:

None

Supporting Documents:

Resolution No. PRWA 2022-002

**PALMDALE RECYCLED WATER AUTHORITY
RESOLUTION NO. PRWA 2022-002**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE PALMDALE RECYCLED WATER AUTHORITY
UPDATING ITS INVESTMENT POLICY**

1.0 POLICY

WHEREAS; ; the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern; and

WHEREAS; the legislative body of a local agency may invest monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 5922 and 53601 et seq.; and

WHEREAS; the Treasurer/Auditor of the Palmdale Recycled Water Authority (“Authority”) shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, and report same to the be considered by the Board of Directors at a public meeting;

NOW THEREFORE; it shall be the policy of the Authority to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Authority and conforming to all statutes governing the investment of Authority funds.

2.0 SCOPE

This investment policy applies to all investment activities and financial assets of the Authority. These funds are accounted for in the annual authority audit.

3.0 PRUDENCE

The standard of prudence to be used by investment officers shall be the "prudent investor" standard, pursuant to California Government Code 53600.3, and shall be applied in the context of managing an overall portfolio. Persons authorized to make investment decisions on behalf of local agencies investing public funds are trustees and therefore fiduciaries subject to the prudent investor standard. Investments shall be made with judgment and care, under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Authority, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 OBJECTIVES

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the Authority shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the Authority will diversify its investments by investing funds among a variety of securities with independent returns.
2. Liquidity: The investment portfolio will remain sufficiently liquid to enable the Authority to meet all operating requirements which might be reasonably anticipated.
3. Return on Investments: The investment portfolio shall be designed with the objective of attaining a acceptable rate of return throughout budgetary and economic cycles, taking into account the Authority's investment risk constraints and the cash flow characteristics of the portfolio.

5.0 DELEGATION OF AUTHORITY

Pursuant to California Government Code 53607, the authority to invest public funds of the Authority is expressly delegated to the Board of Directors of the Authority. The Board re-delegates the investment function to the Board Chairman or Vice Chairman and the Treasurer/Auditor.

The investment of the Authority's monies is annually delegated by the Board of Directors to the Board Chairman or Vice Chairman and Treasurer/Auditor who shall thereafter assume full responsibility for those transactions until the delegation is revoked or expires. The Board Chairman or Vice Chairman shall delegate the day-to-day operations of investing to the Treasurer/Auditor, but not the responsibility for the overall investment program. All transactions will be reviewed by the Board of Directors on a monthly basis to assure compliance with the Investment Policy. (California Government Code Section 53607.)

6.0 ETHICS AND CONFLICTS OF INTEREST

The Board, officers and employees of the Authority involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or which could impair their ability to make impartial investment decisions.

7.0 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Treasurer/Auditor will maintain a list of financial institutions, selected on the basis of credit worthiness, financial strength, experience and minimal capitalization authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment and financial advisory services

in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.

For brokers/dealers of government securities and other investments, the Authority shall select only broker/dealers who are licensed and in good standing with the California Department of Business Oversight, the Securities and Exchange Commission, the Financial Industry Regulatory Authority or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the Treasurer/Auditor shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for the Authority's account with that firm has reviewed the Authority's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the Authority that are appropriate under the terms and conditions of this Investment Policy.

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

The Authority is empowered by California Government Code 53601 et seq. to invest in the following:

- a. Bonds issued by the Authority.
- b. United States Treasury Bills, Notes and Bonds.
- c. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by, or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- d. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 45% of the Authority's money which may be invested pursuant to this policy.
- e. Monies held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

- f. Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California, including pooled investment accounts sponsored by the State of California, County Treasurers, other local agencies or Joint Powers Agencies.

Such investments shall be limited to securities that at the time of the investment have a term remaining to maturity of five years or less, or as provided above.

The Authority shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero interest accrual if held to maturity.

9.0 COLLATERALIZATION

All certificates of deposit must be collateralized by United States Treasury Obligations. Collateral must be held by a third party trustee and valued on a monthly basis. The percentage of collateralizations on repurchase and reverse agreements will adhere to the amount required under California Government Code 53601(j)(2).

10.0 SAFEKEEPING AND CUSTODY

All security transactions entered into by the Authority shall be conducted on delivery-versus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the Authority by book entry, physical delivery or by third party custodial agreement evidence by safekeeping receipts.

11.0 DIVERSIFICATION

The Authority will diversify its investments by security type and institution. Assets shall be diversified to mitigate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities.

Diversification strategies shall be reviewed and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:

- a. Portfolio maturity dates shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.
- b. Maturities selected shall provide for stability of income and liquidity.
- c. Disbursement and payroll dates shall be covered through maturities of investments, marketable United States Treasury bills or other cash equivalent instruments such as money market mutual funds.

12.0 REPORTING

The Treasurer/Auditor shall submit to each member of the Board an investment report at least quarterly. Pursuant to California Government Code 53646, the report shall include 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 Authority by third party contracted managers. The report will also include the source of the portfolio valuation. For funds which are placed in LAIF, FDIC-insured accounts and/or in a county investment pool, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy, and (2) the Authority will meet its expenditure obligations for the next six months. The Treasurer/Auditor shall maintain a complete and timely record of all investment transactions.

13.0 INVESTMENT POLICY ADOPTION

This Investment Policy shall be adopted by resolution of the Authority. Moreover, the Policy shall be reviewed on an annual basis, and modifications must be approved by the Board.

PASSED, APPROVED, and ADOPTED this 17th day of October 2022 by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Vincent Dino, Chair

ATTEST:

Roxanne Faber,
Acting Authority Secretary

Approved as to form:

G. Ross Trindle
Authority Counsel

**PALMDALE RECYCLED
WATER AUTHORITY
BOARD MEMORANDUM**

DATE: October 10, 2022 October 17, 2022
TO: BOARD OF DIRECTORS Board Meeting
FROM: Dennis Hoffmeyer, Treasurer-Auditor, PRWA
VIA: Mr. Dennis LaMoreaux, Executive Director, PRWA

**RE: AGENDA ITEM NO 6.1 – CONSIDERATION AND POSSIBLE ACTION ON
RESOLUTION NO. 2022-001 AUTHORIZING THE ADOPTION OF THE PALMDALE
RECYCLED WATER AUTHORITY 2023 ANNUAL BUDGET**

Recommendation:

Palmdale Recycled Water Authority (PRWA) staff recommends approving the 2023 annual budget as presented in the 2023 Budget Document and approve Resolution No. PRWA 2022-001 authorizing the adoption of the Palmdale Recycled Water Authority 2023 Annual Budget.

Background:

A part of the Palmdale Recycled Water Authority’s duties is to create an annual operating budget. The 2023 Budget continues with the removal of the contributions by both agencies as it has been determined that contributions this year are not needed. The budget includes funds necessary to move forward with updating the Recycled Water Facility Master Plan.

Financial Impact:

As set forth in the 2023 Budget Document, the fiscal year is projected to result in \$1,562,059 in unappropriated reserves.

Supporting Documents:

Resolution No. PRWA 2022-001
2023 Budget Document (Exhibit A to Resolution No. PRWA 2022-001)

RESOLUTION NO. PRWA 2022-001

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE RECYCLED WATER AUTHORITY AUTHORIZING THE ADOPTION OF THE PALMDALE RECYCLED WATER AUTHORITY 2023 BUDGET

WHEREAS, The Palmdale Recycled Water Authority has identified the need for a 2023 Budget, and

WHEREAS, The Palmdale Recycled Water Authority Board reviewed the Budget for calendar year 2023, and

WHEREAS, the Palmdale Recycled Water Authority considered the budget as submitted and made all changes and amendments thereto which said Authority, desired to make therein; and

WHEREAS, individual project costs have been proportionately budgeted to the respective project areas based upon the benefit attributable to the targeted project area including improving inadequate public improvements and public facilities, improving and correcting depreciated values; and,

WHEREAS, the Palmdale Recycled Water Authority has heretofore raised sufficient revenues to finance and balance said budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Palmdale Recycled Water Authority:

SECTION 1: The original of the Budget of the Palmdale Recycled Water Authority shall be placed on file in the office of the Authority Clerk and shall be open to public inspection.

SECTION 2: The Palmdale Recycled Water Authority hereby approves all of the adjustments to the calendar year 2023 revenues and expenditures as presented in the calendar year 2023 budget document.

SECTION 3: The Budget of the Palmdale Recycled Water Authority is hereby approved and adopted. In adopting said budget the Authority Board approved the specified amounts for each of the various programs and accounts set forth.

SECTION 4: The Authority Treasurer is hereby authorized and instructed to take all steps necessary to implement this resolution in accordance with the provisions of the budget document.

SECTION 5: Without prior approval of the Authority Board, the Executive Director shall have authority to transfer up to \$25,000 from program to program, except for shifts in appropriations relating to personnel. Any transfer of more than such amount shall be approved by the Authority Board.

SECTION 6: The Authority Treasurer, with the approval of the Executive Director shall approve the Encumbrances and Continuing Appropriations from the Authority's budget for calendar year 2023.

SECTION 7: The Budget for calendar year 2023, as submitted, amended, modified, revised, corrected, adopted, and filed by the Authority shall be the calendar year 2023 Budget for the Palmdale Recycled Water Authority. The Budget is subject to the requirements of Article XIII B of the California Constitution.

SECTION 8: The Clerk of the Authority shall certify to the adoption of this Resolution and enter it into the official records of the Authority.

PASSED, APPROVED and ADOPTED this 17th day of October 2022, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Vincent Dino, Chair

ATTEST:

Roxanne Faber
Acting Authority Secretary

Approved as to form:

G. Ross Trindle,
Authority Counsel

PALMDALE RECYCLE WATER AUTHORITY

Proposed Budget - CY 2023

		CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROPOSED
Acct. #	Revenues:						
1-00-3100-100	Contribution - Palmdale Water District	\$ 300,000	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -
1-00-3100-200	Contribution - City of Palmdale	300,000	300,000	300,000	-	-	-
1-00-3000-000	Revenue - Water Sales	55,806	34,829	40,172	91,404	49,058	75,000
1-00-3050-000	Revenue - Meter Fees	19,579	17,982	16,216	35,873	38,764	35,000
1-00-3075-000	Revenue - Miscellaneous Fees	578	100	605	9,218	620	500
1-00-3150-000	Grants	-	-	-	-	-	-
1-00-3500-000	Interest Earnings	4,543	26,902	11,814	635	863	1,500
	Total Revenue	<u>\$ 680,506</u>	<u>\$ 679,813</u>	<u>\$ 668,807</u>	<u>\$ 137,130</u>	<u>\$ 89,305</u>	<u>\$ 112,000</u>
	Expenses:						
1-00-4000-000	Public Representative - Meetings & Travel	\$ 2,722	\$ 750	\$ 1,559	\$ 2,229	\$ 1,100	\$ 3,000
1-00-4010-000	Payroll Tax Expense (Employer)	57	57	69	69	46	200
1-00-4500-100	Depreciation-General	53,407	53,407	53,407	53,407	53,407	53,407
1-00-5000-000	Banking Fees	939	523	662	731	808	1,000
1-00-5025-000	Provision for Bad Debt	-	-	-	-	-	500
1-00-5100-000	Insurance	1,789	6,703	6,457	7,371	7,773	8,000
1-00-5200-000	Memberships	2,996	3,130	4,102	4,102	4,102	4,100
1-00-5300-000	Marketing & Outreach	-	-	10,096	6,405	-	5,000
1-00-5500-000	Travel & Meetings	-	-	-	-	-	1,500
1-00-5600-000	Permits & Fees	-	-	-	-	-	5,000
1-00-6000-000	Purchased Water	16,631	16,963	19,481	31,293	20,000	17,500
1-00-6500-000	Materials & Supplies	7,928	-	394	13,689	1,500	10,000
1-00-6600-000	Maint. & Rep. - Water System	-	-	13,814	2,328	9,758	10,000
1-00-8000-150	Contract Services - Professional Services	-	1,382	63,614	5,138	-	30,000
1-00-8000-200	Contract Services - Financial Audit	10,225	8,000	8,500	8,500	8,500	8,500
	Total Expenses	<u>\$ 96,694</u>	<u>\$ 90,915</u>	<u>\$ 182,155</u>	<u>\$ 135,261</u>	<u>\$ 106,995</u>	<u>\$ 157,707</u>
						<u>\$ (17,690)</u>	<u>\$ (45,707)</u>
	Net Income/(Expense):						
	Change in Net Position at December 31	<u>\$ 549,906</u>	<u>\$ 1,138,804</u>	<u>\$ 1,625,456</u>	<u>\$ 1,627,325</u>	<u>\$ 1,607,766</u>	<u>\$ 1,562,059</u>

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Palmdale Regional Water Augmentation

Project Update



New Project Name and Logo



- PWD staff held meetings with outreach consultant to develop program name
- Selected name
- Outreach consultant prepared logo options to represent the area and project
- Name recognition from other similar projects
- Approved by PWD Board

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PURE WATER

ANTELOPE VALLEY
A Palmdale Water Project

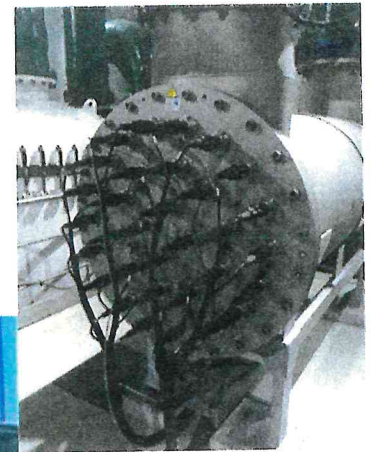
Project Update



Pure Water Antelope Valley (AV) Status

PLANNING, OUTREACH, AND DEMONSTRATION FACILITY

- Hired Consultant through RFP Process (February 2022)
- Program Kick off (April 2022)
- Planning (May 2022 – December 2023)
- Outreach (Name and Logo, August 2022)
- Funding (Identification and Strategy, June 2022)
- Demonstration Facility Siting and Layout (Today)

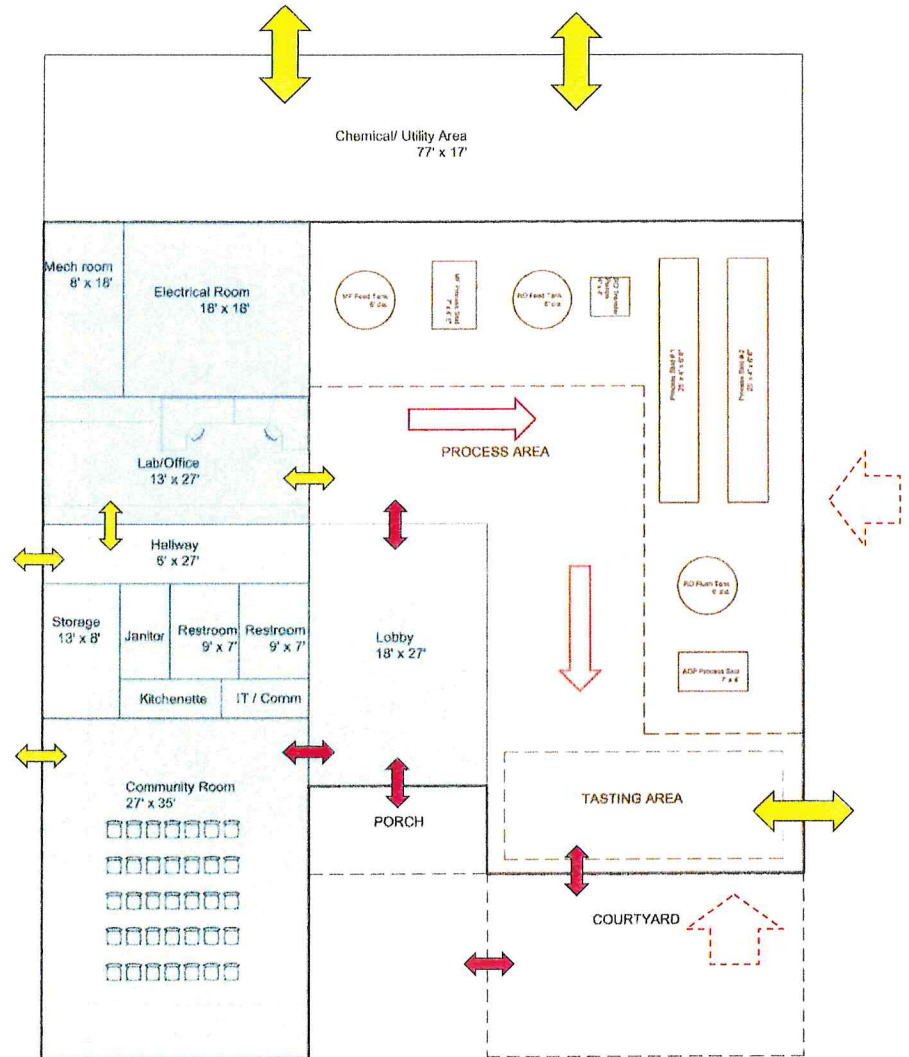


Layout Building

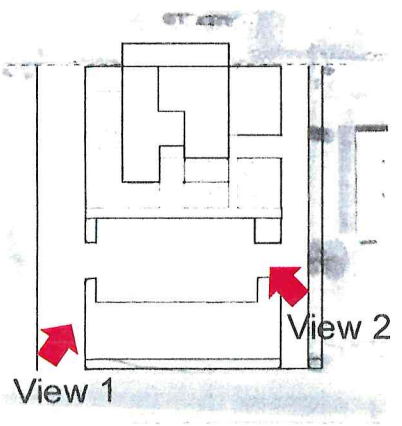
7,450 SF \ 5,490 SF INDOOR

- Central Lobby Connects all Spaces
- L-shaped Process Space and Tour Path with Tasting Area
- Views Into Process Space from Lobby and Lab/Office
- Partial Views into Process Space from Exterior Windows
- Secure Chemical Storage behind Existing Fence
- Fenced Courtyard Connected to Tasting Area

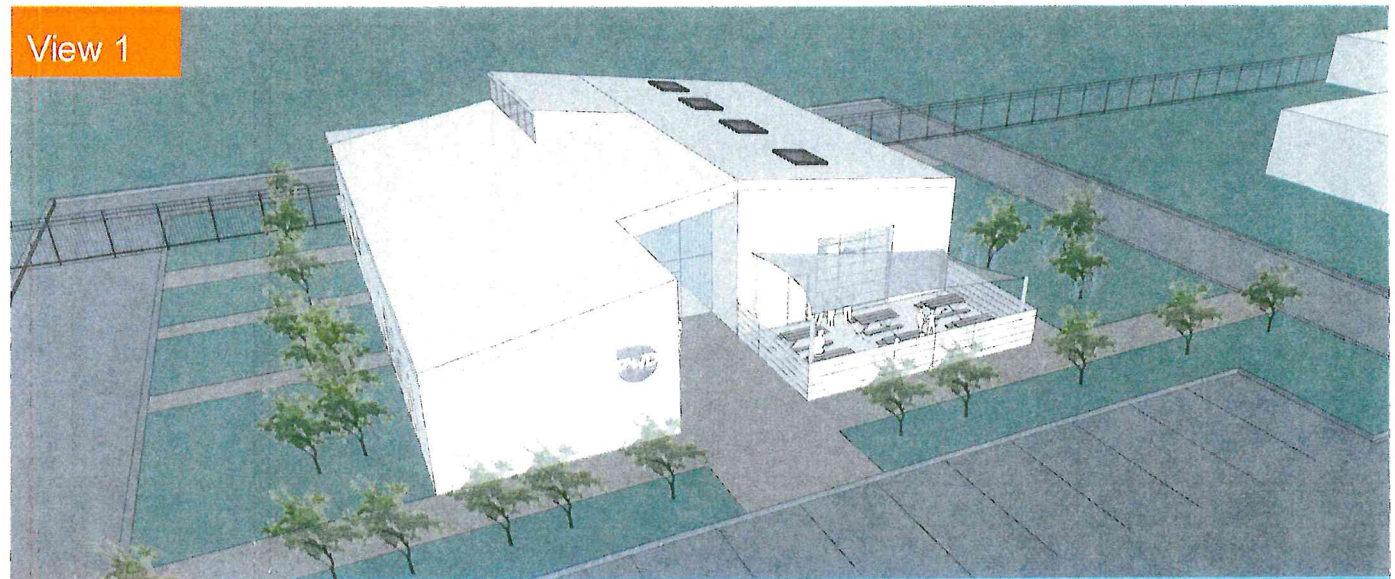
↔ Visitor Access
 ↔ Staff Access



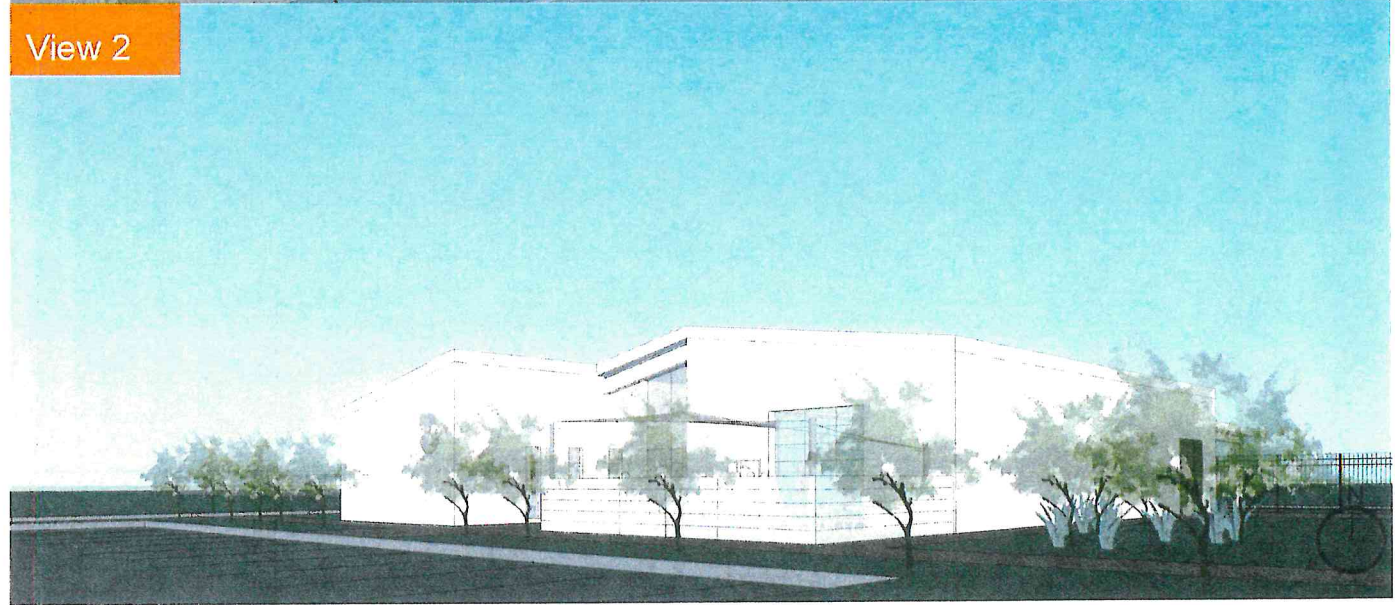
Building Conceptual View



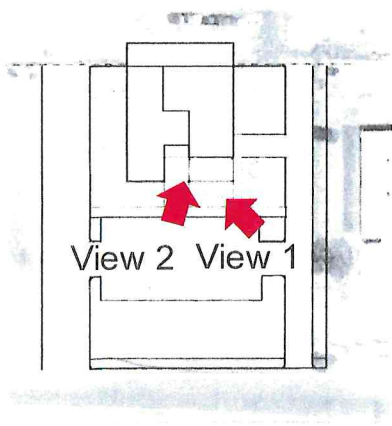
View 1



View 2



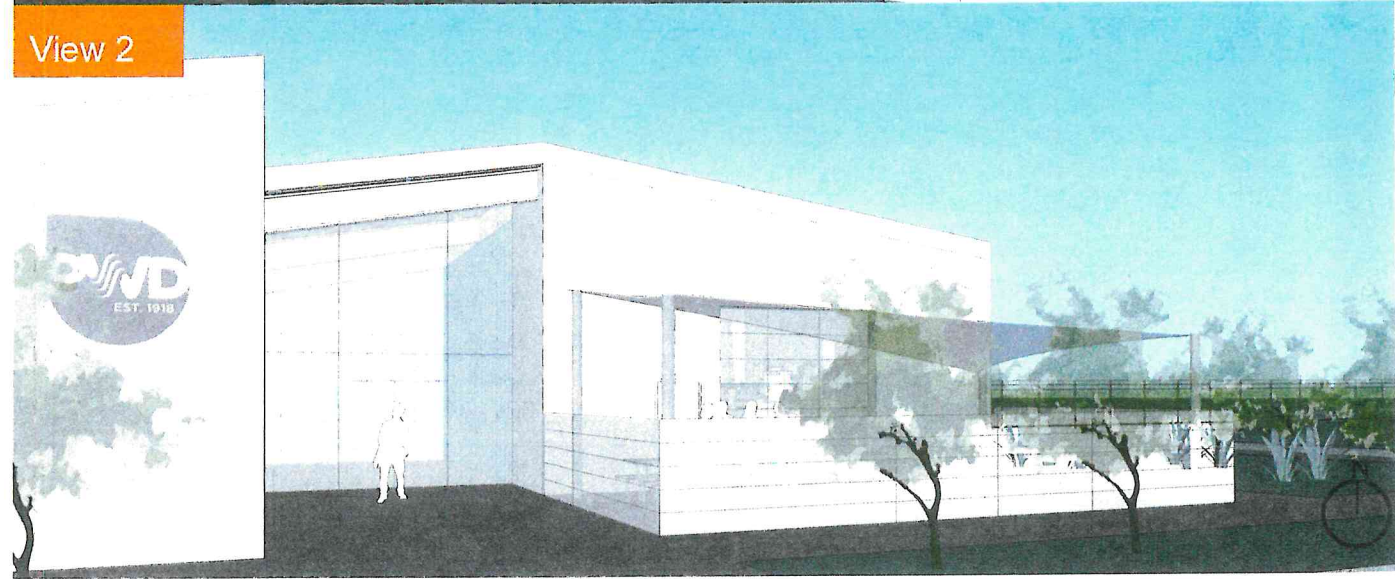
Building Conceptual Exteriors



View 1



View 2





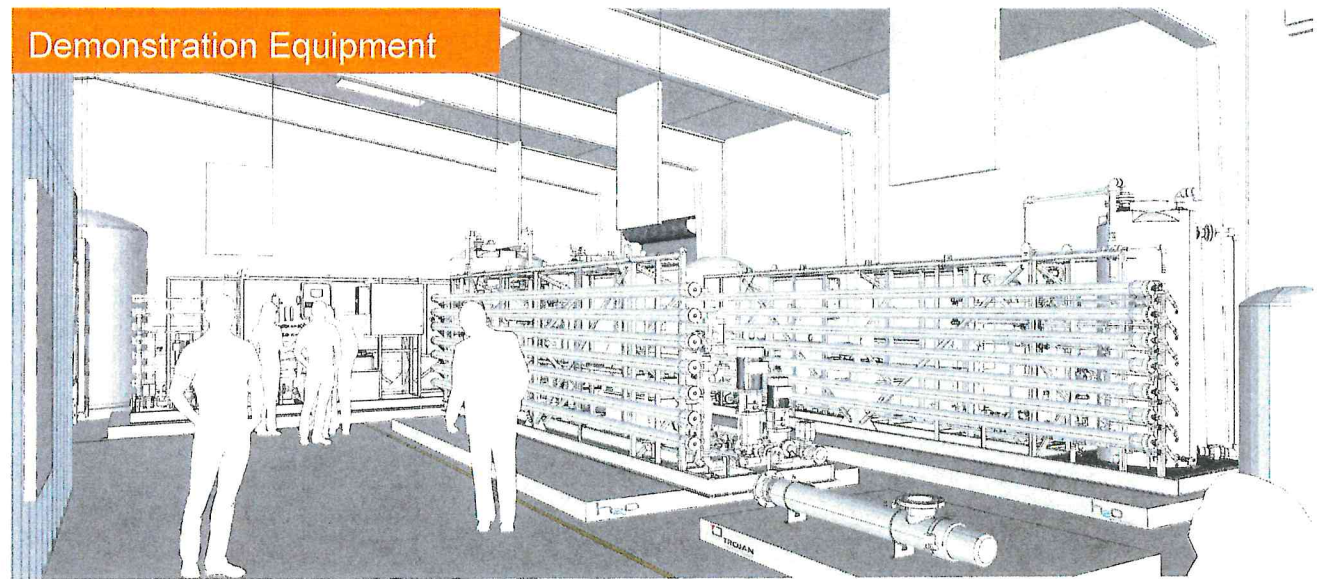
T



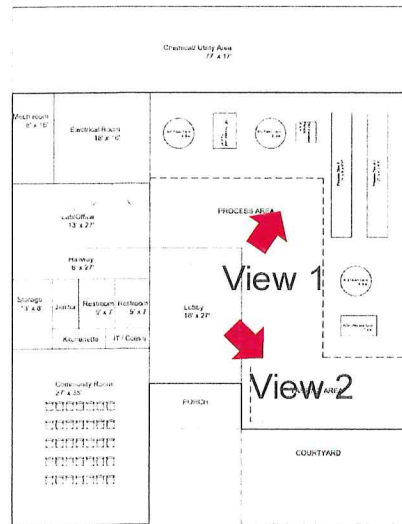
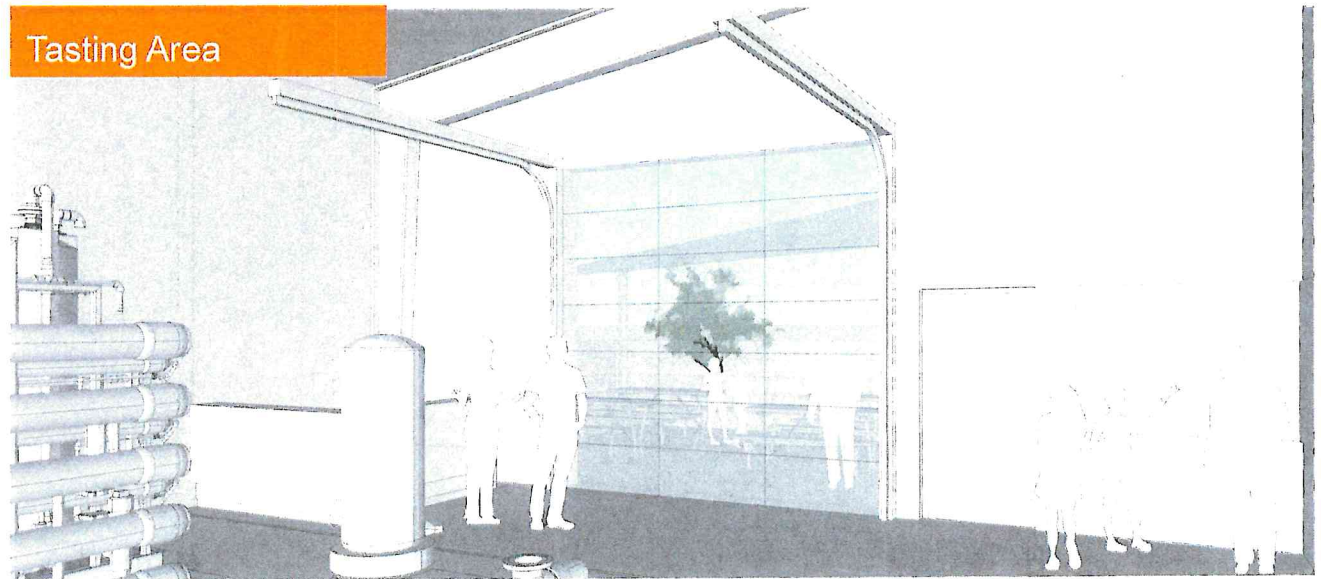
9

Interior Views

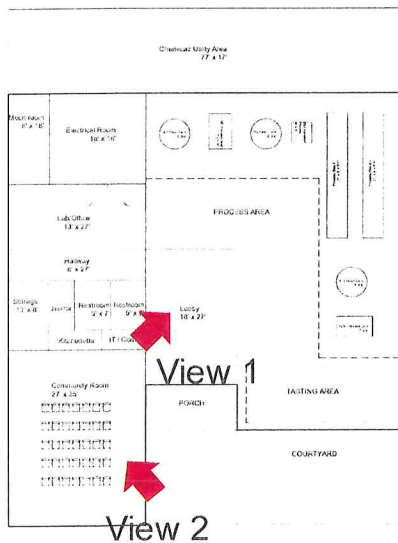
Demonstration Equipment



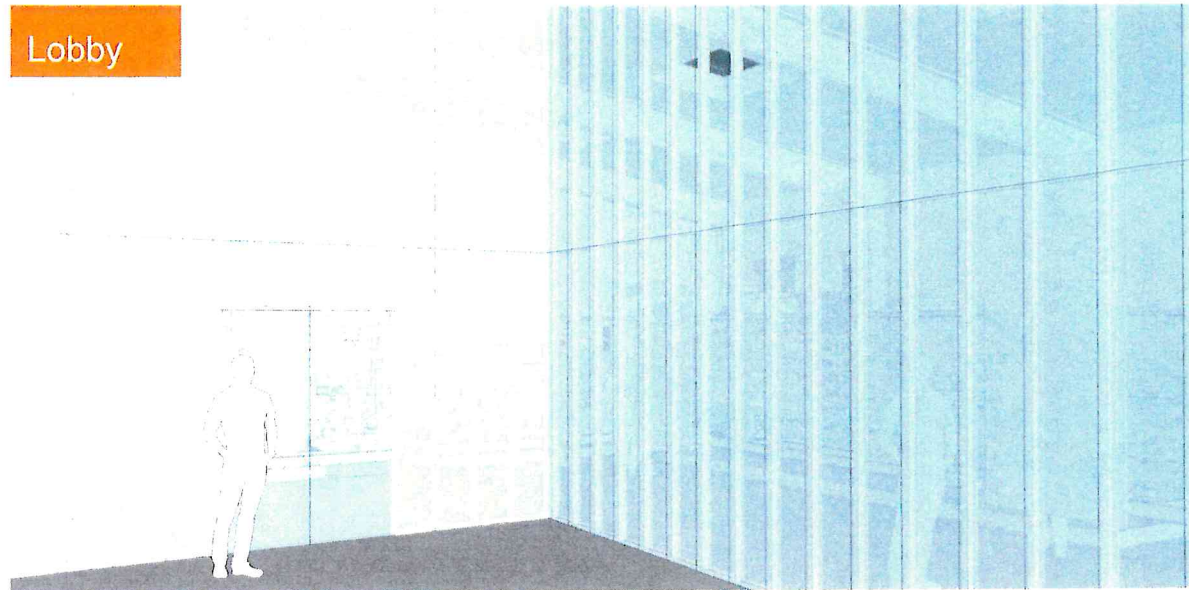
Tasting Area



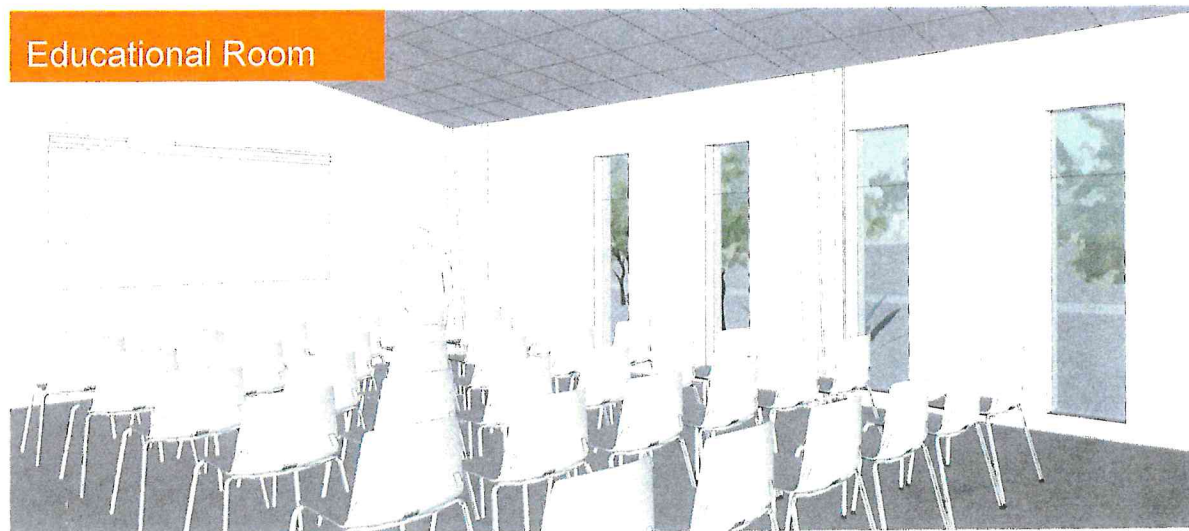
Interior Views



Lobby



Educational Room





T

PURE WATER ANTILOPE VALLEY



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Questions?

