PALMDALE RECYCLED WATER AUTHORITY (PRWA)
HELD AT CITY OF PALMDALE
CITY HALL COUNCIL CHAMBERS
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
REGULAR MEETING AGENDA NO. 39
MARCH 19, 2018
7:00 P.M.
www.cityofpalmdale.org
www.palmdalewater.org.

WELCOME

NOTE: Materials related to an item on this Agenda submitted to the Palmdale Recycled Water Authority Board of Directors, or after distribution of the agenda packet, are available for public inspection at the City of Palmdale City Hall, located at 38300 Sierra Highway, Suite A, Palmdale, California, and at the Palmdale Water District, 2029 East Avenue Q, Palmdale, California during normal business hours and will also be available at the meeting. Those items provided by others at the meeting will be available at City Hall during normal business hours.

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

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Palmdale Water District at least 48 hours prior to the meeting.

Your courtesy is requested to help our meeting run smoothly. If you'll 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 AUSTIN BISHOP AND DIRECTORS KATHY MAC LAREN, VINCENT DINO, JUAN CARRILLO, AND HELEN VELADOR**

4. **APPOINTMENT:**

4.1 Approve the appointment of Chuck Heffernan as Assistant Executive Director. (Staff Reference: Executive Director LaMoreaux)

There is no staff report for this item.

Call for Public Comments

Staff Recommendation: Move to approve the appointment of Chuck Heffernan as Assistant Executive Director. (Voice Vote- Requires a majority to appoint.)

5. **CONSENT CALENDAR – PUBLIC COMMENTS ONLY:** If you wish to comment on any item(s) listed on the Consent Calendar on this agenda, please come forward to the podium and state the item number(s) and your comments. **PLEASE NOTE: A three-minute time limit** will be imposed on each speaker other than staff members.

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 February 12, 2018. (Staff Reference: Authority Secretary Smith)

6.2 Approve receipt and filing of the Treasurer's Report for the one month ending January 31, 2018. (Staff Reference: Treasurer-Auditor Williams)

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

7. ACTION CALENDAR:

7.1 Authorization for the Public Member Director to attend the 2018 WateReuse California Annual Conference on March 25 - 27, 2018 in Monterey. (Staff Reference: Executive Director LaMoreaux)

There is no staff report for this item. Conference Information attached.

Call for Public Comments

Staff Recommendation: Move to approve authorizing the Public Member Director to attend the 2018 WateReuse California Annual Conference in Monterey. (Voice Vote - Requires a majority to approve.)

7.2 Approve the compliance agreement with UBS for investing public funds. (Staff Reference: Treasurer-Auditor Williams)

Call for Public Comments

Staff Recommendation: Move to approve agreement with UBS. (Voice Vote - Requires a majority to approve.)

8. NON-AGENDA ITEMS - PUBLIC COMMENTS: This portion of the Agenda allows an individual the opportunity to address the Board of Directors on any subject regarding Palmdale Recycled Water Authority business. Under state legislation, no action can be taken on items not specifically referenced on the Agenda. **PLEASE NOTE: A three-minute time limit** will be imposed on each speaker other than staff members.

9. DIRECTOR'S REQUESTS FOR NEW AGENDA ITEMS:

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

11. CLOSED SESSION – PUBLIC COMMENTS ONLY: If you wish to comment on any Closed Session item on this agenda, please come forward to the podium and state the item number(s) and your comments. **PLEASE NOTE: A three-minute time limit** will be imposed on each speaker other than staff members.

12. **CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:** A closed session will be held, pursuant to Government Code §54956.9 (d)(4) because the Authority is considering whether to initiate litigation in one case.

12.1 The reason for holding a closed session is for the purpose of conferring with and/or receiving advice from the Authority's legal counsel and to receive direction from the Authority Board regarding the possible initiation of litigation in one matter.

This closed session is being held pursuant to the authority of California Government Code Section 54956.9(d) (4). Number of cases – One.

Based on existing facts and circumstances, the Authority needs to decide whether to initiate litigation. Counsel believes the possible litigation is not yet known to the potential defendant(s).

Closed session is recommended because the Authority will assess the merits of this matter and consider its perspective. Based on existing facts and circumstances it is the opinion of the Authority Counsel that it would prejudice the position of the Authority to discuss these matters in public or to disclose further the circumstances in this potential case; such disclosure may harm other efforts to resolve the matter and, it is believed the possible defendant(s) is unaware of this possible litigation.

13. **CLOSED SESSION.**

14. **ANNOUNCEMENT BY AUTHORITY COUNSEL of item(s) discussed in Closed Session.**

15. **ADJOURNMENT** to April 16, 2018 at 7:00 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; Palmdale Water District, 2029 East Avenue Q, Palmdale, California, and the Main Library, located at 700 East Palmdale Boulevard, Palmdale, California. You can also view the Agenda for the Palmdale Recycled Water Authority on the City's website at www.cityofpalmdale.org or the Palmdale Water District website at www.palmdalewater.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.

THERE IS NO STAFF REPORT FOR THIS ITEM

PALMDALE RECYCLED WATER AUTHORITY

BOARD MEMORANDUM

DATE:	March 13, 2018	**March 19, 2018**
TO:	BOARD OF DIRECTORS	**Board Meeting**
FROM:	Michael Williams, Treasurer-Auditor, PRWA	
VIA:	Mr. Dennis LaMoreaux, Executive Director, PRWA	

RE: AGENDA ITEM NO 6.2 – TREASURER'S REPORT FOR JANUARY 31, 2018

Recommendation:

Palmdale Recycled Water Authority (PRWA) staff recommends the Board of Directors to receive and file the Treasurer's Report for the one month ending January 31, 2018.

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 January 31, 2018, the PRWA has $931,091.67 cash in the bank. PRWA earned $157.67 in interest, received $4,127.04 in receivables. There were no expenses paid for the month but has accounts payable and accrued purchases totaling $35,905.38.

Supporting Documents:

Treasurer's Report for month ending January 31, 2018
Balance Sheet for period ending January 31, 2018.
Income Statement for period ending January 31, 2018.

Palmdale Recycled Water Authority
Treasurer's Report
Month Ended January 31, 2018

Cash/Funds Available and held at Bank of America:	
Bank Balance, beginning January 1, 2018	926,945.48
Less: Expenses Paid	-
Less: Bank Fees Paid (Credit Card Processing)	-
Add: Deposits Made	4,127.04
Add: Interest Earned	157.67
Outstanding Check (Ledger Tie-Out)	(138.52)
Bank Balance, ending January 31, 2018	931,091.67
Less: Accounts Payable	(28,522.87)
Less: Accrued Purchases	(7,382.51)
Less: Accrued Payroll Taxes	-
Less: Deposits - Customer	(5,000.00)
Add: Accounts Receivable (Related to Credits on Customer Accounts)	(1,803.47)
Adjusted Bank Balance, ending January 31, 2018	888,382.82

Outstanding Expenses (Prior Month(s)):

Director Pay - Meetings & Business Expense Reimbursement	138.52

January Expenses:

Total Expenses	-

Palmdale Recycled Water Authority
Balance Sheet
For the One Month Ending 1/31/2018

	YTD
ASSETS	
Cash	$931,092
Prepaid Memberships	
Accounts Receivable	
- Water	(1,803)
- Government Agency	
Total Assets	**$929,288**
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts Payable	$28,523
Accrued Expense	7,383
Deposits - Customer	5,000
Total Liabilities	**40,905**
FUND BALANCE	
Unassigned	888,383
Total Fund Balance	**888,383**
Total Liabilities and Fund Balance	**$929,288**

Palmdale Recycled Water Authority
Income Statement - Current and YTD
For the One Month Ending 1/31/2018

	January	YTD
REVENUES:		
Contributions - Palmdale Water District		
Contributions - City of Palmdale		
Grant Funds		
Water Sales	3,381.96	3,381.96
Interest Earnings	157.67	157.67
Total Revenue	**$3,539.63**	**$3,539.63**
EXPEDITURES:		
General Government		
Public Representive - Payroll Tax Expense (Employer)		
Public Representive - Travel & Meeting		
Banking Fees		
Provision for Bad Debt		
Memberships		
Operating Supplies		
Marketing & Outreach		
Travel & Meeting		
Permits & Fees		
Utilities - Purchased Water		
Materials &Supplies		
Maint. & Repair - Water System		
Public Resource		
Contracted Services - Professional Svcs		
Contracted Services - Audit		
Change in Net Position	**$3,539.63**	**$3,539.63**
Net Position - Beginning of Year		**884,843.19**
Net Position - End of Year	**$3,539.63**	**$888,382.82**

WATEREUSE



WATEREUSE
CALIFORNIA ANNUAL CONFERENCE
PORTOLA HOTEL & SPA, MONTEREY
MARCH 25-27, 2018



Register for the 2018 WateReuse California Annual Conference

Do not miss the **2018 WateReuse California Annual Conference** at the Portola Hotel & Spa in Monterey on March 25-27, 2018. This conference is the premier educational and networking event for California water professionals involved in recycled water policy, operations, technology and public perception.

Conference Themes

- The role of recycled water in One Water and Sustainable Water initiatives
- Strategies for successfully delivering recycled water projects and programs
- Pathway to potable reuse
- Recycled water system operations – start-up, optimization, and biggest challenges
- Emerging issues in reuse

Register Early and Save!

Register by January 29, 2018 for the best rates at the 2018 WateReuse California Annual Conference Register Now!

Quick Links

- **View the Program**
- **Hotel and Travel Information**
- **Technical Tour**
- **Registration**

This mailing has been sent to the members of WateReuse California Announcements. To unsubscribe from this group, click here. To opt-out of all future mailings from us, click here.

Forward this email to a friend

1199 North Fairfax Street, Suite 900
Alexandria, 22314
United States

PALMDALE RECYCLED WATER AUTHORITY

BOARD MEMORANDUM

DATE:	March 13, 2018	**March 19, 2018**
TO:	BOARD OF DIRECTORS	**Board Meeting**
FROM:	Michael Williams, Treasurer-Auditor, PRWA	
VIA:	Mr. Dennis LaMoreaux, Executive Director, PRWA	

RE: AGENDA ITEM NO 7.2 – APPROVAL OF COMPLIANCE AGREEMENT WITH UBS FOR THE INVESTMENT OF PUBLIC FUNDS

Recommendation:

Palmdale Recycled Water Authority (PRWA) staff recommends the Board of Directors approve the compliance agreement with UBS for investing public funds.

Background:

The investment policy adopted by Resolution No. PRWA 2018-001 Section 5, Delegation of Authority, authorizes the Board President and the Treasurer/Auditor to invest funds on behalf of the Authority.

Section 7 states that when using a broker/dealer the broker/dealer shall certify they have reviewed the Authorities Investment Policy and will remain in compliance with the policy.

This compliance agreement will allow UBS to open an investment account for the Authority under the direction of the Board President and the Treasurer/Auditor.

Financial Impact:

The opening of an investment account will allow the Authority to earn more interest income from the idle funds.

Supporting Documents:

Certification and Agreement of Government Entity form from UBS

UBS

Certification and Agreement of Government/ Government-Related Entity

GOV

Entity Name: PALMDALE RECYCLED WATER AUTHORITY

This certification and agreement (Agreement) of the entity identified above (Client), based on the authorized action of its governing body, amends and supplements the provisions contained in the Client Relationship Agreement and any Investment Advisory Agreement or Consulting Services Agreement executed between Client and UBS Financial Services Inc. or UBS Financial Services Inc. of Puerto Rico as applicable (UBS) (all documents including the Agreement collectively referred to as the "UBS Agreements"). Defined terms used in this Agreement have the same meaning as in the other UBS Agreements unless otherwise defined in this Agreement.

Please review this Agreement, include the appropriate signature(s) where indicated on page 2 and return it to your Financial Advisor.

In connection with UBS's agreement to provide services to the Client according to the UBS Agreements, and after review of all federal, state and local laws and regulations applicable to the Client and its investments, and consultation with its counsel, the Client hereby represents to UBS and agrees to the following with respect to all of its UBS accounts and relationships:

Custody (Applicable only if UBS holds or will hold Client assets)
UBS is eligible to accept, deposit and custody the Client's securities and related assets, and there are no further steps that UBS must take to assure this eligibility.

Investment policy and compliance with applicable laws
The Client represents that, in the event it has provided a written investment policy statement (Investment Policy) to UBS, it reflects investments that are permissible according to applicable federal, state and local laws and regulations, and it has been approved by the Client's governing body. The Client also represents, warrants and agrees that, unless otherwise agreed to in a written agreement under UBS Institutional Consulting or UBS DC Advisory (Consulting Services Agreement) or other document signed by UBS:

- The Client is the sole party responsible for directing its investments;
- The Client is the sole party responsible for monitoring Client's account(s) with UBS to conform with the Client's Investment Policy;
- The Client is the sole party responsible for ensuring that Client's account(s) with UBS and any authorized trade for the Client's account (s) with UBS complies with the Client's Investment Policy;
- UBS shall have no obligation to monitor the Client's account(s) with UBS or to monitor any trade or trades for the Client's account with UBS, for conformance with the Client's Investment Policy or to inform the Client if UBS believes a trade or position in the Client's account does not, or may not, conform with the Client's Investment Policy; and
- The Client has reasonable procedures and controls in place to prevent the Client from directing investments outside the scope of the Client's Investment Policy or applicable law, and to monitor the Client's account with UBS for ongoing conformance with the Client's Investment Policy.

The Client acknowledges that, by accepting an Investment Policy from the Client (if applicable), UBS does not take on any additional duties or obligations over and above those set forth in the UBS Agreements.

UBS relationship and the Municipal Advisor Rule
The Client understands and agrees that UBS will not act as an investment advisor or a fiduciary either to the Client or for the Client's account(s) with UBS, except and to the extent agreed in a UBS investment advisory contract.

The Client also understands and agrees that UBS will not act as a municipal advisor as defined under Section 15B of the Securities Exchange Act of 1934, Rule 15Ba1 et seg. (the "Municipal Advisor Rule") to the Client and will not provide advice on investment strategies, including investing municipal bond proceeds, or advice with respect to municipal financial products, including municipal derivatives and guaranteed investment contracts. To ensure the firm does not inadvertently become a municipal advisor to you, please make one of the two representations by checking the relevant box.

©2015 UBS Financial Services Inc. All rights reserved. Member SIPC.

UBS

I certify:

(a) I am an official representative of the Client listed below, and am authorized to sign this certification;

(b) I have access to the appropriate information or have direct knowledge of the source of the funds in the account(s) or arrangement that the Client has with UBS that enable me to make these representations and for the purposes of the Municipal Advisor Rule relating to the registration of municipal advisors;

☒ *No bond proceeds or escrow investments*
None of the funds currently invested in or through the account(s) or arrangement that Client has with UBS, or that the Client seeks to invest in these accounts, constitute (i) proceeds of municipal securities or (ii) municipal escrow investments. I further certify that the Client will not invest any funds in or through the Firm that constitute proceeds of municipal securities or municipal escrow investments without first notifying the Firm in writing;

☐ *Have bond proceeds or escrow investments and represented by Municipal Advisor*
Some or all of the funds currently invested in or through the account(s) or arrangement that Client has with the Firm, or that the Client seeks to invest in these accounts, constitute (i) proceeds of municipal securities or (ii) municipal escrow investments, and we are represented or will be represented by an independent registered Municipal Advisor;

☐ *Have bond proceeds or escrow investments and NOT represented by Municipal Advisor*
Some or all of the funds currently invested in or through the account(s) or arrangement that Client has with the Firm, or that the Client seeks to invest in these accounts, constitute (i) proceeds of municipal securities or (ii) municipal escrow investments, and we are NOT represented and will NOT be represented by an independent registered Municipal Advisor;

This Agreement shall continue to be effective until written notice of amendment or revocation is received by UBS.

This Agreement shall continue to benefit the Client's successors and assigns, by merger, consolidation or otherwise.

Liability
The Client understands that UBS, its affiliates, and their respective directors, officer, agents and employees will rely on the accuracy of the representations made in this Certification and Agreement and will not be responsible to the Client for any losses or other damages that may arise out of any false or inaccurate representations.

Authorized persons
The individuals signing below represent and certify that the Client's governing body has:

- Approved this Agreement;
- Authorized the individuals signing below to execute and deliver this Agreement for and on behalf of the Client; and
- Authorized and directed each individual signing below to act on the Client's behalf in connection with opening the Client's account(s) with UBS, obtaining services from UBS, and in directing investments for the Client's account(s) with UBS.

Conflicts
In the event of any conflict between the terms of this Agreement and the terms of a Consulting Services Agreement, the terms of the Consulting Agreement will control. In the event of any conflict between the terms of this Agreement and any other UBS agreement, this Agreement will control.

Sign Here _____ _____
Signature *Print Name and Title*

Sign Here _____ _____
Signature *Print Name and Title*

Sign Here _____ _____
Signature *Print Name and Title*

Sign Here _____ _____
Signature *Print Name and Title*

©2015 UBS Financial Services Inc. All rights reserved. Member SIPC.