MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, JUNE 14, 2021:

A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, June 14, 2021, at 2029 East Avenue Q, Palmdale, CA 93550 and via teleconference. President, Gloria Dizmang, called the meeting to order at 6:00 p.m. and shared the meaning of Flag Day.

1) Pledge of Allegiance/Moment of Silence.

At the request of President Dizmang, Resource and Analytics Director Thompson II led the pledge of allegiance followed by a moment of silence.

2) Roll Call.

Attendance:
Gloria Dizmang, President
Vincent Dino, Vice President
Kathy Mac Laren-Gomez, Secretary
Amberrose Merino, Assistant Secretary

Don Wilson, Treasurer – Absent

Others Present:
Dennis LaMoreaux, General Manager
Adam Ly, Assistant General Manager
Pam Lee, Assistant General Counsel
Mike Williams, Finance Manager
Judy Shay, Public Affairs Director
Chris Bligh, Operations Manager
Scott Rogers, Engineering/Grant Manager
Peter Thompson II, Resource & Analytics Director
Claudia Bolanos, Resource & Analytics Supervisor
Dennis Hoffmeyer, Accounting Supervisor
Dawn Deans, Executive Assistant
2 members of the public

3) Adoption of Agenda.

It was moved by Director Dino, seconded by Director Mac Laren-Gomez, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to adopt the agenda, as written:

President Dizmang – aye
Director Dino – aye
Director Mac Laren-Gomez – aye
Director Merino – aye

4) Public Comments for Non-Agenda Items.

Agreement is proposed to increase 7% and that this increase includes a 3.6% cost of living adjustment and a 3.4% merit increase for a total annual compensation amount of $272,615.21.

The motion to approve those items included in the Consent Calendar was then unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote:

President Dizmang – aye
Director Dino – aye
Director Mac Laren-Gomez – aye
Director Merino – aye

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) Public Hearing Regarding Adopting, Directing the Filing of, and Implementing the Palmdale Water District 2020 Urban Water Management Plan Update, the 2015 Urban Water Management Plan Amendment, and the 2020 Water Shortage Contingency Plan. (No Budget Impact – Resource and Analytics Supervisor Bolanos / Kennedy/Jenks Consultants)

It was moved by Director Mac Laren-Gomez, seconded by Director Merino, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to open the public hearing regarding adopting, directing the filing of, and implementing the Palmdale Water District 2020 Urban Water Management Plan Update, the 2015 Urban Water Management Plan Amendment, and the 2020 Water Shortage Contingency Plan:

President Dizmang – aye
Director Dino – aye
Director Mac Laren-Gomez – aye
Director Merino – aye

Ms. Lauren Everett and Ms. Marina Magana, of Kennedy/Jenks Consultants, then provided an overview of the District's 2020 Urban Water Management Plan including the population and demand assessment, the gallons per capita per day target the District has met, and water supply and demand; the Water Shortage Contingency Plan

and drought conditions; and the 2015 Urban Water Management Plan addendum regarding reliance on the Delta.

President Dizmang then asked for any public comment. Hearing no public comment, it was moved by Director Mac Laren-Gomez, seconded by Director Dino, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to close the public hearing regarding adopting, directing the filing of, and implementing the Palmdale Water District 2020 Urban Water Management Plan Update, the 2015 Urban Water Management Plan Amendment, and the 2020 Water Shortage Contingency Plan:

President Dizmang – aye
Director Dino – aye
Director Mac Laren-Gomez – aye
Director Merino – aye

7.2) Consideration and Possible Action on Resolution No. 21-11 Being a Resolution of the Board of Directors of the Palmdale Water District Adopting, Directing the Filing of, and Implementing the Palmdale Water District 2020 Urban Water Management Plan Update, the 2015 Urban Water Management Plan Amendment, and the 2020 Water Shortage Contingency Plan. (No Budget Impact – Resource and Analytics Supervisor Bolanos / Kennedy/Jenks Consultants)

It was moved by Director Merino, seconded by Director Mac Laren-Gomez, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to approve Resolution No. 21-11 being a Resolution of the Board of Directors of the Palmdale Water District Adopting, Directing the Filing of, and Implementing the Palmdale Water District 2020 Urban Water Management Plan Update, the 2015 Urban Water Management Plan Amendment, and the 2020 Water Shortage Contingency Plan:

President Dizmang – aye
Director Dino – aye
Director Mac Laren-Gomez – aye
Director Merino – aye

Resolution No. 21-11 is hereby made a portion of the minutes of this meeting.

7.3) Public Hearing Regarding an Increase in Directors' Compensation Paid From $150.00 to $220.00 for Each Day's Attendance at Meetings or Each Day's Service Rendered as a Member of the Board of Directors. (Potential Budget Impact – General Counsel Dunn)

It was moved by Director Mac Laren-Gomez, seconded by Director Merino, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to open the public hearing regarding an increase in Directors' compensation paid from $150.00 to $220.00 for each day's attendance at meetings or each day's service rendered as a member of the Board of Directors:

President Dizmang – aye
Director Dino – aye
Director Mac Laren-Gomez – aye
Director Merino – aye

Assistant General Counsel Lee then provided an overview of Ordinance No. 21-1 for increasing the Directors' compensation and of the previous increase and reduction in Directors' compensation and stated that Ordinance No. 21-1 will become effective sixty days after the date of approval.

President Dizmang then asked for any public comment. Hearing no public comment, it was moved by Director Mac Laren-Gomez, seconded by Director Dino, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to close the public hearing regarding an increase in Directors' compensation paid from $150.00 to $220.00 for each day's attendance at meetings or each day's service rendered as a member of the Board of Directors:

President Dizmang – aye
Director Dino – aye
Director Mac Laren-Gomez – aye
Director Merino – aye

7.4) Consideration and Possible Action on Ordinance No. 21-1 Being an Ordinance of the Board of Directors of the Palmdale Water District Authorizing an Increase in Directors' Compensation Paid From $150.00 to $220.00 for Each Day's Attendance at Meetings or Each Day's Service Rendered as a Member of the Board of Directors. (Potential Budget Impact – General Counsel Dunn)

It was moved by Director Mac Laren-Gomez, seconded by Director Merino, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to waive any further reading and approve Ordinance No. 21-1 being an Ordinance of the Board of Directors of the Palmdale Water District Authorizing an Increase in Directors' Compensation Paid From $150.00 to $220.00 for Each Day's Attendance at Meetings or Each Day's Service Rendered as a Member of the Board of Directors:

President Dizmang – aye
Director Dino – aye
Director Mac Laren-Gomez – aye
Director Merino – aye

Ordinance No. 21-1 is hereby made a portion of the minutes of this meeting.

7.5) Consideration and Possible Action on Resolution No. 21-12 Being a Resolution of the Board of Directors of the Palmdale Water District Authorizing the Issuance by the Palmdale Water District Public Financing Authority of Water Revenue Bonds in an Aggregate Principal Amount Not to Exceed $10,500,000 and Approving Certain Documents in Connection Therewith. (Finance Manager Williams/Financial Advisor Egan/NHA Advisors/Finance Committee)

Finance Manager Williams provided an overview of Resolution No. 21-12 and Public Financing Authority Resolution No. 2021-1 regarding the proposed Water Revenue Bonds after which it was moved by Director Merino, seconded by Director Mac Laren-Gomez, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to approve Resolution No. 21-12 being a Resolution of the Board of Directors of the Palmdale Water District Authorizing the Issuance by the Palmdale Water District Public Financing Authority of Water Revenue Bonds in an Aggregate Principal Amount Not to Exceed $10,500,000 and Approving Certain Documents in Connection Therewith:

President Dizmang – aye
Director Dino – aye
Director Mac Laren-Gomez – aye
Director Merino – aye

Resolution No. 21-12 is hereby made a portion of the minutes of this meeting.

7.6) Adjourn to Public Financing Authority Board Meeting. (President Dizmang)

At 6:44 p.m., President Dizmang adjourned the Regular Board Meeting to the Public Financing Authority Board meeting. She reconvened the Regular Board Meeting at 6:48 p.m.

7.7) Appointment of Directors to United Water Conservation District Ad Hoc Committee. (President Dizmang)

President Dizmang appointed herself and Director Mac Laren-Gomez to the United Water Conservation District Ad Hoc Committee.

7.8) 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 2021 Budget:

a) Association of California Water Agencies (ACWA's) Virtual Region Event Series to be Held June 23, July 20, August 19, and September 22, 2021.

After a brief discussion of these webinars, it was moved by Director Merino, seconded by Director Mac Laren-Gomez, and unanimously carried by all members of the Board of Directors present at the meeting to approve the following conferences, seminars, and training sessions for Board and staff attendance within budget amounts previously approved in the 2021 Budget: Association of California Water Agencies (ACWA's) Virtual Region Event Series to be Held June 23, July 20, August 19, and September 22, 2021.

8) Information Items:

8.1) Reports of Directors:

a) Standing Committees; Organization Appointments; Agency Liaisons:

1) Antelope Valley East Kern Water Agency-AVEK. (Director Dino/Director Mac Laren-Gomez, Alternate)

Director Dino, AVEK Liaison, reported that on May 25, he attended an AVEK Board meeting where they held a public hearing regarding their 2020 Urban Water Management Plan, 2021 Water Shortage Contingency Plan, and amendment to

Appendix J of their 2015 Urban Water Management Plan and that on June 8, he attended an AVEK Board meeting where they took action to advertise equipping their Well No. ES-1R for the Eastside Water Bank.

2) Resource and Facilities Committee. (Director Dino, Chair/Director Merino)

Director Dino reported that the Resource and Facilities Committee met on June 2 and discussed a recommendation to purchase a flatbed truck to replace Truck No. 43 for $49,000.00.

3) Antelope Valley State Water Contractors Association. (President Dizmang/Director Mac Laren-Gomez/Director Merino, Alternate)

Director Mac Laren-Gomez reported that the Antelope Valley State Water Contractors Association met on June 3 and discussed the Big Rock Creek Joint Groundwater Recharge Project and the 2021/2022 Budget.

President Dizmang then added that Association General Manager Thompson II reported on illegal marijuana water theft, the Antelope Valley Watermaster, and the Memorandum of Understanding for cooperation with local agencies, which will be considered at the Association's next meeting.

b) General Meetings Reports of Directors.

Director Merino reported that on May 11, 12, and 13 she attended the ACWA/JPIA virtual meeting where they discussed the California Forest and Wildfire Plan, preparing for the next drought, achieving agreement for voluntary water conservation, regional collaboration work, and recycled water; that on May 18 and 19, she attended the Special District Leadership Academy Special District Legislative Days webinar; that on May 25, she watched President Dizmang's Coffee-With-a-Director; that on May 27, she attended the Palmdale Water District Special Board Meeting regarding evaluations for the General Manager and General Counsel; that also on May 27, she attended the Special District Leadership Academy's Module 4 – The Board's Role in Human Resources webinar where they discussed Board members' boundaries but could not attend this webinar on May 26 due to family issues; that on June 2, she attended the Resource and Facilities Committee meeting; and that on June 10, she attended a Board briefing.

Director Dino reported that on May 25, he attended an AVEK Board meeting; that on May 27, he attended the Palmdale Water District Special Board Meeting regarding evaluations for the General Manager and General Counsel; that on June 2, he attended the Facilities Committee meeting; that on June 8, he attended an AVEK Board meeting; that on June 10, he attended a Board briefing; and that on June 14, he is attending the Palmdale Water District Board Meeting.

Director Mac Laren-Gomez reported that on May 26, she attended the Antelope Valley Watermaster meeting where they discussed rules and regulations, the audit, and made decisions on non-production monitoring and pilot well applications, small pumper qualifying and replacement well applications, and new production and held a closed session in anticipation of litigation; that on May 27, she attended the Palmdale Water District Special Board Meeting regarding evaluations for the General Manager and General Counsel and commended them on a job well done; that on June 3, she attended the Antelope Valley State Water Contractors Association meeting; and that on June 10, she attended a Board briefing.

President Dizmang reported that on May 25, she attended her Coffee-With-a-Director; that on May 27, she attended the Palmdale Water District Special Board Meeting regarding evaluations for the General Manager and General Counsel; that on June 2, she attended a briefing; that on June 3, she attended the Antelope Valley State Water Contractors Association; and that on June 10, she attended a Board briefing.

8.2) Report of General Manager.

General Manager LaMoreaux reviewed staff's safety procedures regarding water theft and remote sites; thanked the Board for their earlier action, and he will continue serving the District; and informed the Board of the District's detailed history and overview included in the Preliminary Official Statement for the new Water Revenue Bonds followed by discussion of water theft.

8.3) Report of General Counsel.

Assistant General Counsel Lee introduced herself and provided an overview of the June 15 COVID-19 reopening guidelines, Cal-OSHA required workplace actions and potential updates, and the September 30 return to in-person open meetings under the Brown Act and the potential permanent teleconferencing option for the public.

9) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

10) Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 7:14 p.m.

Secretary

PALMDALE WATER DISTRICT
RESOLUTION NO. 21-11

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT ADOPTING, DIRECTING FILING OF, AND IMPLEMENTING THE PALMDALE WATER DISTRICT 2020 URBAN WATER MANAGEMENT PLAN, THE 2015 URBAN WATER MANAGEMENT PLAN AMENDMENT, AND THE 2020 WATER SHORTAGE CONTINGENCY PLAN

WHEREAS, the California Legislature enacted Assembly Bill 797 during the 1983-1984 Regular Session of the California Legislature (Water Code Section 10610 et.seq.) known as the Urban Water Management Plan Act (the Act).

WHEREAS, the California Water Code Section 10632 requires that every urban water supplier shall prepare and adopt a Water Shortage Contingency Plan (WSCP) as part of its Urban Water Management Plan (UWMP); and

WHEREAS, the WSCP is consistent with the California Water Code Sections 350 through 359 and Section 10632 and guidance provided by the California Department of Water Resources Urban Drought Guidebook; and

WHEREAS, the Act mandates that every urban water supplier providing water for municipal purposes to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually prepare, and every five (5) years thereafter update, its UWMP, the primary objective of which is to plan for the conservation and efficient use of water.

WHEREAS, the 2020 UWMP, 2015 UWMP amendment, and the 2020 WSCP (together known as the Plans) must be adopted by July 1, 2021 and filed with the California Department of Water Resources, the California State Library, and the City of Palmdale within thirty days of adoption; and

WHEREAS, the Palmdale Water District prepared and filed a UWMP with the California Department of Water Resources in December 1985, December 1990, December 1995, December 2000, December 2005, December 2010, and December 2015; and

WHEREAS, the Act further requires that the adopted UWMP's and WSCP be available for public review during normal business hours for thirty (30) days following its submission to the Department of Water Resources; and

WHEREAS, as an urban water supplier providing water service to over 117,000 customers, Palmdale Water District is subject to the Act and has, therefore, prepared and circulated for public view a draft 2020 UWMP, a draft 2015 UWMP Addendum, and a draft 2020 WSCP in compliance with the requirements of the Act, and a properly noticed public hearing regarding the proposed Plan was duly held by the Palmdale Water District on June 14, 2021.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Directors of the Palmdale Water District as follows:

1. The 2020 Urban Water Management Plan, the 2015 Urban Water Management Plan Amendment, and the 2020 Water Shortage Contingency Plan are hereby approved and adopted.

2. The General Manager is hereby authorized and directed to file the Plans with the California Department of Water Resources, the California State Library, and the City of Palmdale within thirty days of adoption in accordance with the Act.

3. When required by conditions contained in the Plans, the General Manager is authorized to declare a Water Shortage Emergency and to implement water conservation programs as detailed in the Plans, including recommendations to the Board of Directors regarding necessary procedures, rules, and regulations to carry out effective and equitable water conservation programs.

4. The General Manager and staff are hereby further authorized and directed to take such other and further actions as may be reasonably necessary to carry out the purposes and intent of the Plan.

PASSED AND ADOPTED at the Regular Meeting of the Palmdale Water District Board of Directors held on June 14, 2021.

GLORIA DIZMANG, President,
Palmdale Water District Board of Directors

ATTEST:

KATHY MAC LAREN-GOMEZ, Secretary,
Palmdale Water District Board of Directors

APPROVED AS TO FORM:

Aleshire & Wynder, LLP, General Counsel

ORDINANCE NO. 21-1

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT AUTHORIZING AN INCREASE IN DIRECTORS' COMPENSATION PAID FROM $150.00 TO $220.00 FOR EACH DAY'S ATTENDANCE AT MEETINGS OR EACH DAY'S SERVICE RENDERED AS A MEMBER OF THE BOARD OF DIRECTORS

WHEREAS, on February 9, 1998, the Board adopted Ordinance No. 98-1 pursuant to Water Code Sections 20201 and 20202 setting the compensation of Board members; and

WHEREAS, on December 11, 2009, the Board voted to reduce compensation of Board members pursuant to Water Code Sections 20201 and 20202; and

WHEREAS, the compensation for Directors for each day's attendance at meetings of the Board is $150.00 under Board action taken December 11, 2009; and

WHEREAS, the Board desires to adjust Board Member compensation as permitted under State law; and

WHEREAS, this item was properly noticed for a public hearing by the Board of Directors on May 30, 2021 and June 6, 2021 pursuant to Water Code Section 20203.

BE IT ORDAINED by the Board of Directors of the Palmdale Water District, as follows:

Section 1: The recitals above are true and correct and incorporated herein by reference.

Section 2: Compensation to members of the Board of Directors of the Palmdale Water District is hereby increased to $220.00 per day for each day's attendance at meetings of the Board, or for each day's service rendered as a member of the Board by request of the Board.

Section 3: Any future increases in compensation for Directors must be approved by an ordinance of the Board and the increase may not exceed the amount permitted by State law since the last increase.

Section 4: This Ordinance shall be effective sixty (60) days after its passage.

Section 5: Upon the effective date of this ordinance, Ordinance No. 98-1 shall no longer be in effect.

Section 6: The Clerk of the Board of Directors shall certify to the passage of this Ordinance and cause the same to be posted and published in accordance with law.

PASSED AND ADOPTED by the Board of Directors of the Palmdale Water District on June 14, 2021 by the following roll call vote:

Aye: President Dizmang, Directors Dino, Mac Laren-Gomez, Merino

No: None.

Absent: Director Wilson

Abstain: None.

Gloria Dizmang, President
Board of Directors
Palmdale Water District

ATTEST:

Kathy Mac Laren-Gomez, Secretary
Board of Directors
Palmdale Water District

APPROVED AS TO FORM:

Pam Lee, Assistant General Counsel
Aleshire & Wynder, LLP

RESOLUTION NO. 21-12

RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT AUTHORIZING THE ISSUANCE BY THE PALMDALE WATER DISTRICT PUBLIC FINANCING AUTHORITY OF WATER REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $10,500,000 AND APPROVING CERTAIN DOCUMENTS IN CONNECTION THEREWITH

WHEREAS, the Palmdale Water District (the "District") is an irrigation district duly organized and existing under and pursuant to the Constitution and laws of the State of California (the "State");

WHEREAS, the District proposes to finance the acquisition and construction of certain improvements, betterments, renovations to and expansions of facilities within its water system including, but not limited to, pipeline, well, booster and water treatment plant projects (the "2021 Project");

WHEREAS, the District desires to have the Palmdale Water District Public Financing Authority (the "Authority") issue Water Revenue Bonds (the "Bonds") for the purpose of financing the 2021 Project and paying costs of issuance in connection therewith;

WHEREAS, the Bonds will be issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985, commencing with Section 6584 of the California Government Code (the "Act") and an Indenture of Trust by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as Trustee;

WHEREAS, in accordance with the requirements of Government Code Section 5852.1, there has been presented to the Board of Directors of the District and disclosed at the meeting at which this resolution is being adopted the information required by Government Code Section 5852(a)(1) which is attached hereto as Exhibit A;

WHEREAS, the District is authorized by Division 11 of the Water Code of the State of California, including, but not limited to Sections 22225 through 22231, to acquire property for its water system;

NOW, THEREFORE, the Board of Directors of the Palmdale Water District hereby finds, determines, declares and resolves as follows:

Section 1. Each of the above recitals is true and correct. The Board of Directors hereby further finds and determines that there are significant public benefits of the type described in Section 6586 of the Act to the District and its residents by issuing the Bonds under the Act in that the issuance of the Bonds and related transactions will result in demonstrable savings in bond preparation, bond underwriting and bond issuance costs.

Section 2. The issuance by the Authority of the Bonds in the principal amount not to exceed $10,500,000 to finance the 2021 Project and to pay the cost of issuance of the Bonds is hereby approved; provided, however, that the Bonds shall be issued only in accordance with the parameters set forth in Section 5 below.

Section 3. The Installment Purchase Agreement by and between the District and the Authority, in substantially the form on file with the Secretary of the Board, is hereby approved, and each of the President of the Board of Directors, the General Manager of the District (the "General Manager") and the Finance Manager of the District (the "Finance Manager"), or their designees (collectively, the "Authorized Officers"), acting alone, is hereby authorized and directed to execute and deliver such Installment Purchase Agreement with such changes, insertions and omissions as may be approved by the District's legal counsel and Stradling Yocca Carlson & Rauth, a Professional Corporation ("Bond Counsel"), with the execution thereof by an Authorized Officer being conclusive evidence of approval of any such changes, insertions or omissions.

Section 4. The Continuing Disclosure Certificate to be executed by the District in connection with the issuance of the Bonds, in substantially the form on file with the Secretary of the Board, is hereby approved, and each of the Authorized Officers, acting alone, is hereby authorized and directed to execute and deliver the Continuing Disclosure Certificate with such changes, insertions and omissions as may be approved by the District's legal counsel and Bond Counsel, with the execution

thereof by an Authorized Officer being conclusive evidence of approval of any such changes, insertions or omissions..

Section 5. The Purchase Contract by and among the District, the Authority and Hilltop Securities, Inc. (the "Underwriter"), in substantially the form on file with the Secretary of the Board, is hereby approved. Each of the Authorized Officers, acting alone, is hereby authorized and directed to execute and deliver the Purchase Contract with such changes, insertions and omissions as may be approved by the District's legal counsel and Bond Counsel, with the execution thereof by an Authorized Officer being conclusive evidence of approval of any such changes, insertions or omissions.; provided, however, that in no event shall the principal amount of the Bonds exceed $10,500,000, nor shall the underwriter's discount exceed 0.60% of the principal amount of the Bonds.

Section 6. The form of the Preliminary Official Statement, presented to this meeting and on file with the Secretary of the Board, is hereby approved. The General Manager, the Finance Manager and their designees are hereby authorized to make such changes to the Preliminary Official Statement as are necessary to make it final as of its date and are authorized and directed to execute and deliver a certificate deeming the Preliminary Official Statement final as of its date in accordance with Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. Each of the Authorized Officers, acting alone, is hereby authorized and directed to execute, approve and deliver the final Official Statement in the form of the Preliminary Official Statement with such changes, insertions and omissions as the Authorized Officer executing said document may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof by an Authorized Officer.

Section 7. The Secretary of the Board, or persons as may have been designated by the General Manager, are hereby authorized and directed to attest the signature of any of the Authorized Officers designated herein to execute any documents, as may be required or appropriate in connection with the execution and delivery of the Purchase Contract, the Installment Purchase Agreement, the Continuing Disclosure Certificate and the Official Statement.

Section 8. Each of the Authorized Officers, acting alone, is authorized to execute a contract for services with Stradling Yocca Carlson & Rauth, a Professional Corporation, to act as Bond Counsel and Disclosure Counsel to the District, and with NHA Advisors to act as Municipal Advisor to the District (the "Municipal Advisor"), in connection with the issuance of the Bonds. The Bank of New York Mellon Trust Company, N.A. is hereby appointed as trustee for the Bonds and the General Manager is hereby authorized to appoint any replacement trustee while the Bonds are outstanding.

Section 9. Each of the General Manager, the Finance Manager and their designees, acting alone, is hereby authorized to (i) execute a commitment for municipal bond insurance and/or a reserve surety policy from a municipal bond insurer (the "Insurer"), (ii) to finalize the form of such policy or policies with the Insurer, and (iii) if it is determined by the General Manager, the Finance Director or their designee that the policy or policies will result in interest rate savings on the Bonds, to pay the insurance premium of such policy or policies from the proceeds of the issuance and sale of the Bonds. Bond Counsel is hereby directed to make all changes to the Preliminary Official Statement, the Continuing Disclosure Certificate, the Installment Purchase Agreement and the Purchase Contract as are necessary to reflect the selection of an Insurer, including the terms of any commitment and the Insurer's reasonable comments to such documents.

Section 10. The Authorized Officers are each hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which each may deem necessary or advisable in order to consummate the issuance of the Bonds and the financing of the 2021 Project, and to otherwise carry out, give effect to and comply with the terms and intent of this Resolution, the Bonds, the Installment Purchase Agreement, the Continuing Disclosure Certificate, the Purchase Contract, the Preliminary Official Statement and the Official Statement. Such actions heretofore taken by such officers or designees are hereby ratified, confirmed and approved.

Section 11. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given such terms in the Installment Purchase Agreement unless the context otherwise clearly requires.

Section 12. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Board of Directors of the Palmdale Water District, California, this 14th day of June, 2021, by the following vote:

AYES: President Dizmang, Directors Dino, Mac Laren-Gomez, Merino

NAYS: None

ABSENT: Director Wilson

ABSTAIN: None

Gloria A. Dizmang
President

ATTEST:

Kathy MacLaren-Gomez
Secretary

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the District by the Municipal Advisor.

Principal Amount. The Municipal Advisor has informed the District that, based on the District's financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds to be sold is $8,685,000 (the "Estimated Principal Amount"). Based on the Estimated Principal Amount, the following good faith estimates are provided:

(a) True Interest Cost of the Bonds. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 2.91%.

(b) Finance Charge of the Bonds. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties, is $306,729, of which $188,022 is for costs of issuance to be paid from Bond proceeds, $47,767 is Underwriter's discount, $70,940 is for bond and reserve surety premiums and an estimated $55,000 is for fees paid to the Trustee over the life of the Bonds from funds other than Bond proceeds.

(c) Amount of Proceeds to be Received. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the Authority for sale of the Bonds, less the finance charges set forth in (b) above, and any reserves or capitalized interest to be paid or funded with proceeds of the Bonds, together with any premium received, is $10,000,000.00.

(d) Total Payment Amount. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the Authority will make to pay debt service on the Bonds, plus the finance charge for the Bonds as described in (b) above not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is $16,726,505.00 ($0.00 of which will be paid for from capitalized interest).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Bonds being different than the

amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the District based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the District.