

PALMDALE RECYCLED WATER AUTHORITY (PRWA)

**MINUTES OF JULY 20, 2016
REGULAR MEETING AGENDA NO. 25
PALMDALE RECYCLED WATER AUTHORITY (PRWA)
HELD AT CITY OF PALMDALE
CITY HALL COUNCIL CHAMBERS
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA**

1. CALL TO ORDER.

Chair Ledford called the meeting to order at 7:00 p.m.

2. PLEDGE OF ALLEGIANCE.

**3. ROLL CALL: DIRECTORS JAMES C. LEDFORD, JR., KATHY MAC
LAREN, ROBERT ALVARADO, FRED THOMPSON, AND
HELEN VELADOR**

PRESENT: Chair Ledford, Vice Chair Mac Laren, Directors Alvarado, Thompson, and Velador.

4. WAIVER OF FULL READING OF RESOLUTION(S).

Motion: Move to waive full reading of the Resolution(s) to be considered and voted on at this meeting.

Moved by Director Velador, seconded by Director Thompson

Vote: Motion Carried (5-0)

Yes: Chair Ledford, Vice Chair Mac Laren, Directors Alvarado, Thompson, and Velador.

5. CONSENT CALENDAR – PUBLIC COMMENTS ONLY:

There were no public comments.

Executive Director LaMoreaux asked the Board to pull Item No. 6.3 off the consent calendar as they missed the change of position of Treasurer/Auditor. The Board concurred.

6. CONSENT CALENDAR:

6.1 Approve Receipt and Filing of the Treasurer's Report through May 31, 2016. (Staff Reference: Treasurer/Auditor Williams)

- 6.2 Approve the Minutes from the previous meeting held on May 18, 2016. (Staff Reference: Secretary Smith)
- 6.3 Approval of the biennial review of the Palmdale Recycled Water Authority's Conflict of Interest Code, Resolution No. PRWA 2014-001, and approval of the conclusion that there are no changes or amendments required. (Staff Reference: Executive Director LaMoreaux)

Item No. 6.3 was pulled by staff.

Motion: Move to approve the recommendations and findings on all items listed under this Consent Calendar, with the exception of Item No. 6.3.
Moved by Director Thompson, seconded by Director Alvarado.

Vote: Motion Carried (5-0)

Yes: Chair Ledford, Vice Chair Mac Laren, Directors Alvarado, Thompson, and Velador.

7. ACTION CALENDAR:

- 7.1 Determination of Chair and Vice Chair Board officers per Article 4.10 of the Joint Powers Agreement. (Staff Reference: Executive Director LaMoreaux)

Executive Director LaMoreaux spoke regarding this item and presented the Board with a handout of Section 4.10 from the Joint Powers Agreement. Authority Counsel Dunn read Section 4.10 of the Joint Powers Agreement to the Board for the record.

A motion was made by Vice Chair Mac Laren and seconded by Director Alvarado to nominate Helen Velador as Chair.

The Board discussed the need for more information on the appointment process. There was discussion about how items are added to the agenda and Executive Director LaMoreaux stated there is no policy yet for how items are added to the agenda.

Chair Ledford requested that this item regarding the appointment be tabled so that legal representatives from both agencies could review the Joint Powers Agreement. Vice Chair Mac Laren made a motion to ask for attorneys from both sides to look at this item or amend to satisfy both sides. The motion failed for lack of a second. After further discussion by the Board, Authority Counsel Dunn stated that there is no need for a motion as the consensus is clear from the Board to have both attorneys

review this matter to resolve. Executive Director LaMoreaux stated that it is also clear that we need to start developing policies on the operating rules of the Authority.

Authority Secretary Smith stated that there is still a motion and a second on the table. Authority Counsel Dunn advised the Board to withdraw the original motion on the table due to the consensus by the Board to direct both attorneys to set out the appointment process. Vice Chair Mac Laren moved to withdraw the motion to nominate Director Velador as Chair, Director Alvarado seconded the motion, and it was so ordered.

- 7.2 Authorization to distribute a Request For Proposals (RFP) for annual auditing services over the next three years. (Staff Reference: Executive Director LaMoreaux)

Treasurer/Auditor Williams presented the staff report and stated that the previous contract expired in 2015. Treasurer/Auditor Williams also stated that the annual budget does account for the cost of auditing services. Authority is given to the Treasurer/Auditor to select auditing services and one bid will be submitted to the Board of Directors for approval. Bid opening should be in approximately 90 days.

There were no public comments.

Motion: Move to authorize distribution of a Request For Proposals for annual auditing services.

Moved by Director Alvarado, seconded by Vice Chair Mac Laren

Vote: Motion Carried (5-0)

Yes: Chair Ledford, Vice Chair Mac Laren, Directors Alvarado, Thompson, and Velador.

- 7.3 Consideration and Possible Action on authorizing: 1) Approve the Pledge Revenue Resolution No. PRWA 2016-007 for the Recycled Water Line Phase 2 project; 2) Authorize the Executive Director to execute Resolution No. PRWA 2016-007; 3) Authorize the Executive Secretary to transmit Resolution PRWA 2016 -007 to State Water Resources Control Board Division of Finance. (Staff Reference: Executive Director LaMoreaux)

Executive Director LaMoreaux presented the staff report.

- 7.3a RESOLUTION NO. PRWA 2016-007, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE RECYCLED WATER AUTHORITY AUTHORIZING THE PLEDGING OF REVENUES FROM THE SALES OF RECYCLED WATER FOR

REPAYMENT OF THE LOANED FUNDS FOR THE RECYCLED
WATER LINE PHASE II OF THE MASTER PLAN PROJECT

There were no public comments.

Motion: Move to approve the recommendations and findings listed in the staff report and adopt Resolution No. PRWA 2016-007.

Moved by Vice Chair Mac Laren, seconded by Director Velador

Vote: Motion Carried (5-0)

Yes: Chair Ledford, Vice Chair Mac Laren, Directors Alvarado, Thompson, and Velador.

8. SPECIAL REPORTS:

- 8.1 Receive and file the Annual Audited Financial Report for 2015. (Staff Reference: Executive Director LaMoreaux)

Karen Johnston, City of Palmdale Finance Manager spoke regarding the auditing firm qualifications and switching to Palmdale Water District. An Annual audit report is required by an independent auditor. City Finance Manager Johnston provided an overview of the report, and stated that the auditing report was clean in regards to internal controls.

There were no public comments.

Motion: Move to receive and file the Annual Audited Financial Report for 2015.

Moved by Vice Chair Mac Laren, seconded by Director Velador

Vote: Motion Carried (5-0)

Yes: Chair Ledford, Vice Chair Mac Laren, Directors Alvarado, Thompson, and Velador.

- 8.2 Detailed presentation on a public recycled water distribution system. (Staff Reference: Executive Director LaMoreaux)

Jim Riley, Engineering/Grants Manager Palmdale Water District and Gordon Phair, Utilities Services Manager City of Palmdale presented a PowerPoint presentation and handout.

The Board asked questions of staff and staff responded.

Public comments: Loel Haviland

Authority Counsel Dunn stated that no action was needed for this item.

9. NON-AGENDA ITEMS - PUBLIC COMMENTS:

There were no public comments.

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

Director Alvarado reminded and invited the Board of Directors to the 2016 Smart Landscaping Exposition on Saturday, November 5th at the Antelope Valley Fairgrounds.

Executive Director LaMoreaux spoke regarding the Palmdale Water District relaxing water conservation including allowing potable water use for construction meters.

11. ADJOURNMENT:

Chair Ledford adjourned the meeting at 8:00 p.m.to August 17, 2016 at 7:00 p.m. at the City of Palmdale Council Chambers located at 38300 Sierra Highway, Suite B, Palmdale, California.

PASSED, APPROVED, and ADOPTED this 17th day of August 2016.

James C. Ledford, Jr.
Chair

ATTEST:

Rebecca J. Smith
Secretary