

**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. 24**  
**MAY 18, 2016**  
**7:00 P.M.**  
[www.cityofpalmdale.org](http://www.cityofpalmdale.org)  
[www.palmdalewater.org](http://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:** DIRECTORS JAMES C. LEDFORD, JR., KATHY MAC LAREN, ROBERT ALVARADO, FRED THOMPSON, AND HELEN VELADOR
4. **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.
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 Receipt and Filing of the Treasurer's Report for the three months ending March 31, 2016. (Staff Reference: Treasurer/Auditor Williams)
  - 5.2 Approve the Minutes from the previous meeting held on February 17, 2016. (Staff Reference: Secretary Smith)

**Staff Recommendation:** Move to approve the recommendations and findings on all items listed under this Consent Calendar. (Voice Vote - Requires a majority to approve.)
6. **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. (Voice Vote - Requires a majority to waive.)
7. **ACTION CALENDAR:**
  - 7.1 ADOPT RESOLUTION NO. PRWA 2016-006, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE RECYCLED WATER AUTHORITY AUTHORIZING COMPENSATION AND REIMBURSEMENT FOR TRAINING FOR THE PUBLIC MEMBER OF THE PALMDALE RECYCLED WATER AUTHORITY BOARD FROM REVENUE RECEIVED FROM RECYCLED WATER SALES.  
  
There is no staff report for this item.

***Call for Public Comments***

**Staff Recommendation:** Move to adopt Resolution No. PRWA 2016-006. (**Vote by Roll Call** – requires a majority to adopt, 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).

**8. SPECIAL REPORT:**

- 8.1 Report on Recycled Water Distribution centers for the public in response to letter received from Mr. Guzenske on February 16, 2016. (Staff Reference: Executive Director LaMoreaux)

**There is no staff report for this item.**

- 8.2 Update on status of design and grant process for Phase II Recycled Water Pipeline Project. (Staff Reference: Executive Director LaMoreaux)

**There is no staff report for this item.**

9. **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.

10. **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.

11. **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.

- 11.1 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 Board of Directors 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(c). Number of cases – One.



Possible litigation by the Authority regarding a possible civil action which the Authority believes is not yet known to potential defendants.

Closed session is recommended because the Board will assess the merits of this matter and consider the Authority's perspective. Based on existing facts and circumstances it is the opinion of 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 possible defendants are unaware of possible litigation.

**12. CLOSED SESSION**

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

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

**15. ADJOURNMENT** to June 15, 2016, at 7:00 p.m. at the City of Palmdale City Hall Council Chambers located at 38300 Sierra Highway, Suite B, Palmdale, California.

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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](http://www.cityofpalmdale.org) or the Palmdale Water District website at [www.palmdalewater.org](http://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.

# **PALMDALE RECYCLED WATER AUTHORITY**

## **BOARD MEMORANDUM**

**DATE:** May 2, 2016 **May 18, 2016**  
**TO:** BOARD OF DIRECTORS **Board Meeting**  
**FROM:** Michael Williams, Treasurer-Auditor, PRWA  
**VIA:** Mr. Dennis LaMoreaux, Executive Director, PRWA

**RE: AGENDA ITEM NO 5.1 – TREASURER’S REPORT FOR March 31, 2016**

### **Recommendation:**

Palmdale Recycled Water Authority (PRWA) staff recommends the Board of Directors to receive and file the Treasurer’s Report for the three months ending March 31, 2016.

### **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 March 31, 2016 the PRWA has \$463,626.96 cash in the bank. PRWA earned \$58.61 in interest, received \$10,707.91 in receivables, and paid invoices totaling \$7,938.67. PRWA generated \$8,505 in water sales receivables.

### **Supporting Documents:**

Treasurer’s Report for month ending March 31, 2016  
Balance Sheet for period ending March 31, 2016.  
Income Statement for period ending March 31, 2016.

**Palmdale Recycled Water Authority  
Treasurer's Report  
Month Ended March 31, 2016**

Cash/Funds Available and held at Bank of America:	
Bank Balance, beginning March 1, 2016	460,799.11
Less: Expenses Paid	(7,938.67)
Add: Deposits Made	10,707.91
Add: Interest Earned	58.61
	<hr/>
Bank Balance, ending March 31, 2016	463,626.96
Less: Accounts Payable	-
Less: Accrued Purchases	(6,280.60)
Less: Deposits - Customer	(12,000.00)
Add: Accounts Receivable	18,792.98
Adjusted Bank Balance, ending March 31, 2016	464,139.34

**Outstanding Expenses (Prior Month(s)):**

Customer Deposit Refunded	561.58
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**March Expenses:**

County Sanitation District, 2014-2015 Recycled Water Billing	6,759.69
Rackspace, Hosting Service (Monitoring & Firewall)	617.40
Total Expenses	<hr/> <u>7,938.67</u>

**Palmdale Recycled Water Authority  
Balance Sheet  
For the Three Months Ending 3/31/2016**

	<u>YTD</u>
<b>ASSETS</b>	
Cash	\$463,627
Prepaid Memberships	
Accounts Receivable	
- Water	18,793
- Government Agency	
<b>Total Assets</b>	<u><b>\$482,420</b></u>
 <b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Accounts Payable	
Accrued Expense	6,281
Deposits - Customer	12,000
<b>Total Liabilities</b>	<u><b>18,281</b></u>
 <b>FUND BALANCE</b>	
Unassigned	464,139
<b>Total Fund Balance</b>	<u><b>464,139</b></u>
 <b>Total Liabilities and Fund Balance</b>	<u><u><b>\$482,420</b></u></u>

**Palmdale Recycled Water Authority  
Income Statement - Current and YTD  
For the Three Months Ending 3/31/2016**

	<u>March</u>	<u>YTD</u>
<b>REVENUES:</b>		
Contributions - Palmdale Water District		
Contributions - City of Palmdale		
Water Sales	8,505	8,502
Interest Earnings	59	176
<b>Total Revenue</b>	<u><b>\$8,564</b></u>	<u><b>\$8,678</b></u>
<b>EXPEDITURES:</b>		
<b>General Government</b>		
Memberships		\$2,552
Marketing & Outreach	617	1,833
Travel & Meeting		
Permits & Fees		
Utilities - Purchased Water		
Materials & Supplies		
Maint. & Repair - Water System		
	<u>617</u>	<u>4,385</u>
<b>Public Resource</b>		
Contracted Services - Professional Svcs		
Contracted Services - Audit		
	<u>\$617</u>	<u>\$4,385</u>
<b>Change in Net Position</b>	<u><b>\$7,947</b></u>	<u><b>\$4,293</b></u>
<b>Net Position - Beginning of Year</b>		<b>459,847</b>
<b>Net Position - End of Year</b>	<u><b>\$7,947</b></u>	<u><b>\$464,139</b></u>



**PALMDALE RECYCLED WATER AUTHORITY  
RESOLUTION NO. PRWA 2016-006**

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE PALMDALE RECYCLED WATER AUTHORITY  
AUTHORIZING COMPENSATION AND REIMBURSEMENT FOR TRAINING  
FOR THE PUBLIC MEMBER OF THE PALMDALE RECYCLED WATER  
AUTHORITY BOARD FROM REVENUE RECEIVED FROM RECYCLED WATER SALES**

**WHEREAS**, on September 26, 2012, the City of Palmdale and the Palmdale Water District both approved a Joint Powers Agreement (JPA) creating the Palmdale Recycled Water Authority (Authority); and

**WHEREAS**, on February 20, 2013, the Authority appointed the Public Member from a public advertisement for volunteers; and

**WHEREAS**, Section 4.11 of the JPA states that compensation for work performed by the Directors on behalf of the Authority shall be borne by the Member Agency that appointed the Director.

**WHEREAS**, the Section 4.11 of the JPA also states the Authority may adopt by resolution a policy relating to the reimbursement of expenses incurred by Directors and that the City and District may provide for compensation and/or reimbursement of expenses to the Public Member, as allowed by law; and

**WHEREAS**, the Authority adopted Resolution PRWA [2015-006] authorizing the sale of recycled water to any person or entity other than the Palmdale Water District or the City of Palmdale upon application and payment of fees; and

**WHEREAS**, the Authority has set aside funds from the sale of recycled water for compensation and training expenses; and

**WHEREAS**, on April 6, 2016, the City adopted Resolution No. CC 2016-045 authorizing compensation and reimbursement for training for the Public Member from revenue received from recycled water sales; and

**WHEREAS**, on April 13, 2016, the District adopted Resolution No 16-06 authorizing compensation and reimbursement for training for the Public Member from revenue received from recycled water sales.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE PALMDALE RECYCLED WATER AUTHORITY DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:**

SECTION 1: The Board of Directors of the Palmdale Recycled Water Authority hereby approves compensation for the Public Member of the Palmdale Recycled Water Authority from the funds received from recycled water sales and pursuant to the adopted budget.

SECTION 2: The Board of Directors of the Palmdale Recycled Water Authority hereby approves the reimbursement of expenses for training incurred by the Directors of the Authority pursuant to the adopted budget.

PASSED, APPROVED and ADOPTED this 18<sup>th</sup> day of May, 2016, by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_ ABSENT: \_\_\_\_\_

PROPOSED

\_\_\_\_\_  
James C. Ledford, Jr.,  
Chair

ATTEST:

\_\_\_\_\_  
Rebecca J. Smith,  
Authority Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Eric L. Dunn  
Authority Counsel

**THERE IS NO  
STAFF REPORT  
FOR THIS ITEM**

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STAFF REPORT  
FOR THIS ITEM**