

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, AUGUST 14, 2023:

A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, August 14, 2023, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District Office. President, Don Wilson, called the meeting to order at 6:00 p.m.

1) Pledge of Allegiance/Moment of Silence.

At the request of President Wilson, Director Dino led the pledge of allegiance followed by a moment of silence.

2) Roll Call.

Attendance:

Don Wilson, President
Scott Kellerman, Vice President
Kathy Mac Laren-Gomez, Treasurer
Vincent Dino, Secretary
Gloria Dizmang, Assistant Secretary

Others Present:

Dennis LaMoreaux, General Manager
Adam Ly, Assistant General Manager
Pam Lee, General Counsel
Dennis Hoffmeyer, Finance Manager
Judy Shay, Public Affairs Director
Jim Stanton, Information Technology Manager
Claudia Bolanos, Resource and Analytics Spvsr.
Danielle Henry, Executive Assistant
Patricia Guerrero, Management Analyst
1 member of the public

3) Adoption of Agenda.

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 adopt the agenda, as written:

President Wilson – aye
Director Kellerman – aye
Director Dizmang – aye
Director Mac Laren-Gomez – aye
Director Dino – aye

4) Public Comments for Non-Agenda Items.

There were no public comments.

5) Presentations:

5.1) None at This Time.

There were no presentations.

6) Action Items – Consent Calendar: (The Public Shall Have an Opportunity to Comment on Any Action Item on the Consent Calendar as the Consent Calendar is Considered Collectively by the Board of Directors Prior to Action Being Taken.)

6.1) Approval of Minutes of Regular Board Meeting held July 24, 2023.

6.2) Payment of Bills for August 14, 2023.

6.3) Adoption of Notice of Exemption for the Agreement Between Palmdale Water District and Kern County Water Agency/Homer, LLC for the Exchange and Banking of State Water Project Water Supplies. (Resource and Analytics Supervisor Bolanos)

6.4) Approval of Agreement Between Palmdale Water District and Homer, LLC for the Exchange and Banking of State Water Project Water Supplies. (Resource and Analytics Supervisor Bolanos)

President Wilson announced the items included in the Consent Calendar after which it was moved by Director Kellerman, 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 approve those items included in the Consent Calendar:

President Wilson – aye
Director Kellerman – aye
Director Dizmang – aye
Director Mac Laren-Gomez – aye
Director Dino – 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) Consideration and Possible Action on Setting Palmdale Water District's Assessment Rates for Fiscal Year 2023-2024 and Adoption of Resolution No. 23-8 Being a Resolution of the Board of Directors of the Palmdale Water District

Establishing Assessment Rates for Fiscal Year 2023-2024. (Finance Manager Hoffmeyer/Financial Advisor Egan)

Finance Manager Hoffmeyer provided an overview of the 2023-2024 assessment rates after which it was moved by Director Mac Laren-Gomez, seconded by Director Kellerman, and unanimously carried by all members of the Board of Directors present at the meeting on the following roll call vote to set Palmdale Water District's assessments rates for fiscal year 2023-2024 at the rate of 0.259304 and adopt Resolution No. 23-8 being a Resolution of the Board of Directors of the Palmdale Water District Establishing Assessment Rates for Fiscal Year 2023-2024:

President Wilson – aye
Director Kellerman – aye
Director Dizmang – aye
Director Mac Laren-Gomez – aye
Director Dino – aye

Resolution No. 23-8 is hereby made a portion of the minutes of this meeting.

7.2) Consideration and Possible Action to Cast Ballot for Association of California Water Agencies (ACWA) President and Vice President Election for 2024-2025 Term. (No Budget Impact – General Manager LaMoreaux)

General Manager LaMoreaux provided an overview of the options for casting the District's vote in this election, and after a brief discussion of the preferred candidates, President Wilson designated Director Dizmang, being the District's ACWA/JPIA Representative, to cast the District's ballot in the Association of California Water Agencies (ACWA) President and Vice President Election for the 2024-2025 Term.

7.3) Consideration and Possible Action to Cast Ballot for Association of California Water Agencies (ACWA) Region 8 Board Election for 2024-2025 Term. (No Budget Impact – General Manager LaMoreaux)

General Manager LaMoreaux provided an overview of the ACWA Region 8 Board election, and after a brief discussion of the nomination process and of past candidates, President Wilson designated Director Dizmang to cast the District's ballot in the Association of California Water Agencies (ACWA) Region 8 Board Election for 2024-2025 Term.

7.4) Consideration and Possible Action on Authorizing Staff to Enter Into a Contract with the National Water Research Institute for Independent Advisory Services for the Capture6 Brine Demonstration Project. (\$76,108.00 – Not-to-Exceed – Budgeted – Work Order No. 23-419 – Engineering Manager Rogers)

Assistant Manager Ly provided a brief overview of the proposed contract for an independent evaluation and scientific analysis of the Capture 6 Brine Demonstration Project and stated that the full cost of this contract will be reimbursed by Capture6 after which it was moved by Director Kellerman, 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 authorize staff to enter into a contract with the National Water Research Institute for independent advisory services for the Capture6 Brine Demonstration Project in the not-to-exceed amount of \$76,108.00:

President Wilson – aye
Director Kellerman – aye
Director Dizmang – aye
Director Mac Laren-Gomez – aye
Director Dino – aye

7.5) Consideration and Possible Action on Authorizing Staff to Enter Into a Contract with Hazen And Sawyer for Third-Party Review Services for the Capture6 Brine Management Demonstration Project. (\$65,000.00 – Not-to-Exceed - Budgeted – Work Order No. 23-419 – Engineering Manager Rogers)

Assistant Manager Ly provided an overview of the proposed contract for third party review services on the design evaluation and cost-effectiveness of the Capture6 Brine Management Demonstration Project and stated that the cost of this contract will also be fully reimbursed by Capture6 after which it was moved by Director Kellerman, 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 authorize staff to enter into a contract with Hazen and Sawyer for third-party review services for the Capture6 Brine Management Demonstration Project in the not-to-exceed amount of \$65,000.00:

President Wilson – aye
Director Kellerman – aye
Director Dizmang – aye

Director Mac Laren-Gomez – aye
Director Dino – aye

7.6) Consideration and Possible Action on Resolution No. 23-9 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 \$45,000,000 and Approving Certain Documents in Connection Therewith. (Finance Manager Hoffmeyer/Financial Advisor Egan/NHA Advisors)

Finance Manager Hoffmeyer provided a brief overview of Resolution No. 23-9 after which Mr. Mark Northcross, NHA Advisors, provided a presentation on the proposed 2023 bond issue, including the existing debt structure, the refinancing of the District's 2013 Bonds, the proposed capital projects, the sources and uses of funds, the payback timeline, structuring new debt to minimize rate payer impact, the rate covenant and additional bonds test, and the proposed bond schedule.

After a brief discussion of inflation and the projected Debt Service Coverage, it was moved by Director Dizmang, seconded by Director Kellerman, 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. 23-9 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 \$45,000,000 and Approving Certain Documents in Connection Therewith:

President Wilson – aye
Director Kellerman – aye
Director Dizmang – aye
Director Mac Laren-Gomez – aye
Director Dino – aye

Resolution No. 23-9 is hereby made a portion of the minutes of this meeting.

7.7) Adjourn to Palmdale Water District Public Financing Authority Board Meeting. (President Wilson)

At 6:37 p.m., President Wilson adjourned the Regular Meeting to the Palmdale Water District Public Financing Authority Meeting. He reconvened the Regular Meeting at 6:45 p.m.

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 2023 Budget:

- a) **None at This Time.**

There were no conferences, seminars, or training sessions to consider.

8) Information Items:

8.1) Reports of Directors:

- a) **Standing Committees; Organization Appointments; Agency Liaisons:**

1) Antelope Valley East Kern Water Agency (AVEK) – July 25 & August 8. (Director Dino, Board Liaison/Director Mac Laren-Gomez, Alt.)

Director Dino reported that on July 25, he attended an AVEK Board Meeting where they approved a resolution setting the tax rates for the counties of Los Angeles, Kern and Ventura and that on August 8, he attended an AVEK Board Meeting where they awarded a sodium hypochlorite tank rehabilitation contract to D&T Fiberglass, Inc.

2) Outreach Committee Meeting – July 25. (Director Mac Laren-Gomez, Chair/Director Dizmang)

Director Mac Laren-Gomez reported that on July 25, she attended the Outreach Committee Meeting where they discussed customer outreach activities, social media engagements, press releases and legislative updates.

3) Special Districts Association of North Los Angeles County (SDANLAC) Board Meeting – August 9. (Director Dino, CSDA Chapter Chair/Director Dizmang)

Director Dino reported that on August 9, he attended the SDANLAC Board Meeting and that a written report will be distributed after which Director Dizmang

stated that discussions continue regarding an election and a strategic plan for SDANLAC.

Public Affairs Director Shay then stated that invitations were distributed for the next SDANLAC Quarterly Luncheon to be held on October 12 at Antelope Valley-East Kern Water Agency.

4) Antelope Valley State Water Contractors Association (AVSWCA) Meeting – August 10. (President Wilson/Director Mac Laren-Gomez/Director Kellerman, Alt.)

President Wilson reported that on August 10, he attended the AVSWCA Meeting where they approved payment of bills, candidates for the ACWA President and Vice President Election for the 2024-2025 Term, a resolution regarding a Proposition 1 Round 2 grant agreement for the Integrated Regional Water Management Group, and sponsorship of the Antelope Valley Fair Conservation Garden through 2024.

b) General Meetings Reports of Directors.

Director Kellerman reported that on August 3, he attended the Let's Talk H2O Event and that it was well attended; that on August 10, he attended a Board Briefing; that on August 10, he also attended the AVSWCA Meeting; and that on August 12, he attended the PWD Employee Appreciation Event at Knott's Berry Farm and had a great time.

President Wilson reported that on August 3, he attended an Agenda Review Briefing; that on August 10, he attended the AVSWCA Meeting; that on August 12, he attended the PWD Employee Appreciation Event at Knott's Berry Farm and had a great time; that on August 14, he attended a Board Briefing; and that on August 14, he is also attending the Palmdale Water District Regular Board Meeting.

Director Dizmang reported that on July 25, she attended the Outreach Committee Meeting; that on August 2, she completed her KnowBe4 cyber security remedial training; that on August 5, she attended the Palmdale Fin & Feather Club Meeting where there was a report provided by a Marine ROTC and discussion of bass sightings; that on August 9, she attended a CSDA Chapter Meeting; and that on August 10, she attended a Board Briefing.

Director Mac Laren-Gomez reported that on July 24, she attended a Public Water Suppliers Meeting; that on July 25, she attended the Outreach Committee Meeting; that on July 26, she attended the Watermaster Meeting; that on July 31, she attended a meeting with City of Palmdale and City of Lancaster council and staff members regarding Pure Water AV and emphasized the importance of community engagement and regional leadership; that on August 3, she attended the United Water Conservation District's Water Management Milestone Event celebrating 4 million acre-feet of recharged water and that they were pleased to have attendance from the District; that on August 10, she attended a Board Briefing; that on August 10, she also attended the AVSWCA Meeting and highlighted the Association's progress over the years; and that on August 12, she attended the PWD Employee Appreciation Event at Knott's Berry Farm and had a wonderful time.

Director Dino reported that on July 25, he attended an AVEK Board Meeting; that on August 3, he attended the Let's Talk H2O Event and tour of the Leslie O. Carter Water Treatment Plant; that on August 8, he attended an AVEK Board Meeting; that on August 9, he attended the CSDA Chapter Meeting; that on August 10, he attended a Board Briefing; and that on August 14, he is attending the Palmdale Water District Regular Board Meeting.

8.2) Report of General Manager.

General Manager LaMoreaux stated that he missed the lunch portion of the PWD Employee Appreciation Event at Knott's Berry Farm after which President Wilson thanked staff for their planning efforts.

a) Department Activity Updates:

1) Resource and Analytics Department. (Resource and Analytics Supervisor Bolanos)

Resource and Analytics Supervisor Bolanos provided a detailed update of the Resource and Analytics Department's current and projected activities, including monthly well, weather, flushing, and drought activity reporting, attendance of monthly Department of Water Resources (DWR) webinars, the decommissioning of the wind turbine for the solar project, suggestions for the Strategic Water Resources Plan update, water use efficiency flyers for school presentations and for multi-family, commercial and industrial water saving programs, water-wise landscape conversion program and rebate applications, rebate program grant funding, participation at various events, the

first quarterly report to DWR for the Conservation Garden grant funding; Amargosa and Littlerock Creek water banking, and water transfers and storage.

2) Information Technology Department. (Information Technology Manager Stanton)

Information Technology Manager Stanton provided a detailed update of the Information Technology Department's current and projected activities, including radio site analysis and location changes, GIS updates for the meter exchange program, Artificial Intelligence (AI) training, and replacement of the District's firewalls for better VPN capabilities followed by a brief discussion cyber security equipment training.

8.3) Report of General Counsel.

General Counsel Lee provided a self-introduction, including her professional background and prior work with the District, followed by brief legislative updates on the Pregnant Workers Fairness Act and on the development of nation-wide standards for PFAS in drinking water.

The Board then welcomed Mrs. Lee as the District's new General Counsel.

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 7:22 p.m.



Secretary

RESOLUTION NO. 23-8
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE
WATER DISTRICT ESTABLISHING ASSESSMENT RATES FOR
FISCAL YEAR 2023-2024

WHEREAS, the Los Angeles County Auditor-Controller has submitted to the Palmdale Water District the assessed value information necessary to enable the District to establish its assessment rates; and

WHEREAS, the Board of Directors has reviewed the assessed value information and has calculated the amounts needed to be raised to meet the State Water Contract; and

WHEREAS, the Board of Directors has determined the assessment rate required to raise the required funds.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Palmdale Water District hereby establishes the following secured tax rates for 2023-2024:

<u>ACCOUNT #</u>	<u>AGENCY NAME</u>	<u>TAX RATE</u>
308.60	Palmdale Water District	0.000000
308.61	Palmdale Water District Zone B	0.259304
308.62	Palmdale Water District Zone B2	0.259304
308.63	Palmdale Water District Zone C	0.259304
308.65	Palmdale Water District Zone E	0.259304
308.66	Palmdale Water District Zone A	0.259304
308.67	Palmdale Water-Westmont Imp. Dist.	0.000000

FURTHER RESOLVED, that the Board of Supervisors of the County of Los Angeles, State of California, is hereby authorized and directed, at the time and in the manner directed by law, in addition to any and all other taxes and assessments levied against the lands within the Palmdale Water District, to levy and collect assessments against all of the lands within said District and the aforesaid improvement District at the rates set forth above.

PASSED AND ADOPTED at a regular meeting of the Board of Directors held on August 14, 2023, by the following roll call vote:

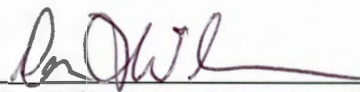
AYE: President Wilson, Directors Kellerman, Dizmang, Mac Laren-Gomez, Dino

NO: None

ABSENT: None

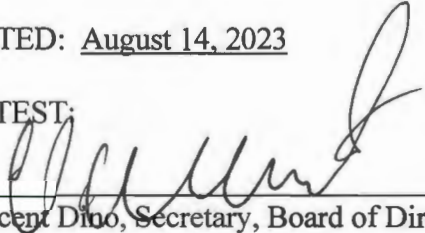
I hereby certify under penalty of perjury that the tax rates levied herein are exempt from the application of Article XIII A, Section 1(A) of the Constitution of the State of California.

DATED: August 14, 2023



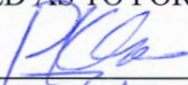
Don Wilson, President, Board of Directors

ATTEST:



Vincent Dino, Secretary, Board of Directors

APPROVED AS TO FORM:



Pamela Lee, General Counsel, Aleshire & Wynder LLP

RESOLUTION NO. 23-9

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 \$45,000,000 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 "2023 Project");

WHEREAS, the District proposes to refinance certain installment payments owed by the District in connection with the outstanding Palmdale Water District Public Financing Authority Water Revenue Bonds, Series 2013A (the "2013 Installment Payments");

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 2023 Project, refinancing the 2013 Installment Payments 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 \$45,000,000 to finance the 2023 Project, to refinance all or a portion of the 2013 Installment Payments 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 Bond Purchase Agreement 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 Bond Purchase Agreement 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 \$45,000,000, nor shall the underwriter's discount exceed 0.6% 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, as amended. 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 Escrow Agreement relating to the defeasance of the 2013 Installment Payments being refinanced, by and among the District, the Authority and The Bank of New York

Mellon Trust Company, N.A., as escrow agent, 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 Escrow Agreement 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 8. 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 Bond Purchase Agreement, the Installment Purchase Agreement, the Continuing Disclosure Certificate, the Escrow Agreement and the Official Statement.

Section 9. 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 escrow agent under the Escrow Agreement, and the General Manager is hereby authorized to appoint any replacement trustee and/or escrow agent while the Bonds are outstanding.

Section 10. 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, the Escrow Agreement and

the Bond Purchase Agreement 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 11. 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 2023 Project and the refinancing of the 2013 Installment Payments, 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 Escrow Agreement, the Bond Purchase Agreement, the Preliminary Official Statement and the Official Statement. Such actions heretofore taken by such officers or designees are hereby ratified, confirmed and approved.

Section 12. 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 13. 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 August, 2023, by the following vote:

AYES: President Wilson, Directors Kellerman, Dizmang, Mac Laren-Gomez, Dino

NAYS: None

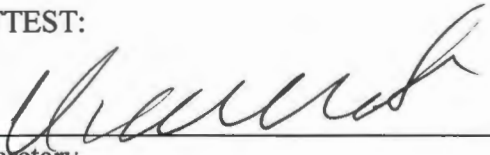
ABSENT: None

ABSTAIN: None



President

ATTEST:



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 \$42,295,000 (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 4.76%.

(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 \$831,426.

(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 \$39,353,100.

(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 \$87,258,613 (\$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.