



# PALMDALE WATER DISTRICT

## A CENTURY OF SERVICE

### BOARD OF DIRECTORS

ROBERT E. ALVARADO  
Division 1

DON WILSON  
Division 2

GLORIA DIZMANG  
Division 3

KATHY MAC LAREN  
Division 4

VINCENT DINO  
Division 5

May 6, 2020

### AGENDA FOR A MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT PUBLIC FINANCING AUTHORITY

#### TO BE HELD VIA TELECONFERENCE ONLY

**DIAL-IN NUMBER: 571-748-4021 ATTENDEE PIN: 793-832-807#**  
**Submit Public Comments at: <https://www.gomeet.com/793-832-807>**

**MONDAY, MAY 11, 2020**

**6:15 p.m.**

DENNIS D. LaMOREAUX  
General Manager

ALESHIRE & WYNDR LLP  
Attorneys

**NOTE:** To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Dawn Deans at 661-947-4111 x1003 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale (Government Code Section 54957.5). Please call Dawn Deans at 661-947-4111 x1003 for public review of materials.

**PUBLIC COMMENT GUIDELINES:** The prescribed time limit per speaker is three-minutes. Please refrain from public displays or outbursts such as unsolicited applause, comments, or cheering. Any disruptive activities that substantially interfere with the ability of the District to carry out its meeting will not be permitted and offenders will be requested to leave the meeting. (PWD Rules and Regulations, Appendix DD, Sec. IV.A)

Each item on the agenda shall be deemed to include any appropriate motion, resolution, ordinance to take action on any item.

- 1) Roll Call.
- 2) Adoption of Agenda.
- 3) Public comments for non-agenda Public Financing Authority items.



BOARD OF DIRECTORS  
PALMDALE WATER DISTRICT  
PUBLIC FINANCING AUTHORITY

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May 6, 2020

- 4) Action Items: (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.)
  - 4.1) Consideration and possible action on approval of minutes of meeting held May 29, 2018.
  - 4.2) Consideration and possible action on Resolution No. 2020-1 being a Resolution of the Palmdale Water District Public Financing Authority Authorizing the Execution and Delivery of a First Amendment to Installment Purchase Agreement and an Escrow Agreement, and Approving Certain Actions in Connection Therewith. (\$8.81 million – Non-budgeted – Finance Manager Williams, Mark Northcross of NHA Advisors/Finance Committee)
- 5) Information Items.
- 6) Board Members' requests for future agenda items.
- 7) Adjourn to Palmdale Water District Board meeting.



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DENNIS D. LaMOREAUX,  
PWD General Manager

DDL/dd

**P A L M D A L E   W A T E R   D I S T R I C T**  
**P U B L I C   F I N A N C I N G   A U T H O R I T Y**  
**B O A R D   M E M O R A N D U M**

**DATE:** May 5, 2020 **May 11, 2020**  
**TO:** BOARD OF DIRECTORS **Board Meeting**  
**FROM:** Mr. Michael Williams, Finance Manager/CFO  
**VIA:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** ***AGENDA ITEM NO. 4.2 – CONSIDERATION AND POSSIBLE ACTION ON RESOLUTION NO. 2020-1 BEING A RESOLUTION OF THE PALMDALE WATER DISTRICT PUBLIC FINANCING AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO INSTALLMENT PURCHASE AGREEMENT AND AN ESCROW AGREEMENT, AND APPROVING CERTAIN ACTIONS IN CONNECTION THEREWITH. (\$8.81 MILLION – NON-BUDGETED – FINANCE MANAGER WILLIAMS, MARK NORTHCROSS OF NHA ADVISORS/FINANCE COMMITTEE)***

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**Recommendation:**

Staff and the Finance Committee recommend that the Public Financing Authority approve Resolution No. 2020-1 Being a Resolution of the Palmdale Water District Public Financing Authority Authorizing the Execution and Delivery of a First Amendment to Installment Purchase Agreement and an Escrow Agreement, and Approving Certain Actions in Connection Therewith.

**Alternative Options:**

The Board can choose to not approve Resolution No. 2020-1.

**Impact of Taking No Action:**

The District will not benefit from the savings of refinancing the bonds.

**Background:**

The District's bond advisor, Mark Northcross from NHA Advisors, advised the District of the opportunity for the District to refinance its outstanding 2013A Water Revenue term bonds maturing 2038 and 2043 through private placement. Interest rates are very low at this time, and this refinancing will result in an annual savings of approximately \$47,000.00.

The Public Financing Authority is the District's financing agent and must approve Resolution No. 2020-1 for the refinancing to move forward. Resolution No. 2020-1 is attached.

BOARD OF DIRECTORS  
PALMDALE WATER DISTRICT  
PUBLIC FINANCING AUTHORITY  
VIA: Mr. Dennis D. LaMoreaux, General Manager

May 5, 2020

**Strategic Plan Initiative/Mission Statement:**

This item is under Strategic Initiative No. 4 – Financial Health and Stability.  
This item directly relates to the District’s Mission Statement.

**Budget:**

This item will result in annual interest savings.

**Supporting Documents:**

1. Palmdale Water District Public Financing Authority Resolution No. 2020-1.

## **RESOLUTION NO. 2020-1**

### **RESOLUTION OF THE PALMDALE WATER DISTRICT PUBLIC FINANCING AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO INSTALLMENT PURCHASE AGREEMENT AND AN ESCROW AGREEMENT, AND APPROVING CERTAIN ACTIONS IN CONNECTION THEREWITH**

WHEREAS, the Palmdale Water District Public Financing Authority (the “Authority”) is a joint exercise of powers authority duly organized and existing under and pursuant to the Constitution and laws of the State of California (the “State”); and

WHEREAS, the Authority previously issued its Water Revenue Bonds, Series 2013A (the “2013 Bonds”) pursuant to an Indenture of Trust, dated as of May 1, 2013, by and between the Authority and the Palmdale Water District (the “District”); and

WHEREAS, the District and the Authority entered into an Installment Purchase Agreement, dated as of May 1, 2013 (the “2013 Installment Purchase Agreement”), for the purpose of securing the payments of principal of and interest on the 2013 Bonds; and

WHEREAS, the District has determined that it is in the best interest of the District to authorize the execution and delivery of an Installment Purchase Agreement (the “2020 Installment Purchase Agreement”) with \_\_\_\_\_, for the purpose of refinancing certain of the maturities of the 2013 Bonds (the “Refinanced Maturities”), and paying related costs; and

WHEREAS, the redemption of the Refinanced Maturities will require the execution and delivery of an Escrow Agreement, by and among the District, the Authority and The Bank of New York Mellon Trust Company, N.A., as escrow agent; and

WHEREAS, as a result of refunding the Refinanced Maturities, the District and the Authority will need to amend the 2013 Installment Purchase Agreement by executing a First Amendment to Installment Purchase Agreement (the “First Amendment”); and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of the Escrow Agreement and the First Amendment authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to execute and deliver such documents for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, the Board of Directors of the Palmdale Water District Public Financing Authority does hereby resolve as follows:

1. The Escrow Agreement and the First Amendment, in substantially the form on file at this meeting and, upon execution as authorized below, made a part hereof as though set

forth in full herein, are hereby approved. The President of the Board of Directors or the Executive Director of the Authority, or the designee thereof, is hereby authorized and directed to execute and deliver such documents with such changes, insertions and omissions as may be approved by the officers executing the same, said execution being conclusive evidence of such approval.

2. The President of the Board of Directors or the Executive Director of the Authority, or the designee, and any other proper officer of the Authority, acting singly, is each hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Escrow Agreement and the First Amendment, and this resolution.

3. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given such terms in the Escrow Agreement and the First Amendment, as applicable, unless the context otherwise clearly requires.

4. This resolution shall take effect immediately.

**PASSED AND ADOPTED** by this \_\_\_\_ day of May, 2020, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

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President

Attest:

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Secretary