



## REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF WESTMORLAND

WEDNESDAY, NOVEMBER 6, 2024

6:00 PM

City Council Chambers  
355 South Center Street  
Westmorland, CA 92281

### *Mayor's Message*

This is a public meeting. You may be heard on an agenda item before the Council takes action on the item upon being recognized by the mayor. During the oral communications portion of the agenda, you may address the Council on items that do not appear on the agenda that are within the subject matter jurisdiction of the Council. Personal attacks on individuals, slanderous comments, or comments, which may invade an individual's privacy, are prohibited. The mayor reserves the right to limit the speaker's time. Individuals wishing accessibility accommodations at this meeting, under the Americans with Disabilities Act (ADA), may request such accommodations to aid hearing, visual, or mobility impairment by contacting City Hall at (760) 344-3411. Please note that 48 hours advance notice will be necessary to honor your request.

### ***Brown Act AB 361:***

**Location:** Westmorland City Hall Council Chambers 355 S Center Street

Judith Rivera- Mayor

Xavier Mendez- Mayor Pro- Tem

Ana Beltran- Council Member

Justina Cruz- Council Member

Ray Gutierrez- Council Member

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### **Call to Order:**

### **Pledge of Allegiance & Invocation:**

### **Roll Call:**

**Oral Communication-Public Comment:** Now is the time for any member of the public to speak to the Council. Please step to the podium and state your name and address for the record. Three (3) minute maximum time.

### **Staff Reports Non-Action Items:**

Fire Department – Chief Sergio Cruz

Police Department – Chief Lynn Mara

City Manager- Laura Fischer

Public Works Director - Ramiro Barajas

### **Consent Agenda:** Approve the Consent Agenda Items 1-2.

1. Approval of Meeting Minutes from October 23, 2024
2. Approval of City Warrant List.

**Regular Business:**

1. Discussion and action to Award Construction Management Contract for the Water Filter Replacement Project to The Holt Group for an amount not to exceed \$72,220.00 which will be paid through the Small Communities Drought Grant- Joel Hamby
2. Discussion/Action to designate City Manager Laura Fischer as the contact person for the SRF grant project- Joel Hamby
3. Discussion/Action to Adopt Resolution Number 2024-20 to establish investment accounts with Local Agency Investment Fund (LAIF) and close some local bank accounts. – Laura Fischer, Manager

**Closed Session:**

- Public Service Employees Job descriptions and salary scales, as well as Appointment, Employment, or evaluation (Gov't. Code §54957(b)(1).)
  - WTP Operator.
- Conference with legal Counsel Pending Litigation (Gov't. Code §54956.9 (d) (1))

**Adjournment:** Next regular scheduled meeting November 20, 2024.

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[cityclerk@cityofwestmorland.net](mailto:cityclerk@cityofwestmorland.net)



## MINUTES OF THE



### REGULAR MEETING OF THE PLANNING COMMISSION AND CITY COUNCIL OF THE CITY OF WESTMORLAND

WEDNESDAY, OCTOBER 23, 2024

6:00 PM

City Council Chambers  
355 South Center Street  
Westmorland, CA 92281

#### *Mayor's Message*

This is a public meeting. You may be heard on an agenda item before the Council takes action on the item upon being recognized by the mayor. During the oral communications portion of the agenda, you may address the Council on items that do not appear on the agenda that are within the subject matter jurisdiction of the Council. Personal attacks on individuals, slanderous comments, or comments, which may invade an individual's privacy, are prohibited. The mayor reserves the right to limit the speaker's time. Individuals wishing accessibility accommodations at this meeting, under the Americans with Disabilities Act (ADA), may request such accommodations to aid hearing, visual, or mobility impairment by contacting City Hall at (760) 344-3411. Please note that 48 hours advance notice will be necessary to honor your request.

#### ***Brown Act AB 361:***

**Location:** Westmorland City Hall Council Chambers 355 S Center Street

Judith Rivera- Mayor

Xavier Mendez- Mayor Pro- Tem

Ana Beltran- Council Member

Justina Cruz- Council Member

Ray Gutierrez- Council Member

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**Call to Order 6:01:** The meeting was called to order by Mayor pro-tem Mendez.

**Pledge of Allegiance & Invocation:** The pledge of allegiance was led by Mayor Rivera

**Roll Call: Council Members Present:**

**Present:** Council Members Mendez, Cruz, and Gutierrez

**Absent:** Council Member Beltran, Mayor Rivera

**Oral Communication-Public Comment:** Now is the time for any member of the public to speak to the Council. Please step to the podium and state your name and address for the record. Three (3) minute maximum time.

- Daycare United Families- Selia Sanchez, Mrs. Sanchez expressed her disappointment in our City Council that they weren't transparent to her the first time this was brought up to council and wished that council had informed her on the grant they had applied for.

#### **Staff Reports Non-Action Items:**

**Fire Department** – Sergio Cruz, Mr. Cruz reported that the ISO inspected the Fire Department that ranked low. The Fire Department ISO rating is at a 7 and he's trying to get it back to a 5. One of the units is currently down.

**Police Department** – **NOTHING TO REPORT**

**City Manager-** Laura Fischer, Ms. Fischer reported her staff report provided in the backup. She presented the 1<sup>st</sup> Quarter Budget Review.

**Public Works Director** – Absent attending AWWA training

**Consent Agenda 6:24pm:** Approve the Consent Agenda Items 1-2.

1. Approval of Meeting Minutes from October 2, 2024
2. Approval of City Warrant List.

Motion to approve the Consent Agenda was approved 3-0 with 2 absent

AYES: (1) Cruz, (2) Gutierrez, Mendez

NOS:

ABSENT: 2 Beltran, Rivera

**Regular Business: 6:20pm**

1. Discussion and action to adopt a Resolution 2024-17 recognizing Public Power Week and to initiate a double incentive energy efficiency rebate promotion- ~~Stella Jimenez~~ Sabrina Barber IID Senior Public Affairs Coordinator

Motion to adopt Resolution 2024-17 was passed by a vote of 3-0 with 2 absent.

AYES: (1) Cruz, (2) Gutierrez, Mendez

NOS:

ABSENT: 2 Beltran, Rivera

2. Discussion and action to adopt Resolution 2024-19 Resolution Adopting a List Of Projects For Fiscal Year 2024-25 Funded By SB 1: The Road Repair and Accountability Act Of 2017- Laura Fischer, Manager

Motion to adopt Resolution 2024-17 was passed by a vote of 3-0 with 2 absent.

AYES: (1) Cruz, (2) Gutierrez, Mendez

NOS:

ABSENT: 2 Beltran, Rivera

3. Discussion/Action to Adopt Resolution Number 2024-18 to Approve the Application for Bicycle and/or Pedestrian Funds Under Transportation Development Act for Fiscal Year 2016-17, 2017-18, 2018-19. – Laura Fischer, Manager

Motion to adopt Resolution 2024-18 was passed by a vote of 3-0 with 2 absent.

AYES: (1) Cruz, (2) Gutierrez, Mendez

NOS:

ABSENT: 2 Beltran, Rivera

4. Discussion/Action to Authorize the Manager to Prepare and Submit an Application to ICTC for REAP funds

Motion to adopt Resolution 2024-17 was passed by a vote of 3-0 with 2 absent.

AYES: (1) Cruz, (2) Gutierrez, Mendez

NOS:

ABSENT: 2 Beltran, Rivera

5. Discussion/ Action to approve payments to Dudek listed in:

a. Invoice #3 for a total of \$70,239.16

b. Invoice #4 for a total of \$24,707.50

c. Invoice #5 for a total of \$53,290.00

*Grand Total of \$148,236.66* – Laura Fischer, Manager

Motion to adopt Resolution 2024-17 was passed by a vote of 3-0 with 2 absent.

AYES: (1) Cruz, (2) Gutierrez, Mendez

NOS:

ABSENT: 2 Beltran, Rivera

6. Update on Park Improvement Project PER Capita Grant – Laura Fischer, Manager

Ms. Fischer reported that the scope with the changes had been submitted to the State Representative currently waiting on information back, the contract was approved by the attorney and by the contractor and city, the kickoff meeting will be held soon and will not interfere with the Honey Fest.

7. Update on Housing Element and LEAP Grant Reimbursement – Laura Fischer, Manager Ms. Fischer reported that our Housing Element is currently being reviewed by HCD and so far, they haven't had any major issues with it.
8. Update on Federal Grant Applications for Public Safety Building – Laura Fischer, Manager Ms. Fischer reported that we have two grant opportunities. The first is with Congressman Ruiz' Office for 1.2 million and the second is with USDA for 2.7 million. We are in the top 15 applicants and are working to gather data so we can enter the approval stage. We will have an architect prepare a draft drawing of the plans to submit with the second review of the application.

**Closed Session: 6:53PM**

- o Public Service Employees Job descriptions and salary scales, as well as Appointment, Employment, or evaluation (Gov't. Code §54957(b)(1).)
- o Conference with legal Counsel Pending Litigation (Gov't. Code §54956.9 (d) (1))

Council Reconvened back to Open Session. No Reportable Action.

**Adjournment:** Next regular scheduled meeting November 6, 2024.

**ADJOURNMENT AT 7:14PM**

AYES: (1) Cruz, (2) Gutierrez, Mendez

NOS:

ABSENT: 2 Beltran, Rivera

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# CITY OF WESTMORLAND

## CITY COUNCIL REPORT

**DATE:** November 6, 2024

**FROM:** Laura Fischer

**SUBJECT:** Staff Report – Part-Time Manager

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### **Water Projects:**

Filter Project. This project is moving forward after Council awarded the construction contract to Cora Construction. We have a fully executed contract with Cora; staff has submitted the documents to the State Drought Funding; staff has a kick-off meeting scheduled with the contractor, engineer and staff was held on October 29<sup>th</sup>. Staff prepared the Notice to Proceed and the start date for the project is November 4<sup>th</sup> with a 286 day construction contract.

On the agenda tonight is the award of the construction management contract which is needed as our engineering firm, Dudek is performing the construction engineering services, but not the hands on day to day inspections.

SRF Grant. Staff continues to meet with representatives from the state water board to complete the submission of a grant application for additional improvements to the water plant to include addressing violations for THM exceedances. At the meeting on November, 6<sup>th</sup> the project will officially be transferred to me to manage as Mr. Hamby is stepping back from the day to day work on this project. I will continue to update you on the project as it develops.

### **Street Projects:**

ICTC Meetings. I am attending the ICTC Management meetings and staff has several reports and resolutions that need to be filed annually. Tami completed the working on the LTA Audit pulling invoices and documents as requested; we are working to get Resolutions and project reports together for the TDA funds; we are submitting project details for LPP funding. Mr. Hamby and Ramiro met with BJ Engineering to discuss the design of our CMAQ project to improve sidewalks in town. Additionally, we have new funding opportunities for LLP and the Regional Early Action Planning grant for housing related funds (through ICTC).

### **Parks Improvement project:**

Restrooms & Drinking Fountain. We are waiting on the contractor to provide a schedule.

**Public Safety ½ Cent Sales Tax:**

Update on MOE docs. The documents have been submitted to the County for Fiscal Year 2020 through 2025. I am working with the County to make sure they don't need any additional documents or edits.

**Finance:**

Training Frey Software. We are in training for the accounting software and will train three days this week. We are also taking online training for the invoice cloud, which is the platform we will use for our customer/bank/city interface. The office is still open and we have a person working in the office provided through the Work Force Training program at the County.

**Hours worked.** My timecard for the past pay period was for a total of 63 hours.

Software Transition & Training

Water plant projects – Filter & SRF

Park Project – PER Capita

Housing Element – LEAP

ICTC Funding requirements – CCMA Meetings

Federal Grant Application – Public Safety

Budget Review 1<sup>st</sup> qtr.

Respectfully Submitted,  
Laura Fischer

October 31, 2024

MEMO

TO: LAURA FISCHER, CITY MANAGER

FROM: JOEL HAMBY, INT. DIR. OF DEV. SERV.

RE: CONSTRUCTION MANAGEMENT SERVICES FOR THE DWR 4600014541 WATER FILTER REPLACEMENT PROJ.

City Council awarded the construction contract for the DWR 4600014541 Grant-funded Water Filter Replacement Project in their meeting of September 18, 2024, to Cora Constructors, Inc., in the amount of \$1,916,900. The grant agreement requires the following:

**Task 3 – Construction Management**

This task includes construction management activities during the construction of the Project. The activities include managing contractor submittal reviews, answering requests for information, preparing change orders, and issuing work directives. **A full-time engineering construction observer will be on site for the duration of the project.** Construction observer duties include documenting preconstruction conditions, daily construction diary, addressing questions of contractors on site, reviewing and updating the Project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying the contractor if work is not acceptable, and closing out the Project.

**Deliverables:**

- Construction schedules
- Construction progress report
- Change orders if any

*Grant Agreement No. 4600015451 Page 13 of 39*

Brandon Lacap of Dudek solicited and obtained three quotes for construction management:

1. Reilly Construction Management: \$156,999
2. Z&K Consultants: \$111,024
3. Holt Group: \$72,220

The cost of construction management is an eligible cost under the grant (no cost to the City); however, the amount of expenditures for the filter replacement project will affect the balance that will be available for pipe replacement work. A cost spreadsheet is attached listing the costs to date and the anticipated balance that will remain for the distribution piping replacement work. DWR staff has informed the City that as long as the total cost for both the filter and piping work remains constant (\$2,928,150), the individual project costs are flexible.

The Contractor has indicated that delivery of the filter to the job site is expected in mid-January, 2025.

**Recommendation:**

Staff (Joel) recommends that Council approve the proposal submitted by the Holt Group for Construction Management services in the not to exceed amount of \$72,220 and prepare an agreement for the services.



# CITY OF WESTMORLAND

## SCDR/DWR 4600014541 WATER FILTER REPLACEMENT AND PIPE REPLACEMENT PROJECT BUDGET/EXPENDITURES EXHIBIT OCTOBER 31, 2024

### FILTER PROJECT

| BUDGET ITEM                                   | FILTER FUNDS | DUDEK BUDGET                    | DUDEK COST      | CITY/JOEL        | TOTAL COST TO DATE | REMAINING      |
|---|--------------|---------------------------------|-----------------|------------------|--------------------|----------------|
| Project Administration                        | \$0          | \$0                             | \$0             | \$20,000 (match) | \$0                | \$0            |
| Design Engineering<br>Services and Permitting | \$250,000    | \$238,845                       | \$235,343.08    | \$9,670          | \$245,013.08       | \$4,986.92     |
| Construction<br>Engineering/<br>Management    | \$175,000    | \$97,966 Dudek<br>\$72,220 Holt | \$0             | \$0              | \$0                | \$175,000      |
| Construction                                  | \$2,085,000  | \$1,935,000                     | \$150,000 (AWC) | \$0              | \$150,000          | \$1,965,000    |
| Totals  | \$2,510,000  | \$2,344,031                     | \$385,343.08    | \$9,670          | \$395,013.08       | \$2,114,986.92 |

### PIPE PROJECT

| BUDGET ITEM                                   | PIPE BUDGET | BJ ENGR. BUDGET | BJ ENGR. COST | CITY/JOEL | TOTAL PIPE COST | REMAINING |
|---|-------------|-----------------|---------------|-----------|-----------------|-----------|
| Project Administration                        | \$0         | \$0             | \$0           | \$0       | \$0             | \$0       |
| Design Engineering<br>Services and Permitting | \$40,000    | \$40,000 (est.) | \$24,929      | \$6,575   | \$31,504        | \$8,496   |
| Construction<br>Management                    | \$55,000    | \$25,000 (est.) | \$0           | \$0       | \$0             | \$55,000  |
| Construction                                  | \$323,150   | \$0             | \$0           | \$0       | \$0             | \$323,150 |
| Totals  | \$418,150   | \$65,000        | \$24,929      | \$6,575   | \$31,504        | \$386,646 |

**From:** Lawler, Kelly@DWR <[Kelly.Lawler@water.ca.gov](mailto:Kelly.Lawler@water.ca.gov)>

**Sent:** Friday, October 4, 2024 1:24 PM

**To:** [lfischer@cityofwestmorland.net](mailto:lfischer@cityofwestmorland.net) <[lfischer@cityofwestmorland.net](mailto:lfischer@cityofwestmorland.net)>; 'Joel Hamby' <[joelmhamby@outlook.com](mailto:joelmhamby@outlook.com)>

**Cc:** 'Ramiro Barajas' <[rbarajas@cityofwestmorland.net](mailto:rbarajas@cityofwestmorland.net)>; 'Brandon Lacap' <[blacap@dudek.com](mailto:blacap@dudek.com)>; Willet, Kristin@DWR <[Kristin.Willet@water.ca.gov](mailto:Kristin.Willet@water.ca.gov)>

**Subject:** RE: 4600015451 Westmorland Water Distribution System Improvement Project

Dear Laura and Joel,

Approval of a fund reallocation on November 28, 2024, shifted \$167,500 from budget Task #4 construction to the Task #2 design line. If there is a future amendment, it will include it. Task #3 construction management has all of the \$290,000 of funding remaining.

The agreement 4600015451, Paragraph D.3. Amendment, states that a change in the scope request needs to be submitted 180 days prior to the work completion date. Westmorland's work completion date is June 30, 2025. A extension in the work completion date requires an amendment request letter 90 days prior to the work completion date.

DWR does not interfere in the grantee's hiring of consultants, contractors, or subconsultants and does not have any knowledge of existing agreements with others.

Thank you,

Kelly Lawler  
Water Resources Engineer  
Southern Region  
Department of Water Resources  
Office (T): (916) 914-0244

November 1, 2024

MEMO

TO: CITY COUNCIL AND LAURA FISCHER, CITY MANAGER

FROM: JOEL HAMBY, INT. DIR. OF DEV. SERV.

RE: DESIGNATION OF AUTHORIZED REPRESENTATIVE AND CONTACT PERSON FOR SRF WTP PROJECT

An application for grant funding under the state's DWR SRF program that has been in progress for over six years is nearing an important milestone/step—finalizing the application package so that review can be conducted by DWR and formulation of an agreement can occur.

A form (G11) has to be completed that identifies a contact person and an authorized representative for the City. Listed on the form are Judith Rivera, Mayor, as the authorized representative and Laura Fischer, City Manager, as the contact person. Council action/approval is needed so that the form can be submitted.

Joel Hamby has been listed as the contact person up to the present, and he is willing to continue assisting as needed/requested with the SRF project.

Recommendation:

Staff recommends that Council take action designating Mayor Judith Rivera as the Authorized Representative and City Manager Laura Fischer as the contact person.



## Drinking Water State Revolving Fund (DWSRF) Program

# Potential DWSRF **Flags** Worksheet

To avoid potential delays later in your DWSRF application process, we recommend you review the following list of questions and statements, and place a check (✓) beside each question or statement where your answer is “yes” or “true”.

If you answer “yes” or “true” to any of the questions or statements on this worksheet, we recommend that you discuss the specifics of your answers with the State Water Board, Division of Financial Assistance staff at your earliest opportunity so we can identify issues up front that may require supplementary information or additional review time. Although it is not a required application attachment, we recommend you submit this worksheet with your “General Information Package”.

**Applicant (Entity) Name**

**Project Title:**

**Contact Person:**

**Phone:**

| ✓ if<br>Yes<br>or<br>True | <b><u>LEGAL</u></b><br>Question / Statement  |
|---------------------------|--|
|                           | <p>1.a. If you anticipate grant-only funding, after reviewing and discussing with your attorney(s), do you have any concerns regarding your ability to comply with the Exhibit C Standard Terms and Conditions used for all DFA funding agreements? Terms and conditions: <a href="https://www.waterboards.ca.gov/water_issues/programs/grants_loans/general_terms.html">https://www.waterboards.ca.gov/water_issues/programs/grants_loans/general_terms.html</a></p> <p>1. b. If you anticipate repayable financing from the Board (i.e., a loan), after reviewing and discussing the form of agreement and forms of opinion of counsel, do you have any concerns regarding your ability to comply with the Board's standard terms and conditions or provide opinion(s) of counsel?</p> |
|                           | 2. Is there doubt about whether your governing statutes allow you to finance your project through the DWSRF?   |
|                           | 3. Is there existing or pending litigation with respect to your system's assets, water rights, or regarding the source of repayment or implementation of the project?  |
|                           | 4. Are there any existing or pending inquiries or investigations of your agency, members of the board of directors, or key management by outside entities, for example, the Grand Jury?  |
|                           | 5. Was there a significant level of protests during the most recent rate setting process?  |
|                           | 6. Is there an existing or pending rate rollback initiative on an upcoming ballot, or are there any efforts within the community to initiate a rate rollback? Have rates been rolled back in the past due to a voter initiative?   |
|                           | 7. Has there been or is there currently significant disagreement within the community about the project?   |
|                           | 8. Will the project involve a public-private partnership?  |

## Drinking Water State Revolving Fund (DWSRF) Program

### Potential DWSRF **Flags** Worksheet

|  |   |
|--|---|
|  | 9. Are you a small community or a dependent special district anticipating that some or all of your financial assistance will be a repayable loan?                       |
|  | 10. Are you a State agency, a Native American Tribe, a federal entity, or a non-governmental entity?  |
|  | 11. Are you a Joint Powers Authority or are there agreements with other entities related to the project?  |
|  | 12. Do you need to purchase or otherwise obtain legal access rights to the project property for the term of the financing to implement the project?                     |
|  | 13. Are you not the owner of all of the system's property?  |
|  | 14. Are there liens on any of the system's property?  |
|  | 15. Do your property rights for any of the property needed for the Project extend for less than 33 years from the date of the application or are subject to revocation? |
|  | 16. Does the application include the purchase of land or other assets?  |
|  | 17. Do you expect to use eminent domain so that you can implement your project?   |
|  | 18. If you are a private entity, are you not in good standing with the California Secretary of State and the Franchise Tax Board?                                       |
|  | 19. If you are a private entity, are you domiciled and registered outside of California?  |

## Drinking Water State Revolving Fund (DWSRF) Program Potential DWSRF **Flags** Worksheet

| ✓ if<br>Yes<br>or<br>True | <b><u>TECHNICAL</u></b><br>Question / Statement   |
|---------------------------|---|
|                           | 1. Do you anticipate that the plans & specifications will be out for bids within the next 6 to 12 months (i.e., likely before receiving an executed financing agreement)?   |
|                           | 2. The project bidding is complete, but the specifications did not include the Build America, Buy America (BABA), the American Iron and Steel, Disadvantaged Business Enterprises, or Davis-Bacon requirements.   |
|                           | 3. You are an urban water supplier and your project is a water management project as defined by Water Code section 10631 (AB 1420). You have <b>not</b> received a compliance letter from the Department of Water Resources.  |
|                           | 4. Is this a regionalization project, or will the project be a joint effort with other agencies?  |
|                           | 5. The plans and specifications have not been reviewed and/or approved by the Division of Drinking Water for permitting purposes.   |
|                           | 6. Do you have policies and procedures to solicit, evaluate, and select candidates for professional services using a fair, competitive selection process based on demonstrated competence and professional qualifications, consistent with California Government Code section 4526. |
|                           | 7. Do you anticipate the project will be implemented in phases with multiple bids?  |
|                           | 8. Do you anticipate the project will be implemented with a Design-Build delivery method?   |

| ✓ if<br>Yes<br>or<br>True | <b><u>ENVIRONMENTAL</u></b><br>Question / Statement  |
|---------------------------|--|
|                           | 1. The environmental documents have not been prepared for the proposed project.  |
|                           | 2. The environmental documents were not prepared to meet "federal cross-cutting" requirements.   |
|                           | 3. Will the project impact any cultural resources?   |
|                           | 4. Will the project impact any state or federally listed species?  |
|                           | 5. Will the project require consultations with the United States Fish and Wildlife Service or the National Marine Fisheries Service?                           |
|                           | 6. Will the project's air quality emissions (construction and operation) exceed the federal de minimis levels, and require a general conformity determination? |
|                           | 7. Will the project require a Clean Water Act Section 404 permit and a Section 401 Certification?  |



**Drinking Water State Revolving Fund (DWSRF) Program**  
**Potential DWSRF **Flags** Worksheet**

|  |   |
|--|---|
|  | 8. Is there any significant controversy related to the project's environmental documents?   |
|  | 9. Were the project's environmental documents approved more than five years from the expected date of the DWSRF financing agreement?                                    |
|  | 10. If the water system is private and there is no local discretion, has the water system discussed with the local agency about carrying out the CEQA lead agency role? |
|  | 11. Is it anticipated that the Lead Agency for the potential construction project will be an agency other than the Applicant?   |



## Drinking Water State Revolving Fund (DWSRF) Program

# Potential DWSRF **Flags** Worksheet

| ✓ if<br>Yes<br>or<br>True | <b><u>FINANCIAL</u></b><br>Question / Statement  |
|---------------------------|--|
|                           | 1. Is the entity's status "Suspended" with the Secretary of State?   |
|                           | 2. If non-profit, is the entity unable to provide a copy of its tax exemption confirmation statement from the IRS? If not non-profit, please enter "N/A" in the box.   |
|                           | 3. Are you missing any portion of the necessary Project funding aside from what is being sought as part of this application? Please enter "N/A" in the box if no additional funding sources are necessary.                             |
|                           | 4. Has the entity ever failed to make timely and sufficient payments on its existing loans within the past 10 years? If none, please enter "N/A" in the box.   |
|                           | 5. Are you planning to pledge a repayment source other than Net Revenues of your water enterprise, as defined in Appendix E to the DWSRF Policy?   |
|                           | 6. Are your annual revenues currently insufficient to cover annual expenses?   |
|                           | 7. Will you be requesting approval of your DWSRF financing before rates, assessments, or other charges used to support repayment are adopted?  |
|                           | 8. Do you have outstanding fines or penalties due to non-compliance with a permit or order?  |
|                           | 9. Do you have existing debt that relies on the same source of revenue as the source you plan to pledge for repayment of the DWSRF financing?  |
|                           | 10. Will the Project be co-funded with funding other than the Drinking Water State Revolving Fund?   |
|                           | 11. Was the last rate study completed over five years ago?   |
|                           | 12. Do your existing debt covenants affect your ability to incur new parity debt, and/or are non-compliant with existing debt covenants?   |
|                           | 13. Are you currently out of compliance or have you been out of compliance with covenants in your existing debt in the preceding 5 years?  |
|                           | 14. Have you had a prior material event such as a bankruptcy, default, unscheduled draw on reserve funds, substitution of insurers on their failure to perform, or unscheduled draw on a credit enhancement in the preceding 10 years? |
|                           | 15. Are you subject to a lien on any portion of the system property?   |
|                           | 16. If you are a government entity, do you have a local debt limit?  |
|                           | 17. Have you taken actions in anticipation of the sale of significant system assets?   |
|                           | 18. Have you taken actions in anticipation of restructuring or dissolution?  |
|                           | 19. Have you taken actions in anticipation of filing for bankruptcy protection or other insolvency proceedings?  |





Drinking Water State Revolving Fund (DWSRF) Program  
**Potential DWSRF Flags Worksheet**

Name of Authorized Representative: \_\_\_\_\_

Title: \_\_\_\_\_

Signature of Authorized Representative: \_\_\_\_\_

Date: \_\_\_\_\_

# CITY OF WESTMORLAND

## REPORT TO CITY COUNCIL

**MEETING DATE:** November 6, 2024

**FROM:** Laura Fischer, Manager

**SUBJECT:** Adopt Resolution 2024-20 authorizing investment of monies in the Local Agency Investment Fund

**ISSUE:** Shall the Council Adopt Resolution 2024-20 authorizing investment of monies in the Local Agency Investment Fund?

**General Manager's Recommendation:**

Adopt Resolution 2024-20 authorizing investment of monies in the Local Agency Investment Fund.

**FISCAL IMPACT:** The city will earn greater interest and revenue in LAIF accounts.

**BACKGROUND:**

After discussion with our auditors and financial advisors, staff has determined the need to invest the city's monies in a manner that will provide the highest investment return with the maximum security while meeting the cash flow demands of the city and conforming to all provisions of California Government Code Section 53600.

Currently, the city has cash in a couple of local banks that do not have a high return on our investment. The Local Agency Investment Fund (LAIF) offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office investment staff at no additional cost to the taxpayer.

The Local Agency Investment Fund (LAIF), a voluntary program created by statute, began in 1977 as an investment alternative for California's local governments and it continues today under Treasurer Fiona Ma's administration. The enabling legislation for the LAIF is Section 16429.1 et seq. of the California Government Code.

This program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office professional investment staff at no additional cost to the taxpayer.

The LAIF is part of the Pooled Money Investment Account (PMIA). The PMIA began in 1955 and oversight is provided by the Pooled Money Investment Board (PMIB) and an in-house Investment Committee. The PMIB members are the State Treasurer, Director of Finance, and State Controller.

The Local Investment Advisory Board (LIAB) provides oversight for LAIF. The Board consists of five members as designated by statute. The State Treasurer, as Chair, or her designated representative, appoints two members qualified by training and experience in the field of investment or finance, and two members who are treasurers,

finance or fiscal officers or business managers employed by any county, city or local district or municipal corporation of this state. The term of each appointment is two years or at the pleasure of the Treasurer.

All securities are purchased under the authority of Government Code Section 16430 and 16480.4. The State Treasurer's Office takes delivery of all securities purchased on a delivery versus payment basis using a third party custodian. All investments are purchased at market and a market valuation is conducted monthly.

Additionally, the PMIA has Policies, Goals and Objectives for the portfolio to make certain that our goals of Safety, Liquidity and Yield are not jeopardized and that prudent management prevails. These policies are formulated by Investment Division staff and reviewed by both the PMIB and the LIAB on an annual basis.

The State Treasurer's Office is audited by the Bureau of State Audits on an annual basis and the resulting opinion is posted to the State Treasurer's Office website following its publication. The Bureau of State Audits also has a continuing audit process throughout the year. All investments and LAIF claims are audited on a daily basis by the State Controller's Office as well as an internal audit process.

Under Federal Law, the State of California cannot declare bankruptcy, thereby allowing the Government Code Section 16429.3 to stand. This Section states that "moneys placed with the Treasurer for deposit in the LAIF by cities, counties, special districts, nonprofit corporations, or qualified quasi-governmental agencies shall not be subject to either of the following: (a) transfer or loan pursuant to Sections 16310, 16312, or 16313, or (b) impoundment or seizure by any state official or state agency."

During the 2002 legislative session, California Government Code Section 16429.4 was added to the LAIF's enabling legislation. This Section states that "the right of a city, county, city and county, special district, nonprofit corporation, or qualified quasi-governmental agency to withdraw its deposited moneys from the LAIF, upon demand, may not be altered, impaired, or denied in any way, by any state official or state agency based upon the state's failure to adopt a State Budget by July 1 of each new fiscal year."

The LAIF has grown from 293 participants and \$468 million in 1977 to 2,340 participants and \$19.6.0 billion at the end of September 2024.

### **NEXT STEPS:**

Should Council adopt Resolution 2024-20 staff will submit the Resolution along with the LAIF account set up information to LAIF. Once our account has been set up, staff will assist one of our Council Members with the transfer of funds and closing of accounts.

Currently the city has accounts as follows:

Sun Community has three open accounts. Close all accounts and transfer funds by Fund Number into LAIF.

Mechanics Bank has five open accounts, which we want to Close and transfer all funds by Fund Number into LAIF and keep open one (1) checking account and one (1) savings account.

The Redevelopment Agency account in US Bank will remain the same as Redevelopment Successor Agency is a separate entity from the City.

**CONCLUSION:**

Staff recommends adopting Resolution 2024-20 authorizing the investment of monies in the Local Agency Investment Fund. Staff further recommends taking action soon so that our accounts are simplified prior to implementation of our new accounting software.

**ALTERNATIVES:**

1. Do not adopt Resolution 2024-20.
2. Adopt Resolution 2024-20 with changes and edits.

Respectfully Submitted,  
Laura Fischer, Manager

Attachments:        Resolution 2024-20

## RESOLUTION NO. 2024-20

### A RESOLUTION OF THE CITY OF WESTMORLAND AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND (LAIF)

**WHEREAS,** The Local Agency Investment Fund is established in the State Treasury under Government Code section 16429.1 et. seq. for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

**WHEREAS,** the City Council for the City of Westmorland hereby finds that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein is in the best interests of the City of Westmorland;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Westmorland hereby authorized the deposit and withdrawal of City of Westmorland monies in the Local Agency Investment Fund in the State Treasury in accordance with Government Code Section 16429.1 et. Seq. for the purpose of investment as provided therein.

**BE IT FURTHER RESOLVED,** as follows:

Section 1. The following City of Westmorland officers holding the title(s) specified hereinbelow or their successors in office are each hereby authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of this resolution and the transactions contemplated hereby:

Tami Castro  
(Name)

Judith Rivera  
(Name)

City Treasurer  
(Title)

Mayor of the City of Westmorland  
(Title)

Section 2. This Resolution shall remain in full force and effect until rescinded by City Council for the City of Westmorland by resolution and a copy of the resolution rescinding this resolution is filed with the State Treasurer's Office.

**PASSED AND ADOPTED** by the City of Westmorland on the 6th Day of November 2024 by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
 Judith Rivera, Mayor  
 City Council for City of Westmorland

ATTEST:

\_\_\_\_\_  
 Christine Pisch, Clerk of the Board

APPROVE AS TO FORM:

\_\_\_\_\_  
 Mitch Driskill, General Counsel

STATE OF CALIFORNIA   )  
 COUNTY OF IMPERIAL   )  
 CITY OF WESTMORLAND   )

I, CHRISTINE PISCH, City Clerk of the City of Westmorland, County of Imperial, State of California,  
 DO HEREBY CERTIFY that the foregoing resolution was duly passed, approved and adopted by the  
 City of Westmorland City Council at its rescheduled meeting held on the 6<sup>th</sup> day of November, 2024.

By \_\_\_\_\_  
 Christine Pisch, Clerk of the Board