

Since 1918



PALMDALE WATER DISTRICT

2029 East Avenue Q • Palmdale, California 93550 • Telephone (661) 947-4111
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Board of Directors

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Division 3

KATHY MAC LAREN
Division 4

VINCENT DINO
Division 5

ALESHIRE & WYNDER
LLP
Attorneys

November 3, 2016

Agenda for Regular Meeting of the Board of Directors of the Palmdale Water District to be held at the District's office at 2029 East Avenue Q, Palmdale

Wednesday, November 9, 2016

7:00 p.m.

NOTES: 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.

Additionally, a Spanish interpreter will be made available to assist the public in making comments during the meeting if requested at least 48 hours before the meeting. This was authorized by Board action on May 11, 2016 as a temporary measure while a long-term policy is developed.

Adicionalmente, un intérprete en español estará disponible para ayudar al público a hacer comentarios durante la reunión, siempre y cuando se solicite con 48 horas de anticipación de la junta directiva. Esto fué autorizado por la mesa directiva en la junta del 11 de mayo del 2016 como una medida temporal mientras se desarrolla una poliza a largo plazo.

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, or ordinance to take action on any item.

- 1) Pledge of Allegiance.
- 2) Roll Call.
- 3) Adoption of Agenda.
- 4) Public comments for non-agenda items.



Providing high quality water to our current and future customers at a reasonable cost.



- 5) Presentations:
 - 5.1) None at this time.
- 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 financial workshop special meeting held October 19, 2016.
 - 6.2) Approval of minutes of regular meeting held October 26, 2016.
 - 6.3) Payment of bills for November 9, 2016.
- 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) Status report on Cash Flow Statement and Current Cash Balances as of September, 2016. (Financial Advisor Egan)
 - 7.2) Status report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for September, 2016. (Finance Manager Williams)
 - 7.3) Status report on committed contracts issued and water revenue bond projects. (Assistant General Manager Knudson)
 - 7.4) Consideration and possible action on Resolution No. 16-17 being a Resolution of the Board of Directors of the Palmdale Water District Adopting a Reduced Water Rate Adjustment of 4.25% for each Calendar Year 2017, 2018, and 2019, Amending Appendix C to the Rules and Regulations of the Palmdale Water District, and Establishing Prudent Parameters to Consider Further Water Rate Adjustment Reductions. (Assistant General Manager Knudson/Finance Manager Williams/Finance Committee)
 - 7.5) Consideration and possible action on award of Consulting Engineering Contract with ESA to prepare a Program Environmental Impact Report for the 2016 Palmdale Water District Water Master Plan. (\$174,715.00 – Budgeted – Engineering/Grant Manager Riley)
 - 7.6) Consideration and possible action on USGS Groundwater Elevation and Water Quality Monitoring Program through Antelope Valley State Water Contractors Association. (\$7,750.00 – Budgeted – Assistant General Manager Knudson)
 - 7.7) 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 2016 Budget:
 - a) None at this time.
- 8) Information Items:
 - 8.1) Reports of Directors:
 - a) Meetings/General Report.

- b) Standing Committee/Assignment Reports (Chair):
 - 1) Personnel Committee.
 - 2) Finance Committee.
- 8.2) Report of General Manager.
 - a) Distribution of 2017 Budget. (Finance Manager Williams)
- 8.3) Report of General Counsel.
- 9) Public comments on closed session agenda matters.
- 10) Break prior to closed session.
- 11) Closed session under:
 - 11.1) Conference with Legal Counsel – Existing Litigation: A closed session will be held, pursuant to Government Code §54956.9 (d)(1), to confer with Special Litigation Counsel regarding pending litigation to which the District is a party. The title of such litigation is as follows: *Antelope Valley Ground Water Cases*.
- 12) Public report of any action taken in closed session.
- 13) Board members' requests for future agenda items.
- 14) Adjournment.



DENNIS D. LaMOREAUX,
General Manager

DDL/dd

**PALMDALE
WATER DISTRICT
BOARD MEMORANDUM**

DATE:	November 2, 2016	November 9, 2016
TO:	BOARD OF DIRECTORS	Board Meeting
FROM:	Mr. Bob Egan, Financial Advisor	
RE:	<i>AGENDA ITEM NO. 7.1 – STATUS REPORT ON CASH FLOW STATEMENT AND CURRENT CASH BALANCES AS OF SEPTEMBER, 2016.</i>	

Attached is the Investment Funds Report and current cash balance as of September 30, 2016. The reports will be reviewed in detail at the Board meeting.

**PALMDALE WATER DISTRICT
INVESTMENT FUNDS REPORT
September 30, 2016**

					September 2016	August 2016
CASH						
1-00-0103-100	Citizens - Checking				716,787.25	554,265.49
1-00-0103-200	Citizens - Refund				60.00	-
1-00-0103-300	Citizens - Merchant				66,372.10	83,146.90
				Bank Total	783,219.35	637,412.39
1-00-0110-000	PETTY CASH				300.00	300.00
1-00-0115-000	CASH ON HAND				5,400.00	5,400.00
				TOTAL CASH	788,919.35	643,112.39
INVESTMENTS						
1-00-0135-000	Local Agency Investment Fund			Acct. Total	11,806.40	11,806.40
1-00-0120-000	UBS Money Market Account General (SS 11469)					
	UBS RMA Government Portfolio				749,379.62	3,085,133.18
	UBS Bank USA Dep acct				250,000.00	250,000.00
	Accrued interest				7,005.03	3,887.92
					1,006,384.65	3,339,021.10
US Government Securities						
CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value
912828SJ0	US Treasury Note	02/28/2017	0.87	1,000,000	1,002,100.00	1,001,750.00
				1,000,000	1,002,100.00	1,001,750.00
Certificates of Deposit						
	Issuer	Maturity Date	Rate	Face Value		
1	First Bank PR	11/07/2016	0.80	240,000	240,062.40	240,110.40
2	Compass Bank	02/07/2017	0.95	240,000	240,307.20	240,381.60
3	GE Cap Retail Bank	04/27/2017	1.84	200,000	201,084.00	201,212.00
4	Discover Bank	05/02/2017	1.73	240,000	241,488.00	241,660.80
5	Merrick Bank	06/12/2017	1.00	100,000	100,326.00	100,346.00
6	Level One Bank	06/19/2017	0.65	101,000	101,265.63	101,269.67
7	GE Cap Retail Bank	06/22/2017	1.78	200,000	201,710.00	201,840.00
8	Capitol One Bank	08/14/2017	1.20	240,000	241,065.60	241,051.20
9	Triumph Bank	09/26/2017	0.80	200,000	200,674.00	200,686.00
10	MB Finl Bank	10/26/2017	0.85	200,000	200,180.00	200,158.00
11	Bank United Miami	11/21/2017	1.20	240,000	241,161.60	-
				2,201,000	2,209,324.43	1,968,715.67
				Acct. Total	4,217,809.08	6,309,486.77
1-00-1110-000	UBS Money Market Account Capital (SS 11475)					
	UBS Bank USA Dep acct				234,471.77	234,467.35
	UBS RMA Government Portfolio				-	-
				Acct. Total	234,471.77	234,467.35
1-00-0125-000	UBS Access Account General (SS 11432)					
	UBS Bank USA Dep acct				245,710.30	245,705.99
	UBS RMA Government Portfolio				-	-
	Accrued interest				17,198.06	10,743.55
					262,908.36	256,449.54
US Government Securities						
CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value
912828XF2	US Treasury Note	06/15/2018	1.125	1,000,000	1,006,210.00	1,005,700.00
912828KD1	US Treasury Note	02/15/2019	2.610	1,500,000	1,567,965.00	1,569,375.00
912828P53	US Treasury Note	02/15/2019	0.75	1,000,000	998,090.00	997,270.00
				3,500,000	3,572,265.00	3,572,345.00
Certificates of Deposit						
	Issuer	Maturity Date	Rate	Face Value		
1	Goldman Sachs Bk	11/07/2016	1.00	240,000	240,117.60	240,213.60
2	CIT Bank	11/06/2017	1.60	240,000	240,007.20	240,225.60
3	BMW Bank	11/15/2018	1.96	240,000	245,131.20	245,234.40
4	American Express	04/29/2019	1.44	240,000	243,784.80	243,847.20
5	Synchrony Bank	04/14/2020	1.83	240,000	246,564.00	246,566.40
				1,200,000	1,215,604.80	1,216,087.20
				Acct. Total	5,050,778.16	5,044,881.74
				Total Managed Accounts	9,514,865.41	11,600,642.26
1-00-1121-000	UBS Rate Stabilization Fund (SS 24016) - District Restricted					
	UBS Bank USA Dep acct				250,000.00	250,000.00
	UBS RMA Government Portfolio				230,315.57	230,306.39
				Acct. Total	480,315.57	480,306.39
				GRAND TOTAL CASH AND INVESTMENTS	10,784,100.33	12,724,061.04
				Increase (Decrease) in Funds	(1,939,960.71)	
1-00-1130-000	2013A Bonds - Project Funds (BNY Mellon)					
	Construction Funds				437,188.90	497,545.23

PALMDALE WATER DISTRICT

2016 Cash Flow Report (Based on Jan. 19, 2016 Approved Budget)

2016 Cash Flow Report (Based on Jan. 19, 2016 Approved Budget)														Budget 2017 Carryover Information
	January	February	March	April	May	June	July	August	September	October	November	December	YTD	
Total Cash Beginning Balance (BUDGET)	12,253,595	11,996,708	12,070,140	9,443,313	11,240,278	11,923,901	11,779,269	10,981,346	11,574,708	9,220,541	9,395,698	9,267,781		
Total Cash Beginning Balance	12,253,595	12,534,672	12,719,333	10,275,232	12,340,454	13,316,414	12,675,338	12,028,366	12,724,061	10,784,100	10,859,119	10,325,202		
Budgeted Water Receipts	1,541,128	1,523,788	1,575,809	1,590,982	1,790,396	1,946,460	2,165,382	2,202,231	2,030,994	1,946,460	1,688,521	1,673,349	21,675,500	
Water Receipts	1,836,145	1,903,857	1,602,349	1,518,640	1,618,564	1,843,912	1,793,757	2,585,375	2,151,151	1,946,460	1,688,521	1,673,349	22,162,079	
DWR Refund (Operational Related)				1,718	28					2,029			3,775	
Other													-	
Total Operating Revenue (BUDGET)													-	
Total Operating Revenue (ACTUAL)	1,836,145	1,903,857	1,602,349	1,520,358	1,618,592	1,843,912	1,793,757	2,585,375	2,151,151	1,948,489	1,688,521	1,673,349	22,165,855	
Total Operating Expenses excl GAC (BUDGET)	(1,237,486)	(1,217,967)	(1,591,629)	(1,550,533)	(1,568,100)	(1,439,060)	(1,770,025)	(1,614,651)	(1,795,266)	(1,449,785)	(1,434,170)	(1,550,028)	(18,218,700)	
GAC (BUDGET)	(362,730)		(190,000)			(190,000)			(190,000)		(190,000)		(1,122,730)	
Operating Expenses excl GAC (ACTUAL)	(1,356,117)	(1,281,496)	(1,961,054)	(1,361,831)	(1,377,208)	(1,883,577)	(1,989,499)	(1,716,208)	(1,699,901)	(1,449,785)	(1,434,170)	(1,550,028)	(19,060,874)	
GAC	(62,730)	(183,290)	(275,135)								(190,000)	(190,000)	(901,154)	
Prepaid Insurance (paid)/refunded		(66,457)											(66,457)	
Total Operating Expense (ACTUAL)	(1,418,847)	(1,531,243)	(2,236,189)	(1,361,831)	(1,377,208)	(1,883,577)	(1,989,499)	(1,716,208)	(1,699,901)	(1,449,785)	(1,624,170)	(1,740,028)	(20,028,486)	
Non-Operating Revenue Expenses:														
Assessments, net (BUDGET)	664,439	253,955	14,289	2,027,090	739,781	11,042	75,342	127,302	-	-	129,251	2,452,512	6,495,000	
Actual/Projected Assessments, net	684,181	313,172	15,308	2,078,805	818,666	12,539	70,859	145,201	-	-	129,251	2,452,512	6,720,493	
RDA Pass-through (Successor Agency)					307,851								307,851	
Interest	3,168	4,991	9,069	8,540	9,385	9,296	9,120	10,254	12,926	2,915	2,915	2,935	85,514	
Market Adjustment	7,983	(12,780)	7,384	(3,392)	(4,736)	19,028	(5,943)	(15,778)	(1,597)				(9,831)	
Grant Re-imbursement						306,915						177,000	483,915	
Capital Improvement Fees							234,459						234,459	
DWR Refund (Capital Related)				98,537	37,228					81,905			217,670	
Other	3,415	26	590	(202)	(33)	89	21,976	324	3	8,330	8,330	8,370	51,218	
Total Non-Operating Revenues (BUDGET)													-	
Total Non-Operating Revenues (ACTUAL)	698,746	305,408	32,351	2,182,288	1,168,361	347,866	330,472	140,001	11,333	93,150	140,496	2,640,817	8,091,290	
Non-Operating Expenses:														
Budgeted Capital Expenditures	(514,999)	(306,567)	(287,878)	(40,796)	(48,676)	(26,296)	(91,743)	(91,743)	(91,743)	(91,743)	(91,744)	(918,263)	(2,602,191)	
Actual/Projected Capital Expenditures	(93,505)	(302,341)	(24,615)	(62,302)	(242,404)	(31,036)	(43,219)	(122,092)	(82,788)	(325,456)	(339,385)	(275,736)	(1,944,879)	
WRB Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-	(444,629)	(444,629)	
Uncommitted Capital Expenditures	-	-	-	-	-	-	-	-	-	-	(208,000)	(280,000)	(488,000)	
SWP Capitalized	(717,495)	(170,388)	(196,069)	(170,390)	(170,390)	(170,390)	(717,492)	(170,390)	(201,804)	(170,388)	(170,388)	(170,388)	(3,195,972)	
Butte County Water Transfer						(726,859)						(726,859)	(1,453,719)	
Bond Payments - Interest			(1,084,814)						(1,076,522)				(2,161,336)	
Principal			(537,114)						(1,020,439)				(1,557,553)	
Capital leases - Go West (2012 Lease)	(17,296)	(17,296)	-	(35,624)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(208,585)	
Capital leases - Wells Fargo (Printer Lease)	(6,672)	(3,336)	-	(7,277)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(46,846)	
Total Non-Operating Expenses (ACTUAL)	(834,969)	(493,362)	(1,842,612)	(275,592)	(433,785)	(949,277)	(781,702)	(313,474)	(2,402,544)	(516,835)	(738,764)	(1,918,603)	(11,501,518)	
Total Cash Ending Balance (BUDGET)	11,996,708	12,070,140	9,443,313	11,240,278	11,923,901	11,779,269	10,981,346	11,574,708	9,220,541	9,395,698	9,267,781	10,300,285		
Total Cash Ending Balance (ACTUAL)	12,534,672	12,719,333	10,275,232	12,340,454	13,316,414	12,675,338	12,028,366	12,724,061	10,784,100	10,859,119	10,325,202	10,980,736		
											Budget	10,300,285		
											Difference	680,451		
Indicates actual expenditures/revenues:														
Indicates anticipated expenditures/revenues:														

PALMDALE WATER DISTRICT BOARD MEMORANDUM

DATE: November 3, 2016 **November 9, 2016**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Michael Williams, Finance Manager/CFO
VIA: Mr. Dennis LaMoreaux, General Manager
RE: ***AGENDA ITEM 7.2 – STATUS ON FINANCIAL STATEMENTS, REVENUE, AND
EXPENSE AND DEPARTMENTAL BUDGET REPORTS FOR SEPTEMBER, 2016***

Discussion:

Presented here are the Balance Sheet and Profit/Loss Statement for the period ending September 30, 2016. Also included are Year-To-Year Comparisons and Month-To-Month Comparisons for both revenue and expense. Finally, I have provided individual departmental budget reports for the month of September, 2016.

This is the ninth month of the District's Budget Year 2016. The target percentage is 75%. Revenues ideally are at or above, and expenditures ideally are below.

Balance Sheet:

- Page 1 is our balance sheet on September 30, 2016.
- The significant change is the reduction in investments. This is the result of our debt payments, principal and interest on loan and bonds.

Profit/Loss Statement:

- Page 3 is our profit/loss statement on September 30, 2016.
- Operating revenue is at 77% of budget.
- Cash operating expense is at 76% of budget.
- Net operating profit for the month of September was \$923K. Net operating profit year to date is at \$1.2MM.
- Drought Surcharge year to date is at \$971K and continues to be an important part in stabilizing revenues during the drought.
- Page 6 is showing the distribution of operating expense between labor and operations. Labor costs continue at 51% of total expenses with salaries making up 35% of that.

Year-To-Year Comparison P&L:

- Page 7 is our comparison of September, 2015 to September, 2016.
- Total operating revenue was up \$316K, or 15%.
- Operating expenditures were down \$28K, or 2%.
- Page 7-1 is our comparison of September, 2014 to September, 2016.
- Total operating revenue was up \$215K, or 10%.

BOARD OF DIRECTORS
PALMDALE WATER DISTRICT

VIA: Mr. Dennis LaMoreaux, General Manager

November 3, 2016

- Total operating expenses were down \$334, or 19%.
- Page 8 and 8-1 is a graphic presentation of the water consumption comparison for 2015 and 2014, respectively.
 - Units billed in acre feet for 2015 comparison were up by 329, or 21%.
 - Total revenue per unit sold was down \$0.16, or 5%.
 - Total revenue per connection is up \$11.09, or 16%.
 - Units billed per connection is up 5.33, or 21%.

 - Units billed in acre feet for 2014 comparison were down by 74, or 4%.
 - Total revenue per unit sold is up \$0.37, or 14%.
 - Total revenue per connection was up \$1.47, or 2%.
 - Units billed per connection is down 1.37, or 4%.

Revenue Analysis Year-To-Date:

- Page 9 is our comparison of revenue, year-to-date.
- Operating revenue through September, 2016 is up \$882K, or 5.5%.
- Retail water revenue from all areas are up by \$628K from last year. That's shown by the combined green highlighted area.
- Retail water sales, including the drought surcharge but excluding meter fees, is up \$781K.
- Total revenue is up \$1.4MM. This is due primarily to strong assessment collection, grant funding and drought surcharge.
- Operating revenue is at 77% of budget, last year was at 68% of budget. However, our 2016 revenue budget is \$1.5MM less than 2015.

Expense Analysis Year-To-Date:

- Page 11 is our comparison of expense, year-to-date.
- Cash Operating Expenses through September, 2016 are up \$838K, or 5%, compared to 2015.
- Total Expenses are down \$672K, or 3%.

Departments:

- Pages 14 through 24 are detailed individual departmental budgets for your review.

Non-Cash Definitions:

Depreciation: This is the spreading of the total expense of a capital asset over the expected life of that asset.

OPEB Accrual Expense: Other Post Employment Benefits (OPEB) is the recognized annual required contribution to the benefit. The amount is actuarially determined in accordance with the parameters of GASB 45. The amount represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year.

Bad Debt: The uncollectible accounts receivable that has been written off.

Service Cost Construction: The value of material, parts & supplies from inventory used to construct, repair and maintain our asset infrastructure.

Capitalized Construction: The value of our labor force used to construct our asset infrastructure.

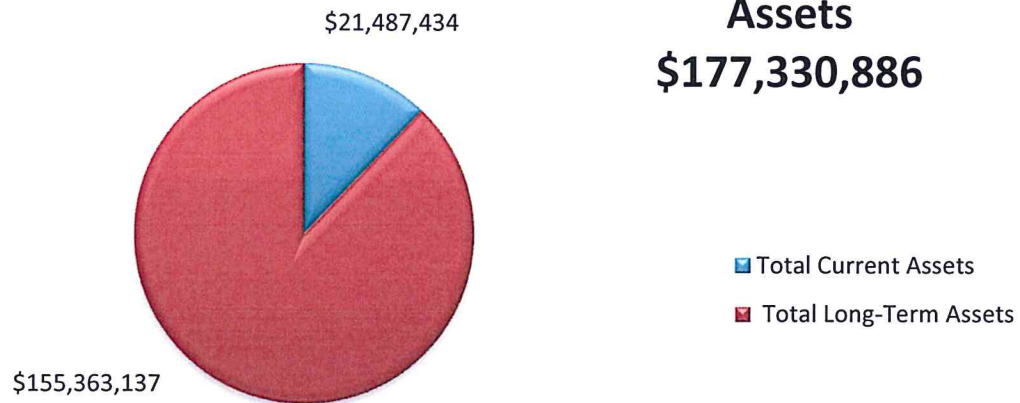
Palmdale Water District
Balance Sheet Report
For the Nine Months Ending 9/30/2016

	<u>September 2016</u>	<u>August 2016</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 788,919	\$ 643,112
Investments	9,514,865	11,600,642
2013A Bonds - Project Funds	437,189	497,545
	<u>\$ 10,740,974</u>	<u>\$ 12,741,300</u>
Receivables:		
Accounts Receivables - Water Sales	\$ 2,216,886	\$ 1,950,202
Accounts Receivables - Miscellaneous	33,277	33,676
Allowance for Uncollected Accounts	(196,113)	(196,113)
	<u>\$ 2,054,050</u>	<u>\$ 1,787,765</u>
Assessments Receivables	\$ 7,719,610	\$ 7,719,610
Meters, Materials and Supplies	711,388	731,196
Prepaid Expenses	261,412	86,347
Total Current Assets	\$ 21,487,434	\$ 23,066,217
Long-Term Assets:		
Property, Plant, and Equipment, net	\$ 109,893,458	\$ 110,198,913
Participation Rights in State Water Project, net	44,319,061	44,314,157
Investment in PRWA	229,923	229,923
2013A Bonds - Insurance & Surety Bond	215,894	216,560
CalPERS Contributions	704,801	704,801
	<u>\$ 155,363,137</u>	<u>\$ 155,664,354</u>
Restricted Cash:		
Rate Stabilization Fund	480,316	480,306
Total Long-Term Assets & Restricted Cash	\$ 155,843,452	\$ 156,144,661
Total Assets	\$ 177,330,886	\$ 179,210,878
LIABILITIES AND DISTRICT EQUITY		
Current Liabilities:		
Current Interest Installment of Long-term Debt	\$ 51	\$ 897,149
Current Principal Installment of Long-term Debt	536,903	1,082,342
Accounts Payable and Accrued Expenses	5,777,851	5,614,820
Deferred Assessments	5,250,000	5,833,333
Total Current Liabilities	\$ 11,564,805	\$ 13,427,644
Long-Term Debt:		
Pension-Related Debt	\$ 9,177,550	\$ 9,177,550
OPEB Liability	12,852,350	12,672,538
2013A Water Revenue Bonds	42,464,210	42,941,460
2012 - Certificates of Participation	8,088,311	8,081,514
2011 - Capital Lease Payable	47,286	47,286
Total Long-Term Liabilities	\$ 72,629,707	\$ 72,920,348
Total Liabilities	\$ 84,194,512	\$ 86,347,992
District Equity		
Revenue from Operations	\$ (1,519,022)	\$ (1,792,511)
Retained Earnings	94,655,397	94,655,397
Total Liabilities and District Equity	\$ 177,330,886	\$ 179,210,878

BALANCE SHEET AS OF SEPTEMBER 30, 2016

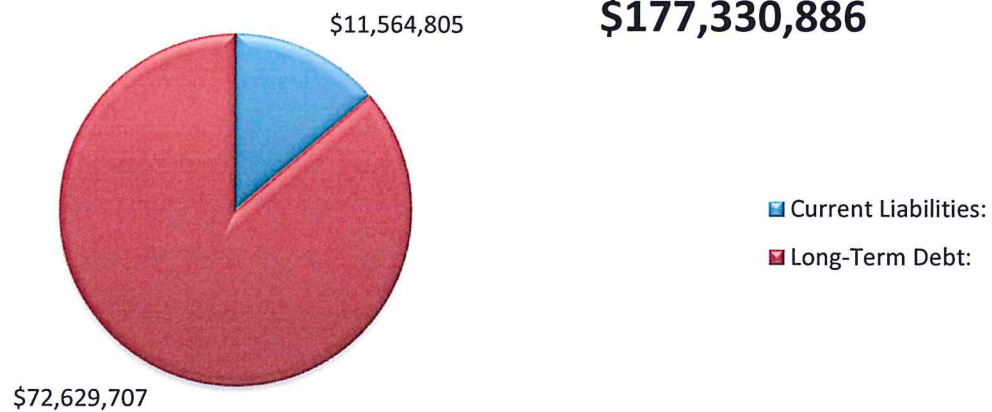
Assets

\$177,330,886



Liability & Equity

\$177,330,886



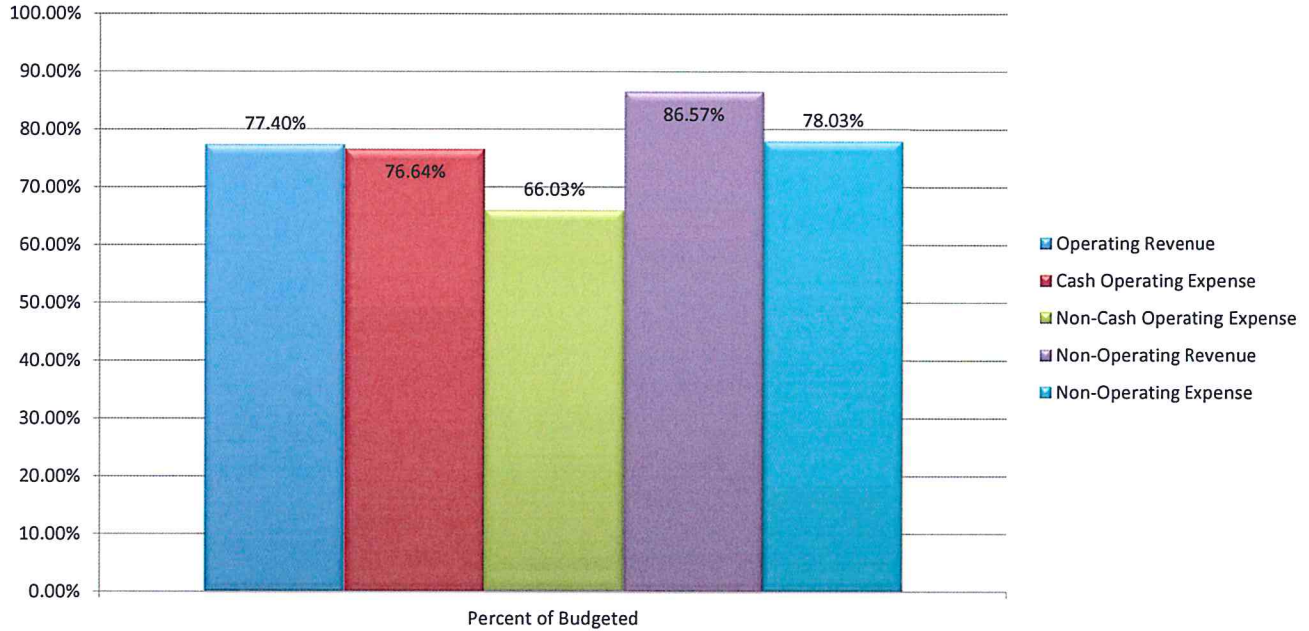
Palmdale Water District
Consolidated Profit and Loss Statement
For the Nine Months Ending 9/30/2016

	Thru August	September	Year-to-Date	Adjustments	Adjusted Budget	% of Budget
Operating Revenue:						
Wholesale Water	\$ 121,876	\$ 121	\$ 121,997		\$ 160,000	76.25%
Water Sales	4,130,650	934,352	5,065,002		7,242,000	69.94%
Meter Fees	8,112,707	1,020,177	9,132,883		12,079,000	75.61%
Water Quality Fees	542,086	105,533	647,619		934,500	69.30%
Elevation Fees	217,461	44,856	262,317		400,000	65.58%
Other (Page 3-1)	499,391	75,774	575,165		860,000	66.88%
Drought Surcharge	765,590	205,444	971,033		-	
Total Operating Revenue	\$ 14,389,760	\$ 2,386,257	\$ 16,776,017	\$ -	\$ 21,675,500	77.40%
Cash Operating Expenses:						
Directors	\$ 103,764	\$ 12,798	\$ 116,562		\$ 145,750	79.97%
Administration-Services	1,073,244	125,140	1,198,383		1,588,750	75.43%
Administration-District	916,327	195,971	1,112,298		1,612,750	68.97%
Engineering	807,014	99,712	906,726		1,279,250	70.88%
Facilities	4,458,610	466,102	4,924,712		6,513,750	75.60%
Operations	1,791,925	187,161	1,979,086		2,449,250	80.80%
Finance	819,448	89,512	908,961		1,168,250	77.81%
Water Conservation	167,179	22,030	189,209		239,250	79.08%
Human Resources	257,406	34,010	291,416		420,350	69.33%
Information Technology	481,409	77,751	559,160		867,750	64.44%
Customer Care	919,355	78,622	997,977		1,386,750	71.97%
Source of Supply-Purchased Water	1,479,882	714	1,480,596		1,725,000	85.83%
Plant Expenditures	323,603	72,840	396,443		-	
GAC Filter Media Replacement	521,064	-	521,064		934,500	55.76%
Total Cash Operating Expenses	\$ 14,120,230	\$ 1,462,363	\$ 15,582,593	\$ -	\$ 20,331,350	76.64%
Net Cash Operating Profit/(Loss)	\$ 269,530	\$ 923,894	\$ 1,193,424	\$ -	\$ 1,344,150	88.79%
Non-Cash Operating Expenses:						
Depreciation	\$ 3,783,289	\$ 454,907	\$ 4,238,196		\$ 7,200,000	58.86%
OPEB Accrual Expense	1,566,881	195,860	1,762,742		2,250,000	78.34%
Bad Debts	70,365	1,547	71,912		50,000	143.82%
Service Costs Construction	90,486	(7,045)	83,441		125,000	66.75%
Capitalized Construction	(427,832)	(32,959)	(460,791)		(1,000,000)	46.08%
Total Non-Cash Operating Expenses	\$ 5,083,189	\$ 612,310	\$ 5,695,499	\$ -	\$ 8,625,000	66.03%
Net Operating Profit/(Loss)	\$ (4,813,659)	\$ 311,584	\$ (4,502,075)	\$ -	\$ (7,280,850)	61.83%
Non-Operating Revenues:						
Assessments (Debt Service)	\$ 3,561,083	\$ 440,417	\$ 4,001,500		\$ 4,670,000	85.69%
Assessments (1%)	1,463,434	142,917	1,606,351		2,025,000	79.33%
DWR Fixed Charge Recovery	191,196	12,154	203,350		200,000	101.68%
Interest	55,589	11,330	66,918		35,000	191.20%
Capital Improvement Fees	234,459	-	234,459		50,000	468.92%
Grants - State and Federal	306,915	-	306,915		485,000	63.28%
Other	146,895	3	146,898		120,000	122.41%
Total Non-Operating Revenues	\$ 5,959,571	\$ 606,820	\$ 6,566,391	\$ -	\$ 7,585,000	86.57%
Non-Operating Expenses:						
Interest on Long-Term Debt	\$ 1,486,665	\$ 184,638	\$ 1,671,302		\$ 2,228,000	75.01%
Amortization of SWP	1,575,180	196,900	1,772,080		2,238,000	79.18%
Change in Investments in PRWA	105,316	-	105,316		-	
Water Conservation Programs	20,833	13,808	34,641		126,500	27.38%
Total Non-Operating Expenses	\$ 3,187,993	\$ 395,346	\$ 3,583,339	\$ -	\$ 4,592,500	78.03%
Net Earnings	\$ (2,042,081)	\$ 523,059	\$ (1,519,022)	\$ -	\$ (4,288,350)	35.42%

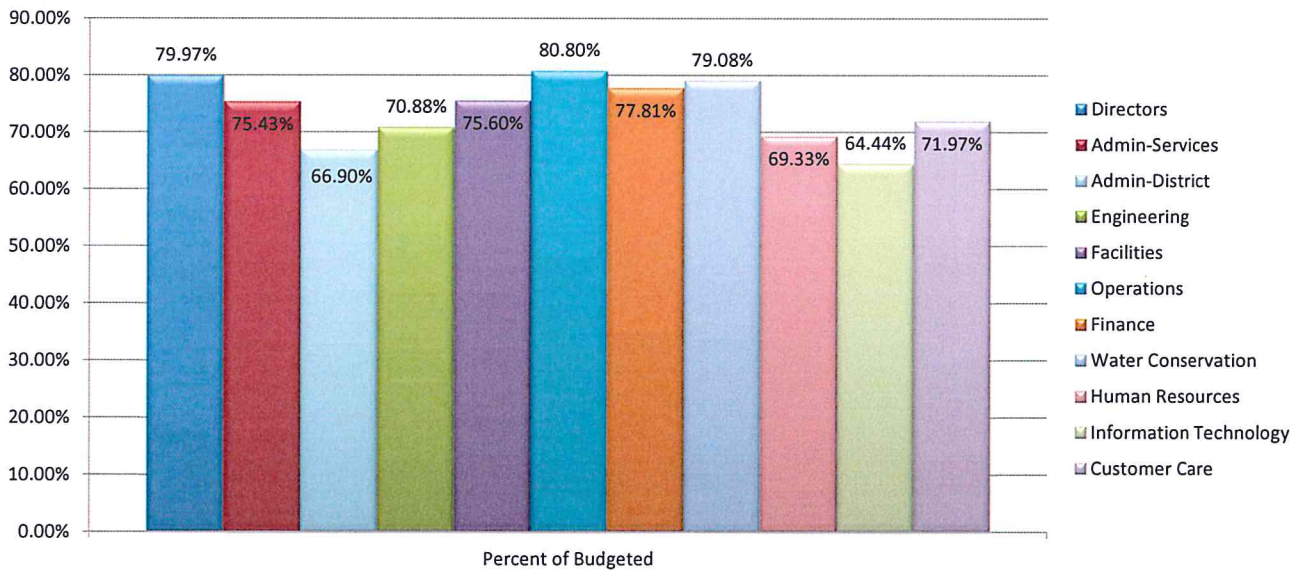
OTHER OPERATING REVENUE

	Current	YTD
Account Setup Charge(\$25)	\$4,150.00	\$35,110.00
Customer Request Turn On/Off(\$15)	\$15.00	\$75.00
Account Setup Charge/CC (\$35)	\$0.00	\$1,085.00
5/8" Meter W/Itron Assembly(\$212)	\$0.00	(\$212.00)
After Hours Service Call	\$0.00	\$620.00
Construction Meter Install(\$250)	\$0.00	\$750.00
Credit Check(\$10)	\$0.00	\$690.00
ERT (87.20)	\$0.00	\$87.20
Grind Down Angle Stop (\$230)	\$230.00	\$0.00
Lock Broken or Missing(\$15)	\$120.00	\$630.00
Miscellaneous Charge	\$35.35	\$967.05
Non-Compliance Fee Backflow(\$50)	\$100.00	\$1,000.00
Pulled Meter Service Charge(\$60)	\$180.00	\$1,140.00
Rejected Payment Notification	\$200.00	\$2,580.00
Repair Angle Stop After Hours(\$600.00)	\$1,200.00	\$1,800.00
Repair Angle Stop(\$440.00)	\$880.00	\$7,040.00
Shut-Off Charge(\$30)	\$4,560.00	\$55,290.00
Shut-Off Notice Fee (\$5)	\$9,870.00	\$79,420.00
Standard Trip Charge(\$15)	\$135.00	\$1,785.00
Waste Water 1st Notice(\$50.00)	\$150.00	\$6,300.00
Waste Water 2nd Notice (\$250.00)	\$0.00	(\$250.00)
Late Fees	\$43,750.94	\$306,001.92
NSF Fee	\$225.00	\$3,750.00

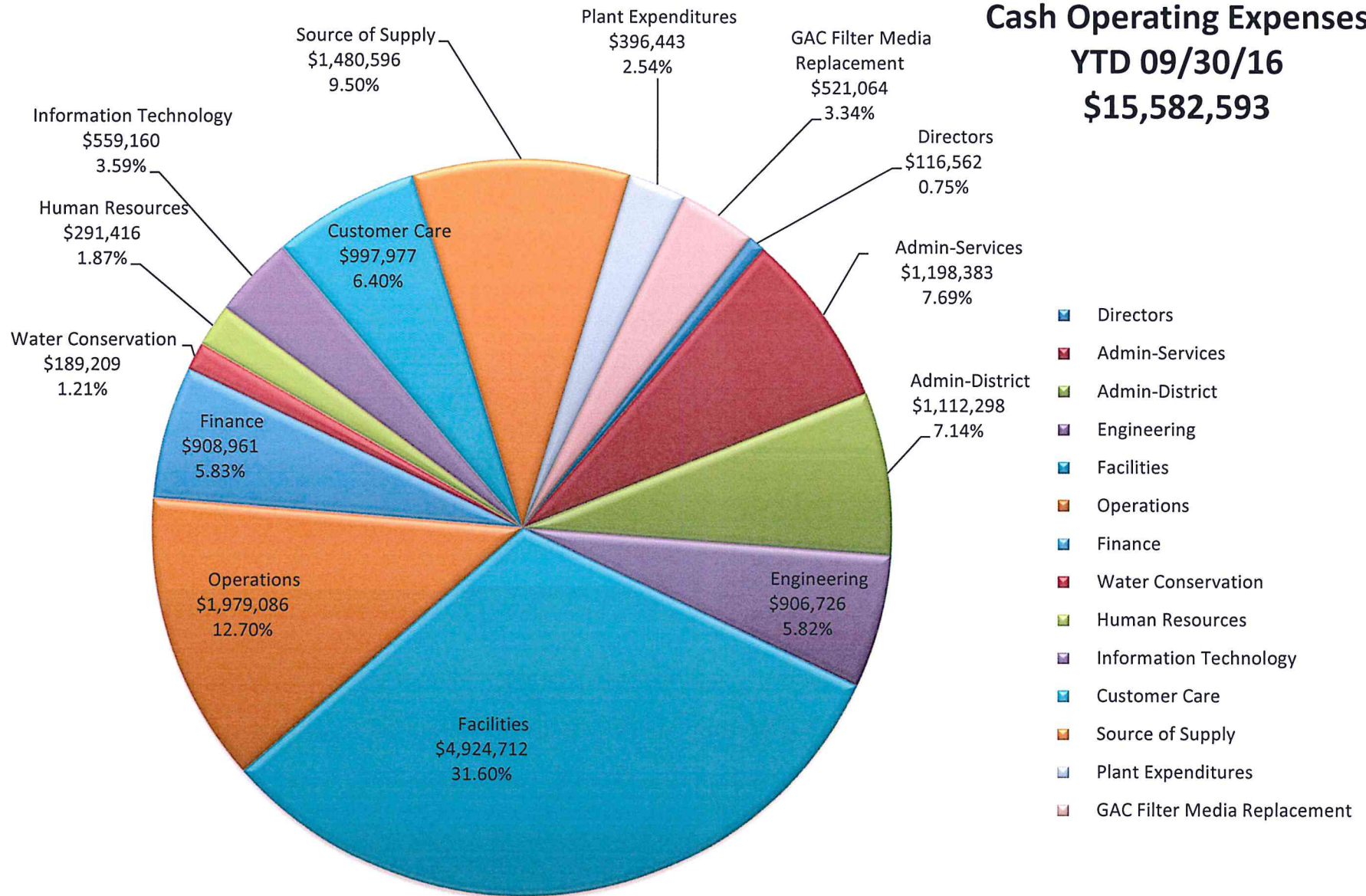
P & L BUDGET vs. ACTUAL



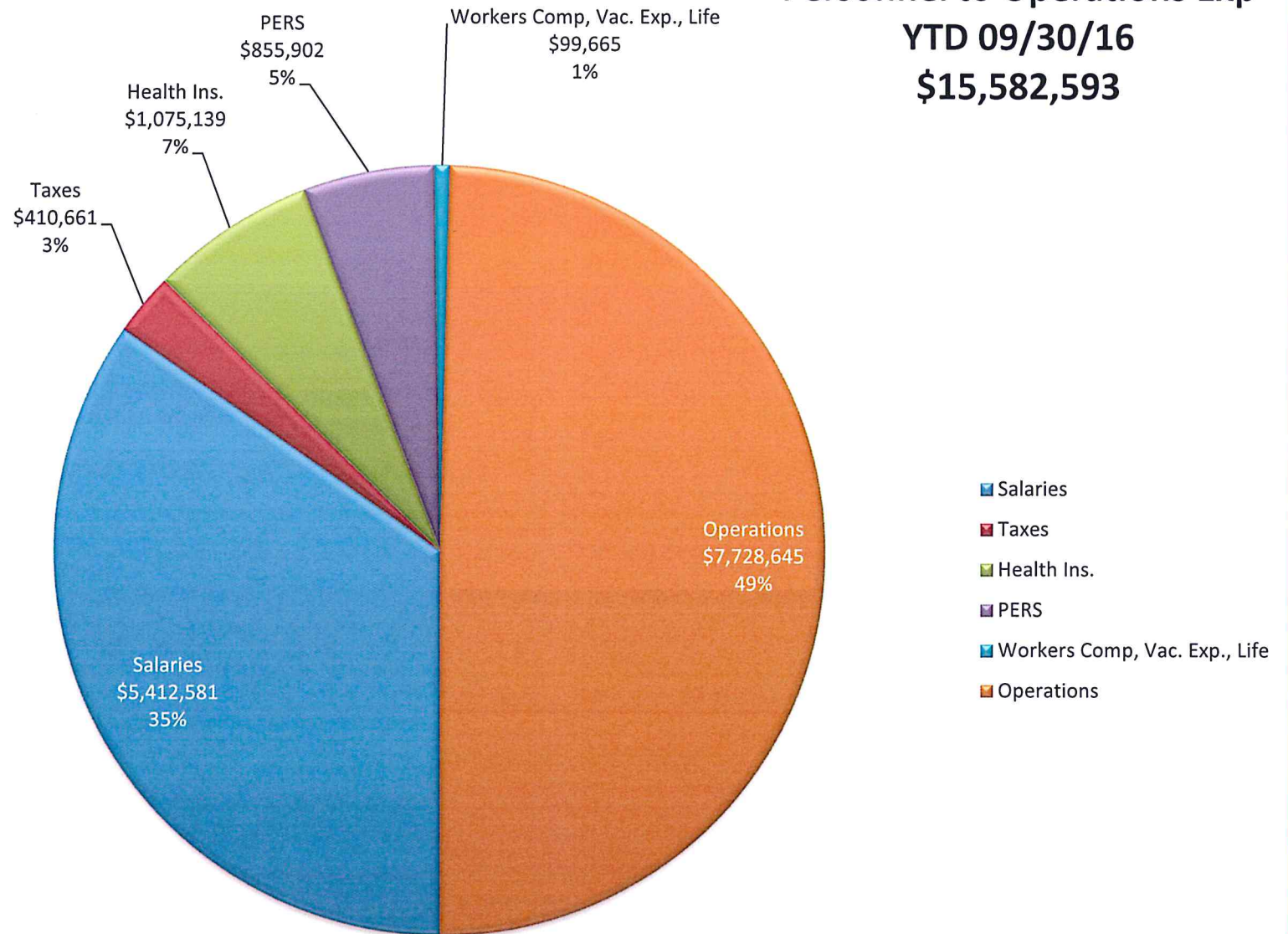
DEPARTMENTAL - BUDGET vs. ACTUAL



Cash Operating Expenses YTD 09/30/16 \$15,582,593



Personnel to Operations Exp
YTD 09/30/16
\$15,582,593



Palmdale Water District
Profit and Loss Statement
Year-To-Year Comparison - September

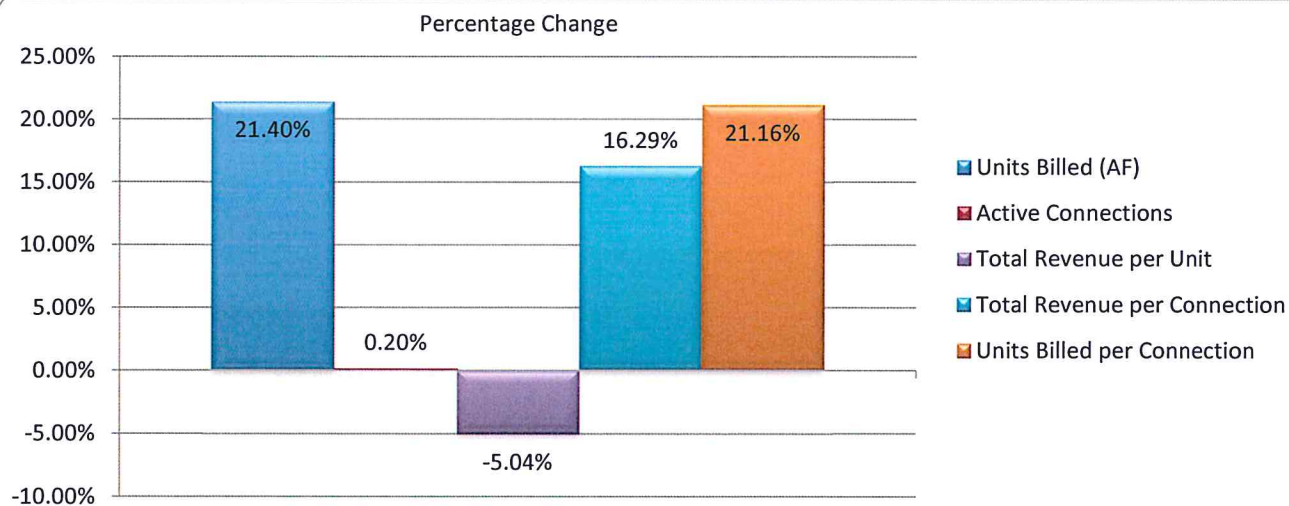
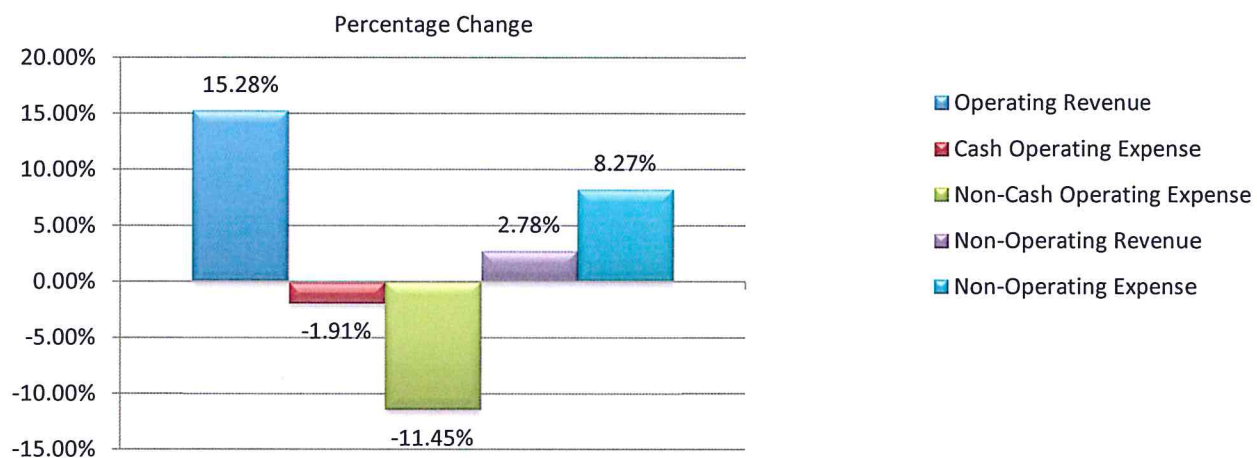
	2015	2016		%		Consumption Comparison		
	September	September	Change	Change		Units Billed	2015	2016
Operating Revenue:							668,669	811,796
Wholesale Water	\$ 32,815	\$ 121	\$ (32,694)	-99.63%	Active		26,544	26,597
Water Sales	671,119	934,352	263,233	39.22%	Vacant		843	808
Meter Fees	969,680	1,020,177	50,497	5.21%				
Water Quality Fees	93,386	105,533	12,148	13.01%				
Elevation Fees	39,543	44,856	5,313	13.44%	Rev/unit	\$	3.10	\$ 2.94
Other	116,865	75,774	(41,091)	-35.16%	Rev/con	\$	68.06	\$ 79.15
Drought Surcharge	146,557	205,444	58,886	40.18%	Unit/con		25.19	30.52
Total Operating Revenue	\$ 2,069,965	\$ 2,386,257	\$ 316,292	15.28%				
Cash Operating Expenses:								
Directors	\$ 8,428	\$ 12,798	\$ 4,370	51.84%				
Administration-Services	251,073	125,140	70,037	27.90%				
Administration-District		195,971						
Engineering	76,356	99,712	23,356	30.59%				
Facilities	522,882	466,102	(56,780)	-10.86%				
Operations	259,970	187,161	(72,809)	-28.01%				
Finance	88,169	89,512	1,344	1.52%				
Water Conservation	35,904	22,030	(13,874)	-38.64%				
Human Resources	27,954	34,010	6,057	21.67%				
Information Technology	45,444	77,751	32,307	71.09%				
Customer Care	104,998	78,622	(26,376)	-25.12%				
Source of Supply-Purchased Water	38,718	714	(38,004)	-98.16%				
Plant Expenditures	30,991	72,840	41,848	135.03%				
GAC Filter Media Replacement	-	-	-					
Total Cash Operating Expenses	\$ 1,490,887	\$ 1,462,363	\$ (28,524)	-1.91%				
Non-Cash Operating Expenses:								
Depreciation	\$ 534,253	\$ 454,907	\$ (79,346)	-14.85%				
OPEB Accrual Expense	183,580	195,860	12,280	6.69%				
Bad Debts	4,461	1,547	(2,914)	-65.32%				
Service Costs Construction	6,643	(7,045)	(13,688)	-206.06%				
Capitalized Construction	(37,430)	(32,959)	4,471	-11.95%				
Total Non-Cash Operating Expenses	\$ 691,507	\$ 612,310	\$ (79,197)	-11.45%				
Net Operating Profit/(Loss)	\$ (112,429)	\$ 311,584	\$ 424,013	-377.14%				
Non-Operating Revenues:								
Assessments (Debt Service)	\$ 443,333	\$ 440,417	\$ (2,917)	-0.66%				
Assessments (1%)	140,000	142,917	2,917	2.08%				
DWR Fixed Charge Recovery	-	12,154	12,154					
Interest	7,088	11,330	4,242	59.85%				
Capital Improvement Fees	-	-	-					
Grants - State and Federal	-	-	-					
Other	13	3	(10)					
Total Non-Operating Revenues	\$ 590,434	\$ 606,820	\$ 16,386	2.78%				
Non-Operating Expenses:								
Interest on Long-Term Debt	\$ 189,148	\$ 184,638	\$ (4,511)	-2.38%				
Amortization of SWP	172,877	196,900	24,023	13.90%				
Change in Investments in PRWA	91	-	(91)					
Water Conservation Programs	3,045	13,808	10,763	353.45%				
Total Non-Operating Expenses	\$ 365,162	\$ 395,346	\$ 30,184	8.27%				
Net Earnings	\$ 112,843	\$ 523,059	\$ 410,215	363.53%				

Palmdale Water District
Profit and Loss Statement
Year-To-Year Comparison-2 Years - September

	2014	2016		%	Consumption Comparison		
	September	September	Change	Change	Units Billed	2014	2016
Operating Revenue:						844,099	811,796
Wholesale Water	\$ 38,782	\$ 121	\$ (38,661)	-99.69%	Active	26,470	26,597
Water Sales	851,086	934,352	83,266	9.78%	Vacant	900	808
Meter Fees	945,665	1,020,177	74,512	7.88%			
Water Quality Fees	167,289	105,533	(61,755)	-36.92%			
Elevation Fees	53,171	44,856	(8,315)	-15.64%	Rev/unit	\$ 2.57	\$ 2.94
Other	115,064	75,774	(39,290)	-34.15%	Rev/con	\$ 77.67	\$ 79.15
Drought Surcharge	-	205,444	205,444		Unit/con	31.89	30.52
Total Operating Revenue	\$ 2,171,057	\$ 2,386,257	\$ 215,200	9.91%			
Cash Operating Expenses:							
Directors	\$ 10,042	\$ 12,798	\$ 2,756	27.44%			
Administration-Services	202,108	125,140	119,003	58.88%			
Administration-District	-	195,971					
Engineering	85,110	99,712	14,602	17.16%			
Facilities	325,842	466,102	140,259	43.05%			
Operations	460,704	187,161	(273,543)	-59.38%			
Finance	240,165	89,512	(150,653)	-62.73%			
Water Conservation	18,071	22,030	3,960	21.91%			
Human Resources	16,636	34,010	17,374	104.44%			
Information Technology	39,597	77,751	38,154	96.36%			
Customer Care	-	78,622	78,622				
Source of Supply-Purchased Water	34,361	714	(33,647)	-97.92%			
Plant Expenditures	65,788	72,840	7,051	10.72%			
GAC Filter Media Replacement	298,692	-	(298,692)				
Total Cash Operating Expenses	\$ 1,797,117	\$ 1,462,363	\$ (334,754)	-18.63%			
Non-Cash Operating Expenses:							
Depreciation	\$ 634,237	\$ 454,907	\$ (179,330)	-28.27%			
OPEB Accrual Expense	166,875	195,860	28,985	17.37%			
Bad Debts	6,266	1,547	(4,719)	-75.31%			
Service Costs Construction	8,680	(7,045)	(15,725)	-181.16%			
Capitalized Construction	(154,605)	(32,959)	121,646	-78.68%			
Total Non-Cash Operating Expenses	\$ 661,454	\$ 612,310	\$ (49,144)	-7.43%			
Net Operating Profit/(Loss)	\$ (287,513)	\$ 311,584	\$ 599,098	-208.37%			
Non-Operating Revenues:							
Assessments (Debt Service)	\$ -	\$ 440,417	\$ 440,417	#DIV/0!			
Assessments (1%)	-	142,917	142,917	#DIV/0!			
DWR Fixed Charge Recovery	-	12,154	12,154				
Interest	(4,041)	11,330	15,371	-380.39%			
Capital Improvement Fees	3,370	-	(3,370)				
Grants - State and Federal	-	-					
Other	18,318	3	(18,315)	-99.98%			
Total Non-Operating Revenues	\$ 17,647	\$ 606,820	\$ 589,174	3338.72%			
Non-Operating Expenses:							
Interest on Long-Term Debt	\$ 194,681	\$ 184,638	\$ (10,043)	-5.16%			
Amortization of SWP	159,510	196,900	37,390	23.44%			
Change in Investments in PRWA	-	-	-				
Water Conservation Programs	7,578	13,808	6,230	82.21%			
Total Non-Operating Expenses	\$ 361,769	\$ 395,346	\$ 33,577	9.28%			
Net Earnings	\$ (631,635)	\$ 523,059	\$ 1,154,694	-182.81%			

YEAR-TO-YEAR COMPARISON

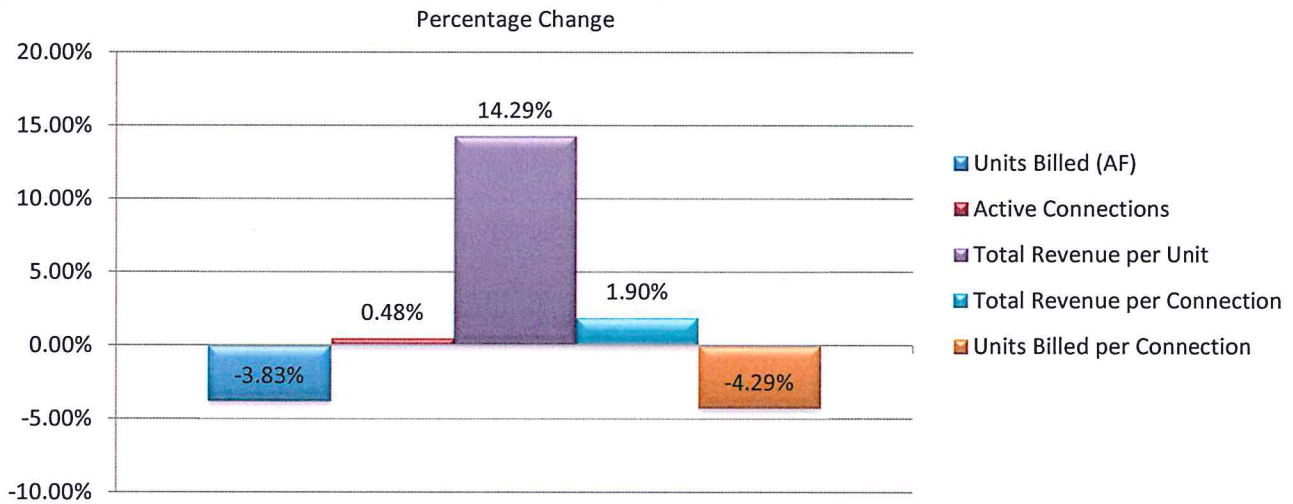
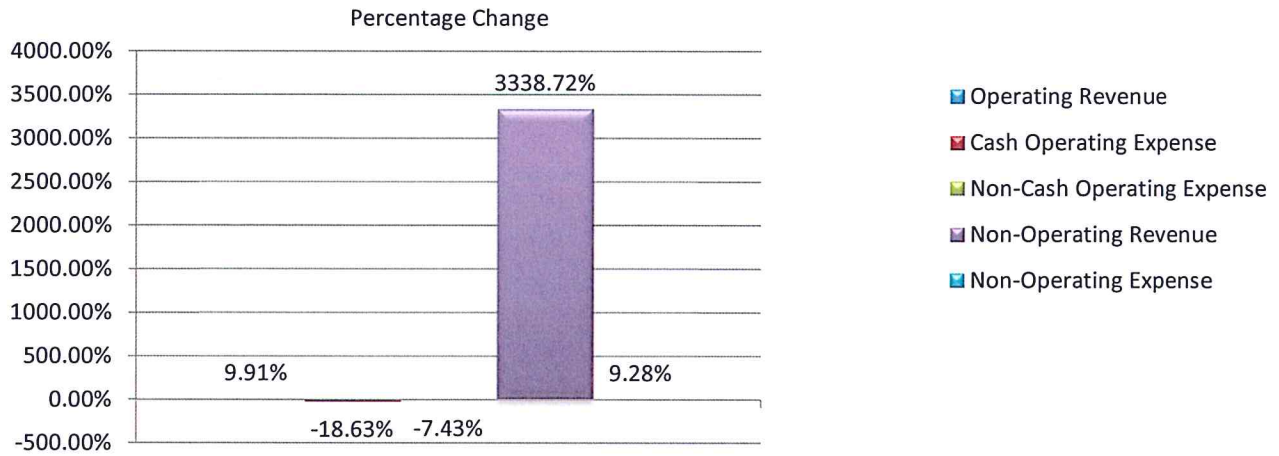
September 2015 -To - September 2016



	2015	2016	Change	
Units Billed (AF)	1,535	1,864	329	21.40%
Active Connections	26,544	26,597	53	0.20%
Non-Active	843	808	-35	-4.15%
Total Revenue per Unit	\$3.10	\$2.94	-\$0.16	-5.04%
Total Revenue per Connection	\$68.06	\$79.15	\$11.09	16.29%
Units Billed per Connection	25.19	30.52	5.33	21.16%

YEAR-TO-YEAR COMPARISON

September 2014 -To - September 2016



	2014	2016	Change	
Units Billed (AF)	1,938	1,864	-74	-3.83%
Active Connections	26,470	26,597	127	0.48%
Non-Active	900	808	-92	-10.22%
Total Revenue per Unit	\$2.57	\$2.94	\$0.37	14.29%
Total Revenue per Connection	\$77.67	\$79.15	\$1.47	1.90%
Units Billed per Connection	31.89	30.52	-1.37	-4.29%

Palmdale Water District
Revenue Analysis
For the Nine Months Ending 9/30/2016

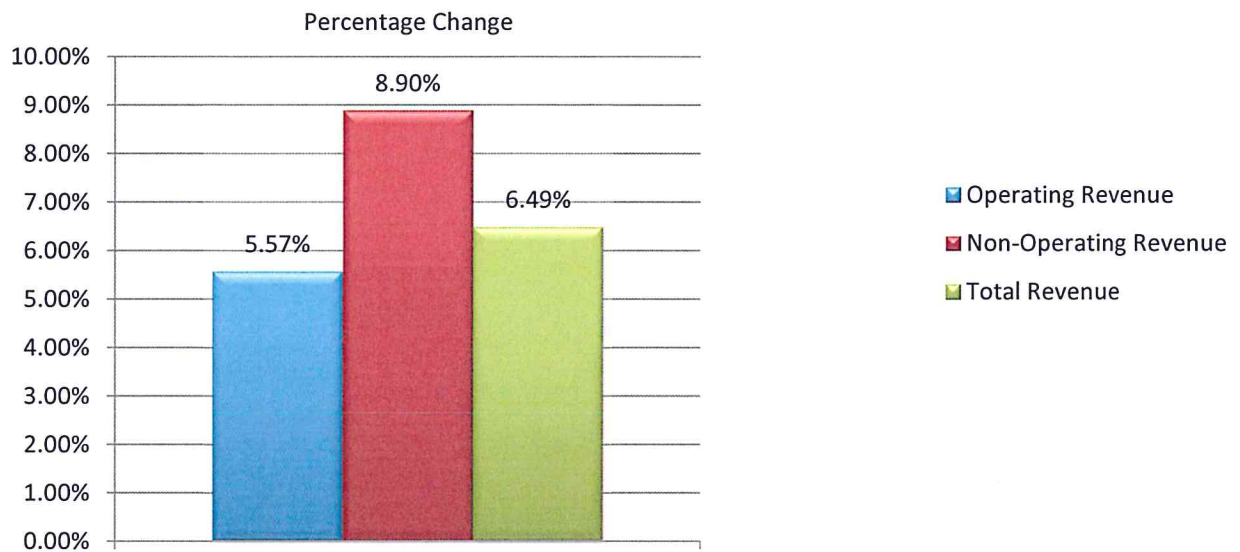
	2016					2015 to 2016 Comparison			
	Thru August	September	Year-to-Date	Adjusted Budget	% of Budget	Thru August	September	Year-to-Date	% Change
Operating Revenue:									
Wholesale Water	\$ 121,876	\$ 121	\$ 121,997	\$ 160,000	76.25%	\$ 90,028	\$ (32,694)	\$ 57,334	88.67%
Water Sales	4,130,650	934,352	5,065,002	7,242,000	69.94%	40,901	263,233	304,134	6.39%
Meter Fees	8,112,707	1,020,177	9,132,883	12,079,000	75.61%	337,359	50,497	387,856	4.44%
Water Quality Fees	542,086	105,533	647,619	934,500	69.30%	(52,629)	12,148	(40,481)	-5.88%
Elevation Fees	217,461	44,856	262,317	400,000	65.58%	(27,919)	5,313	(22,606)	-7.93%
Other	499,391	75,774	575,165	860,000	66.88%	(302,953)	(41,091)	(344,044)	-37.43%
Drought Surcharge	765,590	205,444	971,033	-		481,361	58,886	540,248	
Total Water Sales	\$ 14,389,760	\$ 2,386,257	\$ 16,776,017	\$ 21,675,500	77.40%	\$ 566,148	\$ 316,292	\$ 882,440	5.57%
Non-Operating Revenues:									
Assessments (Debt Service)	\$ 3,561,083	\$ 440,417	\$ 4,001,500	\$ 4,670,000	85.69%	\$ 162,926	\$ (2,917)	\$ 160,010	4.17%
Assessments (1%)	1,463,434	142,917	1,606,351	2,025,000	79.33%	72,262	2,917	75,179	4.91%
DWR Fixed Charge Recovery	191,196	12,154	203,350	200,000	101.68%	(62,536)	12,154	(50,382)	-19.86%
Interest	55,589	11,330	66,918	35,000	191.20%	24,298	4,242	28,540	74.37%
Capital Improvement Fees	234,459	-	234,459	50,000	468.92%	(119,433)	-	(119,433)	-33.75%
Grants - State and Federal	306,915	-	306,915	485,000	63.28%	306,915	-	306,915	
Other	146,895	3	146,898	120,000	122.41%	135,699	(10)	135,689	1210.62%
Total Non-Operating Revenues	\$ 5,959,571	\$ 606,820	\$ 6,566,391	\$ 7,585,000	86.57%	\$ 520,133	\$ 16,386	\$ 536,519	8.90%
Total Revenue	\$ 20,349,332	\$ 2,993,077	\$ 23,342,409	\$ 29,260,500	79.77%	\$ 1,086,281	\$ 332,678	\$ 1,418,959	6.49%

781,294

	2015				
	Thru August	September	Year-to-Date	Adjusted Budget	% of Budget
Operating Revenue:					
Wholesale Water	\$ 31,848	\$ 32,815	\$ 64,663	\$ 225,000	28.74%
Water Sales	4,089,749	671,119	4,760,868	8,550,500	55.68%
Meter Fees	7,775,347	969,680	8,745,027	11,506,000	76.00%
Water Quality Fees	594,715	93,386	688,100	1,146,500	60.02%
Elevation Fees	245,380	39,543	284,924	525,000	54.27%
Other	802,345	116,865	919,210	1,450,000	63.39%
Drought Surcharge	284,228	146,557	430,785	-	
Total Water Sales	\$ 13,791,764	\$ 2,037,150	\$ 15,828,915	\$ 23,178,000	68.29%
Non-Operating Revenues:					
Assessments (Debt Service)	\$ 3,398,157	\$ 443,333	\$ 3,841,490	\$ 5,100,000	75.32%
Assessments (1%)	1,391,172	140,000	1,531,172	1,950,000	78.52%
DWR Fixed Charge Recovery	253,732	-	253,732	100,000	253.73%
Interest	31,290	7,088	38,378	35,000	109.65%
Capital Improvement Fees	353,892	-	353,892	50,000	707.78%
Grants - State and Federal	-	-	-	-	
Other	11,195	13	11,208	5,000	224.17%
Total Non-Operating Revenues	\$ 5,439,438	\$ 590,434	\$ 6,029,872	\$ 7,240,000	83.29%
Total Revenue	\$ 19,231,203	\$ 2,627,584	\$ 21,858,787	\$ 30,418,000	71.86%

REVENUE COMPARISON YEAR-TO-DATE

September 2015-To-September 2016



**Palmdale Water District
Operating Expense Analysis
For the Nine Months Ending 9/30/2016**

2016

2015 to 2016 Comparison

	Thru August	September	Year-to-Date	Adjusted Budget	% of Budget	Thru August	September	Year-to-Date	% Change
Cash Operating Expenses:									
Directors	\$ 103,764	\$ 12,798	\$ 116,562	\$ 145,750	79.97%	\$ 9,940	\$ 4,370	\$ 14,310	13.99%
Administration-Services	1,073,244	125,140	1,198,383	1,588,750	75.43%	165,647	70,037	235,684	11.36%
Administration-District	916,327	195,971	1,112,298	1,612,750	68.97%				
Engineering	807,014	99,712	906,726	1,279,250	70.88%	(39,703)	23,356	(16,347)	-1.77%
Facilities	4,458,610	466,102	4,924,712	6,513,750	75.60%	626,033	(56,780)	569,253	13.07%
Operations	1,791,925	187,161	1,979,086	2,449,250	80.80%	134,889	(72,809)	62,080	3.24%
Finance	819,448	89,512	908,961	1,168,250	77.81%	(353,676)	1,344	(352,332)	-27.93%
Water Conservation	167,179	22,030	189,209	239,250	79.08%	(55,734)	(13,874)	(69,608)	-26.89%
Human Resources	257,406	34,010	291,416	420,350	69.33%	(35,962)	6,057	(29,905)	-9.31%
Information Technology	481,409	77,751	559,160	867,750	64.44%	(52,223)	32,307	(19,915)	-3.44%
Customer Care	919,355	78,622	997,977	1,386,750	71.97%	218,073	(26,376)	191,697	23.78%
Source of Supply-Purchased Water	1,479,882	714	1,480,596	1,725,000	85.83%	458,551	(38,004)	420,547	27.67%
Plant Expenditures	323,603	72,840	396,443	-		(134,060)	41,848	(92,211)	-18.87%
GAC Filter Media Replacement	521,064	-	521,064	934,500	55.76%	(74,980)	-	(74,980)	-12.58%
Total Cash Operating Expenses	\$ 14,120,230	\$ 1,462,363	\$ 15,582,593	\$ 20,331,350	76.64%	\$ 866,796	\$ (28,524)	\$ 838,272	5.38%
Non-Cash Operating Expenses:									
Depreciation	\$ 3,783,289	\$ 454,907	\$ 4,238,196	\$ 7,200,000	58.86%	\$ (2,018,295)	\$ (79,346)	\$ (2,097,641)	-33.11%
OPEB Accrual Expense	1,566,881	195,860	1,762,742	2,250,000	78.34%	98,241	12,280	110,522	6.69%
Bad Debts	70,365	1,547	71,912	50,000	143.82%	63,691	(2,914)	60,777	545.86%
Service Costs Construction	90,486	(7,045)	83,441	125,000	66.75%	9,406	(13,688)	(4,282)	-4.88%
Capitalized Construction	(427,832)	(32,959)	(460,791)	(1,000,000)	46.08%	302,504	4,471	306,975	-39.98%
Total Non-Cash Operating Expenses	\$ 5,083,189	\$ 612,310	\$ 5,695,499	\$ 8,625,000	66.03%	\$ (1,544,452)	\$ (79,197)	\$ (1,623,649)	-28.51%
Non-Operating Expenses:									
Interest on Long-Term Debt	\$ 1,486,665	\$ 184,638	\$ 1,671,302	\$ 2,228,000	75.01%	\$ (32,333)	\$ (4,511)	\$ (36,843)	-2.16%
Amortization of SWP	1,575,180	196,900	1,772,080	2,238,000	79.18%	192,164	24,023	216,187	13.89%
Change in Investments in PRWA	105,316	-	105,316	-		91,222	(91)	91,131	642.44%
Water Conservation Programs	20,833	13,808	34,641	126,500	27.38%	(168,753)	10,763	(157,990)	-82.02%
Total Non-Operating Expenses	\$ 3,187,993	\$ 395,346	\$ 3,583,339	\$ 4,592,500	78.03%	\$ 82,300	\$ 30,184	\$ 112,484	3.24%
Total Expenses	\$ 22,391,413	\$ 2,470,018	\$ 24,861,431	\$ 33,548,850	74.11%	\$ (595,356)	\$ (77,537)	\$ (672,893)	-2.64%

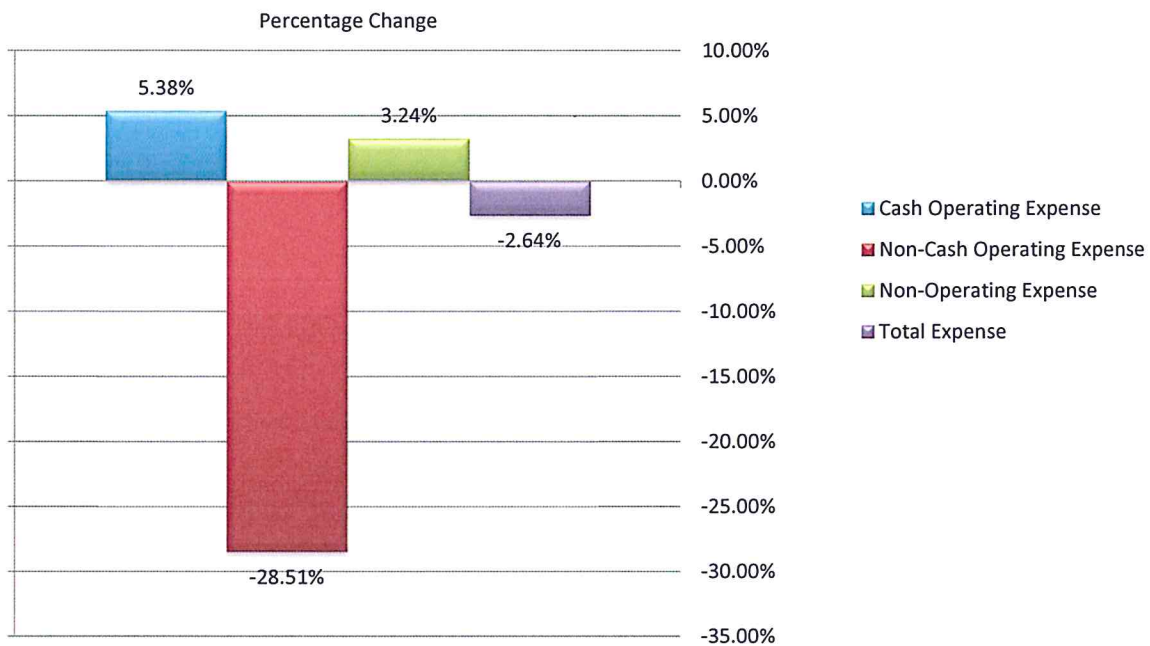
**Palmdale Water District
Operating Expense Analysis
For the Nine Months Ending 9/30/2016**

2015 to 2016 Comparison

	Thru August	September	Year-to-Date	Adjusted Budget	% of Budget
Cash Operating Expenses:					
Directors	\$ 93,823	\$ 8,428	\$ 102,252	\$ 118,500	86.29%
Administration-Services	1,823,923	251,073	2,074,996	2,667,250	77.80%
Administration-District					
Engineering	846,717	76,356	923,073	1,252,750	73.68%
Facilities	3,832,577	522,882	4,355,458	5,998,000	72.62%
Operations	1,657,036	259,970	1,917,006	2,624,000	73.06%
Finance	1,173,124	88,169	1,261,293	2,950,750	42.74%
Water Conservation	222,913	35,904	258,817	284,000	91.13%
Human Resources	293,367	27,954	321,321	326,100	98.53%
Information Technology	533,632	45,444	579,076	782,750	73.98%
Customer Care	701,283	104,998	806,280	-	
Source of Supply-Purchased Water	1,481,085	38,718	1,519,803	2,400,000	63.33%
Water Purchases-Prior Year OAP	(36,045)	-	(36,045)	250,000	-14.42%
Water Recovery	(423,709)	-	(423,709)	(100,000)	423.71%
Plant Expenditures	457,663	30,991	488,654	1,146,500	42.62%
GAC Filter Media Replacement	596,045	-	596,045	1,896,000	31.44%
Total Cash Operating Expenses	\$ 13,253,434	\$ 1,490,887	\$ 14,744,321	\$ 22,596,600	65.25%
Non-Cash Operating Expenses:					
Depreciation	\$ 5,801,584	\$ 534,253	\$ 6,335,838	\$ 6,450,000	98.23%
OPEB Accrual Expense	1,468,640	183,580	1,652,220	2,000,000	82.61%
Bad Debts	6,673	4,461	11,134	100,000	11.13%
Service Costs Construction	81,080	6,643	87,723	125,000	70.18%
Capitalized Construction	(730,336)	(37,430)	(767,767)	(1,000,000)	76.78%
Total Non-Cash Operating Expenses	\$ 6,627,641	\$ 691,507	\$ 7,319,148	\$ 7,675,000	95.36%
Non-Operating Expenses:					
Interest on Long-Term Debt	\$ 1,518,997	\$ 189,148	\$ 1,708,146	\$ 2,111,000	80.92%
Amortization of SWP	1,383,016	172,877	1,555,893	1,679,000	92.67%
Change in Investments in PRWA	14,094	91	14,185	-	
Water Conservation Programs	189,586	3,045	192,631	200,000	96.32%
Total Non-Operating Expenses	\$ 3,105,693	\$ 365,162	\$ 3,470,855	\$ 3,990,000	86.99%
Total Expenses	\$ 22,986,769	\$ 2,547,556	\$ 25,534,324	\$ 34,261,600	74.53%

EXPENSE COMPARISON YEAR-TO-DATE

September 2015-To-September 2016



Palmdale Water District
2016 Directors Budget
For the Nine Months Ending Friday, September 30, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-01-4000-000 Directors Pay	\$ 43,200	\$ 50,000	\$ -	\$ 6,800	86.40%
Employee Benefits					
1-01-4005-000 Payroll Taxes	3,305	5,500		2,195	60.09%
1-01-4010-000 Health Insurance	57,259	76,250		18,991	75.09%
Subtotal (Benefits)	60,564	81,750	-	18,991	74.08%
Total Personnel Expenses	<u>\$ 103,764</u>	<u>\$ 131,750</u>	<u>\$ -</u>	<u>\$ 25,791</u>	<u>78.76%</u>
OPERATING EXPENSES:					
1-01-4050-000 Directors Travel, Seminars & Meetings	12,798	14,000		1,202	91.41%
Subtotal Operating Expenses	12,798	14,000	-	1,202	91.41%
Total O & M Expenses	<u>\$ 116,562</u>	<u>\$ 145,750</u>	<u>\$ -</u>	<u>\$ 26,993</u>	<u>79.97%</u>

**Palmdale Water District
2016 Directors Budget
For The Month Of September 2016**

	<u>2016</u>	<u>2015</u>
Personnel Budget:		
1-01-4000-000 Directors Pay	\$ 5,550	\$ 1,950
Employee Benefits		
1-01-4005-000 Payroll Taxes	448	608
1-01-4010-000 Health Insurance	6,168	4,868
Subtotal (Benefits)	<u>6,616</u>	<u>5,476</u>
Total Personnel Expenses	<u>\$ 12,166</u>	<u>\$ 7,426</u>
OPERATING EXPENSES:		
1-01-4050-000 Directors Travel, Seminars & Meetings	655	1,122
Subtotal Operating Expenses	<u>655</u>	<u>1,122</u>
Total O & M Expenses	<u>\$ 12,821</u>	<u>\$ 8,549</u>

	<u>Directors Pay</u>		<u>Health Ins.</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Alvarado	1,350	0	1,600	1,591
Dino	1,350	0	1,134	1,125
Dizmang	0	750	0	0
Estes	1,050	1,200	1,591	1,566
Henriquez	900	0	1,257	0
Mac Laren	900	0	587	586
	<u>5,550</u>	<u>1,950</u>	<u>6,168</u>	<u>4,868</u>
	<u>Operating</u>			
	<u>2016</u>	<u>2015</u>		
Alvarado	0	0		
Dino	0	457		
Dizmang	0	40		
Estes	655	0		
Henriquez	0	0		
Mac Laren	0	625		
	<u>655</u>	<u>1,122</u>		

Palmdale Water District
2016 Administration Services Budget
For the Nine Months Ending Friday, September 30, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-02-4000-000 Salaries	\$ 738,692	\$ 982,000		\$ 243,308	75.22%
1-02-4000-100 Overtime	4,644	8,250		3,606	56.29%
Subtotal (Salaries)	\$ 743,336	\$ 990,250	\$ -	\$ 246,914	75.07%
Employee Benefits					
1-02-4005-000 Payroll Taxes	\$ 52,738	\$ 74,000		21,262	71.27%
1-02-4010-000 Health Insurance	102,260	135,000		32,740	75.75%
1-02-4015-000 PERS	79,909	117,500		37,591	68.01%
Subtotal (Benefits)	\$ 234,907	\$ 326,500	\$ -	\$ 91,593	71.95%
Total Personnel Expenses	\$ 978,243	\$ 1,316,750	\$ -	\$ 338,507	74.29%
OPERATING EXPENSES:					
1-02-4050-100 General Manager Travel	\$ 4,621	\$ 5,000		379	92.43%
1-02-4060-100 General Manager Conferences & Seminars	2,150	4,000		1,850	53.75%
1-02-4130-000 Bank Charges	116,938	140,000		23,062	83.53%
1-02-4150-000 Accounting Services	23,619	27,500		3,881	85.89%
1-02-4175-000 Permits	10,300	10,000		(300)	103.00%
1-02-4180-000 Postage	9,456	27,500		18,044	34.39%
1-02-4190-100 Public Relations - Publications	29,642	35,000		5,358	84.69%
1-02-4190-900 Public Relations - Other	2,380	1,000		(1,380)	237.97%
1-02-4200-000 Advertising	1,643	4,000		2,357	41.08%
1-02-4205-000 Office Supplies	14,058	18,000		3,942	78.10%
1-02-4210-000 Office Furniture	5,333	-		(5,333)	0.00%
Subtotal Operating Expenses	\$ 220,140	\$ 272,000	\$ -	\$ 51,860	80.93%
Total Departmental Expenses	\$ 1,198,383	\$ 1,588,750	\$ -	\$ 390,367	75.43%

Palmdale Water District
2016 Administration District Wide Budget
For the Nine Months Ending Friday, September 30, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-02-5070-001 On-Call	\$ 61,186	\$ 95,000		\$ 33,814	64.41%
Subtotal (Salaries)	\$ 61,186	\$ 95,000	\$ -	\$ 33,814	64.41%
Employee Benefits					
1-02-5070-002 PERS-Unfunded Liability	\$ 297,491	\$ 404,750		107,259	73.50%
1-02-5070-003 Workers Compensation	118,158	125,000		6,842	94.53%
1-02-5070-004 Vacation Benefit Expense	(22,988)	35,000		57,988	-65.68%
1-02-5070-005 Life Insurance	4,495	8,000		3,505	56.19%
Subtotal (Benefits)	\$ 397,156	\$ 572,750	\$ -	\$ 175,594	69.34%
Total Personnel Expenses	\$ 458,342	\$ 667,750	\$ -	\$ 209,408	68.64%
OPERATING EXPENSES:					
1-02-5070-006 Other Operating	\$ 16,151	\$ 20,000		3,849	80.76%
1-02-5070-007 Consultants	59,448	160,000		100,552	37.16%
1-02-5070-008 Insurance	222,153	300,000		77,847	74.05%
1-02-5070-009 Groundwater Adjudication	45,575	80,000		34,425	56.97%
1-02-5070-010 Legal Services	117,224	160,000		42,776	73.26%
1-02-5070-011 Memberships/Subscriptions	88,522	150,000		61,478	59.01%
1-02-5070-012 Elections	104,882	75,000		(29,882)	139.84%
Subtotal Operating Expenses	\$ 653,955	\$ 945,000	\$ -	\$ 291,045	69.20%
Total Departmental Expenses	\$ 1,112,298	\$ 1,612,750	\$ -	\$ 500,452	68.97%

Palmdale Water District
2016 Engineering Budget
For the Nine Months Ending Friday, September 30, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-03-4000-000 Salaries	\$ 627,195	\$ 852,000		\$ 224,805	73.61%
1-03-4000-100 Overtime	4,981	6,750		1,769	73.79%
Subtotal (Salaries)	\$ 632,175	\$ 858,750		\$ 226,575	73.62%
Employee Benefits					
1-03-4005-000 Payroll Taxes	48,097	64,000		15,903	75.15%
1-03-4010-000 Health Insurance	118,434	155,000		36,566	76.41%
1-03-4015-000 PERS	67,675	101,000		33,325	67.01%
Subtotal (Benefits)	\$ 234,206	\$ 320,000	\$ -	\$ 85,794	73.19%
Total Personnel Expenses	\$ 866,381	\$ 1,178,750	\$ -	\$ 312,369	73.50%
OPERATING EXPENSES:					
1-03-4155-000 Contracted Services	28,491	64,000		35,509	44.52%
1-03-4165-000 Memberships/Subscriptions	1,786	2,500		715	71.42%
1-03-4250-000 General Materials & Supplies	4,251	3,000		(1,251)	141.71%
1-03-8100-100 Computer Software - Maint. & Support	5,817	31,000		25,183	18.77%
Subtotal Operating Expenses	\$ 40,345	\$ 100,500	\$ -	\$ 60,155	40.14%
Total Departmental Expenses	\$ 906,726	\$ 1,279,250	\$ -	\$ 372,524	70.88%

Palmdale Water District
2016 Facilities Budget
For the Nine Months Ending Friday, September 30, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-04-4000-000 Salaries	\$ 1,506,766	\$ 2,083,750		\$ 576,984	72.31%
1-04-4000-100 Overtime	85,099	90,000		4,901	94.55%
Subtotal (Salaries)	\$ 1,591,865	\$ 2,173,750	\$ -	\$ 581,885	73.23%
Employee Benefits					
1-04-4005-000 Payroll Taxes	123,681	166,500		42,819	74.28%
1-04-4010-000 Health Insurance	338,624	444,500		105,876	76.18%
1-04-4015-000 PERS	157,078	257,500		100,422	61.00%
Subtotal (Benefits)	\$ 619,384	\$ 868,500	\$ -	\$ 249,116	71.32%
Total Personnel Expenses	\$ 2,211,248	\$ 3,042,250	\$ -	\$ 831,002	72.68%
OPERATING EXPENSES:					
1-04-4155-000 Contracted Services	\$ 454,366	\$ 488,000		\$ 33,634	93.11%
1-04-4175-000 Permits-Dams	10,985	50,000		39,015	21.97%
1-04-4215-100 Natural Gas - Wells & Boosters	130,999	225,000		94,001	58.22%
1-04-4215-200 Natural Gas - Buildings	31,928	9,000		(22,928)	354.76%
1-04-4220-100 Electricity - Wells & Boosters	964,429	1,480,000		515,571	65.16%
1-04-4220-200 Electricity - Buildings	57,108	88,000		30,892	64.90%
1-04-4225-000 Maint. & Repair - Vehicles	27,616	35,000		7,384	78.90%
1-04-4230-100 Maint. & Rep. Office Building	24,899	15,000		(9,899)	165.99%
1-04-4230-110 Maint. & Rep. Office Equipment	65	-		(65)	
1-04-4235-110 Maint. & Rep. Equipment	1,250	6,500		5,250	19.22%
1-04-4235-400 Maint. & Rep. Operations - Wells	73,028	75,000		1,972	97.37%
1-04-4235-405 Maint. & Rep. Operations - Boosters	46,153	50,000		3,847	92.31%
1-04-4235-410 Maint. & Rep. Operations - Shop Bldgs	7,396	10,000		2,604	73.96%
1-04-4235-415 Maint. & Rep. Operations - Facilities	21,681	15,000		(6,681)	144.54%
1-04-4235-420 Maint. & Rep. Operations - Water Lines	244,342	225,000		(19,342)	108.60%
1-04-4235-425 Maint. & Rep. Operations - Littlerock Dam	23,134	15,000		(8,134)	154.23%
1-04-4235-430 Maint. & Rep. Operations - Palmdale Dam	795	7,500		6,705	10.60%
1-04-4235-435 Maint. & Rep. Operations - Palmdale Canal	-	10,000		10,000	0.00%
1-04-4235-440 Maint. & Rep. Operations - Large Meters	28,556	10,000		(18,556)	285.56%
1-04-4235-445 Maint. & Rep. Operations - Telemetry	2,933	4,000		1,067	73.32%
1-04-4235-450 Maint. & Rep. Operations - Hypo Generators	757	10,000		9,243	7.57%
1-04-4235-455 Maint. & Rep. Operations - Heavy Equipment	29,135	45,000		15,865	64.75%
1-04-4235-460 Maint. & Rep. Operations - Storage Reservoirs	2,680	5,000		2,320	53.59%
1-04-4235-470 Maint. & Rep. Operations - Meters Exchanges	257,519	225,000		(32,519)	114.45%
1-04-4270-300 Telecommunication - Other	5,047	4,000		(1,047)	126.18%
1-04-4300-200 Testing - Large Meters	15,906	12,500		(3,406)	127.25%
1-04-4300-300 Testing - Edison Testing	5,510	30,000		24,490	18.37%
1-04-6000-000 Waste Disposal	21,615	20,000		(1,615)	108.07%
1-04-6100-100 Fuel and Lube - Vehicle	46,831	105,000		58,169	44.60%
1-04-6100-200 Fuel and Lube - Machinery	13,960	40,000		26,040	34.90%
1-04-6200-000 Uniforms	20,689	22,500		1,811	91.95%
1-04-6300-100 Supplies - General	52,498	47,500		(4,998)	110.52%
1-04-6300-200 Supplies - Hypo Generators	6,094	6,500		406	93.75%
1-04-6300-300 Supplies - Electrical	970	3,000		2,030	32.33%
1-04-6300-400 Supplies - Telemetry	203	5,000		4,797	4.07%
1-04-6300-800 Supplies - Construction Materials	47,201	35,000		(12,201)	134.86%
1-04-6400-000 Tools	22,529	25,000		2,471	90.11%
1-04-7000-100 Leases -Equipment	12,657	12,500		(157)	101.26%
Subtotal Operating Expenses	\$ 2,713,463	\$ 3,471,500	\$ -	\$ 758,037	78.16%
Total Departmental Expenses	\$ 4,924,711	\$ 6,513,750	\$ -	\$ 1,589,039	75.60%

Palmdale Water District
2016 Operation Budget
For the Nine Months Ending Friday, September 30, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-05-4000-000 Salaries	\$ 754,222	\$ 1,012,500		\$ 258,278	74.49%
1-05-4000-100 Overtime	43,676	56,000		12,324	77.99%
Subtotal (Salaries)	\$ 797,898	\$ 1,068,500	\$ -	\$ 270,602	74.67%
Employee Benefits					
1-05-4005-000 Payroll Taxes	61,278	84,500		23,222	72.52%
1-05-4010-000 Health Insurance	141,550	183,500		41,950	77.14%
1-05-4015-000 PERS	84,219	137,750		53,531	61.14%
Subtotal (Benefits)	\$ 287,047	\$ 405,750	\$ -	\$ 118,703	70.74%
Total Personnel Expenses	\$ 1,084,945	\$ 1,474,250	\$ -	\$ 389,305	73.59%
OPERATING EXPENSES:					
1-05-4155-000 Contracted Services	\$ 52,470	\$ 93,500		\$ 41,030	56.12%
1-05-4175-000 Permits	14,015	40,000		25,985	35.04%
1-05-4215-200 Natural Gas - WTP	764	3,000		2,236	25.46%
1-05-4220-200 Electricity - WTP	89,175	125,000		35,825	71.34%
1-05-4230-110 Maint. & Rep. - Office Equipment	126	500		374	25.17%
1-05-4235-110 Maint. & Rep. Operations - Equipment	12,996	11,500		(1,496)	113.01%
1-05-4235-410 Maint. & Rep. Operations - Shop Bldgs	14,161	6,000		(8,161)	236.02%
1-05-4235-415 Maint. & Rep. Operations - Facilities	53,161	45,000		(8,161)	118.14%
1-05-4235-450 Maint. & Rep. Operations - Hypo Generator	64,014	18,000		(46,014)	355.63%
1-05-4235-500 Maint. & Rep. Operations - Wind Turbine	18,893	10,000		(8,893)	188.93%
1-05-6000-000 Waste Disposal	3,822	20,000		16,178	19.11%
1-05-6200-000 Uniforms	10,786	16,000		5,214	67.41%
1-05-6300-100 Supplies - General	12,538	15,000		2,462	83.59%
1-05-6300-600 Supplies - Lab	40,526	40,000		(526)	101.31%
1-05-6300-700 Outside Lab Work	57,175	92,000		34,825	62.15%
1-05-6400-000 Tools	4,033	6,500		2,467	62.04%
1-05-6500-000 Chemicals	445,264	400,000		(45,264)	111.32%
1-05-7000-100 Leases -Equipment	224	3,000		2,776	7.46%
3-05-4300-100 Filter Media Testing/Inspection	-	30,000		30,000	0.00%
Subtotal Operating Expenses	\$ 894,141	\$ 975,000	\$ -	\$ 50,859	91.71%
Total Departmental Expenses	\$ 1,979,086	\$ 2,449,250	\$ -	\$ 440,164	80.80%

Palmdale Water District
2016 Finance Budget
For the Nine Months Ending Friday, September 30, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-06-4000-000 Salaries	\$ 497,411	\$ 670,250		\$ 172,839	74.21%
1-06-4000-100 Overtime	236	3,000		2,764	7.88%
Subtotal (Salaries)	\$ 497,648	\$ 673,250	\$ -	\$ 175,602	73.92%
Employee Benefits					
1-06-4005-000 Payroll Taxes	37,498	49,000		11,502	76.53%
1-06-4010-000 Health Insurance	69,810	83,000		13,190	84.11%
1-06-4015-000 PERS	57,519	87,000		29,481	66.11%
Subtotal (Benefits)	\$ 164,826	\$ 219,000	\$ -	\$ 54,174	75.26%
Total Personnel Expenses	\$ 662,474	\$ 892,250	\$ -	\$ 229,776	74.25%
OPERATING EXPENSES:					
1-06-4155-000 Contracted Services	\$ 3,000	\$ 6,000		\$ 3,000	50.00%
1-06-4155-100 Contracted Services - Infosend	205,411	225,000		19,589	91.29%
1-06-4165-000 Memberships/Subscriptions	220	500		280	44.00%
1-06-4230-110 Maintenance & Repair - Office Equipment	-	500		500	0.00%
1-06-4250-000 General Material & Supplies	321	3,000		2,679	10.69%
1-06-4260-000 Business Forms	2,842	7,500		4,658	37.90%
1-06-4270-100 Telecommunication - Office	17,524	12,000		(5,524)	146.03%
1-06-4270-200 Telecommunication - Cellular Stipend	15,300	18,500		3,200	82.70%
1-06-7000-100 Leases - Equipment	1,869	3,000		1,131	62.31%
Subtotal Operating Expenses	\$ 246,487	\$ 276,000	\$ -	\$ 29,513	89.31%
Total Departmental Expenses	\$ 908,961	\$ 1,168,250	\$ -	\$ 259,289	77.81%

Palmdale Water District
2016 Water Conservation Budget
For the Nine Months Ending Friday, September 30, 2016

YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
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Personnel Budget:

1-07-4000-000 Salaries	\$ 92,139	\$ 129,000	\$ 36,861	71.43%
1-07-4000-100 Overtime	316	1,000	684	31.56%
Subtotal (Salaries)	\$ 92,455	\$ 130,000	\$ 37,545	71.12%

Employee Benefits

1-07-4005-000 Payroll Taxes	9,438	10,000	562	94.38%
1-07-4010-000 Health Insurance	29,293	38,000	8,707	77.09%
1-07-4015-000 PERS	6,462	17,250	10,788	37.46%
Subtotal (Benefits)	\$ 45,193	\$ 65,250	\$ -	69.26%

Total Personnel Expenses

\$ 137,648	\$ 195,250	\$ -	\$ 56,918	70.50%
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OPERATING EXPENSES:

1-07-4190-300 Public Relations - Landscape Workshop/Training	\$ 5,164	\$ 1,000	\$ (4,164)	516.36%
1-07-4190-400 Public Relations - Contests	-	1,000	1,000	0.00%
1-07-4190-500 Public Relations - Education Programs	299	2,500	2,201	11.96%
1-07-4190-700 Public Relations -General Media	38,607	25,000	(13,607)	154.43%
1-07-4190-900 Public Relations - Other	4,735	2,000	(2,735)	236.73%
1-07-4500-000 Drought Enforcement	714	7,500	6,786	9.52%
1-07-6300-100 Supplies - Misc.	2,043	5,000	2,957	40.86%
Subtotal Operating Expenses	\$ 51,561	\$ 44,000	\$ -	117.19%

Total Departmental Expenses

\$ 189,209	\$ 239,250	\$ -	\$ 49,356	79.08%
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Palmdale Water District
2016 Human Resources Budget
For the Nine Months Ending Friday, September 30, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-08-4000-000 Salaries	\$ 84,877	\$ 116,000		31,123	73.17%
1-08-4000-100 Salaries - Overtime	4				
1-08-4000-200 Salaries - Intern Program	29,513	40,000		10,487	73.78%
Subtotal (Salaries)	\$ 114,394	\$ 156,000		\$ 41,610	73.33%
Employee Benefits					
1-08-4005-000 Payroll Taxes	8,796	15,250		6,454	57.68%
1-08-4010-000 Health Insurance	14,310	18,250		3,940	78.41%
1-08-4015-000 PERS	5,321	7,250		1,929	73.39%
Subtotal (Benefits)	\$ 28,427	\$ 40,750	\$ -	\$ 12,323	69.76%
Total Personnel Expenses	\$ 142,821	\$ 196,750	\$ -	\$ 53,934	72.59%
OPERATING EXPENSES:					
1-08-4050-000 Staff Travel	\$ 30,701	\$ 27,500		\$ (3,201)	111.64%
1-08-4060-000 Staff Conferences & Seminars	15,017	25,000		9,983	60.07%
1-08-4070-000 Employee Expense	42,714	60,000		17,286	71.19%
1-08-4090-000 Temporary Staffing	8,686	-		(8,686)	
1-08-4095-000 Employee Recruitment	1,642	3,000		1,358	54.73%
1-08-4100-000 Employee Retention	3,173	20,000		16,827	15.86%
1-08-4105-000 Employee Relations	1,756	3,500		1,744	50.17%
1-08-4110-000 Consultants	3,797	1,000		(2,797)	379.68%
1-08-4120-100 Training-Safety	12,603	35,000		22,397	36.01%
1-08-4120-200 Training-Speciality	10,016	25,000		14,984	40.06%
1-08-4121-000 Safety Program	369	1,000		631	36.88%
1-08-4165-000 Membership/Subscriptions	714	1,600		886	44.63%
1-08-4165-100 HR/Safety Publications	79	1,000		921	7.93%
1-08-6300-500 Supplies - Safety	17,329	20,000		2,671	86.64%
Subtotal Operating Expenses	\$ 148,595	\$ 223,600	\$ -	\$ 75,005	66.46%
Total Departmental Expenses	\$ 291,416	\$ 420,350	\$ -	\$ 128,938	69.33%

Palmdale Water District
2016 Information Technology Budget
For the Nine Months Ending Friday, September 30, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-09-4000-000 Salaries	\$ 169,337	\$ 225,500		\$ 56,163	75.09%
1-09-4000-100 Overtime	1,761	2,500		739	70.45%
Subtotal (Salaries)	\$ 171,098	\$ 228,000		\$ 56,902	75.04%
Employee Benefits					
1-09-4005-000 Payroll Taxes	13,015	16,000		2,985	81.34%
1-09-4010-000 Health Insurance	29,103	38,000		8,897	76.59%
1-09-4015-000 PERS	19,906	29,500		9,594	67.48%
Subtotal (Benefits)	\$ 62,024	\$ 83,500	\$ -	\$ 21,476	74.28%
Total Personnel Expenses	\$ 233,122	\$ 311,500	\$ -	\$ 77,640	74.84%
OPERATING EXPENSES:					
1-09-4155-000 Contracted Services*	\$ 85,889	\$ 121,500	\$ (11,000)	\$ 24,611	77.73%
1-09-4165-000 Memberships/Subscriptions	1,410	2,000		590	70.50%
1-09-4270-000 Telecommunications	60,243	79,250		19,007	76.02%
1-09-8000-100 Computer Equipment - Computers*	15,931	20,000	11,000	15,069	51.39%
1-09-8000-200 Computer Equipment - Laptops	14,349	16,000		1,651	89.68%
1-09-8000-300 Computer Equipment - Monitors	192	2,000		1,808	9.58%
1-09-8000-500 Computer Equipment - Toner Cartridges	83	3,000		2,917	2.77%
1-09-8000-550 Computer Equipment - Telephony	-	2,500		2,500	0.00%
1-09-8000-600 Computer Equipment - Other	16,197	40,000		23,803	40.49%
1-09-8100-100 Computer Software - Maint. and Support	25,171	60,000		34,829	41.95%
1-09-8100-140 Computer Software - Starnik	71,100	130,000		58,900	54.69%
1-09-8100-150 Computer Software - Dynamics GP Support	29,935	60,000		30,065	49.89%
1-09-8100-200 Computer Software - Software and Upgrades	5,539	20,000		14,461	27.70%
Subtotal Operating Expenses	\$ 326,039	\$ 556,250	\$ -	\$ 230,211	58.61%
Total Departmental Expenses	\$ 559,160	\$ 867,750	\$ -	\$ 307,851	64.44%

* Budget adjustments by General Manager per Appendix A

Palmdale Water District
2016 Customer Care Budget
For the Nine Months Ending Friday, September 30, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-10-4000-000 Salaries	\$ 661,601	\$ 929,250		\$ 267,649	71.20%
1-10-4000-100 Overtime	5,725	10,000		4,275	57.25%
Subtotal (Salaries)	\$ 667,326	\$ 939,250	\$ -	\$ 271,924	71.05%
Employee Benefits					
1-10-4005-000 Payroll Taxes	52,816	71,500		18,684	73.87%
1-10-4010-000 Health Insurance	174,497	217,000		42,503	80.41%
1-10-4015-000 PERS	80,322	119,000		38,678	67.50%
Subtotal (Benefits)	\$ 307,634	\$ 407,500	\$ -	\$ 99,866	75.49%
Total Personnel Expenses	\$ 974,961	\$ 1,346,750	\$ -	\$ 371,790	72.39%
OPERATING EXPENSES:					
1-10-4155-000 Contracted Services	\$ 15,922	\$ 22,000		\$ 6,078	72.37%
1-10-4230-110 Maintenance & Repair-Office Equipment	499	500		1	99.84%
1-10-4250-000 General Material & Supplies	6,595	7,500		905	87.94%
1-10-4260-000 Business Forms	-	10,000		10,000	0.00%
Subtotal Operating Expenses	\$ 23,017	\$ 40,000	\$ -	\$ 16,983	57.54%
Total Departmental Expenses	\$ 997,977	\$ 1,386,750	\$ -	\$ 388,773	71.97%

AGENDA ITEM NO. 7.3

Water Revenue Bond - Series 2013A

Updated: October 31, 2016

Project	Work Order	Description	Allocated Based on Bond	Contractual Commitment	Payout to Date	Grant Funds/Operating Budget	Uncommitted Bond \$
Spec. 1204	603-12	Ave. Q - Q-3, Division and Sumac	\$ 725,000	\$ 765,085	\$ 765,085	\$ -	\$ (40,085)
Spec. 1201	606-11	20th, Puerta, Sweetbriar, and 22nd St. E.	\$ 1,450,000	\$ 1,487,261	\$ 1,487,261	\$ -	\$ (37,261)
Spec. 1205	605-12	Frontier, 31st St. E., etc. between Ave. Q and Q-4	\$ 1,200,000	\$ 1,291,539	\$ 1,291,539	\$ 485,000	\$ (91,539)
Spec. 1207	607-12	10th St. E. between Ave. P and Palmdale Blvd.	\$ 1,400,000	\$ 1,327,806	\$ 1,327,806	\$ -	\$ 72,194
LRDSR	501-04	Littlerock Sediment Removal (EIR/EIS/Permits)	\$ 975,000	\$ 869,023	\$ 642,838	\$ -	\$ 105,977
LCGRRP	400-12	Littlerock Recharge and Recovery (Feasibility)	\$ 1,500,000	\$ 769,891	\$ 769,891	\$ -	\$ 730,109
UAR	TBD	Upper Amargosa Recharge (Project Capacity)	\$ 1,250,000	\$ 1,250,000	\$ 129,215	\$ 668,589	\$ -
Spec. 0905	601-09	15th St. E. between Ave. P and Ave. Q (Material)	\$ -	\$ 362,984	\$ 362,984	\$ -	\$ (362,984)
PRGRRP	501-04	Palmdale Regional Recharge and Recovery (Permits)	\$ -	\$ 1,530,000	\$ 1,277,467		\$ (1,530,000)
Totals:			\$ 8,500,000	\$ 9,653,589	\$ 8,054,088	\$ 1,153,589	\$ (1,153,589)

Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
2	Issuance Costs	Jul 8, 2013	N/A	WRB	\$ 24,815.84
3	BV Construction - Progress Payment #1	Jul 9, 2013	1	Spec. 1204	\$ 98,552.53
4	JT Eng. - Design Progress Payment	Jul 17, 2013	5187	Spec. 1207	\$ 9,108.00
5	BV Construction - Progress Payment #2	Aug 5, 2013	2	Spec. 1204	\$ 145,175.44
6	BV Construction - Progress Payment #3-4	Sep 4, 2013	3 and 4	Spec. 1204	\$ 167,790.43
7	Aspen - EIR/EIS Progress Payment	Sep 30, 2013	1116.002-01	LRDSR	\$ 18,499.60
8	BV Construction - Progress Payment #5	Sep 30, 2013	5	Spec. 1204	\$ 46,862.08
9	BV Construction - Progress Payment #6	Oct 24, 2013	6	Spec. 1204	\$ 51,052.05
10	Aspen - EIR/EIS Progress Payment	Oct 24, 2013	1116.002-02	LRDSR	\$ 8,410.32
11	BV Construction - Progress Payment #7	Nov 7, 2013	7	Spec. 1204	\$ 87,960.50
12	BV Construction - Progress Payment #8	Dec 4, 2013	8	Spec. 1204	\$ 70,650.08
13	Aspen - EIR/EIS Progress Payment	Dec 4, 2013	1116.002-03	LRDSR	\$ 11,054.97
14	Kennedy/Jenks - Progress Payment	Jan 2, 2014	78236	LCGRRP	\$ 24,066.25
14	BV Construction - Progress Payment #1	Jan 2, 2014	1	Spec. 1201	\$ 29,925.00
14	BV Construction - Progress Payment #9	Jan 2, 2014	9	Spec. 1204	\$ 58,787.84
14	Aspen - EIR/EIS Progress Payment	Jan 2, 2014	1116.002-04	LRDSR	\$ 36,178.95
14	JT Eng. - Design Progress Payment	Jan 2, 2014	5200	Spec. 1207	\$ 9,518.00
15	BV Construction - Progress Payment #2 & #3	Jan 21, 2014	2 & 3	Spec. 1201	\$ 114,095.00
16	Aspen - EIR/EIS Progress Payment	Feb 24, 2014	1116.002-05	LRDSR	\$ 4,917.47
16	BV Construction - Progress Payment #4 & #5	Feb 24, 2014	4 & 5	Spec. 1201	\$ 131,743.15
17	BV Construction - Retention Payment	Mar 3, 2014	10	Spec. 1204	\$ 38,254.26
17	Kennedy/Jenks - Progress Payment	Mar 3, 2014	79010 & 80391	LCGRRP	\$ 113,652.66
18	BV Construction - Progress Payment #6	Mar 31, 2014	6	Spec. 1201	\$ 126,834.50
18	Aspen - EIR/EIS Progress Payment	Mar 31, 2014	1116.002-06 and 07	LRDSR	\$ 17,080.04
19	Kennedy/Jenks - Progress Payment	Apr 16, 2014	78236	LCGRRP	\$ 28,228.60
19	BV Construction - Progress Payment #7	Apr 16, 2014	7	Spec. 1201	\$ 252,741.80
20	BV Construction - Progress Payment #8	May 15, 2014	8	Spec. 1201	\$ 69,825.00
20	Aspen - EIR/EIS Progress Payment	May 15, 2014	1116.002-08	LRDSR	\$ 33,388.96
20	Kennedy/Jenks - Progress Payment	May 15, 2014	82422 & 80900	LCGRRP	\$ 135,858.74
21	BV Construction - Progress Payment #9	Jun 4, 2014	9	Spec. 1201	\$ 67,260.00
21	Aspen - EIR/EIS Progress Payment	Jun 4, 2014	1116.002-09	LRDSR	\$ 31,845.93
22	BV Construction - Progress Payment #10	Jun 30, 2014	10	Spec. 1201	\$ 139,498.00
23	Kennedy/Jenks - Progress Payment	Jun 30, 2014	83735	LCGRRP	\$ 30,172.21
23	Aspen - EIR/EIS Progress Payment	Jun 30, 2014	1116.002-10	LRDSR	\$ 10,672.32
24	BV Construction - Progress Payment #11	Jul 21, 2014	11	Spec. 1201	\$ 141,217.50
24	Kennedy/Jenks - Progress Payment	Jul 21, 2014	84147	LCGRRP	\$ 26,431.83
24	Aspen - EIR/EIS Progress Payment	Jul 21, 2014	1116.002-11	LRDSR	\$ 6,274.20

25	BV Construction - Progress Payment #12	Aug 19, 2014	12	Spec. 1201	\$ 84,386.60
25	Aspen - EIR/EIS Progress Payment	Aug 19, 2014	1116.002-12	LRDSR	\$ 11,115.51
26	BV Construction - Progress Payment #13	Sept 10, 2014	13	Spec. 1201	\$ 47,654.85
26	Aspen - EIR/EIS Progress Payment	Sept 10, 2014	1116.002-13	LRDSR	\$ 37,715.30
27	BV Construction - Progress Payment #14	Sept 29, 2014	14	Spec. 1201	\$ 122,741.90
27	PWD - Reimbursement	Sept 29, 2014	N/A	Spec. 0905	\$ 260,611.31
28	Cedro Construction - Progress Payment #1	Oct 14, 2014	1	Spec. 1207	\$ 310,752.41
28	City of Palmdale - Recharge Project	Oct 14, 2014	PWD-2014	UAR	\$ 38,402.47
29	Aspen - EIR/EIS Progress Payment	Oct 23, 2014	1116.002-14	LRDSR	\$ 56,223.72
29	Kennedy/Jenks - Progress Payment	Oct 23, 2014	87036	LCGRRP	\$ 80,732.32
30	BV Construction - Progress Payment #15	Nov 12, 2014	15	Spec. 1201	\$ 84,974.65
30	Aspen - Bio and Cultural Report	Nov 12, 2014	3277.001-01	Spec. 1205	\$ 10,608.08
30	Cedro Construction - Progress Payment #2	Nov 12, 2014	2	Spec. 1207	\$ 195,802.84
31	ANM Construction - Paving	Nov 17, 2014	011115-1	Spec. 0905	\$ 102,373.00
32	Aspen - Bio and Cultural Report	Nov 26, 2014	3277.001-02	Spec. 1205	\$ 1,147.81
32	Aspen - EIR/EIS Progress Payment	Nov 26, 2014	1116.002-15	LRDSR	\$ 76,161.79
33	Kennedy/Jenks - Progress Payment	Dec 29, 2014	88741	LCGRRP	\$ 71,831.14
33	BV Construction - Progress Payment #16 (Retention)	Dec 29, 2014	16 - Retention	Spec. 1201	\$ 74,363.05
33	Aspen - EIR/EIS Progress Payment	Dec 29, 2014	1116.002-16	LRDSR	\$ 6,136.99
34	Cedro Construction - Progress Payment #3	Jan 7, 2015	3	Spec. 1207	\$ 294,189.21
35	BV Construction - Progress Payment #1	Jan 26, 2015	1	Spec. 1205	\$ 152,445.08
35	Aspen - EIR/EIS Progress Payment	Jan 26, 2015	1116.002-17	LRDSR	\$ 13,105.63
36	Kennedy/Jenks - Progress Payment	Feb 2, 2015	89538	LCGRRP	\$ 78,066.17
37	BV Construction - Progress Payments #2 and #3	Feb 19, 2015	2 and 3	Spec. 1205	\$ 195,962.20
37	Aspen - EIR/EIS Progress Payment	Feb 19, 2015	1116.002-18	LRDSR	\$ 8,814.60
38	BV Construction - Progress Payment #4	Mar 9, 2015	4	Spec. 1205	\$ 123,500.00
38	Cedro Construction - Progress Payment #4	Mar 9, 2015	4	Spec. 1207	\$ 70,371.25
39	BV Construction - Progress Payment #5	Mar 31, 2015	5	Spec. 1205	\$ 144,210.00
39	Aspen - EIR/EIS Progress Payment	Mar 31, 2015	1116.002-19	LRDSR	\$ 12,057.52
39	Kennedy/Jenks - Progress Payment	Mar 31, 2015	90983	LCGRRP	\$ 134,407.47
40	Cedro Construction - Progress Payment #5	Apr 13, 2015	5	Spec. 1207	\$ 116,680.99
41	BV Construction - Progress Payment #6	Apr 27, 2015	6	Spec. 1205	\$ 125,003.43
41	Aspen - EIR/EIS Progress Payment	Apr 27, 2015	1116.002-20	LRDSR	\$ 7,540.62
42	Cedro Construction - Progress Payment #6	May 19, 2015	6	Spec. 1207	\$ 103,592.13
43	BV Construction - Progress Payment #7	Jun 8, 2015	7	Spec. 1205	\$ 72,296.90
43	Aspen - Native American Monitoring	Jun 8, 2015	3277.001-03	Spec. 1205	\$ 7,702.52
43	Aspen - EIR/EIS Progress Payment	Jun 8, 2015	1116.002-21	LRDSR	\$ 44,109.14
44	Aspen - EIR/EIS Progress Payment	Jun 23, 2015	1116.002-22	LRDSR	\$ 34,285.59
44	Cedro Construction - Progress Payment #7	Jun 23, 2015	7	Spec. 1207	\$ 60,299.73
45	BV Construction - Progress Payment #8	Jul 15, 2015	8	Spec. 1205	\$ 111,492.00
45	Kennedy/Jenks - Progress Payment	Jul 15, 2015	93555	LCGRRP	\$ 46,443.99
45	Kennedy/Jenks - Progress Payment	Jul 15, 2015	93556	PRGRRP	\$ 251,714.21
46	Aspen - EIR/EIS Progress Payment	Jul 21, 2015	1116.002-23	LRDSR	\$ 16,484.80
46	Aspen - Native American Monitoring	Jul 21, 2015	3277.001-04	Spec. 1205	\$ 4,152.75
46	City of Palmdale - Recharge Project	Jul 21, 2015	PWD-2015	UAR	\$ 54,977.18
47	BV Construction - Progress Payment #9	Aug 11, 2015	9	Spec. 1205	\$ 107,542.76
47	Kennedy/Jenks - Progress Payment	Aug 11, 2015	94435	PRGRRP	\$ 238,422.35
48	Aspen - EIR/EIS Progress Payment	Sept 14, 2015	1116.002-24	LRDSR	\$ 9,024.21
48	Cedro Construction - Final Payment/Retention	Sept 14, 2015	Final Retention	Spec. 1207	\$ 157,491.76
49	Aspen - EIR/EIS Progress Payment	Sept 28, 2015	1116.002-25	LRDSR	\$ 1,034.50
49	Kennedy/Jenks - Progress Payment	Sept 28, 2015	95632	PRGRRP	\$ 190,705.91
50	Aspen - Native American Monitoring	Oct. 12, 2015	3277.001-05	Spec. 1205	\$ 5,581.50
50	BV Construction - Progress Payment #10	Oct. 12, 2015	10	Spec. 1205	\$ 92,241.20
51	Aspen - Native American Monitoring	Nov. 4, 2015	3277.001-06	Spec. 1205	\$ 4,707.50

51	Kennedy/Jenks - Progress Payment	Nov. 4, 2015	96460	PRGRRP	\$ 129,704.49
52	Aspen - Native American Monitoring	Dec. 28, 2015	96461	Spec. 1205	\$ 3,013.50
52	Kennedy/Jenks - Progress Payment	Dec. 28, 2015	97775	PRGRRP	\$ 159,241.36
53	Kennedy/Jenks - Progress Payment	Jan. 21, 2016	98545	PRGRRP	\$ 67,612.54
53	Aspen - EIR/EIS Progress Payment	Jan. 21, 2016	1116.002-25 & 27	LRDSR	\$ 3,751.40
54	BV Construction - Progress Payment #11	Feb. 3, 2016	11	Spec. 1205	\$ 67,200.17
55	BV Construction - Retention Payment	Feb. 23, 2016	Retention	Spec. 1205	\$ 62,731.78
55	Kennedy/Jenks - Progress Payment	Feb. 23, 2016	99318	PRGRRP	\$ 58,537.45
56	Aspen - EIR/EIS Progress Payment	Mar. 28, 2016	1116.003-01	LRDSR	\$ 33,898.64
56	Kennedy/Jenks - Progress Payment	Mar. 28, 2016	99918	PRGRRP	\$ 57,193.72
57	Kennedy/Jenks - Progress Payment	Apr. 19, 2016	100572	PRGRRP	\$ 7,364.72
58	Aspen - EIR/EIS Progress Payment	May 23, 2016	1116.003-02	LRDSR	\$ 5,535.88
58	Kennedy/Jenks - Progress Payment	May 23, 2016	101354	PRGRRP	\$ 26,258.21
59	Aspen - EIR/EIS Progress Payment	Jun 20, 2016	1116.003-03	LRDSR	\$ 37,001.22
59	Kennedy/Jenks - Progress Payment	Jun 20, 2016	102083	PRGRRP	\$ 5,389.60
60	Aspen - EIR/EIS Progress Payment	Jul 21, 2016	1116.003-05 & 05	LRDSR	\$ 43,122.23
60	Kennedy/Jenks - Progress Payment	Jul 21, 2016	103204	PRGRRP	\$ 21,078.38
61	City of Palmdale - Recharge Project	Jul 27, 2016	PWD-2016	UAR	\$ 35,834.85
62	Aspen - EIR/EIS Progress Payment	Sept 6, 2016	1116.003-06	LRDSR	\$ 3,097.87
62	Kennedy/Jenks - Progress Payment	Sept 6, 2016	104354	PRGRRP	\$ 32,202.76
63	Kennedy/Jenks - Progress Payment	Sept 19, 2016	104792	PRGRRP	\$ 25,142.44
64	Aspen - EIR/EIS Progress Payment	Oct. 31, 2016	1116.003-07	LRDSR	\$ 4,298.50
64	Kennedy/Jenks - Progress Payment	Oct. 31, 2016	105451	PRGRRP	\$ 6,899.35

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: November 3, 2016 **November 9, 2016**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Matt Knudson, Assistant General Manager
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM 7.4 – CONSIDERATION AND POSSIBLE ACTION ON RESOLUTION NO. 16-17 BEING A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT ADOPTING A REDUCED WATER RATE ADJUSTMENT OF 4.25% FOR EACH CALENDAR YEAR 2017, 2018, AND 2019, AMENDING APPENDIX C TO THE RULES AND REGULATIONS OF THE PALMDALE WATER DISTRICT, AND ESTABLISHING PRUDENT PARAMETERS TO CONSIDER FURTHER WATER RATE ADJUSTMENT REDUCTIONS. (ASSISTANT GENERAL MANAGER KNUDSON/FINANCE MANAGER WILLIAMS/FINANCE COMMITTEE)***

Attached are changes to Resolution No. 16-17 based on comments from the last workshop. Resolution No. 16-17 will be presented to the Finance Committee for review at their November 7, 2016 meeting and will be reviewed in detail at the Board meeting.

Supporting Documents:

- Resolution No. 16-17 Being a Resolution of the Board Of Directors of the Palmdale Water District Adopting a Reduced Water Rate Adjustment of 4.25% for Each Calendar Year 2017, 2018, and 2019, Amending Appendix C to the Rules and Regulations of the Palmdale Water District, and Establishing Prudent Parameters to Consider Further Water Rate Adjustment Reductions.

**PALMDALE WATER DISTRICT
RESOLUTION NO. 16-17**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
PALMDALE WATER DISTRICT ADOPTING A REDUCED WATER RATE
ADJUSTMENT OF 4.25% FOR EACH CALENDAR YEAR 2017, 2018, AND 2019,
AMENDING APPENDIX C TO THE RULES AND REGULATIONS OF THE
PALMDALE WATER DISTRICT, AND ESTABLISHING PRUDENT PARAMETERS
TO CONSIDER FURTHER WATER RATE ADJUSTMENT REDUCTIONS**

WHEREAS, the Palmdale Water District (the “District”) is authorized to collect charges and set rates for water service pursuant to the Irrigation District Law, codified at Division 11 of the Water Code, specifically at Sections 22280 through 22284; and

WHEREAS, the Board of Directors of the Palmdale Water District has developed and adopted several water supply and infrastructure plans outlining long range water supply projects to meet the water supply needs of the community’s growing population and the future growth of Palmdale, and long range financial planning to finance these projects is required; and

WHEREAS, the Board of Directors of Palmdale Water District unanimously adopted an updated Strategic Plan in 2016 with Initiative 4 – Financial Health and Stability that includes a goal of sustainable and balanced water rate structure and adjustments; and

WHEREAS, District staff has, and will continue to, search for cost saving measures including the active pursuit of grant funding; and

WHEREAS, the Board of Directors of the Palmdale Water District previously approved a 5-Year Water Rate Plan on September 17, 2014 authorizing annual water rate adjustments up to 5.5% through calendar year 2019; and

WHEREAS, the Board of Directors of the Palmdale Water District approved a reduced water rate adjustment of 2.5% in 2015 and a reduced water rate adjustment of 4.0% in 2016; and

WHEREAS, the Board of Directors of the Palmdale Water District now desires to meet the Strategic goal of sustainable and balanced water rates by providing customers predictable and stable water rate adjustments for each calendar year 2017, 2018, and 2019 to ensure adequate funds to meet current and future water demands; to continue to maintain the Rate Assistance Program, the Internship Program, the Cash for Grass Program and other Rebate Programs; to continue to provide high quality water through innovative treatment technologies; and to construct long range water supply projects, including the Palmdale Regional Groundwater Recharge and Recovery Project and the necessary removal of sediment from Littlerock Reservoir; and

WHEREAS, District staff has completed extensive financial modeling for the next several years that shows water rate adjustments of 4.25% for the years 2017, 2018, and 2019 will accomplish those goals at a reduced amount from the approved 5.5% water rate adjustments; and

WHEREAS, District staff has reviewed the District's water rate adjustment history beginning in 1969 that shows water rate adjustments of 4.25% for the years 2017, 2018, and 2019 will be less than the average annual water rate adjustment of 5.94% between 1969 and 2016; and

WHEREAS, the benefits of the Palmdale Regional Groundwater Recharge and Recovery Project include meeting the water supply needs of the community's growing population and the water supplies required for growth within the City of Palmdale; utilizing local recycled water; diversifying the District's water supply portfolio; maximizing the State Water Project supply and additional State Water Project supplies acquired through water transfer options; preparing to meet water supply needs during a natural disaster; reducing the impact to the District and to its customers from groundwater adjudication and droughts; and being the most cost effective long-term water supply strategy, which can potentially reduce future water rate adjustments; and

WHEREAS, the benefits of the Littlerock Reservoir Sediment Removal Project include maximizing the water supply from Littlerock Reservoir; maintaining this critical and cost effective water resource; diversifying the District's water supply portfolio; and preserving a recreational opportunity for the residents of Palmdale and the Antelope Valley; and

WHEREAS, a better financial position in the years 2018 and 2019 than anticipated in the financial modeling is possible due to reductions in expenses, the receipt of additional grant funding, or other circumstances that may allow further reduction in water rate adjustments; and

WHEREAS, the Board of Directors desires to create clear parameters to monitor and assess the District's financial position for District staff to evaluate and report on; and

WHEREAS, these parameters will be assessed and reported on annually, along with proposed projects and expenditures, to the Board of Directors during annual budget discussions for each calendar year 2018 and 2019; and

WHEREAS, if circumstances allow and a water rate adjustment less than 4.25% is sufficient to meet all District operations, expenses, projects, and current and future water demands, said reduction will be presented to the Board of Directors for consideration; and

WHEREAS, the adoption of this resolution is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273 because the resolution pertains to the adoption of charges necessary to maintain services within the District's existing service area.

NOW, THEREFORE, BE IT RESOLVED THAT, the Board of Directors does hereby:

1) Approve a reduced water rate adjustment of 4.25% for each calendar year 2017, 2018, and 2019, the remaining three years of the previously approved 2014 Water Rate Plan, effective January 1, 2017.

2) Revise Appendix "C" of the Palmdale Water District's Rules and Regulations to reflect this reduction.

3) Direct District staff to continue researching cost saving measures, including grants, to lessen future rate increases beyond the 2014 Water Rate Plan.

4) Direct District staff to assess and report on the following parameters using actuals through August 31st and projecting through December 31st of the year as part of the annual budget process for 2018 and 2019. A “Yes” answer from the District staff analysis for any three (3) parameters will allow for the consideration of a reduced water rate adjustment provided the reduced water rate adjustment continues to satisfy the same “Yes” parameters:

a. Do the District’s reserves meet the following end of year target reserve levels while providing a minimum of \$2.5M annually for projects?

2017 - \$10.9M

2018 - \$11.5M

2019 - \$11.8M

b. Can projects be funded at a level that is equal to the year’s depreciation while maintaining a minimum reserve level of \$10.5M?

c. Does the Rate Stabilization Fund match or exceed the planned amounts of \$1,080,000 in 2017, \$1,080,000 in 2018, and \$1,480,000 in 2019?

d. Is the projected Debt Coverage Ratio adequate to meet current bond covenants?

e. Has the District’s bond rating been re-evaluated to AA or higher by either Standard & Poor’s or Fitch rating agencies which are currently A- and A+ respectively?

PASSED AND ADOPTED this _____ day of _____, _____ by the Board of Directors, the governing body of the Palmdale Water District.

PALMDALE WATER DISTRICT

ROBERT ALVARADO, President

ATTEST:

JOE ESTES, Secretary

APPROVED AS TO FORM:

By: _____
Aleshire & Wynder, General Counsel

**PALMDALE WATER DISTRICT
RESOLUTION NO. 16-17**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
PALMDALE WATER DISTRICT ADOPTING A REDUCED WATER RATE
ADJUSTMENT OF 4.25% FOR EACH CALENDAR YEAR 2017, 2018, AND 2019,
AMENDING APPENDIX C TO THE RULES AND REGULATIONS OF THE
PALMDALE WATER DISTRICT, AND ESTABLISHING PRUDENT PARAMETERS
TO CONSIDER FURTHER WATER RATE ADJUSTMENT REDUCTIONS**

WHEREAS, the Palmdale Water District (the “District”) is authorized to collect charges and set rates for water service pursuant to the Irrigation District Law, codified at Division 11 of the Water Code, specifically at Sections 22280 through 22284; and

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WHEREAS, the benefits of the Littlerock Reservoir Sediment Removal Project include maximizing the water supply from Littlerock Reservoir; maintaining this critical and cost effective water resource; diversifying the District's water supply portfolio; and preserving a recreational opportunity for the residents of Palmdale and the Antelope Valley; and

WHEREAS, a better financial position in the years 2018 and 2019 than anticipated in the financial modeling is possible due to reductions in expenses, the receipt of additional grant funding, or other circumstances that may allow further reduction in water rate adjustments; and

WHEREAS, the Board of Directors desires to create clear parameters to monitor and assess the District's financial position for District staff to evaluate and report on; and

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d. Is the projected Debt Coverage Ratio adequate to meet current bond covenants?

e. Has the District’s bond rating been re-evaluated to AA or higher by either Standard & Poor’s or Fitch rating agencies which are currently A- and A+ respectively?

PASSED AND ADOPTED this _____ day of _____, _____ by the Board of Directors, the governing body of the Palmdale Water District.

PALMDALE WATER DISTRICT

ROBERT ALVARADO, President

ATTEST:

JOE ESTES, Secretary

APPROVED AS TO FORM:

By: _____
Aleshire & Wynder, General Counsel

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: November 3, 2016 **November 9, 2016**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: James Riley, Engineering/Grant Manager
VIA: Mr. Dennis D. LaMoreaux, General Manager
Mr. Matthew Knudson, Assistant General Manager
RE: ***AGENDA ITEM NO. 7.5 – CONSIDERATION AND POSSIBLE ACTION
ON AWARD OF CONTRACT WITH ESA TO PREPARE A PROGRAM
ENVIRONMENTAL IMPACT REPORT FOR THE 2016 PALMDALE
WATER DISTRICT WATER MASTER PLAN (\$174,715.00 – BUDGETED
– ENGINEERING/GRANT MANAGER RILEY)***

Recommendation:

That the Board:

1. Approve a contract with ESA of Los Angeles, California for completing a Program Environmental Impact Report for the 2016 Palmdale Water District Water Master Plan in a not-to-exceed amount of \$174,715; and
2. Authorize the General Manager to execute the Professional Services Agreement with ESA for same.

Background:

The District has completed a Water Master Plan (2016) for future capital improvement facilities. As required by the California Environmental Policy Act, an environmental review of proposed facilities is required.

On October 13, 2016, the District requested proposals from three consulting firms – Montgomery Watson Harza (MWH) (Pasadena, CA), ESA (Los Angeles) and Helix Environmental (San Diego).

Based on a detailed review of the other three proposals, ESA was deemed to be in a more advantageous position to complete the Program EIR because of their work on the Program EIR for the District's Strategic Water Plan and the Palmdale Recycled Water Authority's Recycled Water Master Plan Initial Study/Mitigated Negative Declaration.

BOARD OF DIRECTORS
PALMDALE WATER DISTRICT

VIA: Mr. Dennis D. LaMoreaux, General Manager
Mr. Matthew Knudson, Assistant General Manager

November 3, 2016

Strategic Plan Initiative:

This work is part of Strategic Initiative # 3 – Systems Efficiency.

Budget:

The proposed fee from ESA is \$174,715.00. This fee is comparable to staff's estimate for the contract. This is covered under the projected 2017 budget.

Supporting Documents:

- Exhibit A – Scope of Work



626 Wilshire Boulevard
Suite 1100
Los Angeles, CA 90017
213.599.4300 **phone**
213.599.4301 **fax**

www.esassoc.com

October 31, 2016

Matthew Knudson
Assistant General Manager
Palmdale Water District
2029 East Avenue Q
Palmdale, CA 93550

Subject: Request for Proposal for 2016 Water System Master Plan Program Environmental Impact Report

Dear Matt:

ESA welcomes the opportunity to work with Palmdale Water District again and provide professional services to successfully complete the environmental compliance process for the 2016 Water System Master Plan (WSMP or Master Plan) in accordance with the California Environmental Quality Act (CEQA). This proposal includes our understanding of the WSMP, the approach to CEQA compliance, a brief description of our ESA team, scope of work, and fee estimate.

Project Understanding

Palmdale Water District (PWD or District) has prepared the 2016 Water System Master Plan (WSMP or Master Plan) to determine the facilities required to meet rising water demands over the next 25 years. The WSMP evaluates the current and future water supply sources available to PWD and identifies infrastructural needs to ensure delivery of these supplies to current and future customers. The primary objective of the WSMP is to provide “cost-effective and fiscally responsible water services that meet the water quantity, water quality, system pressure, and reliability requirements” of the District’s customers. The 2016 WSMP identifies existing system deficiencies that need to be corrected and future facilities that will be required either in the near term (by 2020) or longer term (by 2030 and beyond). The 2016 WSMP culminates with a proposed Capital Improvement Program (CIP) for the water system.

The CIP includes lists of improvements by water facility type, including transmission pipelines, booster pump stations, storage tanks, and groundwater production wells. The CIP includes a phased approach, with four time periods, or phases, for implementing the list of improvements for each water facility type: 2015-2020, 2021-2025, 2026-2030, and Build Out. The first phase (2015-2020) of the CIP includes the following:

- **Pipelines:** New pipelines will be built including five segments necessary to correct system deficiencies related to fire flow (6,658 linear feet; Figure 8-2 in 2016 WSMP) and four additional segments, some of which are associated with new tanks and pumps (2015 Pipe Recommendations in Figure 10-5 of 2016 WSMP). The proposed pipeline alignments correspond with existing roadways and are assumed to be installed within the public right-of way (ROW). Two exceptions are: the pipeline segment located just west of PWD’s boundary in an undeveloped area associated with the Quail Valley Development, and the pipeline segment running west of 47th Street East on a paved road through an undeveloped area.



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- **Pump Stations:** New pumps will be installed at three existing pump stations – the V-5 Booster Station, El Camino Underground Pump Station, and 3600 Ft Booster Pump Station.
- **Storage Tanks:** New storage tanks will be installed at three locations, one near the intersection of Sierra Highway and Rae Street and two just west of PWD's boundary in an undeveloped area associated with the Quail Valley Development.
- **Wells:** No groundwater wells would be built under the first phase of the CIP.

The remaining phases beyond 2020 include the following facilities:

- **Pipelines:** Over 700,000 feet of new transmission pipelines (primarily 8-inch but ranging from 6-inch to 24-inch diameter) will be installed primarily within existing roadway ROW.
- **Pump Stations:** New pumps will be installed at six existing pump stations. Five new pump stations will be constructed after 2030 to support Build Out.
- **Storage Tanks:** New storage tanks will be built primarily in the southern portion of PWD's service area.
- **Wells:** Five new groundwater production wells will be constructed, primarily near the eastern boundary of PWD's service area.

PWD has prepared a Feasibility Study for the Palmdale Regional Groundwater Recharge and Recovery Project (GRRP) and identified potential locations for recharge basins and recovery wells. Although this project is included in the evaluation of future water supplies in the Master Plan, the CIP does not include the recharge or recovery facilities associated with the Regional GRRP.

Approach to CEQA Compliance

Per the District's Request for Proposal, a Program Environmental Impact Report (PEIR) will be prepared for the WSMP in accordance with the California Environmental Quality Act (CEQA). The PEIR project description will focus on the CIP, and the PEIR will evaluate the facilities to be constructed by 2020 at the project level so construction of these facilities can proceed upon certification of the PEIR. The facilities to be constructed after 2020 will be evaluated at the program level.

The impact analysis in the PEIR will be partitioned to separate the program-level and project-level impacts and associated mitigation measures. Impact discussions will be organized by facility type (i.e., pipelines, pump stations, and tanks). The project-level impacts will be used to inform and evaluate the program-level impacts associated with similar facility types.



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ESA has prepared numerous environmental documents for PWD and other public agencies with jurisdiction in the project area, such as Palmdale Recycled Water Authority (PRWA), Sanitation Districts of Los Angeles County (LACSD), and Los Angeles County Department of Public Works, Waterworks Division 40 (WW40). We will draw on our existing knowledge of the project area, including the physical environment and water infrastructure, to efficiently evaluate existing conditions and identify impacts. ESA prepared the PEIR for PWD's Strategic Water Resources Plan. Our approach is to ensure that impacts and mitigation measures identified for the WSMP do not conflict with other related CEQA commitments and analyses, including those included in the SWRP PEIR and PRWA's Recycled Water Master Plan Initial Study/Mitigated Negative Declaration (IS/MND). In addition, the SWRP PEIR will be an important source document and reference for the WSMP PEIR, providing comprehensive descriptions of environmental conditions and impacts associated with water facilities similar to those included in the WSMP.

The WSMP mentions potential funding sources, including the State Revolving Fund Loan Program. As a federal funding mechanism administered through the State, the SRF Loan Program would require compliance with the National Environmental Policy Act in the form of CEQA-Plus documentation. This scope of work does not include CEQA-Plus compliance; however ESA can add the necessary tasks to fulfill CEQA-Plus at the District's request.

Team and Experience

ESA's Project Manager for this contract will be Jennifer Jacobus, PhD; ESA's Project Director will be Tom Barnes, Director of ESA's Southern California Water Practice Group. Jennifer and Tom have worked together for 12 years to provide CEQA/NEPA compliance services exclusively to water and wastewater clients. Jennifer has a track record of working successfully with PWD, PRWA, and other Antelope Valley agencies as demonstrated in the attached resume. Jennifer understands the District's culture and expectations and will provide value and efficiency in guiding PWD through the CEQA process. Jennifer will use a team of similarly experienced technical analysts, including biologists, archaeologists, hydrologists, air scientists, and land use planners, who know the Antelope Valley and Los Angeles County and have worked with Jennifer on previous PWD projects.

Scope of Work

ESA's scope of work includes all tasks required for successful completion of the CEQA process and preparation of a PEIR for the WSMP. As stated above, the PEIR will include a programmatic assessment of the entire WSMP/CIP and project-level assessment of facilities to be implemented in the first phase of the CIP.



Task 1: Project Management

Task 1.1: Scope, Schedule and Budget

DELIVERABLES

- *Monthly Progress Reports*
-

ESA's Project Manager, Jennifer Jacobus, will track and update the project budget and schedule. Written monthly progress reports will be submitted with billings that identify target dates for completion of current work tasks, deliverables, and meetings, and that identifies any potential issues affecting the

project schedule or scope.

Task 1.2: Project Initiation and Status Meetings

-
- *Meetings:
Four (4) Status Meetings*
-

ESA will participate in up to four (4) status meetings/conference calls with the District, including an initial kick-off meeting. The purpose of the kick-off meeting will be to review the proposed scope, process, and protocols for the environmental documentation effort as well as the WSMP purpose and need,

goals, objectives, alternatives, and necessary technical studies (data collection and fieldwork activities) required to complete the CEQA environmental document. Subsequent status meetings may include review of the project description or discussion of the District's comments on draft deliverables such as the Administrative Draft EIR.

Task 2: Project Description

DELIVERABLES

- *Draft and Final Project
Description for District review
(electronic file);*
-

ESA will prepare a project description that will form the basis of the impact analysis in the PEIR. The project description will be based on the proposed CIP in the WSMP and will identify the facilities to be evaluated at the project level and program level. The facilities to be implemented by 2020 will be evaluated at the project level and include: new pumps at three existing pump stations (EB-01, FB-01, FB-02); three new storage tanks (ES-01, ES-03, FS-01); 6,658 linear feet

of pipeline to correct fire flow deficiencies; and four additional pipeline segments. The information provided in the WSMP is not sufficient for a project-level description of these facilities. ESA will work with PWD to identify specific locations for each facility, including footprint of ground disturbance, construction methodology and schedule, size and characteristics of aboveground and below-ground features, and operating criteria. The project description will also include WSMP objectives and a list of required approvals and permits.

Task 3: Notice of Preparation and Scoping

ESA will prepare the Notice of Preparation (NOP) as required by Section 15082(a) of the CEQA Guidelines. The District will review the draft NOP and ESA will incorporate the District's edits into a final NOP for publication. ESA will assist the District in compiling a NOP mailing list that will include the State Clearinghouse,



DELIVERABLES

- *Draft NOP for District review (electronic file);
Final NOP (30 hard copies and electronic file on CD);
NOP mailing list*
 - *Scoping Meeting presentation, meeting materials;*
 - *Scoping Report*
 - *AB52 Correspondence*
-

Responsible and Trustee Agencies, and persons requesting notice. ESA will deliver fifteen (15) copies of the NOP to the State Clearinghouse on behalf of the District and will provide fifteen (15) copies of the NOP to the District for public distribution. ESA will also prepare a web-ready version of the NOP for inclusion on the District's website. This scope of work assumes there will be no Initial Study prepared in support of the NOP.

ESA will conduct one scoping meeting at PWD offices to solicit input from interested agencies and the public regarding the scope of the environmental analysis (See Task 9). ESA will prepare a PowerPoint presentation and other meeting materials (e.g., sign-in sheets, comment cards).

When the 30-day NOP review period ends, ESA will prepare a Scoping Report for the District. The Scoping Report will summarize and append all comments received during the scoping process, including oral comments submitted during the meeting. The Scoping Report will be included in the Draft PEIR in an appendix, along with the NOP.

Assembly Bill 52 (AB52) requires outreach to Native American Tribes to identify Tribal Cultural Resources early in the CEQA process. AB52 requires PWD to directly consult with any Tribes that submitted such a request. However, ESA will assist with preparation of written correspondence for PWD to mail to each Tribe on its letterhead to initiate the AB52 consultation process. ESA will assist with any subsequent correspondence, but this scope of work assumes no participation in meetings with Tribes.

Task 4: Administrative Draft EIR

DELIVERABLES

- *Administrative Draft PEIR (electronic file)*
-

ESA will prepare an Administrative Draft PEIR for District review using the project description developed under Task 2. Based on input regarding key issues from comments received on the NOP, ESA will develop a proposed outline for the PEIR. The PEIR will include baseline environmental setting, impacts and proposed mitigation for all environmental resources in CEQA

Guidelines Appendices F and G. As required by CEQA, the baseline environmental setting will be the study area as it exists as of the date of NOP publication. The effects of the project will be defined as changes from this baseline that are attributable to the project. ESA will use the environmental setting information in the SWRP PEIR for the WSMP PIER, to the extent that it is still applicable and up to date, for efficiency purposes.

The impact analysis will identify direct, indirect, and cumulative impacts. Mitigation measures will be identified as applicable to specific project impacts. The PEIR will also contain statutory sections required by CEQA:



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Page 6

Cumulative Impacts, Alternatives Analysis (including the “No Project” alternative), Growth-Inducing Impacts of the Project, and the Distribution List of Persons and Organizations Consulted.

The following areas of analysis will be included in the PEIR. Each section will be prepared by ESA technical staff and will receive a thorough quality review by ESA’s management team and technical leaders as necessary.

Aesthetics. The PEIR will generally describe important elements of the visual quality of the local project area, focusing on any publicly accessible scenic vistas and visual character of the sites where facilities will be constructed by 2020. To characterize aesthetic issues, ESA will utilize the General Plans for the City of Palmdale and Los Angeles County. The PEIR will qualitatively discuss the visual impacts of the project, identify potential sources of intrusive glare and night lighting, and identify mitigation measures that would reduce any significant visual impacts of the proposed project. ESA will review ground level and aerial photographs, topographic data, public policies regarding visual quality, engineering drawings, and other descriptive project data. No visual simulations or special studies are proposed for aesthetic issues. Opportunities to screen or landscape aboveground facilities to will be developed in coordination with the District.

Agriculture and Forestry. The PEIR will evaluate the potential for the WSMP to affect agricultural resources and forestry resources. There is a small amount of land designated by the State as Prime Farmland within PWD’s boundaries. Agricultural and forestry land uses and zoning in and around the District will be described; the potential effects to such land uses due to CIP construction activities or system operation will be assessed.

Air Quality and Greenhouse Gases. The PEIR will summarize existing air quality in the project area and will identify current attainment plans for criteria pollutants. Antelope Valley Air Quality Management District thresholds of significance will be identified for potential operational and construction activities. The PEIR component will identify sensitive receptors in the project area, including residential land uses and schools. During development of the project description (Task 2) ESA will work with PWD to identify the types, number, and duration of use of equipment needed for operational and construction activities, especially for facilities to be built by 2020. This will allow for adequate assessment of emissions impacts at the project-level. The project-level impact analysis will be used as a basis for identifying potential program-level impacts for facilities to be built after 2020. The PEIR will include CalEEMod air emissions model results for equipment and construction assumptions. The analysis will also evaluate the project’s potential to generate objectionable odors.

The PEIR will address global climate change issues. The air emissions calculations will include total carbon dioxide (CO₂)-equivalent emissions associated with the construction and operation of the proposed project. The PEIR will assess the project’s effects on global climate change and evaluate consistency with Assembly Bill 32 (AB 32) and the Governor’s greenhouse gas emissions reduction goals. ESA’s depth of expertise in this area and recent documentation for similar projects will support our efforts for this project.



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Page 7

Biological Resources. Two qualified ESA biologists will map vegetation and conduct a reconnaissance-level survey of the footprint of facilities to be built by 2020 plus a 500-foot buffer (survey area). Representative site photographs of the habitats will be taken, and habitats and plant communities will be characterized and mapped in the field. Vegetation communities will be classified according to *A Manual of California Vegetation (Second Edition)* by Sawyer-Keeler Wolfe and Evans (2009). Vegetation will be hand-drawn on ortho-rectified aerial photography at a scale of 1"=200', and will then be digitized using graphic information systems (GIS) technology. Potential jurisdictional features (i.e., desert washes) within the survey area will also be identified during the survey; however, a formal jurisdictional delineation will not be conducted as part of this scope.

Wildlife species detected during the survey will be documented, and any sensitive biological resources observed will be noted and the location(s) recorded. In addition, the survey area will be assessed for the potential to support special-status species known to occur in the region such as Mojave ground squirrel (*Xerospermophilus mohavensis*), burrowing owl (*Athene cunicularia*), and coast-horned lizard (*Phrynosoma blainvillii*). However, focused surveys for plants or wildlife will not be conducted as part of this scope.

Upon completion of vegetation mapping and reconnaissance-level survey, ESA will prepare a letter report documenting the findings for project-level impacts. The report will consist of a brief project description, a discussion of regulatory framework, discussion of survey methodology, results and recommendations. A map of vegetation communities, any sensitive biological resources observed, and site photographs will be included in the report. After the District's review of the letter report, ESA will incorporate the findings into the Draft PEIR. The project-level impact analysis will be used as a basis for identifying potential program-level impacts for facilities to be built after 2020.

Cultural Resources. The PEIR will describe the cultural setting and known cultural resources in the project area and identify the potential impacts to cultural resources as a result of physical ground disturbance. To establish the cultural resources baseline information, ESA will use data from the State Historic Preservation Office and the archaeological information centers for Los Angeles County; and data from the other published documents that address cultural resource issues in the region. ESA will conduct a records search for known cultural resources at the South Central Coastal Information Center in Fullerton. ESA will incorporate the outcome of the AB52 consultation (see Task 3) process into the environmental setting, including any identified Tribal Cultural Resources. All program-level cultural setting information will be based upon this data collection effort. For proposed CIP facilities to be built by 2020, ESA cultural staff will perform field surveys to document existing conditions within the footprint of disturbance. This scope assumes no potential resources will be identified during field surveys.

Potential project-level impacts will be determined and mitigation measures developed if needed to minimize potential impacts. The project-level impact analysis will be used as a basis for identifying potential program-level impacts for facilities to be built after 2020.



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Geology, Soils and Seismicity. ESA will review geotechnical reports, if available, for facilities to be built by 2020 and will summarize regional reports on soils, geologic materials and groundwater levels. The impact analysis will identify special problems such as liquefaction and shrink/swell; describe proposed grading and methods to handle differential settlement; describe erosion hazards; and identify mitigation measures to reduce impacts.

Hydrology and Water Quality. The PEIR will describe existing and historic hydrology and water quality conditions of the study area. The setting will include a description of the existing surface hydrology, groundwater, water quality, and flooding conditions of the study area based on available data. Local groundwater conditions will be described, including location and extent of aquifers, the recent groundwater basin adjudication, recent and historic water levels, groundwater flow directions, and groundwater quality patterns and trends. Existing groundwater monitoring programs will be described as well as the status of the salt and nutrient management plan for the basin.

Potential impacts on surface water and groundwater from program activities will be discussed. The PEIR will identify potential impacts related to stormwater pollution during project construction, the potential for increased runoff due to new impervious surfaces, as well as related impacts to drainage on-site and in downstream areas. Floodplains will be identified and mapped as provided in existing Federal Emergency Management Agency Flood Insurance Rate Maps. Relevant federal, state, and local regulations and agencies will be described, including provisions of the federal Clean Water Act, the state Porter-Cologne Water Quality Control Act, and the permitting and regulatory authority of the Regional Water Quality Control Board (RWQCB). Applicable regulatory requirements, including water quality standards, dewatering, and storm water management activities, will be described.

Potential changes in groundwater levels and groundwater quality due to operation of proposed groundwater wells will be discussed at a program level. No technical studies related to groundwater levels or groundwater quality are proposed for this scope. Mitigation measures will be developed if needed to ensure well operation will not have significant impacts to groundwater levels or quality. The locations of proposed wells are similar to those previously evaluated in the SWRP PEIR. The mitigation measures included in the SWRP PEIR will be reviewed and incorporated if applicable or used to inform new complementary mitigation measures.

Hazards and Hazardous Materials. ESA will evaluate potential threats to environmental health and safety from hazardous materials that could result from construction and operation of the WSMP. The PEIR will present a discussion of regulatory setting and background information, including GeoTracker and EnviroStor database searches for properties in the project area that have contamination issues. The sites where facilities will be built by 2020 will be specifically discussed. Potential impacts will be evaluated in comparison to CEQA significance criteria. The PEIR will address hazardous materials storage during site construction and adherence to State and local hazardous materials and waste management programs during operation of WSMP facilities. The PEIR will



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identify risk management procedures that would be implemented to minimize exposure of workers and the public to hazardous materials during construction and operation.

Land Use and Recreation. ESA will identify and map existing land uses in the project area, focusing on the sites where facilities will be built by 2020 and those with aboveground components such as pump stations, storage tanks, and new wellheads. ESA will review applicable plans, policies and objectives of local, regional and state public agencies having jurisdiction over the project; discuss project consistency with plans, policies, and CEQA guidelines; discuss compatibility with surrounding land uses and recreational facilities; and identify measures to mitigate identified impacts.

Mineral Resources. The PEIR will describe mineral resource zones in the project area. Littlerock Wash includes a mineral resource zone for sand and gravel, located within the PWD boundary. The PEIR will evaluate the potential for proposed CIP facilities to affect the availability of valuable mineral resources.

Public Services, Utilities and Energy. The PEIR will describe the location of applicable fire and police protection and emergency services in the project area; describe any public safety issues such as emergency access and public access, and identify mitigation measures to minimize potential fire and security hazards. The PEIR will identify public utilities in the project area; identify the potential for utility conflicts that could require relocation and service interruption; and identify mitigation measures necessary to maintain adequate service levels. The PEIR will describe the energy required to operate proposed new facilities and identify the potential for water system operations to affect local and regional energy supplies.

Population and Housing/Growth Inducement. The PEIR will summarize the project area's growth projections based on SCAG projections and General Plan projections; discuss applicable General Plan build-out assumptions, including growth management restrictions; compare population projections and water demand as described in the WSMP; determine growth-inducement potential and discuss secondary effects of growth; discuss policies, programs and regional plans under the direction of agencies with land-use jurisdiction within the service area that address effects of growth.

Traffic and Transportation. The PEIR will evaluate the temporary effects of construction-related activities on local roadways, focusing on designated principal traffic arteries. ESA will describe the circulation setting; identify bicycle, pedestrian and transit corridors; determine project trip generation and distribution; determine temporary daily construction impacts during weekday AM and PM peak hour; evaluate effects on pedestrian, bicycle and transit facilities; discuss site circulation and access; and identify mitigation measures to include in construction activity traffic control plans. The PEIR will describe any necessary easement requirements, including Caltrans encroachment easement requirements.



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Task 5: Prepare Public Draft EIR and Notices

DELIVERABLES:

- *Screencheck Draft PEIR (electronic file); Public Draft PEIR (45 hard copies); Notice of Completion; Notice of Availability*
 - *Public Meeting materials*
-

After the District has reviewed the Administrative Draft PEIR, ESA will make the necessary revisions and prepare a Screencheck Draft PEIR that incorporates the District's comments. After the District's final review of the Screencheck Draft PEIR, ESA will prepare the Public Draft PEIR for publication and distribution for a 45-day public review period. ESA will prepare and file the Notice of Completion (NOC), along with 15 copies of the Public Draft PEIR, with the State Clearinghouse. ESA also will prepare a Notice of Availability (NOA) of a PEIR and assist the District with distribution of the Public Draft PEIR and NOA to the public and interested

parties, including the Los Angeles County Clerk. ESA also will prepare a web-ready version of the Public Draft PEIR for inclusion on the District's website. ESA also will contact up to two (2) local newspapers and post the NOA.

The NOC and NOA will provide notice of a Public Meeting. ESA will work together with the District to conduct the Public Meeting to solicit public comments about the environmental analysis in the Draft PEIR (See Task 9). ESA will prepare a PowerPoint presentation and other meeting materials (e.g., sign-in sheets, comment cards). ESA will summarize the oral comments submitted during the Public Meeting.

Task 6: Prepare Responses to Comments

DELIVERABLES

- *Draft Responses to Comments (electronic file)*
-

ESA will organize and summarize the comments received on the Draft PEIR, both written comment letters and oral comments submitted at the Public Meeting, as required by CEQA Guideline Section 15105 and coordinate with the District as necessary to discuss response strategies and responsibilities. ESA will prepare a Draft Responses to Comments document for review by the District.

This scope of work assumes that the comment letters received will not exceed a maximum of 30 pages.

Task 7: Prepare Final EIR, Notice, and Findings

DELIVERABLES

- *Final PEIR (15 hard copies; electronic file)*
 - *Findings of Fact and SOC (electronic file)*
 - *Notice of Determination*
-

After the District has reviewed the Draft Responses to Comments document, ESA will incorporate the necessary revisions and prepare an Administrative Final PEIR for review by the District. The Final PEIR will include comment letters and oral comment summaries, Responses to Comments, edits to the text of the Draft PEIR as applicable, and corrections and staff-initiated changes to the Draft PEIR text, if necessary. Based on comment received on the Administrative Final PEIR, ESA will revise the document to reflect the recommended changes and will prepare a Screencheck Final PEIR that



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incorporates the comments. Any changes incorporated into this document will constitute the Final PEIR distributed for public review. The Final PEIR will be forwarded to the State Clearinghouse and each entity that provided comments.

ESA will prepare a Draft Findings of Fact and Statement of Overriding Considerations (if necessary) for review by the District counsel. After review, ESA will incorporate comments and prepare the Final Findings of Fact and Statement of Overriding Considerations. Additionally, ESA will prepare the Notice of Determination (NOD). Once the Final PEIR is certified, ESA will file the NOD with the Los Angeles County Clerk and the State Clearinghouse. This scope of work does not include the CEQA filing fees for the California Department of Fish and Game.

Task 8: Mitigation Monitoring and Reporting Program

DELIVERABLES

- *Mitigation Monitoring and Reporting Program (electronic file)*
-

In compliance with Public Resources Code Section 21081.6, ESA will prepare a Mitigation Monitoring and Reporting Program (MMRP) that describes the mitigation measures that are required as conditions of the WSMP approval to avoid or reduce potential environmental impacts to less-than-significant levels, the responsible parties, tasks, and schedule necessary for monitoring mitigation compliance. ESA will prepare a Draft MMRP for District review and will

incorporate comments into a Final MMRP.

Task 9: Attend Public Meetings

ESA will attend up to three (3) public meetings and hearings as part of the PEIR process, including the following:

- One Scoping Meeting during the NOP public comment period.
- One Public Meeting to receive comments on the Draft PEIR's Findings and conclusions.
- One Public Hearing to respond to comments or inquiries during District Board deliberation of the Final PEIR.

Fee Proposal

The attached Table 1 provides ESA's cost estimate for the scope of work described above, broken down by task and labor hours per ESA employee. Our fee proposal is not to exceed \$174,715.

We welcome the opportunity to discuss our proposal, approach to our scope of work, assumptions, and fee proposal. Please contact Jennifer Jacobus at 213-599-4300 or jjacobus@esassoc.com with any follow-up communication or questions.



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Sincerely,

A handwritten signature in black ink that reads "Jennifer Jacobus". The script is fluid and cursive, with the first name and last name clearly distinguishable.

Jennifer Jacobus, PhD
Southern California Water Practice Group

A handwritten signature in black ink that reads "Tom Barnes". The signature is more stylized and less legible than the one above, with a prominent horizontal stroke at the end.

Tom Barnes, Vice President
Director, Southern California Water Practice Group

Enclosures

TABLE 1: PRICING PROPOSAL
ESA Labor Detail and Expense Summary

Employee Name																		
			Strauss		Dietler		South		Sweet	Panopio								
		Barnes	Ainsworth	Jacobus	Schniewind	Dubois	Spano	Vader	P. Anderson	Castillo	Matroni							
Title												Subtotal				Subtotal	Hours	Labor Price
		Senior Director II	Director III	Managing Associate III	Managing Associate II	Managing Associate I	Senior Associate II	Senior Associate I	Associate III	Associate II	Associate I		Project Technician III	Project Technician II	Project Technician I			
Task #	Task Name/Description	\$265	\$230	\$195	\$180	\$165	\$150	\$140	\$130	\$120	\$100		\$115	\$95	\$80			
1	Project Management and Initiation	2		40			16					\$ 10,730			4	\$ 320	62	\$ 11,050
2	Project Description			8			16			30		\$ 7,560	2	8		\$ 990	64	\$ 8,550
3	Notice of Preparation and Scoping	1	1	8			12			36	4	\$ 8,575	2	4	4	\$ 930	72	\$ 9,505
4	Administrative Draft PEIR	4		30								\$ 6,910	8		-	\$ 920	42	\$ 7,830
	Introduction / Other CEQA Requirements									4		\$ 480				\$ -	4	\$ 480
	Aesthetics									24		\$ 2,880				\$ -	24	\$ 2,880
	Agriculture & Forestry Resources									16		\$ 1,920				\$ -	16	\$ 1,920
	Air Quality and GHG					16				40		\$ 7,440				\$ -	56	\$ 7,440
	Biological Resources		2				36	12	16			\$ 9,620		8		\$ 760	74	\$ 10,380
	Cultural Resources		2		8			56				\$ 9,740		4		\$ 380	70	\$ 10,120
	Geology, Soils, Seismicity				2				24			\$ 3,480		4		\$ 380	30	\$ 3,860
	Hydrology & Water Quality				8				40			\$ 6,640		4		\$ 380	52	\$ 7,020
	Hazards & Hazardous Materials				4				24			\$ 3,840		4		\$ 380	32	\$ 4,220
	Land Use / Recreation									36		\$ 4,320		4		\$ 380	40	\$ 4,700
	Noise					8				24		\$ 4,200				\$ -	32	\$ 4,200
	Public Services									8		\$ 960				\$ -	8	\$ 960
	Mineral Resources									8		\$ 960				\$ -	8	\$ 960
	Utilities and Energy									24		\$ 2,880				\$ -	24	\$ 2,880
	Growth Inducement						16					\$ 2,400				\$ -	16	\$ 2,400
	Cumulative Impacts			8			24					\$ 5,160				\$ -	32	\$ 5,160
	Alternatives Analysis			16			24					\$ 6,720				\$ -	40	\$ 6,720
5	Public Draft PEIR	2		16	8		40		16	40	24	\$ 20,370	8	8	4	\$ 2,000	166	\$ 22,370
6	Responses to Comments	2		24			36			36	8	\$ 15,730	4		4	\$ 780	114	\$ 16,510
7	Final PEIR, Notice, and Findings	2		8			16			16	16	\$ 8,010	4		4	\$ 780	66	\$ 8,790
8	Mitigation, Monitoring & Reporting Plan			4			8				16	\$ 3,580	2			\$ 230	30	\$ 3,810
9	Attend Public Meetings	4		16			16					\$ 6,580				\$ -	36	\$ 6,580
												\$ -				\$ -	-	\$ -
Total Hours		17	5	178	30	24	260	68	120	342	68		30	48	20	\$ 98	1,210	
Subtotals - Labor Costs		\$ 4,505	\$ 1,150	\$ 34,710	\$ 5,400	\$ 3,960	\$ 39,000	\$ 9,520	\$ 15,600	\$ 41,040	\$ 6,800	\$ 161,685	\$ 3,450	\$ 4,560	\$ 1,600	\$ 9,610		\$ 171,295
Percent of Effort - Labor Hours Only		1.4%	0.4%	14.7%	2.5%	2.0%	21.5%	5.6%	9.9%	28.3%	5.6%		2.5%	4.0%	1.7%		100.0%	
Percent of Effort - Total Project Cost		2.6%	0.7%	19.9%	3.1%	2.3%	22.3%	5.4%	8.9%	23.5%	3.9%		2.0%	2.6%	0.9%			98.0%

ESA Labor Costs	\$ 171,295
ESA Non-Labor Expenses	
Reimbursable Expenses (Printing, Mileage, Database fees)	\$ 2,920
ESA Equipment usage (GIS/GPS)	\$ 500
Subtotal ESA Non-Labor Expenses	\$ 3,420

TOTAL PROJECT PRICE	\$ 174,715.00
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JENNIFER JACOBUS, Ph.D.

Senior Managing Associate

Dr. Jennifer Jacobus has over 15 years of professional experience and a reputation for customer service and client satisfaction. Jennifer focuses exclusively on water and wastewater clients and projects throughout Southern California and has a demonstrated track record for successful completion of CEQA/NEPA documents, natural resource permits, and regulatory processes and approvals. Jennifer has managed a full spectrum of water projects, including potable and wastewater treatment plants and distribution systems, recycled water projects, groundwater management/recharge/banking projects, river discharge and diversion projects, and water rights projects. As a scientist with foundational training in ecology and resource management, Jennifer has a keen ability to communicate with ESA technical team leaders and staff to ensure appropriate and relevant analyses across all disciplines. Jennifer also has experience working with clients' engineering design teams, to understand project features and operational criteria, and transcribe technical specifications into language that is accessible to the general public for CEQA/NEPA documents. In addition, Jennifer has published scientific articles in the field of fisheries and aquatic ecology.

Education

Ph.D., Resource Ecology & Management, School of Natural Resources & Environment, University of Michigan

M.A., Geography, Boston University

B.A., Economics, Johns Hopkins University

15 Years Experience

Specialized Training

Successful CEQA Compliance, UCLA Extension, 2005

CWEA Emerging Contaminants, UCLA Extension, 2006

Land Use Law & Planning, UCLA Extension, 2008

Professional Affiliations

Association of Environmental Professionals

Relevant Experience

Palmdale Recycled Water Authority, Recycled Water Facilities Plan Initial Study/Mitigated Negative Declaration (IS/MND). *Project Manager.* ESA, as a subconsultant to Carollo Engineers, prepared the IS/MND for the Recycled Water Facilities Plan. The Plan included multiple phases to be constructed over time, to allow the delivery of recycled water throughout the City of Palmdale and Palmdale Water District. The IS/MND was certified in 2015. ESA subsequently provided assistance with environmental documentation to support the application for funding through the State Revolving Fund for Phase 2 of the Plan, communicating with the State Water Resources Control Board to ensure all requirements were met.

Water Replenishment District of Southern California, Central and West Coast Groundwater Basins Master Plan PEIR, Lakewood, CA. *Project Manager.* Jennifer managed the preparation of the PEIR for the proposed Central and West Coast Groundwater Basins Master Plan (GBMP). The Plan will guide future development of groundwater resources in southern Los Angeles County. The primary goal of the GBMP is to maximize the use of recycled water and storm water for groundwater replenishment, replacing dependency on imported water. The GBMP provides a menu of management actions and project options that can be implemented to achieve this goal. In addition to providing groundwater replenishment to meet adjudicated pumping rights in the basin, the GBMP provides for additional groundwater banking and storage above adjudicated limits. The GBMP is part of WRD's greater Water Independence Now (WIN) campaign and includes the GRIP project as a component. Jennifer worked with the project team, including subconsultants, to ensure project

Relevant Experience (Continued)

deliverables and milestones were met. The Final PEIR was certified by the WRD Board of Directors in October 2016.

Los Angeles County Waterworks Division No. 40, Phase II Antelope Valley Regional Recycled Water Project MND/EA, Palmdale, CA. *Project Manager.* Jennifer worked with Los Angeles County Department of Public Works, Waterworks Division No. 40 (LACWWD40) and the engineering design team to prepare a MND/EA for Phase II of the Regional Recycled Water Project. ESA prepared the Program EIR for the Regional Project in 2008. Phase II will construct a portion of the regional backbone system primarily within the City of Palmdale. LACWWD40 is seeking funding for the project from the U.S. Environmental Protection Agency (USEPA). ESA coordinated with USEPA in preparation of the joint MND/EA to fulfill NEPA funding requirements. The MND/EA was successfully certified in November 2012.

Palmdale Water District Strategic Water Resources Plan Program EIR, Antelope Valley, CA. *Project Manager.* Jennifer led the ESA team to prepare the PEIR for Palmdale Water District's (PWD) Strategic Water Resources Plan (SWRP). PWD prepared the SWRP to identify a portfolio of potential future water supplies required to meet the demands of planned growth within its service area. The future water supplies portfolio will include imported water, groundwater, and recycled water. ESA teamed up with RMC, preparers of the SWRP, to provide PWD with an efficient, knowledgeable team. The PEIR was successfully certified in July 2012.

North Los Angeles County/Kern County, Regional Recycled Water Project Program EIR, Antelope Valley, CA. *Project Manager.* Jennifer led the ESA team to produce the CEQA-Plus Program EIR (PEIR) for the Antelope Valley Regional Recycled Water Project. The Regional Project was sponsored by LACWWD40 and seven other regional water/wastewater partner agencies. Jennifer coordinated all work products with LACWWD40 and the partner agencies. Jennifer developed the project description, evaluated cumulative impacts of the project, and provided alternatives analysis. Jennifer assisted LACWWD40 with publication of the NOP, Draft PEIR, and Final PEIR, and public meetings. The Final PEIR was certified in December 2008.

City of Corona, Groundwater Management Plan Program EIR, Corona, CA. *Deputy Project Manager.* Jennifer assisted in the preparation of the EIR analyses and publication and distribution of the Program EIR for this project. The AB 3030 Groundwater Management Plan (GWMP) was prepared by AKM Consulting Engineers and Todd Engineers for the City of Corona Department of Water and Power. ESA prepared a program-level impact analysis for a number of management strategies identified in the GWMP, as well as project-level impact analysis for a few management strategies. The strategies in the GWMP are intended to produce sustainable management of groundwater resource to

Relevant Experience (Continued)

augment the City's potable water supply. The Final EIR was successfully certified in May 2012.

County Sanitation Districts of Los Angeles, Palmdale Water Reclamation Plant 2025 Facilities Plan EIR, Antelope Valley, CA. *Technical Analyst.*

Jennifer conducted reconnaissance-level surveys of land use at the study sites and assessed the impacts of proposed agricultural areas and storage reservoirs on land use. She also co-authored a constraints analysis evaluating the potential use of recycled water for groundwater recharge in Antelope Valley. The County Sanitation Districts of Los Angeles (No. 20) has identified the long-term wastewater treatment and effluent management facilities needed to accommodate projected wastewater flow through the year 2025. District No. 20's service area encompasses much of the City of Palmdale and some of the adjacent unincorporated county areas in Antelope Valley.

Lancaster Water Reclamation Plant Storage Reservoir Biological Consulting Services, Antelope Valley, CA. *Technical Analyst.*

Jennifer prepared an Addendum to the Lancaster WRP 2020 Facilities Plan that covered three proposed project modifications: a Master Water Reclamation Permit; using recycled water from Antelope Valley Tertiary Treatment Plant for agricultural irrigation; and the introduction of a new wetland delineation in the original project area for District No. 14. In the Lancaster WRP 2020 Facilities Plan, District No. 14 identified the long-term wastewater treatment and effluent management facilities needed to accommodate projected wastewater flow through the year 2025. District No. 14's service area encompasses much of the City of Lancaster and some of the adjacent unincorporated county areas in Antelope Valley.

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: November 3, 2016 **November 9, 2016**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Matthew Knudson, Assistant General Manager
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.6 – CONSIDERATION AND POSSIBLE ACTION
ON USGS GROUNDWATER ELEVATION AND WATER QUALITY
MONITORING PROGRAM THROUGH ANTELOPE VALLEY STATE
WATER CONTRACTORS ASSOCIATION.***

Recommendation:

Staff recommends that the Board authorize the Antelope Valley State Water Contractors Association (AVSWCA) to continue with the United States Geological Survey (USGS) Program for the period of November 1, 2016 through October 31, 2017.

Alternative Options:

There are no other alternatives at this time.

Impact of Taking No Action:

The USGS/CASGEM Program would not continue.

Background:

CASGEM is a comprehensive groundwater elevation monitoring program that utilizes locally implemented monitoring plans to track seasonal and long-term groundwater elevations in the state's groundwater basins and sub-basins. In November, 2010, the AVSWCA took action to become the monitoring entity and develop a Groundwater Elevation Monitoring Plan for the Antelope Valley. Since that time, the AVSWCA has contracted with USGS on the collection of data for the Program. The AVSWCA proposed that the Antelope Valley Watermaster assume these duties with USGS; however, the Board for the Antelope Valley Watermaster has postponed this shift in duties until a Watermaster Engineer has been hired. Therefore, it is recommended that the AVSWCA continue with the program for another year and re-evaluate next year to see if the Watermaster will assume these duties at that time.

Strategic Plan Initiative:

Strategic Initiative No. 5 – Regional Leadership

Budget:

The cooperative agreement with the USGS for the 2016/2017 program will require AVSWCA commitment in the amount of \$60,000. The AVSWCA's current policy for funding this Program is to use State Water Project Table A amounts to determine the split among the member agencies. Based on this policy, the PWD's portion will be \$7,750, or 12.9%.