



PALMDALE WATER DISTRICT

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



Since 1918

Board of Directors

ROBERT E. ALVARADO
Division 1

JOE ESTES
Division 2

MARCO HENRIQUEZ
Division 3

KATHY MAC LAREN
Division 4

VINCENT DINO
Division 5

ALESHIRE & WYNDER LLP
Attorneys



April 20, 2017

***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, April 26, 2017

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, an interpreter will be made available to assist the public in making **comments** under Agenda Item No. 4 and any action items where public input is offered during the meeting if requested at least 48 hours before the meeting. Please call Dawn Deans at 661-947-4111 x1003 with your request. (PWD Rules and Regulations Section 4.03.1 (c))

Adicionalmente, un intérprete estará disponible para ayudar al público a hacer **comentarios** bajo la sección No. 4 en la agenda y cualquier elemento de acción donde se ofrece comentarios al público durante la reunión, siempre y cuando se solicite con 48 horas de anticipación de la junta directiva. Por favor de llamar Dawn Deans al 661-947-4111 x1003 con su solicitud. (PWD reglas y reglamentos sección 4.03.1 (c))

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.

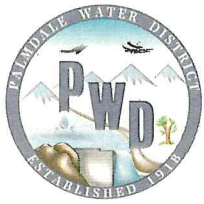
- 1) Pledge of Allegiance/Moment of Silence.
- 2) Roll Call.
- 3) Adoption of Agenda.
- 4) Public comments for non-agenda items.

- 5) Presentations:
 - 5.1) Certificate of Appreciation: Palmdale School District California Association of Bilingual Educators Teacher of the Year Nancy Alatorre.
 - 5.2) Certificate of Appreciation: Palmdale School District California Association of Bilingual Educators Para-Educator of the Year Daniela Langlotc-Heinze.
 - 5.3) Certificate of Appreciation: Palmdale School District California Association of Bilingual Educators School of Excellence Dos Caminos School.
 - 5.4) Palmdale Water District Water Treatment Process. (Director Dino/Operations Manager Masaya)
- 6) Action Items - Consent Calendar (The public shall have an opportunity to comment on any action item on the Consent Calendar as the Consent Calendar is considered collectively by the Board of Directors prior to action being taken.)
 - 6.1) Approval of minutes of regular meeting held April 12, 2017.
 - 6.2) Payment of bills for April 26, 2017.
- 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 February, 2017. (Financial Advisor Egan/Finance Committee)
 - 7.2) Status report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for February, 2017. (Finance Manager Williams/Finance Committee)
 - 7.3) Status report on committed contracts issued and water revenue bond projects. (Assistant General Manager Knudson/Finance Committee)
 - 7.4) Consideration and possible action on Outreach activities for 2017. (General Manager LaMoreaux/Public Affairs Specialist Gallegos)
 - a) Outreach plans for 2017
 - b) Upcoming events
 - c) Outreach recommendations from Directors.
 - 7.5) Consideration and possible action on cancelling or rescheduling May 10, 2017 Regular Board meeting due to lack of a quorum. (General Manager LaMoreaux)
 - 7.6) Consideration and possible action on the formation of an Ad Hoc Committee for the Antelope Valley State Water Contractors Association to review joint water banking opportunities. (No Budget Impact – Assistant General Manager Knudson)
 - 7.7) Consideration and possible action on award of contract for the construction of the Palmdale Regional Groundwater Recharge and Recovery Project: Phase 2 Testing under Specification No. 1701. (\$427,490.00 – Budgeted – Project Manager Thompson)

- 7.8) Consideration and possible action on Amendment No. 2 to the Cost Recovery Agreement with the United States Forest Service for the Littlerock Reservoir Sediment Removal Project. (\$100,000.00 – Budgeted – Assistant General Manager Knudson)
- 7.9) Consideration and possible action to authorize the formation of an Ad Hoc Committee to assist in planning the District's 100th year anniversary. (President Alvarado)
- 7.10) Discussion and possible action to support the development of a free City-wide Wi-Fi network for educational purposes. (President Alvarado)
- 7.11) 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 2017 Budget:
 - a) None at this time.
- 8) Information Items:
 - 8.1) Reports of Directors:
 - a) President's Report.
 - b) Meetings/General Report.
 - c) Standing Committee/Assignment Reports (Chair):
 - 1) AVSWCA
 - 2) Finance Committee
 - 8.2) Report of General Manager.
 - a) April, 2017 written report of activities through March, 2017.
 - 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 existing 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



Certificate of Appreciation



The Palmdale Water District Hereby Expresses Sincere Congratulations to

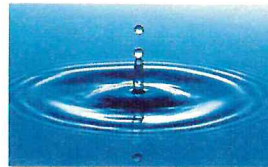
Nancy Alatorre

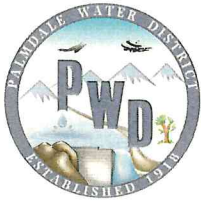
**Palmdale School District California Association
of Bilingual Educators Teacher of the Year**

**And thanks you for your dedication and service to the students
in the Palmdale School District**

And presents this Certificate of Appreciation this 26th day of April, 2017

Robert E. Alvarado, President, Board of Directors, Palmdale Water District





Certificate of Appreciation



The Palmdale Water District Hereby Expresses Sincere Congratulations to

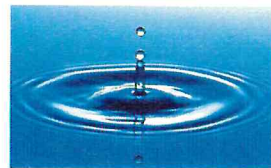
Daniela Langlotc-Heinze

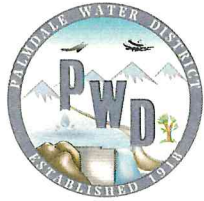
**Palmdale School District California Association
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Robert E. Alvarado, President, Board of Directors, Palmdale Water District





Certificate of Appreciation



The Palmdale Water District Hereby Expresses Sincere Congratulations to

Dos Caminos School

**Palmdale School District California Association
of Bilingual Educators School of Excellence**

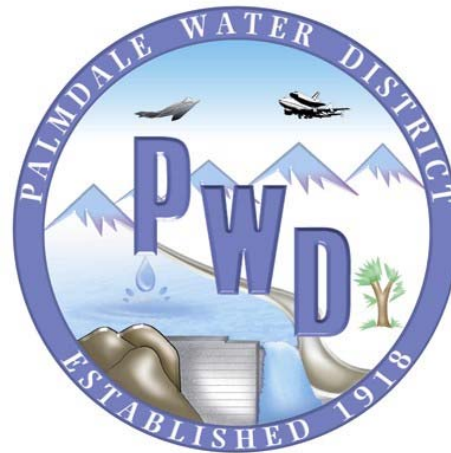
**And thanks you for your dedication and service to the students
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Leslie O. Carter Water Treatment Plant 2017



State Water Project (Calif. Aqueduct)

- Calif. Dept. of Water Resources (DWR) turnout



Lake Inlet



Lake Palmdale

- Capacity 2812.5 ft
- 4,250 Acre Feet
- 1,384,868,585 gallons



Littlerock Reservoir



- Capacity 3270 ft.
- 3,500 acre ft. capacity
- 1.1 billion gallons

From Dam to Lake Palmdale



- Raw water travels through an earthen channel called Palmdale Ditch

Lake Palmdale outlet

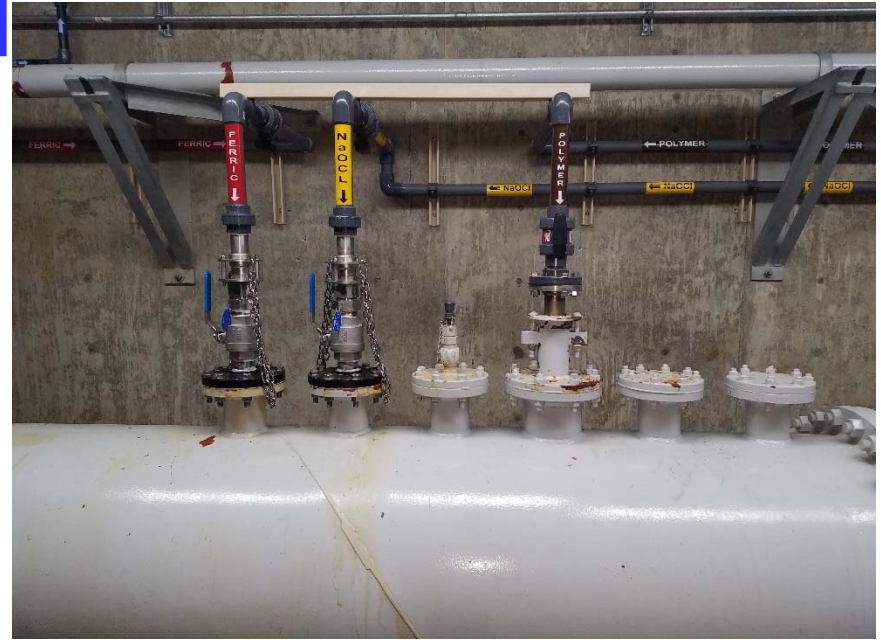
- All raw water entering the LOCWTP comes from Lake Palmdale through this structure



Lake Outlet into treatment plant



Headworks and Flash Mix



Rapid Mix Pump

- Stream of raw water is pumped in opposite direction at high pressure to create zone of turbulence for mixing chemicals

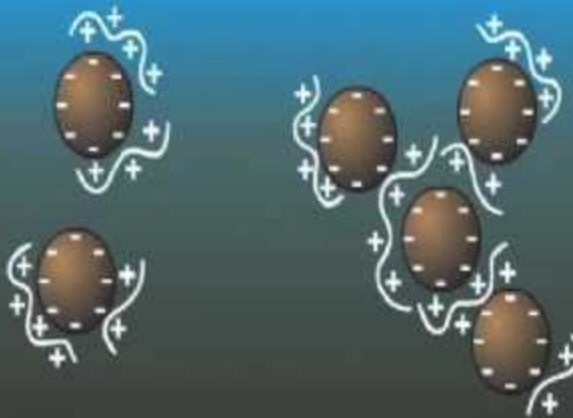


Chemical Feed Systems



Chemicals are added to aid in the formation of settleable particles

Microfloc Formation



Flocculation Basins

- The Flocculation process mixes the water and the coagulant chemicals to gather particles together to form larger heavier floc particles.



Sedimentation

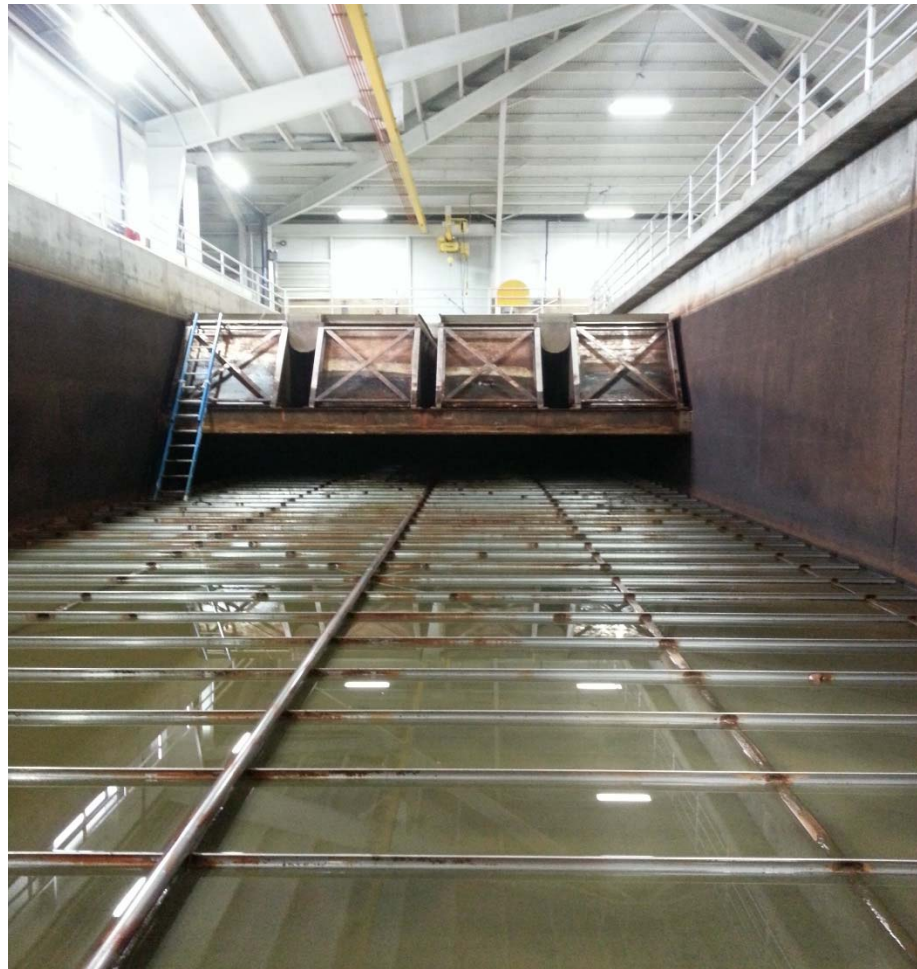
- Purpose – remove flocculated particles and other impurities from water by gravitational settling
- 5 rectangular basins are extensions of their respective flocculation basins
- Each basin approx. volume – 257,000 gallons



drain valve control ↓



- A look inside a basin
- Super Scrapers
- Plate Settlers



Filter Influent Pipeline

- Water from the settled water channel moves to the filter influent channel through a 42-inch pipeline



Filtration



- Filters provide the final step in particulate removal
- 12 dual media gravity filters
- Media – 36 inches of anthracite on top of a 12" sand layer

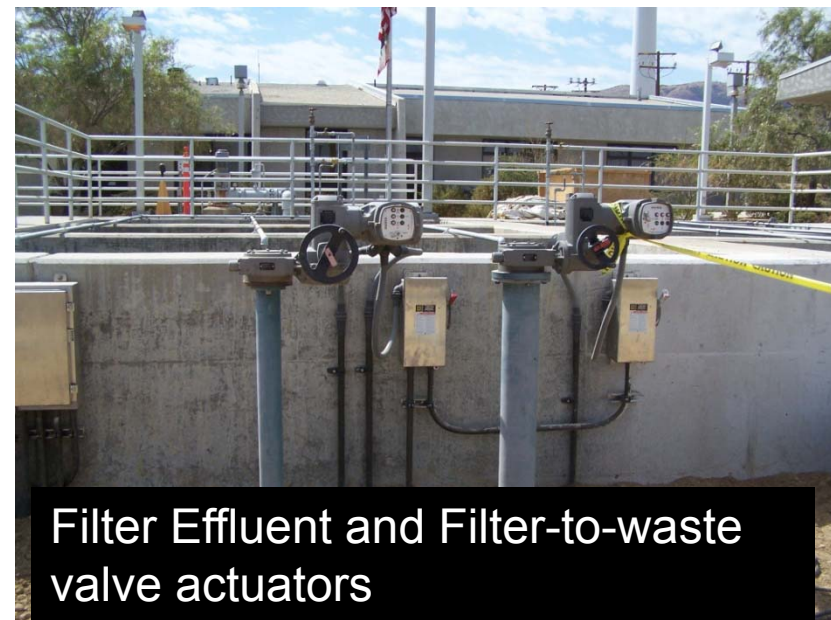
Water flows down through the media;
each filter is 13' wide by 26.5' long



Silica Sand and Anthracite Coal Media



- Filters get backwashed and scrubbed clean



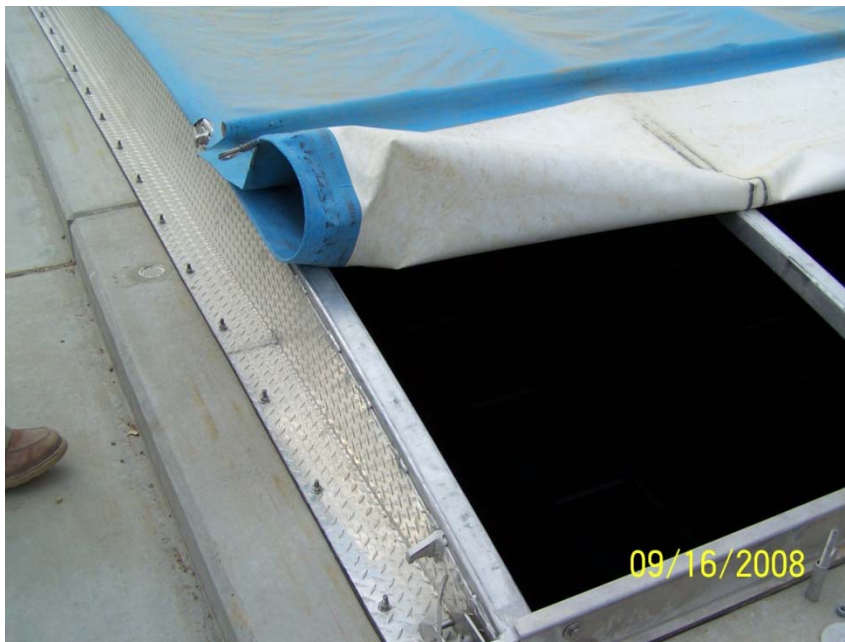
Intermediate Pump Station (IPS)



GAC Contactors



8' of GAC media in each Contactor
over 200,000 lbs.



Granular Activated Carbon F-400 (GAC)



Contactors get backwashed too

- Contactor-to-waste Valve Actuator →
- Contactor Waste Wash water Valve Actuator ↓



Clearwell, 6 MG



- Provides contact time necessary to achieve disinfection requirements
- Has hydraulic baffles

Sediment Bio-Solids

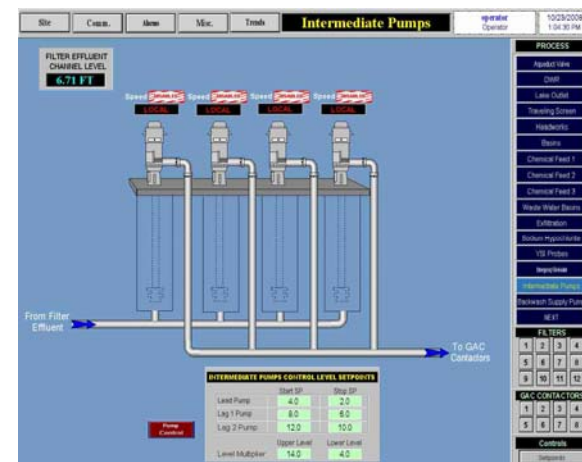
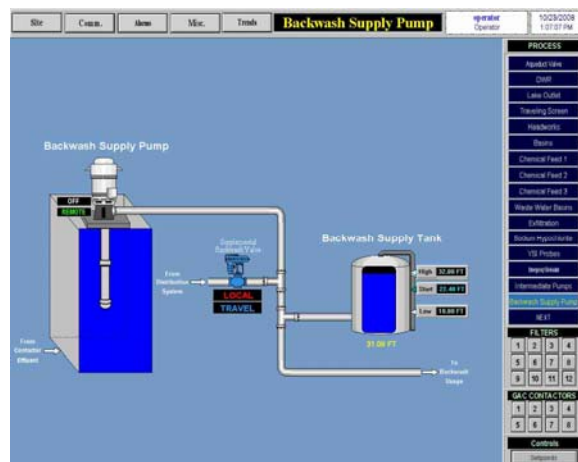
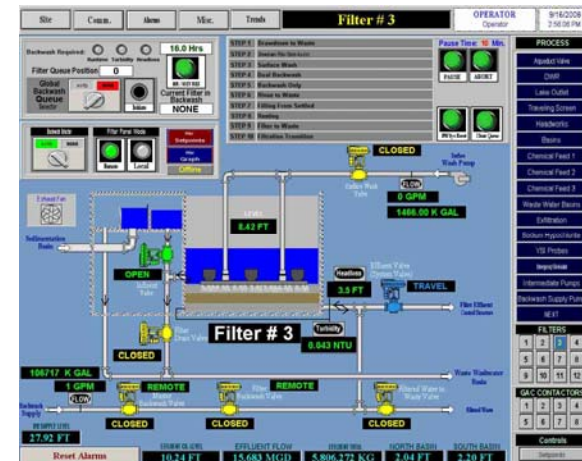
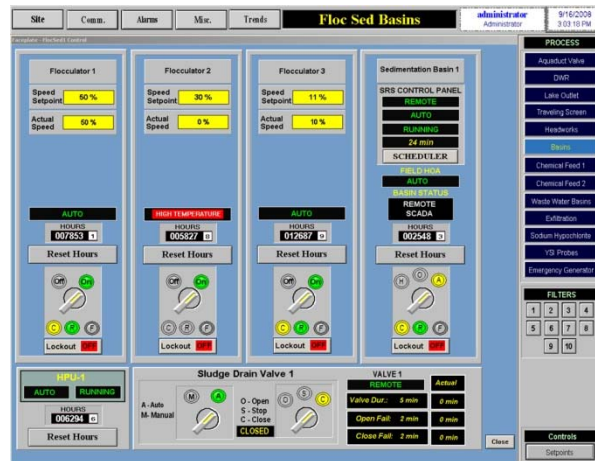


Sodium Hypochlorite, 0.8% solution



SCADA

provides automatic monitoring and control of processes



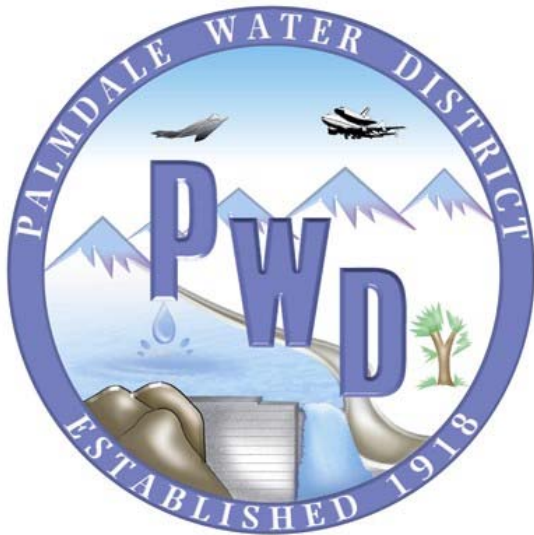
Water Quality Lab



Water Quality monitoring



Leslie O. Carter Water Treatment Plant



Thank you

**PALMDALE
WATER DISTRICT
BOARD MEMORANDUM**

DATE: April 19, 2017 April 26, 2017
TO: BOARD OF DIRECTORS Board Meeting
FROM: Mr. Bob Egan, Financial Advisor
RE: *AGENDA ITEM NO. 7.1 – STATUS REPORT ON CASH FLOW STATEMENT
AND CURRENT CASH BALANCES AS OF FEBRUARY, 2017.*

Attached is the Investment Funds Report and current cash balance as of February 28, 2017. The reports will be reviewed in detail at the Board meeting.

PALMDALE WATER DISTRICT
INVESTMENT FUNDS REPORT
February 28, 2017

					February 2017	January 2017	
CASH							
1-00-0103-100	Citizens - Checking				67,863.22	464,926.37	
1-00-0103-200	Citizens - Refund				(6,500.85)	-	
1-00-0103-300	Citizens - Merchant				157,504.87	122,383.34	
				Bank Total	218,867.24	587,309.71	
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	224,567.24	593,009.71	
INVESTMENTS							
1-00-0135-000	Local Agency Investment Fund			Acct. Total	11,844.48	11,844.48	
1-00-0120-000	UBS Money Market Account General (SS 11469)						
	UBS RMA Government Portfolio				3,766,784.92	3,396,410.23	
	UBS Bank USA Dep acct				250,000.00	250,000.00	
	Accrued interest				4,529.16	9,252.97	
					4,021,314.08	3,655,663.20	
US Government Securities							
	CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value
	912828SJ0	US Treasury Note	02/28/2017	0.870	1,000,000	-	1,000,320.00
	912828C24	US Treasury Note	02/28/2019	1.490	1,000,000	1,005,270.00	-
					2,000,000	1,005,270.00	1,000,320.00
Certificates of Deposit							
		Issuer	Maturity Date	Rate	Face Value		
	1	Compass Bank	02/07/2017	0.950	-	-	240,016.80
	2	GE Cap Retail Bank	04/27/2017	1.840	200,000	200,334.00	200,418.00
	3	Discover Bank	05/02/2017	1.730	240,000	240,477.60	240,588.00
	4	Merrick Bank	06/12/2017	1.000	100,000	100,131.00	100,145.00
	5	Level One Bank	06/19/2017	0.650	101,000	101,109.08	101,115.14
	6	GE Cap Retail Bank	06/22/2017	1.780	200,000	200,744.00	200,880.00
	7	Capitol One Bank	08/14/2017	1.200	240,000	240,592.80	240,624.00
	8	Triumph Bank	09/26/2017	0.800	200,000	200,454.00	200,418.00
	9	MB Finl Bank	10/26/2017	0.850	200,000	200,172.00	200,050.00
	10	Bank United Miami	11/21/2017	1.200	240,000	240,808.80	240,650.40
	11	Goldman Sachs Bank NY	01/29/2018	1.350	240,000	240,900.00	240,792.00
	12	Midland States Bank	02/28/2019	1.400	240,000	240,057.60	-
					2,201,000	2,205,780.88	2,205,697.34
					Acct. Total	7,232,364.96	6,861,680.54
1-00-1110-000	UBS Money Market Account Capital (SS 11475)						
	UBS Bank USA Dep acct					426,319.49	238,368.29
	UBS RMA Government Portfolio					-	-
				Acct. Total		426,319.49	238,368.29
1-00-0125-000	UBS Access Account General (SS 11432)						
	UBS Bank USA Dep acct					250,000.00	250,000.00
	UBS RMA Government Portfolio					34,755.70	9,144.85
	Accrued interest					8,753.14	28,162.82
						293,508.84	287,307.67
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	1,001,410.00	1,001,600.00
	912828KD1	US Treasury Note	02/15/2019	2.610	1,500,000	1,544,115.00	1,545,645.00
	912828P53	US Treasury Note	02/15/2019	0.750	1,000,000	990,860.00	990,230.00
					3,500,000	3,536,385.00	3,537,475.00
Certificates of Deposit							
		Issuer	Maturity Date	Rate	Face Value		
		BMW Bank	11/15/2018	1.960	240,000	242,894.40	243,004.80
		American Express	04/29/2019	1.440	240,000	241,329.60	241,480.80
		Synchrony Bank	04/14/2020	1.850	240,000	242,851.20	243,055.20
		JP Morgan Chase Bank	11/18/2020	1.600	240,000	236,124.00	235,660.80
		Bank of Baroda NY	11/23/2020	1.600	77,000	75,798.03	75,647.88
		Comenity Cap Bank	01/19/2021	1.900	163,000	166,582.74	166,266.52
					1,200,000	1,205,579.97	1,205,116.00
					Acct. Total	5,035,473.81	5,029,898.67
					Total Managed Accounts	12,706,002.74	12,141,791.98
1-00-1121-000	UBS Rate Stabilization Fund (SS 24016) - District Restricted						
	UBS Bank USA Dep acct					855.70	570.33
	UBS RMA Government Portfolio					-	-
	Accrued interest					753.52	504.98
						1,609.22	1,075.31
Certificates of Deposit							
		Issuer	Maturity Date	Rate	Face Value		
		Webbank UT US	12/19/2018	1.400	240,000	240,352.80	240,357.60
		Ally Bank UT US	12/24/2018	1.500	240,000	240,760.80	240,784.80
					480,000	481,113.60	481,142.40
					Acct. Total	482,722.82	482,217.71
					GRAND TOTAL CASH AND INVESTMENTS	13,413,292.80	13,217,019.40
					Increase (Decrease) in Funds	196,273.40	
1-00-1130-000	2013A Bonds - Project Funds (BNY Mellon)						
	Construction Funds					330,830.32	381,575.92

PALMDALE WATER DISTRICT
2017 Cash Flow Report (Based on Nov. 22, 2016 Approved Budget)

Budget 2018
Carryover
Information

4/19/2017

	January	February	March	April	May	June	July	August	September	October	November	December	YTD	
Total Cash Beginning Balance (BUDGET)	12,888,144	12,591,298	12,125,487	9,811,099	10,852,433	11,101,609	10,602,468	10,269,501	10,564,441	8,273,846	8,294,757	8,535,850		
Total Cash Beginning Balance	12,883,393	13,217,019	13,413,293	10,381,806	11,423,140	11,672,316	11,110,675	10,777,708	11,072,648	8,719,553	8,740,464	8,981,557		
Budgeted Water Receipts	1,607,158	1,463,315	1,532,426	1,684,307	1,746,031	1,895,010	2,343,532	2,248,451	2,409,722	2,187,005	1,948,605	1,734,438	22,800,000	
Water Receipts	2,124,125	1,733,344	1,532,426	1,684,307	1,746,031	1,895,010	2,343,532	2,248,451	2,409,722	2,187,005	1,948,605	1,734,438	23,586,996	
DWR Refund (Operational Related)													-	
Other													-	
Total Operating Revenue (BUDGET)													-	
Total Operating Revenue (ACTUAL)	2,124,125	1,733,344	1,532,426	1,684,307	1,746,031	1,895,010	2,343,532	2,248,451	2,409,722	2,187,005	1,948,605	1,734,438	23,586,996	
Total Operating Expenses excl GAC (BUDGET)	(1,433,015)	(1,410,412)	(1,843,115)	(1,795,526)	(1,815,868)	(1,666,439)	(2,049,698)	(1,869,774)	(2,078,927)	(1,678,858)	(1,660,776)	(1,794,941)	(21,097,350)	
GAC (BUDGET)	-	(121,780)	-	(220,000)	-	-	(65,000)	-	(190,000)	-	-	(190,000)	(786,780)	
Operating Expenses excl GAC (ACTUAL)	(1,522,144)	(1,630,937)	(1,843,115)	(1,795,526)	(1,815,868)	(1,666,439)	(2,049,698)	(1,869,774)	(2,078,927)	(1,678,858)	(1,660,776)	(1,794,941)	(21,407,004)	
GAC	(169,477)	-	(121,780)	(220,000)	-	-	(65,000)	-	(190,000)	-	-	(190,000)	(956,257)	
Prepaid Insurance (paid)/refunded	-	-	(67,198)	-	-	-	-	(35,000)	(200,000)	-	-	-	(302,198)	
Total Operating Expense (ACTUAL)	(1,691,621)	(1,630,937)	(2,032,093)	(2,015,526)	(1,815,868)	(1,666,439)	(2,114,698)	(1,904,774)	(2,468,927)	(1,678,858)	(1,660,776)	(1,984,941)	(22,665,459)	
Non-Operating Revenue Expenses:														
Assessments, net (BUDGET)	671,050	260,305	14,650	2,077,790	758,290	11,325	77,225	130,500	-	-	132,500	2,518,797	6,652,432	
Actual/Projected Assessments, net	669,618	373,532	15,376	2,077,790	758,290	11,325	77,225	130,500	-	-	132,500	2,518,797	6,764,953	
RDA Pass-through (Successor Agency)								225,000.00				200,000.00	425,000	
Interest	11,110	10,049	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	71,159	
Market Adjustment	28	(6,681)											(6,653)	
Grant Re-imbursement							178,000						178,000	
Capital Improvement Fees	4,035	187,947										62,500	254,482	
DWR Refund (Capital Related)			50,000			50,000			50,000			50,000	200,000	
Other	4,446												4,446	
Total Non-Operating Revenues (BUDGET)													-	
Total Non-Operating Revenues (ACTUAL)	689,237	564,848	70,376	2,082,790	763,290	291,325	260,225	135,500	55,000	5,000	137,500	2,836,297	7,891,387	
Non-Operating Expenses:														
Budgeted Capital Expenditures	(438,494)	(414,207)	(316,000)	(546,000)	(280,041)	(165,000)	(45,000)	(20,000)	(45,000)	(328,000)	(20,000)	-	(2,617,742)	
Actual/Projected Capital Expenditures	(79,601)	(306,753)	(782,347)	(246,000)	(280,041)	(165,000)	(45,000)	(20,000)	(45,000)	(28,000)	(20,000)	-	(2,017,742)	
WRB Capital Expenditures	-	-	-	(300,000)	-	-	-	-	-	(300,000)	-	-	(600,000)	
Uncommitted Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	
SWP Capitalized	(681,198)	(157,881)	(181,818)	(157,881)	(157,881)	(157,881)	(681,194)	(157,881)	(188,154)	(157,881)	(157,880)	(157,879)	(2,995,409)	
Butte County Water Transfer						(752,299)						(752,299)	(1,504,599)	
Bond Payments - Interest			(1,060,942)						(1,052,364)				(2,113,307)	
Principal			(553,437)						(1,057,016)				(1,610,453)	
Capital leases - Go West (2012 Lease)	(17,296)	-	(17,296)										(34,592)	
Capital leases - Holman Capital (2017 Lease)							(89,477)						(89,477)	
Capital leases - Enterprise FM Trust (Vehicles)	(2,392)	(2,660)	(2,660)	(2,660)	(2,660)	(2,660)	(2,660)	(2,660)	(2,660)	(2,660)	(2,660)	(2,660)	(31,656)	
Capital leases - Wells Fargo (Printers)	(7,628)	(3,687)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(48,265)	
Total Non-Operating Expenses (ACTUAL)	(788,115)	(470,981)	(2,602,196)	(710,237)	(444,278)	(1,081,536)	(822,026)	(184,237)	(2,348,890)	(492,237)	(184,236)	(916,534)	(11,045,500)	
Total Cash Ending Balance (BUDGET)	12,591,298	12,125,487	9,811,099	10,852,433	11,101,609	10,602,468	10,269,501	10,564,441	8,273,846	8,294,757	8,535,850	10,205,110		
Total Cash Ending Balance (ACTUAL)	13,217,019	13,413,293	10,381,806	11,423,140	11,672,316	11,110,675	10,777,708	11,072,648	8,719,553	8,740,464	8,981,557	10,650,817		
												Budget	10,205,110	
												Difference	445,707	
2016 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	11,041,695	11,034,719	12,888,144		

Indicates actual expenditures/revenues:



Indicates anticipated expenditures/revenues:



PALMDALE WATER DISTRICT BOARD MEMORANDUM

DATE: April 19, 2017 **April 26, 2017**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Michael Williams, Finance Manager/CFO
VIA: Mr. Dennis LaMoreaux, General Manager
RE: ***AGENDA ITEM 7.2 – STATUS REPORT ON FINANCIAL STATEMENTS, REVENUE, AND EXPENSE AND DEPARTMENTAL BUDGET REPORTS FOR FEBRUARY, 2017***

Discussion:

Presented here are the Balance Sheet and Profit/Loss Statement for the period ending February 28, 2017. 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 February, 2017.

This is the second month of the District's Budget Year 2017. The target percentage is 16.6%. Revenues ideally are at or above, and expenditures ideally are below.

Balance Sheet:

- Page 1 is our balance sheet on February 28, 2017.
- The significant change is an increase in our investments of approximately \$550K. This is the result of receiving capital improvement fees and assessment revenue.

Profit/Loss Statement:

- Page 3 is our profit/loss statement on February 28, 2017.
- Operating revenue is at 14% of budget.
- Cash operating expense is at 15% of budget.
- Department budgets are showing higher than target percentage due to the front loading of health savings accounts for the year.
- Revenues exceeded expense for the month of February by \$76K, but year-to-date expenses exceeded revenues by \$50K.
- Page 6 is showing the distribution of expense between labor and operations. Labor costs are currently at 57% of total expenses with salaries making up 36% of that.

Year-To-Year Comparison P&L:

- Page 7 is our comparison of February 2016, to February, 2017.
- Total operating revenue is up \$73K, or 5%.
- Operating expenditures are down \$86K, or 5.6%.
- Page 7-1 is our comparison of February, 2015 to February, 2017.
- Total operating revenue was up \$11K, or 1%.

BOARD OF DIRECTORS
PALMDALE WATER DISTRICT

VIA: Mr. Dennis LaMoreaux, General Manager

-2-

April 19, 2017

- Total operating expenses were down \$184K, or 11%.
- Page 8 and 8-1 is a graphic presentation of the water consumption comparison for 2016 and 2015 respectively.
 - Units billed in acre feet for 2016 comparison were down by 21, or 3%.
 - Total revenue per unit sold was up \$0.40, or 8%.
 - Total revenue per connection is up \$2.05, or 4%.
 - Units billed per connection is down .36, or 3%.

 - Units billed in acre feet for 2015 comparison were down by 164, or 19%.
 - Total revenue per unit sold is up \$1.04, or 25%.
 - Total revenue per connection was down \$0.62, or 1%.
 - Units billed per connection is down 2.77, or 20%.

Revenue Analysis Year-To-Date:

- Page 9 is our comparison of revenue, year-to-date.
- Operating revenue through February, 2017 is up \$113K, or 4%.
- Retail water revenue from all areas are up by \$84K from last year. That's shown by the combined green highlighted area.
- Retail water sales, including the drought surcharge but excluding meter fees, is down \$4K.
- Total revenue is up \$238K.
- Operating revenue is at 14% of budget; last year was at 14% of budget.

Expense Analysis Year-To-Date:

- Page 11 is our comparison of expense, year-to-date.
- Cash Operating Expenses through February, 2017 are down \$480K, or 15%, compared to 2016 due primarily to our GAC purchases in 2016.
- Total Expenses are down \$496K, or 9%, for the same reasons.

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.

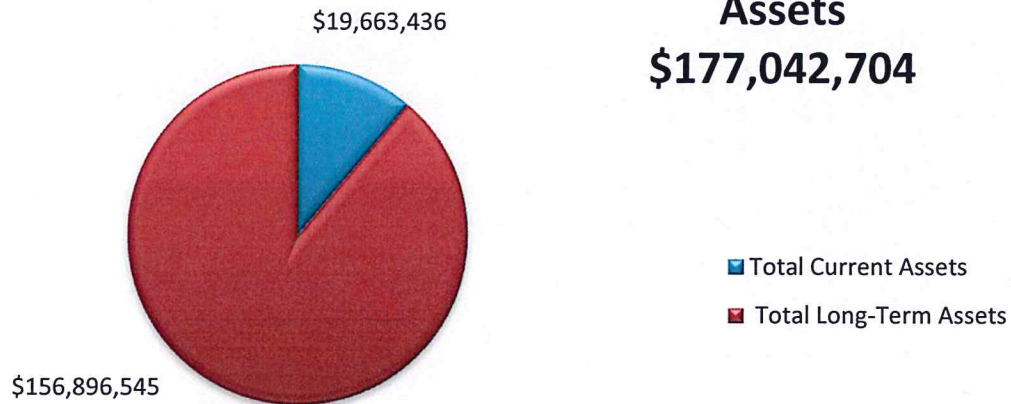
Palmdale Water District
Balance Sheet Report
For the Two Months Ending 2/28/2017

	February 2017	January 2017
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 224,567	\$ 593,010
Investments	12,706,003	12,141,792
2013A Bonds - Project Funds	330,830	381,576
	<u>\$ 13,261,400</u>	<u>\$ 13,116,378</u>
Receivables:		
Accounts Receivables - Water Sales	\$ 1,431,974	\$ 1,503,841
Accounts Receivables - Miscellaneous	42,565	28,978
Allowance for Uncollected Accounts	(155,811)	(155,811)
	<u>\$ 1,318,728</u>	<u>\$ 1,377,008</u>
Assessments Receivables	\$ 3,724,155	\$ 4,081,291
Meters, Materials and Supplies	1,155,674	1,119,468
Prepaid Expenses	203,479	469,332
Total Current Assets	\$ 19,663,436	\$ 20,163,476
Long-Term Assets:		
Property, Plant, and Equipment, net	\$ 108,706,059	\$ 108,840,504
Participation Rights in State Water Project, net	45,411,667	45,450,680
Investment in PRWA	320,680	229,923
2013A Bonds - Insurance & Surety Bond	212,562	213,228
CalPERS Contributions	2,245,577	1,049,702
	<u>\$ 156,896,545</u>	<u>\$ 155,784,038</u>
Restricted Cash:		
Rate Stabilization Fund	482,723	482,218
Total Long-Term Assets & Restricted Cash	\$ 157,379,268	\$ 156,266,255
Total Assets	\$ 177,042,704	\$ 176,429,731
LIABILITIES AND DISTRICT EQUITY		
Current Liabilities:		
Current Interest Installment of Long-term Debt	\$ 892,138	\$ 711,330
Current Principal Installment of Long-term Debt	1,626,268	490,090
Accounts Payable and Accrued Expenses	5,754,188	5,831,943
Deferred Assessments	2,333,333	2,916,667
Total Current Liabilities	\$ 10,605,927	\$ 9,950,029
Long-Term Debt:		
Pension-Related Debt	\$ 9,143,384	\$ 7,532,748
OPEB Liability	13,436,448	13,388,544
2013A Water Revenue Bonds	42,432,956	42,455,207
2012 - Certificates of Participation	7,006,847	8,115,502
2011 - Capital Lease Payable	0	47,286
Total Long-Term Liabilities	\$ 72,019,635	\$ 71,539,287
Total Liabilities	\$ 82,625,562	\$ 81,489,316
District Equity		
Revenue from Operations	\$ (646,369)	\$ (66,529)
Retained Earnings	95,063,510	95,006,944
Total Liabilities and District Equity	\$ 177,042,704	\$ 176,429,731

BALANCE SHEET AS OF FEBRUARY 28, 2017

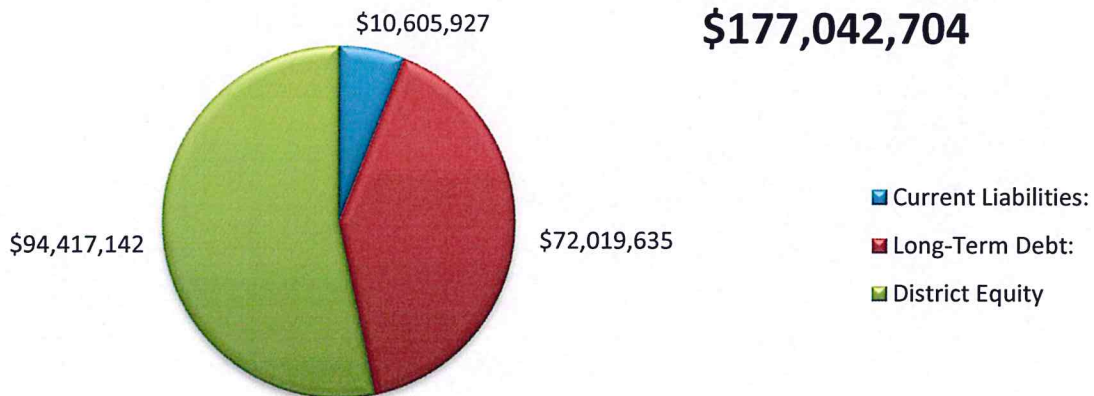
Assets

\$177,042,704



Liability & Equity

\$177,042,704



Palmdale Water District
Consolidated Profit and Loss Statement
For the Two Months Ending 2/28/2017

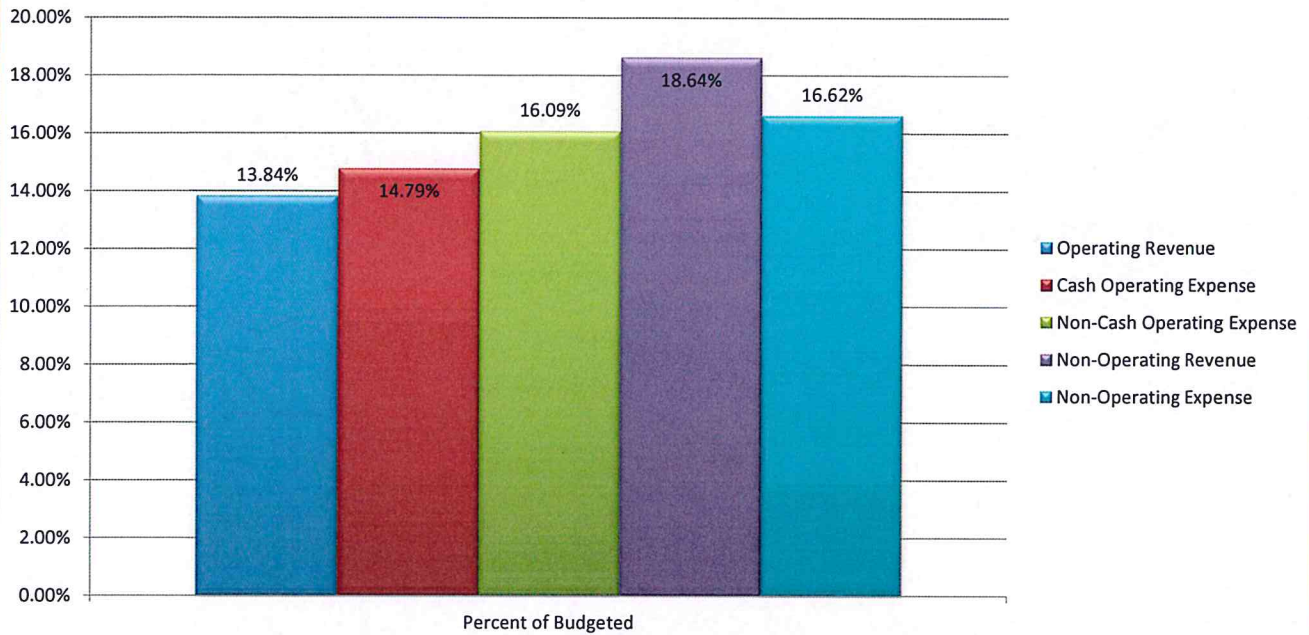
	Thru January	February	Year-to-Date	Adjustments	Adjusted Budget	% of Budget
Operating Revenue:						
Wholesale Water	\$ 5,562	\$ 302	\$ 5,864		\$ 160,000	3.66%
Water Sales	402,592	313,146	715,737		8,002,000	8.94%
Meter Fees	1,051,793	1,060,535	2,112,328		12,475,500	16.93%
Water Quality Fees	42,732	35,401	78,133		862,500	9.06%
Elevation Fees	15,756	12,399	28,155		340,000	8.28%
Other (Page 3-1)	73,699	74,947	148,646		960,000	15.48%
Drought Surcharge	39,241	26,966	66,207		-	
Total Operating Revenue	\$ 1,631,375	\$ 1,523,695	\$ 3,155,070	\$ -	\$ 22,800,000	13.84%
Cash Operating Expenses:						
Directors	\$ 8,354	\$ 12,157	\$ 20,511		\$ 115,500	17.76%
Administration-Services*	165,889	132,232	298,120	(18,000)	1,925,000	15.49%
Administration-District	22,410	121,383	143,793		1,509,500	9.53%
Engineering	138,522	122,237	260,759		1,451,500	17.96%
Facilities	568,471	391,812	960,283		6,626,000	14.49%
Operations	208,416	229,644	438,060		2,546,250	17.20%
Finance	128,268	91,431	219,699		1,246,500	17.63%
Water Conservation*	16,402	16,115	32,518	2,000	230,000	14.14%
Human Resources*	31,660	31,373	63,034	16,000	313,100	20.13%
Information Technology	62,935	68,923	131,858		804,750	16.38%
Customer Care	118,622	83,742	202,365		1,278,000	15.83%
Source of Supply-Purchased Water	148,391	86,338	234,729		2,190,000	10.72%
Plant Expenditures	140,047	(109,639)	30,408		574,292	5.29%
GAC Filter Media Replacement	-	169,477	169,477		862,500	19.65%
Total Cash Operating Expenses	\$ 1,758,388	\$ 1,447,226	\$ 3,205,613	\$ -	\$ 21,672,892	14.79%
Net Cash Operating Profit/(Loss)	\$ (127,013)	\$ 76,469	\$ (50,543)	\$ -	\$ 1,127,108	-4.48%
Non-Cash Operating Expenses:						
Depreciation	\$ 439,866	\$ 443,923	\$ 883,788		\$ 6,000,000	14.73%
OPEB Accrual Expense	182,900	182,900	365,799		2,350,000	15.57%
Bad Debts	34,528	14,374	48,902		50,000	97.80%
Service Costs Construction	4,387	54,659	59,046		125,000	47.24%
Capitalized Construction	(27,567)	(79,215)	(106,782)		(750,000)	14.24%
Total Non-Cash Operating Expenses	\$ 634,113	\$ 616,641	\$ 1,250,754	\$ -	\$ 7,775,000	16.09%
Net Operating Profit/(Loss)	\$ (761,125)	\$ (540,172)	\$ (1,301,297)	\$ -	\$ (6,647,892)	19.57%
Non-Operating Revenues:						
Assessments (Debt Service)	\$ 440,417	\$ 440,417	\$ 880,833		\$ 5,000,000	17.62%
Assessments (1%)	142,917	159,313	302,230		1,957,500	15.44%
DWR Fixed Charge Recovery	-	-	-		200,000	0.00%
Interest	11,138	3,368	14,506		60,000	24.18%
CIF - Infrastructure	4,035	54,662	58,697		73,000	80.41%
CIF - Water Supply	-	133,286	133,286		177,000	75.30%
Grants - State and Federal	-	-	-		178,000	0.00%
Other	35,530	11,311	46,841		60,000	78.07%
Total Non-Operating Revenues	\$ 634,036	\$ 802,357	\$ 1,436,393	\$ -	\$ 7,705,500	18.64%
Non-Operating Expenses:						
Interest on Long-Term Debt	\$ 186,180	\$ 186,127	\$ 372,307		\$ 2,228,000	16.71%
Amortization of SWP	196,894	196,894	393,788		2,238,000	17.60%
Change in Investments in PRWA	-	2	2		100,000	0.00%
Water Conservation Programs	5,298	10,069	15,367		135,500	11.34%
Total Non-Operating Expenses	\$ 388,372	\$ 393,093	\$ 781,465	\$ -	\$ 4,701,500	16.62%
Net Earnings	\$ (515,461)	\$ (130,908)	\$ (646,369)	\$ -	\$ (3,643,892)	17.74%

* Budget adjustments by General Manager per Appendix A

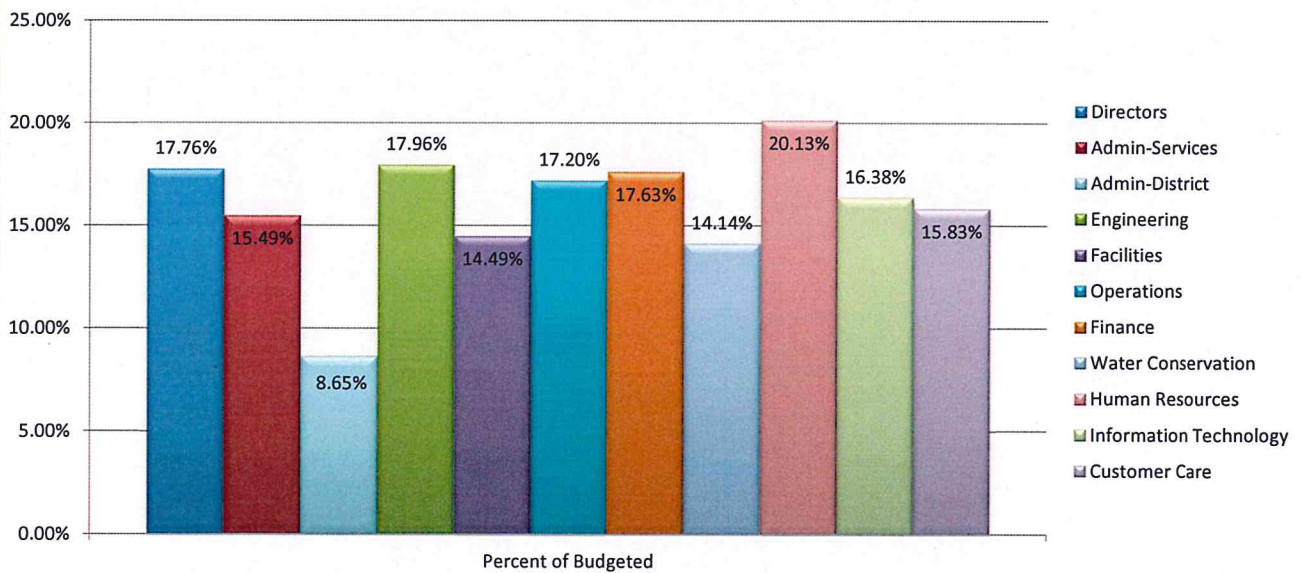
OTHER OPERATING REVENUE

	Current	YTD
Account Setup Charge(\$25)	\$3,175.00	\$6,975.00
After Hours Service Call	\$0.00	\$240.00
Construction Meter Install(\$250)	\$250.00	\$1,000.00
Customer Request Turn On/Off(\$15)	\$0.00	\$15.00
Lock Broken or Missing(\$15)	\$15.00	\$150.00
Non-Compliance Fee Backflow(\$50)	\$0.00	\$50.00
Pulled Meter Service Charge(\$60)	\$120.00	\$420.00
Rejected Payment Notification	\$140.00	\$260.00
Repair Angle Stop After Hours(\$600.00)	\$600.00	\$1,200.00
Repair Angle Stop(\$440.00)	\$2,200.00	\$1,760.00
Shut-Off Charge(\$30)	\$5,910.00	\$11,640.00
Shut-Off Notice Fee (\$5)	\$8,375.00	\$19,925.00
Standard Trip Charge(\$15)	\$75.00	\$240.00
Waste Water 1st Notice(\$50.00)	(\$100.00)	\$150.00
Late Fees	\$34,975.17	\$66,448.31
NSF Fee	\$325.00	\$625.00

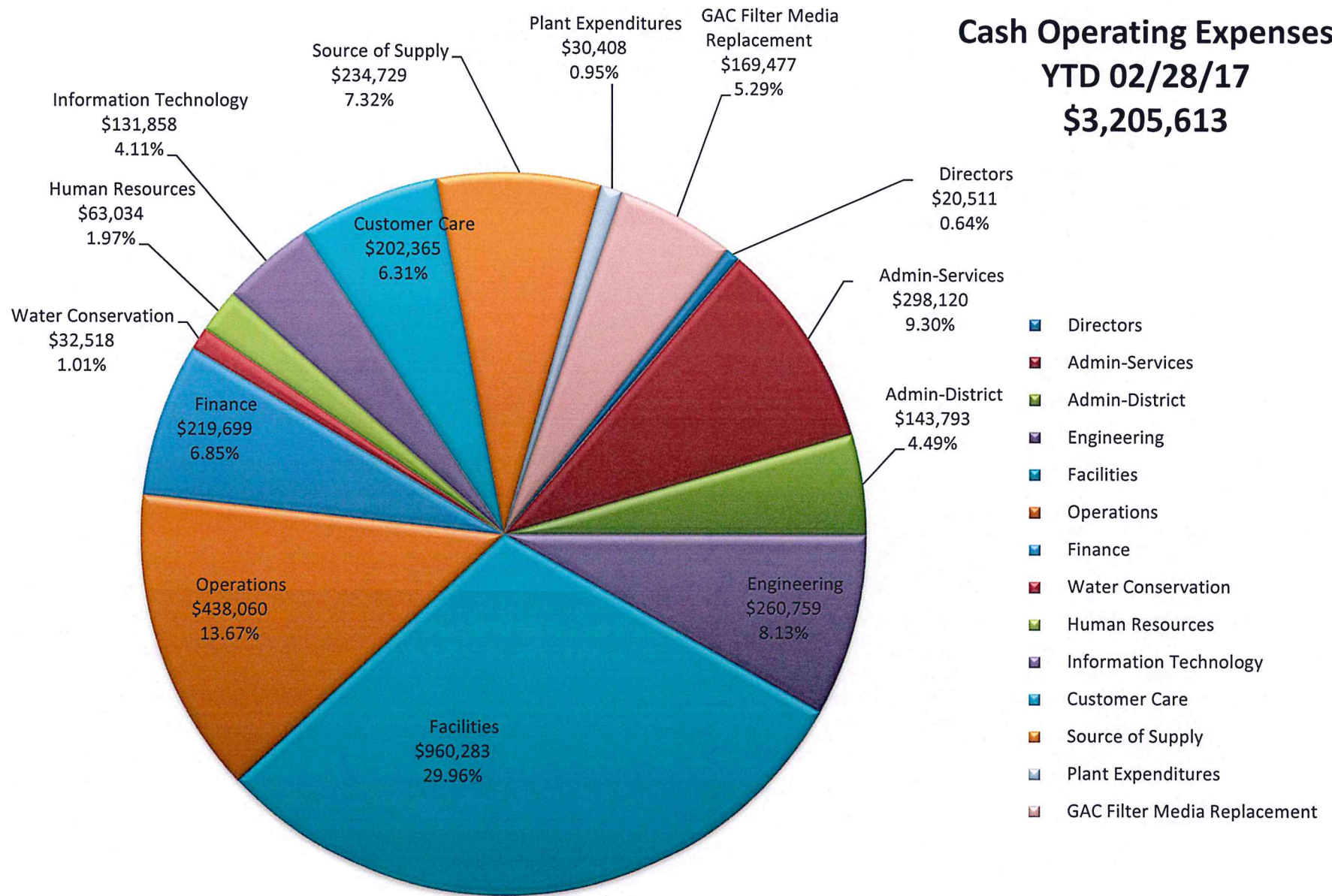
P & L BUDGET vs. ACTUAL



DEPARTMENTAL - BUDGET vs. ACTUAL



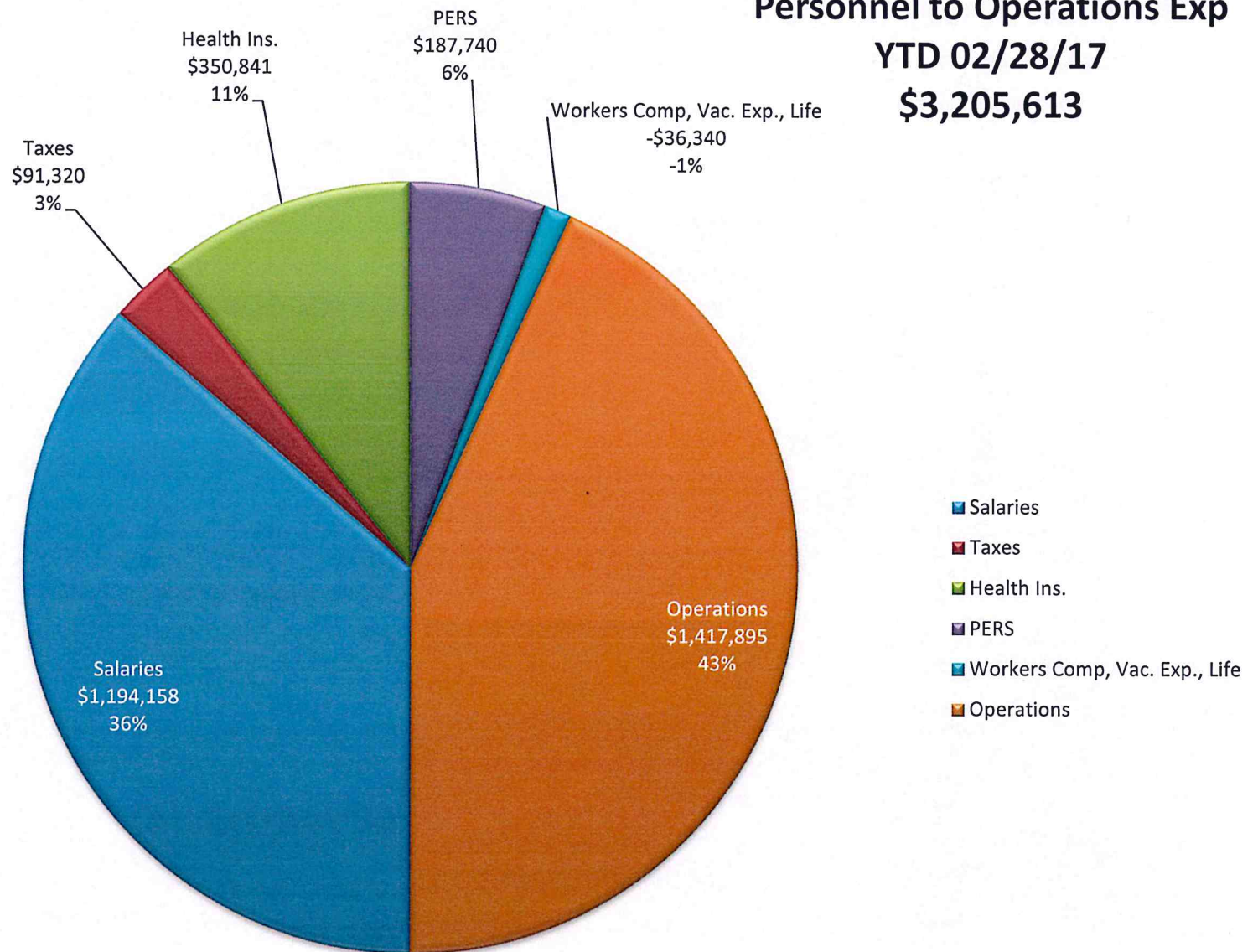
Cash Operating Expenses YTD 02/28/17 \$3,205,613



Personnel to Operations Exp

YTD 02/28/17

\$3,205,613



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

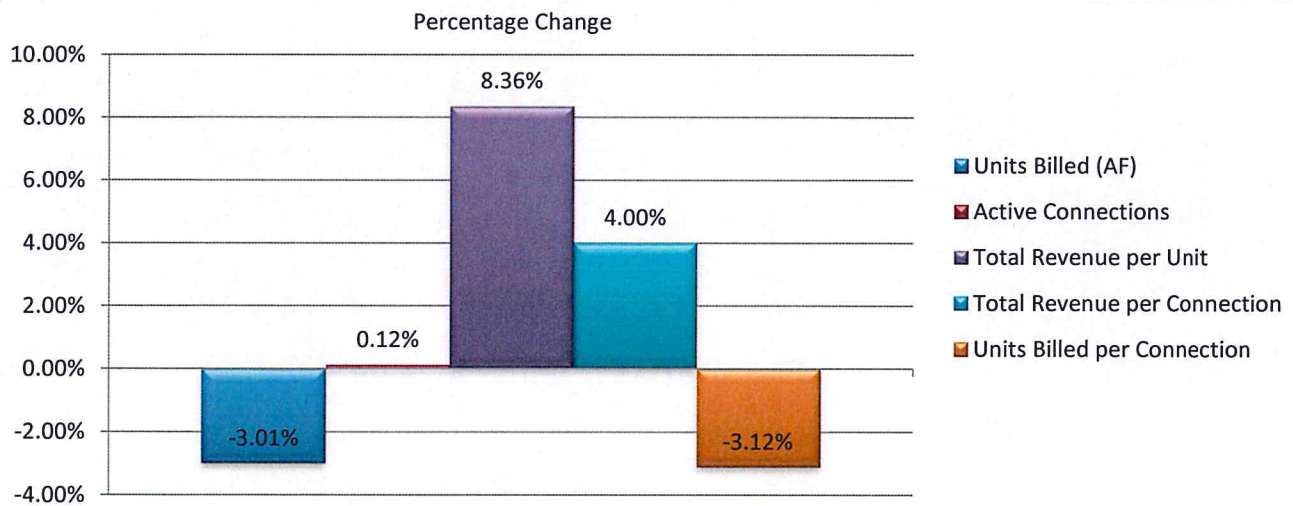
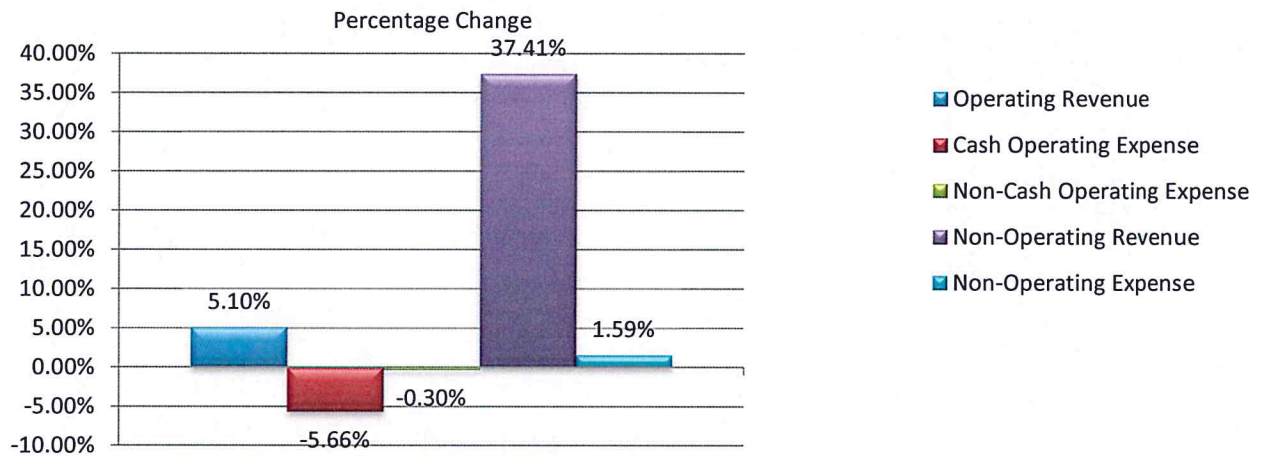
	2016 February	2017 February	Change	% Change		Consumption Comparison	
					Units Billed	2016 304,154	2017 295,008
Operating Revenue:							
Wholesale Water	\$ 10,512	\$ 302	\$ (10,210)	-97.13%	Active	26,587	26,619
Water Sales	287,294	313,146	25,851	9.00%	Vacant	812	790
Meter Fees	1,014,150	1,060,535	46,385	4.57%			
Water Quality Fees	39,540	35,401	(4,139)	-10.47%			
Elevation Fees	13,958	12,399	(1,559)	-11.17%	Rev/unit	\$ 4.77	\$ 5.16
Other	56,832	74,947	18,115	31.88%	Rev/con	\$ 51.36	\$ 53.41
Drought Surcharge	27,421	26,966	(455)	-1.66%	Unit/con	11.44	11.08
Total Operating Revenue	\$ 1,449,707	\$ 1,523,695	\$ 73,988	5.10%			
Cash Operating Expenses:							
Directors	\$ 12,112	\$ 12,157	\$ 45	0.37%			
Administration-Services	112,493	132,232	19,738	17.55%			
Administration-District	100,557	121,383	20,825	20.71%			
Engineering	87,919	122,237	34,318	39.03%			
Facilities	786,200	391,812	(394,387)	-50.16%			
Operations	150,496	229,644	79,148	52.59%			
Finance	94,655	91,431	(3,225)	-3.41%			
Water Conservation	21,413	16,115	(5,298)	-24.74%			
Human Resources	35,779	31,373	(4,406)	-12.31%			
Information Technology	93,722	68,923	(24,799)	-26.46%			
Customer Care	102,757	83,742	(19,014)	-18.50%			
Source of Supply-Purchased Water	(93,084)	86,338	179,422	-192.75%			
Plant Expenditures	29,000	(109,639)	(138,639)	-478.06%			
GAC Filter Media Replacement	-	169,477	169,477				
Total Cash Operating Expenses	\$ 1,534,022	\$ 1,447,226	\$ (86,796)	-5.66%			
Non-Cash Operating Expenses:							
Depreciation	\$ 488,918	\$ 443,923	\$ (44,995)	-9.20%			
OPEB Accrual Expense	195,860	182,900	(12,961)	-6.62%			
Bad Debts	9,815	14,374	4,559	46.45%			
Service Costs Construction	7,665	54,659	46,994	613.12%			
Capitalized Construction	(83,743)	(79,215)	4,529	-5.41%			
Total Non-Cash Operating Expenses	\$ 618,515	\$ 616,641	\$ (1,874)	-0.30%			
Net Operating Profit/(Loss)	\$ (702,829)	\$ (540,172)	\$ 162,658	-23.14%			
Non-Operating Revenues:							
Assessments (Debt Service)	\$ 446,708	\$ 440,417	\$ (6,292)	-1.41%			
Assessments (1%)	144,958	159,313	14,355	9.90%			
DWR Fixed Charge Recovery	-	-	-				
Interest	(7,789)	3,368	11,157	-143.24%			
CIF - Infrastructure	-	54,662	54,662				
CIF - Water Supply	-	133,286	133,286				
Grants - State and Federal	-	-	-				
Other	26	11,311	11,285	43488.90%			
Total Non-Operating Revenues	\$ 583,903	\$ 802,357	\$ 218,453	37.41%			
Non-Operating Expenses:							
Interest on Long-Term Debt	\$ 186,749	\$ 186,127	\$ (622)	-0.33%			
Amortization of SWP	196,895	196,894	(1)	0.00%			
Change in Investments in PRWA	1,183	2	(1,180)	-99.79%			
Water Conservation Programs	2,129	10,069	7,940	372.95%			
Total Non-Operating Expenses	\$ 386,955	\$ 393,093	\$ 6,137	1.59%			
Net Earnings	\$ (505,881)	\$ (130,908)	\$ 374,974	-74.12%			

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

	2015 February	2017 February	Change	% Change		Consumption Comparison	
					Units Billed	2015	2017
Operating Revenue:						366,434	295,008
Wholesale Water	\$ 5,567	\$ 302	\$ (5,265)	-94.58%	Active	26,454	26,619
Water Sales	379,623	313,146	(66,478)	-17.51%	Vacant	920	790
Meter Fees	972,877	1,060,535	87,658	9.01%			
Water Quality Fees	51,478	35,401	(16,077)	-31.23%	Rev/unit	\$ 4.13	\$ 5.16
Elevation Fees	19,895	12,399	(7,496)	-37.68%	Rev/con	\$ 54.03	\$ 53.41
Other	83,217	74,947	(8,270)	-9.94%	Unit/con	13.85	11.08
Drought Surcharge	-	26,966	26,966				
Total Operating Revenue	\$ 1,512,657	\$ 1,523,695	\$ 11,038	0.73%			
Cash Operating Expenses:							
Directors	\$ 10,240	\$ 12,157	\$ 1,917	18.73%			
Administration-Services	194,140	132,232	59,475	30.63%			
Administration-District	-	121,383					
Engineering	92,873	122,237	29,364	31.62%			
Facilities	302,614	391,812	89,198	29.48%			
Operations	137,691	229,644	91,953	66.78%			
Finance	285,045	91,431	(193,614)	-67.92%			
Water Conservation	22,487	16,115	(6,372)	-28.34%			
Human Resources	20,870	31,373	10,503	50.33%			
Information Technology	57,081	68,923	11,842	20.75%			
Customer Care	-	83,742	83,742				
Source of Supply-Purchased Water	35,672	86,338	50,666	142.03%			
Plant Expenditures	473,252	(109,639)	(582,891)	-123.17%			
GAC Filter Media Replacement	-	169,477	169,477				
Total Cash Operating Expenses	\$ 1,631,964	\$ 1,447,226	\$ (184,739)	-11.32%			
Non-Cash Operating Expenses:							
Depreciation	\$ 533,397	\$ 443,923	\$ (89,475)	-16.77%			
OPEB Accrual Expense	183,580	182,900	(681)	-0.37%			
Bad Debts	771	14,374	13,603				
Service Costs Construction	(2,393)	54,659	57,053				
Capitalized Construction	(71,014)	(79,215)	(8,200)	11.55%			
Total Non-Cash Operating Expenses	\$ 644,341	\$ 616,641	\$ (27,700)	-4.30%			
Net Operating Profit/(Loss)	\$ (763,648)	\$ (540,172)	\$ 223,477	-29.26%			
Non-Operating Revenues:							
Assessments (Debt Service)	\$ 446,500	\$ 440,417	\$ (6,083)	-1.36%			
Assessments (1%)	141,000	159,313	18,313	12.99%			
DWR Fixed Charge Recovery	-	-	-				
Interest	(733)	3,368	4,102	-559.18%			
CIF - Infrastructure	19,315	54,662	35,347	183.00%			
CIF - Water Supply	-	133,286					
Grants - State and Federal	-	-	-				
Other	3,970	11,311	7,341	184.92%			
Total Non-Operating Revenues	\$ 610,052	\$ 802,357	\$ 59,020	9.67%			
Non-Operating Expenses:							
Interest on Long-Term Debt	\$ 190,838	\$ 186,127	\$ (4,710)	-2.47%			
Amortization of SWP	172,877	196,894	24,017	13.89%			
Change in Investments in PRWA	-	2	2				
Water Conservation Programs	23,073	10,069	(13,004)	-56.36%			
Total Non-Operating Expenses	\$ 386,787	\$ 393,093	\$ 6,306	1.63%			
Net Earnings	\$ (540,384)	\$ (130,908)	\$ 276,191	-51.11%			

YEAR-TO-YEAR COMPARISON

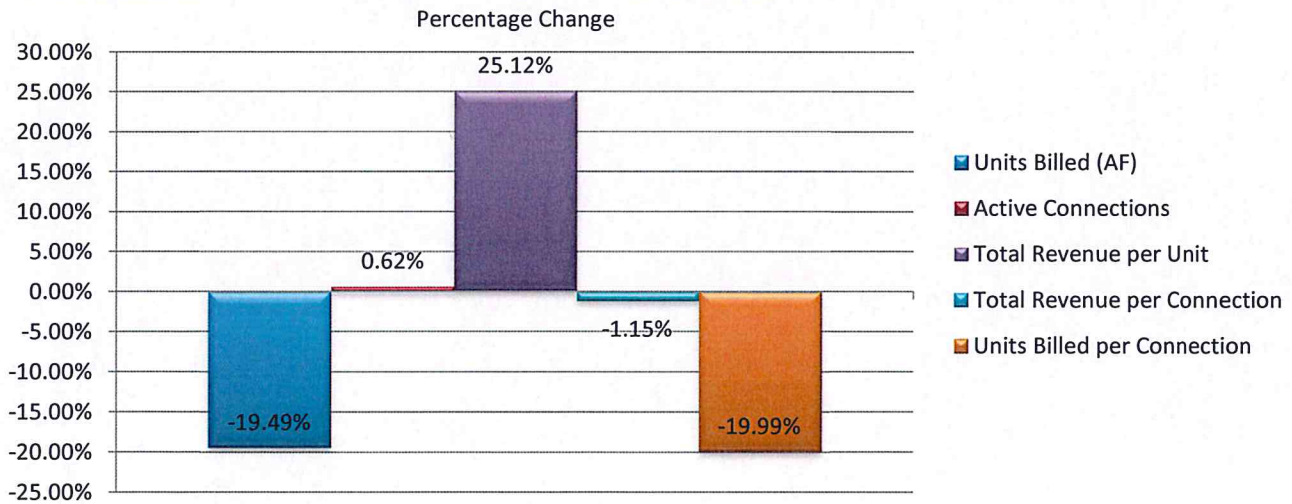
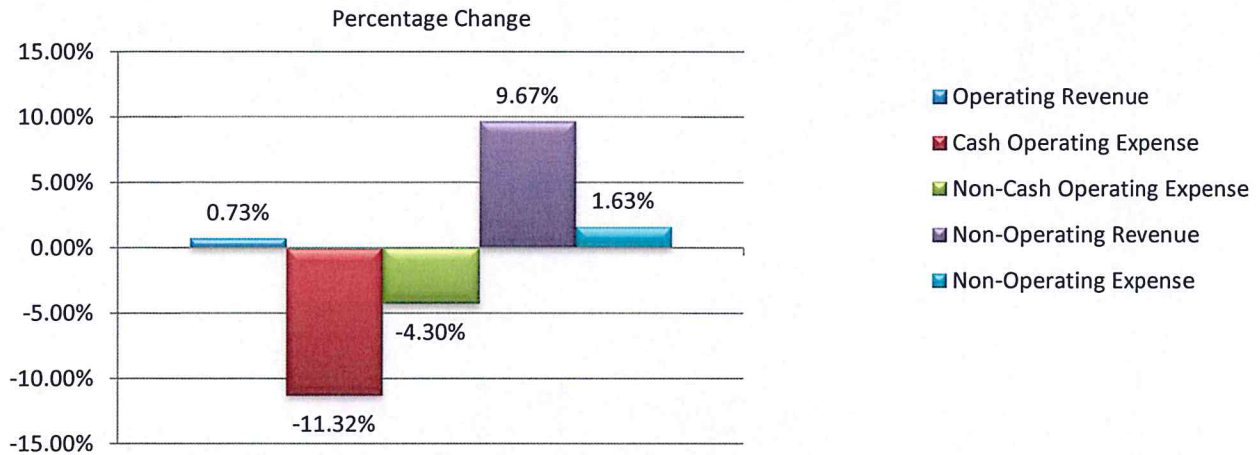
February 2016 -To - February 2017



	2016	2017	Change	
Units Billed (AF)	698	677	-21	-3.01%
Active Connections	26,587	26,619	32	0.12%
Non-Active	812	790	-22	-2.71%
Total Revenue per Unit	\$4.77	\$5.16	\$0.40	8.36%
Total Revenue per Connection	\$51.36	\$53.41	\$2.05	4.00%
Units Billed per Connection	11.44	11.08	-0.36	-3.12%

YEAR-TO-YEAR COMPARISON

February 2015 -To - February 2017



	2015	2017	Change	
Units Billed (AF)	841	677	-164	-19.49%
Active Connections	26,454	26,619	165	0.62%
Non-Active	920	790	-130	-14.13%
Total Revenue per Unit	\$4.13	\$5.16	\$1.04	25.12%
Total Revenue per Connection	\$54.03	\$53.41	-\$0.62	-1.15%
Units Billed per Connection	13.85	11.08	-2.77	-19.99%

Palmdale Water District
Revenue Analysis
For the Two Months Ending 2/28/2017

2017

2016 to 2017 Comparison

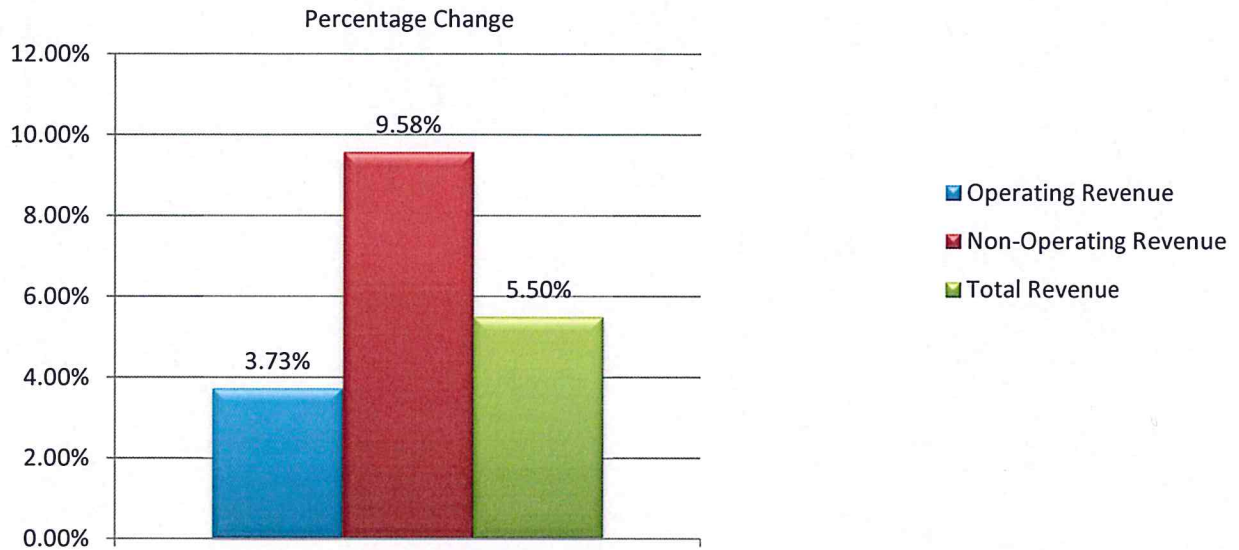
	Thru January	February	Year-to-Date	Adjusted Budget	% of Budget	February	Year-to-Date	% Change
Operating Revenue:								
Wholesale Water	\$ 5,562	\$ 302	\$ 5,864	\$ 160,000	3.66%	\$ (10,210)	\$ (4,649)	-44.22%
Water Sales	402,592	313,146	715,737	8,002,000	8.94%	25,851	13,996	1.99%
Meter Fees	1,051,793	1,060,535	2,112,328	12,475,500	16.93%	46,385	85,759	4.23%
Water Quality Fees	42,732	35,401	78,133	862,500	9.06%	(4,139)	(11,843)	-13.16%
Elevation Fees	15,756	12,399	28,155	340,000	8.28%	(1,559)	(3,877)	-12.10%
Other	73,699	74,947	148,646	960,000	15.48%	18,115	36,489	32.53%
Drought Surcharge	39,241	26,966	66,207	-		(455)	(2,724)	-3.95%
Total Water Sales	\$ 1,631,375	\$ 1,523,695	\$ 3,155,070	\$ 22,800,000	13.84%	\$ 73,988	\$ 113,150	3.73%
Non-Operating Revenues:								
Assessments (Debt Service)	\$ 440,417	\$ 440,417	\$ 880,833	\$ 5,000,000	17.62%	\$ (6,292)	\$ (12,583)	-1.41%
Assessments (1%)	142,917	159,313	302,230	1,957,500	15.44%	14,355	12,313	4.25%
DWR Fixed Charge Recovery	-	-	-	200,000	0.00%	-	-	
Interest	11,138	3,368	14,506	60,000	24.18%	11,157	11,145	331.60%
CIF - Infrastructure	4,035	54,662	58,697	73,000	80.41%	54,662	58,697	
CIF - Water Supply	-	133,286	133,286	177,000	75.30%	133,286	133,286	
Grants - State and Federal	-	-	-	178,000	0.00%	-	-	
Other	35,530	11,311	46,841	60,000	78.07%	11,285	(77,309)	-62.27%
Total Non-Operating Revenues	\$ 634,036	\$ 802,357	\$ 1,436,393	\$ 7,705,500	18.64%	\$ 218,453	\$ 125,548	9.58%
Total Revenue	\$ 2,265,412	\$ 2,326,052	\$ 4,591,463	\$ 30,505,500	15.05%	\$ 292,441	\$ 238,698	5.50%

2016

	Thru January	February	Year-to-Date	Adjusted Budget	% of Budget
Operating Revenue:					
Wholesale Water	\$ -	\$ 10,512	\$ 10,512	\$ 160,000	6.57%
Water Sales	414,447	287,294	701,741	7,242,000	9.69%
Meter Fees	1,012,419	1,014,150	2,026,569	12,079,000	16.78%
Water Quality Fees	50,437	39,540	89,977	934,500	9.63%
Elevation Fees	18,074	13,958	32,032	400,000	8.01%
Other	55,326	56,832	112,157	860,000	13.04%
Drought Surcharge	41,510	27,421	68,931	-	
Total Water Sales	\$ 1,592,213	\$ 1,439,195	\$ 3,031,408	\$ 21,515,500	14.09%
Non-Operating Revenues:					
Assessments (Debt Service)	\$ 446,708	\$ 446,708	\$ 893,417	\$ 4,670,000	19.13%
Assessments (1%)	144,958	144,958	289,917	2,025,000	14.32%
DWR Fixed Charge Recovery	-	-	-	200,000	0.00%
Interest	11,150	(7,789)	3,361	35,000	9.60%
CIF - Infrastructure	-	-	-	50,000	0.00%
CIF - Water Supply	-	-	-	-	
Grants - State and Federal	-	-	-	485,000	0.00%
Other	124,125	26	124,151	120,000	103.46%
Total Non-Operating Revenues	\$ 726,942	\$ 583,903	\$ 1,310,845	\$ 7,585,000	17.28%
Total Revenue	\$ 2,319,155	\$ 2,023,098	\$ 4,342,253	\$ 29,100,500	14.92%

REVENUE COMPARISON YEAR-TO-DATE

February 2016-To-February 2017



**Palmdale Water District
Operating Expense Analysis
For the Two Months Ending 2/28/2017
2017**

2016 to 2017 Comparison

	Thru January	February	Year-to-Date	Adjusted Budget	% of Budget	February	Year-to-Date	% Change
Cash Operating Expenses:								
Directors	\$ 8,354	\$ 12,157	\$ 20,511	\$ 115,500	17.76%	\$ 45	\$ (6,561)	-24.24%
Administration-Services	165,889	132,232	298,120	1,943,000	15.34%	19,738	54,001	22.12%
Administration-District	22,410	121,383	143,793	1,509,500	9.53%	20,825	2,283	1.61%
Engineering	138,522	122,237	260,759	1,451,500	17.96%	34,318	53,822	26.01%
Facilities	568,471	391,812	960,283	6,626,000	14.49%	(394,387)	(327,541)	-25.43%
Operations	208,416	229,644	438,060	2,546,250	17.20%	79,148	86,322	24.54%
Finance	128,268	91,431	219,699	1,246,500	17.63%	(3,225)	7,311	3.44%
Water Conservation	16,402	16,115	32,518	228,000	14.26%	(5,298)	(14,191)	-30.38%
Human Resources	31,660	31,373	63,034	297,100	21.22%	(4,406)	(13,576)	-17.72%
Information Technology	62,935	68,923	131,858	804,750	16.38%	(24,799)	(7,027)	-5.06%
Customer Care	118,622	83,742	202,365	1,278,000	15.83%	(19,014)	(37,734)	-15.72%
Source of Supply-Purchased Water	148,391	86,338	234,729	2,190,000	10.72%	179,422	134,655	134.56%
Plant Expenditures	140,047	(109,639)	30,408	574,292	5.29%	(138,639)	(60,666)	-66.61%
GAC Filter Media Replacement	-	169,477	169,477	862,500	19.65%	169,477	(351,587)	-67.47%
Total Cash Operating Expenses	\$ 1,758,388	\$ 1,447,226	\$ 3,205,613	\$ 21,672,892	14.79%	\$ (86,796)	\$ (480,490)	-14.99%
Non-Cash Operating Expenses:								
Depreciation	\$ 439,866	\$ 443,923	\$ 883,788	\$ 6,000,000	14.73%	\$ (44,995)	\$ (95,994)	-9.80%
OPEB Accrual Expense	182,900	182,900	365,799	2,350,000	15.57%	(12,961)	(25,921)	-6.62%
Bad Debts	34,528	14,374	48,902	50,000	97.80%	4,559	31,828	186.42%
Service Costs Construction	4,387	54,659	59,046	125,000	47.24%	46,994	48,364	452.76%
Capitalized Construction	(27,567)	(79,215)	(106,782)	(750,000)	14.24%	4,529	14,648	-12.06%
Total Non-Cash Operating Expenses	\$ 634,113	\$ 616,641	\$ 1,250,754	\$ 7,775,000	16.09%	\$ (1,874)	\$ (27,075)	-2.16%
Non-Operating Expenses:								
Interest on Long-Term Debt	\$ 186,180	\$ 186,127	\$ 372,307	\$ 2,228,000	16.71%	\$ (622)	\$ (463)	-0.12%
Amortization of SWP	196,894	196,894	393,788	2,238,000	17.60%	(1)	(1)	0.00%
Change in Investments in PRWA	-	2	2	100,000	0.00%	(1,180)	(1,180)	-99.79%
Water Conservation Programs	5,298	10,069	15,367	135,500	11.34%	7,940	12,558	447.06%
Total Non-Operating Expenses	\$ 388,372	\$ 393,093	\$ 781,465	\$ 4,701,500	16.62%	\$ 6,137	\$ 10,914	1.42%
Total Expenses	\$ 2,780,873	\$ 2,456,959	\$ 5,237,832	\$ 34,149,392	15.34%	\$ (82,533)	\$ (496,650)	-8.66%

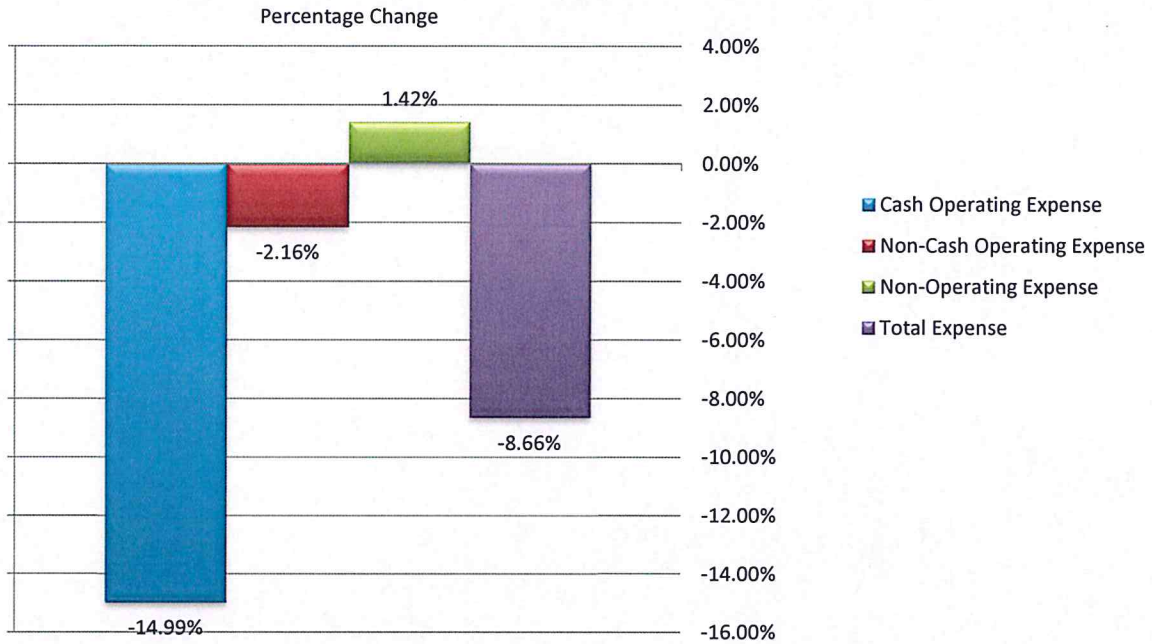
**Palmdale Water District
Operating Expense Analysis
For the Two Months Ending 2/28/2017
2016**

2016 to 2017 Comparison

	Thru January	February	Year-to-Date	Adjusted Budget	% of Budget
Cash Operating Expenses:					
Directors	\$ 14,960	\$ 12,112	\$ 27,072	\$ 145,750	18.57%
Administration-Services	131,626	112,493	244,119	1,588,750	15.37%
Administration-District	40,952	100,557	141,510	1,612,750	8.77%
Engineering	119,019	87,919	206,938	1,279,250	16.18%
Facilities	501,625	786,200	1,287,824	6,513,750	19.77%
Operations	201,242	150,496	351,738	2,449,250	14.36%
Finance	117,732	94,655	212,387	1,168,250	18.18%
Water Conservation	25,295	21,413	46,708	239,250	19.52%
Human Resources	40,831	35,779	76,610	420,350	18.23%
Information Technology	45,163	93,722	138,885	867,750	16.01%
Customer Care	137,341	102,757	240,098	1,386,750	17.31%
Source of Supply-Purchased Water	193,158	(93,084)	100,074	1,725,000	5.80%
Plant Expenditures	62,074	29,000	91,074	-	
GAC Filter Media Replacement	521,064	-	521,064	934,500	55.76%
Total Cash Operating Expenses	\$ 2,152,081	\$ 1,534,022	\$ 3,686,103	\$ 20,331,350	18.13%
Non-Cash Operating Expenses:					
Depreciation	\$ 490,865	\$ 488,918	\$ 979,783	\$ 7,200,000	13.61%
OPEB Accrual Expense	195,860	195,860	391,720	2,250,000	17.41%
Bad Debts	7,258	9,815	17,073	50,000	34.15%
Service Costs Construction	3,017	7,665	10,682	125,000	8.55%
Capitalized Construction	(37,687)	(83,743)	(121,430)	(1,000,000)	12.14%
Total Non-Cash Operating Expenses	\$ 659,313	\$ 618,515	\$ 1,277,828	\$ 8,625,000	14.82%
Non-Operating Expenses:					
Interest on Long-Term Debt	\$ 186,021	\$ 186,749	\$ 372,770	\$ 2,228,000	16.73%
Amortization of SWP	196,894	196,895	393,789	2,238,000	17.60%
Change in Investments in PRWA	-	1,183	1,183	-	
Water Conservation Programs	680	2,129	2,809	126,500	2.22%
Total Non-Operating Expenses	\$ 383,595	\$ 386,955	\$ 770,551	\$ 4,592,500	16.78%
Total Expenses	\$ 3,194,990	\$ 2,539,492	\$ 5,734,482	\$ 33,548,850	17.09%

EXPENSE COMPARISON YEAR-TO-DATE

February 2016-To-February 2017



Palmdale Water District
2016 Directors Budget
For the Two Months Ending Tuesday, February 28, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-01-4000-000 Directors Pay	\$ -	\$ -	\$ -	\$ -	
Employee Benefits					
1-01-4005-000 Payroll Taxes	666	5,500		4,834	12.10%
Subtotal (Benefits)	666	5,500	-	4,834	12.10%
Total Personnel Expenses	\$ 666	\$ 5,500	\$ -	\$ 4,834	12.10%
OPERATING EXPENSES:					
1-01-xxxx-007 Director Share - Alvarado, Robert	\$ 4,903	\$ 22,000		\$ 17,098	22.28%
1-01-xxxx-008 Director Share - Mac Laren, Kathy	2,386	22,000		19,615	10.84%
1-01-xxxx-009 Director Share - Estes, Joe	2,070	22,000		19,930	9.41%
1-01-xxxx-010 Director Share - Dino, Vincent	4,680	22,000		17,320	21.27%
1-01-xxxx-011 Director Share - Henriquez, Marco	5,807	22,000		16,193	26.40%
Subtotal Operating Expenses	19,845	110,000	-	16,193	18.04%
Total O & M Expenses	\$ 20,511	\$ 115,500	\$ -	\$ 21,027	17.76%

Palmdale Water District
2016 Administration District Wide Budget
For the Two Months Ending Tuesday, February 28, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-02-5070-001 On-Call	\$ 10,574	\$ 90,000		\$ 79,426	11.75%
Subtotal (Salaries)	\$ 10,574	\$ 90,000	\$ -	\$ 79,426	11.75%
Employee Benefits					
1-02-5070-002 PERS-Unfunded Liability	\$ 72,056	\$ 472,000		399,944	15.27%
1-02-5070-003 Workers Compensation	-	185,000		185,000	0.00%
1-02-5070-004 Vacation Benefit Expense	(37,390)	35,000		72,390	-106.83%
1-02-5070-005 Life Insurance	1,050	7,500		6,450	14.00%
Subtotal (Benefits)	\$ 35,716	\$ 699,500	\$ -	\$ 663,784	5.11%
Total Personnel Expenses	\$ 46,289	\$ 789,500	\$ -	\$ 743,211	5.86%
OPERATING EXPENSES:					
1-02-5070-006 Other Operating	\$ 911	\$ 20,000		19,089	4.56%
1-02-5070-007 Consultants	14,533	70,000		55,467	20.76%
1-02-5070-008 Insurance	50,052	305,000		254,948	16.41%
1-02-5070-009 Groundwater Adjudication	17,698	50,000		32,302	35.40%
1-02-5070-010 Legal Services	11,438	150,000		138,562	7.63%
1-02-5070-011 Memberships/Subscriptions	2,871	125,000		122,129	2.30%
Subtotal Operating Expenses	\$ 97,504	\$ 720,000	\$ -	\$ 622,496	13.54%
Total Departmental Expenses	\$ 143,793	\$ 1,509,500	\$ -	\$ 1,365,707	9.53%

Palmdale Water District
2016 Administration Services Budget
For the Two Months Ending Tuesday, February 28, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-02-4000-000 Salaries*	\$ 187,389	\$ 1,220,500	\$ (16,000)	\$ 1,017,111	15.56%
1-02-4000-100 Overtime	989	8,500		7,511	11.64%
Subtotal (Salaries)	\$ 188,378	\$ 1,229,000	\$ (16,000)	\$ 1,024,622	15.53%
Employee Benefits					
1-02-4005-000 Payroll Taxes	\$ 14,142	\$ 87,000		72,858	16.26%
1-02-4010-000 Health Insurance	27,146	171,000		143,854	15.87%
1-02-4015-000 PERS	19,423	145,000		125,577	13.40%
Subtotal (Benefits)	\$ 60,711	\$ 403,000	\$ -	\$ 342,289	15.06%
Total Personnel Expenses	\$ 249,090	\$ 1,632,000	\$ (16,000)	\$ 1,366,910	15.41%
OPERATING EXPENSES:					
1-02-4050-000 Staff Travel	\$ 2,462	\$ 14,000	\$ -	\$ 11,538	17.58%
1-02-4050-100 General Manager Travel	152	5,000		4,848	3.03%
1-02-4060-000 Staff Conferences & Seminars	1,194	6,000		4,806	19.90%
1-02-4060-100 General Manager Conferences & Seminars	643	4,000		3,358	16.06%
1-02-4130-000 Bank Charges	25,755	140,000		114,245	18.40%
1-02-4150-000 Accounting Services	-	27,500		27,500	0.00%
1-02-4175-000 Permits	75	17,500		17,425	0.43%
1-02-4180-000 Postage	4,239	25,000		20,761	16.95%
1-02-4190-100 Public Relations - Publications	-	30,000		30,000	0.00%
1-02-4190-700 Public Relations - General*	5,885	20,000	(2,000)	12,115	32.69%
1-02-4200-000 Advertising	34	4,000		3,966	0.85%
1-02-4205-000 Office Supplies	8,594	18,000		9,406	47.74%
Subtotal Operating Expenses	\$ 49,031	\$ 311,000	\$ (2,000)	\$ 259,969	15.87%
Total Departmental Expenses	\$ 298,120	\$ 1,943,000	\$ (18,000)	\$ 1,626,880	15.49%

* Budget adjustments by General Manager per Appendix A

Palmdale Water District
2016 Engineering Budget
For the Two Months Ending Tuesday, February 28, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-03-4000-000 Salaries	\$ 159,325	\$ 983,500		\$ 824,175	16.20%
1-03-4000-100 Overtime	1,691	6,500		4,809	26.02%
Subtotal (Salaries)	\$ 161,016	\$ 990,000		\$ 828,984	16.26%
Employee Benefits					
1-03-4005-000 Payroll Taxes	12,127	73,000		60,873	16.61%
1-03-4010-000 Health Insurance	43,544	164,000		120,456	26.55%
1-03-4015-000 PERS	16,399	104,500		88,101	15.69%
Subtotal (Benefits)	\$ 72,069	\$ 341,500	\$ -	\$ 269,431	21.10%
Total Personnel Expenses	\$ 233,086	\$ 1,331,500	\$ -	\$ 1,098,414	17.51%
OPERATING EXPENSES:					
1-03-4050-000 Staff Travel	\$ -	\$ 2,500		\$ 2,500	0.00%
1-03-4060-000 Staff Conferences & Seminars	-	2,500		2,500	0.00%
1-03-4155-000 Contracted Services	-	41,500		41,500	0.00%
1-03-4165-000 Memberships/Subscriptions	302	2,500		2,199	12.06%
1-03-4250-000 General Materials & Supplies	284	11,000		10,716	2.58%
1-03-8100-100 Computer Software - Maint. & Support	27,088	60,000		32,912	45.15%
Subtotal Operating Expenses	\$ 27,674	\$ 120,000	\$ -	\$ 92,326	23.06%
Total Departmental Expenses	\$ 260,759	\$ 1,451,500	\$ -	\$ 1,190,741	17.96%

Palmdale Water District
2016 Facilities Budget
For the Two Months Ending Tuesday, February 28, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-04-4000-000 Salaries	\$ 331,401	\$ 2,096,000	\$ -	\$ 1,764,599	15.81%
1-04-4000-100 Overtime	19,025	100,000		80,975	19.02%
Subtotal (Salaries)	\$ 350,425	\$ 2,196,000	\$ -	\$ 1,845,575	15.96%
Employee Benefits					
1-04-4005-000 Payroll Taxes	26,930	172,000		145,070	15.66%
1-04-4010-000 Health Insurance	141,965	453,500		311,535	31.30%
1-04-4015-000 PERS	31,727	258,000		226,273	12.30%
Subtotal (Benefits)	\$ 200,622	\$ 883,500	\$ -	\$ 682,878	22.71%
Total Personnel Expenses	\$ 551,048	\$ 3,079,500	\$ -	\$ 2,528,452	17.89%
OPERATING EXPENSES:					
1-04-4050-000 Staff Travel	\$ 147	\$ 3,000		\$ 2,853	4.89%
1-04-4060-000 Staff Conferences & Seminars	-	3,000		3,000	0.00%
1-04-4155-000 Contracted Services	50,848	491,500		440,652	10.35%
1-04-4175-000 Permits-Dams	-	25,000		25,000	0.00%
1-04-4215-100 Natural Gas - Wells & Boosters	24,139	225,000		200,861	10.73%
1-04-4215-200 Natural Gas - Buildings	2,869	9,000		6,131	31.87%
1-04-4220-100 Electricity - Wells & Boosters	157,685	1,320,000		1,162,315	11.95%
1-04-4220-200 Electricity - Buildings	8,850	88,000		79,150	10.06%
1-04-4225-000 Maint. & Repair - Vehicles	7,999	35,000		27,001	22.85%
1-04-4230-100 Maint. & Rep. Office Building	2,009	25,000		22,991	8.04%
1-04-4235-110 Maint. & Rep. Equipment	1,951	6,500		4,549	30.02%
1-04-4235-400 Maint. & Rep. Operations - Wells	8,895	100,000		91,105	8.90%
1-04-4235-405 Maint. & Rep. Operations - Boosters	14,739	80,000		65,261	18.42%
1-04-4235-410 Maint. & Rep. Operations - Shop Bldgs	1,085	10,000		8,915	10.85%
1-04-4235-415 Maint. & Rep. Operations - Facilities	2,789	15,000		12,211	18.59%
1-04-4235-420 Maint. & Rep. Operations - Water Lines	35,199	250,000		214,801	14.08%
1-04-4235-425 Maint. & Rep. Operations - Littlerock Dam	305	15,000		14,695	2.03%
1-04-4235-430 Maint. & Rep. Operations - Palmdale Dam	-	7,500		7,500	0.00%
1-04-4235-435 Maint. & Rep. Operations - Palmdale Canal	-	10,000		10,000	0.00%
1-04-4235-440 Maint. & Rep. Operations - Large Meters	2,843	20,000		17,157	14.21%
1-04-4235-445 Maint. & Rep. Operations - Telemetry	-	5,000		5,000	0.00%
1-04-4235-450 Maint. & Rep. Operations - Hypo Generators	428	10,000		9,572	4.28%
1-04-4235-455 Maint. & Rep. Operations - Heavy Equipment	5,293	45,000		39,707	11.76%
1-04-4235-460 Maint. & Rep. Operations - Storage Reservoirs	-	5,000		5,000	0.00%
1-04-4235-470 Maint. & Rep. Operations - Meters Exchanges	28,564	250,000		221,436	11.43%
1-04-4270-300 Telecommunication - Other	829	4,000		3,171	20.73%
1-04-4300-100 Testing - Regulatory Compliance	-	20,000		20,000	0.00%
1-04-4300-200 Testing - Large Meters	-	12,500		12,500	0.00%
1-04-4300-300 Testing - Edison Testing	-	30,000		30,000	0.00%
1-04-5070-009 Groundwater Adjudication-Pumping Assessment	-	50,000		50,000	0.00%
1-04-6000-000 Waste Disposal	1,531	20,000		18,469	7.66%
1-04-6100-100 Fuel and Lube - Vehicle	14,969	105,000		90,031	14.26%
1-04-6100-200 Fuel and Lube - Machinery	4,643	40,000		35,357	11.61%
1-04-6200-000 Uniforms	3,232	28,000		24,768	11.54%
1-04-6300-100 Supplies - General	3,173	47,500		44,327	6.68%
1-04-6300-200 Supplies - Hypo Generators	-	7,500		7,500	0.00%
1-04-6300-300 Supplies - Electrical	-	3,000		3,000	0.00%
1-04-6300-400 Supplies - Telemetry	167	5,000		4,833	3.34%
1-04-6300-800 Supplies - Construction Materials	3,777	40,000		36,223	9.44%
1-04-6400-000 Tools	4,158	25,000		20,842	16.63%
1-04-7000-100 Leases -Equipment	10,676	15,000		4,324	71.17%
1-04-7000-100 Leases -Vehicles	5,442.86	38,000		32,557	14.32%
Subtotal Operating Expenses	\$ 409,235	\$ 3,544,000	\$ -	\$ 3,134,765	11.55%
Total Departmental Expenses	\$ 960,283	\$ 6,623,500	\$ -	\$ 5,663,217	14.50%

Palmdale Water District
2016 Operation Budget
For the Two Months Ending Tuesday, February 28, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-05-4000-000 Salaries	\$ 162,079	\$ 920,000		\$ 757,921	17.62%
1-05-4000-100 Overtime	13,603	56,000		42,397	24.29%
Subtotal (Salaries)	\$ 175,683	\$ 976,000	\$ -	\$ 800,317	18.00%
Employee Benefits					
1-05-4005-000 Payroll Taxes	13,523	67,000		53,477	20.18%
1-05-4010-000 Health Insurance	38,724	144,250		105,526	26.85%
1-05-4015-000 PERS	15,868	111,000		95,132	14.30%
Subtotal (Benefits)	\$ 68,116	\$ 322,250	\$ -	\$ 254,134	21.14%
Total Personnel Expenses	\$ 243,798	\$ 1,298,250	\$ -	\$ 1,054,452	18.78%
OPERATING EXPENSES:					
1-05-4050-000 Staff Travel	\$ 18	\$ 2,500		\$ 2,482	0.73%
1-05-4060-000 Staff Conferences & Seminars	665.00	2,500		1,835	26.60%
1-05-4155-000 Contracted Services	22,048	88,000		65,952	25.05%
1-05-4175-000 Permits	-	40,000		40,000	0.00%
1-05-4215-200 Natural Gas - WTP	306	3,000		2,694	10.19%
1-05-4220-200 Electricity - WTP	27,966	125,000		97,034	22.37%
1-05-4230-110 Maint. & Rep. - Office Equipment	-	500		500	0.00%
1-05-4235-110 Maint. & Rep. Operations - Equipment	485	20,000		19,515	2.42%
1-05-4235-410 Maint. & Rep. Operations - Shop Bldgs	-	6,000		6,000	0.00%
1-05-4235-415 Maint. & Rep. Operations - Facilities	19,507	65,000		45,493	30.01%
1-05-4235-450 Maint. & Rep. Operations - Hypo Generator	1,876	65,000		63,124	2.89%
1-05-4235-500 Maint. & Rep. Operations - Wind Turbine	47,917	30,000		(17,917)	159.72%
1-05-4236-000 Palmdale Lake Management	6,727	40,000		33,273	16.82%
1-05-6000-000 Waste Disposal	584	20,000		19,416	2.92%
1-05-6200-000 Uniforms	1,971	16,000		14,029	12.32%
1-05-6300-100 Supplies - General	2,401	15,000		12,599	16.01%
1-05-6300-600 Supplies - Lab	17,623	50,000		32,377	35.25%
1-05-6300-700 Outside Lab Work	9,395	60,000		50,605	15.66%
1-05-6400-000 Tools	569	6,500		5,931	8.75%
1-05-6500-000 Chemicals	34,205	560,000		525,795	6.11%
1-05-7000-100 Leases -Equipment	-	3,000		3,000	0.00%
3-05-4300-100 Filter Media Testing/Inspection	-	30,000		30,000	0.00%
Subtotal Operating Expenses	\$ 194,262	\$ 1,248,000	\$ -	\$ 1,053,738	15.57%
Total Departmental Expenses	\$ 438,060	\$ 2,546,250	\$ -	\$ 2,108,190	17.20%

Palmdale Water District
2016 Finance Budget
For the Two Months Ending Tuesday, February 28, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-06-4000-000 Salaries	\$ 119,897	\$ 683,500		\$ 563,603	17.54%
1-06-4000-100 Overtime	80	4,000		3,920	2.01%
Subtotal (Salaries)	\$ 119,977	\$ 687,500	\$ -	\$ 567,523	17.45%
Employee Benefits					
1-06-4005-000 Payroll Taxes	9,010	53,000		43,990	17.00%
1-06-4010-000 Health Insurance	27,226	88,500		61,274	30.76%
1-06-4015-000 PERS	12,287	87,000		74,713	14.12%
Subtotal (Benefits)	\$ 48,523	\$ 228,500	\$ -	\$ 179,977	21.24%
Total Personnel Expenses	\$ 168,501	\$ 916,000	\$ -	\$ 747,499	18.40%
OPERATING EXPENSES:					
1-06-4155-000 Contracted Services	\$ -	\$ 6,000		\$ 6,000	0.00%
1-06-4155-100 Contracted Services - Infosend	42,799	280,000		237,201	15.29%
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	-	3,000		3,000	0.00%
1-06-4260-000 Business Forms	-	4,000		4,000	0.00%
1-06-4270-100 Telecommunication - Office	4,207	18,000		13,793	23.37%
1-06-4270-200 Telecommunication - Cellular Stipend	3,350	15,500		12,150	21.61%
1-06-7000-100 Leases - Equipment	622	3,000		2,378	20.73%
Subtotal Operating Expenses	\$ 51,198	\$ 330,500	\$ -	\$ 279,302	15.49%
Total Departmental Expenses	\$ 219,699	\$ 1,246,500	\$ -	\$ 1,026,801	17.63%

Palmdale Water District
2016 Water Conservation Budget
For the Two Months Ending Tuesday, February 28, 2017

	YTD	ORIGINAL		ADJUSTED	
	ACTUAL	BUDGET	ADJUSTMENTS	BUDGET	PERCENT
	2017	2017	2017	REMAINING	USED
Personnel Budget:					
1-07-4000-000 Salaries	\$ 21,288	\$ 144,000		\$ 122,712	14.78%
1-07-4000-100 Overtime	177	1,000		823	17.71%
Subtotal (Salaries)	\$ 21,465	\$ 145,000		\$ 123,535	14.80%
Employee Benefits					
1-07-4005-000 Payroll Taxes	1,751	11,000		9,249	15.92%
1-07-4010-000 Health Insurance	6,073	36,500		30,427	16.64%
1-07-4015-000 PERS	2,631	18,500		15,869	14.22%
Subtotal (Benefits)	\$ 10,455	\$ 66,000	\$ -	\$ 55,545	15.84%
Total Personnel Expenses	\$ 31,920	\$ 211,000	\$ -	\$ 178,257	15.13%

OPERATING EXPENSES:

1-07-4050-000 Staff Travel	\$ -	\$ 1,000		\$ 1,000	
1-07-4060-000 Staff Conferences & Seminar	-	1,500		1,500	
1-07-4190-300 Public Relations - Landscape Workshop/Training	38	1,000		962	3.79%
1-07-4190-400 Public Relations - Contests	-	1,000		1,000	0.00%
1-07-4190-500 Public Relations - Education Programs*	27	2,500	4,000	6,473	1.10%
1-07-4190-900 Public Relations - Other*	294	5,000	(2,000)	2,706	5.88%
1-07-6300-100 Supplies - Misc.	238	5,000		4,762	4.77%
Subtotal Operating Expenses	\$ 598	\$ 17,000	\$ 2,000	\$ 18,402	3.52%
Total Departmental Expenses	\$ 32,518	\$ 228,000	\$ 2,000	\$ 196,659	14.26%

* Budget adjustments by General Manager per Appendix A

Palmdale Water District
2016 Human Resources Budget
For the Two Months Ending Tuesday, February 28, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-08-4000-000 Salaries	\$ 20,200	\$ 122,000		\$ 101,800	16.56%
1-08-4000-200 Salaries - Intern Program*	1,474	-	16,000	14,527	9.21%
Subtotal (Salaries)	\$ 21,674	\$ 122,000	\$ 16,000	\$ 116,326	17.77%
Employee Benefits					
1-08-4005-000 Payroll Taxes	1,668	9,500		7,832	17.56%
1-08-4010-000 Health Insurance	7,520	19,500		11,980	38.56%
1-08-4015-000 PERS	1,162	8,000		6,838	14.53%
Subtotal (Benefits)	\$ 10,350	\$ 37,000	\$ -	\$ 26,650	27.97%
Total Personnel Expenses	\$ 32,024	\$ 159,000	\$ 16,000	\$ 142,976	18.30%
OPERATING EXPENSES:					
1-08-4050-000 Staff Travel	\$ 539	\$ 1,500		\$ 961	35.92%
1-08-4060-000 Staff Conferences & Seminars	-	1,500		1,500	0.00%
1-08-4070-000 Employee Expense	7,977	50,000		42,023	15.95%
1-08-4090-000 Temporary Staffing	9,869	-		(9,869)	
1-08-4095-000 Employee Recruitment	2,160	3,000		840	72.01%
1-08-4100-000 Employee Retention	(46)	5,000		5,046	-0.91%
1-08-4105-000 Employee Relations	928	3,500		2,572	26.53%
1-08-4120-100 Training-Safety	-	35,000		35,000	0.00%
1-08-4120-200 Training-Speciality	3,787	15,000		11,213	25.25%
1-08-4121-000 Safety Program	40	1,000		960	4.00%
1-08-4165-000 Membership/Subscriptions	560	1,600		1,040	35.00%
1-08-4165-100 HR/Safety Publications	-	1,000		1,000	0.00%
1-08-6300-500 Supplies - Safety	5,195	20,000		14,805	25.97%
Subtotal Operating Expenses	\$ 31,010	\$ 138,100	\$ -	\$ 107,090	22.45%
Total Departmental Expenses	\$ 63,034	\$ 297,100	\$ 16,000	\$ 250,066	20.13%

* Budget adjustments by General Manager per Appendix A

Palmdale Water District
2016 Information Technology Budget
For the Two Months Ending Tuesday, February 28, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-09-4000-000 Salaries	\$ 25,956	\$ 176,000		\$ 150,044	14.75%
1-09-4000-100 Overtime	527	2,500		1,973	21.06%
Subtotal (Salaries)	\$ 26,482	\$ 178,500		\$ 152,018	14.84%
Employee Benefits					
1-09-4005-000 Payroll Taxes	2,014	18,250		16,236	11.03%
1-09-4010-000 Health Insurance	4,091	38,500		34,409	10.62%
1-09-4015-000 PERS	2,881	22,750		19,869	12.66%
Subtotal (Benefits)	\$ 8,985	\$ 79,500	\$ -	\$ 70,515	11.30%
Total Personnel Expenses	\$ 35,467	\$ 258,000	\$ -	\$ 220,559	13.75%
OPERATING EXPENSES:					
1-09-4050-000 Staff Travel	\$ -	\$ 3,000		\$ 3,000	0.00%
1-09-4060-000 Staff Conferences & Seminars	6,433	3,500		(2,933)	183.80%
1-09-4155-000 Contracted Services	18,538	101,500		82,962	18.26%
1-09-4165-000 Memberships/Subscriptions	-	2,000		2,000	0.00%
1-09-4270-000 Telecommunications	12,154	87,250		75,096	13.93%
1-09-8000-100 Computer Equipment - Computers	18,392	45,000		26,608	40.87%
1-09-8000-200 Computer Equipment - Laptops	792	45,000		44,208	1.76%
1-09-8000-300 Computer Equipment - Monitors	628	2,000		1,372	31.38%
1-09-8000-400 Computer Equipment - Printers	-	5,000		5,000	0.00%
1-09-8000-500 Computer Equipment - Toner Cartridges	-	3,000		3,000	0.00%
1-09-8000-550 Computer Equipment - Telephony	-	2,500		2,500	0.00%
1-09-8000-600 Computer Equipment - Other	6,403	40,000		33,597	16.01%
1-09-8100-100 Computer Software - Maint. and Support	9,171	60,000		50,829	15.29%
1-09-8100-140 Computer Software - Starnik	15,874	72,000		56,126	22.05%
1-09-8100-150 Computer Software - Dynamics GP Support	7,588	60,000		52,413	12.65%
1-09-8100-200 Computer Software - Software and Upgrades	419	15,000		14,581	2.79%
Subtotal Operating Expenses	\$ 96,391	\$ 546,750	\$ -	\$ 450,359	17.63%
Total Departmental Expenses	\$ 131,858	\$ 804,750	\$ -	\$ 670,918	16.38%

Palmdale Water District
2016 Customer Care Budget
For the Two Months Ending Tuesday, February 28, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-10-4000-000 Salaries	\$ 118,338	\$ 886,000		\$ 767,662	13.36%
1-10-4000-100 Overtime	146	10,000		9,854	1.46%
Subtotal (Salaries)	\$ 118,483	\$ 896,000	\$ -	\$ 777,517	13.22%
Employee Benefits					
1-10-4005-000 Payroll Taxes	9,489	65,500		56,011	14.49%
1-10-4010-000 Health Insurance	54,552	166,000		111,448	32.86%
1-10-4015-000 PERS	13,307	113,500		100,193	11.72%
Subtotal (Benefits)	\$ 77,348	\$ 345,000	\$ -	\$ 267,652	22.42%
Total Personnel Expenses	\$ 195,832	\$ 1,241,000	\$ -	\$ 1,045,168	15.78%
OPERATING EXPENSES:					
1-10-4050-000 Staff Travel	\$ -	\$ 1,000		\$ 1,000	0.00%
1-10-4060-000 Staff Conferences & Seminars	-	2,000		2,000	0.00%
1-10-4155-000 Contracted Services	4,058	22,000		17,942	18.45%
1-10-4230-110 Maintenance & Repair-Office Equipment	-	500		500	0.00%
1-10-4250-000 General Material & Supplies	2,475	7,500		5,025	33.00%
1-10-4260-000 Business Forms	-	4,000		4,000	0.00%
Subtotal Operating Expenses	\$ 6,533	\$ 37,000	\$ -	\$ 30,467	17.66%
Total Departmental Expenses	\$ 202,365	\$ 1,278,000	\$ -	\$ 1,075,635	15.83%

A report on this item will either be hand-delivered prior to the Board meeting or presented at the meeting.

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: April 19, 2017 **April 26, 2017**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Miss Laura Gallegos, Public Affairs Specialist
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.4 – CONSIDERATION AND POSSIBLE ACTION
ON OUTREACH ACTIVITIES FOR 2017. (GENERAL MANAGER
LaMOREAUX/PUBLIC AFFAIRS SPECIALIST GALLEGOS)***

A) OUTREACH PLANS FOR 2017:

- ***Water Take 1 Award*** - Event held March 22. The Palmdale Vision Award was awarded to Jalal-ud-di Baba for his Saving the Saviour video entry.
- ***Water Walk Series*** - Go into residential and business areas and hand information/applications to customers. Series will begin this month.
- Continue to attend local radio station, Café con Leche, where information is given to a part of the Latino community.

B) UPCOMING EVENTS:

- ***Water Wise Recognition*** - We'll be recognizing the top 20 businesses and 100 residents in our District for their efforts in conserving water during the stringent drought-period. Currently sifting through the list of customers.

C) OUTREACH RECOMMENDATIONS FROM DIRECTORS:

- Please let me know your ideas for outreach activities.

Strategic Plan Initiative:

Initiative No.'s 2 & 6 – Organizational Excellence/Customer Care & Advocacy

Budget:

Items included already in 2017 Budget.

P A L M D A L E W A T E R D I S T R I C T
B O A R D M E M O R A N D U M

DATE: April 19, 2017 **April 26, 2017**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.5 – CONSIDERATION AND POSSIBLE ACTION
ON CANCELLING OR RESCHEDULING MAY 10, 2017 REGULAR
BOARD MEETING DUE TO LACK OF A QUORUM. (GENERAL
MANAGER LaMOREAUX)***

Recommendation:

Staff recommends that the Board either cancel or reschedule the May 10, 2017 Regular Board meeting.

Alternative Options:

There are no alternative options.

Impact of Taking No Action:

The May 10, 2017 Regular Board meeting will be cancelled due to lack of a quorum.

Background:

The Association of California Water Agencies (ACWA) conducts an annual spring and fall conference. This year the spring conference is scheduled for May 8-12, 2017. The District has a Regular Board Meeting scheduled for May 10, 2017, and with three Directors scheduled to attend the ACWA Conference, there will not be a quorum present for this meeting.

The Board can either cancel or reschedule the May 10, 2017 Regular Board Meeting; however, due to agenda noticing requirements, staff recommends the meeting be cancelled.

Strategic Plan Initiative:

Strategic Initiative No. 5 – Regional Leadership.

Budget:

This item has no budget impact.

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: April 19, 2017 **April 26, 2017**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Matt Knudson, Assistant General Manager
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.6 – CONSIDERATION AND POSSIBLE ACTION
ON THE FORMATION OF AN AD HOC COMMITTEE FOR THE
ANTELOPE VALLEY STATE WATER CONTRACTORS ASSOCIATION
TO REVIEW JOINT WATER BANKING OPPORTUNITIES. (NO
BUDGET IMPACT – ASSISTANT GENERAL MANAGER KNUDSON)***

At the April 13, 2017 Antelope Valley State Water Contractors Association meeting, the Commissioners expressed an interest to work together on regional water banking projects in addition to the member agencies' individual water banking projects and determined that an Ad Hoc Committee be formed consisting of one Commissioner from each of the member agencies, the General Managers, and AVSWCA General Manager Knudson.

Strategic Plan Initiative:

This item is under Strategic Initiative No. 5 – Regional Leadership.

PALMDALE WATER DISTRICT BOARD MEMORANDUM

DATE: April 18, 2017 **April 26, 2017**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Peter Thompson, Project Manager
VIA: Mr. James Riley, Engineering/Grant Manager
Mr. Matthew Knudson, Assistant General Manager
Mr. Dennis LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.7 - CONSIDERATION AND POSSIBLE ACTION ON
AWARD OF CONTRACT FOR THE CONSTRUCTION OF THE PALMDALE
REGIONAL GROUNDWATER RECHARGE AND RECOVERY PROJECT:
PHASE 2 TESTING UNDER SPECIFICATION NO. 1701***

Recommendation:

Staff recommends that the Board award a contract to Environmental Construction, Inc. from Woodland Hills, CA in the not-to-exceed amount of \$427,490.00 for the construction of the Palmdale Regional Groundwater Recharge and Recovery Project: Phase 2 Testing – Specification No. 1701.

Financial Impact:

The approved 2017 Budget includes \$300,000.00 for this project under Water Supply.

The following is an estimate of anticipated expenditures for Specification No. 1701:

Construction Contract:	\$ 427,490.00
Estimated Surveying:	\$ 4,000.00
Advertising:	\$ <u>4,000.00</u>
 Total Estimated Project Expenses:	 \$ 435,490.00

Background:

This project will consist of site grading including: access road (1140'), well pad (100'x100') and basin (120'x120'), construction of 2640' of temporary 10" water supply line, and the drilling, equipping, and development of 3 monitoring wells ranging in depth from 315' to 550'. The completion of this project (Phase 2 Testing) is necessary to prove the long-term viability of the ultimate design for the Regional Groundwater Recharge and Recovery Project.

The following is an evaluation of the bid submitted by Environmental Construction, Inc. This evaluation is based on the information submitted on the bid forms, including the bid amount, project references, contractor's and subcontractor's licenses, and insurance.

Environmental Construction, Inc., located at 21550 Oxnard Street, Ste. 1050, Woodland Hills, CA 91367, holds a current and active Class A – General Engineering Contractor license. The contractor's state license number is 498624. This license was first issued on September 22, 1986. The license expiration date is January 31, 2019.

The total bid price in the bid proposal submitted by Environmental Construction, Inc. is \$427,490.00. A bid bond in the amount of \$42,749.00, or 10 percent of the total bid price, was submitted with the bid proposal.

The criterion for responsibility pertains to whether the bidder is regularly engaged in this type of work and whether they can perform the work satisfactorily as promised. The contractor is required to provide performance and payment bonds to protect the District's interest.

Environmental Construction, Inc., as the lowest responsive, responsible bidder, holds a valid workers compensation insurance policy (No. ENWC805932) with Cypress Insurance Company. This policy is effective from March 1, 2017 through March 1, 2018.

The contractor's past performance record has been utilized to evaluate the general competency of the contractor for the performance of the work. To demonstrate the bidder's capability and experience of having completed similar projects successfully, the bid documents require that the contractor submit a list of all projects completed by the contractor during the last three years involving work of similar type and complexity. The contractor is required to have completed at least five projects of similar type and complexity and comparable value.

The list of projects submitted by Environmental Construction, Inc. satisfies the District's criteria for capability and experience and all references associated with the related projects concur with this assessment.

It is required that no less than 60 percent of the work be performed by the contractor's own forces without subcontracting. It appears that Environmental Construction, Inc. will perform 69% of the work and meets the limitations on the subcontracting work.

Responsiveness of the bid appertaining to the compliance with the material terms of the bid documents has been reviewed.

Environmental Construction, Inc., as the lowest responsible bidder, has met the criterion of providing the lowest bid price of qualified firms at \$427,490.00. The lowest qualified bid price is \$49,835.00, or 10.4 percent lower than the next lowest bid.

Supporting Documents:

- Bid Results Summary
- Proposal Package from the Lowest Responsible Bidder

Strategic Plan Initiative:

Initiative No. 1 – Water Resource Reliability

**PALMDALE WATER DISTRICT
SPECIFICATION NO. 1701 BID SUMMARY**

CONTRACTOR	ENVIRONMENTAL CONST., INC.	ABC LIOVIN DRILLING, INC
ITEM	COST	COST
MOBILIZATION	\$17,000.00	\$50,000.00
GRADING	\$96,200.00	\$111,000.00
A BASE	\$26,500.00	\$27,825.00
TEMPORARY WATER	\$39,600.00	\$49,500.00
MW-1A	\$97,700.00	\$104,875.00
MW-1B	\$61,700.00	\$52,437.50
MW-1C	\$59,500.00	\$52,437.50
CONSTRUCTION WATER	\$1,000.00	\$10,000.00
BASIN SITE WORK	\$18,340.00	\$8,750.00
BASIN REGRADE	\$4,950.00	\$10,500.00
OTHER WORK	\$5,000.00	\$0.00
LUMP SUM TOTAL	\$427,490.00	\$477,325.00

PROPOSAL

BIDDER'S DECLARATION SPECIFICATION NO. 1701

Gentlepersons:

The undersigned hereby proposes to perform all work for which a contract may be awarded them and to furnish any and all plant, labor, services, material, tools, equipment, supplies, transportation, utilities, and all other items and facilities necessary therefor as provided in the Contract Documents, and to do everything required therein for the construction of the Groundwater Recharge and Recovery Project as specifically set forth in documents entitled "Specification No. 1701 – Construction of the Palmdale Regional Groundwater Recharge and Recovery project: Phase 2 Testing" together with addenda thereto, all as set forth on the drawings and in the specifications and other Contract Documents (hereinafter the "Work"); and they further propose and agree that, if this Proposal is accepted, they will contract in the form and manner stipulated to perform all the Work called for by drawings, specifications, and other Contract Documents, and to complete all such Work in strict conformity therewith within the time limits set forth therein, and that they will accept as full payment therefor the prices set forth in the Bid Sheet(s) forming a part hereof.

(check one)

- ☐ Cash
- ☐ Cashiers check
- ☐ Certified check
- ☒ Bid Bond

properly made payable to Palmdale Water District, hereinafter designated as the Owner, for the sum of \$_____, which amount is not less than 10 percent of the total amount of this bid, is attached hereto and is given as a guarantee that the undersigned will execute the Agreement and furnish the required bonds and insurance if awarded the contract and, in case of failure to do so within the time provided, the

(check one)

- ☐ cash shall be retained as liquidated damages by the Owner
- ☐ proceeds of said check shall be retained as liquidated damages by the Owner
- ☒ Surety's liability to the Owner for the face amount of the Bond shall be considered as established.

PROPOSAL
PAGE P-1

It is understood and agreed that:

1. The undersigned has carefully examined all the Contract Documents, as defined in Section N-12 of the Notice Inviting Bids, including, but not limited to, the bid quantities, any specifications regarding materials to be used, the contract provisions relating to payment for extra work and the procedures for seeking extensions of time.
2. The undersigned, by investigation at the site of the work, by review of any records available for inspection at the offices of utilities in the area affected by the Work, at any applicable public works departments, and otherwise, is satisfied as to the nature and location of the work and is fully informed as to all conditions and matters which can in any way affect the work or the cost thereof, including the location of all underground facilities in the area affected by the Work.
3. The undersigned fully understands the scope of the Work and has checked carefully all words and figures inserted in this Proposal and further understands that the Owner will in no way be responsible for any errors or omissions in the preparation of this Proposal.
4. The undersigned will execute the Agreement and furnish the required Performance and Payment Bonds and proof of insurance coverage within ten (10) days (not including Sundays and holidays) after Owner's notice of acceptance of this Proposal; and further, that, unless otherwise specified in the Special provisions, this Proposal may not be withdrawn for a period of forty-five (45) days after the date set for the opening thereof, notwithstanding the award of contract to another bidder. If the undersigned bidder withdraws this Proposal within said period, said bidder shall be liable under the provisions of the Bid Security, or said bidder and their surety shall be liable under the Bid Bond, as the case may be.
5. The undersigned hereby certifies that this Proposal is genuine and not sham or collusive or made in the interest or in behalf of any person not herein named, and the undersigned has not directly or indirectly induced or solicited any other bidder to put in a sham bid, or any other person, firm, or corporation to refrain from bidding; the undersigned has not in any manner sought by collusion to secure for themselves an advantage over any other bidder.
6. In conformance with current statutory requirement of the Labor Code of the State of California, the undersigned certifies as follows:

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

PROPOSAL
PAGE P-2

NOW, in compliance with the Notice Inviting Bids and all the provisions hereinbefore stipulated, the undersigned, with full cognizance thereof, hereby proposes to perform the entire work for the prices set forth in the attached Bid Sheet(s) upon which award of contract will be made.

The undersigned bidder declares that the license held by them is theirs, is current and valid, and is in a classification appropriate to the work to be undertaken.

The undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed at Woodland Hills, California.

Dated April 11th 20 17 Bidder: Environmental Construction, Inc.

By: [Signature]

Title: President

Bidder's post-office address:

21550 Oxnard St., Suite 1050,
Woodland Hills, CA 91367

Telephone No.: 818-449-8920

Facsimile No.: 818-703-9073

Corporation organized under the laws
of the State of California

Contractor's License(s): 498624

Expiration Dates: 1-31-19

Surety or sureties:

Vigilant Insurance
Company

CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTORS' STATE LICENSE BOARD WHICH HAS JURISDICTION TO INVESTIGATE COMPLAINTS AGAINST CONTRACTORS IF A COMPLAINT IS FILED WITHIN THREE YEARS OF THE DATE OF THE ALLEGED VIOLATION. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR, CONTRACTORS' STATE LICENSE BOARD, P.O. BOX 26000, SACRAMENTO, CALIFORNIA 95826.

BID SCHEDULE

SPECIFICATION NO.1701

Schedule of Prices for Construction of the
Palmdale Regional Groundwater Recharge and Recovery Project: Phase 2 Testing
for
Palmdale Water District

Item	Description	Quantity	Unit	Unit Price	Item Amount
1	Mobilization	1	LS	N/A	\$17,000
2	Earthwork including mechanical blading of access road, grading of monitoring well site, and construction and compaction of infiltration test basin berms.	1,850	CY	\$22.00	\$40,700
3	Installation of 6-inches of aggregate base for monitoring well site and access road	265	CY	100	\$26,500
4	Temporary 10-inch potable pipeline for 30 days including 10-inch pressure reducing valve at water source. Include installation and removal of temporary piping and valve.	2,640	LF	15	\$39,600
5	Drill and Construct MW-1A to the diameter and depth shown on the drawings. Include drilling, installation of casing and appurtenances, E-log, well development, submersible pump, level transducer, video survey, and wellhead construction	1	LS	N/A	\$47,700
6	Drill and Construct MW-1B to the diameter and depth shown on the drawings. Include drilling, installation of casing and appurtenances, well development, submersible pump, video survey, and wellhead construction.	1	LS	N/A	\$61,700
7	Drill and Construct MW-1C to the diameter and depth shown on the drawings. Include drilling, installation of casing and appurtenances, well development, submersible pump, video survey, and wellhead construction.	1	LS	N/A	\$59,500

PROPOSAL
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BID SCHEDULE (CONT.)

SPECIFICATION NO.1701

Schedule of Prices for Construction of the
Palmdale Regional Groundwater Recharge and Recovery Project: Phase 2 Testing
for
Palmdale Water District

Item	Description	Quantity	Unit	Unit Price	Item Amount
8	Obtain construction water from fire hydrant located 9 miles away, as shown in Appendix A.	1	LS	N/A	\$ 1,000
9	Infiltration Test Basin site work including rip-rap and level gauge installation.	1	LS	N/A	\$18,340
10	Re-grade infiltration test basin upon project completion to remove berms. Dispose of rip-rap off-site.	1	LS	N/A	\$4,950
11	All work indicated but not shown in Items 1-10 above.	1	LS	N/A	\$5,000

Total Bid Price: \$427,490

Total Bid Price:

Four Hundred Twenty-Seven thousand four hundred ninety
dollars

(use words)

INFORMATION REQUIRED OF BIDDER

EQUIPMENT/MATERIAL SOURCE INFORMATION

The bidder shall indicate opposite each item of equipment or material listed below, the name of the manufacturer or supplier of the equipment or material proposed to be furnished under the bid. **Failure to comply with this requirement will render the proposal informal and may cause its rejection.** Awarding of a contract under this bid will not imply approval by the Owner of the manufacturers or suppliers listed by the bidder. No substitution will be permitted after award of contract unless equipment or material of the listed manufacturer or supplier cannot meet the specifications.

<u>Specification</u>	<u>Equipment/Material</u>	<u>Manufacturer/Supplier</u>
<u>Per. Spec</u>	<u>Submersive Pump</u>	<u>Goulds Pump</u>

LIST OF PROPOSED SUBSTITUTIONS

The Bidder may name a proposed substitute manufacturer with an add or deduct amount which will be considered after award. The Contract award, if any, will be on Base Bid amounts.

<u>Spec Section</u>	<u>Equipment & Manufacturer</u>	<u>Add</u>	<u>Deduct</u>
_____	_____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____

INFORMATION REQUIRED OF BIDDER

SITE INSPECTION AND UNDERGROUND UTILITIES REVIEW -- Describe when, by whom, and in what manner (a) the site for this proposed work was inspected and (b) records of local utility providers were reviewed on behalf of the bidder (NOTE: Failure to demonstrate diligent effort in ascertaining local conditions which may affect the Work will render this Proposal informal or nonresponsive and may result in its rejection):

3-27-17 @ 10:00 AM by Alan Sabaei during the job walk-through following the pre-bid meeting. Records of local utility providers were reviewed by Alan Sabaei, as well, during said meeting & job walk.

COMPARABLE PROJECT EXPERIENCE -- In accordance with Section I-5 of the Instructions to Bidders, describe at least six (6) comparable projects completed by bidder within past thirty-six (36) month period, including dates completed, location of work, size of project in dollars, names, addresses, and phone numbers of persons in charge of project construction, and the name and address of the public agency or firm for whom the project was constructed (NOTE: Failure to include at least six (6) jobs similar in size and scope to that contemplated under the Contract Documents will render this Proposal informal or non-responsive and may result in its rejection):

See Exhibit "A" - Attached

For All Projects - Project Construction - Personnel

Name	Address	Phone Numbers
Michael Sabzevari	4371 Latham St., Suite 204, Riverside, CA 92501	818-254-669
Shawn Horton	4371 Latham St., Suite 204, Riverside, CA 92501	818-535-0998

Exhibit “A”

“Reference Projects”

PROJECT NAME	Contract Price	Type of Work	Year of Completion	Date of Completion	Owner/ Architect/Construction Manager	Contact Name	Phone Number
WALNUT CREEK SPREADING BASIN	1,395,266	Mechanical Pump Station	2017	6/1/2017 55% Complete	County of Los Angeles - PWD	Sohrab Aghaei	626-786-5809
West Coast Basin Barrier Project	5,971,303	Pump Station	2017	3/27/2017	County of Los Angeles - PWD	Victor Bermudez	626-688-8275
Unit 12 — Injection and Observation Wells							
Robert B Diemer WTP East Basin Rehabilitation	21,524,084	Mechanical Pump Station	2017	7/1/2017 85% Complete	MWD	Alex Siveira	818-918-8433
Torrance Storm Water Basins	3,725,651	Mechanical Storm Channel	2015	9/21/2015	City of Torrance PWD	Mariano Pineda John Dettle	714-351-3227 310-618-3059
Fountain Valley Booster Station	3,931,822	Mechanical Pump Station	2015	9/30/2015	City of Fountain Valley	Mike Green	714-593-4607
San Antonio Creek Spreading Ground Rehabilitation	2,022,000	Mech. Pump Station Site Development Storm Channel	2014	10/4/2014	County of Ventura - PWD	Peter Sheydael	805-654-2016
Dominguez Gap Spreading Ground	478,461	Site Development Storm Channel	2014	3/3/2014	Los Angeles County - DPW	Tim Bazinet	626-458-2185

ENVIRONMENTAL REFERENCE PROJECTS - MECHANICAL / PUMP STATION

	PROJECT NAME	Contract Price	Year of Completion	Owner/ Architect/Construction Manager	Contact Name	Phone Number
243	Fire Station 69 Septic Tank	356,978	2013	LA County Public Work	Crystal Munson	626-300-3263
248	Yorba Linda Blvd. Pump Station	1,581,179	2014	Yorba Linda Water District	Steve Conklin	714-701-3100
253	West Valley Feeder No.1 Valve Modification	415,000	2014	MWD	Brian May	909-392-5140
255	Gilbert Street Wellhead	887,879	2014	City of San Bernardino Municipal Water Department	Rubin Ohamo	909-384-5141
257	San Antonio Creek Spreading Ground Rehabilitation	2,022,000	2014	County of Ventura - PWD	Peter Sheydaei	805-654-2016
258	Maerkle Reservoir Pressure Ctr	1,094,652	2014	City of Carlsbad	Scott Fisher	760-602-2780
264	Fountain Valley Booster Station	3,931,822	2015	City of Fountain Valley	Mike Green	714-593-4607
265	Torrance Storm Water Basins	3,725,651	2015	City of Torrance PWD	Mariano Pineda John Dettle	714-351-3227 310-618-3059
266	Miscellaneous Wellfield Improvements	2,465,682	2015	Calleguas Municipal Water District	Cesar Romero	805-579-7175
268	RP-2 Drynig Bed Rehabilitation	714,822	2015	Inland Empire Utility Agency	Ryan walker	909-993-1710
272	Trunk Line Odor Control Improvements	5,344,626	I.P.	Orane County Sanitation District	Sara Strader	714-596-7452
276	Castle Road Pump Station	834,693	I.P.	City of La Canada	Douglas M. Caister	818-790-6749
277	Equipping Well 21 and Related Site Work	1,348,851	I.P.	City of Vernon	Scott Rigg	323-583-8811 x 279
278	Robert B Diemer WTP East Basin Rehabilitation	21,524,084	I.P.	MWD	Alex Siveira	818-918-8433

CONTRACTOR'S LICENSING STATEMENT

The undersigned is licensed in accordance with the laws of the State of California providing for the registration of Contractors.

Contractor's License Number(s), Type(s) and Expiration Date(s): 998624 / A, B, C10,
C27, HA2, ASB

Expiration Date: 1-31-19

Name of Individual Contractor (print or type): _____

Signature of Owner: _____

Business Address: _____

or

Name of Partnership or Firm: _____

Business Address: _____

Signature, name, title and address of partners signing on behalf of the partnership:

Signed: _____ Name: _____

Title: _____ Address: _____

Signed: _____ Name: _____

Title: _____ Address: _____

Signed: _____ Name: _____

Title: _____ Address: _____

or

Name of Corporation: Environmental Construction, Inc.

Business Address: 21550 Oxnard St., Suite 1050, Woodland Hills, CA 91367

Corporation organized under the laws of the State of California

SEAL

Farid Soroudi - Secretary


Signature of Secretary of Corporation

NOTE: CURRENT COPIES OF ALL APPLICABLE LICENSES MUST BE ATTACHED TO THIS PROPOSAL.

PROPOSAL
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CONTRACTORS
STATE LICENSE BOARD
ACTIVE LICENSE



License Number **498624**

Entity **CORP**

Business Name **ENVIRONMENTAL CONSTRUCTION
INC**

Classifier(s) **A B C27 HAZ C10 ASB**

Expiration Date **01/31/2019**

www.cslb.ca.gov



LIST OF SUBCONTRACTORS

The bidder is required to furnish the following information in accordance with the provisions of Sections 4100 to 4114, inclusive, of the Public Contract Code of the State of California.

Subcontractors must be listed if they will provide work, labor or service in an amount in excess of one-half (1/2) of one percent (1%) of the total bid.

THAT PORTION OF THE WORK TO BE PERFORMED BY SUBCONTRACTORS SHALL, IN THE AGGREGATE, NOT EXCEED 40% OF ALL WORK PERFORMED, BASED UPON THE TOTAL DOLLAR VALUE OF THE WORK.

[illegible]

(NOTE: THE FOLLOWING FORM SHALL BE USED IN CASE CHECK OR CASH ACCOMPANIES BID.)

BID SECURITY FORM

(Check or Cash to Accompany Bid)

Accompanying this Proposal is

(check one)

- ☐ Cash
- ☐ Certified check payable to the order of Palmdale Water District ("Owner")
- ☐ Cashier's check payable to the order of Palmdale Water District ("Owner")

in the amount of \$_____, this amount being not less than ten percent (10%) of the total amount of the bid (hereinafter referred to as "Bid Security").

The Bid Security shall become the property of the Owner provided this Proposal is accepted by the Owner through action of its legally constituted contracting authorities and the undersigned shall fail to execute a contract and furnish the required Performance and Payment Bonds, proof of insurance coverage, and other information requested and set forth in the Instructions to Bidders within the time set forth in the Contract Documents; otherwise, the Bid Security shall be returned to the undersigned. The Bid Security shall also become the property of the Owner if the undersigned withdraws their bid within forty-five (45) days after the date set for bid opening, and notwithstanding the award of the contract to another bidder.

BIDDER

(NOTE: IF THE BIDDER DESIRES TO USE A BOND INSTEAD OF CHECK OR CASH, THE BID BOND FORM ON THE FOLLOWING PAGES SHALL BE EXECUTED -- THE SUM OF THIS BOND SHALL BE NOT LESS THAN 10 PERCENT OF THE TOTAL AMOUNT OF THE BID.)

PROPOSAL
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MANDATORY FORM

(NOTE: THE FOLLOWING FORM SHALL BE USED WHERE THE BIDDER
DESIRES TO FURNISH A BOND INSTEAD OF CHECK OR CASH.)

BID SECURITY FORM

BID BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, Environmental Construction, Inc. as principal
and Vigilant Insurance Company as
surety, are held and firmly bound unto Palmdale District (hereinafter "Owner,") in the sum
of \$ 10.0% of bid, to be paid to the Owner, its successors, and assigns, for which
payment, well and truly to be made, we bind ourselves, our heirs, executors,
administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the certain Proposal of
the above Principal for construction of the Groundwater Recharge and Recovery Project
as specifically set forth in documents entitled Specification No. 1701 – Construction of
the Palmdale Regional Groundwater Recharge and Recovery Project: Phase 2 Testing

all in accordance with the Contract Documents, including specifications and drawings on
file at the offices of the Owner, is not withdrawn within the period of 45 days after the date
set for the opening of bids or as otherwise provided in the Special Provisions, notwith-
standing the award of the contract to another bidder, and that if said Proposal is accepted
by the Owner through action of its legally constituted contracting authorities and if the
above bound principal, its heirs, executors, administrators, successors and assigns, shall
duly enter into and execute a contract for such construction and shall execute and deliver

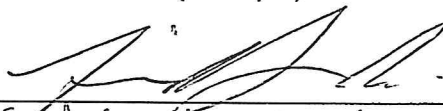
PROPOSAL
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MANDATORY FORM

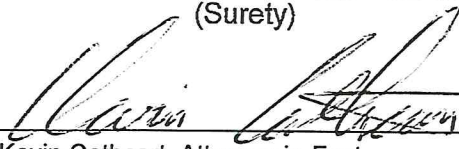
the required Performance and Payment Bonds and proof of insurance coverage within ten (10) days (not including Sundays and holidays) after the date of notifications by and from said Owner, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

IN WITNESS WHEREOF, we hereunto set our hands and seals this day of April 10, 20 17.

Environmental Construction, Inc. _____ (SEAL)
(Principal)

By 
Farid Soroudi - President

Vigilant Insurance Company _____ (SEAL)
(Surety)

By 
Kevin Cathcart, Attorney-in-Fact

NOTE:

- (1) This bid bond form is a **mandatory form**.
- (2) The bid bond form should specify an exact number of dollars which shall not be less than ten percent (10%) of the total amount of the bid.
- (3) The bid bond form must be acknowledged before notary publics, and a legally sufficient power of attorney must be attached to the bid bond to verify the authority of the party signing on behalf of the surety.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)
On 4-10-17 before me, ALAN SAFAEI (NOTARY PUBLIC)
Date Here Insert Name and Title of the Officer
personally appeared FARID SOROURI
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Alan Safaei
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Orange)

On 4/10/17 before me, Barbara Copeland, Notary Public,

personally appeared Kevin Cathcart

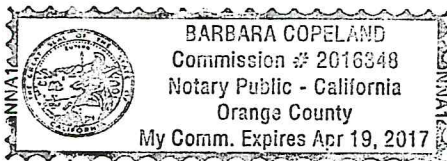
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Barbara Copeland
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could present fraudulent and reattachment of this form to another document.

Description of Attached Document

Type or Title of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Kevin Cathcart

- ☐ Individual
- ☐ Corporate Officer – Title(s): _____
- ☐ Partner: ☐ Limited ☐ General
- ☒ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Individual
- ☐ Corporate Officer – Title(s): _____
- ☐ Partner: ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____



**Chubb
Surety**

**POWER
OF
ATTORNEY**

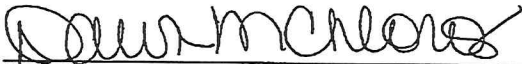
**Federal Insurance Company
Vigilant Insurance Company
Pacific Indemnity Company**

**Attn: Surety Department
15 Mountain View Road
Warren, NJ 07059**

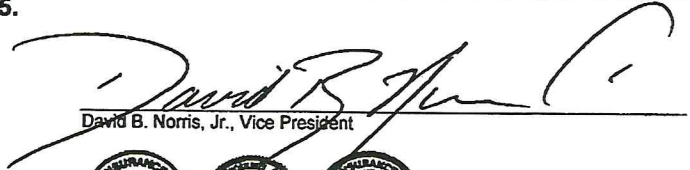
Know All by These Presents, That **FEDERAL INSURANCE COMPANY**, an Indiana corporation, **VIGILANT INSURANCE COMPANY**, a New York corporation, and **PACIFIC INDEMNITY COMPANY**, a Wisconsin corporation, do each hereby constitute and appoint **Shawn Blume, Kevin Cathcart, Eric Lowey, Stephanie Hoang and Mark Richardson** of Costa Mesa, California-----

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** have each executed and attested these presents and affixed their corporate seals on this **29th** day of **April, 2015**.



Dawn M. Chloros, Assistant Secretary



David B. Norris, Jr., Vice President



STATE OF NEW JERSEY

SS.

County of Somerset

On this **29th** day of **April, 2015** before me, a Notary Public of New Jersey, personally came Dawn M. Chloros, to me known to be Assistant Secretary of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY**, the companies which executed the foregoing Power of Attorney, and the said Dawn M. Chloros, being by me duly sworn, did depose and say that she is Assistant Secretary of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By-Laws of said Companies; and that she signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that she is acquainted with David B. Norris, Jr., and knows him to be Vice President of said Companies; and that the signature of David B. Norris, Jr., subscribed to said Power of Attorney is in the genuine handwriting of David B. Norris, Jr., and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Notarial Seal



KATHERINE J. ADELAAR
NOTARY PUBLIC OF NEW JERSEY
No. 2316685
Commission Expires July 16, 2019



Notary Public

CERTIFICATION

Extract from the By-Laws of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY**:

"All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

I, Dawn M. Chloros, Assistant Secretary of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** (the "Companies") do hereby certify that

- (i) the foregoing extract of the By-Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in the U.S. Virgin Islands, and Federal is licensed in, Guam, Puerto Rico, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this **April 10, 2017**





Dawn M. Chloros, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903-3493 Fax (908) 903-3656 e-mail: surety@chubb.com

MANDATORY FORM

TO BE EXECUTED BY EACH BIDDER

NON-COLLUSION AFFIDAVIT

STATE OF CALIFORNIA)
)SS
COUNTY OF Los Angeles)

Farid Sorandi, being first duly sworn, declares that he/she is
President ^[NAME] of Environmental Construction, Inc.
(SOLE OWNER, A PARTNER, PRESIDENT, SECRETARY, ETC.) [IDENTITY OF BIDDER]

the party submitting a bid for a contract covering Specification No. 1701 – Construction of the Palmdale Regional Groundwater Recharge and Recovery Project: Phase 2 Testing

(DESCRIBE NATURE OF CONTRACT)

that such a bid is not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization, or corporation; that such bid is genuine and not collusive or sham; that said bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, nor that anyone shall refrain from bidding; that said bidder has not in any manner, directly or indirectly, sought by agreement, communications or conference with anyone to fix the bid price of said bidder or any other bidder, nor to fix any overhead, profit, or cost element of such bid price, nor of that of any other bidder, nor to secure any advantage against the public body awarding the contract or anyone interested in the proposed contract; that all statements contained in such bid are true; and, further, that said bidder has not, directly or indirectly, submitted their bid price or any breakdown thereof, nor the contents thereof, nor divulged information or data relative thereto, nor paid and will not pay any fee in connection therewith to any corporation, partnership, company, association, organization, bid depository, nor to any member or agent thereof, nor to any other individual except to such person or persons as have a partnership or other financial interest with said bidder in their general business.

Dated: 9-10-17

Signed: [Signature]
President - Farid Sorandi
[TITLE]

Subscribed and sworn to before me this ____ day of _____, 20____, by

_____, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Notary Public

SEAL

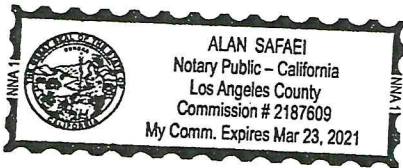
PROPOSAL
PAGE P-13

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)
On 4-10-17 before me, ALAN SAFAEI (NOTARY public),
Date Here Insert Name and Title of the Officer
personally appeared FARID Soroudi
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Alan Safaei
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

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Title or Type of Document: _____

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Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

P A L M D A L E W A T E R D I S T R I C T
B O A R D M E M O R A N D U M

DATE: April 20, 2017 **April 26, 2017**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Matt Knudson, Assistant General Manager
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM 7.8 – CONSIDERATION AND POSSIBLE ACTION ON
AMENDMENT NO. 2 TO THE COST RECOVERY AGREEMENT WITH
THE UNITED STATES FOREST SERVICE FOR THE LITTLEROCK
RESERVOIR SEDIMENT REMOVAL PROJECT. (\$100,000.00 –
BUDGETED – ASSISTANT GENERAL MANAGER KNUDSON)***

A report on this item will either be hand-delivered prior to the Board meeting or presented at the meeting.

P A L M D A L E W A T E R D I S T R I C T
B O A R D M E M O R A N D U M

DATE: April 19, 2017 April 26, 2017
TO: BOARD OF DIRECTORS Board Meeting
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.9 – CONSIDERATION AND POSSIBLE ACTION
TO AUTHORIZE THE FORMATION OF AN AD HOC COMMITTEE TO
ASSIST IN PLANNING THE DISTRICT’S 100TH YEAR ANNIVERSARY.
(PRESIDENT ALVARADO)***

Staff has formed a Committee to plan and coordinate events for the District’s 100th year anniversary in July, 2018. An Ad Hoc Committee of the Board can provide assistance with this planning.

Strategic Plan Initiative:

This item is under Strategic Initiative No. 5 – Regional Leadership.

MINUTES OF REGULAR MEETING OF THE COMMISSIONERS OF THE ANTELOPE VALLEY STATE WATER CONTRACTORS ASSOCIATION, MARCH 9, 2017.

A regular meeting of the Commissioners of the Antelope Valley State Water Contractors Association was held Thursday, March 9, 2017, at the Palmdale Water District at 2029 East Avenue Q, Palmdale. Chair Parris called the meeting to order at 7:03 p.m.

1) Pledge of Allegiance.

At the request of Chair Parris, Commissioner Alvarado led the pledge of allegiance.

2) Roll Call.

Attendance:

Robert Parris, Chair
Barbara Hogan, Vice Chair
Leo Thibault, Treasurer-Auditor
Keith Dyas, Commissioner
Robert Alvarado, Commissioner
Marco Henriquez, Alt. Cmsnr.

Others Present:

Matt Knudson, AVSWCA General Mngr.
Tom Barnes, Controller
Dwayne Chisam, AVEK General Mngr.
James Chaisson, LCID General Mngr.
Dennis Hoffmeyer, Accounting Supervisor
Danielle Henry, Administrative Assistant
0 members of the public

EXCUSED ABSENCE --

Kathy Mac Laren, Secretary

3) Public Comments for Non-Agenda Items.

There were no public comments.

4) Consideration and Possible Action on Minutes of Regular Meeting Held February 9, 2017.

It was moved by Commissioner Alvarado, seconded by Commissioner Hogan, and carried by a 4-0-2 vote, with Chair Parris and Alt. Commissioner Henriquez abstaining, to approve the minutes of the regular meeting held February 9, 2017, as written.

5) Payment of Bills.

Commissioner Thibault reviewed the bills received for payment and then moved to pay the bills received as presented from PWD in the amount of \$2,089.79 for staff services, from AVEK in the amount of \$788.70 for staff services, from AV Web Designs in the amount of \$199.95 for the recurring monthly AVSavesWater.com website charge for March, 2017 as well as \$999.90 for June and July of 2016, and from the Antelope Valley Fair Association in the amount of \$24,000.00 for costs associated with the 2016 SMART Landscaping Expo. The motion was seconded by Commissioner Dyas and unanimously carried by all members of the Board of Commissioners present at the meeting.

Commissioner Thibault then reviewed and moved to approve ratification of the payment made to the United States Geological Survey (USGS) in the amount of \$44,400.00 for the quarterly billings for cooperative water resources investigations per the Joint Funding Agreement between the Association and USGS. The motion was seconded by Alt. Commissioner Henriquez and unanimously carried by all members of the Board of Commissioners present at the meeting.

6) Presentations on Antelope Valley-East Kern Water Agency and Palmdale Water District Groundwater Banking Projects. (General Manager Knudson/Controller Barnes)

General Manager Knudson provided a detailed overview of Palmdale Water District's proposed Palmdale Regional Groundwater Recharge and Recovery Project (PRGRRP) including a brief history of PWD, the goals of the Project, the existing and future water demand and supply, and the proposed PRGRRP infrastructure components followed by a brief discussion of the current property owners of the proposed project site and of Los Angeles County Sanitation District.

Controller Barnes then provided a detailed overview of Antelope Valley-East Kern Water Agency's water banking projects including the state water supply, the current and future water banking projects and facilities, and the past, present and future water reliability followed by a brief discussion of water bank capacities and recharge rates.

Chair Parris then suggested that the three member agencies focus on potential partnerships for future joint projects that would benefit the entire Antelope Valley, and

after a brief discussion of each member agency's infrastructure and resources, of the existing interconnections, of regional grant opportunities, and of the joint Amargosa Creek Recharge Project, it was determined that staff work together to combine a visual overlay of each member agency's infrastructure as a starting point to plan for potential future interconnections and banking projects.

7) Discussion and Possible Action on 2017 Association Goals. (General Manager Knudson)

Chair Hogan stated that LCID's Board reviewed and are in favor of the proposed 2017 Association Goals after which the Commissioners concurred with the 2017 Association Goals as recommended by staff.

8) Discussion and Possible Action on Agreement Related to Regional Exchange of Water from the State Water Project. (General Manager Knudson/Controller Barnes)

Controller Barnes stated that staff continues to work with new contacts at the Department of Water Resources (DWR) on the proposed agreement for regional exchange of water from the State Water Project between the member agencies and progress is anticipated by the time of the next meeting.

Commissioner Thibault then stated that an emergency agenda item to approve transfer of the Association's bank accounts from Wells Fargo Bank to Citizens Business Bank with Commissioners Barbara Hogan, Leo Thibault, Keith Dyas, Robert Parris, Kathy Mac Laren and Robert Alvarado as the authorized signers for the accounts arose this evening due to the recent discovery of fraudulent checks written against one of the Association's bank accounts and requires action prior to the time of the next meeting and then moved to approve this transfer. After a brief discussion of Brown Act requirements and of adding a standing Adoption of Agenda item to all future agendas, Commissioner Thibault withdrew his motion for lack of a second.

Commissioner Thibault then moved to add "Agenda Item No. 8.1) Consideration and Possible Action on Transfer of the Association's Bank Accounts from Wells Fargo Bank to Citizens Business Bank" as an emergency agenda item. The motion was seconded by Alt. Commissioner Henriquez and unanimously carried by all members of the Board of Commissioners present at the meeting.

8.1) Consideration and Possible Action on Transfer of the Association's Bank Accounts from Wells Fargo Bank to Citizens Business Bank.

It was moved by Commissioner Thibault to approve transfer of the Association's bank accounts from Wells Fargo Bank to Citizens Business Bank with Commissioners Barbara Hogan, Leo Thibault, Keith Dyas, Robert Parris, Kathy Mac Laren and Robert Alvarado as the authorized signers for the account, and after a brief discussion of the difficulties of working with Wells Fargo and of the professionalism and exceptional customer service offered from Citizens Business Bank, the motion was seconded by Commissioner Dyas unanimously carried by all members of the Board of Commissioners present at the meeting.

9) Report of General Manager.

a) Update on Revenue, Expenditures and Change in Net Position.

General Manager Knudson provided a brief update of the Association's finances and stated that the accounts from Wells Fargo have been closed and funds will officially be transferred to Citizens Business Bank and that staff is in the process of working with the Integrated Regional Water Management Plan (IRWMP) Advisory Group on an amendment to the Memorandum of Understanding (MOU) to replenish IRWMP funds.

b) Update on Antelope Valley Watermaster Meetings.

General Manager Knudson stated that the Antelope Valley Watermaster Board met this week regarding Watermaster Engineer candidates; that they will meet again with the preferred candidate, Todd Groundwater, on March 28, 2017; and that a final decision to hire a Watermaster Engineer is anticipated at their March 30, 2017 meeting.

He then briefly reviewed the current Northern Sierra Precipitation Index Report.

10) Report of Controller.

Controller Barnes stated that he has nothing further to report.

11) Reports of Commissioners.

Commissioner Thibault reported that the National Geographic channel will be airing a documentary titled "Water & Power: A California Heist" on March 14, 2017 at 9 p.m.

Commissioner Hogan then stated that she will be out of the country for the next two meetings.

Commissioner Alvarado then extended an invitation to attend the Annual Emergency Preparedness Fair on March 18, 2017 at the Palmdale Church of Latter-Day Saints from 9 a.m. to 12 p.m.

There were no further reports.

12) Report of Attorney.

No attorney was present.

13) Commission Members' Requests for Future Agenda Items.

It was determined that "Adoption of Agenda" and "Status Update on Member Agency Joint Projects" be added as standing items on all future agendas.

General Manager Knudson then stated that "Presentation on the Amargosa Creek Recharge Project" will be added to April's meeting agenda.

There were no further requests for future agenda items.

14) Consideration and Possible Action on Scheduling the Next Association Meeting. (April 13, 2017)

It was determined that the next regular meeting of the Association will be held April 13, 2017 at 7:00 p.m. at PWD.

ANTELOPE VALLEY STATE WATER CONTRACTORS ASSOCIATION
MARCH 9, 2017
REGULAR MEETING

15) **Adjournment.**

There being no further business to come before the Commissioners, it was moved by Commissioner Alvarado, seconded by Commissioner Dyas, and unanimously carried by all members of the Board of Commissioners present at the meeting to adjourn the regular meeting of the Commissioners of the Antelope Valley State Water Contractors Association at 8:16 p.m.



Chair

PALMDALE WATER DISTRICT

BOARD MEMORANDUM

DATE: April 19, 2017 April 26, 2017
TO: BOARD OF DIRECTORS Board Meeting
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: *AGENDA ITEM NO. 8.2 – April, 2017 General Manager Report*

The following is the April report to the Board of activities through March, 2017. It is organized to follow the District's six strategic initiatives adopted in 2016 & 2017 and is intended to provide a general update on the month's activities. A summary of the initiatives is as follows:



Water Resource Reliability

2015 Urban Water Management Plan, drought response
Palmdale Regional Groundwater Recharge & Recovery Project
Littlerock Reservoir Sediment Removal Project
Recycled water allocation and use



Organizational Excellence

Maintain formal management/supervisor training and development program
Maintain competitive compensation and benefits package
Employee wellness program; Succession planning
Board/staff events to develop innovative ideas and awards



Systems Efficiency

Water system Master Plan update and related EIR
Reinvestment in aging infrastructure
Investment, implementation, and training plan for new technology
Computerized maintenance management software (CMMS)



Financial Health and Stability

Pursue Federal and State funding opportunities
Sustainable and balanced rate structure
Maintain adequate reserve levels
Maintain high level bond rating



Regional Leadership

Create a regional best practices Antelope Valley partnership
Enhance community partnerships and expand school programs in water education
Emphasize the importance and long history of the District as a community asset
Continue to evaluate District internship needs



Customer Care and Advocacy

Customer Care accessibility through automation
Evaluate, develop, and market additional payment options
Improve customer account management tools
Enhance customer experience through assessment of infrastructure, processes, and policies to maximize the customer care experience

This report also includes charts that show the effects of the District's efforts in several areas. They are now organized within each strategic initiative and include status of the drought, upcoming State Water Resources Control Board's (SWRCB) long-term conservation orders, 20 x 2020 status, the District's total per capita water use trends, 2017 water production and customer use graph, mainline leaks, and the water loss trends for both 12 and 24 month running averages.



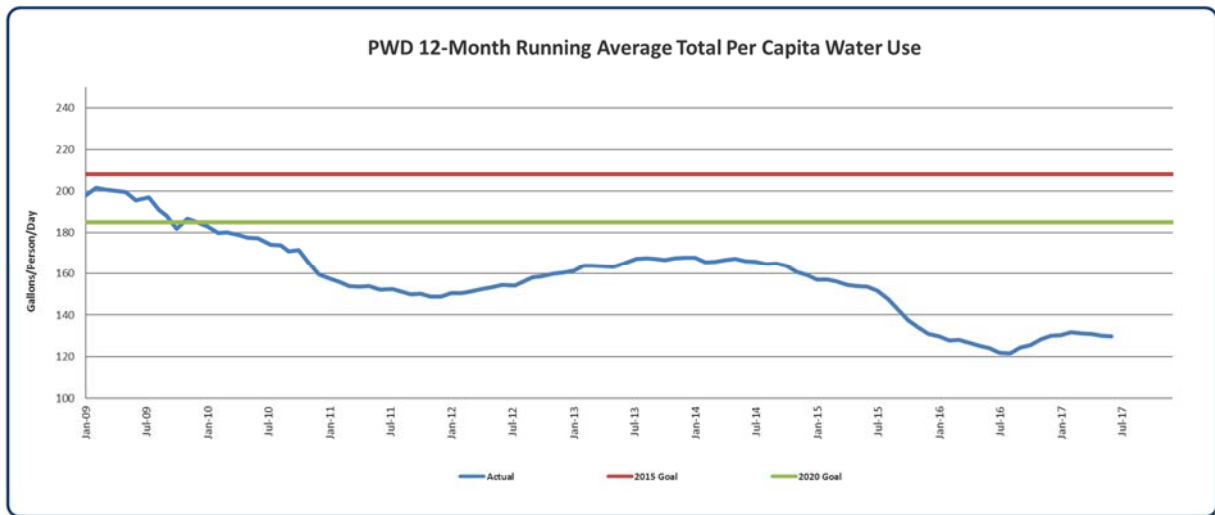
Water Resource Reliability

This initiative includes conservation efforts, water supply projects, and water planning. Recent highlights are as follows:

2015, 2016, and 2017 SWRCB Emergency Drought Orders and Long-Term Water Use

- On April 7, 2017, Governor Brown officially declared the drought over for all but four (4) counties in the State of California. The SWRCB is expected to continue relaxing its requirements. However, public water agencies must continue monthly reporting. It is also drafting long-term water use regulations. The draft regulations would develop agency water budgets and deadlines for compliance. They also are anticipated to replace the 20 x 2020 per capita reduction goals passed by the legislature in 2009. The District has submitted a comment letter and ACWA has been very active in the process. A concern at this point is whether the requirements and goals will be set by the SWRCB or the legislature. ACWA's and the District's preference is the legislature.

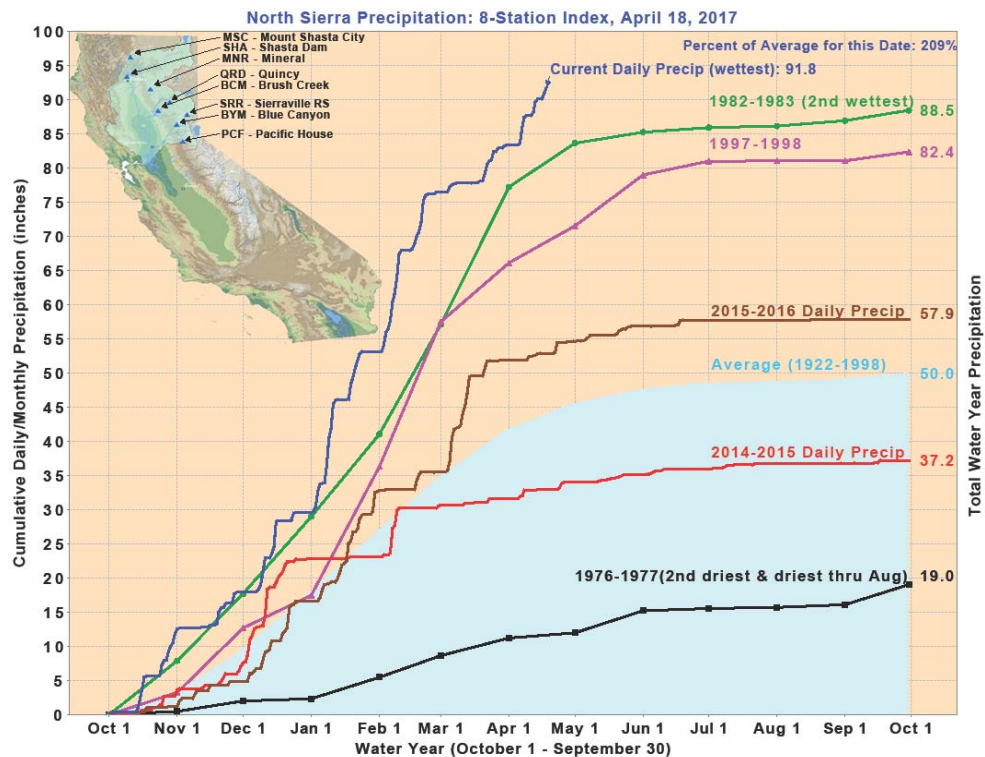
The District's compliance with the 20 x 2020 law is evident from the chart titled "PWD 12-Month Running Average Total Per Capita Water Use.":



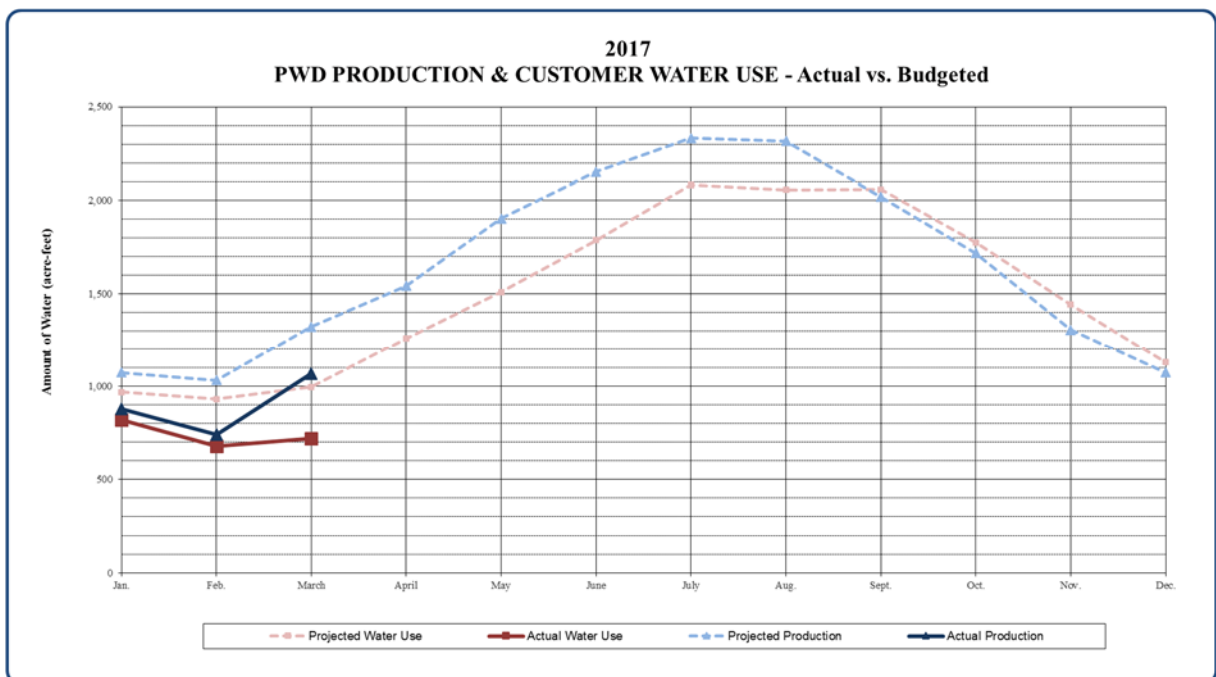
The District's customers have cut their water use by nearly 44% from the baseline number of 231 and met the 2020 Goal in early 2010. The current Total-GPCD is 130.

Water Supply Information

- The staff has planned water resources for 2017 based on the current State Water Project allocation of 60%. The allocation was increased to 85% on April 14, 2017. The 2016-2017 water year is now a record for Northern California as shown in the following graph.



- The local water supply is much better than in recent years. As of this date, Littlerock Dam is spilling for the first time in years. The District began transferring water to Palmdale Lake on April 3, 2017 for the first time since 2015.
- Water and Energy Resources staff prepared a plan for 2017 that incorporates available water with the anticipated water usage. The following graph shows actual amounts through March and monthly projections for both production and consumption, based on the prior five years of actual monthly information, for the entire year. It is anticipated that this year's consumption and production pattern will continue to move back into a more-normal pattern.



Other Items

- The Littlerock Reservoir Sediment Removal Project Environmental Impact Report/Environmental Impact Statement (EIR/EIS) is nearly fully approved. A meeting with Forest Service staff and Supervisor, District staff, Aspen Environmental, and the Center for Biological Diversity (CBD) was held in late March to answer questions CBD had about the Project. The meeting was successful as the CBD did not file an objection to the Federal NEPA process.

Aspen Environmental has completed working with the Angeles National Forest on drafting the Record of Decision. A final document will be published for the Forest Service to adopt the Record of Decision.

- The public review of the Draft California Environmental Quality Act (CEQA) EIR for the Palmdale Regional Groundwater Recharge and Recovery Project is complete. The Final EIR was certified by the Board on July 13, 2016, and the Notice of Determination was filed on July 14, 2016. The comments from the SWRCB Recycled Water Division on the Title 22 Engineering Report are being addressed. Bids for the construction of monitoring wells and a pilot recharge basin are on this agenda for the Board's consideration and the possible award of a contract.



Organizational Excellence

This initiative includes efforts to restructure staff duties and activities to more efficiently provide service to our customers. Recent highlights are as follows:

- The electronic time keeping software is now being used by staff.
- A policy outlining the preparation of meeting minutes was adopted by the Board at the March 8, 2017 meeting.
- The 2016/2017 Strategic Plan Update is posted in the board room posters and brochure are now complete. A Spanish translation is being worked on also. These boards will be placed in the board room when they are completed.
- An interpreter is provided upon request for public comments at regular Board meetings as an interim policy being in May, 2016. The Board adopted this policy at the March 8, 2017 meeting.
- The Public Affairs Director position was advertised in February and March closing on March 31, 2017. Applicants are being reviewed for further action.

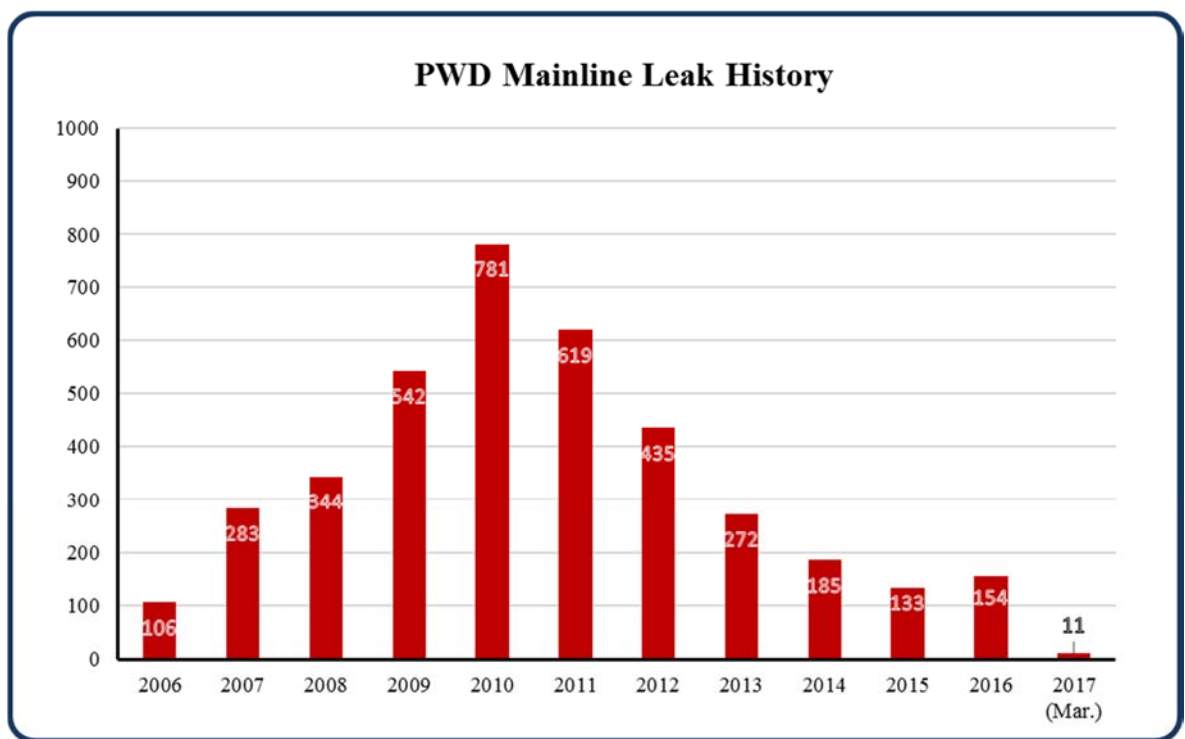


Systems Efficiency

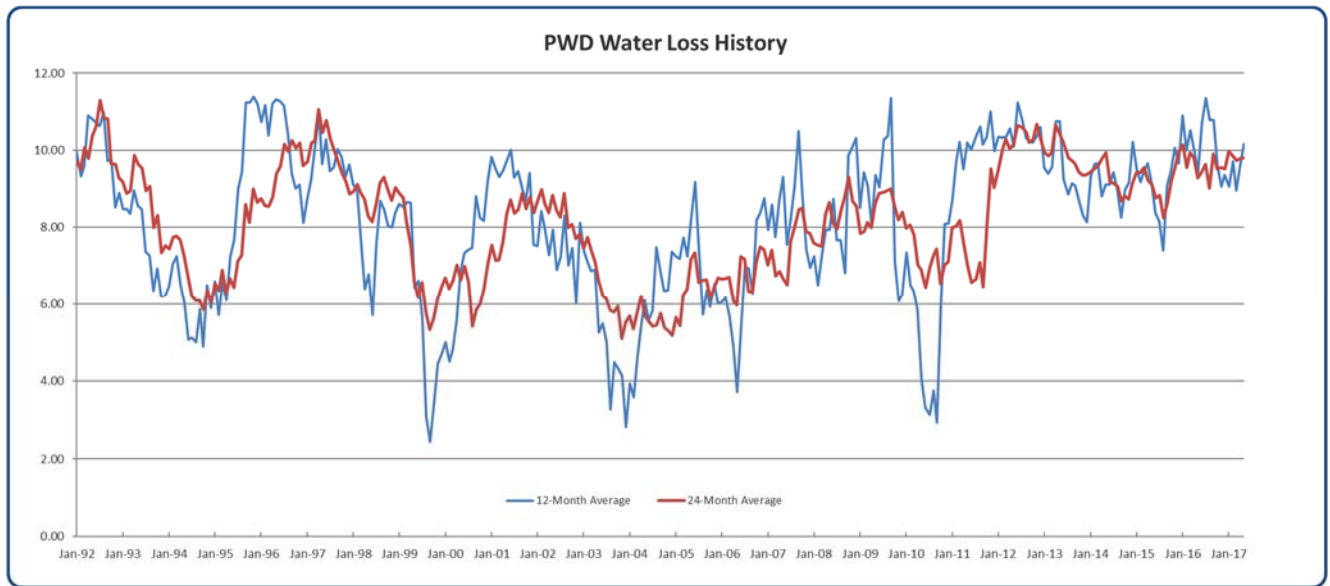
This initiative largely focuses on the state of the District's infrastructure. Recent highlights are as follows:

- Installation of the long awaited security upgrades for the headquarters and maintenance areas is complete. Similar work at the Leslie O. Carter Water Treatment Plant was awarded, a preconstruction meeting was held, and the work will begin soon.

- New water main replacement projects will be completed within the funds available in the 2017 Budget to continue the District's efforts to maintain the water system. The effects of the District's past efforts in replacing failing water mains can be seen in the reduced number of mainline leaks. This is illustrated in the chart titled "Mainline Leak History." The total for 2016 was slightly above, 154 vs. 133, the numbers for 2015. The 2016 service line leaks remained fairly constant at 89. While this is a vast improvement from 2010's number of 781 mainline leaks, replacement work must continue. The mainline leaks through March, 2017 are 11 and service lines 15.



- A replacement project in the area south of Avenue Q near 15th Street East was recently completed.
- The 2016 budgeted meter replacement project of approximately 3,300 meters is partially completed.
- The effect of both water main and water meter replacement is shown on the chart titled "PWD Water Loss History."



Financial Health and Stability

- Engineering staff has successfully applied for planning grant funding for the Palmdale Regional Groundwater Recharge and Recovery Project and for the Phase II pipeline for the Palmdale Recycled Water Authority. Application packages for further funding have been determined to be complete by the State.
- The District applied for a \$75,000 Grant from the Bureau of Reclamation to assist in funding the Cash for Grass Program.
- Water rate changes of 4.25% for 2017, 2018, and 2019 were approved at a Board meeting held November 9, 2016. The resolution is also unique in that it included criteria that, if met, would allow for lesser changes.
- The Board approved the 2017 Budget at the November 23, 2016 meeting.
- Staff is working with the approved Holman Capital on a technology lease agreement to fund \$830,000 in projects. The low interest rate of 2.78% and ability to fund additional repair and replacement projects make this a prudent action.



Regional Leadership

This initiative includes efforts to involve the community, be involved in regional activities, and be a resource for other agencies in the area. Recent highlights are as follows:

- Activities of the Palmdale Recycled Water Authority (PRWA) and Antelope Valley State Water Contractors Association have continued.
- Additional meetings of the Antelope Valley Watermaster Board (AVWB) were recently held with topics including recruiting for the Watermaster Engineer and facilitating the Alternate Landowner director election.
- District staff is active in the local chambers and is on the board of the Palmdale Chamber and GAVEA.
- Staff is developing a plan and budget for a year-long celebration of the District's 100th Anniversary in July, 2018. The draft plan and budget are anticipated to be presented to the Board for consideration in June.



Customer Care and Advocacy

This initiative includes efforts to better serve our customers. Recent highlights are as follows:

- The lobby kiosk is continuing to give customers another choice for making a payment at the District office. Financial staff is purchasing a new kiosk and IVR due to the high transaction processing costs with the current arrangement.
- The ability to make payments at 7-Eleven and Family Dollar Store is also continuing to grow.
- A plan to update and improve the front entrance and lobby was approved by the Facilities Committee in March and work has begun.