

Since 1918



# PALMDALE WATER DISTRICT

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

Fax (661) 947-8604

[www.palmdalewater.org](http://www.palmdalewater.org)

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## 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

May 5, 2016

***Agenda for Regular Meeting  
of the Board of Directors of the Palmdale Water District  
to be held at the District's office at 2029 East Avenue Q, Palmdale  
Wednesday, May 11, 2016  
7:00 p.m.***

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

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

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

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

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



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



- 5.1) Presentation and update on the status of the Littlerock Reservoir Sediment Removal Project. (Director Estes/Engineering/Grant Manager Riley)
- 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 27, 2016.
  - 6.2) Payment of bills for May 11, 2016.
- 7) Action Items - Action Calendar (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.)
  - 7.1) Status report on Cash Flow Statement and Current Cash Balances as of March, 2016. (Financial Advisor Egan)
  - 7.2) Status report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for March, 2016. (Finance Manager Williams)
  - 7.3) Status report on committed contracts issued and water revenue bond projects. (Assistant General Manager Knudson)
  - 7.4) Consideration and possible action on Amendment No. 1 with Kennedy/Jenks Consultants authorizing the 2016 scope of work and budget for the Palmdale Regional Groundwater Recharge and Recovery Project. (\$97,000.00 – Budgeted – Assistant General Manager Knudson)
  - 7.5) Consideration and possible action on authorizing the General Manager to have the District's construction crew complete the El Camino pipeline and appurtenances replacement project under Specification No. 1503. (\$70,000.00 – Budgeted – Assistant General Manager Knudson)
  - 7.6) Consideration and possible action on information regarding a Spanish interpreter for Board meetings. (Director Dino)
  - 7.7) Consideration and possible action on authorization of the following conferences, seminars, and training sessions for Board and staff attendance within budget amounts previously approved in the 2016 Budget:
    - a) TPC Trainco Air Conditioning & Refrigeration to be held June 27 and 28, 2016 in Oakland.
- 8) Information Items:
  - 8.1) Reports of Directors:
    - a) Meetings/General Report.
    - b) Standing Committee/Assignment Reports (Chair):
      - 1) Finance Committee.
  - 8.2) Report of General Manager.
  - 8.3) Report of General Counsel.

- 9) Public comments on closed session agenda matters.
- 10) Break prior to closed session.
- 11) Closed session under:
  - 11.1) Conference with Legal Counsel – Existing Litigation: A closed session will be held, pursuant to Government Code §54956.9 (d)(1), to confer with Special Litigation Counsel regarding pending litigation to which the District is a party. The title of such litigation is as follows: *Antelope Valley Ground Water Cases*.
  - 11.2) Conference with Legal Counsel – Existing Litigation: A closed session will be held, pursuant to Government Code §54956.9 (d)(1), to confer with District General Counsel regarding pending litigation to which the District is a party. The title of such litigation is as follows: *Palmdale Water District v. Lagerlof, et al, Los Angeles County Superior Court Case No. BC 605450*.
  - 11.3) Conference with Legal Counsel – Potential Litigation: A closed session will be held, pursuant to Government Code §54956.9 (d)(4), to confer with District General Counsel to consider whether to initiate litigation, one case.
- 12) Public report of any action taken in closed session.
- 13) Board members' requests for future agenda items.
- 14) Adjournment.



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MATTHEW R. KNUDSON,  
Assistant General Manager

DDL/MRK/dd

# **LITTLE ROCK RESERVOIR SEDIMENT REMOVAL PROJECT**

**Status Update**

Palmdale Water District Board

May 11, 2016



# **NEPA and CEQA Lead Agencies**

## **NEPA Lead Agency for EIS – U.S. Forest Service**

- USFS, Angeles National Forest, Santa Clara/Mojave Rivers Ranger District
- Prepares a Record of Decision (ROD) certifying the EIS if the Project is approved
- Has the authority to issue a special use permit to PWD to construct a grade control structure and excavate sediment from the Littlerock Reservoir

## **CEQA Lead Agency for EIR – Palmdale Water District**

- Board considers certification of EIR
- Board considers approval of Project

# Environmental Review Process

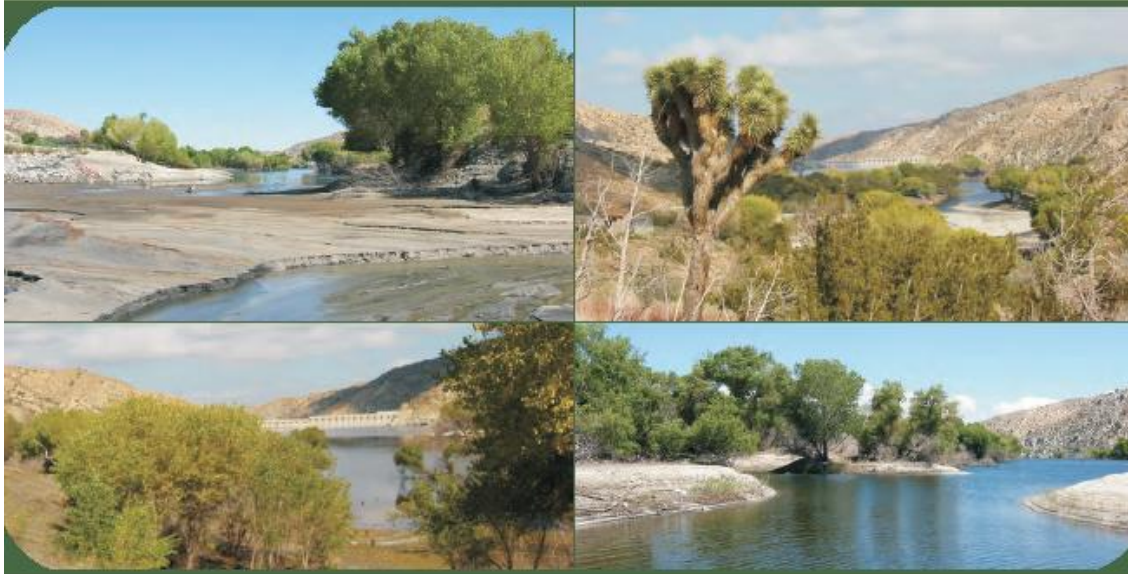
- Fulfill the NEPA and CEQA process requirements by preparing a joint Environmental Impact Statement (EIS) and Environmental Impact Report (EIR)
- Display viable alternative plans
- Assess environmental impacts of the proposed project
- Disclose impacts to the public
- Allow for public and agency review and input

# The EIS/EIR Public Process

- Distribute Notice of Preparation (NOP) and publish a Notice of Intent (NOI) – Early 2014
- Public Scoping Period (March 7 to April 15, 2014)
- Prepare Draft EIS/EIR
- Publish and Circulate the Draft EIS/EIR for public review
  - 45-day public review period per CEQA and NEPA
- Respond to comments and prepare Final EIS/EIR
- After completion of the EIS/EIR process, decision makers can render respective decisions

**Draft Environmental Impact Statement/  
Environmental Impact Report**

**Littlerock Reservoir Sediment Removal Project**  
[SCH No. 2005061171]



Prepared for:



**USDA Forest Services**



**Palmdale Water District**

**May 2016**

# Alternatives Analyzed

- **Proposed Project**
- **Alternative 1**
  - Reduced Yearly Sediment Removal Volume (took more than 13-years to initially restore Reservoir capacity)
- **No Project/No Action Alternative**
- **Alternatives considered but eliminated**
  - due to technical infeasibility,
  - greater environmental impacts, or
  - failure to meet project purpose and needs.

# Project Purpose and Need

- Remove sediment to restore water storage capacity
  - Restores 1,300 AF of lost storage capacity
- Prevent disturbance upstream of Rocky Point to preserve critical habitat of arroyo toad, a federally-listed endangered species

# Project Overview

- Construct a subterranean **grade control structure** at Rocky Point
- **Reservoir Restoration:** Remove approximately 1,165,000 cubic yards of sediment
  - 7 to 12 years, between Labor Day and January
- **Annual Reservoir Maintenance:** Following initial sediment removal, an estimated 38,000 cubic yards removed per year to maintain capacity
  - Permanent activities, between Labor Day and January

# Project Overview

## Removal of Reservoir Sediment



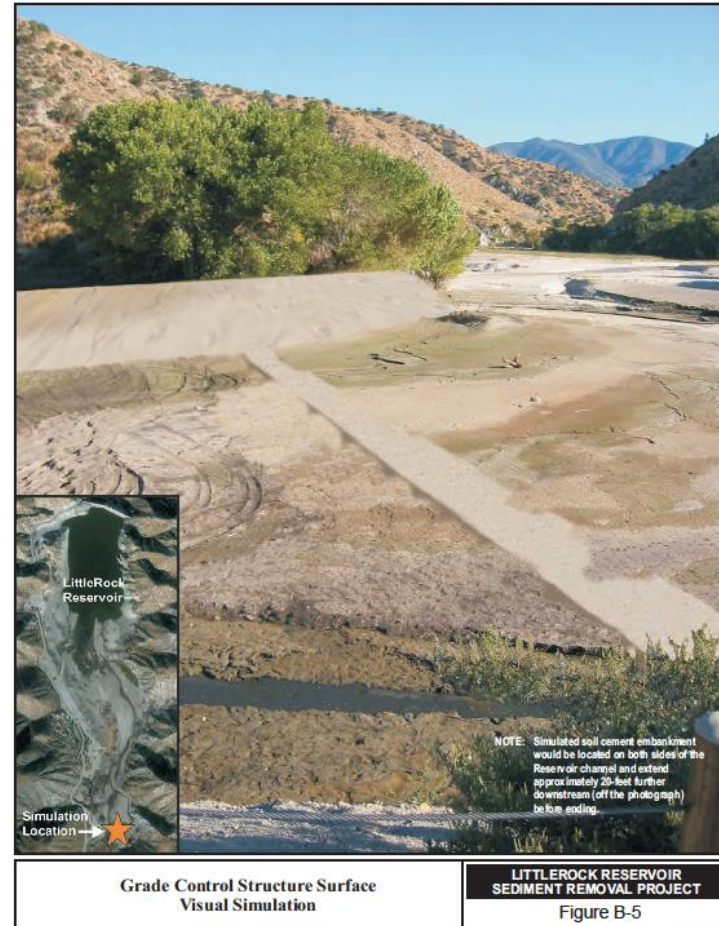
## Rocky Point Grade/Erosion Control



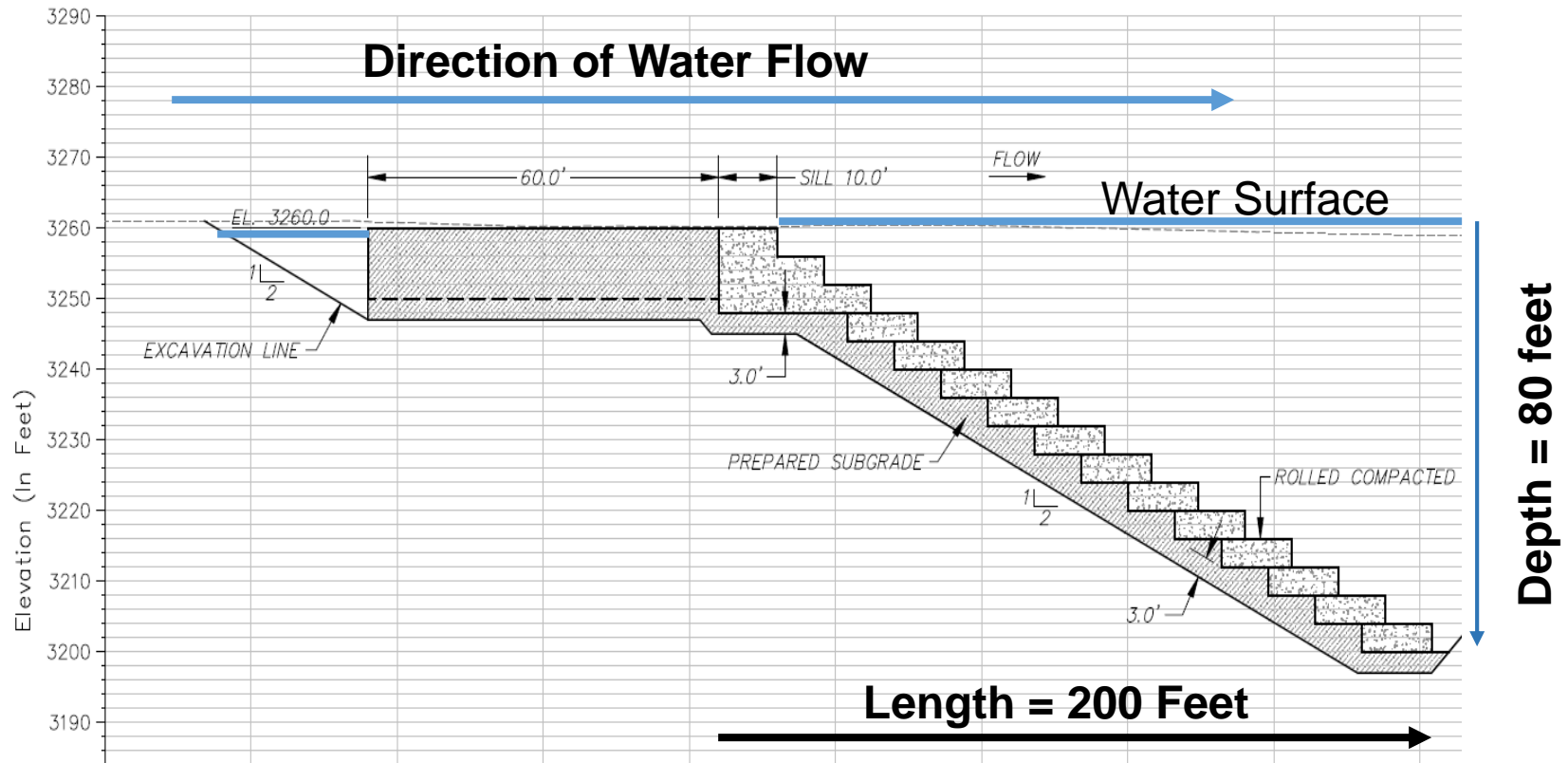


# Rocky Point Grade Control Structure

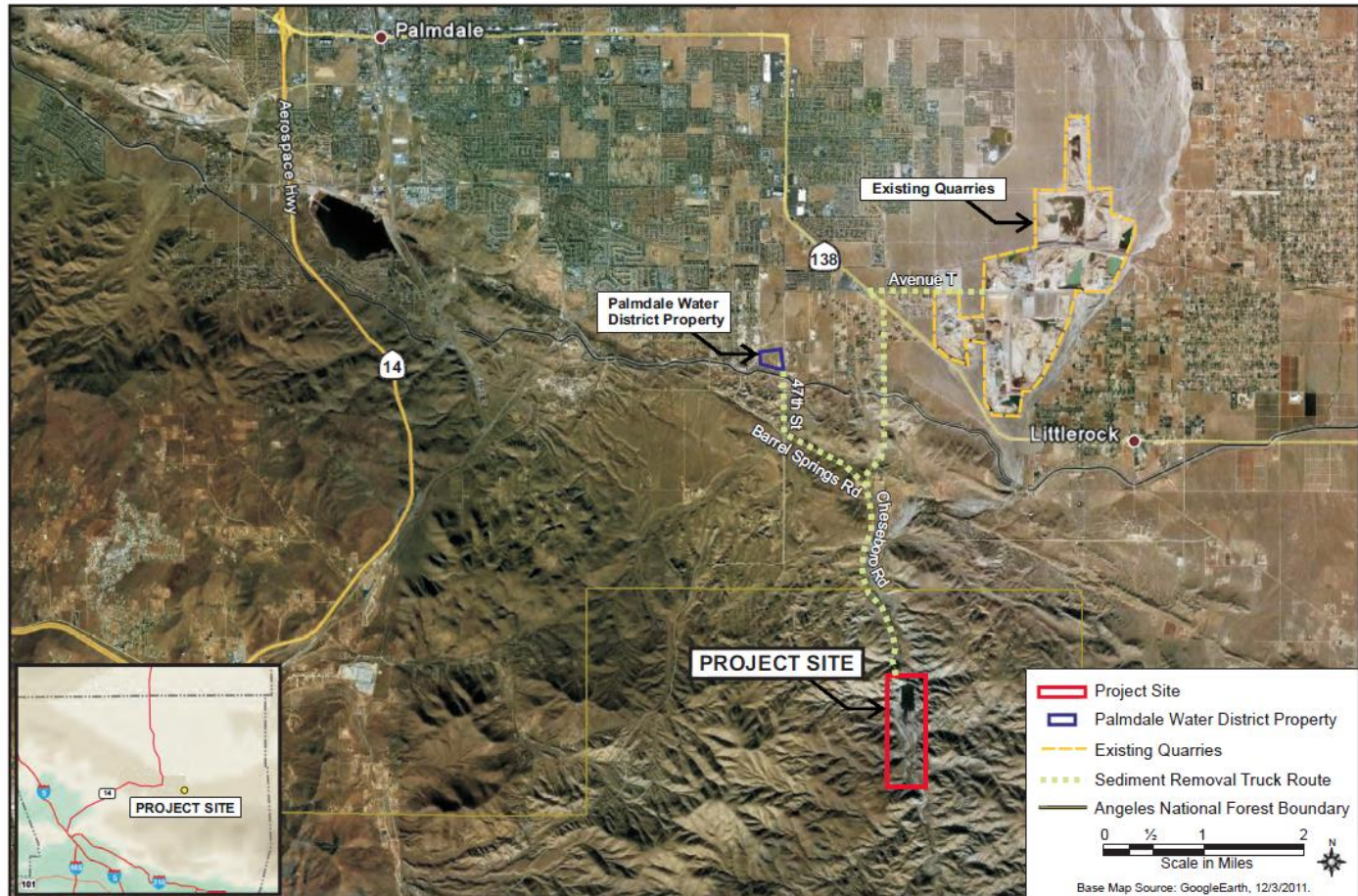
- Prevents erosion
- Protects upstream habitat of Arroyo Toad a federal listed endangered species
- Grade control will be constructed on a 2:1 slope in staircase fashion
- 6,350 cubic yards of concrete
- Stream channel bank protection requires 3,000 cubic yards of concrete



# Schematic of Grade Control Structure At Rocky Point



# Sediment Disposal Areas – quarrie pits and land owned by Palmdale Water District plus dump truck routes



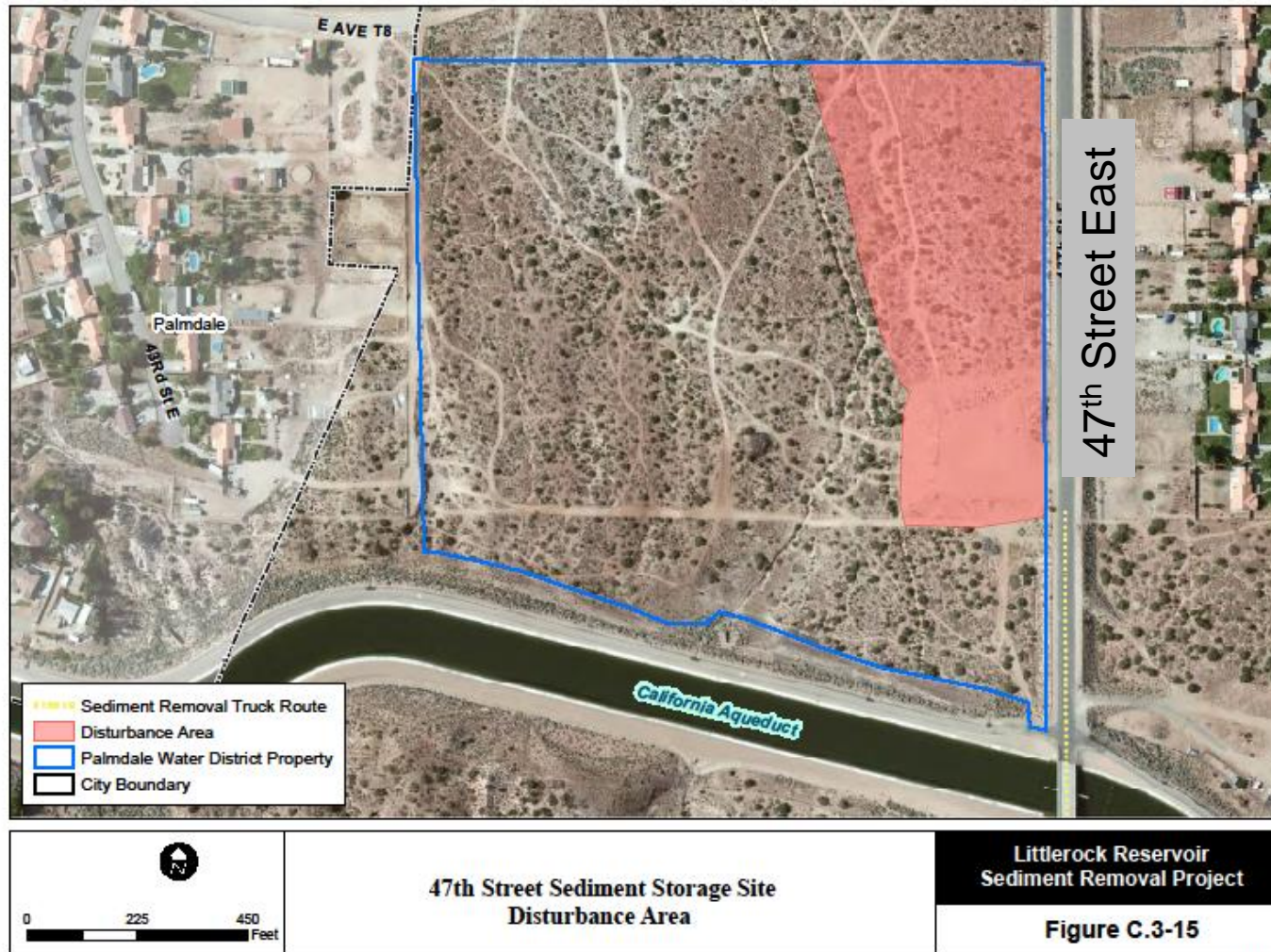
Regional Project Location and  
Sediment Removal Truck Routes

**LITTLEROCK RESERVOIR  
SEDIMENT REMOVAL PROJECT**

Figure B-1



# PWD – Temporary Sediment Storage



10,000  
cubic yards  
temporary  
sediment  
storage

# Sediment Disposal and Truck Traffic

## **Initial Removal of Sediment**

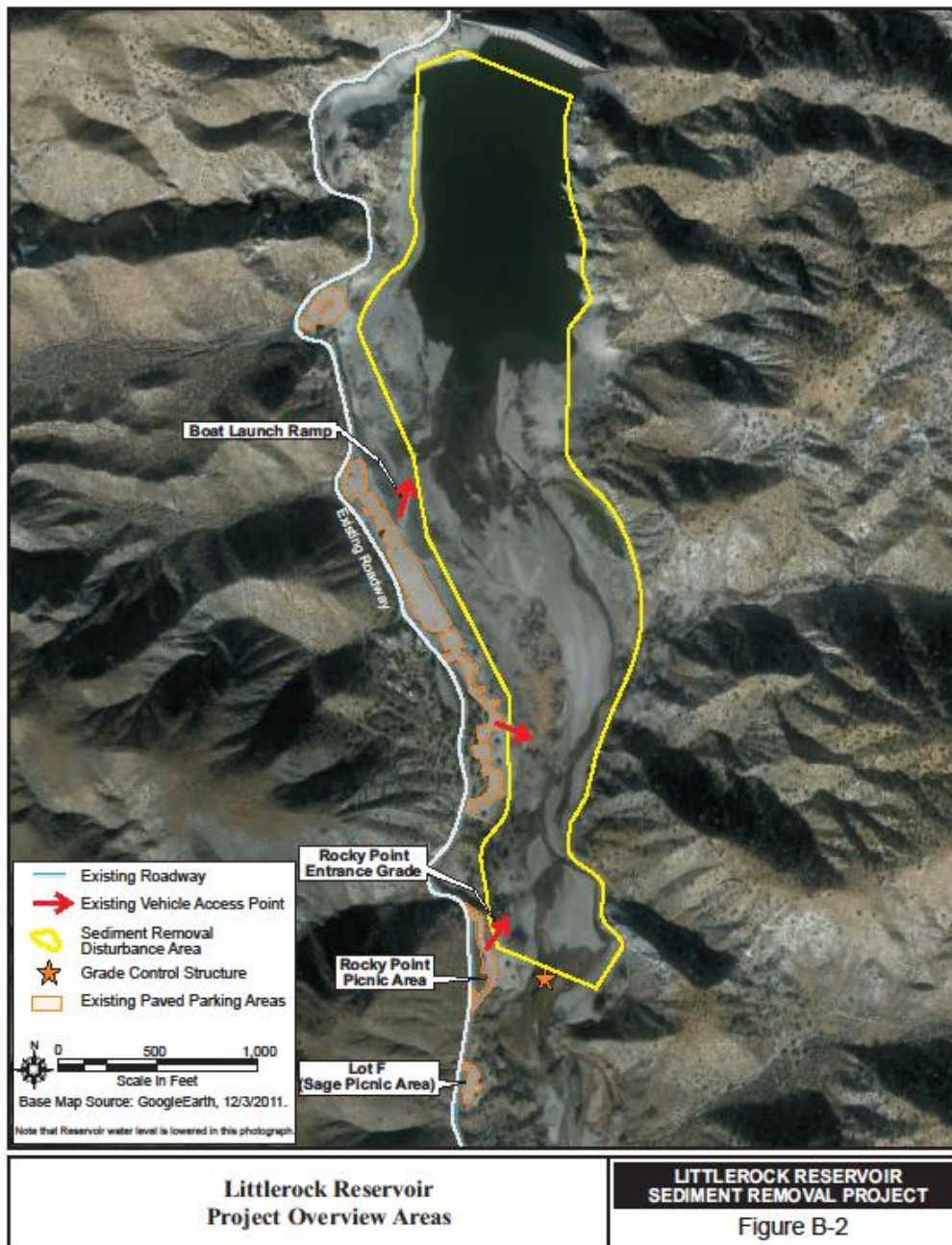
- 1,165,000 cubic yards sediment
- 7 to 10 years
- Labor Day to January
- 16 dump trucks
- 240 round trips per day

## **Annual Removal of Sediment**

- 38,000 cubic yards sediment
- Annually except in years of little streamflow and sediment
- Labor Day to January
- 6 dump trucks
- 90 round trips per day

## Forest Service Focused Recently on:

- OHV roads and trails
- Reservoir Recreation
- Harmony between Littlerock Sediment Removal project and the San Gabriel Mountains National Monument Plan



*Note: During the initial construction period PWD and Forest Service to meet prior to Labor Day to discuss the construction activities to minimize impacts on OHV and Reservoir recreation.*

# Project Schedule

- Draft EIS/EIR Published on May 6, 2016
  - Public meeting to be held evening of May 19, 2016 at PWD Board Room
  - 45-day public review period ends June 20, 2016
- Publish Final EIS/EIR (Fall 2016)
- USFS Completes Record of Decision (ROD) (Late 2016)
- PWD Board Decision (Late 2016)
- All Necessary Permits Obtained (Mid-2017)
- Begin Construction (Fall 2017)

# PLAN REQUIREMENTS

- Biological Resource Plans
- Fugitive Dust Control Plan
- Traffic Control and Management Plan
- Roadway Restoration Plan
- Fire Management Plan
- Spill Response Plan



# PERMITTING REQUIREMENTS

- USFS Special Use Authorization Permit
- Clean Water Act Section 401 permit from RWQCB
- CWA Section 404 permit from USACE
- Section 2081 Incidental Take Permit from CDFW
- Section 1600 Lake or Streambed Alteration Agreement Permit from CDFW

# Final Design and Construction

- Final Grade Control Structure Design
- Final Cost Estimate
- Funding for Construction
- Final Excavation Plan
- Contractor Selection
- Biological Pre-construction Clearance Requirements for Construction
- General Compliance Monitoring, Reporting, and Agency Coordination
- Annual Fish Removal and Reporting

**PALMDALE  
WATER DISTRICT  
BOARD MEMORANDUM**

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<b>DATE:</b>	May 5, 2016	May 11, 2016
<b>TO:</b>	BOARD OF DIRECTORS	Board Meeting
<b>FROM:</b>	Mr. Bob Egan, Financial Advisor	
<b>RE:</b>	<i>AGENDA ITEM NO. 7.1 – STATUS REPORT ON CASH FLOW STATEMENT AND CURRENT CASH BALANCES AS OF MARCH, 2016.</i>	

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Attached is the Investment Funds Report and current cash balance as of March 31, 2016. The reports will be reviewed in detail at the Board meeting.

PALMDALE WATER DISTRICT  
INVESTMENT FUNDS REPORT  
March 31, 2016

					March 2016	February 2016
<b>CASH</b>						
1-00-0103-100	Citizens - Checking				255,138.24	86,155.05
1-00-0103-200	Citizens - Refund				117.13	-
1-00-0103-300	Citizens - Merchant				136,803.77	159,686.19
Bank Total					392,059.14	245,841.24
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					397,759.14	251,541.24
<b>INVESTMENTS</b>						
1-00-0135-000	Local Agency Investment Fund			Acct. Total	11,776.77	11,776.77
1-00-0120-000 UBS Money Market Account General (SS 11469)						
	UBS RMA Government Portfolio				894,097.41	3,500,219.49
	UBS Bank USA Dep acct				250,000.00	250,000.00
	Accrued interest				6,864.26	4,552.22
					1,150,961.67	3,754,771.71
US Treasury Note	Maturity Date	Rate	Face Value		Market Value	Market Value
	2/28/2017	0.87	1,000,000		1,002,150.00	1,001,600.00
Certificates of Deposit						
	Issuer	Maturity Date	Rate	Face Value		
1	Safra National	8/16/2016	0.60	240,000	240,060.00	240,014.40
2	First Bank PR	11/7/2016	0.80	240,000	240,201.60	240,091.20
3	Compass Bank	2/7/2017	0.95	240,000	240,362.40	240,247.20
4	GE Cap Retail Bnk	4/27/2017	1.84	200,000	201,584.00	201,506.00
5	Discover Bank	5/2/2017	1.73	240,000	242,191.20	242,116.80
6	Merrick Bnk	6/12/2017	1.00	100,000	100,260.00	100,162.00
7	Level One Bnk	6/19/2017	0.65	101,000	101,134.33	101,024.24
8	GE Cap Retail Bnk	6/22/2017	1.78	200,000	202,256.00	202,182.00
9	Capitol One	8/14/2017	1.20	240,000	240,820.80	240,556.80
10	Triumph Bnk	9/26/2017	0.80	200,000	200,280.00	200,056.00
11	MB Finl Bnk	10/26/2017	0.85	200,000	200,306.00	200,076.00
					2,201,000	2,209,456.33
Acct. Total					4,362,568.00	6,964,404.35
1-00-1110-000 UBS Money Market Account Capital (SS 11475)						
	UBS Bank USA Dep acct				7.56	5.60
	UBS RMA Government Portfolio				-	-
Acct. Total					7.56	5.60
1-00-0125-000 UBS Access Account General (SS 11432)						
	UBS Bank USA Dep acct				220,069.27	220,067.59
	UBS RMA Government Portfolio				-	-
	Accrued interest				15,051.53	8,956.14
					235,120.80	229,023.73
US Government Securities						
Status	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value
	FFCB	06/02/16	0.37	1,000,000	1,000,290	1,000,040
	US Treasury Note	02/15/19	2.61	1,500,000	1,580,685	1,579,920
	US Treasury Note	02/15/19	0.75	1,000,000	997,030	995,270
					3,500,000	3,578,005.00
Certificates of Deposit						
	Issuer	Maturity Date	Rate	Face Value		
1	Goldman Sachs Bk	11/07/2016	1.00	240,000	240,552.00	240,496.80
2	CIT Bank	11/06/2017	1.60	240,000	240,232.80	240,252.00
3	BMW Bank	11/15/2018	1.96	240,000	244,372.80	243,717.60
4	American Express	04/29/2019	1.44	240,000	241,850.40	240,969.60
5	Synchrony Bank	04/14/2020	1.83	240,000	242,716.80	241,653.60
					1,200,000	1,209,724.80
Acct. Total					5,022,850.60	5,011,343.33
Total Managed Accounts					9,397,202.93	11,987,530.05
1-00-1121-000 UBS Rate Stabilization Fund (SS 24016) - District Restricted						
	UBS Bank USA Dep acct				250,000.00	250,000.00
	UBS RMA Government Portfolio				230,269.68	230,261.31
Acct. Total					480,269.68	480,261.31
GRAND TOTAL CASH AND INVESTMENTS					10,275,231.75	12,719,332.60
Increase (Decrease) in Funds					(2,444,100.85)	
1-00-1130-000 2013A Bonds - Project Funds (BNY Mellon)						
Construction Funds					678,502.05	769,441.99

**PALMDALE WATER DISTRICT**  
**2016 Cash Flow Report** (Based on Jan. 19, 2016 Approved Budget)

2016 Cash Flow Report (Based on Jan. 19, 2016 Approved Budget)														Budget 2017 Carryover Information	
	January	February	March	April	May	June	July	August	September	October	November	December	YTD		
Total Cash Beginning Balance (BUDGET)	12,253,595	11,996,708	12,070,140	9,443,313	11,240,278	11,923,901	11,779,269	10,981,346	11,574,708	9,220,541	9,395,698	9,267,781		(582,380)	
Total Cash Beginning Balance	12,253,595	12,534,672	12,719,333	10,275,232	12,246,399	12,634,371	12,672,462	12,043,052	12,099,427	9,735,273	9,479,110	9,317,502			
Budgeted Water Receipts	1,541,128	1,523,788	1,575,809	1,590,982	1,790,396	1,946,460	2,165,382	2,202,231	2,030,994	1,946,460	1,688,521	1,673,349	21,675,500		
Water Receipts	1,836,145	1,903,857	1,602,349	1,590,982	1,790,396	1,946,460	2,165,382	2,202,231	2,030,994	1,946,460	1,688,521	1,673,349	22,377,126		
DWR Refund (Operational Related)				1,718									1,718		
Other													-		
Total Operating Revenue (BUDGET)													-		
Total Operating Revenue (ACTUAL)	1,836,145	1,903,857	1,602,349	1,592,700	1,790,396	1,946,460	2,165,382	2,202,231	2,030,994	1,946,460	1,688,521	1,673,349	22,378,844		
Total Operating Expenses excl GAC (BUDGET)	(1,237,486)	(1,217,967)	(1,591,629)	(1,550,533)	(1,568,100)	(1,439,060)	(1,770,025)	(1,614,651)	(1,795,266)	(1,449,785)	(1,434,170)	(1,550,028)	(18,218,700)		
GAC (BUDGET)	(362,730)		(190,000)			(190,000)			(190,000)		(190,000)		(1,122,730)		
Operating Expenses excl GAC (ACTUAL)	(1,356,117)	(1,347,953)	(1,961,054)	(1,550,533)	(1,568,100)	(1,439,060)	(1,770,025)	(1,614,651)	(1,795,266)	(1,449,785)	(1,434,170)	(1,550,028)	(18,836,743)		
GAC	(62,730)	(183,290)	(275,135)					(190,000)			(190,000)		(901,154)		
Prepaid Insurance (paid)/refunded													-		
Total Operating Expense (ACTUAL)	(1,418,847)	(1,531,243)	(2,236,189)	(1,550,533)	(1,568,100)	(1,439,060)	(1,770,025)	(1,804,651)	(1,795,266)	(1,449,785)	(1,624,170)	(1,550,028)	(19,737,897)		
Non-Operating Revenue Expenses:															
Assessments, net (BUDGET)	664,439	253,955	14,289	2,027,090	739,781	11,042	75,342	127,302	-	-	129,251	2,452,512	6,495,000		
Actual/Projected Assessments, net	684,181	313,172	15,308	2,078,805	739,781	11,042	75,342	127,302	-	-	129,251	2,452,512	6,626,695		
RDA Pass-through (Successor Agency)						223,926							223,926		
Interest	3,168	4,991	9,069	2,915	2,915	2,915	2,915	2,915	2,915	2,915	2,915	2,935	43,482		
Market Adjustment	7,983	(12,780)	7,384										2,587		
Grant Re-imbursement						308,000						177,000	485,000		
Capital Improvement Fees						25,000						25,000	50,000		
DWR Refund (Capital Related)				98,537		50,000			50,000			50,000	248,537		
Other	3,415	26	590	8,330	8,330	8,330	8,330	8,330	8,330	8,330	8,330	8,370	79,041		
Total Non-Operating Revenues (BUDGET)													-		
Total Non-Operating Revenues (ACTUAL)	698,746	305,408	32,351	2,188,587	751,026	629,212	86,587	138,547	61,245	11,245	140,496	2,715,817	7,759,268		
Non-Operating Expenses:															
Budgeted Capital Expenditures	(514,999)	(306,567)	(287,878)	(40,796)	(48,676)	(26,296)	(91,743)	(91,743)	(91,743)	(91,743)	(91,744)	(918,263)	(2,602,191)		
Actual/Projected Capital Expenditures	(93,505)	(302,341)	(24,615)	(46,296)	(393,893)	(257,065)	(372,796)	(288,296)	(341,296)	(225,000)	(175,000)	-	(2,520,104)		
Uncommitted Capital Expenditures													-		
WRB Capital Expenditures										(347,629)			(347,629)		
SWP Capitalized	(717,495)	(170,388)	(196,069)	(170,390)	(170,390)	(170,390)	(717,492)	(170,390)	(201,804)	(170,388)	(170,388)	(170,388)	(3,195,972)		
Butte County Water Transfer						(650,000)						(650,000)	(1,300,000)		
Bond Payments - Interest			(1,084,814)							(1,076,522)			(2,161,336)		
Principal			(537,114)							(1,020,439)			(1,557,553)		
Capital leases - Go West (2012 Lease)	(17,296)	(17,296)	-	(35,624)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(208,585)		
Capital leases - GE Capital (Printer Lease)	(6,672)	(3,336)	-	(7,277)	(3,770)	(3,770)	(3,770)	(3,770)	(3,770)	(3,770)	(3,770)	(3,770)	(47,446)		
Total Non-Operating Expenses (ACTUAL)	(834,969)	(493,362)	(1,842,612)	(259,586)	(585,349)	(1,098,521)	(1,111,354)	(479,752)	(2,661,127)	(764,083)	(366,454)	(841,454)	(11,338,624)		
Total Cash Ending Balance (BUDGET)	11,996,708	12,070,140	9,443,313	11,240,278	11,923,901	11,779,269	10,981,346	11,574,708	9,220,541	9,395,698	9,267,781	10,300,285			
Total Cash Ending Balance (ACTUAL)	12,534,672	12,719,333	10,275,232	12,246,399	12,634,371	12,672,462	12,043,052	12,099,427	9,735,273	9,479,110	9,317,502	11,315,186			
											Budget	10,300,285			
											Difference	1,014,901			
Indicates actual expenditures/revenues:															
Indicates anticipated expenditures/revenues:															

# **PALMDALE WATER DISTRICT BOARD MEMORANDUM**

**DATE:** May 3, 2016 **May 11, 2016**  
**TO:** Board of Directors **Board Meeting**  
**FROM:** Michael Williams, Finance Manager/CFO  
**VIA:** Mr. Dennis LaMoreaux, General Manager  
**RE:** ***AGENDA ITEM 7.2 – STATUS REPORT ON FINANCIAL STATEMENTS, REVENUE, AND EXPENSE AND DEPARTMENTAL BUDGET REPORTS FOR MARCH, 2016***

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**Discussion:**

Presented here are the Balance Sheet and Profit/Loss Statement for the period ending March 31, 2016. Also included are Year-To-Year Comparisons and Month-To-Month Comparisons for both revenue and expense. Finally, I have provided individual departmental budget reports for the month of March, 2016.

This is the third month of the District's Budget Year 2016. The target percentage is 25%. Revenues ideally are at or above, and expenditures ideally are below.

**Balance Sheet:**

- Page 1 is our balance sheet on March 31, 2016.
- The significant change is in the investments. There is a decrease of approximately \$2.5MM. This is due primarily to the bond and loan payments made.
- The offsetting reduction is under current liabilities.

**Profit/Loss Statement:**

- Page 3 is our profit/loss statement on March 31, 2016.
- Operating revenue is at 21% of budget. The winter months are usually low water consumption months.
- Cash operating expense is at 26% of budget. This position is due primarily to the early expense of GAC of approximately \$500K.
- Net operating profit for the month of March was \$30K. Net operating loss year to date was \$681K.
- A couple departments are tracking higher, and I will cover those later in report.
- Page 3-1 is a listing of other revenues, and it includes year to date totals.
- Page 6 is showing the distribution of operating expense between labor and operations. Labor costs are currently at 49% of total expenses with salaries making up 33% of that.

**Year-To-Year Comparison P&L:**

- Page 7 is our comparison of March, 2015 to March, 2016.
- Total operating revenue is down \$37K, or 2.5%.

- Operating expenditures are down \$843K, or 36%. The decrease is due primarily to lower water purchases, plant expenditures and GAC expense.
- Page 7-1 is our comparison of March, 2014 to March, 2016.
- Total operating revenue is down \$167K, or 10%, due primarily to the reduced water consumption.
- Total operating expenses were up \$243K, or 20%, due primarily to the \$100K for election expense in 2016.
- Page 8 and 8-1 is a graphic presentation of the water consumption comparison for 2015 and 2014, respectively. Units billed in acre feet for 2015 comparison were down by 149, or 15.5%. Total revenue per unit sold is up \$0.57, or 15%, total revenue per connection is down \$2.24, or 4%, and units billed per connection is down 2.52, or 16%.
- Units billed in acre feet for 2014 comparison were down by 216, or 21%. Total revenue per unit sold is up \$0.52, or 14%, total revenue per connection is down \$4.56, or 8%, and units billed per connection is down 3.65, or 21.5%.

**Revenue Analysis Year-To-Date:**

- Page 9 is our comparison of revenue, year-to-date.
- Operating revenue through March, 2016 is down \$79K, or 1.7%
- Retail water revenue from all areas are down by \$101K 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 \$126K.
- Total revenue is down \$109K.
- Operating revenue is at 21% of budget; last year was at 20% of budget. However, our 2016 revenue budget is \$1.5MM less than 2015.

**Expense Analysis Year-To-Date:**

- Page 11 is our comparison of expense, year-to-date.
- Cash Operating Expenses through March, 2016 are down \$802K, or 15%, compared to 2015 due primarily to plant expenditures or specifically the meter exchange project.
- Total Expenses are down \$767K, or 8%, for the same reasons.

**Departments:**

- Pages 14 through 24 are detailed individual departmental budgets for your review.
- Page 16 is Administration District. Here you see the cost for the election was \$104K. Based on historical data, the budget was \$75K.
- Page 18 is Facilities Department. Here you can see the annual expense for storage tank maintenance of \$330K pushes the percentage high for the 1<sup>st</sup> Qtr.
- Page 20 is Finance Department. Here we were noticing a trend under telecommunications that seemed abnormal. Here the cost of telephone switches for the main office and treatment plant are charged. Because it is showing very high through the 1<sup>st</sup> Qtr, we started to investigate, and it appears the added costs for the security monitoring was not accounted for as well as the possibility of paying for switches that are no longer used. At this current rate, the account will be over budget by approximately \$8K at year end.

**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.

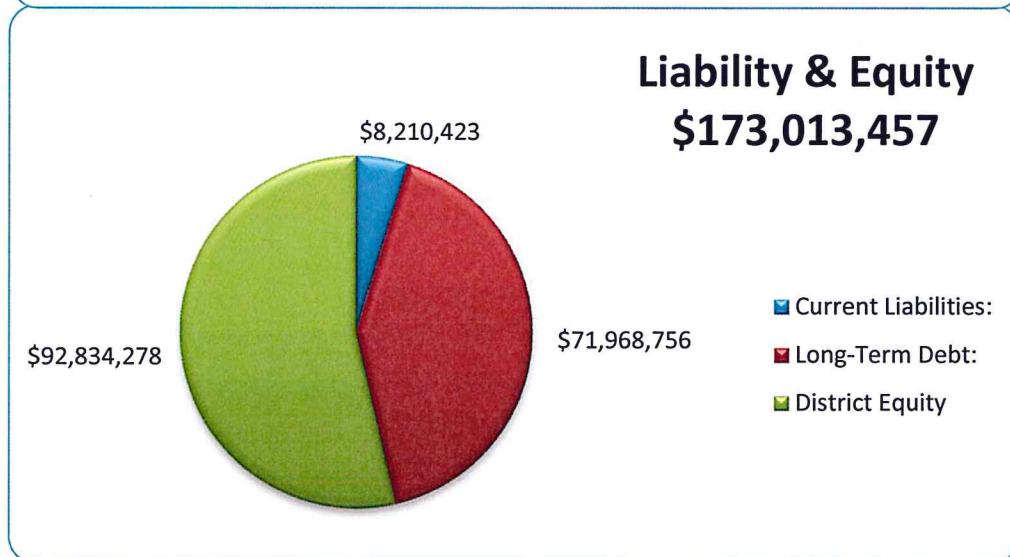
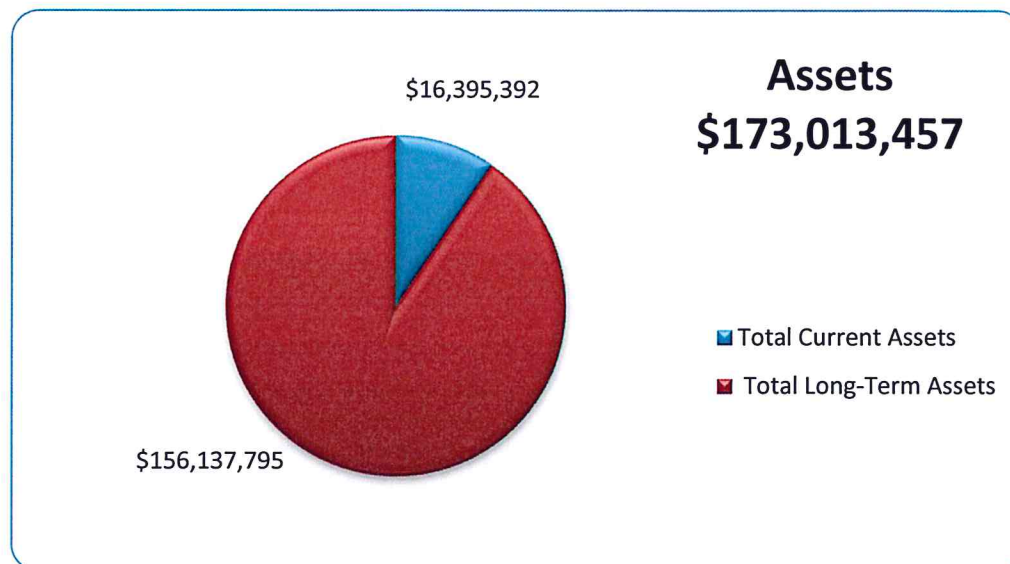
**Capitalized Construction:** The value of our labor force used to construct our asset infrastructure.



**Palmdale Water District**  
**Balance Sheet Report**  
**For the Three Months Ending 3/31/2016**

	<b>March 2016</b>	<b>February 2016</b>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 397,759	\$ 251,541
Investments	9,397,203	11,987,530
2013A Bonds - Project Funds	678,502	769,442
	<u>\$ 10,473,464</u>	<u>\$ 13,008,513</u>
<b>Receivables:</b>		
Accounts Receivables - Water Sales	\$ 1,311,029	\$ 1,357,199
Accounts Receivables - Miscellaneous	34,904	38,498
Allowance for Uncollected Accounts	(196,113)	(196,113)
	<u>\$ 1,149,820</u>	<u>\$ 1,199,584</u>
Assessments Receivables	\$ 3,845,679	\$ 3,860,988
Meters, Materials and Supplies	750,285	795,212
Prepaid Expenses	176,143	200,590
<b>Total Current Assets</b>	<b>\$ 16,395,392</b>	<b>\$ 19,064,888</b>
<b>Long-Term Assets:</b>		
Property, Plant, and Equipment, net	\$ 111,827,232	\$ 112,058,000
Participation Rights in State Water Project, net	43,172,741	43,173,568
Investment in PRWA	213,130	213,130
2013A Bonds - Insurance & Surety Bond	219,892	220,558
CalPERS Contributions	704,801	704,801
	<u>\$ 156,137,795</u>	<u>\$ 156,370,057</u>
<b>Restricted Cash:</b>		
Rate Stabilization Fund	480,270	480,261
<b>Total Long-Term Assets &amp; Restricted Cash</b>	<b>\$ 156,618,065</b>	<b>\$ 156,850,318</b>
<b>Total Assets</b>	<b>\$ 173,013,457</b>	<b>\$ 175,915,206</b>
<b>LIABILITIES AND DISTRICT EQUITY</b>		
<b>Current Liabilities:</b>		
Current Interest Installment of Long-term Debt	\$ 33	\$ 904,039
Current Principal Installment of Long-term Debt	1,204,898	1,742,012
Accounts Payable and Accrued Expenses	5,230,492	5,845,668
Deferred Assessments	1,775,000	2,366,667
<b>Total Current Liabilities</b>	<b>\$ 8,210,423</b>	<b>\$ 10,858,386</b>
<b>Long-Term Debt:</b>		
Pension-Related Debt	\$ 9,177,550	\$ 9,177,550
OPEB Liability	11,774,012	11,594,545
2013A Water Revenue Bonds	42,952,713	42,954,964
2012 - Certificates of Participation	8,047,526	8,040,728
2011 - Capital Lease Payable	16,954	32,146
<b>Total Long-Term Liabilities</b>	<b>\$ 71,968,756</b>	<b>\$ 71,799,933</b>
<b>Total Liabilities</b>	<b>\$ 80,179,179</b>	<b>\$ 82,658,318</b>
<b>District Equity</b>		
Revenue from Operations	\$ (1,804,326)	\$ (1,381,717)
Retained Earnings	94,638,604	94,638,604
<b>Total Liabilities and District Equity</b>	<b>\$ 173,013,457</b>	<b>\$ 175,915,206</b>

## BALANCE SHEET AS OF MARCH 31, 2016



**Palmdale Water District**  
**Consolidated Profit and Loss Statement**  
**For the Three Months Ending 3/31/2016**

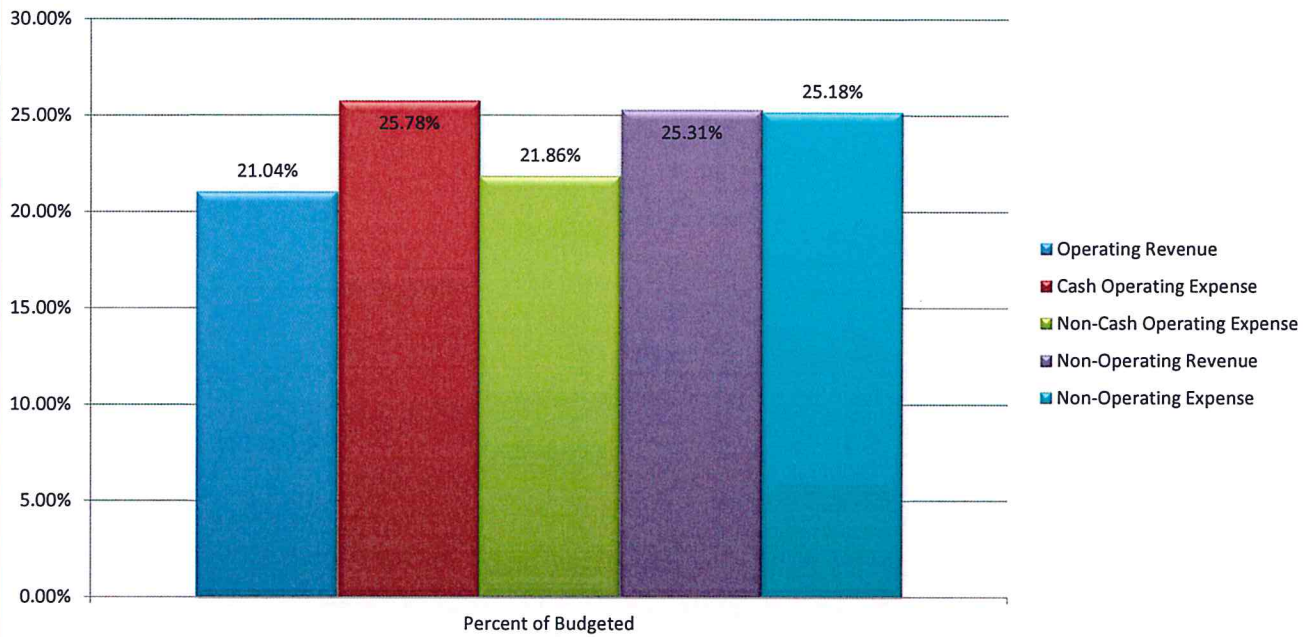
	Thru February	March	Year-to-Date	Adjustments	Adjusted Budget	% of Budget
<b>Operating Revenue:</b>						
Wholesale Water	\$ 10,512	\$ 13,897	\$ 24,409		\$ 160,000	15.26%
Water Sales	701,741	320,747	1,022,489		7,242,000	14.12%
Meter Fees	2,026,569	1,015,367	3,041,936		12,079,000	25.18%
Water Quality Fees	89,977	45,881	135,858		934,500	14.54%
Elevation Fees	32,032	17,005	49,037		400,000	12.26%
Other (Page 3-1)	112,157	68,234	180,391		860,000	20.98%
Drought Surcharge	68,931	37,045	105,976		-	
<b>Total Operating Revenue</b>	<b>\$ 3,041,920</b>	<b>\$ 1,518,176</b>	<b>\$ 4,560,096</b>	<b>\$ -</b>	<b>\$ 21,675,500</b>	<b>21.04%</b>
<b>Cash Operating Expenses:</b>						
Directors	\$ 27,072	\$ 10,563	\$ 37,635		\$ 145,750	25.82%
Administration-Services	244,119	128,830	372,949		1,588,750	23.47%
Administration-District	145,509	246,182	391,691		1,612,750	24.29%
Engineering	206,938	90,947	297,884		1,279,250	23.29%
Facilities	1,292,881	476,475	1,769,356		6,513,750	27.16%
Operations	352,006	172,079	524,086		2,449,250	21.40%
Finance	212,387	94,909	307,297		1,168,250	26.30%
Water Conservation	46,708	22,104	68,812		239,250	28.76%
Human Resources	76,610	35,715	112,325		420,350	26.72%
Information Technology	138,885	48,897	187,782		867,750	21.64%
Customer Care	240,098	108,420	348,519		1,386,750	25.13%
Source of Supply-Purchased Water	158,654	36,776	195,430		1,725,000	11.33%
Plant Expenditures	91,074	16,185	107,259		-	
GAC Filter Media Replacement	521,064	-	521,064		934,500	55.76%
<b>Total Cash Operating Expenses</b>	<b>\$ 3,754,008</b>	<b>\$ 1,488,083</b>	<b>\$ 5,242,090</b>	<b>\$ -</b>	<b>\$ 20,331,350</b>	<b>25.78%</b>
<b>Net Cash Operating Profit/(Loss)</b>	<b>\$ (712,087)</b>	<b>\$ 30,093</b>	<b>\$ (681,994)</b>	<b>\$ -</b>	<b>\$ 1,344,150</b>	<b>-50.74%</b>
<b>Non-Cash Operating Expenses:</b>						
Depreciation	\$ 979,783	\$ 485,504	\$ 1,465,287		\$ 7,200,000	20.35%
OPEB Accrual Expense	391,720	195,860	587,581		2,250,000	26.11%
Bad Debts	17,073	5,070	22,144		50,000	44.29%
Service Costs Construction	10,682	11,904	22,586		125,000	18.07%
Capitalized Construction	(121,430)	(90,745)	(212,175)		(1,000,000)	21.22%
<b>Total Non-Cash Operating Expenses</b>	<b>\$ 1,277,828</b>	<b>\$ 607,593</b>	<b>\$ 1,885,422</b>	<b>\$ -</b>	<b>\$ 8,625,000</b>	<b>21.86%</b>
<b>Net Operating Profit/(Loss)</b>	<b>\$ (1,989,916)</b>	<b>\$ (577,500)</b>	<b>\$ (2,567,416)</b>	<b>\$ -</b>	<b>\$ (7,280,850)</b>	<b>35.26%</b>
<b>Non-Operating Revenues:</b>						
Assessments (Debt Service)	\$ 893,417	\$ 446,708	\$ 1,340,125		\$ 4,670,000	28.70%
Assessments (1%)	289,917	144,958	434,875		2,025,000	21.48%
DWR Fixed Charge Recovery	-	-	-		200,000	0.00%
Interest	3,361	16,453	19,814		35,000	56.61%
Capital Improvement Fees	-	-	-		50,000	0.00%
Grants - State and Federal	-	-	-		485,000	0.00%
Other	124,151	590	124,741		120,000	103.95%
<b>Total Non-Operating Revenues</b>	<b>\$ 1,310,845</b>	<b>\$ 608,710</b>	<b>\$ 1,919,555</b>	<b>\$ -</b>	<b>\$ 7,585,000</b>	<b>25.31%</b>
<b>Non-Operating Expenses:</b>						
Interest on Long-Term Debt	\$ 372,770	\$ 186,698	\$ 559,468		\$ 2,228,000	25.11%
Amortization of SWP	393,789	196,896	590,685		2,238,000	26.39%
Change in Investments in PRWA	1,183	2,321	3,503		-	
Water Conservation Programs	2,809	-	2,809		126,500	2.22%
<b>Total Non-Operating Expenses</b>	<b>\$ 770,551</b>	<b>\$ 385,915</b>	<b>\$ 1,156,465</b>	<b>\$ -</b>	<b>\$ 4,592,500</b>	<b>25.18%</b>
<b>Net Earnings</b>	<b>\$ (1,449,621)</b>	<b>\$ (354,705)</b>	<b>\$ (1,804,326)</b>	<b>\$ -</b>	<b>\$ (4,288,350)</b>	<b>42.08%</b>



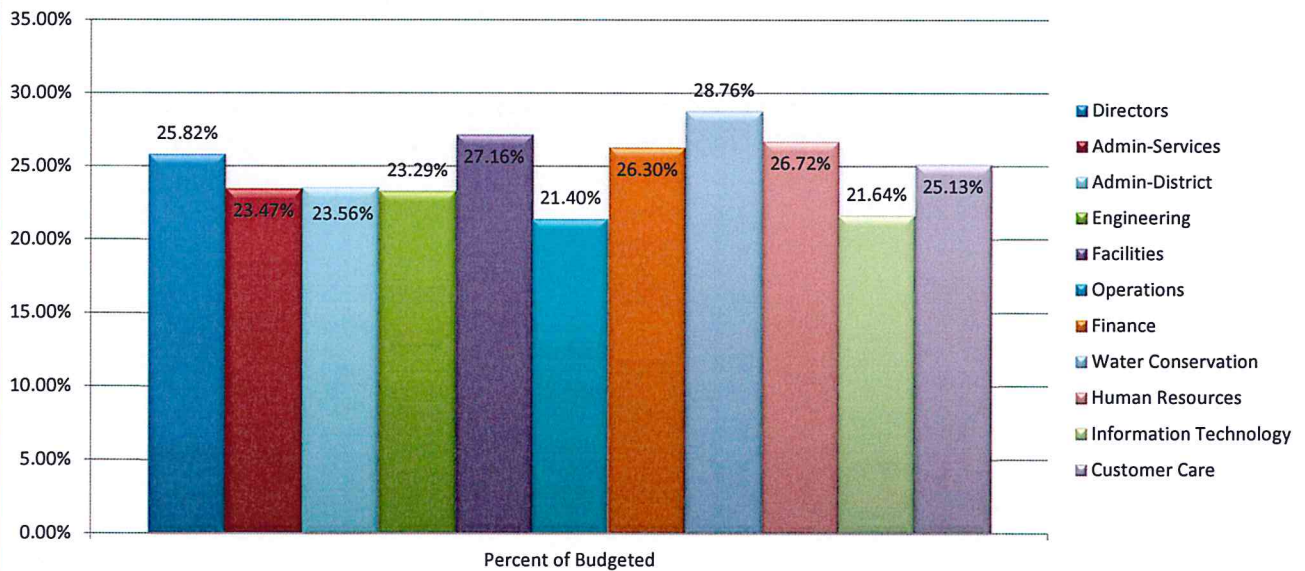
OTHER OPERATING REVENUE
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	Current	YTD
Account Setup Charge(\$25)	\$3,600.00	\$9,285.00
Account Setup Charge/CC (\$35)	\$1,085.00	\$1,085.00
After Hours Service Call	\$95.00	\$270.00
Credit Check(\$10)	\$700.00	\$700.00
Lock Broken or Missing(\$15)	\$120.00	\$240.00
Miscellaneous Charge	\$80.00	\$928.00
Non-Compliance Fee Backflow(\$50)	\$350.00	\$350.00
Pulled Meter Service Charge(\$60)	\$240.00	\$360.00
Rejected Payment Notification	\$380.00	\$980.00
Repair Angle Stop(\$440.00)	\$440.00	\$1,760.00
Shut-Off Charge(\$30)	\$7,440.00	\$20,040.00
Shut-Off Notice Fee (\$5)	\$8,930.00	\$24,630.00
Standard Trip Charge(\$15)	\$255.00	\$705.00
Waste Water 1st Notice(\$50.00)	\$1,000.00	\$1,400.00
Waste Water 2nd Notice (\$250.00)	(\$250.00)	(\$250.00)
Late Fees	\$27,315.60	\$95,364.13
NSF Fee	\$550.00	\$1,100.00

### P & L BUDGET vs. ACTUAL



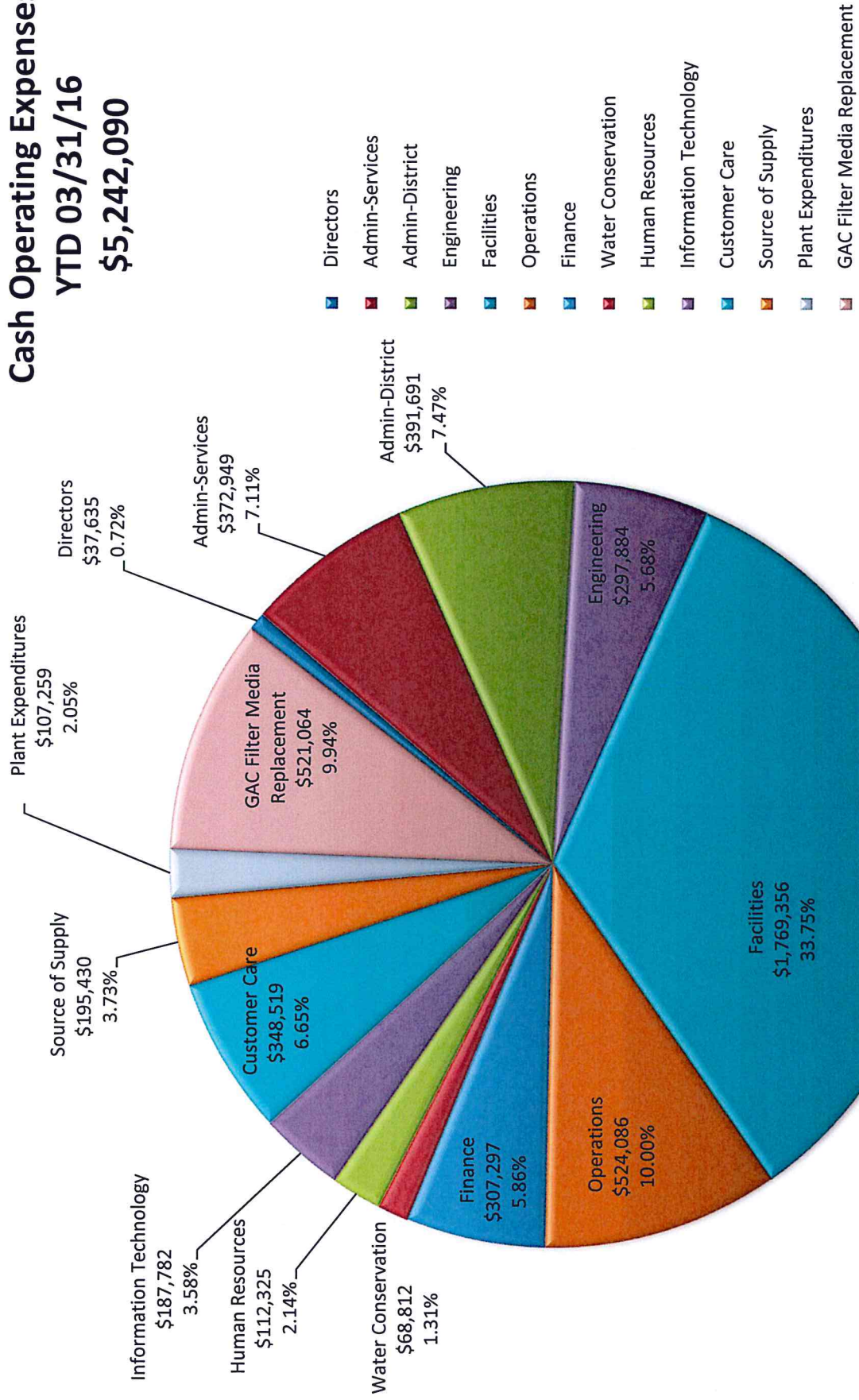
### DEPARTMENTAL - BUDGET vs. ACTUAL



# Cash Operating Expenses

## YTD 03/31/16

### \$5,242,090





# Personnel to Operations Exp

YTD 03/31/16

\$5,242,090

Workers Comp, Vac. Exp., Life

\$34,454

1%

PERS

\$281,251

5%

Health Ins.

\$431,632

8%

Taxes

\$129,756

2%

Salaries

Operations

\$2,659,768

51%

Taxes

Health Ins.

PERS

Workers Comp, Vac. Exp., Life

Operations

Salaries

\$1,705,229

33%

**Palmdale Water District  
Profit and Loss Statement  
Year-To-Year Comparison - March**

	2015 March	2016 March	Change	% Change		Consumption Comparison	
					Units Billed	2015	2016
<b>Operating Revenue:</b>						420,574	355,457
Wholesale Water	\$ 763	\$ 13,897	\$ 13,134		Active	26,462	26,586
Water Sales	409,089	320,747	(88,342)	-21.59%	Vacant	914	818
Meter Fees	974,332	1,015,367	41,035	4.21%			
Water Quality Fees	58,634	45,881	(12,754)	-21.75%			
Elevation Fees	22,721	17,005	(5,715)	-25.16%	Rev/unit	\$ 3.70	\$ 4.27
Other	89,915	68,234	(21,681)	-24.11%	Rev/con	\$ 55.38	\$ 53.14
Drought Surcharge	-	37,045	37,045		Unit/con	15.89	13.37
<b>Total Operating Revenue</b>	<b>\$ 1,555,455</b>	<b>\$ 1,518,176</b>	<b>\$ (37,279)</b>	<b>-2.40%</b>			
<b>Cash Operating Expenses:</b>							
Directors	\$ 10,736	\$ 10,563	\$ (173)	-1.61%			
Administration-Services	205,764	128,830	(76,934)	-37.39%			
Administration-District	-	246,182	246,182				
Engineering	86,590	90,947	4,357	5.03%			
Facilities	454,488	476,475	21,987	4.84%			
Operations	215,010	172,079	(42,930)	-19.97%			
Finance	146,318	94,909	(51,409)	-35.13%			
Water Conservation	28,002	22,104	(5,899)	-21.07%			
Human Resources	40,895	35,715	(5,180)	-12.67%			
Information Technology	55,338	48,897	(6,441)	-11.64%			
Customer Care	86,328	108,420	22,093	25.59%			
Source of Supply-Purchased Water	287,460	36,776	(250,684)	-87.21%			
Plant Expenditures	416,241	16,185	(400,056)	-96.11%			
GAC Filter Media Replacement	298,286	-	(298,286)				
<b>Total Cash Operating Expenses</b>	<b>\$ 2,331,455</b>	<b>\$ 1,488,083</b>	<b>\$ (843,373)</b>	<b>-36.17%</b>			
<b>Non-Cash Operating Expenses:</b>							
Depreciation	\$ 533,397	\$ 485,504	\$ (47,893)	-8.98%			
OPEB Accrual Expense	183,580	195,860	12,280	6.69%			
Bad Debts	11	5,070	5,059				
Service Costs Construction	3,561	11,904	8,343	234.31%			
Capitalized Construction	(66,042)	(90,745)	(24,702)	37.40%			
<b>Total Non-Cash Operating Expenses</b>	<b>\$ 654,507</b>	<b>\$ 607,593</b>	<b>\$ (46,914)</b>	<b>-7.17%</b>			
<b>Net Operating Profit/(Loss)</b>	<b>\$ (1,430,508)</b>	<b>\$ (577,500)</b>	<b>\$ 853,008</b>	<b>-59.63%</b>			
<b>Non-Operating Revenues:</b>							
Assessments (Debt Service)	\$ 446,500	\$ 446,708	\$ 208	0.05%			
Assessments (1%)	141,000	144,958	3,958	2.81%			
DWR Fixed Charge Recovery	39,207	-	(39,207)				
Interest	10,878	16,453	5,575	51.25%			
Capital Improvement Fees	101,633	-	(101,633)	-100.00%			
Other	2,271	590	(1,681)	-74.03%			
<b>Total Non-Operating Revenues</b>	<b>\$ 741,489</b>	<b>\$ 608,710</b>	<b>\$ (132,780)</b>	<b>-17.91%</b>			
<b>Non-Operating Expenses:</b>							
Interest on Long-Term Debt	\$ 190,787	\$ 186,698	\$ (4,089)	-2.14%			
Amortization of SWP	172,877	196,896	24,019	13.89%			
Change in Investments in PRWA	-	2,321	2,321				
Water Conservation Programs	13,386	-	(13,386)	-100.00%			
<b>Total Non-Operating Expenses</b>	<b>\$ 377,050</b>	<b>\$ 385,915</b>	<b>\$ 8,865</b>	<b>2.35%</b>			
<b>Net Earnings</b>	<b>\$ (1,066,069)</b>	<b>\$ (354,705)</b>	<b>\$ 711,363</b>	<b>-66.73%</b>			

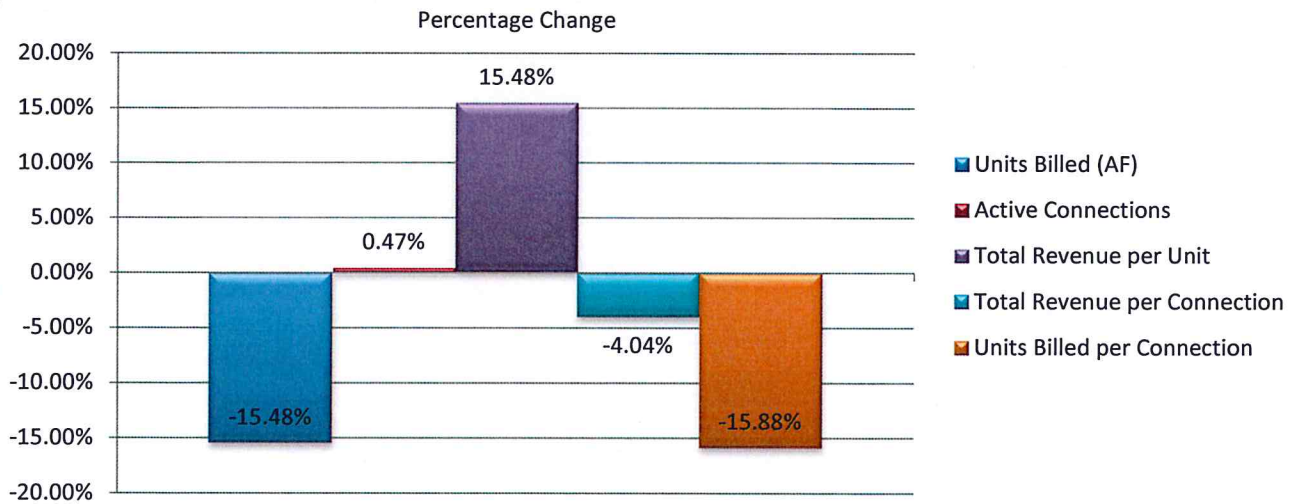
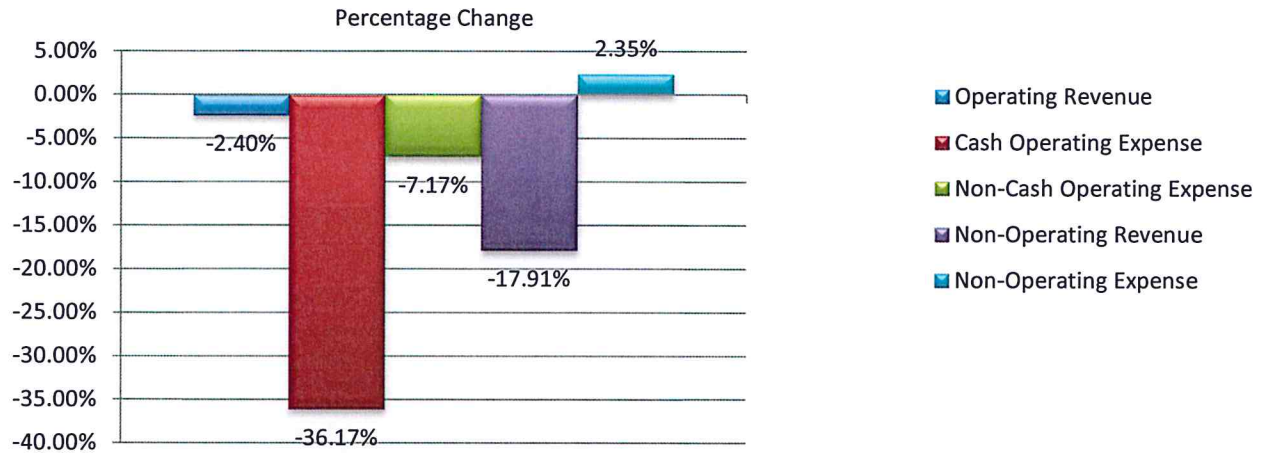


**Palmdale Water District**  
**Profit and Loss Statement**  
**Year-To-Year Comparison-2 Years - March**

	2014 March	2016 March	Change	% Change		Consumption Comparison	
					Units Billed	2014	2016
<b>Operating Revenue:</b>						449,739	355,457
Wholesale Water	\$ 9,904	\$ 13,897	\$ 3,993	40.31%	Active	26,417	26,586
Water Sales	451,940	320,747	(131,193)	-29.03%	Vacant	939	818
Meter Fees	947,272	1,015,367	68,095	7.19%			
Water Quality Fees	89,051	45,881	(43,170)	-48.48%			
Elevation Fees	26,150	17,005	(9,145)	-34.97%	Rev/unit	\$ 3.75	\$ 4.27
Other	161,485	68,234	(93,251)	-57.75%	Rev/con	\$ 57.70	\$ 53.14
Drought Surcharge	-	37,045	37,045		Unit/con	17.02	13.37
<b>Total Operating Revenue</b>	<b>\$ 1,685,802</b>	<b>\$ 1,518,176</b>	<b>\$ (167,626)</b>	<b>-9.94%</b>			
<b>Cash Operating Expenses:</b>							
Directors	\$ 14,066	\$ 10,563	\$ (3,503)	-24.91%			
Administration-Services	153,851	128,830	(25,021)	-16.26%			
Administration-District		246,182	246,182				
Engineering	81,932	90,947	9,015	11.00%			
Facilities	224,101	476,475	252,374	112.62%			
Operations	231,408	172,079	(59,329)	-25.64%			
Finance	223,012	94,909	(128,103)	-57.44%			
Water Conservation	11,784	22,104	10,319	87.57%			
Human Resources	18,993	35,715	16,722	88.05%			
Information Technology	62,926	48,897	(14,029)	-22.29%			
Customer Care	-	108,420	108,420				
Source of Supply-Purchased Water	26,138	36,776	10,638	40.70%			
Plant Expenditures	195,893	16,185	(179,708)	-91.74%			
GAC Filter Media Replacement	-	-	-				
<b>Total Cash Operating Expenses</b>	<b>\$ 1,244,104</b>	<b>\$ 1,488,083</b>	<b>\$ 243,979</b>	<b>19.61%</b>			
<b>Non-Cash Operating Expenses:</b>							
Depreciation	\$ 554,288	\$ 485,504	\$ (68,784)	-12.41%			
OPEB Accrual Expense	166,875	195,860	28,985	17.37%			
Bad Debts	7,314	5,070	(2,244)	-30.68%			
Service Costs Construction	(12,889)	11,904	24,793	-192.36%			
Capitalized Construction	(69,112)	(90,745)	(21,633)	31.30%			
<b>Total Non-Cash Operating Expenses</b>	<b>\$ 646,477</b>	<b>\$ 607,593</b>	<b>\$ (38,883)</b>	<b>-6.01%</b>			
<b>Net Operating Profit/(Loss)</b>	<b>\$ (204,779)</b>	<b>\$ (577,500)</b>	<b>\$ (372,721)</b>	<b>182.01%</b>			
<b>Non-Operating Revenues:</b>							
Assessments (Debt Service)	\$ 278	\$ 446,708	\$ 446,430				
Assessments (1%)	7,628	144,958	137,330	1800.26%			
DWR Fixed Charge Recovery	-	-	-				
Interest	(929)	16,453	17,383	-1870.38%			
Capital Improvement Fees	-	-	-				
Other	16,438	590	(15,848)	-96.41%			
<b>Total Non-Operating Revenues</b>	<b>\$ 23,415</b>	<b>\$ 608,710</b>	<b>\$ 585,295</b>	<b>2499.66%</b>			
<b>Non-Operating Expenses:</b>							
Interest on Long-Term Debt	\$ 194,752	\$ 186,698	\$ (8,054)	-4.14%			
Amortization of SWP	159,510	196,896	37,386	23.44%			
Change in Investments in PRWA	-	2,321	2,321				
Water Conservation Programs	3,327	-	(3,327)				
<b>Total Non-Operating Expenses</b>	<b>\$ 357,589</b>	<b>\$ 385,915</b>	<b>\$ 28,326</b>	<b>7.92%</b>			
<b>Net Earnings</b>	<b>\$ (538,952)</b>	<b>\$ (354,705)</b>	<b>\$ 184,247</b>	<b>-34.19%</b>			

# YEAR-TO-YEAR COMPARISON

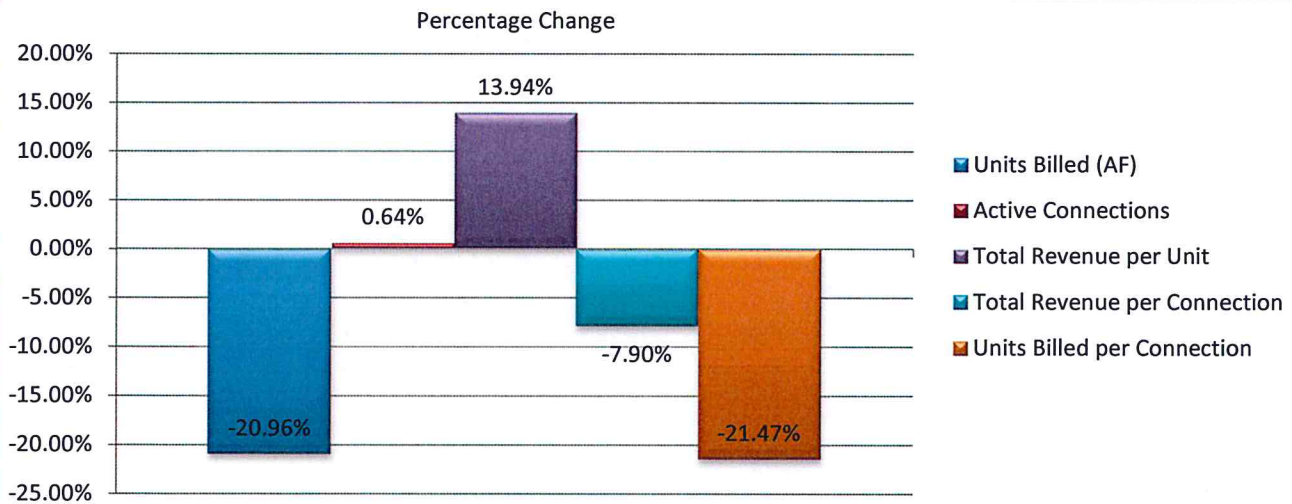
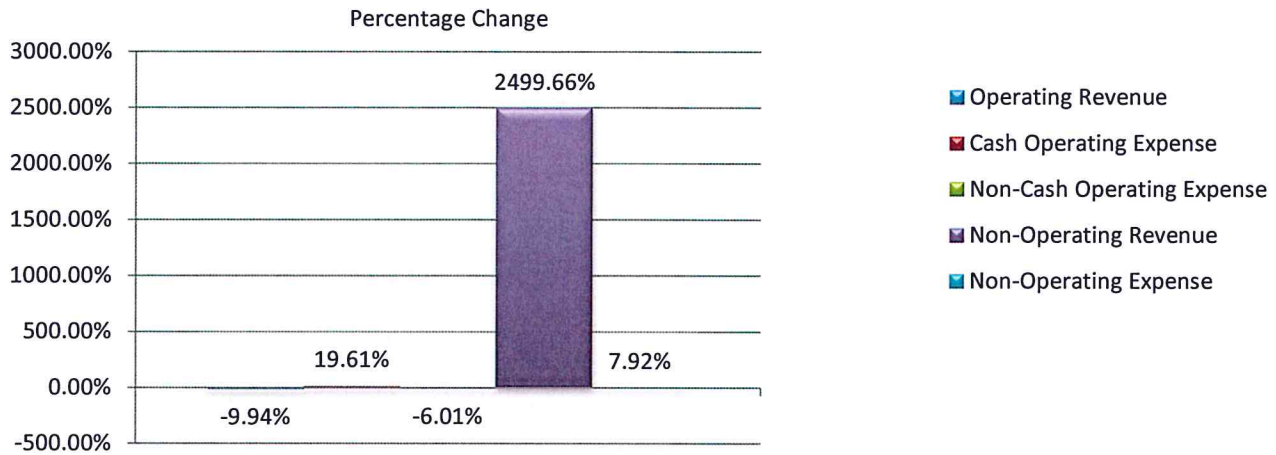
## March 2015 -To - March 2016



	2015	2016	Change	
Units Billed (AF)	966	816	-149	-15.48%
Active Connections	26,462	26,586	124	0.47%
Non-Active	914	818	-96	-10.50%
Total Revenue per Unit	\$3.70	\$4.27	\$0.57	15.48%
Total Revenue per Connection	\$55.38	\$53.14	-\$2.24	-4.04%
Units Billed per Connection	15.89	13.37	-2.52	-15.88%

# YEAR-TO-YEAR COMPARISON

## March 2014 -To - March 2016



	2014	2016	Change	
Units Billed (AF)	1,032	816	-216	-20.96%
Active Connections	26,417	26,586	169	0.64%
Non-Active	939	818	-121	-12.89%
Total Revenue per Unit	\$3.75	\$4.27	\$0.52	13.94%
Total Revenue per Connection	\$57.70	\$53.14	-\$4.56	-7.90%
Units Billed per Connection	17.02	13.37	-3.65	-21.47%



**Palmdale Water District**

**Revenue Analysis**

**For the Three Months Ending 3/31/2016**  
**2016**

**2015 to 2016 Comparison**

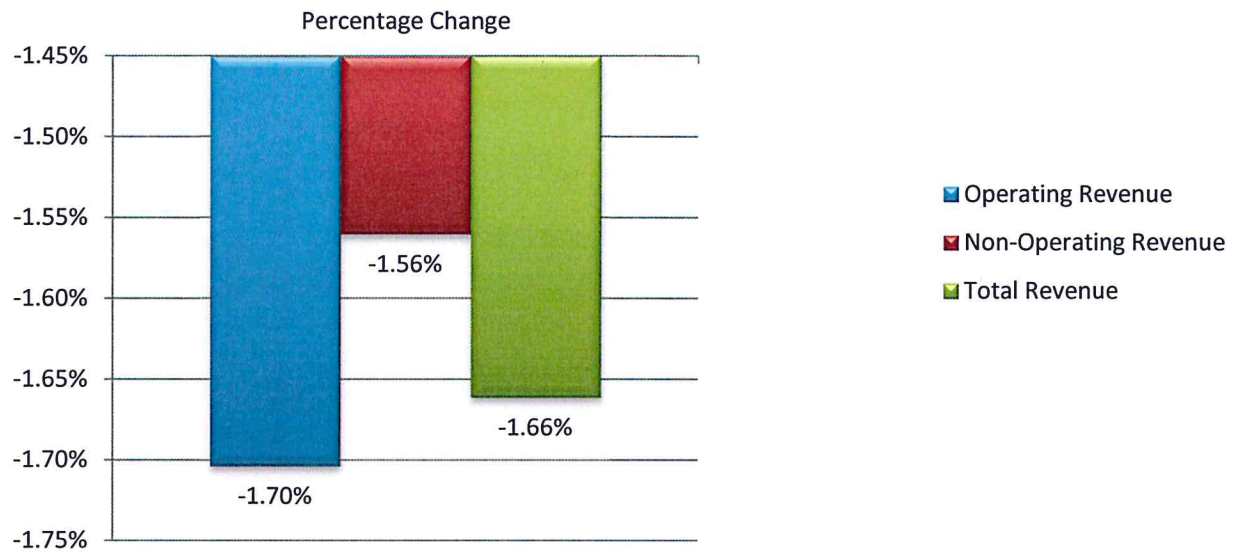
	Thru February	March	Year-to-Date	Adjusted Budget	% of Budget	Thru February	March	Year-to-Date	% Change
<b>Operating Revenue:</b>									
Wholesale Water	\$ 10,512	\$ 13,897	\$ 24,409	\$ 160,000	15.26%	\$ 8,612	\$ 13,134	\$ 21,745	816.21%
Water Sales	701,741	320,747	1,022,489	7,242,000	14.12%	(103,833)	(88,342)	(192,174)	-15.82%
Meter Fees	2,026,569	1,015,367	3,041,936	12,079,000	25.18%	89,686	41,035	130,720	4.49%
Water Quality Fees	89,977	45,881	135,858	934,500	14.54%	(14,286)	(12,754)	(27,040)	-16.60%
Elevation Fees	32,032	17,005	49,037	400,000	12.26%	(7,136)	(5,715)	(12,851)	-20.76%
Other	112,157	68,234	180,391	860,000	20.98%	(83,702)	(21,681)	(105,383)	-36.88%
Drought Surcharge	68,931	37,045	105,976	-		68,931	37,045	105,976	
<b>Total Water Sales</b>	<b>\$ 3,041,920</b>	<b>\$ 1,518,176</b>	<b>\$ 4,560,096</b>	<b>\$ 21,675,500</b>	<b>21.04%</b>	<b>\$ (41,727)</b>	<b>\$ (37,279)</b>	<b>\$ (79,006)</b>	<b>-1.70%</b>
<b>Non-Operating Revenues:</b>									
Assessments (Debt Service)	\$ 893,417	\$ 446,708	\$ 1,340,125	\$ 4,670,000	28.70%	\$ 417	\$ 208	\$ 625	0.05%
Assessments (1%)	289,917	144,958	434,875	2,025,000	21.48%	7,917	3,958	11,875	2.81%
DWR Fixed Charge Recovery	-	-	-	200,000	0.00%	-	(39,207)	(39,207)	
Interest	3,361	16,453	19,814	35,000	56.61%	(6,240)	5,575	(665)	-3.25%
Capital Improvement Fees	-	-	-	50,000	0.00%	(19,315)	(101,633)	(120,948)	-100.00%
Grants - State and Federal	-	-	-	485,000	0.00%	-	-	-	
Other	124,151	590	124,741	120,000	103.95%	119,572	(1,681)	117,891	1721.25%
<b>Total Non-Operating Revenues</b>	<b>\$ 1,310,945</b>	<b>\$ 608,710</b>	<b>\$ 1,919,555</b>	<b>\$ 7,585,000</b>	<b>25.31%</b>	<b>\$ 102,351</b>	<b>\$ (132,780)</b>	<b>\$ (30,429)</b>	<b>-1.56%</b>
<b>Total Revenue</b>	<b>\$ 4,352,766</b>	<b>\$ 2,126,885</b>	<b>\$ 6,479,651</b>	<b>\$ 29,260,500</b>	<b>22.14%</b>	<b>\$ 60,624</b>	<b>\$ (170,059)</b>	<b>\$ (109,435)</b>	<b>-1.66%</b>

**2015**

	Thru February	March	Year-to-Date	Adjusted Budget	% of Budget
<b>Operating Revenue:</b>					
Wholesale Water	\$ 1,901	\$ 763	\$ 2,664	\$ 225,000	1.18%
Water Sales	805,574	409,089	1,214,663	8,550,500	14.21%
Meter Fees	1,936,883	974,332	2,911,216	11,506,000	25.30%
Water Quality Fees	104,263	58,634	162,897	1,146,500	14.21%
Elevation Fees	39,168	22,721	61,888	525,000	11.79%
Other	195,859	89,915	285,774	1,450,000	19.71%
Drought Surcharge	-	-	-	-	
<b>Total Water Sales</b>	<b>\$ 3,081,747</b>	<b>\$ 1,554,691</b>	<b>\$ 4,636,438</b>	<b>\$ 23,178,000</b>	<b>20.00%</b>
<b>Non-Operating Revenues:</b>					
Assessments (Debt Service)	\$ 893,000	\$ 446,500	\$ 1,339,500	\$ 5,100,000	26.26%
Assessments (1%)	282,000	141,000	423,000	1,950,000	21.69%
DWR Fixed Charge Recovery	-	39,207	39,207	100,000	39.21%
Interest	9,601	10,878	20,479	35,000	58.51%
Capital Improvement Fees	19315	101633.4	120,948	50,000	241.90%
Other	4578.49	2270.67	6,849	5,000	136.98%
<b>Total Non-Operating Revenues</b>	<b>\$ 1,208,494</b>	<b>\$ 741,489</b>	<b>\$ 1,949,984</b>	<b>\$ 7,240,000</b>	<b>26.93%</b>
<b>Total Revenue</b>	<b>\$ 4,290,241</b>	<b>\$ 2,296,180</b>	<b>\$ 6,586,422</b>	<b>\$ 30,418,000</b>	<b>21.65%</b>

# REVENUE COMPARISON YEAR-TO-DATE

March 2015-To-March 2016



**Palmdale Water District  
Operating Expense Analysis  
For the Three Months Ending 3/31/2016**

**2016**

**2015 to 2016 Comparison**

	Thru February	March	Year-to-Date	Adjusted Budget	% of Budget	Thru February	March	Year-to-Date	% Change
<b>Cash Operating Expenses:</b>									
Directors	\$ 27,072	\$ 10,563	\$ 37,635	\$ 145,750	25.82%	\$ 10,659	\$ (173)	\$ 10,486	38.62%
Administration-Services	244,119	128,830	372,949	1,588,750	23.47%	(26,780)	169,248	142,469	22.90%
Administration-District	145,509	246,182	391,691	1,612,750	24.29%	(31,494)	4,357	(27,136)	-8.35%
Engineering	206,938	90,947	297,884	1,279,250	23.29%	407,395	21,987	429,383	32.04%
Facilities	1,292,881	476,475	1,769,356	6,513,750	27.16%	(8,168)	(42,930)	(51,098)	-8.88%
Operations	352,006	172,079	524,086	2,449,250	21.40%	(304,524)	(51,409)	(355,933)	-53.67%
Finance	212,387	94,909	307,297	1,168,250	26.30%	2,119	(5,899)	(3,780)	-5.21%
Water Conservation	46,708	22,104	68,812	239,250	28.76%	19,835	(5,180)	14,655	15.00%
Human Resources	76,610	35,715	112,325	420,350	26.72%	(10,459)	(6,441)	(16,900)	-8.26%
Information Technology	138,885	48,897	187,782	867,750	21.64%	216,098	22,093	238,191	215.89%
Customer Care	240,098	108,420	348,519	1,386,750	25.13%	(32,579)	(250,684)	(283,263)	-47.39%
Source of Supply-Purchased Water	158,654	36,776	195,430	1,725,000	11.33%	(424,679)	(400,056)	(824,735)	-88.49%
Plant Expenditures	91,074	16,185	107,259	-		223,306	(298,286)	(74,980)	-12.58%
GAC Filter Media Replacement	521,064	-	521,064	934,500	55.76%				
<b>Total Cash Operating Expenses</b>	<b>\$ 3,754,008</b>	<b>\$ 1,488,083</b>	<b>\$ 5,242,090</b>	<b>\$ 20,331,350</b>	<b>25.78%</b>	<b>\$ 40,730</b>	<b>\$ (843,373)</b>	<b>\$ (802,643)</b>	<b>-15.31%</b>
<b>Non-Cash Operating Expenses:</b>									
Depreciation	\$ 979,783	\$ 485,504	\$ 1,465,287	\$ 7,200,000	20.35%	\$ (87,012)	\$ (47,893)	\$ (134,905)	-8.43%
OPEB Accrual Expense	391,720	195,860	587,581	2,250,000	26.11%	24,560	12,280	36,841	6.69%
Bad Debts	17,073	5,070	22,144	50,000	44.29%	16,261	5,059	21,320	
Service Costs Construction	10,682	11,904	22,586	125,000	18.07%	20,247	8,343	28,590	-476.19%
Capitalized Construction	(121,430)	(90,745)	(212,175)	(1,000,000)	21.22%	86,804	(24,702)	62,101	-22.64%
<b>Total Non-Cash Operating Expenses</b>	<b>\$ 1,277,828</b>	<b>\$ 607,593</b>	<b>\$ 1,885,422</b>	<b>\$ 8,625,000</b>	<b>21.86%</b>	<b>\$ 60,859</b>	<b>\$ (46,914)</b>	<b>\$ 13,946</b>	<b>0.74%</b>
<b>Non-Operating Expenses:</b>									
Interest on Long-Term Debt	\$ 372,770	\$ 186,698	\$ 559,468	\$ 2,228,000	25.11%	\$ (8,954)	\$ (4,089)	\$ (13,043)	-2.28%
Amortization of SWP	393,789	196,896	590,685	2,238,000	26.39%	48,035	24,019	72,054	13.89%
Change in Investments in PRWA	1,183	2,321	3,503	-		1,183	2,321	3,503	
Water Conservation Programs	2,809	-	2,809	126,500	2.22%	(28,060)	(13,386)	(41,446)	-93.65%
<b>Total Non-Operating Expenses</b>	<b>\$ 770,551</b>	<b>\$ 385,915</b>	<b>\$ 1,156,465</b>	<b>\$ 4,592,500</b>	<b>25.18%</b>	<b>\$ 12,204</b>	<b>\$ 8,855</b>	<b>\$ 21,069</b>	<b>1.86%</b>
<b>Total Expenses</b>	<b>\$ 5,802,387</b>	<b>\$ 2,481,591</b>	<b>\$ 8,283,977</b>	<b>\$ 33,548,850</b>	<b>24.69%</b>	<b>\$ 113,794</b>	<b>\$ (881,422)</b>	<b>\$ (767,628)</b>	<b>-8.48%</b>



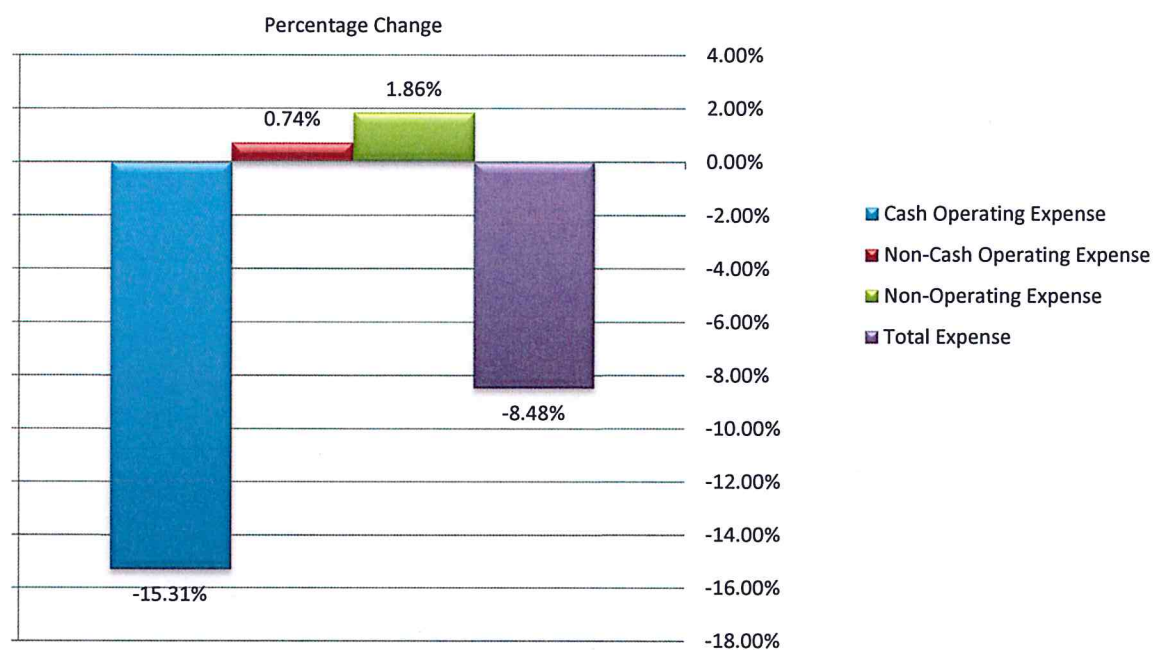
**Palmdale Water District  
Operating Expense Analysis  
For the Three Months Ending 3/31/2016**

2015 to 2016 Comparison

	Thru February	March	Year-to-Date	Adjusted Budget	% of Budget
<b>Cash Operating Expenses:</b>					
Directors	\$ 16,414	\$ 10,736	\$ 27,149	\$ 118,500	22.91%
Administration-Services	416,408	205,764	622,172	2,667,250	23.33%
Administration-District	-	-	-	-	-
Engineering	238,431	86,590	325,021	1,252,750	25.94%
Facilities	885,486	454,488	1,339,974	5,998,000	22.34%
Operations	360,175	215,010	575,184	2,624,000	21.92%
Finance	516,912	146,318	663,230	2,950,750	22.48%
Water Conservation	44,589	28,002	72,592	284,000	25.56%
Human Resources	56,775	40,895	97,670	326,100	29.95%
Information Technology	149,344	55,338	204,682	782,750	26.15%
Customer Care	24,000	86,328	110,328	-	-
Source of Supply-Purchased Water	310,262	287,460	597,722	2,400,000	24.91%
Water Purchases-Prior Year OAP	-	-	-	250,000	0.00%
Water Recovery	(119,029)	-	(119,029)	(100,000)	119.03%
Plant Expenditures	515,753	416,241	931,994	1,146,500	81.29%
GAC Filter Media Replacement	297,759	298,286	596,045	1,896,000	31.44%
<b>Total Cash Operating Expenses</b>	<b>\$ 3,713,278</b>	<b>\$ 2,331,455</b>	<b>\$ 6,044,733</b>	<b>\$ 22,596,600</b>	<b>26.75%</b>
<b>Non-Cash Operating Expenses:</b>					
Depreciation	\$ 1,066,795	\$ 533,397	\$ 1,600,192	\$ 6,450,000	24.81%
OPEB Accrual Expense	367,160	183,580	550,740	2,000,000	27.54%
Bad Debts	813	11	824	100,000	0.82%
Service Costs Construction	(9,565)	3,561	(6,004)	125,000	-4.80%
Capitalized Construction	(208,234)	(66,042)	(274,276)	(1,000,000)	27.43%
<b>Total Non-Cash Operating Expenses</b>	<b>\$ 1,216,969</b>	<b>\$ 654,507</b>	<b>\$ 1,871,476</b>	<b>\$ 7,675,000</b>	<b>24.38%</b>
<b>Non-Operating Expenses:</b>					
Interest on Long-Term Debt	\$ 381,724	\$ 190,787	\$ 572,511	\$ 2,111,000	27.12%
Amortization of SWP	345,754	172,877	518,631	1,679,000	30.89%
Change in Investments in PRWA	-	-	-	-	-
Water Conservation Programs	30,869	13,386	44,255	200,000	22.13%
<b>Total Non-Operating Expenses</b>	<b>\$ 758,346</b>	<b>\$ 377,050</b>	<b>\$ 1,135,396</b>	<b>\$ 3,990,000</b>	<b>28.46%</b>
<b>Total Expenses</b>	<b>\$ 5,688,593</b>	<b>\$ 3,363,012</b>	<b>\$ 9,051,605</b>	<b>\$ 34,261,600</b>	<b>26.42%</b>

## EXPENSE COMPARISON YEAR-TO-DATE

March 2015-To-March 2016





**Palmdale Water District**  
**2016 Directors Budget**  
For the Three Months Ending Thursday, March 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-01-4000-000 Directors Pay	\$ 14,100	\$ 50,000	\$ -	\$ 35,900	28.20%
Employee Benefits					
1-01-4005-000 Payroll Taxes	1,079	5,500		4,421	19.61%
1-01-4010-000 Health Insurance	20,249	76,250		56,001	26.56%
Subtotal (Benefits)	21,327	81,750	-	56,001	26.09%
Total Personnel Expenses	<u>\$ 35,427</u>	<u>\$ 131,750</u>	<u>\$ -</u>	<u>\$ 91,901</u>	<u>26.89%</u>
OPERATING EXPENSES:					
1-01-4050-000 Directors Travel, Seminars & Meetings	2,208	14,000		11,792	15.77%
Subtotal Operating Expenses	2,208	14,000	-	11,792	15.77%
Total O & M Expenses	<u>\$ 37,635</u>	<u>\$ 145,750</u>	<u>\$ -</u>	<u>\$ 103,693</u>	<u>25.82%</u>



**Palmdale Water District**  
**2016 Administration District Wide Budget**  
For the Three Months Ending Thursday, March 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-02-5070-001 On-Call	\$ 19,528	\$ 95,000		\$ 75,472	20.56%
Subtotal (Salaries)	\$ 19,528	\$ 95,000	\$ -	\$ 75,472	20.56%
Employee Benefits					
1-02-5070-002 PERS-Unfunded Liability	\$ 94,704	\$ 404,750		310,046	23.40%
1-02-5070-003 Workers Compensation	28,450	125,000		96,550	22.76%
1-02-5070-004 Vacation Benefit Expense	4,325	35,000		30,675	12.36%
1-02-5070-005 Life Insurance	1,679	8,000		6,321	20.98%
Subtotal (Benefits)	\$ 129,158	\$ 572,750	\$ -	\$ 443,592	22.55%
Total Personnel Expenses	\$ 148,686	\$ 667,750	\$ -	\$ 519,064	22.27%
OPERATING EXPENSES:					
1-02-5070-006 Other Operating	\$ 300	\$ 20,000		19,700	1.50%
1-02-5070-007 Consultants	23,908	160,000		136,093	14.94%
1-02-5070-008 Insurance	73,340	300,000		226,660	24.45%
1-02-5070-009 Groundwater Adjudication	12,180	80,000		67,820	15.23%
1-02-5070-010 Legal Services	27,701	160,000		132,299	17.31%
1-02-5070-011 Memberships/Subscriptions	694	150,000		149,306	0.46%
1-02-5070-012 Elections	104,882	75,000		(29,882)	139.84%
Subtotal Operating Expenses	\$ 243,005	\$ 945,000	\$ -	\$ 701,995	25.71%
Total Departmental Expenses	\$ 391,691	\$ 1,612,750	\$ -	\$ 1,221,059	24.29%

**Palmdale Water District**  
**2016 Administration Services Budget**  
For the Three Months Ending Thursday, March 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-02-4000-000 Salaries	\$ 226,347	\$ 982,000		\$ 755,653	23.05%
1-02-4000-100 Overtime	1,538	8,250		6,712	18.64%
Subtotal (Salaries)	\$ 227,884	\$ 990,250	\$ -	\$ 762,366	23.01%
Employee Benefits					
1-02-4005-000 Payroll Taxes	\$ 17,188	\$ 74,000		56,812	23.23%
1-02-4010-000 Health Insurance	33,600	135,000		101,400	24.89%
1-02-4015-000 PERS	26,641	117,500		90,859	22.67%
Subtotal (Benefits)	\$ 77,430	\$ 326,500	\$ -	\$ 249,070	23.72%
Total Personnel Expenses	\$ 305,314	\$ 1,316,750	\$ -	\$ 1,011,436	23.19%
OPERATING EXPENSES:					
1-02-4050-100 General Manager Travel	\$ 1,074	\$ 5,000		3,926	21.48%
1-02-4060-100 General Manager Conferences & Seminars	830	4,000		3,170	20.75%
1-02-4130-000 Bank Charges	37,955	140,000		102,045	27.11%
1-02-4150-000 Accounting Services	18,000	27,500		9,500	65.45%
1-02-4175-000 Permits	1,431	10,000		8,569	14.31%
1-02-4180-000 Postage	3,932	27,500		23,568	14.30%
1-02-4190-100 Public Relations - Publications	-	35,000		35,000	0.00%
1-02-4190-900 Public Relations - Other	-	1,000		1,000	0.00%
1-02-4200-000 Advertising	45	4,000		3,955	1.13%
1-02-4205-000 Office Supplies	4,369	18,000		13,631	24.27%
Subtotal Operating Expenses	\$ 67,636	\$ 272,000	\$ -	\$ 204,364	24.87%
Total Departmental Expenses	\$ 372,949	\$ 1,588,750	\$ -	\$ 1,215,801	23.47%

**Palmdale Water District**  
**2016 Engineering Budget**  
For the Three Months Ending Thursday, March 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
<b>Personnel Budget:</b>					
1-03-4000-000 Salaries	\$ 196,208	\$ 852,000		\$ 655,792	23.03%
1-03-4000-100 Overtime	2,147	6,750		4,603	31.81%
Subtotal (Salaries)	\$ 198,356	\$ 858,750		\$ 660,394	23.10%
<b>Employee Benefits</b>					
1-03-4005-000 Payroll Taxes	15,088	64,000		48,912	23.57%
1-03-4010-000 Health Insurance	48,398	155,000		106,602	31.22%
1-03-4015-000 PERS	22,641	101,000		78,359	22.42%
Subtotal (Benefits)	\$ 86,126	\$ 320,000	\$ -	\$ 233,874	26.91%
Total Personnel Expenses	\$ 284,482	\$ 1,178,750	\$ -	\$ 894,268	24.13%
<b>OPERATING EXPENSES:</b>					
1-03-4155-000 Contracted Services	10,000	64,000		54,000	15.63%
1-03-4165-000 Memberships/Subscriptions	411	2,500		2,089	16.44%
1-03-4250-000 General Materials & Supplies	741	3,000		2,259	24.70%
1-03-8100-100 Computer Software - Maint. & Support	2,250	31,000		28,750	7.26%
Subtotal Operating Expenses	\$ 13,402	\$ 100,500	\$ -	\$ 87,098	13.34%
Total Departmental Expenses	\$ 297,884	\$ 1,279,250	\$ -	\$ 981,366	23.29%



**Palmdale Water District**  
**2016 Facilities Budget**  
For the Three Months Ending Thursday, March 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-04-4000-000 Salaries	\$ 453,647	\$ 2,083,750		\$ 1,630,103	21.77%
1-04-4000-100 Overtime	21,152	90,000		68,848	23.50%
Subtotal (Salaries)	\$ 474,799	\$ 2,173,750	\$ -	\$ 1,698,951	21.84%
Employee Benefits					
1-04-4005-000 Payroll Taxes	36,846	166,500		129,654	22.13%
1-04-4010-000 Health Insurance	134,197	444,500		310,303	30.19%
1-04-4015-000 PERS	49,935	257,500		207,565	19.39%
Subtotal (Benefits)	\$ 220,979	\$ 868,500	\$ -	\$ 647,521	25.44%
Total Personnel Expenses	\$ 695,778	\$ 3,042,250	\$ -	\$ 2,346,472	22.87%

**OPERATING EXPENSES:**

1-04-4155-000 Contracted Services	\$ 375,321	\$ 488,000		\$ 112,679	76.91%
1-04-4175-000 Permits-Dams	7,229	50,000		42,771	14.46%
1-04-4215-100 Natural Gas - Wells & Boosters	16,051	225,000		208,949	7.13%
1-04-4215-200 Natural Gas - Buildings	2,909	9,000		6,091	32.32%
1-04-4220-100 Electricity - Wells & Boosters	313,216	1,480,000		1,166,784	21.16%
1-04-4220-200 Electricity - Buildings	12,934	88,000		75,066	14.70%
1-04-4225-000 Maint. & Repair - Vehicles	9,475	35,000		25,525	27.07%
1-04-4230-100 Maint. & Rep. Office Building	11,341	15,000		3,659	75.61%
1-04-4235-110 Maint. & Rep. Equipment	269	6,500		6,231	4.14%
1-04-4235-400 Maint. & Rep. Operations - Wells	48,476	75,000		26,524	64.63%
1-04-4235-405 Maint. & Rep. Operations - Boosters	11,122	50,000		38,878	22.24%
1-04-4235-410 Maint. & Rep. Operations - Shop Bldgs	-	10,000		10,000	0.00%
1-04-4235-415 Maint. & Rep. Operations - Facilities	13,590	15,000		1,410	90.60%
1-04-4235-420 Maint. & Rep. Operations - Water Lines	62,580	225,000		162,420	27.81%
1-04-4235-425 Maint. & Rep. Operations - Littlerock Dam	2,815	15,000		12,185	18.77%
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	16,897	10,000		(6,897)	168.97%
1-04-4235-445 Maint. & Rep. Operations - Telemetry	-	4,000		4,000	0.00%
1-04-4235-450 Maint. & Rep. Operations - Hypo Generators	-	10,000		10,000	0.00%
1-04-4235-455 Maint. & Rep. Operations - Heavy Equipment	12,794	45,000		32,206	28.43%
1-04-4235-460 Maint. & Rep. Operations - Storage Reservoirs	1,456	5,000		3,544	29.11%
1-04-4235-470 Maint. & Rep. Operations - Meters Exchanges	80,986	225,000		144,014	35.99%
1-04-4270-300 Telecommunication - Other	1,048	4,000		2,952	26.20%
1-04-4300-200 Testing - Large Meters	6,917	12,500		5,583	55.33%
1-04-4300-300 Testing - Edison Testing	-	30,000		30,000	0.00%
1-04-6000-000 Waste Disposal	2,381	20,000		17,619	11.90%
1-04-6100-100 Fuel and Lube - Vehicle	10,883	105,000		94,117	10.37%
1-04-6100-200 Fuel and Lube - Machinery	4,465	40,000		35,535	11.16%
1-04-6200-000 Uniforms	6,947	22,500		15,553	30.87%
1-04-6300-100 Supplies - General	16,311	47,500		31,189	34.34%
1-04-6300-200 Supplies - Hypo Generators	468	6,500		6,032	7.20%
1-04-6300-300 Supplies - Electrical	836	3,000		2,164	27.86%
1-04-6300-400 Supplies - Telemetry	203	5,000		4,797	4.07%
1-04-6300-800 Supplies - Construction Materials	12,367	35,000		22,633	35.33%
1-04-6400-000 Tools	6,359	25,000		18,641	25.44%
1-04-7000-100 Leases -Equipment	4,933	12,500		7,567	39.46%
Subtotal Operating Expenses	\$ 1,073,578	\$ 3,471,500	\$ -	\$ 2,397,922	30.93%
Total Departmental Expenses	\$ 1,769,356	\$ 6,513,750	\$ -	\$ 4,744,394	27.16%

**Palmdale Water District**  
**2016 Operation Budget**  
For the Three Months Ending Thursday, March 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
<b>Personnel Budget:</b>					
1-05-4000-000 Salaries	\$ 248,706	\$ 1,012,500		\$ 763,794	24.56%
1-05-4000-100 Overtime	9,489	56,000		46,511	16.94%
Subtotal (Salaries)	\$ 258,195	\$ 1,068,500	\$ -	\$ 810,305	24.16%
<b>Employee Benefits</b>					
1-05-4005-000 Payroll Taxes	19,835	84,500		64,665	23.47%
1-05-4010-000 Health Insurance	55,717	183,500		127,783	30.36%
1-05-4015-000 PERS	29,253	137,750		108,497	21.24%
Subtotal (Benefits)	\$ 104,804	\$ 405,750	\$ -	\$ 300,946	25.83%
Total Personnel Expenses	\$ 362,999	\$ 1,474,250	\$ -	\$ 1,111,251	24.62%
<b>OPERATING EXPENSES:</b>					
1-05-4155-000 Contracted Services	\$ 1,380	\$ 93,500		\$ 92,120	1.48%
1-05-4175-000 Permits	3,091	40,000		36,909	7.73%
1-05-4215-200 Natural Gas - WTP	499	3,000		2,501	16.64%
1-05-4220-200 Electricity - WTP	17,424	125,000		107,576	13.94%
1-05-4230-110 Maint. & Rep. - Office Equipment	107	500		393	21.46%
1-05-4235-110 Maint. & Rep. Operations - Equipment	3,963	11,500		7,537	34.46%
1-05-4235-410 Maint. & Rep. Operations - Shop Bldgs	6,304	6,000		(304)	105.07%
1-05-4235-415 Maint. & Rep. Operations - Facilities	16,907	45,000		28,093	37.57%
1-05-4235-450 Maint. & Rep. Operations - Hypo Generator	288	18,000		17,712	1.60%
1-05-4235-500 Maint. & Rep. Operations - Wind Turbine	680	10,000		9,320	6.80%
1-05-6000-000 Waste Disposal	1,728	20,000		18,272	8.64%
1-05-6200-000 Uniforms	3,839	16,000		12,161	23.99%
1-05-6300-100 Supplies - General	4,702	15,000		10,298	31.35%
1-05-6300-600 Supplies - Lab	17,051	40,000		22,949	42.63%
1-05-6300-700 Outside Lab Work	23,050	92,000		68,950	25.05%
1-05-6400-000 Tools	1,382	6,500		5,118	21.26%
1-05-6500-000 Chemicals	58,691	400,000		341,309	14.67%
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	\$ 161,086	\$ 975,000	\$ -	\$ 783,914	16.52%
Total Departmental Expenses	\$ 524,086	\$ 2,449,250	\$ -	\$ 1,895,164	21.40%



**Palmdale Water District**  
**2016 Finance Budget**  
For the Three Months Ending Thursday, March 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
<b>Personnel Budget:</b>					
1-06-4000-000 Salaries	\$ 165,583	\$ 670,250		\$ 504,667	24.70%
1-06-4000-100 Overtime	236	3,000		2,764	7.88%
Subtotal (Salaries)	\$ 165,820	\$ 673,250	\$ -	\$ 507,430	24.63%
<b>Employee Benefits</b>					
1-06-4005-000 Payroll Taxes	12,526	49,000		36,474	25.56%
1-06-4010-000 Health Insurance	27,368	83,000		55,632	32.97%
1-06-4015-000 PERS	19,717	87,000		67,283	22.66%
Subtotal (Benefits)	\$ 59,611	\$ 219,000	\$ -	\$ 159,389	27.22%
Total Personnel Expenses	\$ 225,431	\$ 892,250	\$ -	\$ 666,819	25.27%
<b>OPERATING EXPENSES:</b>					
1-06-4155-000 Contracted Services	\$ 1,700	\$ 6,000		\$ 4,300	28.33%
1-06-4155-100 Contracted Services - Infosend	67,490	225,000		157,510	30.00%
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	272	3,000		2,728	9.06%
1-06-4260-000 Business Forms	689	7,500		6,811	9.18%
1-06-4270-100 Telecommunication - Office	5,938	12,000		6,062	49.48%
1-06-4270-200 Telecommunication - Cellular Stipend	4,935	18,500		13,565	26.68%
1-06-7000-100 Leases - Equipment	623	3,000		2,377	20.77%
Subtotal Operating Expenses	\$ 81,866	\$ 276,000	\$ -	\$ 194,134	29.66%
Total Departmental Expenses	\$ 307,297	\$ 1,168,250	\$ -	\$ 860,953	26.30%

**Palmdale Water District**  
**2016 Water Conservation Budget**  
For the Three Months Ending Thursday, March 31, 2016

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

1-07-4000-000 Salaries	\$ 38,941	\$ 129,000	\$ 90,059	30.19%
1-07-4000-100 Overtime	-	1,000	1,000	0.00%
Subtotal (Salaries)	\$ 38,941	\$ 130,000	\$ 91,059	29.95%

Employee Benefits

1-07-4005-000 Payroll Taxes	2,994	10,000	7,006	29.94%
1-07-4010-000 Health Insurance	12,431	38,000	25,569	32.71%
1-07-4015-000 PERS	2,559	17,250	14,691	14.83%
Subtotal (Benefits)	\$ 17,984	\$ 65,250	\$ -	27.56%

Total Personnel Expenses

\$ 56,925	\$ 195,250	\$ -	\$ 137,325	29.15%
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OPERATING EXPENSES:

1-07-4190-300 Public Relations - Landscape Workshop/Training	\$ 5,116	\$ 1,000	\$ (4,116)	511.59%
1-07-4190-400 Public Relations - Contests	-	1,000	1,000	0.00%
1-07-4190-500 Public Relations - Education Programs	-	2,500	2,500	0.00%
1-07-4190-700 Public Relations -General Media	3,946	25,000	21,054	15.78%
1-07-4190-900 Public Relations - Other	2,825	2,000	(825)	141.26%
1-07-4500-000 Drought Enforcement	-	7,500	7,500	0.00%
1-07-6300-100 Supplies - Misc.	-	5,000	5,000	0.00%
Subtotal Operating Expenses	\$ 11,887	\$ 44,000	\$ -	27.02%

Total Departmental Expenses

\$ 68,812	\$ 239,250	\$ -	\$ 169,438	28.76%
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**Palmdale Water District**  
**2016 Human Resources Budget**  
For the Three Months Ending Thursday, March 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
<b>Personnel Budget:</b>					
1-08-4000-000 Salaries	\$ 26,978	\$ 116,000		89,022	23.26%
1-08-4000-100 Salaries - Overtime	\$ 4				
1-08-4000-200 Salaries - Intern Program	13,533	40,000		26,467	33.83%
Subtotal (Salaries)	\$ 40,515	\$ 156,000		\$ 115,489	25.97%
<b>Employee Benefits</b>					
1-08-4005-000 Payroll Taxes	3,114	15,250		12,136	20.42%
1-08-4010-000 Health Insurance	6,770	18,250		11,480	37.10%
1-08-4015-000 PERS	1,697	7,250		5,553	23.41%
Subtotal (Benefits)	\$ 11,581	\$ 40,750	\$ -	\$ 29,169	28.42%
Total Personnel Expenses	\$ 52,096	\$ 196,750	\$ -	\$ 144,658	26.48%
<b>OPERATING EXPENSES:</b>					
1-08-4050-000 Staff Travel	\$ 9,631	\$ 27,500		\$ 17,869	35.02%
1-08-4060-000 Staff Conferences & Seminars	3,512	25,000		21,488	14.05%
1-08-4070-000 Employee Expense	22,744	60,000		37,256	37.91%
1-08-4095-000 Employee Recruitment	-	3,000		3,000	0.00%
1-08-4100-000 Employee Retention	2,387	20,000		17,613	11.94%
1-08-4105-000 Employee Relations	929	3,500		2,571	26.53%
1-08-4110-000 Consultants	3,797	1,000		(2,797)	379.68%
1-08-4120-100 Training-Safety	9,478	35,000		25,522	27.08%
1-08-4120-200 Training-Speciality	205	25,000		24,795	0.82%
1-08-4121-000 Safety Program	278	1,000		722	27.85%
1-08-4165-000 Membership/Subscriptions	589	1,600		1,011	36.81%
1-08-4165-100 HR/Safety Publications	-	1,000		1,000	0.00%
1-08-6300-500 Supplies - Safety	6,678	20,000		13,322	33.39%
Subtotal Operating Expenses	\$ 60,229	\$ 223,600	\$ -	\$ 163,371	26.94%
Total Departmental Expenses	\$ 112,325	\$ 420,350	\$ -	\$ 308,029	26.72%

**Palmdale Water District**  
**2016 Information Technology Budget**  
For the Three Months Ending Thursday, March 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
<b>Personnel Budget:</b>					
1-09-4000-000 Salaries	\$ 49,973	\$ 225,500		\$ 175,527	22.16%
1-09-4000-100 Overtime	818	2,500		1,682	32.71%
Subtotal (Salaries)	\$ 50,791	\$ 228,000		\$ 177,209	22.28%
<b>Employee Benefits</b>					
1-09-4005-000 Payroll Taxes	3,864	16,000		12,136	24.15%
1-09-4010-000 Health Insurance	11,701	38,000		26,299	30.79%
1-09-4015-000 PERS	6,696	29,500		22,804	22.70%
Subtotal (Benefits)	\$ 22,260	\$ 83,500	\$ -	\$ 61,240	26.66%
Total Personnel Expenses	\$ 73,051	\$ 311,500	\$ -	\$ 236,767	23.45%
<b>OPERATING EXPENSES:</b>					
1-09-4155-000 Contracted Services	\$ 13,846	\$ 121,500		\$ 107,655	11.40%
1-09-4165-000 Memberships/Subscriptions	150	2,000		1,850	7.50%
1-09-4270-000 Telecommunications	20,225	79,250		59,025	25.52%
1-09-8000-100 Computer Equipment - Computers	6,486	20,000		13,514	32.43%
1-09-8000-200 Computer Equipment - Laptops	6,493	16,000		9,507	40.58%
1-09-8000-300 Computer Equipment - Monitors	-	2,000		2,000	0.00%
1-09-8000-500 Computer Equipment - Toner Cartridges	71	3,000		2,929	2.37%
1-09-8000-550 Computer Equipment - Telephony	-	2,500		2,500	0.00%
1-09-8000-600 Computer Equipment - Other	8,203	40,000		31,797	20.51%
1-09-8100-100 Computer Software - Maint. and Support	4,539	60,000		55,461	7.56%
1-09-8100-140 Computer Software - Starnik	23,700	130,000		106,300	18.23%
1-09-8100-150 Computer Software - Dynamics GP Support	29,615	60,000		30,385	49.36%
1-09-8100-200 Computer Software - Software and Upgrades	1,404	20,000		18,596	7.02%
Subtotal Operating Expenses	\$ 114,731	\$ 556,250	\$ -	\$ 441,519	20.63%
Total Departmental Expenses	\$ 187,782	\$ 867,750	\$ -	\$ 678,286	21.64%



**Palmdale Water District**  
**2016 Customer Care Budget**  
For the Three Months Ending Thursday, March 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
<b>Personnel Budget:</b>					
1-10-4000-000 Salaries	\$ 213,644	\$ 929,250		\$ 715,606	22.99%
1-10-4000-100 Overtime	2,656	10,000		7,344	26.56%
Subtotal (Salaries)	\$ 216,300	\$ 939,250	\$ -	\$ 722,950	23.03%
<b>Employee Benefits</b>					
1-10-4005-000 Payroll Taxes	17,222	71,500		54,278	24.09%
1-10-4010-000 Health Insurance	81,201	217,000		135,799	37.42%
1-10-4015-000 PERS	27,409	119,000		91,591	23.03%
Subtotal (Benefits)	\$ 125,832	\$ 407,500	\$ -	\$ 281,668	30.88%
Total Personnel Expenses	\$ 342,132	\$ 1,346,750	\$ -	\$ 1,004,618	25.40%
<b>OPERATING EXPENSES:</b>					
1-10-4155-000 Contracted Services	\$ 5,284	\$ 22,000		\$ 16,716	24.02%
1-10-4230-110 Maintenance & Repair-Office Equipment	-	500		500	0.00%
1-10-4250-000 General Material & Supplies	1,103	7,500		6,397	14.71%
1-10-4260-000 Business Forms	-	10,000		10,000	0.00%
Subtotal Operating Expenses	\$ 6,387	\$ 40,000	\$ -	\$ 33,613	15.97%
Total Departmental Expenses	\$ 348,519	\$ 1,386,750	\$ -	\$ 1,038,231	25.13%

**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:** May 4, 2016 **May 10, 2016**  
**TO:** BOARD OF DIRECTORS **Board Meeting**  
**FROM:** Mr. Matthew R. Knudson, Assistant General Manager  
**VIA:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** ***AGENDA ITEM NO. 7.3 – UPDATE ON SERIES 2013A WATER REVENUE BOND FUNDED PROJECTS AND 2016 CAPITAL PROJECT EXPENSES***

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Attached are the monthly spreadsheets to update the Board on actual and projected expenses related to the 2016 Capital Projects, Water Quality Fee funded projects, and Series 2013A Water Revenue Bond funded projects.

**Committed Contract:** These expenses are for projects that are contractually committed to by the District and are accounted for in the approved 2016 Budget. The amounts highlighted are actual payments issued, and the future payments are estimated based on the remaining contractual commitment.

**Water Quality Fee Funded Projects:** These expenses are related to the Granular Activated Carbon (GAC) replacements at the Water Treatment Plant and Underground Booster Station in order to comply with water quality regulations. These expenses are funded through the \$0.13/CCF charged on all water delivered to our customers.

**Budgeted – Not Committed:** These projected expenses are related to capital projects/equipment that are planned and budgeted for, but not yet contractually committed. Each of these projects will be brought to the Board for consideration and approval prior to contractually committing funds.

**Water Revenue Bond – Series 2013A:** This spreadsheet summarizes and provides the payout detail on the various projects that are funded from the Water Revenue Bond (WRB) proceeds issued in 2013. There was \$8,500,000 available for various infrastructure replacement and water supply projects with \$9,430,009 contractually committed for the projects listed on the attached spreadsheet. The \$930,009 over the available funds from the WRB will be funded from the 2016 and 2017 Operating Budget.

**Supporting Documents:**

- 2016 Capital Project Expenses Spreadsheet
- Water Revenue Bond – Series 2013A Summary and Payout Detail

Palmdale Water District  
2016 Capital Project Expenses  
Updated: May 2, 2016

Committed Contracts (Actual / Projected Expenses)																			
Project Title	Project Type	Contract	Vendor/Contractor/Consultant	Jan - Nov, 2015	Dec, 2015	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2016 Total	2017 Total
Upper Amargosa Recharge Project - WRB Fund Carry-over	Water Supply and Groundwater Management	1,250,000	City of Palmdale / AVEK / WW40	-	-										347,629			347,629	582,380
PRGRRP - Financial Model	Water Supply Project / Planning	29,000	PFM, Inc.	-	-					29,000								29,000	
2015 Urban Water Management Plan	Planning / Regulatory	64,380	Kennedy/Jenks Consultants	-	4,186	10,456	9,089	7,105	4,007	14,768	14,769							60,194	
Water System Master Plan Update	Water System Infrastructure Planning	196,043	MHW	141,860	-	20,904				18,279	15,000							54,183	
Hydrologic and Energy Database	Water Supply and Demand Management	67,000	DCSE	65,970	-				1,030									1,030	
Security Improvements Project	Asset Management - Equipment Replacement	301,799	Siemens	205,283	-	36,716				59,800								96,516	
Security Improvements Project - Eng.	Asset Management - Equipment Replacement	58,730	Exante360	31,938	-					4,482								4,482	
Dredging & Lake Outlet Repairs	Asset Management - Equipment Replacement	40,599	Parker / Layne	-	-		40,599											40,599	
Well No. 15 - Rehabilitation	Asset Management - Equipment Replacement	151,907	Layne	-	-	17,621	134,286		38,000									189,907	
Well No. 30 - Rehabilitation	Asset Management - Equipment Replacement	74,222	Layne	-	-		74,222											74,222	
Well No. 22 - Rehabilitation	Asset Management - Equipment Replacement	37,000	Layne						21,525	15,475								37,000	
Water Main Replacement - Tierra Subida Ave. (Paving)	Asset Management - Infrastructure Replacement	46,253	RBC	-	-		46,253											46,253	
Emergency Repairs on Well 18/19 Tank	Asset Management - Infrastructure Repairs	57,850	Superior Tank Solutions	-	57,850													-	
Office Space Remodel for Customer Care	Asses Management - Ergonomics Improvements	11,936	Rothman Business Interiors				2,547		5,496	3,893								11,936	
Office Space for Electronic Tech.	Work Flow and Communication Improvements	19,732	Yourway Const, / Circulating Air	-	-					19,732								19,732	
Valve Exercising Truck	Equipment Replacement	122,500	Wondries / CTEC	-	-					122,500								122,500	
New Vehicle	Equipment Replacement	32,184	Victorville Motors	-	-				32,184									32,184	
Surveying / GIS Equipment	Equipment Replacement	17,799	Allen Associates, Inc.	-	-				17,799									17,799	
Fleet Lighting Improvements	Safety	30,000	PWD	1,500	-					2,500	6,000	1,500						10,000	
ARC Flash	Safety	137,500	Carollo	-	-	6,020				26,296	26,296	26,296	26,296	26,296				137,500	
AC Pipe Disposal	Safety / Regulatory Compliance	26,875	Alliance	-	26,875													-	
Lobby Design	Customer Service Improvement / Feasibility Design	56,600	ITZEN	49,344	-	4,650				2,606								7,256	
Subtotal		1,550,909		495,895	88,911	96,367	306,996	7,105	120,041	319,331	62,065	27,796	26,296	26,296	347,629	-	-	1,339,922	582,380

Water Quality Fee Funded Projects																		
Project Title	Project Type	Contract	Vendor/Contractor/Consultant	Jan - Nov, 2015	Dec, 2015	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2016 Total
GAC Replacement - WTP	Water Quality Improvement / Regulatory	655,135	Calgon Carbon	573,109				275,135					190,000			190,000		655,135
GAC Replacement - WTP AC1230CX Reactivated	Water Quality Improvement / Regulatory	183,200	Evoqua	298,286			183,200											183,200
GAC Replacement - Underground Booster	Water Quality Improvement / Regulatory	62,730	Evoqua			62,730												62,730
Subtotal		901,065		871,395	-	62,730	183,200	275,135	-	-	-	-	190,000	-	-	190,000	-	901,065

Budgeted - Not Committed (Projected Expenses)																		
Project Title	Project Type	Estimate	Vendor/Contractor/Consultant	Jan - Nov, 2015	Dec, 2015	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2016 Total
Meter Replacement Program	Asset Management - Equipment Replacement	600,000	TBD									200,000	200,000	200,000				600,000
Water Main and Service Line Replacement Projects	Asset Management - Infrastructure Replacement	300,000	TBD							25,000	75,000	75,000	25,000		75,000	25,000		300,000
Water System Master Plan - CEQA	Planning / Regulatory	75,000	TBD								10,000	25,000	25,000	15,000				75,000
Well No. 25 - Rehabilitation	Asset Management - Equipment Replacement	50,000	TBD												50,000			50,000
Well No. 26 - Rehabilitation	Asset Management - Equipment Replacement	50,000	TBD													50,000		50,000
WTP Security - Feasibility and Phase 1	Asset Management - Equipment Replacement	25,000	TBD								15,000	10,000						25,000
Drainage Improvements @ WTP	Asset Management - Site Improvements	50,000	TBD	-	-						50,000							50,000
Recharge and Recovery Project Pilot	Water Supply Project / Planning	300,000	TBD											100,000	100,000	100,000		300,000
Generator/Engine Emissions - 25th and 45th Booster Sta.	Regulatory	20,000	TBD								10,000	10,000						20,000
Conference Room Projectors - Installation	Asset Management - Equipment Replacement	10,000	TBD								10,000							10,000
Entry Way Building @ WTP	Safety	10,000	TBD										10,000					10,000
Hi-Speed Document Scanners (4)	New Equipment	50,000	TBD								25,000	25,000						50,000
Subtotal		1,540,000			-	-	-	-	-	25,000	195,000	345,000	260,000	315,000	225,000	175,000	-	1,540,000



# Water Revenue Bond - Series 2013A

Updated: May 2, 2016

Project	Work Order	Description	Allocated Based on Bond	Contractual Commitment	Payout to Date	Grant Funds/Operating Budget	Uncommitted Bond \$
Spec. 1204	603-12	Ave. Q - Q-3, Division and Sumac	\$ 725,000	\$ 765,085	\$ 765,085	\$ -	\$ (40,085)
Spec. 1201	606-11	20th, Puerta, Sweetbriar, and 22nd St. E.	\$ 1,450,000	\$ 1,487,261	\$ 1,487,261	\$ -	\$ (37,261)
Spec. 1205	605-12	Frontier, 31st St. E., etc. between Ave. Q and Q-4	\$ 1,200,000	\$ 1,291,539	\$ 1,291,539	\$ 485,000	\$ (91,539)
Spec. 1207	607-12	10th St. E. between Ave. P and Palmdale Blvd.	\$ 1,400,000	\$ 1,327,806	\$ 1,327,806	\$ -	\$ 72,194
LRDSR	501-04	Littlerock Sediment Removal (EIR/EIS/Permits)	\$ 975,000	\$ 645,443	\$ 549,783	\$ -	\$ 329,557
LCGRRP	400-12	Littlerock Recharge and Recovery (Feasibility)	\$ 1,500,000	\$ 769,891	\$ 769,891	\$ -	\$ 730,109
UAR	TBD	Upper Amargosa Recharge (Project Capacity)	\$ 1,250,000	\$ 1,250,000	\$ 93,380	\$ 445,009	\$ -
Spec. 0905	601-09	15th St. E. between Ave. P and Ave. Q (Material)	\$ -	\$ 362,984	\$ 362,984	\$ -	\$ (362,984)
PRGRRP	501-04	Palmdale Regional Recharge and Recovery (Permits)	\$ -	\$ 1,530,000	\$ 1,160,497		\$ (1,530,000)
<b>Totals:</b>			\$ 8,500,000	\$ 9,430,009	\$ 7,808,227	\$ 930,009	\$ (930,009)

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

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

51	Kennedy/Jenks - Progress Payment	Nov. 4, 2015	96460	PRGRRP	\$ 129,704.49
52	Aspen - Native American Monitoring	Dec. 28, 2015	96461	Spec. 1205	\$ 3,013.50
52	Kennedy/Jenks - Progress Payment	Dec. 28, 2015	97775	PRGRRP	\$ 159,241.36
53	Kennedy/Jenks - Progress Payment	Jan. 21, 2016	98545	PRGRRP	\$ 67,612.54
53	Aspen - EIR/EIS Progress Payment	Jan. 21, 2016	1116.002-25 & 27	LRDSR	\$ 3,751.40
54	BV Construction - Progress Payment #11	Feb. 3, 2016	11	Spec. 1205	\$ 67,200.17
55	BV Construction - Retention Payment	Feb. 23, 2016	Retention	Spec. 1205	\$ 62,731.78
55	Kennedy/Jenks - Progress Payment	Feb. 23, 2016	99318	PRGRRP	\$ 58,537.45
56	Aspen - EIR/EIS Progress Payment	Mar. 28, 2016	1116.003-01	LRDSR	\$ 33,898.64
56	Kennedy/Jenks - Progress Payment	Mar. 28, 2016	99918	PRGRRP	\$ 57,193.72
57	Kennedy/Jenks - Progress Payment	Apr. 19, 2016	100572	PRGRRP	\$ 7,364.72

**PALMDALE WATER DISTRICT  
BOARD MEMORANDUM**

**DATE:** May 4, 2016 **May 11, 2016**  
**TO:** BOARD OF DIRECTORS **Board Meeting**  
**FROM:** Mr. Matthew R. Knudson, Assistant General Manager  
**VIA:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** ***AGENDA ITEM NO. 7.4 – CONSIDERATION AND POSSIBLE ACTION  
ON AMENDMENT NO. 1 WITH KENNEDY/JENKS CONSULTANTS  
AUTHORIZING THE 2016 SCOPE OF WORK AND BUDGET FOR THE  
PALMDALE REGIONAL GROUNDWATER RECHARGE AND  
RECOVERY PROJECT.***

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**Recommendation:**

That the Board:

1. Approve Amendment No. 1 with Kennedy/Jenks Consultants for the Palmdale Regional Groundwater Recharge and Recovery Project (PRGRRP) in a not-to-exceed amount of \$97,000.00; and
2. Authorize the General Manager to execute Amendment No. 1 to the Professional Services Agreement with Kennedy/Jenks dated March 30, 2015.

**Background:**

In February 2015, Kennedy/Jenks completed an appraisal level analysis of the feasibility of implementing a groundwater recharge and recovery project. The analysis evaluated ten (10) alternatives and recommended that alternative 10C be evaluated in more detail.

In March 2015, the District authorized an agreement and budget for the next steps in the planning process which evaluated alternative 10C at the feasibility level. This included - public outreach activities, collection of survey and geotechnical data, conducting biological surveys of threatened and endangered plant and animal species, completing preliminary design and cost estimates of project facilities, environmental reports with federal and state agency review, permitting, regulatory compliance, and feasibility level planning reports.

BOARD OF DIRECTORS  
PALMDALE WATER DISTRICT

VIA: Mr. Dennis D. LaMoreaux, General Manager

May 4, 2016

The next steps in moving this project closer to construction and operation is to proceed with the 2016 Work Plan/Scope of Services which addresses field testing and monitoring, geotechnical investigations, groundwater modeling updates, and continued support for water quality evaluation, permitting, and public outreach, as well as a task for Soil Column Testing. These tasks address issues that were raised by the Lahontan Regional Water Quality Control Board as being necessary to evaluate potential impacts of the project on the groundwater basin. The attached 2016 Work Plan/Scope of Services describes the recommended tasks in detail.

**Strategic Plan Initiative:**

This work is part of Strategic Initiative No. 1 – Water Resource Reliability by developing the Palmdale Regional Groundwater Recharge and Recovery Project.

**Budget:**

Contract with Kennedy/Jenks dated March 30, 2016:	\$1,530,000
Proposed Budget for 2016 Work Plan under Amendment No. 1:	\$ 249,250
Unused budget under March 30, 2016 agreement being reassigned:	<u>(\$ 152,250)</u>
Requested funding authorization from 2016 Operating Budget:	\$ 97,000

The District's approved 2016 Operating Budget includes \$300,000 for the PRGRRP. The remaining funds will be dedicated to the construction of (3) monitoring wells and infiltration test basin scheduled for late 2016.

**Supporting Documents:**

- Proposed Amendment No. 1
- Exhibit "A" – 2016 Work Plan / Scope of Services
- Exhibit "B" – Fee Schedule

**AMENDMENT No. 1**

This Amendment No. 1 is to the Professional Services Agreement dated March 30, 2015 between Palmdale Water District and Kennedy/Jenks Consultants, for professional services related to the Palmdale Regional Groundwater Recharge and Recovery Project. This Amendment is to add the Scope of Services for Kennedy/Jenks Consultants to complete the 2016 Work Plan as detailed in attached Exhibit "A".

Amendment No. 1 Not-to-Exceed Total:                      \$ 97,000.00

Except as modified by the foregoing, the parties' Professional Services Agreement dated March 30, 2015 remains in full force and effect.

The parties hereto have caused this Agreement to be duly executed by its authorized officers.

**PALMDALE WATER DISTRICT**

**KENNEDY/JENKS CONSULTANTS**

By \_\_\_\_\_  
Its: General Manager

By \_\_\_\_\_  
Its: \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_



**Palmdale Water District  
Palmdale Regional Groundwater Recharge and Recovery  
Project (PRGRRP)  
2016 Work Plan  
Scope of Services**

This scope of services addresses field testing and monitoring, geotechnical investigations, groundwater modeling updates, and continued support for water quality evaluation, permitting, and public outreach, as well as an optional task for Soil Column Testing. The work consists of ten base tasks, as follows:

Task 1 – Project Management and QA/QC

Task 2 – Monitoring Well Design, Bid Assistance, CM, and Operations Support

Task 3 – Infiltration Pilot Test Design, Bid Assistance, CM Support, and Infiltration Test Report

Task 4 - Geotechnical Investigation

Task 5 – Groundwater Flow Model Update

Task 6 – Groundwater Quality Model Update

Task 7 – Water Quality Evaluation

Task 8 – Permitting Support

Task 9 – Public Outreach

Task 10 – Soil Column Tests

**TASK 1 - PROJECT MANAGEMENT AND QA/QC**

Project management activities, including meetings, updates, QA/QC, presentations, and project controls, as described below.

**1.1 - Kick-Off Meeting**

A project kick-off meeting will be held to initiate Tasks 2, 3, and 4. This meeting will include Kennedy/Jenks' project manager and project engineer with selected support staff by telephone.

**1.2 - Meetings**

Kennedy/Jenks will attend progress meetings with Palmdale Water District (PWD) to discuss various issues throughout the project. Kennedy/Jenks will prepare an agenda for PWD's review prior to the meeting. The following meetings will be held with PWD at PWD's headquarters with the appropriate members of Kennedy/Jenks' project team:

Project kickoff meeting

Progress meetings (2 meetings)

Conference calls (2 progress/review calls)

### **1.3 – Bi-Weekly Updates**

Kennedy/Jenks will prepare bi-weekly project updates consisting of an email report to PWD's Project Manager. The updates will identify and discuss project issues, coordination efforts, action items, schedule, budget, and other items of concern.

### **1.4 - Quality Assurance/Quality Control (QA/QC)**

All submittals will be reviewed by senior engineering staff prior to delivery.

### **1.5 – Presentations**

Kennedy/Jenks will make one presentation to PWD's Board Committee and the full Board of Directors at the completion of key milestones. Kennedy/Jenks will provide a draft of the presentation to the PWD Project Manager for review and comment prior to the meetings.

### **1.6 - Project Controls**

This task addresses the management responsibilities associated with proper scheduling, budget control, invoice preparation and coordination with PWD and the Kennedy/Jenks project team.

## **TASK 2 – MONITORING WELL DESIGN, BID ASSISTANCE, CM, AND OPERATIONS SUPPORT**

Kennedy/Jenks will prepare the design drawings and specifications for the construction of either a nested monitoring well (three individual monitoring wells screened within one large diameter borehole) or three separate monitoring wells (three individual wells completed within three separate boreholes). The final monitoring well design approach will be determined after the borehole has been drilled to total depth of 550 feet below ground surface (bgs). Tentative screened depths are 230 to 260 feet below ground surface (bgs), 270 to 300 feet bgs, and 310 to 340 feet bgs. 4-inch PVC well screen and blank casing will be utilized. Soil samples will be collected at 5-foot intervals or change in lithology. Geophysical logging will complete in the borehole to provide additional hydrologic and geologic information. This geophysical information will provide information on future drilling of the proposed recovery wells and additional monitoring wells for the PRGRRP.

Work phases will include: a Basis of Design Memorandum, Design, Bid Assistance, Construction Management, and Operations Support.

### **2.1 – Basis of Design Memorandum No. 1 (BOD-1)**

Kennedy/Jenks will prepare Basis of Design Memorandum No. 1 (BOD-1) to succinctly document the assumptions, prior findings, and recommendations to be incorporated into the final design. The preliminary design work for well drilling and well level monitoring and sampling equipping will primarily involve:

1. Preliminary monitoring well design criteria for a nested well (with three monitoring wells) or three separate monitoring wells to include the following:
  - a. Well site plan

## Exhibit "A"

- b. Document allowable work area, water source and any special considerations
  - c. Well drilling diameter, casing diameter, and materials
  - d. Anticipated well screen materials
  - e. Well borehole depth and completed monitoring well depths
  - f. Target sample collection pumping rate
  - g. Anticipated groundwater table operating ranges and projected drawdown under design pumping conditions
  - h. Proposed well screen placement and completion
  - i. Proposed well profile for each proposed well
  - j. Well pad and well head lockable access configuration
  - k. Submersible sample pump selection with system curve for range of aquifer storage assumptions
  - l. Portable electric generator requirements for sample pump operation
  - m. Direct read level monitoring equipment and datalogger configuration
- 2. Construction cost estimates for the two monitoring well alternatives.
  - 3. Equipment recommendations for sample pumps, portable generator, level sensors and dataloggers.
  - 4. A single review meeting with PWD to review both the BOD-1 and BOD-2.

## **2.2 – Design**

This task provides for the development of construction Contract Documents for the bidding of one monitoring well construction approach: nested or individual. The spec will include prior investigative work (local well logs) to provide the driller of nearby physical criteria. Final well screen selection will occur during construction following the completion of the well drilling, geophysical logging and formation sample analysis.

Kennedy/Jenks will design the well equipment components of the project for the monitoring well including sampling pumps, portable generator, level sensors and dataloggers. Kennedy/Jenks will prepare the Well Drilling Contract Documents consisting of a well profile, an overall site plan, and specifications for the project at 90% and Bid Set completion stages. The work also includes the preparation of an opinion of probable cost and project schedule.

A design review meeting will be scheduled to present and review the 90% design documents with PWD.

***Deliverables:***

One (1) electronic and one (1) hard copy of 90% contract documents and cost estimate

One (1) electronic and three (3) hard copies of final contract documents and cost estimate

**2.3 – Bid Assistance**

Kennedy/Jenks will provide bid assistance for a single bid for the combined Well Drilling and Infiltration Pilot Test project. Work tasks will include:

- Conduct Pre-Bid Meeting and attend bid opening
- Respond to technical questions from prospective bidders
- Prepare up to two addenda
- Evaluate bid results and prepare a Recommendation for Award

PWD Responsibility:

- Coordinate and host Pre-Bid Meeting and Bid Opening
- Award contract

**2.4 – Construction Management**

This task is subdivided into three subtasks as follows:

- Pre-Construction Meeting
- Construction Management
- Field Observation

**Pre-Construction Meeting**

Kennedy/Jenks will conduct a Pre-Construction Meeting with the selected contractor and PWD staff. Kennedy/Jenks will prepare the Pre-Construction Meeting agenda and prepare and circulate meeting minutes.

**Construction Management**

This task includes the assignment and coordination of our technical resources, scheduling, and tracking construction progress. We will provide periodic progress updates to PWD by phone, e-mail, or in person. All deliverables will be reviewed in our in-house Quality Assurance/Quality Control (QA/QC) process prior to submittal to PWD.

Kennedy/Jenks will lead the construction management effort during construction including:

- Serve at PWD's point of contact with the Contractor.
- Perform office engineering, including review of submittals, shop drawings, product data sheets, and request for information (RFIs) for conformance with the design drawings and specifications.
- Review change order requests.

## Exhibit "A"

- Make recommendations for the well operating design point based on the aquifer testing.
- Review contractor's schedule and monitor project progress.
- Review contractor's monthly pay requests and provide a recommendation to PWD.

### **Field Observation**

Kennedy/Jenks will provide field observation during construction to include the following:

- Daily observation during active borehole drilling and initial water quality testing. This will include well drill formation logging and observation each day drilling is proceeding.
- Daily observation during well reaming and casing installation.
- Daily observation during well development, step testing, and constant rate pump testing.
- Weekly field meeting and conference call.

Although it is anticipated that the borehole drilling, well reaming, and well development (swabbing, airlifting, surge pumping and bailing) will require continuous 24-hour operation by the Contractor, observation by Kennedy/Jenks is proposed for the day shift either 5 or 7 days per week during these phases of construction at the Contractor's discretion. The contract specifications will require the Contractor to collect, label, and store samples for every 10 feet of drilling, for logging by the Engineer/Geologist on a daily basis. A total of 18 field days are included in the budget.

A Well Completion Report will document the well drilling work at each location, the Well Drillers Report, geophysical logs, as-built drawings, and related information.

Deliverables:

- Conduct Pre-Construction Meeting
- An electronic PDF of Pre-Construction Meeting Minutes
- Project communications (e-mail, phone call, or in person as requested by PWD)
- QA/QC review of work products
- An electronic PDF copy of reviewed Contractor Submittals and RFIs
- An electronic PDF of the Well Completion Report

### **2.5 – Operations Support**

Kennedy/Jenks will provide operations staff support and training for periodic water level measurement and sample collection. Kennedy/Jenks will perform the initial sample collection in coordination with the drilling contractor using sample bottles provided by PWD (from its contract laboratory) with sample delivery to PWD or directly to its contract lab. A second round of sample collection will be performed by Kennedy/Jenks in coordination with PWD operations staff as a training exercise on water level measurement, sample pump operation, and sample collection procedures. On-going periodic water level measurement and/or sample collection will be performed by PWD operations staff.

### **TASK 3 – INFILTRATION PILOT TEST, BID ASSISTANCE, CM SUPPORT, AND INFILTRATION TEST REPORT**

Kennedy/Jenks will prepare the design drawings and specifications for the infiltration pilot test as part of the monitoring well bid package. The schedule for the construction and testing of the infiltration pilot test basin will be coordinated with the mobilization and drilling activities for the



monitoring well. Both the monitoring well and the infiltration test basin are in close proximity to one another and require temporary access roads, clearing and grubbing, temporary water supplies, and other temporary construction support such as sanitation and security.

The testing will be performed in coordination with PWD for access and the supply of water to perform the tests.

### **3.1 – Basis of Design Memorandum No. 2 (BOD-2)**

An infiltration test basin will be located on a parcel owned by LACSD in the area of the proposed Recharge Basin No. 4. The area will be cleared of vegetation and excavated to a depth of 2 to 3 feet to create a level bottom over an area of 0.25 acres. The excavated soil will be used to create the temporary berms with compaction with optimum moisture to 90 to 95% in place density. The basin will be constructed with an 8-inch or 10-inch inlet pipe with rip rap used for energy dissipation of the inflow. A mechanical float switch or equivalent apparatus will be used to maintain a target water depth of 18 to 24 inches for the duration of a 14 day infiltration test.

### **3.2 – Contract Documents**

Prepare drawings and specifications with PWD comments on BOD-2 for incorporation into the contract document package developed for the monitoring well under Task 2.2. Submittals and deliverables will be combined with Task 2.2.

### **3.3 – Infiltration Test Water Supply**

It is anticipated that PWD and Kennedy/Jenks will negotiate for temporary service from the nearest existing irrigation well on the south side of East Ave K-8 which is located 0.5 miles north of the 160 ac Recharge Site (with a northerly boundary along East Ave L). A flow meter and shut-off valve are proposed to be located at the well site, and 0.6 to 0.7 miles of 10-inch diameter Rain-for-Rent pipe provided and installed by the contractor.

### **3.4 – Field Observation**

Kennedy/Jenks will:

- Monitor the construction work for general conformance to the Construction Documents;
- Prepare daily reports documenting Contractor activities to monitor progress and general conformance to the Construction Documents;
- Digital photos and/or video documentation prior to work, with work in progress, and upon acceptance of work;
- Communication with Contractor, PWD Project Manager, operations staff, and external utilities as required; and,
- Preparation and submittal of weekly Consultant progress reports
- Monthly progress payment request.

### **3.5 – Infiltration Test Report**

Kennedy/Jenks will prepare an Infiltration Test Report that describes the infiltration pilot test results including a comparison to the design criteria assumed in the preliminary design report.

## **TASK 4 – GEOTECHNICAL INVESTIGATION**

Kennedy/Jenks through its subconsultant Converse will drill two soil borings to a depth of approximately 100 feet to provide data on the soil and its suitability for infiltration and percolation for groundwater recharge. The work will include subsurface exploration, field and laboratory classification of soil type, and a letter report. In addition, Converse will provide a Soils Technician during the excavation of the Infiltration Test Basin to observe, sample, and confirm the native soil conditions.

### **4.1 - Project Set-up**

Converse will conduct the following:

- Coordinate site access with PWD and Kennedy/Jenks
- Conduct field reconnaissance to map the surface conditions
- Stake/mark the boring locations in the field such that drill rig access is available to all the locations. All boring locations will be cleared of conflict with existing utilities by a plant representative
- Notify Underground Service Alert (USA) at least 48 hours prior to drilling to clear the boring location of any conflict with existing underground utilities

It is assumed that no traffic control plan will be required for the field investigation.

### **4.2 – Subsurface Exploration**

The two exploratory borings (each to a depth of 100 feet bgs) will be advanced from a truck mounted drill rig (CME 75 or equivalent) equipped with 8-inch diameter hollow-stem auger for soils sampling.

The borings will be visually classified in accordance with the Unified Soil Classification System and logged and sampled at regular depth intervals and at changes in subsurface soils. Any evidence of contaminated soils and/or hazardous materials or groundwater during drilling by visual observation and smell will be noted.

The borings will be backfilled loose with soils cuttings.

### **4.3 – Laboratory Testing**

Laboratory tests will include in-place moisture and density and sieve analysis.

#### **4.4 - Letter Report**

A letter report will be prepared which will include the following:

- Site description.
- Project description.
- A description of the field investigation method.
- Logs of the exploratory borings.
- A description of subsurface conditions, including depth to bedrock and groundwater (if encountered)

#### **4.5 – Observation of Infiltration Test Basin Excavation**

Converse will provide an experienced soils technician to observe and document the soils types and consistency during the Infiltration Test Basin excavation. No soil testing will be required.

### **TASK 5 – GROUNDWATER FLOW MODEL UPDATE**

This scope of work for the PRGRRP Groundwater Flow Model Update is described below. Project management activities, including meetings, updates, QA/QC, presentations, and project controls, are including in Task 1.

#### **5.1 – Update Model with New Well Data**

Kennedy/Jenks will update the existing sub-regional model developed for the recharge and recovery area with new data collected during the monitoring well installation and infiltration pilot testing to provide for a more realistic simulation of recharge and recovery operations. The model updates will consist of refining recharge rates and modifying the aquifer properties including hydraulic conductivity. The model will be recalibrated to historic groundwater elevations used previously.

Kennedy/Jenks will run new model scenarios to simulate the mounding, drawdown, travel time estimates, and native groundwater underflow contribution.

#### **5.2 – Operational Scenarios for Permitting Support**

Develop new operational scenarios that can answer questions raised by DDW or RWQCB during their review of the Title 22 Engineering Report and follow-up correspondence. The level of effort is based on creating and running up to three scenarios.

#### **5.3 – Technical Memorandum**

Prepare a technical memorandum to document the groundwater model analysis in a concise, focused document that will describe the model update and operational scenario results. The technical memorandum is anticipated to include:

- Description of model update and re-calibration, including a discussion of the model parameters that were changed and how they affected the model calibration results.

## Exhibit "A"

- Visualization graphics for displaying the hydrogeologic conceptual flow model and horizontal and vertical depictions of model results.
- Description and explanation of each of the groundwater model scenarios with key results summarized in tabular and graphic form.

### **TASK 6 – GROUNDWATER QUALITY MODEL UPDATE**

This scope of work for the PRGRRP Groundwater Quality Model Update is described below. Project management activities, including meetings, updates, QA/QC, presentations, and project controls, are including in Task 6.1.

The current PHAST representation includes (1) hydrogeologic property distributions from the 2014 U.S. Geological Survey's regional MODFLOW model, (2) an initial proposed recharge and withdrawal schedule and accompanying well field design, and (3) water quality data based on averaged major and trace element concentrations extracted from the GeoTracker/GAMA database for water supply and environmental monitoring wells across the Antelope Valley.

The objective of this new proposed scope is to update the PHAST model to incorporate both anticipated site-specific groundwater quality data as well as updates to the (separate) MODFLOW model for the groundwater banking operation. The updated model will provide an improved-fidelity representation of expected water quality impacts stemming from the introduction of recharged water.

The following updates will be made to the existing PHAST model for the PWD groundwater banking project:

1. Both recharge and extraction schedules, as well as recharge basin and extraction well field configurations, will be updated and reconciled with updated MODFLOW model output (prepared under a separate task).
2. It is anticipated that one or more sets of local groundwater quality data will become available in the fall of 2016 following completion of a monitoring well just north of one of the recharge basin locations. These data will be used to represent local groundwater geochemical conditions in PHAST, replacing the existing area-averaged composition.
3. The local groundwater compositional data will be compared to (updated) Geotracker/GAMA data from nearby portions of the Antelope Valley to identify any atypical constituent concentrations that could be indicative of special local aquifer conditions (e.g., mineralogy, external sources) that would warrant representation in the model.
4. Layer heterogeneities in the PHAST geochemical conceptual model will be added. These will include (a) a shift toward more reducing conditions with depth, which is supported by observations elsewhere in the basin, and (b) assumed oxidation of introduced dissolved organic carbon in the vadose zone (represented by the uppermost layer in the PHAST model).
5. The vertical resolution in the PHAST model grid structure will be enhanced to address Item 4.
6. Results will be presented in GIS format to facilitate comparison with other data sets (e.g., regional water quality data, MODFLOW output, etc.)

## **TASK 7 – WATER QUALITY EVALUATION**

Kennedy/Jenks will work with PWD for the evaluation of on-going water quality monitoring of groundwater in the recharge and recovery area, and with LACSD for the evaluation of the recycled water quality. Sources for local groundwater quality include the existing irrigation well to be used for the Infiltration Pilot Test and samples from the newly constructed monitoring well. LACSD has indicated their willingness to provide on-going water quality data, including TOC, nitrogen, and NDMA, as well as CECs.

## **TASK 8 – CONTINUED PERMITTING SUPPORT**

Under the preliminary design, permitting, and environmental contract, DDB Engineering, Inc. (DDB), as a subconsultant to Kennedy/Jenks, will prepare the permit application to the Regional Water Quality Control Board (RWQCB). The permit application will involve preparation of a report of waste discharge (ROWD) for discharge of recycled water for groundwater recharge via surface spreading. The tertiary, disinfected recycled water will be supplied by the Los Angeles County Sanitation District's Palmdale Water Reclamation Plant conveyed to recharge basins for percolation, replenishing the Lancaster Subbasin of the Antelope Valley Groundwater Basin. The Title 22 Engineering Report prepared by Kennedy/Jenks supports the ROWD by describing the details of the project. DDB will provide support, guidance, and review of the Title 22 Engineering Report. The purpose of the report will be to describe how the project will comply with the recently adopted Title 22 Groundwater Replenishment Using Recycled Water Regulations. It will be important to secure DDW's approval of the Title 22 Engineering Report with their findings, conditions, and recommendations for the RWQCB, which is the permitting PWD. In other words, approvals from both DOW and the RWQCB are critical elements of the permitting process.

### **8.1 – Continued Permitting Support**

Kennedy/Jenks will continue to work closely with DDB for the permit development within the existing budget. However, if the number and significance of comments from DDW and the RWQCB, and the number of iterations in response to comments, exceed 40 hours, then an additional level of effort and budget will need to be added at that time.

## **TASK 9 – PUBLIC OUTREACH**

Under the preliminary design, permitting, and environmental contract, Katz and Associates, as a subconsultant to Kennedy/Jenks, has provided public outreach services to provide support on the strategy, materials, meeting logistics planning and facilitation, and public involvement documentation.

For this 2016 Work Plan Katz & Associates will continue to provide the services described below up to their contract limit, with a current contract balance of approximately 50% of their original budget, but for an additional 8 months. However, Kennedy/Jenks requires an additional level of effort to manage and coordinate this extension of the public outreach schedule.

### **9.1 - Prepare an Updated Public Involvement Strategy Plan**

Update the current plan based on feedback from local stakeholders and establish a coordinated road map for upcoming public involvement. Objectives and timelines will be identified for tasks,



and where possible tasks will be coordinated with other communication programs underway for the broader initiatives PWD is undertaking.

## **9.2 - Information Sheets**

Katz & Associates will create additional informational materials suitable for printing and electronic posting. An updated Information Sheet or Fact Sheet is anticipated.

## **9.3 - Public Meetings**

Katz & Associates will coordinate and facilitate public meetings for the remainder of 2016 on an as needed basis. For each set of meetings, Katz & Associates will:

- Create a logistics plan in conjunction with PWD staff to establish who, where, when, and what tasks are involved in meeting preparation, notifications, format and facilitation, presentation and meeting materials, mechanisms for public comment, and meeting documentation.
- Coordinate pre-meeting logistics, such as meeting facility reservations and A/V rentals.
- Prepare newspaper ads and a flier.
- Conduct a dry-run with all PWD staff, KJ and subconsultant team members who will staff the meetings. The dry run will include condensed training in meeting management and crisis communications.
- Prepare meeting materials (sign-in sheet, agenda, directional signage, etc.) and prepare a PowerPoint presentation, poster boards, etc. with input from the team.
- Facilitate the meetings – our budget assumes attendance by the senior facilitator, project manager, and support staff member.

## **9.4 - Conduct Pop-Up Outreach**

Katz & Associates will set up a booth at places where people congregate (e.g., soccer field, farmers market, shopping center, and community festivals), on an as-needed basis. The purpose is to connect with, and provide information to, residents who do not typically attend public meetings and/or access local media outlets. This approach is intended to supplement the initial scoping meeting. It is a fun, engaging way to provide information about the purpose and need for the groundwater banking, storage, and extraction program and explain the project and opportunities for involvement.

## **9.5 – Presentations**

Katz & Associates will develop an informative presentation (PowerPoint or Prezi) that can be used to inform and engage PWD ratepayers about the purpose and need for the project. Katz & Associates will identify 10 to 15 community/civic/PWD organizations and groups and request to meet with these groups, make a presentation and answer questions. At each meeting, they will provide a layperson's guide to the EIR process as well as other general project information materials that highlight the purpose and need, project benefits and the associated necessary investments. An overarching purpose for these presentations is to expand the understanding of local water issues, solutions, and PWD's role in implementation. A variety of other benefits can arise from these person-to-person encounters that support the greater overall awareness of the PWD and the important role the District plays in ensuring reliable and sustainable water for the

region. A database will be developed for the top key community/civic/business groups and additional contacts will be sought during the presentation outreach process.

## **TASK 10 – SOIL COLUMN TESTS (OPTIONAL)**

Soil column tests can be used to simulate the groundwater system and serve as a predictive tool to define the soil aquifer treatment (SAT) potential. Of primary concern to PWD is the removal of TOC and NDMA within the upper 20 to 40 feet of the vadose zone beneath the proposed recharge basins. The groundwater model indicated a travel time of approximately 16 days to reach 40 feet under Phase 1a recharge conditions and 16 days to reach 20 feet under Phase 2 recharge conditions.

In this scope of work, the soil column will be designed and operated to mimic a potential full-scale groundwater recharge practice by loading the soil column with aquifer media from the proposed recharge site, feeding the soil columns with the recycled water proposed for the project and operating the soil columns in a cyclic mode to simulate the vadose zone. The residence time for the vadose zone is typically equal to travel times on the order of days, in this case, preliminary determined to be 16 days.

### **10.1 – Project Management and Test Plan Development**

This task entails schedule and budget management, as well as oversight of the soil column testing operations and the quality of the project outcome. Under this task, a test plan will also be developed. The test plan will outline the soil column design, construction and installation, operating parameters, analytical methods, and testing schedule.

### **10.2 – Soil Column Set- Up and Acclimation (2 months)**

Soil columns will be assembled using clear polyvinyl chloride (PVC) pipe. Each column will include an integral media support cap and under drain at the bottom of the column. With assistance from K/J and Converse, groundwater borings near the spreading grounds will be reviewed and a decision of soil type will be made to add to the soil column. Native representative soil will be collected near the chosen spreading grounds. The recycled water can be supplied to PWD from the Sanitation Districts of Los Angeles County (LACSD) Palmdale WRP. The first week of operation will be at an increased flow rate to flush out the soil of detached organic matter. The next two months (optionally, four months, to improve stability of TOC attenuation, if requested) of operation will be dedicated to allowing a representative biology to grow until steady state TOC is reached in the effluent ("acclimation phase"). During this phase, TOC will be sampled twice a week to monitor the removal efficacy through the column. Also during this phase a tracer test will be completed to confirm the detention time of the water.

### **10.3 – TOC and NDMA Attenuation (2 months)**

## Exhibit "A"

TOC attenuation will begin after the acclimation phase. Soil column operations during this phase will be configured to represent typical full-scale surface spreading practices. This will resemble the vadose zone using cyclic operation, with two distinct operational stages: (1) Period where Column is Drained and Dried, and (2) Recharge Period.

For the first part of the cycle, the influent flow will be stopped and the system will be allowed to drain/dry for a week. The second part of the cycle will have saturated, continuous flow regime (downflow) at a flow rate to achieve a residence time of 16 days, lasting for seven weeks. Therefore, a single cycle lasts for a duration of eight weeks. This cycle will be repeated, optionally, if requested.

This portion of the pilot study will have eight weeks of operation to characterize the efficacy of vadose columns for the removal of TOC and NDMA. The influent TOC and effluent TOC of the soil column will be sampled and tested daily (5x/week). The NDMA level in the influent and effluent will be sampled and tested three times during this phase.

### **10.4 – Final Report and Presentation of Final Data**

Trussell Tech will evaluate the data collected holistically and will prepare a final report documenting the results of the SAT testing. A presentation of the results will also be prepared and given to KJ, PWD and other interested stakeholders.

Exhibit "A"

**COMPENSATION  
2016 WORK PLAN**

The scope includes ten tasks as follows:

Task 1 – Project Management and QA/QC		\$23,755
Task 2 – Monitoring Well Design, Bid Assistance, CM, and Operations Support		\$58,359
Task 3 – Infiltration Pilot Test Design, Bid Assistance, CM, and Infiltration Test Report		\$24,820
Task 4 - Geotechnical Investigations		\$21,898
Task 5 – Groundwater Flow Model Update		\$24,750
Task 6 – Groundwater Quality Model Update		\$12,320
Task 7 – Water Quality Evaluation		\$4,050
Task 8 – Permitting Support		\$0
Task 9 – Public Outreach		\$4,275
Task 10 – Soil Column Tests		<u>\$75,024</u>
<b>Total (2016 Work Plan)</b>		<b>\$249,250</b>
Unused budget – CEQA EIR	\$100,000	
Unused budget – Blue Ribbon Panel	\$25,000	
Unused budget – Water Quality Laboratory Costs	<u>\$20,000</u>	
Subtotal unused budget:	\$145,000	
5% Mark-up	<u>\$7,250</u>	
<b>Total carryover funds:</b>		<b><u>-\$152,250</u></b>
<b>Amendment No. 1</b>		<b>\$97,000</b>

**PERSONNEL COMPENSATION**

<b>Classification</b>	<b>Hourly Rate</b>
CAD-Technician .....	\$110
Designer-Senior Technician .....	\$135
Engineer-Scientist-Specialist 1 .....	\$120
Engineer-Scientist-Specialist 2 .....	\$135
Engineer-Scientist-Specialist 3 .....	\$155
Engineer-Scientist-Specialist 4 .....	\$170
Engineer-Scientist-Specialist 5 .....	\$185
Engineer-Scientist-Specialist 6 .....	\$205
Engineer-Scientist-Specialist 7 .....	\$225
Engineer-Scientist-Specialist 8 .....	\$240
Engineer-Scientist-Specialist 9 .....	\$250
Project Administrator .....	\$100
Administrative Assistant .....	\$85

Exhibit "A"

Aide .....\$65

In addition to the above Hourly Rates, a 0% Communications Surcharge will be added to Personnel Compensation for normal and incidental copies, communications and postage.

**DIRECT EXPENSES**

Reimbursement for direct expenses, as listed below, incurred in connection with the work, will be at cost (plus 5% mark-up) for items such as:

- a. Maps, photographs, reproductions, printing, equipment rental, and special supplies related to the work.
- b. Rented vehicles, local public transportation and taxis, travel and subsistence.
- c. Specific telecommunications and delivery charges.
- d. Special fees, insurance, permits, and licenses applicable to the work.
- e. Outside computer processing, computation, and proprietary programs purchased for the work.

Reimbursement for subconsultants, such as geotechnical investigations, water quality modeling, and/or engineering services from other engineering firms will be at cost with 5% mark-up.

Reimbursement for vehicles used in connection with the work will be at the federally approved mileage rates or at a negotiated monthly rate.

Rates for professional staff for legal proceedings or as expert witnesses will be at rates one and one-half times the Hourly Rates specified above.

Other in-house charges for prints and reproductions, equipment usage, laboratory analyses, etc. will be at standard company rates.

Excise and gross receipts taxes, if any, will be added as a direct expense.

The foregoing Schedule of Charges is incorporated into the agreement for the services provided, effective May 28, 2016 through December 31, 2016. After December 31, 2016, invoices will reflect the Schedule of Charges currently in effect.



Exhibit "B"

Proposal Fee Estimate

Kennedy/Jenks Consultants

CLIENT Name: Palmdale Water District

PROJECT Description: PRGRRP 2016 Work Plan

Proposal/Job Number: Date: 5/3/2016

Custom Rates (Effective May 28, 2016)																																				
Classification:	Hourly Rate:																Total Hours	Labor			Sub		Roux, Inc.		Trussell Technologies		Sub-Markup		ODCs		KJ	Total Labor	Total Subs	Total Expenses	Total Fees	
		Eng-Sci-9	Eng-Sci-8	Eng-Sci-7	Eng-Sci-6	Eng-Sci-5	Eng-Sci-4	Eng-Sci-3	Eng-Sci-2	Eng-Sci-1	Designer	CAD/Eng Tech	Project Admin.	Admin. Assist.	Aide	Fees		Fees	Fees	Fees	5%	Fees	5%	Fees	5%											
Task 1: Project Management																																				
1.1 - Kickoff Meeting		2					4																													
1.2 - Meetings (2) and Conference Calls (2)		8	6				8																													
1.3 - Bi-Weekly Updates		6					10																													
1.4 - Quality Assurance/Quality Control									8																											
1.5 - Presentations (1 Committee; 1 Board)		6					8																													
1.6 - Project Controls		8					8																													
Task 1 - Subtotal		30	16	0	8	38	0	16	0	16	0	0	0	8	2	118	\$23,420	\$0	\$0	\$0	\$319	\$16														
Task 2: Monitoring Well Design, Bid Asst, CM, & Ops Support																																				
2.1 - Basis of Design Memorandum (BOD-1)		6	10				6					12																								
2.2 - Design		4	10				6					10																								
2.3 - Bid Assistance		4	2				4																													
2.4 - Construction Management		4	18				4					72																								
2.5 - Well Completion Report			2																																	
2.5 - Operations Support		2					2																													
Task 2 - Subtotal		20	42	0	0	22	0	140	28	0	94	0	0	0	4	350	\$55,230	\$0	\$0	\$0	\$2,980	\$149														
Task 3: Infiltration Pilot Test, Bid Asst, CM Support, and Report																																				
3.1 - Basis of Design (BOD - 2)		6	4				4					12																								
3.2 - Contract Documents (combined with Task 2.2)		2					8					4																								
3.3 - Infiltration Test Water Supply; Submittal Review							2																													
3.4 - Field Observation		4	4				4																													
3.5 - Technical Memorandum		2																																		
Task 3 - Subtotal		14	8	0	0	18	0	88	0	0	16	0	0	0	4	148	\$24,410	\$0	\$0	\$0	\$390	\$20														
Task 4: Geotechnical Investigation																																				
4.1 - Project Set-Up																																				
4.2 - Subsurface Exploration																																				
4.3 - Laboratory Testing																																				
4.4 - Letter Report																																				
4.5 - Observation of Infiltration Test Basin Excavation																																				
Task 4 - Subtotal		0	0	0	0	0	0	4	0	0	0	0	0	0	0	4	\$620	\$20,265	\$0	\$0	\$1,013	\$0	\$0													
Task 5: Groundwater Flow Model Update																																				
5.1 - Update Model with New Well Data		2					32																													
5.2 - Operational Scenarios for Permitting Support		4	2				52																													
5.3 - Technical Memorandum		2					24																													
Task 5 - Subtotal		8	2	0	108	0	0	0	0	0	0	0	0	0	2	120	\$24,750	\$0	\$0	\$0	\$0	\$0														
Task 6: Groundwater Quality Model Update																																				
6.1 - Update Model with New Water Quality Data		4					4																													
Task 6 - Subtotal		4	0	0	4	0	4	0	0	0	0	0	0	0	0	8	\$1,820	\$0	\$10,000	\$0	\$500	\$0														
Task 7: Water Quality Evaluation																																				
7.1 - Water Quality Evaluation		2						6																												
Task 7 - Subtotal		2	0	6	0	0	0	8	0	8	0	0	0	0	0	24	\$4,050	\$0	\$0	\$0	\$0	\$0														

## Proposal Fee Estimate

# Kennedy/Jenks Consultants

CLIENT Name: Palmdale Water District

PROJECT Description: PRGRP 2016 Work Plan

Proposal/Job Number: \_\_\_\_\_ Date: 5/3/2016

Custom Rates (Effective May 28, 2016)																															
Classification:																Total		Labor		Sub		Sub-Markup		ODCs		KJ		Total Labor	Total Subs	Total Expenses	Total
	Eng-ScI-9	Eng-ScI-8	Eng-ScI-7	Eng-ScI-6	Eng-ScI-5	Eng-ScI-4	Eng-ScI-3	Eng-ScI-2	Eng-ScI-1	Designer	CAD/Eng Tech	Project Admin.	Admin. Assist.	Aide	Fees	Fees	Geotechnical - Converse	Fees	Trussell Technologies	Fees	5%	ODCs	Fees	5%	KJ	Fees					
Hourly Rate:	\$250	\$240	\$225	\$205	\$185	\$170	\$155	\$135	\$120	\$135	\$110	\$100	\$85	\$65	Hours	Fees	Fees											Fees			
Task 8: Continued Permitting Support																															
8.1 - Continued Permitting Support																															
Task 8 - Subtotal																															
Task 9: Public Outreach																															
9.1 - Prepare an Updated Public Involvement Strategy Plan																															
9.2 - Information Sheets																															
9.3 - Public Meetings																															
9.4 - Conduct Pop-Up Outreach																															
9.5 - Presentations																															
Task 9 - Subtotal																															
Task 10: Soil Column Tests																															
10.1 - Project Management and Test Plan Development																															
10.2 - Soil Column Set-up and Acclimation (2 months)																															
10.3 -TOC and NDMA Attenuation (2 months)																															
10.4 - Final Report and Presentation of Final Data																															
Task 10 - Subtotal																															
Total																															

**PALMDALE WATER DISTRICT  
BOARD MEMORANDUM**

**DATE:** May 5, 2016 **May 11, 2016**  
**TO:** BOARD OF DIRECTORS **Board Meeting**  
**FROM:** Mr. Matthew R. Knudson, Assistant General Manager  
**VIA:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** ***AGENDA ITEM NO. 7.5 – CONSIDERATION AND POSSIBLE ACTION  
ON AUTHORIZING THE GENERAL MANAGER TO HAVE THE  
DISTRICT’S CONSTRUCTION CREW COMPLETE THE EL CAMINO  
PIPELINE AND APPURTENANCES REPLACEMENT PROJECT  
UNDER SPECIFICATION NO. 1503.***

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**Recommendation:**

Authorize the General Manager to have the District’s construction crew replace approximately 1,200 feet of 8-inch steel pipe, service laterals, valves, and other associated appurtenances in El Camino Drive between Lakeview Drive and the Upper El Camino Tank Site.

**Background:**

The District’s pipeline infrastructure replacement program is designed to target aged piping and appurtenances which have reached or exceeded their expected operational life. Through the use of the District’s Geographic Information System (GIS) and other asset management tools, pipelines are identified by age, material, leak frequency and other parameters assisting the District in prioritizing the replacement program.

The 8-inch pipeline in El Camino Drive was identified based on age (approximately 53 years old) and material (double-dipped and wrapped steel). In addition, all services and various appurtenances will be replaced as part of this project. This replacement project will reduce maintenance costs associated with repairs and improve overall system reliability for the surrounding community. Portions of this project will be bid informally per District policy for the material necessary to complete the work. According to section 15302(c) of the California Environmental Quality Act (CEQA), the replacement or reconstruction of the existing water system and/or facilities involving negligible or no expansion of capacity is identified as a Class 2 Categorical Exemption. Therefore, a Notice of Exemption for CEQA under Section 15302(c) will be filed for this project.

**Strategic Plan Initiative:**

This work is part of Strategic Initiative No. 3 – Systems Efficiency by reinvestment in aging infrastructure.

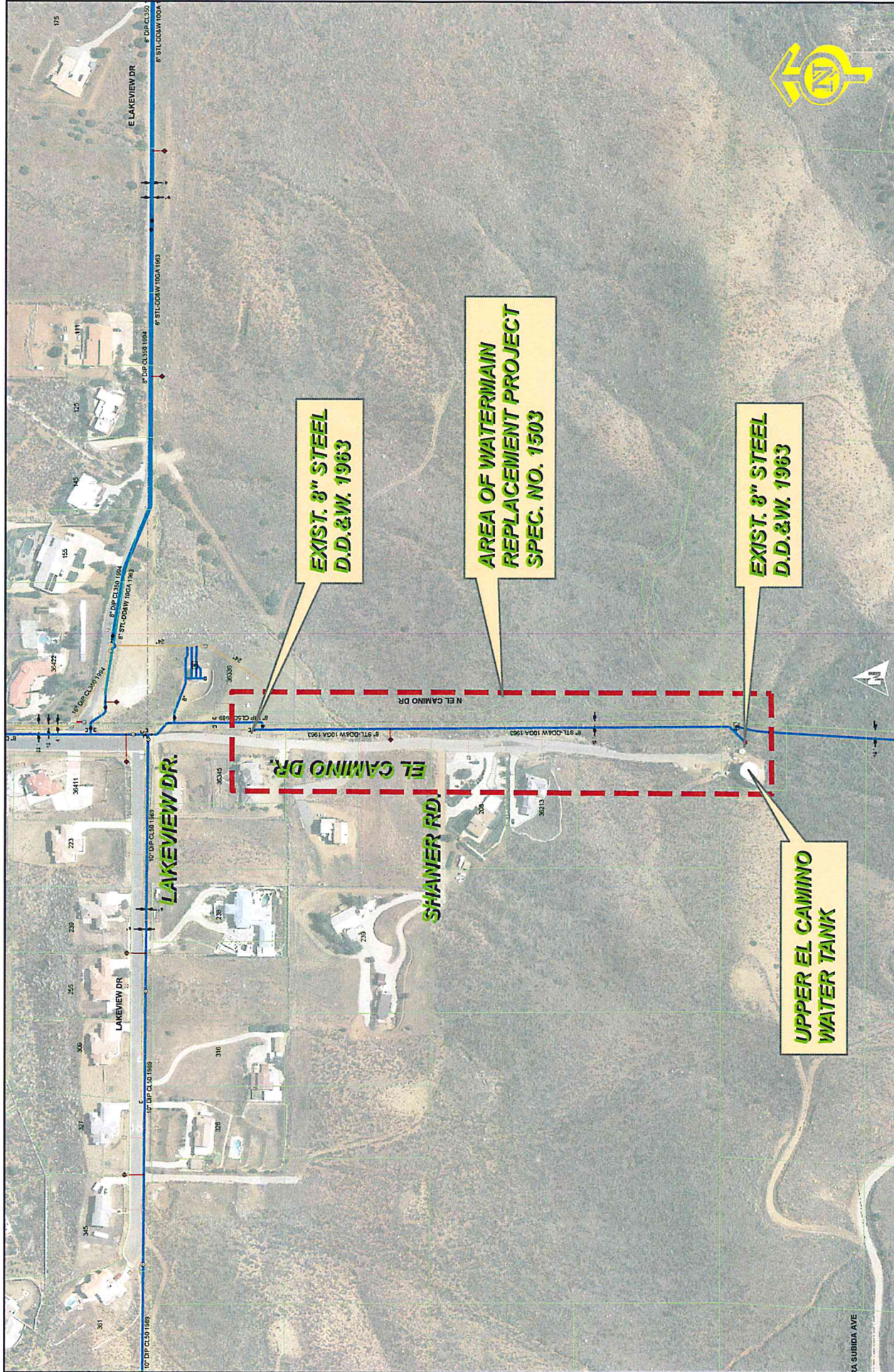
**Budget:**

The material cost for this project is estimated at \$70,000. The District's approved 2016 Operating Budget includes \$300,000 towards water main replacement projects.

**Supporting Documents:**

- Location Map for Specification No. 1503







**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**

<b>DATE:</b>	May 4, 2016	May 11, 2016
<b>TO:</b>	BOARD OF DIRECTORS	Board Meeting
<b>FROM:</b>	Mr. Dennis D. LaMoreaux, General Manager	
<b>RE:</b>	<i><b>AGENDA ITEM NO. 7.6 – CONSIDERATION AND POSSIBLE ACTION ON INFORMATION REGARDING A SPANISH INTERPRETER FOR BOARD MEETINGS.</b></i>	

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There is no staff report or back-up materials for this item.

**TPC TRAINCO AIR CONDITIONING & REFRIGERATION****June 27 & 28, 2016****Oakland**

NAME: \_\_\_\_\_

ADVANCE REGISTRATION DEADLINE: MAY 15, 2016MEALS:      YES      SPOUSE:      YES      SPOUSES' TOUR:      YES  
     NO                           NO                           NO**DEPARTMENTAL TRAVEL BUDGET:**

REGISTRATION: \_\_\_\_\_ TRAVEL: \_\_\_\_\_

TOTAL REMAINING BALANCE: \_\_\_\_\_

**PROPOSED EXPENSES:** Registration: \_\_\_\_\_  
Transportation: \_\_\_\_\_  
Meals:\* \_\_\_\_\_  
Miscellaneous: \_\_\_\_\_  
TOTAL: \_\_\_\_\_

\*DIRECTORS: Expenses are outlined in Section 4.06.1 of the District's Rules and Regulations.

\*FOR STAFF: Meal limitations are outlined on pages 30 and 31 of the District's Employee Manual.

Please review these limitations.

**HOTEL ACCOMMODATIONS:**      YES      NO REGISTRATION DEADLINE: \_\_\_\_\_

ARRIVAL DATE/TIME: \_\_\_\_\_ DEPARTURE DATE/TIME: \_\_\_\_\_

TYPE OF ACCOMMODATIONS: \_\_\_\_\_ SINGLE (1 PERSON)  
\_\_\_\_\_ DOUBLE (2 PEOPLE)  
\_\_\_\_\_ (2 PEOPLE/2 BEDS)**AIRLINE RESERVATIONS:**      YES      NODEPART FROM \_\_\_\_\_ on \_\_\_\_\_ at \_\_\_\_\_ AM/PM  
(airport) (date) (time)RETURN FROM \_\_\_\_\_ on \_\_\_\_\_ at \_\_\_\_\_ AM/PM  
(airport) (date) (time)

SUPERVISOR APPROVAL: \_\_\_\_\_ DATE: \_\_\_\_\_



[Seminar Overview](#)

[Discussion Topics](#)

[Certification](#)

[Block Purchasing](#)

[Dates and Locations](#)

# Air Conditioning & Refrigeration

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Air Conditioning and Refrigeration

Oakland, California

June 27-28, 2016

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 2

\$1980

1 Items

**Total: \$1980**

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## TPC Seminar Overview

Being able to understand, operate, maintain, and troubleshoot your own air conditioning system is what this HVAC course is all about. It was created to bring students up to speed in their skills and knowledge as quickly and safely as possible. Taught by instructors who have been in the technicians' shoes, the practical, commonsense approach we take in presenting certification makes it perfect for novice technicians and experienced HVAC technicians alike. This air conditioning and refrigeration training course is designed for anyone who needs to understand basic operation, maintenance, and troubleshooting of air conditioning and refrigeration systems in order to improve efficiencies and uptime in commercial, industrial, or residential locations.

This seminar is just \$495 per day or \$990 for both days. You can also combine it with our Boiler Operation course for a comprehensive 4-day HVAC Workshop.

Click [HERE](#) for a downloadable brochure.

## Day One - Discussion Topics

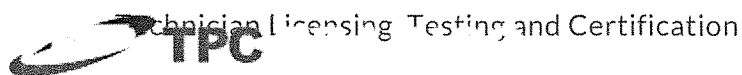
**Day One** of this air conditioning and refrigeration training provides a broad introduction to air conditioning and refrigeration systems, including every-day operation & important refrigerant safety practices. The course is a great overview for maintenance technicians, multi-craft tradespeople, building managers, HVAC technicians or anyone who wants to improve their AC&R operation and maintenance skills. The goal of the first day of this training course is to understand basic AC&R operation & how to properly handle EPA regulated refrigerants.

### Fundamentals of AC&R

- Air Conditioning versus Refrigeration
- Laws of Thermodynamics and Heat Transfer

### Regulation, Codes and Standards

- New Energy Efficiency Standards (S.E.E.R.)
- EPA Section 608 of the Clean Air Act
- ASHRAE, ASME



## Compression Refrigeration Cycle

Basic System Design

Follow-the-Heat TM

Seminar Overview

Discussion Topics

## Refrigerants

Certification

CFCs, HCFCs, HFCs, Inorganics

Zeotropic and Azeotropic Refrigerant Mixtures

Block Purchasing

Refrigerant Safety Including R-410a

EPA 608 Significant New Alternative Policy

Dates and Locations

## Refrigerant Oils

MO, AB, POE, PAG, PAO Oils & Properties

Maintaining Oil Quality in Your AC&R System

## Major AC&R System Components

Evaporator, Compressor, Condenser

Metering (Expansion) Device

# Day Two - Discussion Topics

Day Two of the air conditioning and refrigeration training is for people who already have a good foundation in AC&R components and systems. Students are taught common practices (and some "tricks-of-the-trade") for general operation and maintenance of their AC&R systems. They will learn about maintenance schedules and servicing, system diagnostics, troubleshooting, and fine tuning to gain maximum efficiency. Also covered are an introduction to commercial and industrial chillers, regulatory laws and energy conservation. Overall, we will help you get the maximum life out of your AC&R systems while keeping it up and running as efficiently and consistently as possible.

## Auxiliary System Components

Crankcase Heater

Suction Accumulator





Sight Glass with Moisture Indicator

Oil Separator

Service Valves

Muffler

Refrigerant Controls

Seminar Overview

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Dates and Locations

### **AC&R Electrical Control Circuits**

Electrical Controls and Components

Relays and Contactors

Thermostats

### **Refrigeration Systems**

Commercial Refrigeration

Other specialty refrigeration systems

### **System Diagnostics, Servicing & Troubleshooting**

Service Tools and Equipment

Manifold Gauge Set

Recovery Machine

Vacuum Pump

Micron Gauge

Leak Detection Equipment

Recovering Refrigerant

Charging the AC&R System

Troubleshooting AC&R System Problems

Energy Conservation & Operating Efficiency

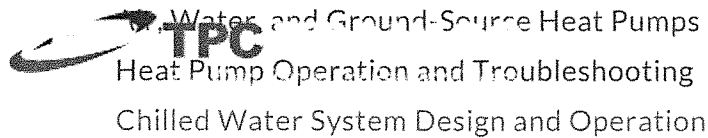
### **Air Handling Systems**

Psychrometrics - the Study of Air

Fans and Filters

System Maintenance

### **Heat Pumps and Chillers**

[Seminar Overview](#)[Discussion Topics](#)[Certification](#)[Block Purchasing](#)[Dates and Locations](#)

## EPA 608 Technician Certification Testing

Testing for the EPA 608 Technician Certification is optional. Section 608 of the Federal Clean Air Act requires that all persons who maintain, service, repair, or dispose of appliances that contain regulated refrigerants be certified in proper refrigerant handling techniques by passing the EPA 608 Technician Certification exam. Students may take the test at the end of day 2. While we cover material relevant to the test and make every attempt to help our students pass this exam, we cannot guarantee individual success. Therefore it is recommended that students who want to take the test attend both days and plan time to study beforehand.

[Download your free EPA 608 Study Guide](#)

## Continuing Education Units (CEUs)

Upon completion of this seminar, the student will receive a certification of completion with 8 classroom hours (.8 TPC Trainco CEUs) per day attended. Visit our continuing education units page to determine if this class is accepted by your state licensing agency.

## Optional ATMT® Certification Exam

An ATMT® certification exam is available for this course and students may order it at any time after the training is over. Please visit the ATMT® Testing and Certification page for more information.

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**Step 1 of 3 - Review package details****Your trip to Oakland, CA**

Sunday, June 26, 2016 - Tuesday, June 28, 2016

**Review your vacation package selections below.****Enhance your vacation with various things to do, transportation and travel protection.****Total package price**  
**\$1,052.51**  
Price per person \$526.26

## Flights

Departure: Sunday, June 26, 2016

**Southwest**

#1301

**4:30 PM**  
**Burbank (BUR)****Nonstop****5:35 PM**  
**Oakland, CA (OAK)**[Wanna Get Away](#)[First and second checked bags fly free® \(weight and size limits apply\)](#)[Modify flight](#)

Return: Tuesday, June 28, 2016

**Southwest**

#2120

**7:10 PM**  
**Oakland, CA (OAK)****Nonstop****8:15 PM**  
**Burbank (BUR)**[Wanna Get Away](#)[First and second checked bags fly free® \(weight and size limits apply\)](#)[Modify flight](#)

† indicates codeshare flight

**Earn 1,701 Rapid Rewards®**  
**points per member for air****What you need to know to travel:**

- Don't forget to check in for your flight(s) 24 hours before your trip on [southwest.com](#) or your mobile device.
- Southwest Airlines does not have assigned seats, so you can choose your seat when you board the plane. You will be assigned a boarding position based on your check in time. The earlier you check in, within 24 hours of your flight, the earlier you get to board.
- **No Show Policy:** If you are not planning to travel on any portion of this itinerary, please cancel your reservation at least 10 minutes prior to scheduled departure of the flight. Customers who fail to cancel or change their flight at least 10 minutes prior to travel and who do not board the flight, will be considered a no show, and all remaining funds on the reservation will be forfeited.

## Hotel

**Hampton Inn Suites Oakland Airport Alameda**

Room 1: 2 Adults

Check in: 6/26/2016 Check out: 6/28/2016

Star rating ★★★★★

TripAdvisor Traveler Rating  
Based on 529 reviews**Room type:**☒ **1 KING BED NONSMOKING - 1 KING BED NONSMOKING****Room-specific promos****Free Daily Hot Breakfast + Complimentary Wi-Fi****Price per stay**

Current selection

[View all](#)

1. Hotel Cancel Policy: 24 HR CANCEL REQUIRED. Cancelling between 0 and 24 hours in advance incurs a penalty of 100%. A no show incurs a penalty of 100%.

## Rental car

**Alamo Economy Car - Taxes Excluded****Pick up - 6/26/2016 OAKLAND ARPT 6:15 PM****Drop off - 6/28/2016 OAKLAND ARPT 6:00 PM**

Your pick up and drop off times have been selected to correspond to your flight times if you have included a flight in your trip.

**Estimated Taxes/Fees Due At Counter : \$31.18 USD**See [profile](#) for car exclusions.

## Car type:

	Price per rental
<input checked="" type="radio"/> <b>Alamo Economy Car - Taxes Excluded</b>	<b>Current selection</b>
<input type="radio"/> <b>Alamo Intermediate Car - Taxes Excluded</b>	<b>+ \$5.13</b>
<input type="radio"/> <b>Alamo Compact Car - Taxes Excluded</b>	<b>+ \$7.69</b>
<input type="radio"/> <b>Alamo Standard Car - Taxes Excluded</b>	<b>+ \$15.38</b>



Please note, rental cars are priced on a 24-hour basis. If an extra day car rental charge applies due to your pick up &amp; drop off times, the charge has been included in your price.

## Selected things to do

**2 FREE checked bags. Weight & size limits apply.****2 Adults Included**

Date - June 26

**Earn Rapid Rewards Points for Air****1 Item Included**

Date - June 26

## Transfers

Once your flight arrives you still have to get to your hotel and back to the airport at the end of your trip. Beat the cab line and take advantage of the time and money savings of an [airport transfer](#).Best value! [One-Way Service - San Francisco Ferry: Angel Island](#)

Date and price per person

Please select a date

## Travel protection

**Be protected from the unexpected.**Add **Travel Protection** to your vacation package to protect your vacation investment from the unexpected and gain peace of mind in knowing your vacation is covered from the moment you book and up to your return home.**Section I: Travel Protection Benefits: Before You Depart**

- No Supplier Penalties or Fees when you change or cancel for any reason, prior to departure.

**Section II: Travel Protection Benefits: While You Travel**

Insurance Benefits underwritten by Stonebridge Casualty Insurance Company, an AEGON company, Columbus, Ohio

- 24-Hour worldwide emergency travel assistance; Trip interruption or delay reimbursement; Baggage protection; Medical coverage and more!

Travel protection is arranged by Southwest Airlines Vacations on behalf of The Mark Travel Corporation.

For more details, view the full terms, limitations, and exclusions for the [Southwest Vacations' Travel Protection](#)

- ☐ Yes, I want to protect my vacation by purchasing [Southwest Vacations' Travel Protection](#) for **\$59.99 per adult**
- ☐ No, I don't want to purchase the [Southwest Vacations' Travel Protection](#). I understand that I will be subject to any penalties up to the full cost of my reservation should I cancel and that I will not have the option to add travel protection once my reservation is completed.

## Review price

Flights & Hotel package price <i>(includes taxes and carrier imposed fees)</i>	<b>\$952.51</b>
Alamo Economy Car - Taxes Excluded	<b>\$100.00</b>
<b>Total price</b>	<b>\$1,052.51</b>
Price per person	<b>\$526.26</b>

**Earn 1,701 Rapid Rewards® points per member for air**[Information on charges payable directly to third parties.](#)

Promotional code:

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**MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT, APRIL 12, 2016:**

*A meeting of the Finance Committee of the Palmdale Water District was held Tuesday, April 12, 2016, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Henriquez called the meeting to order at 3:35 p.m.*

**1) Roll Call.**

**Attendance:**

Finance Committee:  
Marco Henriquez, Chair  
Robert Alvarado, Committee  
Member

**Others Present:**

Matt Knudson, Assistant General Manager  
Kathy Mac Laren, PWD Director  
Mike Williams, Finance Manager  
Mike McNutt, PIO/Conservation Director  
Dennis Hoffmeyer, Accounting Supervisor  
Gene Taylor, Customer Finance Supervisor  
Bob Egan, Financial Advisor  
Dawn Deans, Executive Assistant  
0 members of the public

**2) Adoption of Agenda.**

It was moved by Committee Member Alvarado, seconded by Chair Henriquez, and unanimously carried to adopt the agenda, as written.

**3) Public Comments.**

There were no public comments.

**4) Action Items:**

**4.1) Consideration and Possible Action on Approval of Minutes of Meeting Held November 4, 2015.**

It was moved by Committee Member Alvarado, seconded by Chair Henriquez, and unanimously carried to approve the minutes of the Finance Committee meeting held November 4, 2015, as written.

**4.2) Discussion and Overview of Cash Flow Statement and Current Cash Balances as of February, 2016. (Financial Advisor Egan)**

Financial Advisor Egan reviewed the investment funds report as of February, 2016 detailing each of the accounts, their purpose, interest rates, liquidity of accounts, capital improvement fees, the increase in cash, and bond funds remaining.

He then provided an overview of the cash flow report including actual and projected revenue and expenses, clarification of bond payments and when these payments are due, and projected year-end cash and then stressed the importance of maintaining year-end cash balances.

**4.3) Discussion and Overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for February, 2016. (Finance Manager Williams)**

Finance Manager Williams reviewed in detail the balance sheet, profit and loss statement, year-to-year comparisons, month-to-month comparisons, consumption comparisons, and revenue and expense analysis reports for the period ending February, 2016 including new pension activity reporting requirements and other non-operating revenue and funding for the Rate Assistance Program and stated that most departments are operating at or below the targeted expenditure percentage of 16.6%.

Chair Henriquez then requested percentages on the Cash Operating Expense charts be shown in decimals rather than rounded numbers and the prior two years be included on the Profit and Loss Statement.

The Directors' budget, staying within budget, and ensuring funds are available to attend conferences and meetings were then discussed in detail.

**4.4) Discussion and Overview of Committed Contracts Issued and Water Revenue Bond Projects. (Assistant General Manager Knudson)**

Assistant General Manager Knudson reviewed the purpose and status of the Committed Contracts and Payout Schedule, which includes approved 2016 engineering projects, projects contractually committed, budgeted but not yet committed projects listed in order of priority, and payments for projects funded from the Water Revenue Series 2013A Bonds.

Committee Member Alvarado then requested a detailed list of the age of the District's pipelines, anticipated water main replacement projects, and anticipated meter



replacement projects after which Financial Advisor Egan stated that the District's funds are limited and not all needed projects can be completed and stressed the importance of annual rate adjustments to cover not only operating expenses but funding for future infrastructure projects including the Littlerock Reservoir Sediment Removal Project and the Palmdale Regional Groundwater Recharge and Recovery Project.

**5) Information Items.**

**5.1) Status of Debt Service Coverage. (Financial Advisor Egan)**

Financial Advisor Egan stated that the District's required Debt Service Coverage is 1.1, the District meets this Coverage, and a written report on this Coverage will be provided at the next meeting.

**5.2) Update on Request for Proposals Process for CIS. (Customer Finance Supervisor Taylor)**

Customer Finance Supervisor Taylor provided a detailed overview of staff's process for determining the need for a new Customer Information System including the number of vendors providing bids for this system, staff's process for evaluating vendors, and the further evaluation process after which Finance Manager Williams stated that final data will be evaluated to determine if it is more cost effective to retain the current Customer Information System software or to move forward with the purchase of a new system.

The District's current interactive app for water bill payments was then discussed.

**5.3) Other.**

Finance Manager Williams stated that a Special Finance Committee meeting is scheduled for April 25, 2016 at 3:30 p.m. to present the audit with the audit then presented to the full Board for consideration at the April 27, 2016 Regular Board Meeting.

There were no other information items.

**6) Board Members' Requests for Future Agenda Items.**

It was stated that the detailed list of the age of the District's pipelines, anticipated water main replacement projects, and anticipated meter replacement projects requested by Committee Member Alvarado will be presented at the next Committee meeting.

There were no further requests for future agenda items.

It was then determined that the next Finance Committee meeting will be held May 10, 2016 at 4:00 p.m.

**7) Adjournment.**

There being no further business to come before the Finance Committee, the meeting was adjourned at 5:43 p.m.



Chair