



PALMDALE WATER DISTRICT

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Board of Directors

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Division 3

KATHY MAC LAREN
Division 4

VINCENT DINO
Division 5

May 8, 2014

*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 14, 2014
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. 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.

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:
 - 5.1) No presentations scheduled at this time.

- 6) Action Items - Consent 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.)
 - 6.1) Approval of minutes of regular meeting held April 23, 2014.
 - 6.2) Payment of bills for May 14, 2014.
 - 6.3) Approval of Pipeline Crossing Agreement with Union Pacific Railroad Company for Palmdale Water District Specification No. 1207 Railroad Crossing. (Assistant General Manager Knudson)
- 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 31, 2014. (Financial Advisor Egan/Finance Committee)
 - 7.2) Status report on Financial Statements, Revenue and Expense and Departmental Budget Reports for March 31, 2014. (Finance Manager Williams/Finance Committee)
 - 7.3) Status report on committed contracts issued. (Assistant General Manager Knudson/Finance Committee)
 - 7.4) Consideration and possible action on Resolution No. 14-9 being a Resolution of the Board of Directors of the Palmdale Water District Urging Heightened Water Conservation by Customers in Response to Drought. (General Manager LaMoreaux)
 - 7.5) Consideration and possible action on the District's participation in the Palmdale Community Foundation's Community Garden Program. (\$7,000.00 – Budgeted – Retired Annuitant Beck)
 - 7.6) Consideration and possible action on award of contract for the construction of the water main abandonment and service reconnection in 10th St. E. from Palmdale Blvd. to Ave. Q-4 and water main replacement in 10th St. E. from Ave. Q-4 to Ave. P under Specification No. 1207. (\$1,264,382.00 – Budgeted – Water Revenue Bonds, Series 2013A – Assistant General Manager Knudson)
 - 7.7) Consideration and possible action on proposed California Special Districts Association Bylaws Updates. (General Manager LaMoreaux)
 - 7.8) Consideration and possible action on development of an Employee Recognition Fund. (General Manager LaMoreaux/Personnel Committee)
 - 7.9) Consideration and possible action on lifting the hiring freeze with the exception of supervisor/management positions. (General Manager LaMoreaux/Personnel Committee)
 - 7.10) Consideration and possible action on Board and staff attendance at conferences, seminars, and training sessions as follows:
 - a) ESRI International User Conference to be held July 14 - 18, 2014 in San Diego.

- 8) Information Items:
 - 8.1) Reports of Directors: Meetings, Committee meetings, and general report.
 - 8.2) Report of General Manager.
 - 8.3) Report of Attorney.
- 9) Public comments on closed session agenda matters.
- 10) Closed session under:
 - 10.1) Government Code Section 54956.9(d)(1), pending litigation: *Antelope Valley Ground Water Cases*.
 - 10.2) Government Code Section 54956.9(d)(1), pending litigation: *United States, et al. v. J-M Manufacturing Company, Inc., et al., United States District Court for the Central District of California Case No. ED CV06-0055-GW*.
 - 10.3) Government Code Section 54956.9(d)(1), pending litigation: *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561*.
 - 10.4) Government Code Section 54956.9(d)(1), pending litigation: *Omar Ramirez v. Palmdale Water District*.
- 11) Public report of any action taken in closed session.
- 12) Board members' requests for future agenda items.
- 13) Adjournment.



MATTHEW R. KNUDSON,
Assistant General Manager

DDL/MRK/dd

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: May 8, 2014 **May 14, 2014**
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. 6.3 – APPROVAL OF PIPELINE CROSSING
AGREEMENT WITH UNION PACIFIC RAILROAD COMPANY FOR
PALMDALE WATER DISTRICT SPECIFICATION NO. 1207
RAILROAD CROSSING***

Recommendation:

Staff recommends approving the attached Pipeline Crossing Agreement between Union Pacific Railroad (UPRR) and Palmdale Water District (District).

Alternative Options:

There are no alternatives. The District is required to enter into the attached agreement prior to Union Pacific Railroad Company authorizing the construction, operation, and maintenance of the proposed water main within their right-of-way.

Background:

The District has determined that the existing water main in 10th Street East from Avenue Q-4 to Avenue P will require replacement due to its age and rising costs of maintenance. Said replacement will cross an existing Union Pacific Railroad spur that crosses 10th Street East (east and west) located a few hundred feet south of Avenue P.

The District is responsible for all costs and coordination associated with the design, permitting, and construction of the facilities necessary to replace said water main in 10th Street East.

All potable water facilities constructed shall be designed and constructed per PWD Specifications and will become the District's facilities upon acceptance by the District, therefore, the attached Pipeline Crossing Agreement is necessary for the construction, operation, and maintenance of the proposed water main that will be crossing the UPRR right-of-way along 10th Street East.

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

May 8, 2014

Strategic Plan Element:

This work is part of Strategic Goal 2.1 – Ensure adequate water supplies for existing and future customers.

Budget:

There is no cost to the District for entering into the attached agreement with the UPRR.

Supporting Documents:

- Proposed Railroad Crossing Agreement between UPRR and PWD
- Exhibit “E” showing location of the proposed railroad crossing

PIPELINE CROSSING AGREEMENT

Mile Post: 412.78, Mojave Subdivision/Branch
Location: Palmdale, Los Angeles County, California

THIS AGREEMENT ("Agreement") is made and entered into as of April 03, 2014, ("Effective Date") by and between **UNION PACIFIC RAILROAD COMPANY**, a Delaware corporation, ("Licensor") and **PALMDALE WATER DISTRICT**, to be addressed at 2029 East Avenue Q, Palmdale, California 93550 ("Licensee").

IT IS MUTUALLY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

Article 1. LICENSOR GRANTS RIGHT.

In consideration of the covenants and agreements herein contained to be by the Licensee kept, observed and performed, the Licensor hereby grants to the Licensee the right to construct and thereafter, during the term hereof, to maintain and operate

one 12 inch pipeline for transporting and conveying water only

across Licensor's track(s) and property (the "Pipeline") in the location shown and in conformity with the dimensions and specifications indicated on the print dated April 02, 2014 and marked **Exhibit A**, attached hereto and hereby made a part hereof. Under no circumstances shall Licensee modify the use of the Pipeline for a purpose other than transporting and conveying water, and the Pipeline shall not be used to convey any other substance, any fiber optic cable, or for any other use, whether such use is currently technologically possible, or whether such use may come into existence during the life of this Agreement.

For the purposes of Exhibit A, Licensee acknowledges that if it or its contractor provides to Railroad digital imagery depicting the Pipeline crossing, Licensee authorizes Railroad to use the Digital Imagery in preparing the print attached as an exhibit hereto. Licensee represents and warrants that through a license or otherwise, it has the right to use the Digital Imagery and to permit Railroad to use the Digital Imagery in said manner.

Article 2. DEFINITION OF LICENSEE.

For purposes of this Agreement, all references in this Agreement to the Licensee shall include the Licensee's contractors, subcontractors, officers, agents and employees, and others acting under its or their authority. If a contractor is hired by the Licensee for any work performed on the Pipeline (including initial construction and subsequent relocation or maintenance and repair work), then the Licensee shall provide a copy of this Agreement to its contractor and require its contractor to comply with all the terms and provisions hereof relating to the work to be performed. Any contractor or subcontractor shall be deemed an agent of Licensee for the purpose of this Agreement, and Licensee shall require such

contractor or subcontractor to release, defend and indemnify Licensor to the same extent and under the same terms and conditions as Licensee is required to release, defend and indemnify Licensor herein.

Article 3. INSURANCE.

A. During the life of the License, Licensee shall fully comply with the insurance requirements described in **Exhibit C**.

B. Failure to maintain insurance as required shall entitle, but not require, Licensor to terminate this License immediately.

C. If the Licensee is subject to statute(s) limiting its insurance liability and/or limiting its ability to obtain insurance in compliance with **Exhibit C** of this license, those statutes shall apply.

D. Licensee hereby acknowledges that is has reviewed the requirements of **Exhibit C**, including without limitation the requirement for Railroad Protective Liability Insurance during construction, maintenance, installation, repair or removal of the pipeline which is the subject of this Agreement.

Article 4. TERM.

This Agreement shall take effect as of the Effective Date first herein written and shall continue in full force and effect until terminated as herein provided.

Article 5. CONSTRUCTION, MAINTENANCE AND OPERATION.

The grant of right herein made to the Licensee is subject to each and all of the terms, provisions, conditions, limitations and covenants set forth herein and in **Exhibit B**, attached hereto and hereby made a part hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first herein written.

UNION PACIFIC RAILROAD COMPANY

PALMDALE WATER DISTRICT

By: _____
Kylan Crawford
Manager

By: _____

Name Printed: _____

Title: _____

EXHIBIT B

Section 1. LIMITATION AND SUBORDINATION OF RIGHTS GRANTED.

- A. The foregoing grant of right is subject and subordinate to the prior and continuing right and obligation of the Licensor to use and maintain its entire property including the right and power of the Licensor to construct, maintain, repair, renew, use, operate, change, modify or relocate railroad tracks, signal, communication, fiber optics, or other wirelines, pipelines and other facilities upon, along or across any or all parts of its property, all or any of which may be freely done at any time or times by the Licensor without liability to the Licensee or to any other party for compensation or damages.
- B. The foregoing grant is also subject to all outstanding superior rights (including those in favor of licensees and lessees of the Licensor's property, and others) and the right of the Licensor to renew and extend the same, and is made without covenant of title or for quiet enjoyment.

Section 2. CONSTRUCTION, MAINTENANCE AND OPERATION.

- A. The Pipeline shall be designed, constructed, operated, maintained, repaired, renewed, modified and/or reconstructed by the Licensee in strict conformity with (i) Licensor's current standards and specifications ("UP Specifications"), except for variances approved in advance in writing by the Licensor's Assistant Vice President Engineering – Design, or his authorized representative; (ii) such other additional safety standards as the Licensor, in its sole discretion, elects to require, including, without limitation, American Railway Engineering and Maintenance-of-Way Association ("AREMA") standards and guidelines (collectively, "UP Additional Requirements"), and (iii) all applicable laws, rules and regulations ("Laws"). If there is any conflict between the requirements of any Law and the UP Specifications or the UP Additional Requirements, the most restrictive will apply.
- B. All work performed on property of the Licensor in connection with the design, construction, maintenance, repair, renewal, modification or reconstruction of the Pipeline shall be done to the satisfaction of the Licensor.
- C. Prior to the commencement of any work in connection with the design, construction, maintenance, repair, renewal, modification, relocation, reconstruction or removal of the Pipeline from Licensor's property, the Licensee shall submit to the Licensor plans setting out the method and manner of handling the work, including the shoring and cribbing, if any, required to protect the Licensor's operations, and shall not proceed with the work until such plans have been approved by the Licensor's Assistant Vice President Engineering Design, or his authorized representative, and then the work shall be done to the satisfaction of the Licensor's Assistant Vice President Engineering Design or his authorized representative. The Licensor shall have the right, if it so elects, to provide such support as it may deem necessary for the safety of its track or tracks during the time of construction, maintenance, repair, renewal, modification, relocation, reconstruction or removal of the Pipeline, and, in the event the Licensor provides such support, the Licensee shall pay to the Licensor, within fifteen (15) days after bills shall have been rendered therefore, all expenses incurred by the Licensor in connection therewith, which expenses shall

include all assignable costs.

- D. The Licensee shall keep and maintain the soil over the Pipeline thoroughly compacted and the grade even with the adjacent surface of the ground.
- E. In the prosecution of any work covered by this Agreement, Licensee shall secure any and all necessary permits and shall comply with all applicable federal, state and local laws, regulations and enactments affecting the work including, without limitation, all applicable Federal Railroad Administration regulations.

Section 3. NOTICE OF COMMENCEMENT OF WORK / LICENSOR REPRESENTATIVE / SUPERVISION / FLAGGING / SAFETY.

- A. If an emergency should arise requiring immediate attention, the Licensee shall provide as much notice as practicable to Licensor before commencing any work. In all other situations, the Licensee shall notify the Licensor at least ten (10) days (or such other time as the Licensor may allow) in advance of the commencement of any work upon property of the Licensor in connection with the construction, maintenance, repair, renewal, modification, reconstruction, relocation or removal of the Pipeline. All such work shall be prosecuted diligently to completion. The Licensee will coordinate its initial, and any subsequent work with the following employee of Licensor or his or her duly authorized representative (hereinafter "Licensor Representative" or "Railroad Representative"):

<p>MARC A. CHAVEZ MGR SIGNAL MNTCE 235 Luis Estrada St Beaumont, CA 92223 Work Phone: 909/8 685-2269 Fax: 909 685-2009 Cell Phone: 909 222-9523</p>	<p>CHARLIE J. SMITH MGR TRACK MNTCE 38021 SIERRA HWY PALMDALE, CA 93550 Cell Phone: 402 594-3964 cjsmith@up.com</p>
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- B. Licensee, at its own expense, shall adequately police and supervise all work to be performed. The responsibility of Licensee for safe conduct and adequate policing and supervision of work shall not be lessened or otherwise affected by Licensor's approval of plans and specifications involving the work, or by Licensor's collaboration in performance of any work, or by the presence at the work site of a Licensor Representative, or by compliance by Licensee with any requests or recommendations made by the Licensor Representative.
- C. At the request of Licensor, Licensee shall remove from Licensor's property any employee who fails to conform to the instructions of the Licensor Representative in connection with the work on Licensor's property. Licensee shall indemnify Licensor against any claims arising from the removal of any such employee from Licensor's property.
- D. Licensee shall notify the Licensor Representative at least ten (10) working days in advance of proposed performance of any work in which any person or equipment will be within twenty-five (25) feet of any track, or will be near enough to any track that any equipment extension (such as, but not limited to, a crane boom) will reach to within twenty-five (25) feet of any track. No work of any kind shall be performed, and no person, equipment, machinery, tool(s), material(s), vehicle(s), or thing(s) shall be located, operated, placed, or stored within twenty-five (25) feet of any of Licensor's track(s) at any time, for any reason, unless and until a railroad flagman is

provided to watch for trains. Upon receipt of such ten (10) day notice, the Licensor Representative will determine and inform Licensee whether a flagman need be present and whether any special protective or safety measures need to be implemented. If flagging or other special protective or safety measures are performed by Licensor, Licensor will bill Licensee for such expenses incurred by Licensor, unless Licensor and a federal, state or local governmental entity have agreed that Licensor is to bill such expenses to the federal, state or local governmental entity. If Licensor will be sending the bills to Licensee, Licensee shall pay such bills within thirty (30) days of receipt of billing. If Licensor performs any flagging, or other special protective or safety measures are performed by Licensor, Licensee agrees that Licensee is not relieved of any of responsibilities or liabilities set forth in this Agreement.

- E. The rate of pay per hour for each flagman will be the prevailing hourly rate in effect for an eight-hour day for the class of flagmen used during regularly assigned hours and overtime in accordance with Labor Agreements and Schedules in effect at the time the work is performed. In addition to the cost of such labor, a composite charge for vacation, holiday, health and welfare, supplemental sickness, Railroad Retirement and unemployment compensation, supplemental pension, Employees Liability and Property Damage and Administration will be included, computed on actual payroll. The composite charge will be the prevailing composite charge in effect at the time the work is performed. One and one-half times the current hourly rate is paid for overtime, Saturdays and Sundays, and two and one-half times current hourly rate for holidays. Wage rates are subject to change, at any time, by law or by agreement between Licensor and its employees, and may be retroactive as a result of negotiations or a ruling of an authorized governmental agency. Additional charges on labor are also subject to change. If the wage rate or additional charges are changed, Licensee (or the governmental entity, as applicable) shall pay on the basis of the new rates and charges.
- F. Reimbursement to Licensor will be required covering the full eight-hour day during which any flagman is furnished, unless the flagman can be assigned to other railroad work during a portion of such day, in which event reimbursement will not be required for the portion of the day during which the flagman is engaged in other railroad work. Reimbursement will also be required for any day not actually worked by the flagman following the flagman's assignment to work on the project for which Licensor is required to pay the flagman and which could not reasonably be avoided by Licensor by assignment of such flagman to other work, even though Licensee may not be working during such time. When it becomes necessary for Licensor to bulletin and assign an employee to a flagging position in compliance with union collective bargaining agreements, Licensee must provide Licensor a minimum of five (5) days notice prior to the cessation of the need for a flagman. If five (5) days notice of cessation is not given, Licensee will still be required to pay flagging charges for the five (5) day notice period required by union agreement to be given to the employee, even though flagging is not required for that period. An additional ten (10) days notice must then be given to Licensor if flagging services are needed again after such five day cessation notice has been given to Licensor.
- G. Safety of personnel, property, rail operations and the public is of paramount importance in the prosecution of the work performed by Licensee or its contractor. Licensee shall be responsible for initiating, maintaining and supervising all safety, operations and programs in connection with the work. Licensee and its contractor shall at a minimum comply with Licensor's safety standards listed in **Exhibit D**, hereto attached, to ensure uniformity with the safety standards followed by Licensor's own forces. As a part of Licensee's safety responsibilities, Licensee shall notify Licensor if it determines that any of Licensor's safety standards are contrary to good safety practices. Licensee and its contractor shall furnish copies of **Exhibit D** to each of its employees before they enter the job site.

- H. Without limitation of the provisions of paragraph G above, Licensee shall keep the job site free from safety and health hazards and ensure that their employees are competent and adequately trained in all safety and health aspects of the job.
- I. Licensee shall have proper first aid supplies available on the job site so that prompt first aid services may be provided to any person injured on the job site. Prompt notification shall be given to Licensor of any U.S. Occupational Safety and Health Administration reportable injuries. Licensee shall have a non-delegable duty to control its employees while they are on the job site or any other property of Licensor, and to be certain they do not use, be under the influence of, or have in their possession any alcoholic beverage, drug or other substance that may inhibit the safe performance of any work.
- J. If and when requested by Licensor, Licensee shall deliver to Licensor a copy of its safety plan for conducting the work (the "Safety Plan"). Licensor shall have the right, but not the obligation, to require Licensee to correct any deficiencies in the Safety Plan. The terms of this Agreement shall control if there are any inconsistencies between this Agreement and the Safety Plan.

Section 4. LICENSEE TO BEAR ENTIRE EXPENSE.

The Licensee shall bear the entire cost and expense incurred in connection with the design, construction, maintenance, repair and renewal and any and all modification, revision, relocation, removal or reconstruction of the Pipeline, including any and all expense which may be incurred by the Licensor in connection therewith for supervision, inspection, flagging, or otherwise.

Section 5. REINFORCEMENT, RELOCATION OR REMOVAL OF PIPELINE.

- A. The license herein granted is subject to the needs and requirements of the Licensor in the safe and efficient operation of its railroad and in the improvement and use of its property. The Licensee shall, at the sole expense of the Licensee, reinforce or otherwise modify the Pipeline, or move all or any portion of the Pipeline to such new location, or remove the Pipeline from the Licensor's property, as the Licensor may designate, whenever, in the furtherance of its needs and requirements, the Licensor, at its sole election, finds such action necessary or desirable.
- B. All the terms, conditions and stipulations herein expressed with reference to the Pipeline on property of the Licensor in the location hereinbefore described shall, so far as the Pipeline remains on the property, apply to the Pipeline as modified, changed or relocated within the contemplation of this section.

Section 6. NO INTERFERENCE WITH LICENSOR'S OPERATION.

- A. The Pipeline and all parts thereof within and outside of the limits of the property of the Licensor shall be designed, constructed and, at all times, maintained, repaired, renewed and operated in such manner as to cause no interference whatsoever with the constant, continuous and uninterrupted use of the tracks, property and facilities of the Licensor and nothing shall be done or suffered to be done by the Licensee at any time that would in any manner impair the safety thereof.
- B. Explosives or other highly flammable substances shall not be stored on Licensor's property without the prior written approval of Licensor.

- C. No additional vehicular crossings (including temporary haul roads) or pedestrian crossings over Licensor's trackage shall be installed or used by Licensor or its contractors without the prior written permission of Licensor.
- D. When not in use, any machinery and materials of Licensee or its contractors shall be kept at least fifty (50) feet from the centerline of Licensor's nearest track.
- E. Operations of Licensor and work performed by Licensor's personnel may cause delays in the work to be performed by Licensee. Licensee accepts this risk and agrees that Licensor shall have no liability to Licensee or any other person or entity for any such delays. Licensee shall coordinate its activities with those of Licensor and third parties so as to avoid interference with railroad operations. The safe operation of Licensor's train movements and other activities by Licensor take precedence over any work to be performed by Licensee.

Section 7. PROTECTION OF FIBER OPTIC CABLE SYSTEMS.

- A. Fiber optic cable systems may be buried on the Licensor's property. Protection of the fiber optic cable systems is of extreme importance since any break could disrupt service to users resulting in business interruption and loss of revenue and profits. Licensee shall telephone the Licensor during normal business hours (7:00 a.m. to 9:00 p.m. Central Time, Monday through Friday, except for holidays) at 1-800-336-9193 (also a 24-hour, 7-day number for emergency calls) to determine if fiber optic cable is buried anywhere on the Licensor's premises to be used by the Licensee. If it is, Licensee will telephone the telecommunications company(ies) involved, arrange for a cable locator, make arrangements for relocation or other protection of the fiber optic cable, all at Licensee's expense, and will commence no work on the Licensor's property until all such protection or relocation has been accomplished. Licensee shall indemnify and hold the Licensor harmless from and against all costs, liability and expense whatsoever (including, without limitation, attorneys' fees, court costs and expenses) arising out of or caused in any way by Licensee's failure to comply with the provisions of this paragraph.
- B. **IN ADDITION TO OTHER INDEMNITY PROVISIONS IN THIS AGREEMENT, THE LICENSEE SHALL, AND SHALL CAUSE ITS CONTRACTOR TO, RELEASE, INDEMNIFY, DEFEND AND HOLD THE LICENSOR HARMLESS FROM AND AGAINST ALL COSTS, LIABILITY AND EXPENSE WHATSOEVER (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS AND EXPENSES) CAUSED BY THE NEGLIGENCE OF THE LICENSEE, ITS CONTRACTORS, AGENTS AND/OR EMPLOYEES, RESULTING IN (1) ANY DAMAGE TO OR DESTRUCTION OF ANY TELECOMMUNICATIONS SYSTEM ON LICENSOR'S PROPERTY, AND/OR (2) ANY INJURY TO OR DEATH OF ANY PERSON EMPLOYED BY OR ON BEHALF OF ANY TELECOMMUNICATIONS COMPANY, AND/OR ITS CONTRACTOR, AGENTS AND/OR EMPLOYEES, ON LICENSOR'S PROPERTY, EXCEPT IF SUCH COSTS, LIABILITY OR EXPENSES ARE CAUSED SOLELY BY THE DIRECT ACTIVE NEGLIGENCE OF THE LICENSOR. LICENSEE FURTHER AGREES THAT IT SHALL NOT HAVE OR SEEK RECOURSE AGAINST LICENSOR FOR ANY CLAIM OR CAUSE OF ACTION FOR ALLEGED LOSS OF PROFITS OR REVENUE OR LOSS OF SERVICE OR OTHER CONSEQUENTIAL DAMAGE TO A TELECOMMUNICATION COMPANY USING LICENSOR'S PROPERTY OR A CUSTOMER OR USER OF SERVICES OF THE FIBER OPTIC CABLE ON LICENSOR'S PROPERTY.**

Section 8. CLAIMS AND LIENS FOR LABOR AND MATERIAL; TAXES.

- A. The Licensee shall fully pay for all materials joined or affixed to and labor performed upon property of the Licensor in connection with the construction, maintenance, repair, renewal, modification or reconstruction of the Pipeline, and shall not permit or suffer any mechanic's or materialman's lien of any kind or nature to be enforced against the property for any work done or materials furnished thereon at the instance or request or on behalf of the Licensee. The Licensee shall indemnify and hold harmless the Licensor against and from any and all liens, claims, demands, costs and expenses of whatsoever nature in any way connected with or growing out of such work done, labor performed, or materials furnished.
- B. The Licensee shall promptly pay or discharge all taxes, charges and assessments levied upon, in respect to, or on account of the Pipeline, to prevent the same from becoming a charge or lien upon property of the Licensor, and so that the taxes, charges and assessments levied upon or in respect to such property shall not be increased because of the location, construction or maintenance of the Pipeline or any improvement, appliance or fixture connected therewith placed upon such property, or on account of the Licensee's interest therein. Where such tax, charge or assessment may not be separately made or assessed to the Licensee but shall be included in the assessment of the property of the Licensor, then the Licensee shall pay to the Licensor an equitable proportion of such taxes determined by the value of the Licensee's property upon property of the Licensor as compared with the entire value of such property.

Section 9. RESTORATION OF LICENSOR'S PROPERTY.

In the event the Licensee in any manner moves or disturbs any of the property of the Licensor in connection with the construction, maintenance, repair, renewal, modification, reconstruction, relocation or removal of the Pipeline, then in that event the Licensee shall, as soon as possible and at Licensee's sole expense, restore such property to the same condition as the same were before such property was moved or disturbed, and the Licensee shall indemnify and hold harmless the Licensor, its officers, agents and employees, against and from any and all liability, loss, damages, claims, demands, costs and expenses of whatsoever nature, including court costs and attorneys' fees, which may result from injury to or death of persons whomsoever, or damage to or loss or destruction of property whatsoever, when such injury, death, damage, loss or destruction grows out of or arises from the moving or disturbance of any other property of the Licensor.

Section 10. INDEMNITY.

- A. As used in this Section, "Licensor" includes other railroad companies using the Licensor's property at or near the location of the Licensee's installation and their officers, agents, and employees; "Loss" includes loss, damage, claims, demands, actions, causes of action, penalties, costs, and expenses of whatsoever nature, including court costs and attorneys' fees, which may result from: (a) injury to or death of persons whomsoever (including the Licensor's officers, agents, and employees, the Licensee's officers, agents, and employees, as well as any other person); and/or (b) damage to or loss or destruction of property whatsoever (including Licensee's property, damage to the roadbed, tracks, equipment, or other property of the Licensor, or property in its care or custody).
- B. **AS A MAJOR INDUCEMENT AND IN CONSIDERATION OF THE LICENSE AND PERMISSION HEREIN GRANTED, TO THE FULLEST EXTENT PERMITTED BY LAW, THE LICENSEE SHALL, AND SHALL CAUSE ITS CONTRACTOR TO, RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS THE LICENSOR FROM**

ANY LOSS OF ANY KIND, NATURE OR DESCRIPTION ARISING OUT OF, RESULTING FROM OR RELATED TO (IN WHOLE OR IN PART):

1. THE PROSECUTION OF ANY WORK CONTEMPLATED BY THIS AGREEMENT INCLUDING THE INSTALLATION, CONSTRUCTION, MAINTENANCE, REPAIR, RENEWAL, MODIFICATION, RECONSTRUCTION, RELOCATION, OR REMOVAL OF THE PIPELINE OR ANY PART THEREOF;
2. ANY RIGHTS OR INTERESTS GRANTED PURSUANT TO THIS LICENSE;
3. THE PRESENCE, OPERATION, OR USE OF THE PIPELINE OR CONTENTS ESCAPING THEREFROM;
4. THE ENVIRONMENTAL STATUS OF THE PROPERTY CAUSED BY OR CONTRIBUTED TO BY LICENSEE;
5. ANY ACT OR OMISSION OF LICENSEE OR LICENSEE'S OFFICERS, AGENTS, INVITEES, EMPLOYEES, OR CONTRACTORS OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY ANY OF THEM, OR ANYONE THEY CONTROL OR EXERCISE CONTROL OVER; OR
6. LICENSEE'S BREACH OF THIS AGREEMENT,

EXCEPT WHERE THE LOSS IS CAUSED BY THE SOLE DIRECT AND ACTIVE NEGLIGENCE OF THE LICENSOR, AS DETERMINED IN A FINAL JUDGMENT BY A COURT OF COMPETENT JURISDICTION, IT BEING THE INTENTION OF THE PARTIES THAT THE ABOVE INDEMNITY WILL OTHERWISE APPLY TO LOSSES CAUSED BY OR ARISING FROM, IN WHOLE OR IN PART, LICENSOR'S NEGLIGENCE.

- C. Upon written notice from Licensor, Licensee agrees to assume the defense of any lawsuit of proceeding brought against any indemnitee by any entity, relating to any matter covered by this License for which Licensee has an obligation to assume liability for and/or save and hold harmless any indemnitee. Licensee shall pay all costs incident to such defense, including, but not limited to, reasonable attorney's fees, investigators' fees, litigation and appeal expenses, settlement payments and amounts paid in satisfaction of judgments.

Section 11. REMOVAL OF PIPELINE UPON TERMINATION OF AGREEMENT.

Prior to the termination of this Agreement howsoever, the Licensee shall, at Licensee's sole expense, remove the Pipeline from those portions of the property not occupied by the roadbed and track or tracks of the Licensor and shall restore, to the satisfaction of the Licensor, such portions of such property to as good a condition as they were in at the time of the construction of the Pipeline. If the Licensee fails to do the foregoing, the Licensor may, but is not obligated, to perform such work of removal and restoration at the cost and expense of the Licensee. In the event of the removal by the Licensor of the property of the Licensee and of the restoration of the roadbed and property as herein provided, the Licensor shall in no manner be liable to the Licensee for any damage sustained by the Licensee for or on account thereof, and such removal and restoration shall in no manner prejudice or impair any right of action for damages, or otherwise, that the Licensor may have against the Licensee.

Section 12. WAIVER OF BREACH.

The waiver by the Licensor of the breach of any condition, covenant or agreement herein contained to be kept, observed and performed by the Licensee shall in no way impair the right of the Licensor to avail itself of any remedy for any subsequent breach thereof.

Section 13. TERMINATION.

- A. If the Licensee does not use the right herein granted or the Pipeline for one (1) year, or if the Licensee continues in default in the performance of any covenant or agreement herein contained for a period of thirty (30) days after written notice from the Licensor to the Licensee specifying such default, the Licensor may, at its option, forthwith immediately terminate this Agreement by written notice.
- B. In addition to the provisions of subparagraph (a) above, this Agreement may be terminated by written notice given by either party hereto to the other on any date in such notice stated, not less, however, than thirty (30) days subsequent to the date upon which such notice shall be given.
- C. Notice of default and notice of termination may be served personally upon the Licensee or by mailing to the last known address of the Licensee. Termination of this Agreement for any reason shall not affect any of the rights or obligations of the parties hereto which may have accrued, or liabilities, accrued or otherwise, which may have arisen prior thereto.

Section 14. AGREEMENT NOT TO BE ASSIGNED.

The Licensee shall not assign this Agreement, in whole or in part, or any rights herein granted, without the written consent of the Licensor, and it is agreed that any transfer or assignment or attempted transfer or assignment of this Agreement or any of the rights herein granted, whether voluntary, by operation of law, or otherwise, without such consent in writing, shall be absolutely void and, at the option of the Licensor, shall terminate this Agreement.

Section 15. SUCCESSORS AND ASSIGNS.

Subject to the provisions of Section 14 hereof, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors and assigns.

Section 16. SEVERABILITY.

Any provision of this Agreement which is determined by a court of competent jurisdiction to be invalid or unenforceable shall be invalid or unenforceable only to the extent of such determination, which shall not invalidate or otherwise render ineffective any other provision of this Agreement.

EXHIBIT C
Union Pacific Railroad Company
Contract Insurance Requirements

Licensee shall, at its sole cost and expense, procure and maintain during the life of this Agreement (except as otherwise provided in this Agreement) the following insurance coverage:

A. Commercial General Liability insurance. Commercial general liability (CGL) with a limit of not less than \$2,000,000 each occurrence and an aggregate limit of not less than \$4,000,000. CGL insurance must be written on ISO occurrence form CG 00 01 12 04 (or a substitute form providing equivalent coverage).

The policy must also contain the following endorsement, WHICH MUST BE STATED ON THE CERTIFICATE OF INSURANCE: "Contractual Liability Railroads" ISO form CG 24 17 10 01 (or a substitute form providing equivalent coverage) showing "Union Pacific Railroad Company Property" as the Designated Job Site.

B. Business Automobile Coverage insurance. Business auto coverage written on ISO form CA 00 01 10 01 (or a substitute form providing equivalent liability coverage) with a limit of not less \$2,000,000 for each accident, and coverage must include liability arising out of any auto (including owned, hired, and non-owned autos).

The policy must contain the following endorsements, WHICH MUST BE STATED ON THE CERTIFICATE OF INSURANCE: "Coverage For Certain Operations In Connection With Railroads" ISO form CA 20 70 10 01 (or a substitute form providing equivalent coverage) showing "Union Pacific Property" as the Designated Job Site.

C. Workers Compensation and Employers Liability insurance. Coverage must include but not be limited to:

Licensee's statutory liability under the workers' compensation laws of the state(s) affected by this Agreement.

Employers' Liability (Part B) with limits of at least \$500,000 each accident, \$500,000 disease policy limit \$500,000 each employee.

If Licensee is self-insured, evidence of state approval and excess workers compensation coverage must be provided. Coverage must include liability arising out of the U. S. Longshoremen's and Harbor Workers' Act, the Jones Act, and the Outer Continental Shelf Land Act, if applicable.

D. Railroad Protective Liability insurance. Licensee must maintain "Railroad Protective Liability" insurance written on ISO occurrence form CG 00 35 12 04 (or a substitute form providing equivalent coverage) on behalf of Railroad only as named insured, with a limit of not less than \$2,000,000 per occurrence and an aggregate of \$6,000,000.

The definition of "JOB LOCATION" and "WORK" on the declaration page of the policy shall refer to this Agreement and shall describe all WORK or OPERATIONS performed under this agreement

E. Umbrella or Excess insurance. If Licensee utilizes umbrella or excess policies, and these policies must "follow form" and afford no less coverage than the primary policy.

Other Requirements

F. All policy(ies) required above (except worker's compensation and employers liability) must include Railroad as "Additional Insured" using ISO Additional Insured Endorsements CG 20 26, and CA 20 48 (or substitute forms providing equivalent coverage). The coverage provided to Railroad as additional insured shall, to the extent provided under ISO Additional Insured Endorsement CG 20 26, and CA 20 48 provide coverage for Railroad's negligence whether sole or partial, active or passive, and shall not be limited by Licensee's liability under the indemnity provisions of this Agreement.

G. Punitive damages exclusion, if any, must be deleted (and the deletion indicated on the certificate of insurance), unless (a) insurance coverage may not lawfully be obtained for any punitive damages that may arise under this agreement, or (b) all punitive damages are prohibited by all states in which this agreement will be performed.

H. Licensee waives all rights of recovery, and its insurers also waive all rights of subrogation of damages against Railroad and its agents, officers, directors and employees for damages covered by the workers compensation and employers liability or commercial umbrella or excess liability obtained by Licensee required in this agreement, where permitted by law This waiver must be stated on the certificate of insurance.

I. All insurance policies must be written by a reputable insurance company acceptable to Railroad or with a current Best's Insurance Guide Rating of A- and Class VII or better, and authorized to do business in the state(s) in which the work is to be performed.

J. The fact that insurance is obtained by Licensee or by Railroad on behalf of Licensee will not be deemed to release or diminish the liability of Licensee, including, without limitation, liability under the indemnity provisions of this Agreement. Damages recoverable by Railroad from Licensee or any third party will not be limited by the amount of the required insurance coverage.

EXHIBIT D
SAFETY STANDARDS

MINIMUM SAFETY REQUIREMENTS

The term "employees" as used herein refer to all employees of Licensee or its contractors, subcontractors, or agents, as well as any subcontractor or agent of any Licensee.

I. Clothing

- A. All employees of Licensee will be suitably dressed to perform their duties safely and in a manner that will not interfere with their vision, hearing, or free use of their hands or feet.

Specifically, Licensee's employees must wear:

- (i) Waist-length shirts with sleeves.
 - (ii) Trousers that cover the entire leg. If flare-legged trousers are worn, the trouser bottoms must be tied to prevent catching.
 - (iii) Footwear that covers their ankles and has a defined heel. Employees working on bridges are required to wear safety-toed footwear that conforms to the American National Standards Institute (ANSI) and FRA footwear requirements.
- B. Employees shall not wear boots (other than work boots), sandals, canvas-type shoes, or other shoes that have thin soles or heels that are higher than normal.
- C. Employees must not wear loose or ragged clothing, neckties, finger rings, or other loose jewelry while operating or working on machinery.

II. Personal Protective Equipment

Licensee shall require its employee to wear personal protective equipment as specified by Railroad rules, regulations, or recommended or requested by the Railroad Representative.

- (i) Hard hat that meets the American National Standard (ANSI) Z89.1 – latest revision. Hard hats should be affixed with Licensee's company logo or name.
- (ii) Eye protection that meets American National Standard (ANSI) for occupational and educational eye and face protection, Z87.1 – latest revision. Additional eye protection must be provided to meet specific job situations such as welding, grinding, etc.
- (iii) Hearing protection, which affords enough attenuation to give protection from noise levels that will be occurring on the job site. Hearing protection, in the form of plugs or muffs, must be worn when employees are within:
 - 100 feet of a locomotive or roadway/work equipment
 - 15 feet of power operated tools
 - 150 feet of jet blowers or pile drivers

- 150 feet of retarders in use (when within 10 feet, employees must wear dual ear protection – plugs and muffs)
- (iv) Other types of personal protective equipment, such as respirators, fall protection equipment, and face shields, must be worn as recommended or requested by the Railroad Representative.

III. On Track Safety

Licensee and its contractor are responsible for compliance with the Federal Railroad Administration's Roadway Worker Protection regulations – 49CFR214, Subpart C and Railroad's On-Track Safety rules. Under 49CFR214, Subpart C, railroad contractors are responsible for the training of their employees on such regulations. In addition to the instructions contained in Roadway Worker Protection regulations, all employees must:

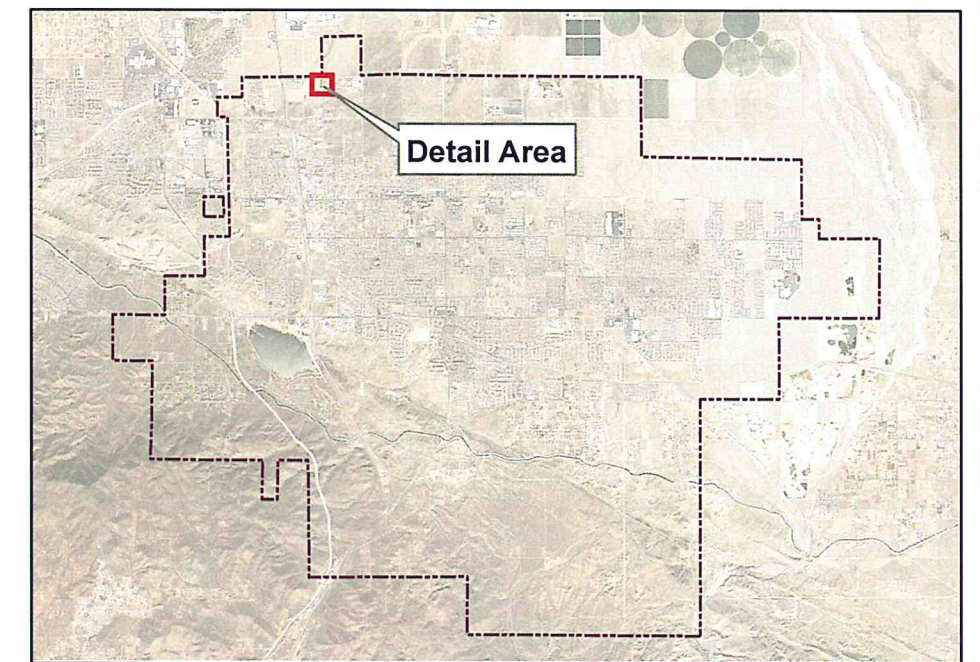
- (i) Maintain a minimum distance of at least twenty-five (25) feet to any track unless the Railroad Representative is present to authorize movements.
- (ii) Wear an orange, reflectorized work wear approved by the Railroad Representative.
- (iii) Participate in a job briefing that will specify the type of On-Track Safety for the type of work being performed. Licensee must take special note of limits of track authority, which tracks may or may not be fouled, and clearing the track. Licensee will also receive special instructions relating to the work zone around machines and minimum distances between machines while working or traveling.

IV. Equipment

- A. It is the responsibility of Licensee to ensure that all equipment is in a safe condition to operate. If, in the opinion of the Railroad Representative, any of Licensee's equipment is unsafe for use, Licensee shall remove such equipment from Railroad's property. In addition, Licensee must ensure that the operators of all equipment are properly trained and competent in the safe operation of the equipment. In addition, operators must be:
 - Familiar and comply with Railroad's rules on lockout/tagout of equipment.
 - Trained in and comply with the applicable operating rules if operating any hy-rail equipment on-track.
 - Trained in and comply with the applicable air brake rules if operating any equipment that moves rail cars or any other rail bound equipment.
- B. All self-propelled equipment must be equipped with a first-aid kit, fire extinguisher, and audible back-up warning device.
- C. Unless otherwise authorized by the Railroad Representative, all equipment must be parked a minimum of twenty-five (25) feet from any track. Before leaving any equipment unattended, the operator must stop the engine and properly secure the equipment against movement.
- D. Cranes must be equipped with three orange cones that will be used to mark the working area of the crane and the minimum clearances to overhead powerlines.

V. General Safety Requirements

- A. Licensee shall ensure that all waste is properly disposed of in accordance with applicable federal and state regulations.
- B. Licensee shall ensure that all employees participate in and comply with a job briefing conducted by the Railroad Representative, if applicable. During this briefing, the Railroad Representative will specify safe work procedures, (including On-Track Safety) and the potential hazards of the job. If any employee has any questions or concerns about the work, the employee must voice them during the job briefing. Additional job briefings will be conducted during the work as conditions, work procedures, or personnel change.
- C. All track work performed by Licensee meets the minimum safety requirements established by the Federal Railroad Administration's Track Safety Standards 49CFR213.
- D. All employees comply with the following safety procedures when working around any railroad track:
 - (i) Always be on the alert for moving equipment. Employees must always expect movement on any track, at any time, in either direction.
 - (ii) Do not step or walk on the top of the rail, frog, switches, guard rails, or other track components.
 - (iii) In passing around the ends of standing cars, engines, roadway machines or work equipment, leave at least 20 feet between yourself and the end of the equipment. Do not go between pieces of equipment of the opening is less than one car length (50 feet).
 - (iv) Avoid walking or standing on a track unless so authorized by the employee in charge.
 - (v) Before stepping over or crossing tracks, look in both directions first.
 - (vi) Do not sit on, lie under, or cross between cars except as required in the performance of your duties and only when track and equipment have been protected against movement.
- E. All employees must comply with all federal and state regulations concerning workplace safety.






OVERVIEW MAP

EXHIBIT INFORMATION:

The map is provided to show the location for a proposed 26" steel casing to be constructed under the Union Pacific Railroad right of way crossing at 10th Street East between Avenue P and Avenue P-4.

Legend

-  Proposed RR Crossing
-  Proposed 12" DIP MainLine
-  Union Pacific Railroad R.O.W.



May 6, 2014



Scale for Detail Map



map by: R. Heinonen

EXHIBIT E

**PALMDALE
WATER DISTRICT
BOARD MEMORANDUM**

DATE:	May 8, 2014	May 14, 2014
TO:	BOARD OF DIRECTORS	Board Meeting
FROM:	Mr. Bob Egan, Financial Advisor	
RE:	<i>AGENDA ITEM NO. 7.1 – STATUS REPORT ON CASH FLOW STATEMENT AND CURRENT CASH BALANCES AS OF MARCH 31, 2014</i>	

Attached is the Investment Funds Report and current cash balance as of March 31, 2014. The reports will be reviewed in detail at the Board meeting.

PALMDALE WATER DISTRICT
INVESTMENT FUNDS REPORT

			March 31, 2014			March-14	February-14
	DESCR						
CASH							
0-0103	Citizens/US Bank - Checking					327,009.96	715,576.80
0-0104	Citizens- Merchant					65,208.96	152,187.40
					Bank cash	392,218.92	867,764.20
0-0119	PETTY CASH					300.00	300.00
0-0120	CASH ON HAND					3,400.00	3,400.00
	TOTAL CASH					395,918.92	871,464.20
INVESTMENTS							
0-0110	UBS ACCOUNT SS 11469 GG						
	UBS RMA Government Portfolio					4,888,218.76	6,511,405.54
	UBS Bank USA Dep acct					250,000.00	250,000.00
						5,138,218.76	6,761,405.54
0-1110	UBS ACCOUNT SS 11475 GG						
	UBS Bank USA Dep acct					250,000.00	250,000.00
	UBS RMA Government Portfolio					210,312.90	210,301.68
						460,312.90	460,301.68
0-0115	LAIF					11,712.80	11,712.80
0-0111	UBS ACCOUNT SS 11432 GG						
	UBS Bank USA Dep acct					250,000.00	250,000.00
	UBS RMA Government Portfolio					578,992.27	77,575.92
	Accrued interest					12,651.07	10,398.85
	US GOVERNMENT SECURITIES:						
	ISSUE DATE	ISSUER	EXPIR DATE	RATE	PAR	MARKET VALUE	MARKET VALUE
		FNMA	10/26/15	1.625	500,000	510,240.00	510,725.00
		FNMA	06/28/17	1.125	500,000	0.00	500,350.00
		FNMA	07/17/17	1.2	500,000	496,795.00	499,105.00
		FHLB	12/28/17	0.95	500,000	490,610.00	493,420.00
					2,000,000	1,497,645.00	2,003,600.00
		CD'S					
	1	Bank of India	05/07/14	0.50	240,000	240,012.00	240,019.20
	2	Bank of Baroda	11/12/14	0.45	240,000	239,913.60	239,860.80
	3	GE Capital Bank	05/01/15	0.60	64,000	63,953.92	63,938.56
	4	Ally Bank	05/06/15	0.60	240,000	239,817.60	239,757.60
	5	Sallie Mae Bank	11/06/15	0.85	240,000	240,302.40	240,175.20
	6	Goldman Sachs Bk	11/07/16	1.00	240,000	239,529.60	239,200.80
	7	CIT Bank	11/06/17	1.60	240,000	240,268.80	240,127.20
	8	BMW Bank	11/15/18	2.00	240,000	240,187.20	239,779.20
					1,744,000	1,743,985	1,742,859
	TOTAL MANAGED ACCOUNT					4,083,273.46	4,084,433.33
	TOTAL INVESTMENTS					9,693,517.92	11,317,853.35
	UBS ACCOUNT SS 24016	Rate Stabilization Fund				480,044.28	480,025.80
	GRAND TOTAL CASH AND INVESTMENTS					10,569,481.12	12,669,343.35
	Summary:						
	Checking		395,919		Incr (Decr)	(2,099,862.23)	575,097.40
	UBS MM		5,598,532				
	LAIF		11,713				
	UBS Investment		4,083,273				
	Rate Stab fund		480,044		BNY Mellon		
	Total		10,569,481		Construction	7,200,442.25	7,352,177.22

04/21/14	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Water Sales	1,649,955	1,630,351	1,685,802	1,859,000	2,005,000	2,163,000	2,302,000	2,457,000	2,505,000	2,288,000	2,076,000	1,766,000	24,387,108
	1,649,955	1,630,351	1,685,802	1,859,000	2,005,000	2,163,000	2,302,000	2,457,000	2,505,000	2,288,000	2,076,000	1,766,000	
Beginning Balance	12,223,261	12,094,245	12,669,343	10,569,481	12,035,926	11,906,634	11,608,608	10,858,717	10,617,863	8,499,506	7,459,564	7,820,826	
Water Receipts	1,955,377	1,805,677	1,780,736	1,859,000	2,005,000	2,163,000	2,302,000	2,457,000	2,505,000	2,288,000	2,076,000	1,766,000	24,962,790
Other													
Total Operating Revenue	1,955,377	1,805,677	1,780,736	1,859,000	2,005,000	2,163,000	2,302,000	2,457,000	2,505,000	2,288,000	2,076,000	1,766,000	
Operating Expenses:													
Total Operating Expenses excl GAC	2,060,493	1,411,384	1,720,101	1,722,800	1,952,000	1,976,400	2,171,600	2,171,600	2,196,000	2,196,000	1,830,000	1,708,000	23,116,378
													1,270,730
Non-Operating Revenue Expenses:													
Assessments, net	636,921	291,389	7,906	1,958,367	634,000	6,300	311,000	145,000			237,000	2,647,000	6,874,884
Special Avek CIF Payment													0
Interest	3,782	3,457	3,899	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	29,888
Mkt adj	10,554	1,203	(4,828)										6,929
Grant Re-imbursement													0
Capital Improvement Fees		2,538		6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	62,538
													0
DWR Refund/(payment)													0
Other /Palmdale Redevel Agency	10,079	52,154	16,438	55,833	55,833	55,833	55,833	55,833	55,833	55,833	55,833	55,833	581,172
Total Non-Operating Revenues	661,336	350,742	23,415	2,022,950	698,583	70,883	375,583	209,583	64,583	64,583	301,583	2,711,583	7,555,411
Capital Expenditures	(106,595)	(13,862)	(321,802)	(51,696)	(530,090)	(421,501)	(445,000)	(350,000)	(243,000)	(75,000)	(52,313)	0	(2,610,859)
GAC					(216,776)		(216,829)	(216,829)		(315,518)		(43,583)	(1,009,535)
SWP Capitalized	(578,181)	(118,142)	(142,503)	(118,142)	(118,141)	(118,140)	(578,178)	(118,140)	(146,976)	(118,140)	(118,140)	(118,139)	(2,390,962)
Prepaid Insurance (paid) refunded			(67,580)					(35,000)		(165,000)			(267,580)
Bond Payments Interest			(1,126,124)						(1,118,296)				(2,244,420)
Principal			(504,974)						(967,800)				(1,472,774)
System Work for AVEK													0
Butte payments				(507,000)						(507,000)			(1,014,000)
Capital leases	(460)	(37,933)	(20,929)	(15,868)	(15,868)	(15,868)	(15,868)	(15,868)	(15,868)	(15,868)	(15,868)	(15,868)	(202,134)
Legal adjudication fees													0
Total Cash Ending Balance	12,094,245	12,669,343	10,569,481	12,035,926	11,906,634	11,608,608	10,858,717	10,617,863	8,499,506	7,459,564	7,820,826	10,412,819	(11,212,264)
											Budget	10,756,000	(2,386,124)
											diff	(343,181)	

PALMDALE WATER DISTRICT BOARD MEMORANDUM

DATE: May 6, 2014 **May 14, 2014**
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 31, 2014*

Discussion:

Presented here are the Balance Sheet and Profit/Loss Statement for the period ending March 31, 2014. 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, 2014.

This is the third month of the District's Budget Year 2014. 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, 2014.
- The significant change is the asset reduction in investments by \$1.6MM due to our payments on bonds and loan and reduction in liability for the bond and loan payment.

Profit/Loss Statement:

- Page 3 is our profit/loss statement on March 31, 2014.
- Operating revenue is at 20% of budget. The percentages are usually lower than target this time of year.
- Cash operating expense is at 21% of budget. This is below the target of 25%.
- There are a couple departments slightly over the target 25% - Administration remains higher due to the Wood settlement payment, and Directors are over due to Director's Pay which we will see later in the report.

Year-To-Year Comparison P&L:

- Page 7 is our comparison of March, 2013 to March, 2014.
- Total operating revenue is up \$10K, or .6%.
- Operating expenditures are down by \$84K, or 6%.
- Page 8 is a graphic presentation of the water consumption comparison. Units billed in acre feet were up by 72, or 7%. Total revenue per unit sold is down \$0.26, or 6%, and total revenue per connection is up \$4.22, or 8%.

BOARD OF DIRECTORS
PALMDALE WATER DISTRICT

VIA: Mr. Dennis LaMoreaux, General Manager

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May 6, 2014

Revenue Analysis Year-To-Date:

- Page 9 is our comparison of revenue, year-to-date.
- Operating revenue through March, 2014 is up \$42K.
- Retail water sales are up by \$176K from last year. This is reflective of the rate adjustment that went into effect in March.
- Total revenue is down \$735K. This is due mostly to assessments collected and booked. We now book assessments as received rather than by journal entry.
- Revenue through March, 2014 is at 19% of budget; last year we were at 21.5% of budget, but our revenue budget number is higher this year by \$1.3MM.

Expense Analysis Year-To-Date:

- Page 11 is our comparison of expense, year-to-date.
- Cash Operating Expenses through March, 2014 are up by \$1.1MM, or 22%, compared to 2013 due to early budget year departmental expenses and the Wood settlement payment.
- Total Expenses are up \$1MM, or 15%, for the same reasons.

Departments:

- Pages 14 through 22 are detailed budgets of each department. As stated earlier, Directors Department is over target due primarily to Director's Pay at 31%.

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.

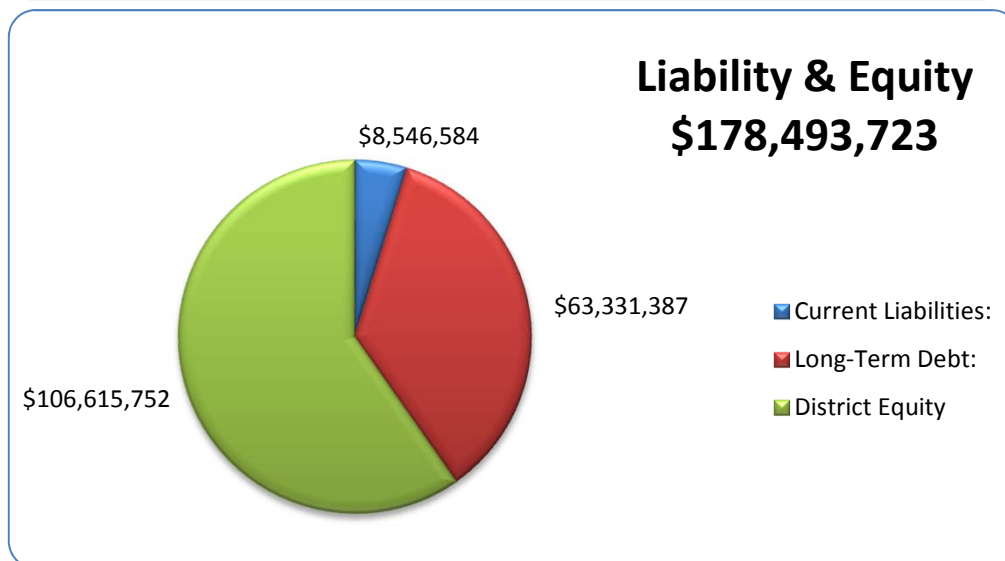
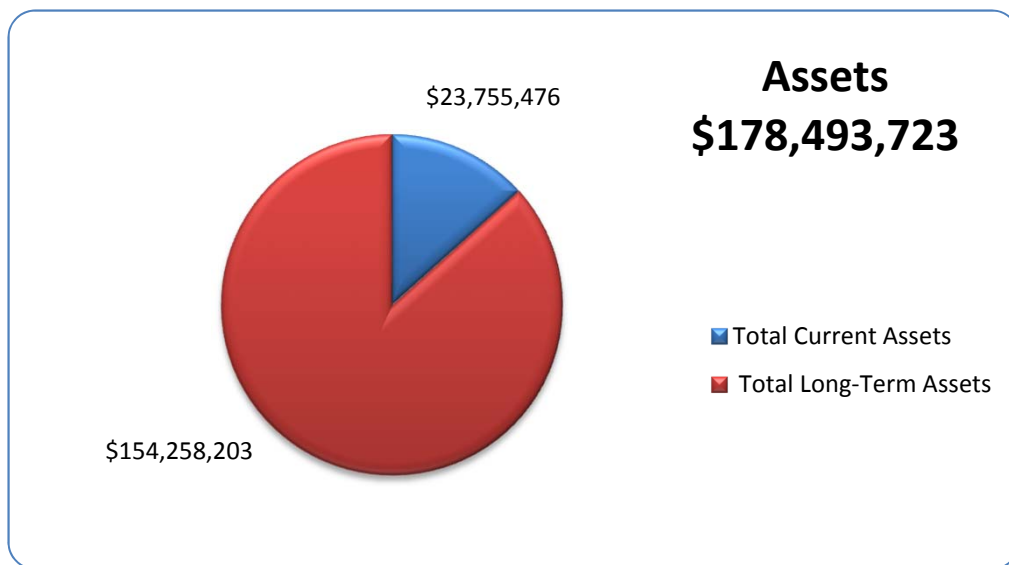
Service Cost Construction: The value of material, parts & supplies from inventory used to construct, repair and maintain our asset infrastructure.

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 3/31/2014

	<u>March 2014</u>	<u>February 2014</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 395,919	\$ 871,464
Investments	9,686,167	11,310,502
2013A Bonds - Project Funds	7,056,528	7,352,177
	<u>\$ 17,138,614</u>	<u>\$ 19,534,144</u>
Receivables:		
Accounts Receivables - Water Sales	\$ 1,522,482	\$ 1,562,123
Accounts Receivables - Miscellaneous	47,241	43,980
Allowance for Uncollected Accounts	(226,399)	(226,399)
	<u>\$ 1,343,323</u>	<u>\$ 1,379,704</u>
Interest Receivable	\$ -	\$ -
Assessments Receivables	4,255,364	4,263,271
Meters, Materials and Supplies	857,774	881,871
Prepaid Expenses	160,401	226,161
Total Current Assets	\$ 23,755,476	\$ 26,285,151
Long-Term Assets:		
Property, Plant, and Equipment, net	\$ 114,934,568	\$ 115,101,814
Participation Rights in State Water Project, net	39,087,751	39,104,758
2013A Bonds - Insurance & Surety Bond	235,884	236,550
	<u>\$ 154,258,203</u>	<u>\$ 154,443,122</u>
Restricted Cash:		
Rate Stabilization Fund	480,044	480,026
Total Long-Term Assets & Restricted Cash	\$ 154,738,247	\$ 154,923,148
Total Assets	\$ 178,493,723	\$ 181,208,299
LIABILITIES AND DISTRICT EQUITY		
Current Liabilities:		
Current Interest Installment of Long-term Debt	\$ (25)	\$ 938,436
Current Principal Installment of Long-term Debt	1,137,998	1,642,972
Accounts Payable and Accrued Expenses	4,844,828	5,624,722
Deferred Assessments	2,563,783	2,571,690
Total Current Liabilities	\$ 8,546,584	\$ 10,777,819
Long-Term Debt:		
Pension-Related Debt	\$ 1,084,487	\$ 1,084,487
OPEB Liability	7,926,811	7,778,254
2013A Water Revenue Bonds	43,951,729	43,953,979
2012 - Certificates of Participation	10,015,357	10,008,559
2011 - Capital Lease Payable	353,004	367,020
Total Long-Term Liabilities	\$ 63,331,387	\$ 63,192,300
Total Liabilities	\$ 71,877,971	\$ 73,970,119
District Equity		
Revenue from Operations	\$ (2,056,417)	\$ (1,433,990)
Retained Earnings	108,672,169	108,672,169
Total Liabilities and District Equity	\$ 178,493,723	\$ 181,208,299

BALANCE SHEET AS OF MARCH 31, 2014



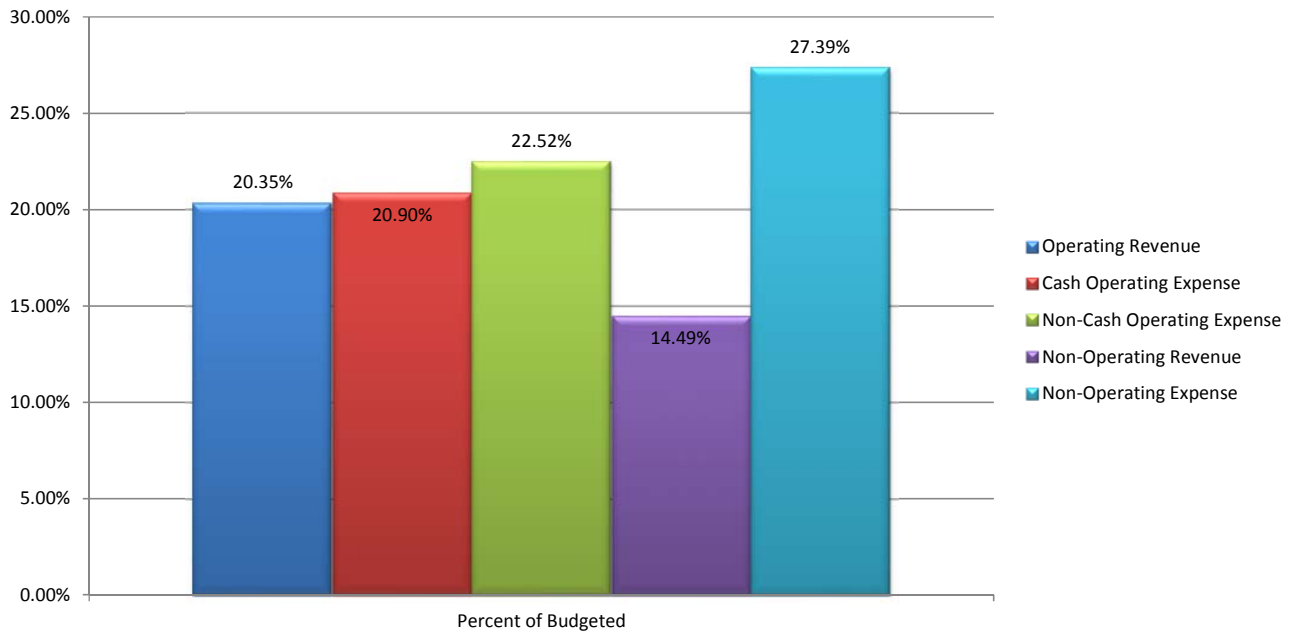
Palmdale Water District
Consolidated Profit and Loss Statement
For the Three Months Ending 3/31/2014

	Thru February	March	Year-to-Date	Adjustments	Adjusted Budget	% of Budget
Operating Revenue:						
Wholesale Water	\$ 3,031	\$ 9,904	\$ 12,935		\$ 225,000	5.75%
Water Sales	964,988	451,940	1,416,928		9,053,000	15.65%
Meter Fees	1,850,617	947,272	2,797,889		11,255,000	24.86%
Water Quality Fees	173,200	89,051	262,251		1,638,000	16.01%
Elevation Fees	49,403	26,150	75,553		525,000	14.39%
Other	238,543	161,485	400,027		1,700,000	23.53%
Total Water Sales	\$ 3,279,782	\$ 1,685,802	\$ 4,965,584	\$ -	\$ 24,396,000	20.35%
Cash Operating Expenses:						
Directors	\$ 16,391	\$ 14,066	\$ 30,457		\$ 114,500	26.60%
Administration	994,578	153,851	1,148,430		3,490,000	32.91%
Engineering	185,543	81,932	267,475		1,079,800	24.77%
Facilities	467,352	224,101	691,453		3,408,500	20.29%
Operations	792,080	231,408	1,023,488		5,453,500	18.77%
Finance	542,760	223,012	765,772		2,968,750	25.79%
Water Conservation	20,279	11,784	32,064		270,000	11.88%
Human Resources	28,878	18,993	47,871		215,300	22.23%
Information Technology	149,096	62,926	212,022		828,600	25.59%
Water Purchases	431,864	26,138	458,002		2,400,000	19.08%
Water Purchases-Prior Year OAP	-	-	-		250,000	0.00%
Water Recovery	(17,776)	-	(17,776)		(100,000)	17.78%
Capitalized Expenditures	194,289	195,893	390,182		2,143,500	18.20%
GAC Filter Media Replacement	-	-	-		1,638,000	0.00%
Total Cash Operating Expenses	\$ 3,805,334	\$ 1,244,104	\$ 5,049,438	\$ -	\$ 24,160,450	20.90%
Non-Cash Operating Expenses:						
Depreciation	\$ 1,107,401	\$ 554,288	\$ 1,661,690		\$ 7,350,000	22.61%
OPEB Accrual Expense	333,750	166,875	500,625		2,000,000	25.03%
Bad Debts	7,268	7,314	14,583		100,000	14.58%
Service Costs Construction	4,985	(12,889)	(7,903)		125,000	-6.32%
Capitalized Construction	(168,994)	(69,112)	(238,106)		(1,000,000)	23.81%
Total Non-Cash Operating Expenses	\$ 1,284,410	\$ 646,477	\$ 1,930,887	\$ -	\$ 8,575,000	22.52%
Net Operating Profit/(Loss)	\$ (1,809,962)	\$ (204,779)	\$ (2,014,741)	\$ -	\$ (8,339,450)	24.16%
Non-Operating Revenues:						
Assessments (Debt Service)	\$ 672,341	\$ 278	\$ 672,619		\$ 4,400,000	15.29%
Assessments (1%)	255,970	7,628	263,598		1,800,000	14.64%
DWR Fixed Charge Recovery	-	-	-		100,000	0.00%
Interest	18,989	(929)	18,060		25,000	72.24%
Capital Improvement Fees	2,538	-	2,538		150,000	1.69%
State Grants	-	-	-		485,000	0.00%
Other	62,234	16,438	78,672		185,000	42.53%
Total Non-Operating Revenues	\$ 1,012,071	\$ 23,415	\$ 1,035,486	\$ -	\$ 7,145,000	14.49%
Non-Operating Expenses:						
Interest on Long-Term Debt	\$ 391,495	\$ 194,752	\$ 586,247		\$ 2,111,000	27.77%
Amortization of SWP	319,020	159,510	478,530		1,679,000	28.50%
Water Conservation Programs	9,059	3,327	12,385		143,000	8.66%
Total Non-Operating Expenses	\$ 719,574	\$ 357,589	\$ 1,077,162	\$ -	\$ 3,933,000	27.39%
Net Earnings	\$ (1,517,465)	\$ (538,952)	\$ (2,056,417)	\$ -	\$ (5,127,450)	40.11%

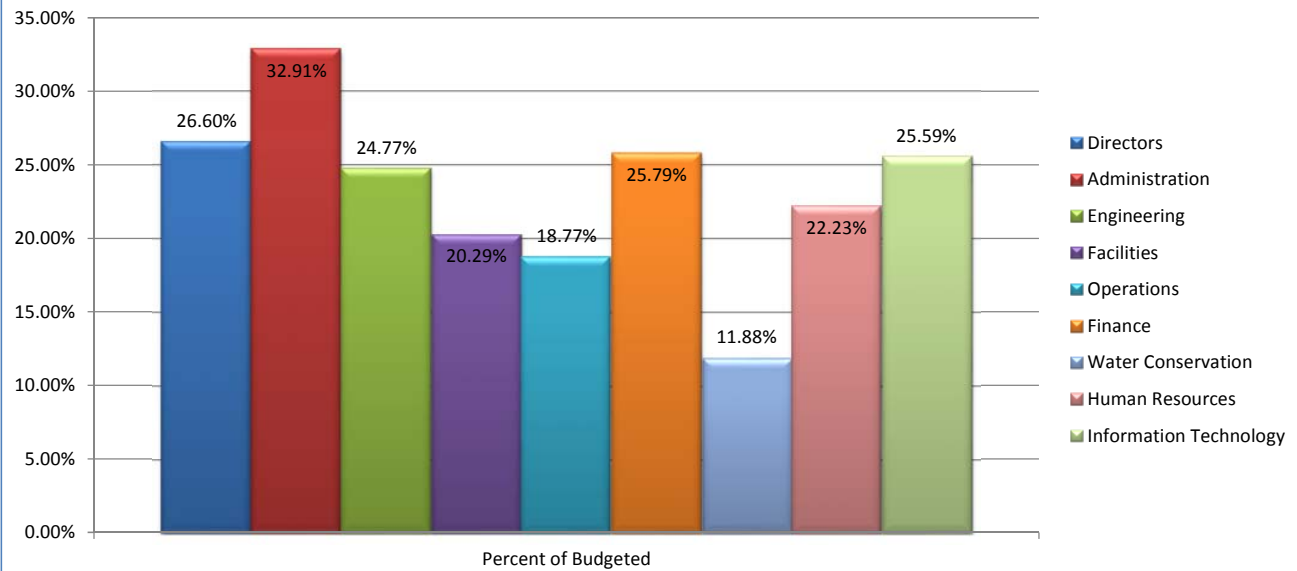
OTHER OPERATING REVENUE

Account Setup Charge(\$25)	\$2,500.00
Account Setup Charge/CC (\$35)	\$2,660.00
After Hours Service Call	\$80.00
Construction Meter Install(\$250)	\$750.00
Credit Check(\$10)	\$50.00
Customer Request Turn On/Off(\$15)	\$15.00
Door Tag Fee(\$20)	\$48,080.00
Lock Broken or Missing(\$15)	\$90.00
Meter Exchange 1" to 5/8"(\$240)	\$720.00
Pulled Meter Service Charge(\$60)	\$300.00
Repair Angle Stop After Hours(\$600.00)	\$600.00
Repair Angle Stop(\$440.00)	\$4,400.00
Shut-Off Charge(\$30)	\$8,850.00
Shut-Off Processing Fee(\$20)	\$180.00
Standard Trip Charge(\$15)	\$360.00
Late Fees	\$35,835.69
NSF Fee	\$725.00
	<hr/>
	\$106,195.69

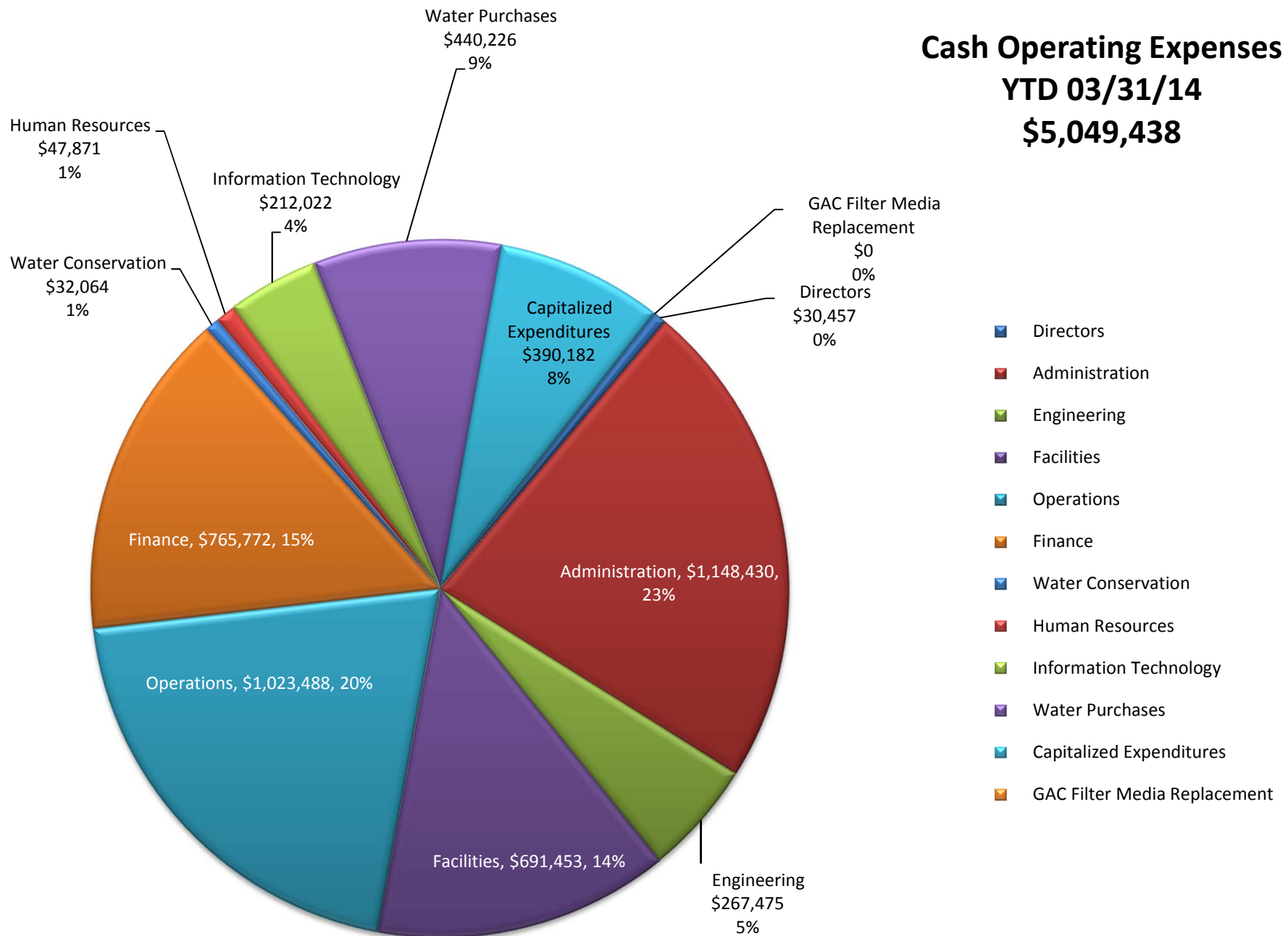
P & L BUDGET vs. ACTUAL



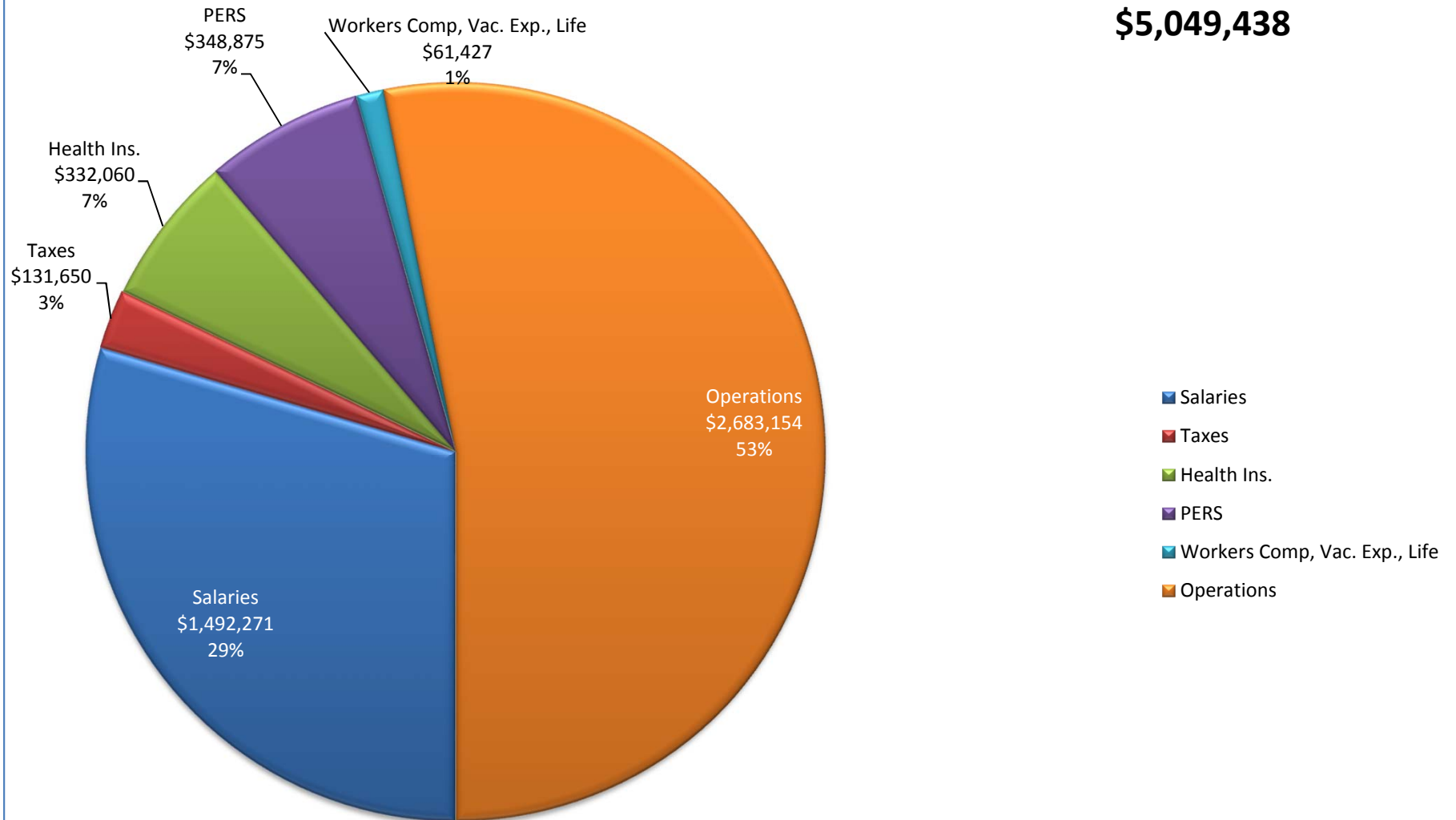
DEPARTMENTAL - BUDGET vs. ACTUAL



Cash Operating Expenses YTD 03/31/14 \$5,049,438



Personnel to Operations Exp
YTD 03/31/14
\$5,049,438

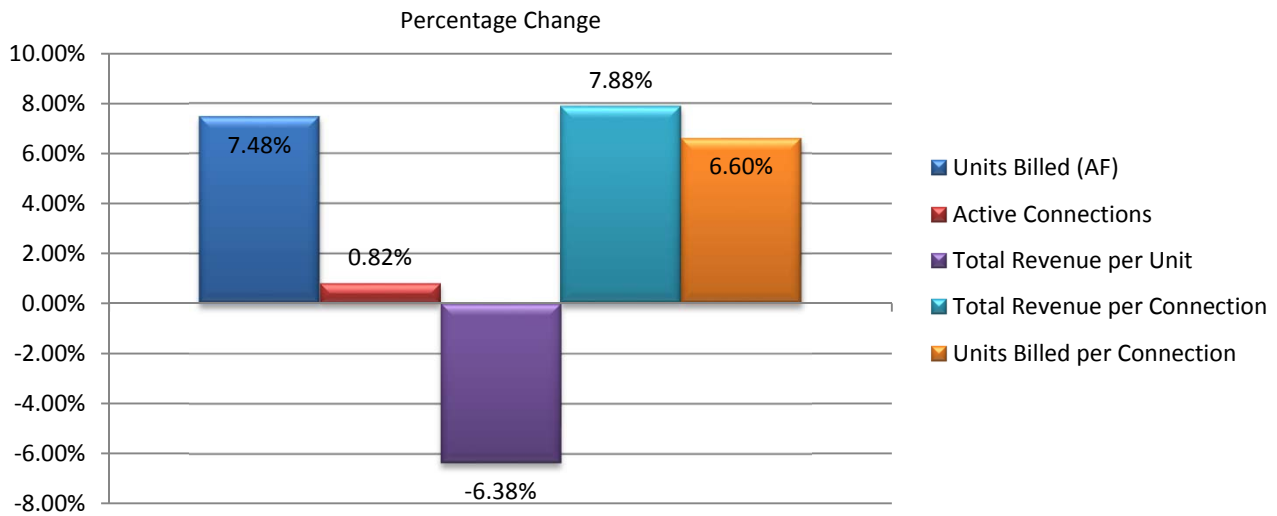
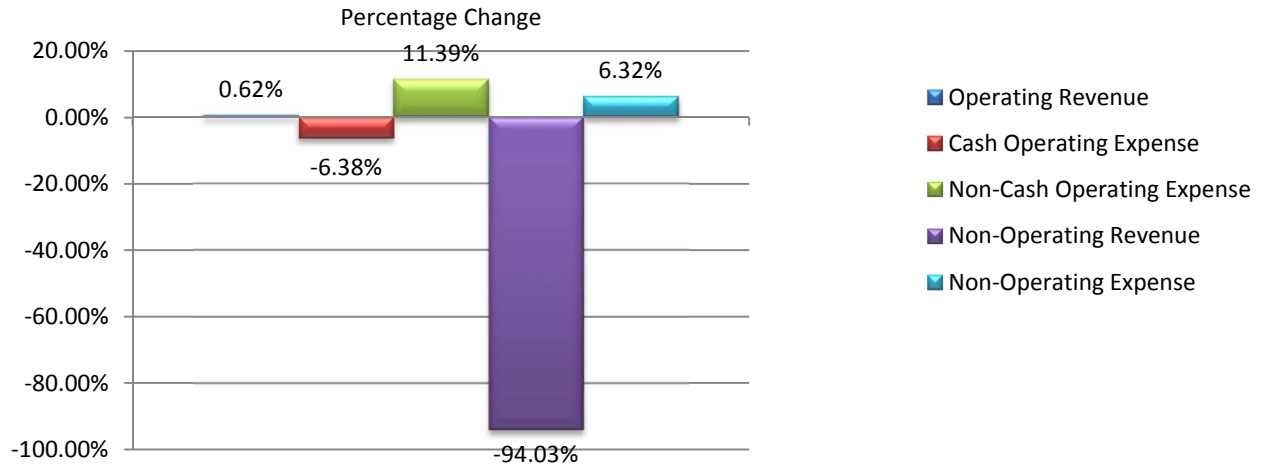


**Palmdale Water District
Profit and Loss Statement
Year-To-Year Comparison - March**

	2013 March	2014 March	Change	% Change		Consumption Comparison	
					Units Billed	2013	2014
Operating Revenue:						418,458	449,739
Wholesale Water	\$ 170	\$ 9,904	\$ 9,734	5733.90%	Active	26,203	26,417
Water Sales	371,704	451,940	80,236	21.59%	Vacant	1,140	939
Meter Fees	920,678	947,272	26,593	2.89%			
Water Quality Fees	83,871	89,051	5,180	6.18%			
Elevation Fees	25,076	26,150	1,074	4.28%	Rev/unit	\$ 4.00	\$ 3.75
Other	273,912	161,485	(112,428)	-41.05%	Rev/con	\$ 53.49	\$ 57.70
Total Water Sales	\$ 1,675,412	\$ 1,685,802	\$ 10,390	0.62%	Unit/con	15.97	17.02
Cash Operating Expenses:							
Directors	\$ 9,342	\$ 14,066	\$ 4,725	50.58%			
Administration	157,777	153,851	(3,926)	-2.49%			
Engineering	132,765	81,932	(50,833)	-38.29%			
Facilities	216,387	224,101	7,714	3.56%			
Operations	335,839	231,408	(104,431)	-31.10%			
Finance	222,486	223,012	525	0.24%			
Water Conservation	18,274	11,784	(6,490)	-35.51%			
Human Resources	8,871	18,993	10,122	114.11%			
Information Technology	76,634	62,926	(13,708)	-17.89%			
Water Purchases	28,074	26,138	(1,936)	-6.90%			
Water Purchases-Prior Year OAP	-	-	-				
Water Recovery	-	-	-				
Capitalized Expenditures	122,413	195,893	73,480	60.03%			
GAC Filter Media Replacement	-	-	-				
Total Cash Operating Expenses	\$ 1,328,862	\$ 1,244,104	\$ (84,758)	-6.38%			
Non-Cash Operating Expenses:							
Depreciation	\$ 590,474	\$ 554,288	\$ (36,186)	-6.13%			
OPEB Accrual Expense	165,223	166,875	1,652	1.00%			
Bad Debts	-	7,314	7,314	#DIV/0!			
Service Costs Construction	(98,233)	(12,889)	85,344	-86.88%			
Capitalized Construction	(77,106)	(69,112)	7,994	-10.37%			
Total Non-Cash Operating Expenses	\$ 580,358	\$ 646,477	\$ 66,119	11.39%			
Net Operating Profit/(Loss)	\$ (233,807)	\$ (204,779)	\$ 29,028	-12.42%			
Non-Operating Revenues:							
Assessments (Debt Service)	\$ 355,857	\$ 278	\$ (355,579)	-99.92%			
Assessments (1%)	144,143	7,628	(136,514)	-94.71%			
DWR Fixed Charge Recovery	-	-	-				
Interest	1,396	(929)	(2,325)	-166.57%			
Capital Improvement Fees	(116,241)	-	116,241	-100.00%			
State Grants	-	-	-				
Other	6,774	16,438	9,664	142.66%			
Total Non-Operating Revenues	\$ 391,929	\$ 23,415	\$ (368,514)	-94.03%			
Non-Operating Expenses:							
Interest on Long-Term Debt	\$ 185,870	\$ 194,752	\$ 8,881	4.78%			
Amortization of SWP	144,745	159,510	14,765	10.20%			
Water Conservation Programs	5,725	3,327	(2,398)	-41.89%			
Total Non-Operating Expenses	\$ 336,340	\$ 357,589	\$ 21,248	6.32%			
Net Earnings	\$ (178,218)	\$ (538,952)	\$ (360,734)	202.41%			

YEAR-TO-YEAR COMPARISON

March '13 -To - March '14



	2013	2014	Change	
Units Billed (AF)	961	1,032	72	7.48%
Active Connections	26,203	26,417	214	0.82%
Non-Active	1,140	939	-201	-17.63%
Total Revenue per Unit	\$4.00	\$3.75	-\$0.26	-6.38%
Total Revenue per Connection	\$53.49	\$57.70	\$4.22	7.88%
Units Billed per Connection	15.97	17.02	1.05	6.60%

Palmdale Water District
Revenue Analysis
For the Three Months Ending 3/31/2014
2014

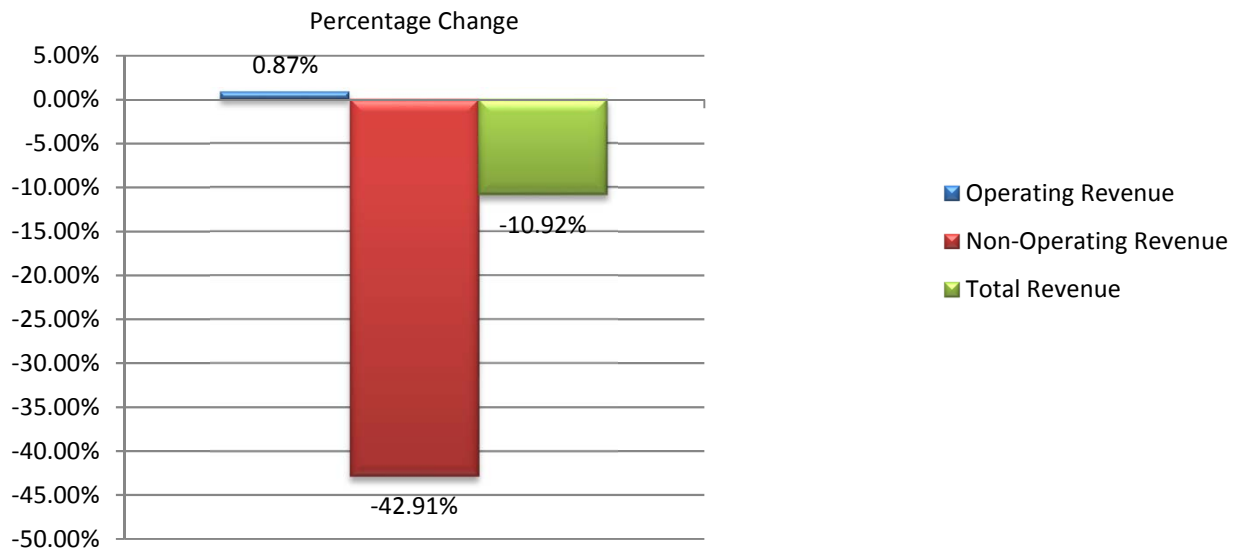
2013 to 2014 Comparison

	Thru February	March	Year-to-Date	Adjusted Budget	% of Budget	Thru February	March	Year-to-Date	% Change
Operating Revenue:									
Wholesale Water	\$ 3,031	\$ 9,904	\$ 12,935	\$ 225,000	5.75%	\$ 3,031	9,734	8,141	169.82%
Water Sales	964,988	451,940	1,416,928	9,053,000	15.65%	38,944	80,236	119,180	9.18%
Meter Fees	1,850,617	947,272	2,797,889	11,255,000	24.86%	10,783	26,593	37,377	1.35%
Water Quality Fees	173,200	89,051	262,251	1,638,000	16.01%	10,936	5,180	16,116	6.55%
Elevation Fees	49,403	26,150	75,553	525,000	14.39%	2,553	1,074	3,627	5.04%
Other	238,543	161,485	400,027	1,700,000	23.53%	(29,308)	(112,428)	(141,736)	-26.16%
Total Water Sales	\$ 3,279,782	\$ 1,685,802	\$ 4,965,584	\$ 24,396,000	20.35%	\$ 36,939	\$ 10,390	\$ 42,704	0.87%
Non-Operating Revenues:									
Assessments (Debt Service)	\$ 672,341	\$ 278	\$ 672,619	\$ 4,400,000	15.29%	\$ (259,587)	\$ (355,579)	\$ (615,166)	-47.77%
Assessments (1%)	\$ 255,970	7,628	263,598	1,800,000	14.64%	(121,515)	(136,514)	(258,029)	-49.47%
DWR Fixed Charge Recovery	-	-	-	100,000	0.00%	-	-	-	-
Interest	18,989	(929)	18,060	25,000	72.24%	21,207	(2,325)	18,882	-2295.95%
Capital Improvement Fees	2,538	-	2,538	150,000	1.69%	(41,638)	116,241	74,603	-103.52%
State Grants	-	-	-	485,000	0.00%	-	-	-	-
Other	62,234	16,438	78,672	185,000	42.53%	(8,224)	9,664	1,440	1.87%
Total Non-Operating Revenues	\$ 1,012,071	\$ 23,415	\$ 1,035,486	\$ 7,145,000	14.49%	\$ (409,756)	\$ (368,514)	\$ (778,270)	-42.91%
Total Revenue	\$ 4,291,853	\$ 1,709,217	\$ 6,001,070	\$ 31,541,000	19.03%	\$ (372,817)	\$ (358,124)	\$ (735,565)	-10.92%

	Thru February	March	Year-to-Date	Adjusted Budget	% of Budget
Operating Revenue:					
Wholesale Water	\$ 4,624	\$ 170	\$ 4,794	\$ 175,000	2.74%
Water Sales	926,044	371,704	1,297,748	8,198,000	15.83%
Meter Fees	1,839,834	920,678	2,760,512	11,232,000	24.58%
Water Quality Fees	162,264	83,871	246,135	1,638,000	15.03%
Elevation Fees	46,850	25,076	71,927	550,000	13.08%
Other	267,851	273,912	541,763	1,250,000	43.34%
Total Water Sales	\$ 3,242,843	\$ 1,675,412	\$ 4,922,879	\$ 22,868,000	21.53%
Non-Operating Revenues:					
Assessments (Debt Service)	\$ 931,927	\$ 355,857	\$ 1,287,785	\$ 4,300,000	29.95%
Assessments (1%)	\$ 377,484	144,143	521,627	2,021,627	25.80%
DWR Fixed Charge Recovery	-	-	-	100,000	-
Interest	(2,218)	1,396	(822)	25,000	-3.29%
Capital Improvement Fees	44,176	(116,241)	(72,065)	150,000	-48.04%
State Grants	-	-	-	485,000	0.00%
Other	70,458	6,774	77,231	150,000	51.49%
Total Non-Operating Revenues	\$ 1,421,827	\$ 391,929	\$ 1,813,756	\$ 7,231,627	25.08%
Total Revenue	\$ 4,664,670	\$ 2,067,341	\$ 6,736,635	\$ 30,099,627	22.38%

REVENUE COMPARISON YEAR-TO-DATE

March '13-To-March '14



Palmdale Water District
Operating Expense Analysis
For the Three Months Ending 3/31/2014
2014

2013 to 2014 Comparison

	Thru February	March	Year-to-Date	Adjusted Budget	% of Budget	Thru February	March	Year-to-Date	% Change
Cash Operating Expenses:									
Directors	\$ 16,391	\$ 14,066	\$ 30,457	\$ 114,500	26.60%	\$ (75)	\$ 4,725	\$ 4,649	18.01%
Administration	994,578	153,851	1,148,430	3,490,000	32.91%	674,316	(3,926)	670,391	140.24%
Engineering	185,543	81,932	267,475	1,079,800	24.77%	(15,479)	(50,833)	(66,312)	-19.87%
Facilities	467,352	224,101	691,453	3,408,500	20.29%	(4,638)	7,714	3,076	0.45%
Operations	792,080	231,408	1,023,488	5,453,500	18.77%	142,606	(104,431)	38,175	3.87%
Finance	542,760	223,012	765,772	2,968,750	25.79%	143,375	525	143,900	23.14%
Water Conservation	20,279	11,784	32,064	270,000	11.88%	(14,409)	(6,490)	(20,898)	-39.46%
Human Resources	28,878	18,993	47,871	215,300	22.23%	9,980	10,122	20,102	72.39%
Information Technology	149,096	62,926	212,022	828,600	25.59%	149,096	(13,708)	39,757	23.08%
Water Purchases	431,864	26,138	458,002	2,400,000	19.08%	107,438	(1,936)	105,502	29.93%
Water Purchases-Prior Year OAP	-	-	-	250,000	0.00%	-	-	-	-
Water Recovery	(17,776)	-	(17,776)	(100,000)	17.78%	115,874	-	115,874	-86.70%
Capitalized Expenditures	194,289	195,893	390,182	2,143,500	18.20%	(22,746)	73,480	50,735	14.95%
GAC Filter Media Replacement	-	-	-	1,638,000	0.00%	-	-	-	-
Total Cash Operating Expenses	\$ 3,805,334	\$ 1,244,104	\$ 5,049,438	\$ 24,160,450	20.90%	\$ 1,285,338	\$ (84,758)	\$ 1,104,950	21.88%
Non-Cash Operating Expenses:									
Depreciation	\$ 1,107,401	\$ 554,288	\$ 1,661,690	\$ 7,350,000	22.61%	\$ (75,291)	\$ (36,186)	\$ (111,477)	-6.29%
OPEB Accrual Expense	333,750	166,875	500,625	2,000,000	25.03%	3,305	1,652	4,957	1.00%
Bad Debts	7,268	7,314	14,583	100,000	14.58%	2,433	7,314	9,747	201.56%
Service Costs Construction	4,985	(12,889)	(7,903)	125,000	-6.32%	(49,568)	85,344	35,776	-81.91%
Capitalized Construction	(168,994)	(69,112)	(238,106)	(1,000,000)	23.81%	(46,148)	7,994	(38,153)	19.08%
Total Non-Cash Operating Expenses	\$ 1,284,410	\$ 646,477	\$ 1,930,887	\$ 8,575,000	22.52%	\$ (165,270)	\$ 66,119	\$ (99,150)	-5.13%
Non-Operating Expenses:									
Interest on Long-Term Debt	\$ 391,495	\$ 194,752	\$ 586,247	\$ 2,111,000	27.77%	\$ 19,620	\$ 8,881	\$ 28,501	5.11%
Amortization of SWP	319,020	159,510	478,530	1,679,000	28.50%	32,146	14,765	46,911	10.87%
Water Conservation Programs	9,059	3,327	12,385	143,000	8.66%	(9,520)	(2,398)	(11,918)	-1.18%
Total Non-Operating Expenses	\$ 719,574	\$ 357,589	\$ 1,077,162	\$ 3,933,000	27.39%	\$ 42,246	\$ 21,248	\$ 63,494	6.26%
Total Expenses	\$ 5,809,318	\$ 2,248,169	\$ 8,057,487	\$ 36,668,450	21.97%	\$ 1,162,314	\$ 2,610	\$ 1,069,293	15.30%

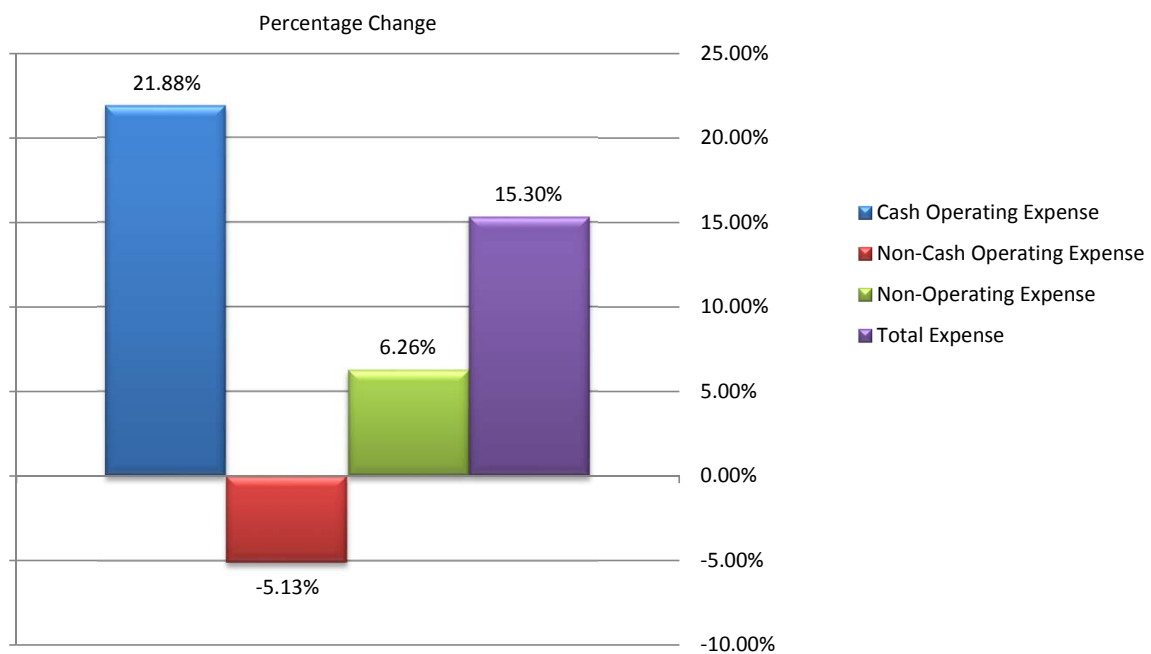
Palmdale Water District
Operating Expense Analysis
For the Three Months Ending 3/31/2014
2013

2013 to 2014 Comparison

	Thru February	March	Year-to-Date	Adjusted Budget	% of Budget
Cash Operating Expenses:					
Directors	\$ 16,466	\$ 9,342	\$ 25,808	\$ 117,500	21.96%
Administration	320,262	157,777	478,039	2,602,000	18.37%
Engineering	201,022	132,765	333,787	1,215,750	27.46%
Facilities	471,990	216,387	688,377	3,298,500	20.87%
Operations	649,474	335,839	985,313	4,944,250	19.93%
Finance	399,385	222,486	621,872	2,789,000	22.30%
Water Conservation	34,688	18,274	52,962	239,750	22.09%
Human Resources	18,898	8,871	27,769	209,600	13.25%
Information Technology	95,631	76,634	172,265	728,000	23.66%
Water Purchases	324,426	28,074	352,500	2,600,000	13.56%
Water Purchases-Prior Year OAP	-	-	-	-	
Water Recovery	(133,650)	-	(133,650)	(100,000)	133.65%
Capitalized Expenditures	217,034	122,413	339,447	836,500	40.58%
GAC Filter Media Replacement	-	-	-	1,638,000	0.00%
Total Cash Operating Expenses	\$ 2,615,626	\$ 1,328,862	\$ 3,944,488	\$ 21,118,850	18.68%
Non-Cash Operating Expenses:					
Depreciation	\$ 1,182,692	\$ 590,474	\$ 1,773,166	\$ 7,250,000	24.46%
OPEB Accrual Expense	330,445	165,223	495,668	2,000,000	24.78%
Bad Debts	4,836	-	4,836	100,000	4.84%
Service Costs Construction	54,553	(98,233)	(43,680)	125,000	-34.94%
Capitalized Construction	(122,847)	(77,106)	(199,953)	(1,000,000)	20.00%
Total Non-Cash Operating Expenses	\$ 1,449,680	\$ 580,358	\$ 2,030,038	\$ 8,475,000	23.95%
Non-Operating Expenses:					
Interest on Long-Term Debt	\$ 371,876	\$ 185,870	\$ 557,746	\$ 2,111,000	26.42%
Amortization of SWP	286,874	144,745	431,619	1,679,000	25.71%
Water Conservation Programs	18,578	5,725	24,303	150,000	16.20%
Total Non-Operating Expenses	\$ 677,328	\$ 336,340	\$ 1,013,668	\$ 3,940,000	25.73%
Total Expenses	\$ 4,742,634	\$ 2,245,560	\$ 6,988,194	\$ 33,533,850	20.84%

EXPENSE COMPARISON YEAR-TO-DATE

March '13-To-March '14



Palmdale Water District
2014 Directors Budget
For the Three Months Ending Monday, March 31, 2014

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-01-4000-000 Directors Pay	\$ 14,100	\$ 45,000	\$ -	\$ 30,900	31.33%
Employee Benefits					
1-01-4005-000 Payroll Taxes	1,070	5,500		4,430	19.46%
1-01-4010-000 Health Insurance	9,236	54,000		44,764	17.10%
Subtotal (Benefits)	10,307	59,500	-	44,764	17.32%
Total Personnel Expenses	<u>\$ 24,407</u>	<u>\$ 104,500</u>	<u>\$ -</u>	<u>\$ 75,664</u>	<u>23.36%</u>
OPERATING EXPENSES:					
1-01-4050-000 Directors Travel, Seminars & Meetings	6,051	10,000		3,949	60.51%
Subtotal Operating Expenses	6,051	10,000	-	3,949	60.51%
Total O & M Expenses	<u>\$ 30,457</u>	<u>\$ 114,500</u>	<u>\$ -</u>	<u>\$ 79,613</u>	<u>26.60%</u>

Palmdale Water District
2014 Administration Budget
For the Three Months Ending Monday, March 31, 2014

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-02-4000-000 Salaries	\$ 151,019	\$ 656,000		\$ 504,981	23.02%
1-02-4000-100 Overtime	2,592	7,500		4,908	34.56%
1-02-4000-200 On-Call	10,937	60,000		49,063	18.23%
Subtotal (Salaries)	\$ 164,548	\$ 723,500		\$ 558,952	22.74%
Employee Benefits					
1-02-4005-000 Payroll Taxes	13,075	41,500		28,425	31.51%
1-02-4010-000 Health Insurance	24,036	96,000		71,964	25.04%
1-02-4015-000 PERS	35,745	132,500		96,755	26.98%
1-02-4020-000 Worker's Compensation	-	125,000		125,000	0.00%
1-02-4025-000 Vacation Benefit Expense	59,575	35,000		(24,575)	170.21%
1-02-4030-000 Life Insurance	1,852	7,500		5,648	24.70%
Subtotal (Benefits)	\$ 134,284	\$ 437,500	\$ -	\$ 303,216	30.69%
Total Personnel Expenses	\$ 298,832	\$ 1,161,000	\$ -	\$ 862,168	25.74%
OPERATING EXPENSES:					
1-02-4050-000 Staff Travel	\$ 3,065	\$ 8,000		\$ 4,935	38.31%
1-02-4050-100 General Manager Travel	1,556	5,000		3,444	31.13%
1-02-4060-000 Staff Conferences & Seminars	920	3,000		2,080	30.67%
1-02-4060-100 General Manager Conferences & Seminars	1,040	4,500		3,460	23.11%
1-02-4070-000 Employee Expense	8,908	40,000		31,092	22.27%
1-02-4080-000 Other Operating	408	20,000		19,592	2.04%
1-02-4110-000 Consultants	9,421	200,000		190,579	4.71%
1-02-4125-000 Insurance	65,711	300,000		234,289	21.90%
1-02-4130-000 Bank Charges	30,867	130,000		99,133	23.74%
1-02-4135-000 Groundwater Adjudication	77,457	400,000		322,543	19.36%
1-02-4135-000 Groundwater Adjudication - Woods Class	590,450	590,500		50	99.99%
1-02-4140-000 Legal Services	14,256	200,000		185,744	7.13%
1-02-4150-000 Accounting Services	9,370	25,000		15,630	37.48%
1-02-4155-000 Contracted Services	4,766	29,000		24,234	16.43%
1-02-4165-000 Memberships/Subscriptions	8,325	210,000		201,675	3.96%
1-02-4175-000 Permits	1,400	15,000		13,600	9.33%
1-02-4180-000 Postage	3,507	30,000		26,493	11.69%
1-02-4190-100 Public Relations - Publications	4,109	40,000		35,891	10.27%
1-02-4190-900 Public Relations - Other	353	1,000		647	35.30%
1-02-4200-000 Advertising	39	5,000		4,961	0.78%
1-02-4205-000 Office Supplies	6,692	18,000		11,308	37.18%
1-02-4215-200 Natural Gas - Office Building	1,079	5,000		3,921	21.57%
1-02-4220-200 Electricity - Office Building	5,898	50,000		44,102	11.80%
Subtotal Operating Expenses	\$ 849,598	\$ 2,329,000	\$ -	\$ 1,479,402	36.48%
Total Departmental Expenses	\$ 1,148,430	\$ 3,490,000	\$ -	\$ 2,341,570	32.91%

Palmdale Water District
2014 Engineering Budget
For the Three Months Ending Monday, March 31, 2014

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-03-4000-000 Salaries	\$ 139,405	\$ 668,500		\$ 529,095	20.85%
1-03-4000-100 Overtime	4,352	6,500		2,148	66.95%
Subtotal (Salaries)	\$ 143,757	\$ 675,000		\$ 531,243	21.30%
Employee Benefits					
1-03-4005-000 Payroll Taxes	12,974	51,500		38,526	25.19%
1-03-4010-000 Health Insurance	32,246	134,800		102,554	23.92%
1-03-4015-000 PERS	37,375	133,500		96,125	28.00%
Subtotal (Benefits)	\$ 82,596	\$ 319,800	\$ -	\$ 237,204	25.83%
Total Personnel Expenses	\$ 226,353	\$ 994,800	\$ -	\$ 768,447	22.75%
OPERATING EXPENSES:					
1-03-4050-000 Staff Travel	\$ 74	\$ 3,000		\$ 2,926	2.46%
1-03-4060-000 Staff Conferences & Seminars	-	2,500		2,500	0.00%
1-03-4155-000 Contracted Services	40,000	61,500		21,500	65.04%
1-03-4165-000 Memberships/Subscriptions	215	2,000		1,786	10.73%
1-03-4250-000 General Materials & Supplies	415	2,500		2,085	16.60%
1-03-8100-100 Computer Software - Maint. & Support	419	13,500		13,082	3.10%
Subtotal Operating Expenses	\$ 41,122	\$ 85,000	\$ -	\$ 43,878	48.38%
Total Departmental Expenses	\$ 267,475	\$ 1,079,800	\$ -	\$ 812,325	24.77%

Palmdale Water District
2014 Facilities Budget
For the Three Months Ending Monday, March 31, 2014

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-04-4000-000 Salaries	\$ 295,595	\$ 1,450,000		\$ 1,154,405	20.39%
1-04-4000-100 Overtime	14,280	36,500		22,220	39.12%
Subtotal (Salaries)	\$ 309,875	\$ 1,486,500		\$ 1,176,625	20.85%
Employee Benefits					
1-04-4005-000 Payroll Taxes	27,923	111,000		83,077	25.16%
1-04-4010-000 Health Insurance	76,446	374,500		298,054	20.41%
1-04-4015-000 PERS	71,585	278,000		206,415	25.75%
Subtotal (Benefits)	\$ 175,954	\$ 763,500	\$ -	\$ 587,546	23.05%
Total Personnel Expenses	\$ 485,829	\$ 2,250,000	\$ -	\$ 1,741,951	21.59%
OPERATING EXPENSES:					
1-04-4050-000 Staff Travel	\$ 12	\$ 2,500		2,488	0.48%
1-04-4060-000 Staff Conferences & Seminars	1,096	3,000		1,904	36.53%
1-04-4155-000 Contracted Services	23,328	71,500		48,172	32.63%
1-04-4175-000 Permits-Dams	-	50,000		50,000	0.00%
1-04-4215-200 Natural Gas - Buildings	1,142	4,500		3,358	25.37%
1-04-4220-200 Electricity - Buildings	2,748	30,000		27,252	9.16%
1-04-4225-000 Maint. & Repair - Vehicles	3,064	45,000		41,936	6.81%
1-04-4230-100 Maint. & Rep. Office Building	325	18,000		17,675	
1-04-4235-110 Maint. & Rep. Equipment	1,108	7,500		6,392	14.78%
1-04-4235-400 Maint. & Rep. Operations - Wells	19,301	135,000		115,699	14.30%
1-04-4235-405 Maint. & Rep. Operations - Boosters	1,772	65,000		63,228	2.73%
1-04-4235-410 Maint. & Rep. Operations - Shop Bldgs	4,460	10,000		5,540	44.60%
1-04-4235-415 Maint. & Rep. Operations - Facilities	1,718	15,000		13,282	11.45%
1-04-4235-420 Maint. & Rep. Operations - Water Lines	54,009	275,000		220,991	19.64%
1-04-4235-425 Maint. & Rep. Operations - Littlerock Dam	-	15,000		15,000	0.00%
1-04-4235-430 Maint. & Rep. Operations - Palmdale Dam	-	15,000		15,000	0.00%
1-04-4235-435 Maint. & Rep. Operations - Palmdale Canal	807	3,000		2,193	26.89%
1-04-4235-455 Maint. & Rep. Operations - Heavy Equipment	27,795	35,000		7,205	79.42%
1-04-4235-460 Maint. & Rep. Operations - Storage Reservoirs	-	5,000		5,000	0.00%
1-04-6000-000 Waste Disposal	2,992	40,000		37,008	7.48%
1-04-6100-100 Fuel and Lube - Vehicle	23,920	130,000		106,080	18.40%
1-04-6100-200 Fuel and Lube - Machinery	6,241	43,000		36,759	14.51%
1-04-6200-000 Uniforms	3,498	21,000		17,502	16.66%
1-04-6300-100 Supplies - Misc.	13,442	47,500		34,058	28.30%
1-04-6300-800 Supplies - Construction Materials	7,319	45,000		37,681	16.26%
1-04-6400-000 Tools	3,062	12,000		8,938	25.51%
1-04-7000-100 Leases -Equipment	2,466	15,000		12,534	16.44%
Subtotal Operating Expenses	\$ 205,624	\$ 1,158,500	\$ -	\$ 952,876	17.75%
Total Departmental Expenses	\$ 691,453	\$ 3,408,500	\$ -	\$ 2,694,827	20.29%

Palmdale Water District
2014 Operation Budget
For the Three Months Ending Monday, March 31, 2014

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-05-4000-000 Salaries	\$ 387,764	\$ 1,734,000		\$ 1,346,236	22.36%
1-05-4000-100 Overtime	21,093	70,000		48,907	30.13%
Subtotal (Salaries)	\$ 408,857	\$ 1,804,000		\$ 1,395,143	22.66%
Employee Benefits					
1-05-4005-000 Payroll Taxes	36,170	131,000		94,830	27.61%
1-05-4010-000 Health Insurance	88,046	343,000		254,954	25.67%
1-05-4015-000 PERS	94,845	324,000		229,155	29.27%
Subtotal (Benefits)	\$ 219,061	\$ 798,000	\$ -	\$ 578,939	27.45%
Total Personnel Expenses	\$ 627,918	\$ 2,602,000	\$ -	\$ 1,925,175	24.13%
OPERATING EXPENSES:					
1-05-4050-000 Staff Travel	\$ 1,566	\$ 8,000		\$ 6,434	19.57%
1-05-4060-000 Staff Conferences & Seminars	-	9,500		9,500	0.00%
1-05-4120-100 Training - Lab Equipment	-	4,500		4,500	0.00%
1-05-4120-200 Training - SCADA Network	-	9,000		9,000	0.00%
1-05-4155-000 Contracted Services	14,623	109,250		94,627	13.38%
1-05-4175-000 Permits	1,907	45,000		43,093	4.24%
1-05-4215-100 Natural Gas - Wells & Boosters	22,083	236,000		213,917	9.36%
1-05-4215-200 Natural Gas - WTP	672	3,000		2,328	22.40%
1-05-4220-100 Electricity - Wells & Boosters	229,689	1,515,000		1,285,312	15.16%
1-05-4220-200 Electricity - WTP	20,546	125,000		104,454	16.44%
1-05-4230-110 Maint. & Rep. - Office Equipment	-	500		500	0.00%
1-05-4235-110 Maint. & Rep. Operations - Equipment	2,981	22,500		19,519	13.25%
1-05-4235-410 Maint. & Rep. Operations - Shop Bldgs	1,294	6,000		4,706	21.56%
1-05-4235-415 Maint. & Rep. Operations - Facilities	11,190	45,000		33,810	24.87%
1-05-4235-445 Maint. & Rep. Operations - Telemetry	-	2,250		2,250	0.00%
1-05-4235-450 Maint. & Rep. Operations - Hypo Generator	12,508	30,000		17,492	41.69%
1-05-4235-500 Maint. & Rep. Operations - Wind Turbine	-	6,000		6,000	0.00%
1-05-4236-000 Palmdale Lake Management	559	15,000		14,441	3.73%
1-05-4270-300 Telecommunication - Other	682	2,750		2,068	24.81%
1-05-4300-300 Testing - Edison	-	9,000		9,000	0.00%
1-05-6000-000 Waste Disposal	1,243	14,000		12,757	8.88%
1-05-6200-000 Uniforms	2,298	12,000		9,702	19.15%
1-05-6300-100 Supplies - Misc.	12,025	15,000		2,975	80.17%
1-05-6300-200 Supplies - Hypo Generator	1,660	6,750		5,090	24.60%
1-05-6300-300 Supplies - Electrical	-	3,500		3,500	0.00%
1-05-6300-400 Supplies - Telemetry	-	7,500		7,500	0.00%
1-05-6300-600 Supplies - Lab	14,013	35,000		20,987	40.04%
1-05-6300-700 Outside Lab Work	8,540	60,000		51,460	14.23%
1-05-6400-000 Tools	3,178	6,500		3,322	48.89%
1-05-6500-000 Chemicals	30,778	485,000		454,222	6.35%
1-05-7000-100 Leases -Equipment	1,534	3,000		1,466	51.13%
Subtotal Operating Expenses	\$ 395,569	\$ 2,851,500	\$ -	\$ 2,455,931	13.87%
Total Departmental Expenses	\$ 1,023,488	\$ 5,453,500	\$ -	\$ 4,381,106	18.77%

Palmdale Water District
2014 Finance Budget
For the Three Months Ending Monday, March 31, 2014

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-06-4000-000 Salaries	\$ 352,269	\$ 1,645,000		\$ 1,292,731	21.41%
1-06-4000-100 Overtime	7,369	19,000		11,631	38.78%
Subtotal (Salaries)	\$ 359,637	\$ 1,664,000	\$ -	\$ 1,304,363	21.61%
Employee Benefits					
1-06-4005-000 Payroll Taxes	32,060	123,000		90,940	10.11%
1-06-4010-000 Health Insurance	84,781	317,000		232,219	25.61%
1-06-4015-000 PERS	89,556	331,000		241,444	11.62%
Subtotal (Benefits)	\$ 206,397	\$ 771,000	\$ -	\$ 564,603	26.77%
Total Personnel Expenses	\$ 566,034	\$ 2,435,000	\$ -	\$ 1,868,966	23.25%
OPERATING EXPENSES:					
1-06-4050-000 Staff Travel	\$ -	\$ 250		250	0.00%
1-06-4060-000 Staff Conferences & Seminars	69	1,000		931	6.90%
1-06-4155-300 Contracted Services	4,467	21,000		16,533	21.27%
1-06-4155-100 Contracted Services - Infosend	39,647	205,000		165,353	19.34%
1-06-4165-000 Memberships/Subscriptions	220	500		280	44.00%
1-06-4230-110 Maintenance & Repair - Office Equipment	-	1,000		1,000	0.00%
1-06-4235-440 Maint. & Rep. Operations - Large Meters	15,060	10,000		(5,060)	150.60%
1-06-4235-470 Maint. & Rep. Operations - Meter Exchanges	123,602	225,000		101,398	54.93%
1-06-4250-000 General Material & Supplies	1,815	6,000		4,185	30.25%
1-06-4260-000 Business Forms	3,145	10,000		6,855	31.45%
1-06-4270-100 Telecommunication - Office	3,125	12,000		8,876	26.04%
1-06-4270-200 Telecommunication - Cellular Stipend	3,730	17,000		13,270	21.94%
1-06-4270-300 Telecommunication - Cellular	-	500		500	0.00%
1-06-4300-200 Testing - Large Meter Testing	4,260	21,500		17,240	19.81%
1-06-7000-100 Leases - Equipment	598	3,000		2,402	19.94%
Subtotal Operating Expenses	\$ 199,737	\$ 533,750	\$ -	\$ 334,013	37.42%
Total Departmental Expenses	\$ 765,772	\$ 2,968,750	\$ -	\$ 2,202,978	25.79%

Palmdale Water District
2014 Water Conservation Budget
For the Three Months Ending Monday, March 31, 2014

YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
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Personnel Budget:

1-07-4000-000 Salaries	\$ 19,296	\$ 168,500	\$ 149,204	11.45%
1-07-4000-100 Overtime	858	1,000	142	85.84%
Subtotal (Salaries)	\$ 20,155	\$ 169,500	\$ 149,345	11.89%

Employee Benefits

1-07-4005-000 Payroll Taxes	2,006	13,000	10,994	15.43%
1-07-4010-000 Health Insurance	4,579	31,500	26,921	14.54%
1-07-4015-000 PERS	5,099	34,000	28,901	15.00%
Subtotal (Benefits)	\$ 11,685	\$ 78,500	\$ -	14.89%

Total Personnel Expenses

\$ 31,839	\$ 248,000	\$ -	\$ 216,019	12.84%
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OPERATING EXPENSES:

1-07-4050-000 Staff Travel	\$ -	\$ 1,000	\$ 1,000	0.00%
1-07-4060-000 Staff Conferences & Seminars	-	1,000	1,000	0.00%
1-07-4190-300 Public Relations - Landscape Workshop/Training	-	1,000	1,000	0.00%
1-07-4190-400 Public Relations - Contests	-	1,000	1,000	0.00%
1-07-4190-500 Public Relations - Education Programs	-	5,000	5,000	0.00%
1-07-4190-700 Public Relations -General Media	150	3,000	2,850	5.00%
1-07-4190-900 Public Relations - Other	-	5,000	5,000	0.00%
1-07-6300-100 Supplies - Misc.	74	5,000	4,926	1.49%
Subtotal Operating Expenses	\$ 224	\$ 22,000	\$ -	1.02%

Total Departmental Expenses

\$ 32,064	\$ 270,000	\$ -	\$ 237,795	11.88%
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Palmdale Water District
2014 Human Resources Budget
For the Three Months Ending Monday, March 31, 2014

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-08-4000-000 Salaries	\$ 21,329	\$ 97,000		\$ 75,671	21.99%
Employee Benefits					
1-08-4005-000 Payroll Taxes	1,917	7,500		5,583	25.55%
1-08-4010-000 Health Insurance	3,090	19,200		16,110	16.09%
1-08-4015-000 PERS	1,775	6,500		4,725	27.31%
Subtotal (Benefits)	\$ 6,781	\$ 33,200	\$ -	\$ 26,419	20.43%
Total Personnel Expenses	\$ 28,110	\$ 130,200	\$ -	\$ 102,090	21.59%
OPERATING EXPENSES:					
1-08-4050-000 Staff Travel	\$ 146	\$ 500		\$ 354	29.27%
1-08-4060-000 Staff Conferences & Seminars	-	500		500	0.00%
1-08-4090-000 Temporary Staffing	9,935	-		(9,935)	
1-08-4095-000 Employee Recruitment	1,164	3,000		1,836	38.79%
1-08-4100-000 Employee Retention	45	1,500		1,455	3.00%
1-08-4105-000 Employee Relations	2,623	3,500		877	74.96%
1-08-4110-000 Consultants	-	1,000		1,000	0.00%
1-08-4120-100 Training-Safety Consultants	29	38,000		37,971	0.08%
1-08-4121-000 Safety Program	50	1,000		950	5.00%
1-08-4165-000 Membership/Subscriptions	517	1,600		1,083	32.31%
1-08-4165-100 HR/Safety Publications	-	1,000		1,000	0.00%
1-08-6300-500 Supplies - Safety	5,251	33,500		28,249	15.68%
Subtotal Operating Expenses	\$ 19,761	\$ 85,100	\$ -	\$ 65,339	23.22%
Total Departmental Expenses	\$ 47,871	\$ 215,300	\$ -	\$ 167,429	22.23%

Palmdale Water District
2014 Information Technology Budget
For the Three Months Ending Monday, March 31, 2014

	YTD	ORIGINAL		ADJUSTED	
	ACTUAL	BUDGET	ADJUSTMENTS	BUDGET	PERCENT
	2014	2014	2014	REMAINING	USED
Personnel Budget:					
1-09-4000-000 Salaries	\$ 49,915	\$ 226,000		\$ 176,085	22.09%
1-09-4000-100 Overtime	98	2,500		2,402	3.93%
Subtotal (Salaries)	\$ 50,014	\$ 228,500		\$ 178,486	21.89%
Employee Benefits					
1-09-4005-000 Payroll Taxes	4,454	16,000		11,546	27.84%
1-09-4010-000 Health Insurance	9,600	38,400		28,800	25.00%
1-09-4015-000 PERS	12,894	45,200		32,306	28.53%
Subtotal (Benefits)	\$ 26,948	\$ 99,600	\$ -	\$ 72,652	27.06%
Total Personnel Expenses	\$ 76,961	\$ 328,100	\$ -	\$ 248,737	23.46%
OPERATING EXPENSES:					
1-09-4050-000 Staff Travel	\$ 165	\$ 3,000		2,835	5.49%
1-09-4060-000 Staff Conferences & Seminars	12,628	15,000		2,372	84.19%
1-09-4155-000 Contracted Services	23,946	129,000		105,054	18.56%
1-09-4165-000 Memberships/Subscriptions	-	500		500	0.00%
1-09-4270-000 Telecommunications	15,242	55,500		40,258	27.46%
1-09-8000-100 Computer Equipment - Computers	5,938	25,000		19,062	23.75%
1-09-8000-200 Computer Equipment - Laptops	-	5,000		5,000	0.00%
1-09-8000-300 Computer Equipment - Monitors	-	2,000		2,000	0.00%
1-09-8000-400 Computer Equipment - Printers	-	15,000		15,000	0.00%
1-09-8000-500 Computer Equipment - Toner Cartridges	123	3,000		2,877	4.09%
1-09-8000-550 Computer Equipment - Telephony	-	2,500			
1-09-8000-600 Computer Equipment - Other	21,317	35,000		13,683	60.91%
1-09-8100-100 Computer Software - Maint. and Support	4,380	70,000		65,620	6.26%
1-09-8100-140 Computer Software - Starnik	24,900	95,000		70,100	26.21%
1-09-8100-150 Computer Software - Dynamics GP Support	26,309	30,000		3,691	87.70%
1-09-8100-200 Computer Software - Software and Upgrades	112	15,000		14,888	0.74%
Subtotal Operating Expenses	\$ 135,060	\$ 500,500	\$ -	\$ 362,940	26.99%
Total Departmental Expenses	\$ 212,022	\$ 828,600	\$ -	\$ 611,676	25.59%

**Palmdale Water District - Project Payment Schedule
April, 2014**

AGENDA ITEM NO. 7.3

Contractually Committed Project Summary

Project Title	Contract Amount	Project No.	Payee	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Well No. 14A Rehabilitation	\$ 77,275	601-14	Best Drilling & Pump				\$ 10,000	\$ 67,275							
Water System Master Plan Update	\$ 196,043	PL01	MWH					\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 16,043	
Annual Tank Maintenance Program	\$ 319,100	RCP03	Superior Tank Solutions					\$ 319,100							
Dredging @ Lake Outlet Structure / Mech. Repairs	\$ 300,000	403-14	Cushman Contracting			\$ 235,289	\$ 7,596	\$ 57,115							
Security Improvement Project (Feasibility/Design)	\$ 58,730	400-14	Exante 360	\$ 6,509	\$ 13,220		\$ 15,000	\$ 15,000	\$ 9,001						
Website Development	\$ 20,000	N/A	Tripepi Smith				\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000					
docSTAR Smart Automation Project	\$ 25,000	PRO23	docSTAR				\$ 7,500	\$ 7,500	\$ 5,000	\$ 5,000					
Board Room Audio System Improvements	\$ 26,400	N/A	CWI Cal-West			\$ 13,200	\$ 6,600	\$ 6,600							
WIFI Installation and Testing	\$ 25,000	PRO24	AKINS IT					\$ 12,500	\$ 12,500						
Contractually Committed Project Payout Totals:	\$ 1,047,548			\$ 6,509	\$ 13,220	\$ 248,489	\$ 51,696	\$ 520,090	\$ 61,501	\$ 40,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 16,043	\$ -

 = Approved for Payment

Budgeted and Uncommitted Project Summary

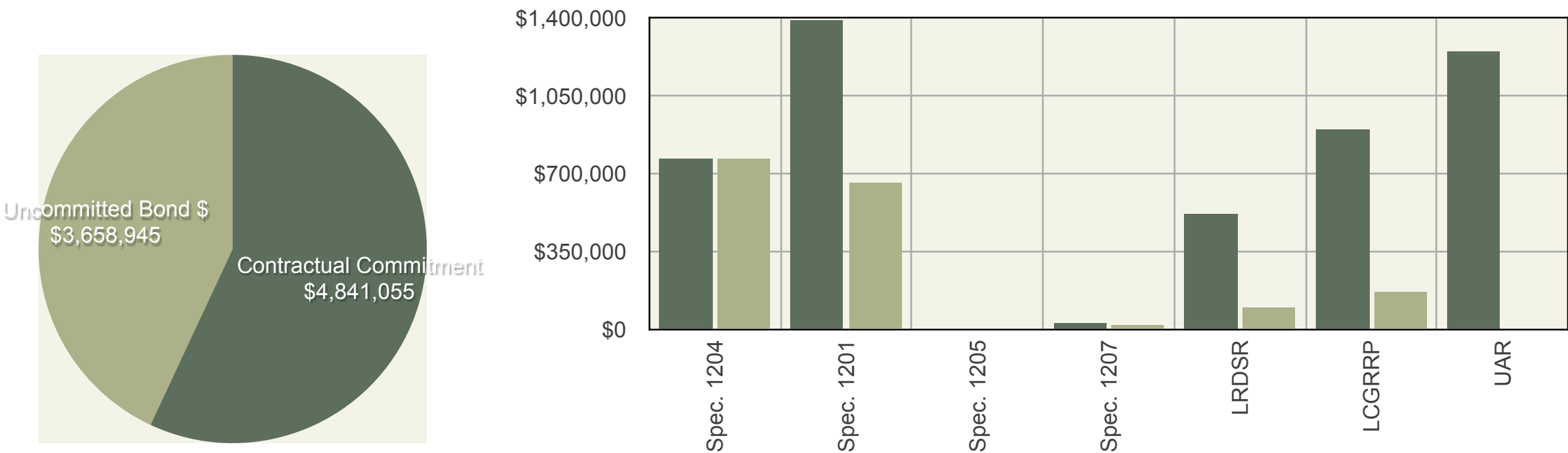
Project Title	Budget Amount	Project No.	Payee	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Water Rate Study	\$ 50,000	PL02	TBD					\$ 10,000	\$ 15,000	\$ 15,000	\$ 10,000				
Well No. 20 Abandonment	\$ 20,000	RCP12	TBD							\$ 20,000					
Security Improvement Project (Construction)	\$ 141,270	400-14	TBD								\$ 15,000	\$ 45,000	\$ 45,000	\$ 36,270	
Purchase of Radio-Read Meters	\$ 725,000	RCP01	TBD						\$ 200,000	\$ 200,000	\$ 200,000	\$ 125,000			
Installation of Radio-Read Meters	\$ 152,000	RCP02	TBD						\$ 40,000	\$ 40,000	\$ 40,000	\$ 32,000			
Replacement Fleet (1) 1/2-Ton and (3) 3/4-TON Trucks	\$ 135,000	RE02-RE05	TBD						\$ 80,000	\$ 55,000					
Booster Pump Replacement and Spare Parts	\$ 45,000	PRO01 & PRO02	TBD								\$ 45,000				
docSTAR Project - Hardware	\$ 50,000	PRO23	TBD						\$ 25,000	\$ 25,000					
Acquisition of Tax Defaulted Property	\$ 50,000	NCC02	Los Angeles County							\$ 50,000					
GAC & Filter Entry Buildings	\$ 21,000	PRO05	TBD								\$ 10,000	\$ 11,000			
Budgeted and Uncommitted Project Payout Estimates:	\$ 1,389,270			\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 360,000	\$ 405,000	\$ 320,000	\$ 213,000	\$ 45,000	\$ 36,270	\$ -

Contractually Committed and Uncommitted Totals

				Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Contractually Committed and Uncommitted Totals:	\$ 2,436,818			\$ 6,509	\$ 13,220	\$ 248,489	\$ 51,696	\$ 530,090	\$ 421,501	\$ 445,000	\$ 350,000	\$ 243,000	\$ 75,000	\$ 52,313	\$ -

PWD WATER REVENUE BONDS - SERIES 2013A

Contractual Commitment Uncommitted Bond \$ Contractual Commitment Payout to Date



Project Commitment and Payout Summary

Project	Work Order No.	Description	CEQA	Allocated Bond \$	Contractual Commitment	Payout to Date	Uncommitted Bond \$
Spec. 1204	603-12	Ave. Q - Q-3, Division and Sumac	4/28/13	\$725,000	\$765,085	\$765,085	(\$40,085)
Spec. 1201	606-11	20th, Puerta, Sweetbriar, and 22nd St. E.	5/8/13	\$1,450,000	\$1,387,042	\$655,339	\$62,958
Spec. 1205	605-12	Frontier, 31st St. E., etc. between Ave. Q and Q-4	5/8/13	\$1,200,000	\$0	\$0	\$1,200,000
Spec. 1207	607-12	10th St. E. between Ave. P and Palmdale Blvd.	6/16/13	\$1,400,000	\$23,510	\$18,626	\$1,376,490
LRDSR	501-04	Littlerock Sediment Removal (EIR/EIS/Permits)	TBD	\$975,000	\$515,925	\$96,141	\$459,075
LCGRRP	400-12	Littlerock Recharge and Recovery (Feasibility)	TBD	\$1,500,000	\$899,493	\$165,948	\$600,507
UAR	TBD	Upper Amargosa Recharge (Project Capacity)	11/20/12	\$1,250,000	\$1,250,000	\$0	\$0
Totals:				\$8,500,000	\$4,841,055	\$1,701,140	\$3,658,945

Project Payout Detail

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

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: May 6, 2014 **May 14, 2014**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.4 – CONSIDERATION AND POSSIBLE ACTION
ON RESOLUTION NO. 14-9 BEING A RESOLUTION OF THE BOARD
OF DIRECTORS OF THE PALMDALE WATER DISTRICT URGING
HEIGHTENED WATER CONSERVATION BY CUSTOMERS IN
RESPONSE TO DROUGHT.***

Recommendation:

Staff recommends the Board approve and adopt Resolution No. 14-9 being a Resolution of the Board of Directors of the Palmdale Water District Urging Heightened Water Conservation by Customers in Response to Drought.

Alternative Options:

The alternative is to not approve Resolution No. 14-9.

Impact of Taking No Action:

The District will continue its current message for all residents to reduce water use by 20%.

Background:

The past several years have been dry, and 2014 has been one of the driest years in decades. In January, Governor Brown proclaimed a state of emergency due to severe drought conditions urging all residents to reduce their water use by 20%, and the District has conveyed this message to its customers.

On April 24, 2014, Governor Brown issued a Proclamation of a Continued State of Emergency indicating the State has taken expedited actions to minimize harm due to water shortage and drought conditions. The Proclamation includes a number of executive orders, and ACWA has requested its member agencies adopt a resolution urging their customers to continue using water wisely and to heighten their conservation efforts in support of the Proclamation.

Through the District's water conservation programs and public outreach, our customers have significantly reduced their water use. Resolution No. 14-9 acknowledges these efforts and requests a re-doubling of these efforts wherever possible in response to this year's drought.

Strategic Plan Element:

This work is part of Strategic Element 2.0 Natural Resources Management.

Budget:

This item will have no impact on the budget.

Supporting Documents:

- Resolution No. 14-9 Urging Heightened Water Conservation by Customers in Response to Drought
- Governor Brown's April 25, 2014 Proclamation of a Continued State of Emergency

RESOLUTION NO. 14-9
BOARD OF DIRECTORS OF THE
PALMDALE WATER DISTRICT
URGING HEIGHTENED WATER CONSERVATION BY CUSTOMERS IN
RESPONSE TO DROUGHT

WHEREAS, California is experiencing one of the most severe droughts on record; and

WHEREAS, the 2014 water year has been one of the driest in decades and follows two consecutive dry years throughout the State; and

WHEREAS, even after recent rain and snowfall, the state's major reservoirs remain well below average levels for the date, and the statewide snowpack is less than a third of normal with little time remaining to recover in 2014; and

WHEREAS, many areas of the State will face water shortages this year; and

WHEREAS, the State Water Project (Project) has announced an initial allocation of 5%, then zero, and then 5% again for its customers in 2014 making this year the lowest-ever allocations for its contractors, creating a real possibility that 25 million Californians and nearly a million acres of farmland will receive little water from the Project this year; and

WHEREAS, Governor Brown declared a drought state of emergency on January 17, 2014 and called on all Californians to do their part to reduce their water use; and

WHEREAS, though local water supply conditions vary around the State, California is nevertheless in a statewide drought, and it is critical that all residents do what they can to use water wisely to maximize supplies and protect water reserves in case next year is dry too; and

WHEREAS, Palmdale Water District has made significant investments in local programs and projects to improve water supply reliability, including supplemental water supply contracts, local water storage projects, water conservation, water recycling and other strategies to stretch supplies, and will continue to do so; and

WHEREAS, Palmdale Water District customers have made significant progress in water use efficiency by exceeding a 26% reduction in water use compared to pre-2009 water use levels, therefore, exceeding the state required 20% reduction by the year 2020.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Palmdale Water District recognizes that California is in a statewide drought, and there is a critical need for all Californians to use water wisely on an ongoing basis and heighten their conservation efforts now as the State continues to face drought conditions.

BE IT FURTHER RESOLVED, that the Board of Directors thanks its customers for their ongoing water use efficiency efforts and asks that they re-double those efforts wherever possible this year in response to the drought.

I certify that this is a true copy of Resolution No. 14-9 as passed by the Board of Directors of the Palmdale Water District at its meeting on May 14, 2014 in Palmdale, California.

Date: May 14, 2014

Board President

Board Secretary

Executive Department

State of California

A PROCLAMATION OF A CONTINUED STATE OF EMERGENCY

WHEREAS on January 17, 2014, I proclaimed a State of Emergency to exist in the State of California due to severe drought conditions; and

WHEREAS state government has taken expedited actions as directed in that Proclamation to minimize harm from the drought; and

WHEREAS California's water supplies continue to be severely depleted despite a limited amount of rain and snowfall since January, with very limited snowpack in the Sierra Nevada mountains, decreased water levels in California's reservoirs, and reduced flows in the state's rivers; and

WHEREAS drought conditions have persisted for the last three years and the duration of this drought is unknown; and

WHEREAS the severe drought conditions continue to present urgent challenges: water shortages in communities across the state, greatly increased wildfire activity, diminished water for agricultural production, degraded habitat for many fish and wildlife species, threat of saltwater contamination of large fresh water supplies conveyed through the Sacramento-San Joaquin Bay Delta, and additional water scarcity if drought conditions continue into 2015; and

WHEREAS additional expedited actions are needed to reduce the harmful impacts from the drought as the state heads into several months of typically dry conditions; and

WHEREAS the magnitude of the severe drought conditions continues to present threats beyond the control of the services, personnel, equipment, and facilities of any single local government and require the combined forces of a mutual aid region or regions to combat; and

WHEREAS under the provisions of section 8558(b) of the Government Code, I find that conditions of extreme peril to the safety of persons and property continue to exist in California due to water shortage and drought conditions with which local authority is unable to cope; and

WHEREAS under the provisions of section 8571 of the Government Code, I find that strict compliance with the various statutes and regulations specified in this proclamation would prevent, hinder, or delay the mitigation of the effects of the drought.

NOW, THEREFORE, I, EDMUND G. BROWN JR., Governor of the State of California, in accordance with the authority vested in me by the Constitution and statutes of the State of California, including the Emergency Services Act and in particular Government Code section 8567, do hereby issue this Executive Order, effective immediately, to mitigate the effects of the drought conditions upon the people and property within the State of California.

IT IS HEREBY ORDERED THAT:

1. The orders and provisions contained in Proclamation No. 1-17-2014, dated January 17, 2014, remain in full force and effect except as modified herein.
2. The Department of Water Resources and the State Water Resources Control Board (Water Board) will immediately and expeditiously process requests to move water to areas of need, including requests involving voluntary water transfers, forbearance agreements, water exchanges, or other means. If necessary, the Department will request that the Water Board consider changes to water right permits to enable such voluntary movements of water.

3. Recognizing the tremendous importance of conserving water during this drought, all California residents should refrain from wasting water:

- a. Avoid using water to clean sidewalks, driveways, parking lots and other hardscapes.
- b. Turn off fountains and other decorative water features unless recycled or grey water is available.
- c. Limit vehicle washing at home by patronizing local carwashes that use recycled water.
- d. Limit outdoor watering of lawns and landscaping to no more than two times a week.

Recreational facilities, such as city parks and golf courses, and large institutional complexes, such as schools, business parks and campuses, should immediately implement water reduction plans to reduce the use of potable water for outdoor irrigation.

Commercial establishments such as hotel and restaurants should take steps to reduce water usage and increase public awareness of the drought through measures such as offering drinking water only upon request and providing customers with options to avoid daily washing of towels or sheets.

Professional sports facilities, such as basketball arenas, football, soccer, and baseball stadiums, and hockey rinks should reduce water usage and increase public awareness of the drought by reducing the use of potable water for outdoor irrigation and encouraging conservation by spectators.

The Water Board shall direct urban water suppliers that are not already implementing drought response plans to limit outdoor irrigation and other wasteful water practices such as those identified in this Executive Order. The Water Board will request by June 15 an update from urban water agencies on their actions to reduce water usage and the effectiveness of these efforts. The Water Board is directed to adopt emergency regulations as it deems necessary, pursuant to Water Code section 1058.5, to implement this directive.

Californians can learn more about conserving water from the Save Our Water campaign (SaveOurH2O.org).

4. Homeowners Associations (commonly known as HOAs) have reportedly fined or threatened to fine homeowners who comply with water conservation measures adopted by a public agency or private water company. To prevent this practice, pursuant to Government Code section 8567, I order that any provision of the governing document, architectural or landscaping guidelines, or policies of a common interest development will be void and unenforceable to the extent it has the effect of prohibiting compliance with the water-saving measures contained in this directive, or any conservation measure adopted by a public agency or private water company, any provision of Division 4, Part 5 (commencing with section 4000) of the Civil Code notwithstanding.
5. All state agencies that distribute funding for projects that impact water resources, including groundwater resources, will require recipients of future financial assistance to have appropriate conservation and efficiency programs in place.
6. The Department of Fish and Wildlife will immediately implement monitoring of winter-run Chinook salmon in the Sacramento River and its tributaries, as well as several runs of salmon and species of smelt in the Delta as described in the April 8, 2014 Drought Operations Plan.
7. The Department of Fish and Wildlife will implement projects that respond to drought conditions through habitat restoration and through water infrastructure projects on property owned or managed by the Department of Fish and Wildlife or the

Department of Water Resources for the benefit of fish and wildlife impacted by the drought.

8. The Department of Fish and Wildlife will work with other state and federal agencies and with landowners in priority watersheds to protect threatened and endangered species and species of special concern and maximize the beneficial uses of scarce water supplies, including employment of voluntary agreements to secure instream flows, relocation of members of those species, or through other measures.
9. The Department of Water Resources will expedite the consideration and, where appropriate, the implementation, of pump-back delivery of water through the State Water Project on behalf of water districts.
10. The Water Board will adopt statewide general waste discharge requirements to facilitate the use of treated wastewater that meets standards set by the Department of Public Health, in order to reduce demand on potable water supplies.
11. The Department of Water Resources will conduct intensive outreach and provide technical assistance to local agencies in order to increase groundwater monitoring in areas where the drought has significant impacts, and develop updated contour maps where new data becomes available in order to more accurately capture changing groundwater levels. The Department will provide a public update by November 30 that identifies groundwater basins with water shortages, details remaining gaps in groundwater monitoring, and updates its monitoring of land subsidence and agricultural land following.
12. The California Department of Public Health, the Office of Emergency Services, and the Office of Planning and Research will assist local agencies that the Department of Public Health has identified as vulnerable to acute drinking water shortages in implementing solutions to those water shortages.
13. The Department of Water Resources and the Water Board, in coordination with other state agencies, will provide appropriate assistance to public agencies or private water companies in establishing temporary water supply connections to mitigate effects of the drought.
14. For the protection of health, safety, and the environment, CAL FIRE, the Office of Emergency Services, the Department of Water Resources, and the Department of Public Health, where appropriate, may enter into contracts and arrangements for the procurement of materials, goods, and services necessary to quickly mitigate the effects of the drought.
15. Pursuant to the drought legislation I signed into law on March 1, 2014, by July 1, 2014, the California Department of Food and Agriculture, in consultation with the Department of Water Resources and Water Board, will establish and implement a program to provide financial incentives to agricultural operations to invest in water irrigation treatment and distribution systems that reduce water and energy use, augment supply, and increase water and energy efficiency in agricultural applications.
16. To assist landowners meet their responsibilities for removing dead, dying and diseased trees and to help landowners clear other trees and plants close to structures that increase fire danger, certain noticing requirements are suspended for these activities. Specifically, the requirement that any person who conducts timber operations pursuant to the exemptions in Title California Code of Regulations sections 1038 (b) and (c) submit notices to CAL FIRE under the provisions of Title 14, California Code of Regulations, section 1038.2 is hereby suspended. Timber operations pursuant to sections 1038(b) and (c) may immediately commence operations upon submission of the required notice to CAL FIRE and without a copy of the Director's notice of acceptance at the operating site. All other provisions of these regulations will remain in effect.

17. The Water Board will adopt and implement emergency regulations pursuant to Water Code section 1058.5, as it deems necessary to prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water, to promote water recycling or water conservation, and to require curtailment of diversions when water is not available under the diverter's priority of right.
18. In order to ensure that equipment and services necessary for drought response can be procured quickly, the provisions of the Government Code and the Public Contract Code applicable to state contracts, including, but not limited to, advertising and competitive bidding requirements, are hereby suspended for directives 7 and 14. Approval by the Department of Finance is required prior to the execution of any contract entered into pursuant to these directives.
19. For several actions called for in this proclamation, environmental review required by the California Environmental Quality Act is suspended to allow these actions to take place as quickly as possible. Specifically, for actions taken by state agencies pursuant to directives 2, 3, 6-10, 13, 15, and 17, for all actions taken pursuant to directive 12 when the Office of Planning and Research concurs that local action is required, and for all necessary permits needed to implement these respective actions, Division 13 (commencing with section 21000) of the Public Resources Code and regulations adopted pursuant to that Division are hereby suspended. The entities implementing these directives will maintain on their websites a list of the activities or approvals for which these provisions are suspended. This suspension and that provided in paragraph 9 of the January 17, 2014 Proclamation will expire on December 31, 2014, except that actions started prior to that date shall not be subject to Division 13 for the time required to complete them.
20. For several actions called for in this proclamation, certain regulatory requirements of the Water Code are suspended to allow these actions to take place as quickly as possible. Specifically, for actions taken pursuant to directive 2, section 13247 of the Water Code is suspended. The 30-day comment period provided in section 1726(f) of the Water Code is also suspended for actions taken pursuant to directive 2, but the Water Board will provide for a 15-day comment period. For actions taken by state agencies pursuant to directives 6 and 7, Chapter 3 of Part 3 (commencing with section 85225) of the Water Code is suspended. The entities implementing these directives will maintain on their websites a list of the activities or approvals for which these provisions are suspended.

I FURTHER DIRECT that as soon as hereafter possible, this Proclamation shall be filed in the Office of the Secretary of State and that widespread publicity and notice be given to this Proclamation.



IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 25th day of April, 2014


EDMUND G. BROWN JR.
Governor of California

ATTEST:


DEBRA BOWEN
Secretary of State

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: May 6, 2014 **May 14, 2014**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Claudette Roberts Beck, Retired Annuitant
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.5 – CONSIDERATION AND POSSIBLE ACTION
ON THE DISTRICT’S PARTICIPATION IN THE PALMDALE
COMMUNITY FOUNDATION’S COMMUNITY GARDEN PROGRAM.***

Recommendation:

It is recommended that the District participate in the Palmdale Community Foundation’s Community Garden Program in the not-to-exceed amount of \$7,000.00.

Background:

The Conservation Department, as funds are available, has given contributions to other agencies for conservation efforts. The City of Palmdale and other agencies have made donations for two community gardens that are being developed in Palmdale. The community gardens will provide individuals to grow not only food products, but also water conservation landscaping.

Strategic Plan Element:

This work is part of Strategic Element/BMP-Public Relations.

Budget:

The contribution of \$7,000.00 does not affect the budget and will be taken out of the rebate budget, which has been done in the past for conservation efforts.

Supporting Documents:

- Letter from AV Engineering, Inc. on behalf of the Community Garden Project (Palmdale Community Foundation)



FEBRUARY 20, 2014

REF. NO. L14-020

PALMDALE WATER DISTRICT
2029 EAST A VENUE Q
PALMDALE, CA 93550

ATTN: BOARD OF DIRECTORS
C/O DENNIS LAMOREAUX

RE: PALMDALE COMMUNITY GARDEN PROGRAM
503 EAST A VENUE Q-3 (APN
3008-010-906) PALMDALE, CA

DEAR DIRECTORS,

WE ARE RESPECTFULLY ASKING THAT THE PALMDALE WATER DISTRICT CONSIDER JOINING INTO A PARTNERSHIP WITH COMMUNITY AND LOCAL BUSINESSES, ORGANIZATIONS, DONORS AND THE CITY OF PALMDALE ON THE CITY'S COMMUNITY GARDEN PROGRAM. WE ARE REQUESTING A PARTNERSHIP DONATION FOR CONSERVATION EFFORTS OF \$7,000.00.

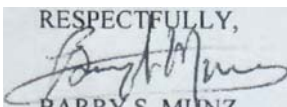
THE COMMUNITY GARDENS WILL PROVIDE PLOTS FOR GROUPS, AGENCIES AND INDIVIDUALS TO GROW NOT ONLY FOOD PRODUCTS, BUT ALSO WATER CONSERVATION WISE LANDSCAPING AS WELL. FIELD TRIPS AND TOURS OF THE GARDENS CAN BE PROVIDED AND LANDSCAPE WORKSHOPS PLANNED FOR THE PUBLIC AS WELL AS FOR SCHOOL CHILDREN, FURTHER PROMOTING CONSERVATION AWARENESS AND EDUCATION.

YOUR PARTICIPATION WOULD BE RECOGNIZED AND APPRECIATED AS IT WILL PROVIDE COMMUNITY PRIDE AND IMPROVE CONSERVATION EDUCATION AND COMMUNITY RELATIONSHIPS.

{>PLEASE MAKE CHECKS PAYABLE TO THE PALMDALE COMMUNITY FOUNDATION AND MAIL TO:

PALMDALE COMMUNITY FOUNDATION
38250 N. SIERRA HWY
PALMDALE, CA 93550
ATTN: SANNY REDIFER

PLEASE FEEL FREE TO CONTACT US IF YOU HAVE ANY QUESTIONS OR NEED ADDITIONAL INFORMATION. WE GREATLY APPRECIATE YOUR CONSIDERATION OF OUR REQUEST.

RESPECTFULLY,

BARRY S. MUNZ,
VICE PRESIDENT

129 West Pondera Street • Lancaster, California 93534 • (661) 948-0805 • (661) 945-817

PALMDALE WATER DISTRICT BOARD MEMORANDUM

DATE: May 5, 2014 **May 14, 2014**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Matthew Knudson, Assistant General Manager
VIA: Mr. Dennis LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.6 - CONSIDERATION AND POSSIBLE ACTION ON AWARD OF CONTRACT FOR THE CONSTRUCTION OF THE WATER MAIN ABANDONMENT AND SERVICE RECONNECTION IN 10TH ST. E. FROM PALMDALE BLVD. TO AVE. Q-4 AND WATER MAIN REPLACEMENT IN 10TH ST. E. FROM AVE. Q-4 TO AVE. P UNDER SPECIFICATION NO. 1207.***

Recommendation:

Staff recommends that the Board award a contract to Cedro Construction, Inc. from Santa Paula, CA, as the lowest responsible bidder, in the not-to-exceed amount of \$1,236,382.00 for the construction of the water main abandonment and service reconnection in 10th St. E. from Palmdale Blvd. to Ave. Q-4 and water main replacement in 10th St. E. from Ave. Q-4 to Ave. P – Specification No. 1207.

Financial Impact:

A portion of the proceeds of the Water Revenue Bonds, Series 2013A is expected to be used by the District to undertake certain improvements to the District's Water System, including the replacement of various water mains and the funding of certain studies and plans.

This project is identified as one of the projects that will be funded from the Water Revenue Bonds, Series 2013A proceeds and the District earmarked \$1,400,000.00 of said proceeds for this project.

The following is an estimate of anticipated expenditures for Specification No. 1207:

Construction Contract:	\$1,236,382.00
Estimated Geotechnical (Soils Testing):	\$ 20,000.00
Estimated Surveying:	\$ 4,000.00
Advertising:	<u>\$ 4,000.00</u>
 Total Estimated Project Expenses:	 \$1,264,382.00

Background:

This project will consist of the installation and replacement of approximately 6,780 feet of water main and appurtenances with new 12-inch water main in 10th St. E. from Palmdale Blvd. to Ave. P and installation and replacement of approximately 1,250 feet of water main in Ave. P-4 and Ave. P-5 from 10th St. E. to 625' Easterly. The existing water main was originally constructed between 1952 and 1960 and has had numerous leaks over the past several years. The completion of this project will reduce the labor associated with repairing leaks within this area and will reduce the amount of water loss in the distribution system.

May 8, 2014

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

Cedro Construction, Inc. located at 120 East Santa Maria Street, Santa Paula, CA 93060 holds a current and active Class A – General Engineering Contractor license. The contractor's state license number is 775943. This license was first issued on March 8, 2000. The license expiration date is March 31, 2016.

The total bid price in the bid proposal submitted by Cedro Construction, Inc. is \$1,236,382.00. A bid bond in the amount of \$123,638.20, or 10 percent of the total bid price, was submitted with the bid proposal.

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

Cedro Construction, Inc., as the lowest responsive and responsible bidder, holds a valid workers compensation insurance policy (No.9051891) with the State Compensation Insurance Fund. This policy is effective from April 1, 2013 through April 1, 2015.

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

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

It is required that no less than 60 percent of the work be performed by the contractor's own forces without subcontracting. It appears that Cedro Construction, Inc. will perform 91% of the work and meets the limitations on the subcontracting work.

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

Cedro Construction, Inc., as the lowest responsive bidder, has met the criterion of providing the lowest bid price of qualified firms at \$1,236,382.00. The lowest qualified bid price is \$132,551.58, or 9.7 percent lower than the next lowest bid.

Supporting Documents:

- Agreement Executed by Contractor
- Bid Results Summary
- Notice of Exemption (CEQA Compliance)

Strategic Plan Element

Strategic Goal 3.1 – Plan for Improvements of the existing water delivery infrastructure.

AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____ in the year 20____ by and between Palmdale Water District, a public corporation organized and existing under the provisions of the Water Code of the State of California, hereinafter referred to as "Owner," and Cedro Construction, Inc., hereinafter referred to as "Contractor."

The parties hereto mutually covenant and agree as follows:

1. The Contract Documents, as that term is defined in Section N-12 of the Notice Inviting Bids, are hereby incorporated in and made a part of this Agreement as though fully set forth herein.

2. For and in consideration of the payments and agreements to be made and performed by the Owner as set forth in said Contract Documents, the Contractor agrees with the Owner to construct the Water Main Replacement option as specifically set forth in said Contract Document entitled "Specification No. 1207 – Construction of the Water Main Abandonment and Service Reconnection in 10th St. East from Palmdale Blvd. to Ave. Q-4 and Water Main Replacement in 10th St. East from Ave. Q-4 to Ave. P" for which award of contract was made; to furnish at its own proper cost and expense all plant, labor, services, materials, tools, equipment, supplies, transportation, utilities, and all other items and facilities necessary therefor, as provided in the Contract Documents, and to do everything required therein. In accordance with the provisions of Section 3700 of the Labor Code, the Contractor will secure payment of compensation of its employees by acquisition of workers' compensation insurance or by qualification as a self-insurer.

3. The Contractor shall provide for payments on all required insurance policies, and shall obtain all necessary permits and licenses. The Contractor shall furnish and remove all plant, temporary work or structures, tools, and equipment necessary to accomplish the Work contemplated and embraced in this Agreement and the Contract Documents, and shall be responsible for all loss and damage arising out of the nature of the Work during its progress and prior to Owner's acceptance, from the action of the elements and from any unforeseen difficulties which may arise or be encountered in the prosecution of the Work, and for all other risks of any description connected with the Work. The Contractor shall also be responsible for all expenses incurred by or in consequence of the suspension or discontinuance of Work, except where the Contract Documents expressly stipulate otherwise. In consideration of the foregoing, and for well and faithfully completing the Work within the stipulated time and in the manner shown and described in the Contract Documents and in accordance with

the requirements of the Engineer under them, the Owner shall pay, and the Contractor shall receive in full compensation therefor, the prices set forth in the accepted Proposal.

The total compensation to be paid shall be computed on the basis of the units of work actually performed in accordance with the requirements of the Contract Documents and paid for at the prices stated by the Contractor in the Bid Sheet(s) for completion of the Work. All time limits stated in the Contract Documents are of the essence of this Agreement.

4. The Owner promises and agrees to employ, and does hereby employ, Contractor to provide the materials and to do the Work according to the terms and conditions herein contained and referred to, for the price aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the Contract Documents; and the parties for themselves, their heirs, executors, administrators, successors and assigns do hereby agree to the full performance of the covenants herein contained in this Agreement.

5. No work, services, material, or equipment shall be performed or furnished under this Agreement unless and until a Notice to Proceed has been given to the Contractor by the Owner, in accordance with the Contract Documents. The Work under this Agreement shall be completed to the approval and entire satisfaction of the Owner and its Engineer.

6. The Contractor shall assume the defense of and indemnify and hold harmless the Owner, and its Engineer and their respective directors, officers, employees, agents and volunteers, and each of them from and against:

a. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind and nature whatsoever for, but not limited to, injury to or death of any person including, the Owner, the Engineer, and/or the Contractor, or any of their directors, officers, employees, agents or volunteers, and damages to or destruction of property of any person, including but not limited to, the Owner, the Engineer and/or the Contractor and any of their directors, officers, employees, agents or volunteers, arising out of or in any manner directly or indirectly connected with the Work to be performed under this Agreement, however caused, regardless of any negligence of the Owner, its Engineer or any of their directors, officers, employees, agents or volunteers, except the sole negligence or willful misconduct or active negligence of the Owner, its Engineer, or any of their directors, officers, employees, agents or volunteers;

b. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or in equity, of every kind or nature whatsoever, arising out of, resulting from or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of Contractor.

Contractor shall defend, at the Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind arising out of or connected with the Work that may be brought or instituted against the Owner, its Engineer or any of their directors, officers, employees, agents or volunteers.

Contractor shall pay and satisfy any judgment, award or decree that may be rendered against the Owner, its Engineer or any of their directors, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding.

Contractor shall reimburse the Owner, its Engineer or any of their directors, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

Contractor agrees to carry insurance for this purpose as set out in the specifications. See Section I-13 of the Instructions to Bidders, entitled LIABILITY INSURANCE, and Article 7 of the General Provisions, entitled CONTRACTOR'S INSURANCE, for insurance specifications and coverage. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Owner, its Engineer or any of their directors, officers, employees, agents and/or volunteers.

7. If any provision of this Agreement is found by a court of competent jurisdiction to be invalid, void or unenforceable for any reason, the remaining provisions shall continue in full force and effect without being impaired or invalidated in any way. If the court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would then become valid and enforceable, then such provision shall be deemed written, construed and enforced as so limited taking into account the intent of the parties at the time of executing this Agreement.

8. In employing Contractor to perform the Work contemplated under the Contract Documents, the Owner has relied on the experience, expertise and integrity of the Contractor. The rights and obligations of the Contractor under this Agreement shall therefore not be assignable without the prior express written consent of the Owner.

9. This Agreement constitutes the entire Agreement of the parties with respect to the subject matter, and no amendment, modification or alteration of the terms hereof shall be binding unless the same is in writing, dated subsequent to the date hereof and duly approved and executed by each of the parties.

10. This Agreement, and the application or interpretation hereof, shall be governed exclusively by its terms and by the laws of the State of California. Venue for all purposes shall be deemed to lie within Los Angeles County, California, and any action to enforce this Agreement or for any remedies, damages, or other relief shall only be brought in either the state courts of the State of California in and for the County of Los Angeles or in the United States District Court, Central District of California.

IN WITNESS WHEREOF: The parties hereto have caused this Agreement to be executed as of the day and year first above written.

"OWNER"

By: _____
Its President

By: _____
Its Secretary

"CONTRACTOR"

License No(s) 775943
Expiration Date(s) March 31, 2016

By: _____
Its: President

NOTE: Contractor shall furnish, to the satisfaction of Owner's Attorney, verification that the persons signing this Agreement as Contractor or on behalf of the Contractor have authority and legal authorization to bind the Contractor.

PALMDALE WATER DISTRICT SPECIFICATION NO. 1207 BID RESULTS SUMMARY

**WATER MAIN ABANDONMENT & SERVICE RECONNECTION IN 10TH STREET EAST FROM PALMDALE BLVD. TO AVENUE Q-4
AND**

WATER MAIN REPLACEMENT IN 10TH STREET EAST FROM AVENUE Q-4 TO AVENUE P

ENGINEERS EST. \$1,400,000.00

BIDDER	STATUS	RAW LUMP SUM		MOB	SHT/SHORE	PIPE	PAVING	ALL OTHER	G&C PAVE	PVC	5% LOCAL BIDDER		ADJUSTED LUMP SUM
		BID AMOUNT	BID AMOUNT								REDUCTION	REDUCTION	
CEDRO CONSTRUCTION	NON-LOCAL	\$1,236,382.00	\$1,236,382.00	\$24,862.00	\$9,430.00	\$688,955.00	\$209,676.00	\$277,119.00	\$26,340.00	\$0.00			\$1,236,382.00
CHRISTENSEN BROTHERS GEN ENG., INC.	NON-LOCAL	\$1,368,933.58	\$1,368,933.58	\$20,131.88	\$16,577.78	\$956,367.40	\$337,494.00	\$20,542.52	\$17,820.00	\$0.00			\$1,368,933.58
B.V. CONSTRUCTION, INC.	LOCAL	\$1,445,263.00	\$1,445,263.00	\$30,100.00	\$2,500.00	\$1,025,836.00	\$254,145.00	\$119,182.00	\$13,500.00	\$0.00	\$72,263.15		\$1,372,999.85
TEJON CONSTRUCTORS, INC.	LOCAL	\$1,458,427.00	\$1,458,427.00	\$50,000.00	\$20,000.00	\$815,000.00	\$242,000.00	\$331,427.00	\$27,000.00	\$0.00	\$72,921.35		\$1,385,505.65
TORO ENTERPRISES	NON-LOCAL	\$1,578,350.00	\$1,578,350.00	\$97,800.00	\$21,900.00	\$875,000.00	\$259,000.00	\$303,650.00	\$21,000.00	\$0.00			\$1,578,350.00
BLOIS CONSTRUCTION, INC.	NON-LOCAL	\$1,739,244.00	\$1,739,244.00	\$53,531.00	\$17,929.00	\$798,236.00	\$382,875.00	\$444,673.00	\$42,000.00	\$0.00			\$1,739,244.00

NOTICE OF EXEMPTION

TO: County Clerk
County of Los Angeles
12400 Imperial Highway
Norwalk, CA 90650

FROM: Palmdale Water District
2029 East Avenue Q
Palmdale, CA 93550

Project Title:

Specification No. 1207 – Water Main Replacement

Project Location-Specific:

Construction of Water Main Replacement in 10th Street East from Palmdale Blvd.
to Avenue P

Project Location-City:

Project Location-County:

Palmdale

Los Angeles

Description of Nature, Purpose, and Beneficiaries of Project:

Replacement of aged water conveyance facilities serving existing customers.

Name of Public Agency Approving Project:

Palmdale Water District

Name of Person or Agency Carrying Out Project:

Palmdale Water District

Exempt Status (Check One):

- ☐ Ministerial. See Section 15268.
☐ Declared Emergency. See Section 15269 (a).
☐ Emergency Project. See Section 15269(b) and (c).
☒ Categorical Exemption. State type and section number:



Dean C. Logan, Registrar-Recorder/County Clerk

Electronically signed by BRANDIE EVANS

THIS NOTICE WAS POSTED

ON June 13 2013

UNTIL July 15 2013

REGISTRAR - RECORDER/COUNTY CLERK

Reasons Why Project is Exempt:

Sec. 15302 Class 2 (a) Replacement or Reconstruction

Contact Person:

Area Code: Telephone:

Extension:

Matthew R. Knudson

(661)

947-4111

1018

If filed by applicant:

1. Attached certified document of exemption finding.
2. Has notice of exemption been filed by the public agency approving the project?

Yes ☒

No ☐

Date: 5/16/13

Signature

Engineering Manager
Title

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 7, 2014 **May 14, 2014**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.7 – CONSIDERATION AND POSSIBLE ACTION
ON CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BYLAWS
UPDATES***

The California Special Districts Association (CSDA) Board of Directors approved several recommended updates to the CSDA bylaws. These updates are attached and must be adopted by CSDA voting members. The District, as a voting member, has been asked to cast a vote either in favor or not in favor of the recommended updates by June 13, 2014.

Supporting Documents:

- April 25, 2014 letter regarding proposed CSDA bylaws updates and ballot
- CSDA recommended bylaws



California Special
Districts Association
Districts Stronger Together

RECEIVED
APR 29 2014

MEMORANDUM

DATE: April 25, 2014

TO: California Special Districts Association (CSDA) Voting Members

FROM: Noelle Mattock, CSDA Board President
Neil McCormick, CEO

SUBJECT: Proposed CSDA Bylaws Updates

The CSDA Board of Directors has approved the attached recommended updates to the CSDA Bylaws to bring forward to CSDA voting members for consideration.

Highlights to the recommended updates include:

- General clean-up to reflect updates and organizational changes over the last 3 years
- Clarifying language to the CSDA Board nomination and election process
- Updates to various committee definitions and titles
- CSDA affiliated chapter clarification

The full proposed changes to CSDA's Bylaws are indicated in mark-up form for your review and can be found online at www.csda.net/bylaws.

As a voting member in good standing, once your district has reviewed the proposed CSDA Bylaws updates, please use the enclosed official ballot to cast your vote by mail in favor or not in favor of the changes.

Completed ballots must be received by Friday, June 13, 2014 at 5:00 pm to be counted. Only official and fully completed ballots returned via regular mail to the CSDA office will be counted. The results of the Bylaws ballot will be announced in the CSDA e-News and on the CSDA website. If approved by the membership, the updated Bylaws will take effect on July 1, 2014.

If you have any questions or require printed copies, please contact Charlotte Lowe, Executive Assistant at charlottel@csda.net or (916) 442-7887.

Thank you for your participation and continued support of CSDA!

California Special Districts Association

1112 I Street, Suite 200
Sacramento, CA 95814
toll-free: 877.924.2732
t: 916.442.7887
f: 916.442.7889
www.csda.net

A proud California Special Districts Alliance partner

Special District Risk Management Authority
1112 I Street, Suite 300
Sacramento, CA 95814
toll-free: 800.537.7790
f: 916.231.4111

CSDA Finance Corporation
1112 I Street, Suite 200
Sacramento, CA 95814
toll-free: 877.924.2732
t: 916.442.7889



California Special
Districts Association
Districts Stronger Together

MAIL BALLOT FOR PROPOSED
BYLAWS AMENDMENT

Shall the 2014 Proposed CSDA Bylaws Amendments be Adopted?

- ☐ Yes
☐ No

CSDA Member District Name: _____

Authorized Signature: _____
(GM or Board President)

View current CSDA Bylaws and proposed new bylaws at csda.net/bylaws

Must be received by June 13, 2014. CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814

(If you require a hard copy of either of the above listed bylaws or have questions, please call Charlotte Lowe,
CSDA Executive Assistant at (877) 924-CSDA.) If approved, bylaws will become effective July 1, 2014.



BYLAWS

California Special Districts Association

Approved Bylaw Revision Dates:

Revised 1996

Revised 1999

Revised 2004

Revised October 1, 2009

Revised August 2, 2010

Revised August 1, 2011

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ARTICLE I – GENERAL

Section 1. Purpose:

In addition to the general and specific purposes set forth in the Articles of Incorporation of the California Special Districts Association (CSDA), CSDA will provide outreach, education, and member services, and shall generate legislative advocacy for member interests. CSDA will interact with the government associations and groups that support or oppose its membership's interests.

Section 2. CSDA Regions/Networks:

The state of California shall be divided along county boundaries into six ~~(6)~~ voting regions/networks. The areas of the regions/networks have been determined by the Board of Directors of CSDA.

Exhibit A.....Map of the six (6) regions/networks of CSDA.

~~Exhibit B.....Names of the counties within the six (6) regions.~~

Section 3. Principal Office:

The principal business office of CSDA shall be located in Sacramento, California.

ARTICLE II – MEMBERSHIP

Section 1. Qualification of Membership:

There may be several classes of membership in ~~the~~ CSDA, as determined by the Board of Directors. The following classes have been adopted:

A. Regular Voting Members:

Regular voting members shall be any public agency formed pursuant to either general law or special act for the local performance of governmental and/or proprietary functions within limited boundaries, and which meets any one of the following criteria:

1. Meets the definition of “independent special district” set forth in Government Code Section 56044 by having a legislative body all of whose members are elected, or which members are appointed to fixed terms; or
2. A public agency whose legislative body is composed of representatives of two or more other public agencies. Such representatives may be either members of the legislative body or designated employees of such other public agencies. Public agencies which qualify as regular members pursuant to these criteria include, but are not limited to the following public agencies: (a) air quality management districts; (b) air pollution control districts; (c) county water agencies or authorities; (d) transit or rapid transit districts, or transportation authorities; (e) metropolitan water districts; (f) flood control and/or water conservation districts; (g) sanitation agencies.

Regular voting members do not include the state, cities, counties, school districts, community college districts, dependent districts, or joint powers authorities. Dependent districts are defined as those special districts whose legislative body is composed exclusively of members of a Board of Supervisors of a single county or city council of a single city, LAFCOs, joint powers authorities or the appointees of such legislative bodies with no fixed terms.

Regular voting members have voting privileges and may hold seats on the Board of Directors.

B. Associate Non-Voting Members:

Shall be those organizations such as dependent districts, cities, mutual water companies, and those public agencies that do not satisfy the criteria for regular voting membership specified in Section A above.

Associate members have no voting privileges and may not hold a seat on the Board of Directors.

C. Business Affiliate Members:

Shall be those persons or organizations that provide services to special districts and/or have evidenced interest in the purposes and goals of CSDA. Business Affiliates have no voting privileges and may not hold a seat on the Board of Directors.

D. Liaison Representatives:

~~Members of CSDA, who hold memberships in other organizations which have shown an interest in the purposes of CSDA, may request the Board of Directors to appoint a non-voting liaison representative from the interested organization to participate in activities conducted by CSDA. Non-inclusive examples of said organizations are recreation and park, fire, cemetery, and mosquito abatement/vector control.~~

~~The Board of Directors may invite the non-voting liaison representatives to attend CSDA meetings and participate in CSDA committees at the discretion of the Board. Liaison representatives have no voting privileges and may not hold a seat on the Board of Directors.~~

Section 2. Membership Application:

Application for membership to CSDA will be directed to staff, who will determine if the applicant's interest and purpose is in common with CSDA. If the applicant meets the requirements of membership, the Board of Directors shall approve the new member by a majority vote of the Board. Acceptance to membership shall authorize participation in CSDA activities as specified in these Bylaws.

Section 3. Membership Dues:

The membership dues of CSDA shall be established annually by a majority vote of the Board of Directors at a scheduled Board meeting. Authority to adjust the dues shall remain with the Board of Directors.

Section 4. Membership Voting:

Matters to be voted upon by the membership shall be determined by the Board of Directors in accordance with these Bylaws. Only those matters of which proper notice was given by CSDA may be voted upon.

A. Voting Designee:

In accordance with these Bylaws, regular voting members in good standing shall have voting privileges. The governing body of each regular voting member shall designate by resolution, one representative from their respective district who shall have the authority to exercise the right of the regular voting member to vote. Such voting designee shall be a Board member or managerial employee of the member regular voting member. ~~Each regular voting member shall file such resolution with CSDA.~~

B. Voting Authorization:

Those regular voting members who have paid the required dues as set by the Board of Directors are members in good standing. Each regular voting member in good standing

shall be entitled to one vote on all matters brought before the membership for vote at any meeting or mail ballot.

Section 5. Membership Quorum:

A. Meeting Quorum:

Twenty-five ~~(25)~~ voting designees, as defined in Article II, Section 4, officially designated by each regular voting member present at any annual or special meeting of the CSDA shall constitute a quorum. Absentee ballots shall~~will~~ not be accepted.

B. Mailed Ballot Quorum:

Mail ballots received from ~~twenty-five (25)~~ voting designees shall constitute a quorum.

Section 6. Membership Meetings:

A. Annual Business Meeting:

The annual business meeting of the members shall be held at the Annual CSDA Conference at such time and place as determined by the Board of Directors. Written notice of the annual business meeting shall include all matters that the Board intends to present for action and vote by the members.

Written notice of any annual meeting of the members of CSDA, via mail and/or electronic delivery, and/or facsimile shall be sent to each regular voting member in good standing, at least 45 days in advance of the designated date of such meeting. The notice shall include the time and place, and all matters the Board of Directors intends to present for action and vote by the members.

B. Special Meetings:

Special meetings of the members may be called at any time by the President, by a majority of the Board of Directors, or by a majority of at least a quorum of the members. Written notice shall include all matters the Board of Directors intends to present for action and vote by the members.

Written notice of any special meeting of the members of CSDA, via mail and/or electronic delivery, and/or facsimile shall be sent to each regular voting member in good standing, at least ten days in advance of the designated date of such meeting. The notice shall include the time and place, and all matters intended to be presented for action and vote by the members.

C. ~~Notice of Meetings:~~

~~Written notice of any annual or special meeting of the members of CSDA, via mail and/or electronic delivery, and/or facsimile shall be sent to each regular voting member in good standing, not later than forty-five (45) days in advance of the designated date of such meeting. The notice shall include the time and place, and all matters the Board of Directors intends to present for action and vote by the members.~~

D.C. Mail Ballot:

The Board of Directors may at its discretion authorize the voting upon any issue, by written ballot mailed to each regular voting member in good standing. Such ballot shall be mailed by first class mail, at least not later than forty-five (45) days in advance of the date the CSDA has designated for the return of the ballot by each member to CSDA.

E.D. Majority Vote:

A majority of votes cast or ballots received~~vote of all regular voting members voting~~ shall be necessary to carry any matter voted upon, provided a quorum of members has voted in person or by mail ballot. Voting by proxy shall~~will~~ not be allowed.

Section 7. Termination of Membership:

Any member delinquent in the payment of dues for a period of three ~~(3)~~ months after said dues are due and payable, shall be notified in writing of such arrearage, and shall be given written notice of possible termination. If such delinquent dues remain unpaid for forty-five (45) days after said notice, the delinquent member shall automatically cease to be a member of CSDA.

A delinquent member may be restored to membership by making written application to the Board of Directors of the CSDA. Such reinstatement shall be at the discretion of the Board.

ARTICLE III – DIRECTORS

Section 1. Number of Directors:

The authorized number of elected directors to serve on the Board of Directors shall be ~~eighteen~~ ~~(18)~~. Each regular voting member agency shall be limited to one seat on the Board.

There shall be three ~~(3)~~ directors elected from each of the six ~~(6)~~ CSDA regions/networks. Directors elected from each of the six ~~(6)~~ regions/networks shall hold staggered three ~~(3)~~-year terms. The three directors serving a term of office from a region/network shall be elected from three ~~(3)~~ different regular voting member agencies located in that region/network.

Section 2 Term of Office:

Directors elected from each of the six ~~(6)~~ regions/networks shall hold staggered three ~~(3)~~-year terms. After the annual election of directors, a meeting of the Board shall be held to ratify the election results. The term of office of the newly elected persons shall commence on the following January 1 and shall terminate in three ~~(3)~~ years.

Section 3. Nomination of Directors:

Nomination shall be by region/network. Any regular voting member in good standing is eligible to nominate one person from their district to run for director of CSDA. The director nominee shall be a board member of the district or a managerial employee as defined by that district's Board of Directors. Nomination of the director designee shall be made by a resolution or minute action of the regular voting member ~~'ss'~~ Board of Directors. Only one individual from each regular voting member district may be nominated to run at each election. In the event an incumbent does not re-run for his/her seat, the nomination period for that region/network shall be extended by ten days.

The CSDA staff, in conjunction with the Elections and Bylaw Committee, will review all nominations received and accept all that meet the qualifications set by these Bylaws. A slate of each region's/network's qualified nominees will be submitted by mail ballot, to that region's/network's regular voting membership for election pursuant to Article III, Section 4

Section 4. Election of Directors:

The Election and Bylaws Committee shall have primary responsibility for establishing and conducting elections. The Committee may enforce any regulation in order to facilitate the conduct of said elections. Voting for directors shall be by the regular voting members from the region/network from which they are nominated. ~~six (6) regions and shall be conducted by mail.~~

The Election and Bylaws Committee shall meet each year to review, with staff, the regions/networks where election of directors will be necessary. The Committee will coordinate, with staff, the dates nomination requests shall be mailed to the regular voting members, the and ~~officially~~ date for the nomination requests to be received at the CSDA office, and ~~will~~ set the date of the election.

A. Written Notice:

Written notice requesting nominations of candidates for election to the Board of Directors shall be sent first class mail to each regular member on the date specified by the Election and Bylaws Committee, which shall be at least ~~one hundred and twenty~~ (120) days prior to the election. The nominations must be received by ~~the~~ CSDA before the established deadline which shall be no later than ~~sixty~~ (60) days prior to the election. Nominations received after the deadline date shall be deemed invalid.

B. Balloting and Election:

Voting for directors shall be by mail.

After the nomination period for directors is closed, a mailed ballot specifying the certified nominees in each region/network shall be distributed to each regular voting member in that region/network ~~good standing~~ by first class mail. Each such regular member in each region/network shall be entitled to cast one vote for each of that region's/network's open seats on the Board.

The ballot for each region/network shall contain all nominations accepted and approved by CSDA staff. In the event there is only one nomination in a region/network, the nominee shall automatically assume the Seat up for election and a ballot shall not be mailed. Staff will execute a Proof of Service certifying the date upon which all regular voting members of each region/network were mailed a ~~mail~~ ballot.

Ballots shall be returned by mail to the principal business address of CSDA prior to the close of business (5:00 pm) on the designated election date, which shall be at least ~~forty-five~~ (45) days prior to the ~~annual business meeting of the members held at the~~ Annual Conference. Ballots received after the specified date shall not be counted.

All ballots shall remain sealed until opened in the presence of the Election and Bylaws Committee chairperson or his/her designee.

Section 5. Event of Tie:

In the event of a tie vote, a supplemental mail ballot containing only the names of those candidates receiving the same number of votes shall be mailed to each regular voting member in the region/network where the tie vote occurred.

Those mail ballots received prior to the close of business (5:00 pm) on the date designated by the Election and Bylaws Committee shall be considered valid and counted. All supplemental mail ballots received after the designated date will be deemed invalid. All ~~such~~ ballots shall remain sealed until opened in the presence of the Committee chair or his/her designee.

In the event the supplemental mail ballot results in a tie vote, the successful candidate will be chosen by a drawing by lot.

Section 6. Director Vacancy:

In the event of a director vacating his/her seat on the Board of Directors, an individual who meets the qualifications as specified in these Bylaws may be appointed or elected to complete the director's unexpired term.

A. Two or Three Vacant Seats in the Same Region/Network:

In the event more than one seat on the CSDA Board of Directors in any one region/network is vacant at the same time, such vacancies shall be filled by election. A mail ballot shall be prepared; listing all nominees for that region/network accepted and approved pursuant to Article III, Section 4 of these Bylaws

Regular Members of each region/network shall be entitled to cast one vote for each open seat in that region/network. The candidate receiving the most votes will be elected to the vacant seat with the longest remaining term. The candidate receiving the second highest number of votes will be elected to fill the vacant seat with the second longest remaining term. The candidate receiving the third highest number of votes will be elected to fill the vacant position with the third longest remaining term.

B. Vacancy During Nomination Period:

In the event of a vacancy occurring "during" the nomination period ~~prior to the annual election~~, the vacancy shall be filled by election. Written notification of the vacancy and request for nominations shall be sent to each regular member in the region/network in which the vacancy occurred. Nominations will be accepted for ~~the~~ such vacant seat ~~and which~~ shall be placed on the mail ballot for election in that region/network.

C. Vacancy After Nomination Period:

In the event of a vacancy occurring "after" the nomination period has closed, at the discretion of the CSDA Board, the vacancy may remain unfulfilled until the next regularly scheduled election or may ~~shall~~ be filled by appointment. Should the CSDA Board choose to fill the vacancy by appointment. Notification of the vacancy and request for nominations shall be sent to all regular members in the region/network in which the vacancy occurred.

The region's/network's existing directors sitting on the CSDA Board shall interview all interested candidates of that region/network and bring a recommendation to the CSDA Board of Directors ~~of the CSDA~~. The Board shall make the appointment to fill the unexpired term of the vacated Board position.

Section 7. Director Disqualification:

- A. A director shall become disqualified from further service upon the occurrence of the following:

A director's district is no longer a member of ~~the~~ CSDA; a director is no longer a board member or an employee of a member district; and/or a director shall resign.

Any officer or director may resign at any time by giving written notice to the President or CEO ~~Executive Director~~. Any such resignation shall take effect at the date of the receipt of such notice or at any time specified therein.

- B. The position of a director may be declared vacant by a majority vote of the CSDA Board of Directors when a director shall fail ~~to~~ attend three ~~(3)~~ consecutive meetings of the Board, ~~without prior notice to the Board President~~.

Section 8. Powers of Directors:

Subject to the limitations of these Bylaws, the Articles of Incorporation, and the California General Nonprofit Corporation Law, all corporate powers of the CSDA shall be exercised by or under the authority of the Board of Directors.

ARTICLE IV – DIRECTOR MEETINGS

Section 1. Place of Meetings:

Meetings of the Board of Directors shall be held in the state of California, at such places as the Board may determine.

Section 2. Ratification Meeting:

Following the election of Directors, the Board shall hold a meeting at such time and place as determined by the Board for the purpose of ratifying the newly elected directors and to transact other business of ~~the~~ CSDA.

Section 3. Organization Meeting:

After the ratification meeting, an organizational meeting of the Board shall be held at such time and place as determined by the Board for the purpose of electing the officers of the Board of Directors and the transaction of other business of ~~the~~ CSDA.

Section 4. Planning Session:

~~As directed by the Board of Directors~~~~Before the end of each calendar year~~, a special Strategic Planning Meeting shall be held ~~by the Board of Directors~~ to review and evaluate the plans, policies and activities related to the business interests of CSDA.

Section 5. Regular Meetings:

The dates of the regular meetings of the Board of Directors shall be ratified at the ~~last~~~~first~~ Board meeting of the ~~previous~~ year. The meetings shall be held at such time and place as the Board may determine. The dates and places of the Board meetings shall be published in the CSDA's publications for the benefit of the members.

Section 6. Special Meetings:

A special meeting of the Board of Directors, for any purpose, may be called at any time by the President or by any group of seven ~~(7)~~ directors.

Such meetings may be held at any place designated by the Board of Directors. In the event directors are unable to personally attend the special meeting, teleconferencing means will be made available.

Notice of the time and place of special meetings shall be given personally to the directors, or sent by written or electronic communication. All written notices shall be sent at least ten ~~(10)~~ days prior to the special meeting and electronic notices ~~at least~~~~not less than~~ five ~~(5)~~ days prior.

Section 7. Quorum:

A quorum of the Board of Directors for the purpose of transacting business of the CSDA shall consist of ten ~~(10)~~ directors. A majority vote among at least ten ~~(10)~~ directors present at a duly noticed meeting shall constitute action of the Board of Directors.

Section 8. Official Records:

All official records of the meetings of the CSDA shall be maintained at the principal business office of the CSDA.

ARTICLE V – OFFICERS

Section 1. Number and Selection:

The officers of ~~the~~CSDA shall be the President, Vice President, Secretary, Treasurer and ~~the Immediate~~ Past President. The officers shall be elected annually from the then current members of the Board of Directors without reference to regions/~~networks~~. All officers shall be subordinate and responsible to the ~~CSDA~~ Board of Directors and shall serve ~~the CSDA~~ without compensation.

Each shall hold office for the term of one ~~(1)~~ year, or until resignation or disqualification.

The Board of Directors may appoint such other officers as the business of ~~the~~CSDA may require. Each of the appointed officers shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board of Directors may determine.

Section 2. Duties of the President:

The President shall be the chief officer of the CSDA and shall, subject to the approval of the Board of Directors, give supervision and direction to the business and affairs of ~~the~~CSDA.

The President shall preside at all Board of Director and membership meetings. The President shall be an ex-officio member of all Standing Committees. ~~The President and shall recommend appoint appointment of~~ committee chairs and vice-chairs and members of the Standing Committees. ~~Such appointments are~~ subject to ~~ratification confirmation~~ by the Board of Directors.

The President shall have the general powers, duties and management usually vested in the office of the president of a corporation. The President shall have such other powers and duties as may be prescribed by these Bylaws or by the vote of the Board of Directors.

Section 3. Duties of the Vice President:

In the absence of, or disability of the President, the Vice President shall perform all of the duties of the President. When so acting, the Vice President shall have all the powers of the President, and be subject to all the restrictions upon the President.

The Vice President shall be ~~the chair of the Planning Committee and~~ an ex-officio member of all of the Standing Committees.

Section 4. Duties of the Secretary:

The Secretary or a designee appointed by the Board of Directors shall give notice of meetings to the Board of Directors, and notices of meetings to the members as provided by these Bylaws.

The Secretary or ~~such~~ designee shall record and keep all motions and resolutions of the Board. A record of all meetings of the Board and of the members shall be maintained. All written records of the Secretary shall be kept at the business office of ~~the~~CSDA.

A list of the membership of ~~the~~-CSDA shall be maintained by the Secretary or such designee. Such record shall contain the name, address and type of membership, of each member. The date of membership shall be recorded, and in the event the membership ceases, the date of termination.

The Secretary or ~~such~~-designee shall perform such other duties as may be required by law, by these Bylaws, or by the Board of Directors.

Section 5. Duties of the Treasurer:

The Treasurer or a designee appointed by the Board of Directors shall keep and maintain adequate and correct accounts of the properties and the business transactions of ~~the~~-CSDA, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The books of account shall at all times be open to inspection by any director or member of the CSDA.

The Treasurer or ~~such~~-designee shall be responsible to cause the deposit of all moneys of the CSDA, and other valuables in the name and to the credit of ~~the~~-CSDA, with such depositories as may be designated by the Board of Directors.

The Treasurer or ~~such~~-designee, shall disburse, or cause to be disbursed by ~~such~~ persons as authorized by resolution of the Board of Directors, the funds of ~~the~~-CSDA, as ordered by the Board of Directors.

The Treasurer or ~~such~~-designee shall serve as chair of the CSDA Fiscal Committee. The Treasurer shall render to the President and the Board of Directors an account of all financial transactions and the financial condition of ~~the~~-CSDA at each Board meeting and on an annual basis, or upon request of the Board.

The Treasurer or ~~such~~-designee shall, after the close of the fiscal year of ~~the~~-CSDA, cause an annual audit of the financial condition of ~~the~~-CSDA to be done.

The Treasurer or such designee shall perform such other duties as may be required by law, by these Bylaws, or by the Board of Directors.

Section 6. Disbursement of Funds:

No funds shall be disbursed by ~~the~~-CSDA unless ~~a~~the check, draft or other evidence of such disbursement ~~has been~~shall be executed on behalf of ~~the~~-CSDA by ~~such~~ persons authorized by resolution of the Board of Directors.

Section 7. Removal of Officers:

Officers of the Board may be removed with or without cause at any meeting of the Board of Directors by the affirmative vote of a majority of the Board of Directors present at such meeting.

ARTICLE VI – COMMITTEES

Section 1. ~~Creation of Committees~~ Structure:

~~The Board of Directors by a majority vote may create one or more committees to serve at the pleasure of the Board, and have such authority as provided by the Board of Directors.~~

Each committee shall have a chair and a vice-chair who shall be directors of the Board of Directors. ~~Appointment of two (2) or more directors to the committees shall be by a majority vote of the Board.~~ Each committee shall have at least two Board members and no more than nine Board members. Directors may be appointed as alternate members of a committee, in the event of an absent committee member.

Other members of any committee may include designees of regular, associate or professional Business Affiliate members. ~~and liaison representatives from other organizations pursuant to Article II, Section 1 to be approved by majority vote of the CSDA Board of Directors.~~

Section 2. Committee Actions:

All actions of any committee of the CSDA shall be governed by and taken in accordance with the provisions of these Bylaws. All committees shall serve at the pleasure of the Board and have such authority as provided by the Board of Directors. Minutes of each committee meeting shall be kept and each committee shall present a report to the Board of Directors at each scheduled Board meeting.

No committee may take any final action on any matter that, under these Bylaws, or under the California Nonprofit Public Benefit Corporation Law, also requires approval of the members of the CSDA.

All committees, regardless of Board resolution, are restricted from any of the following actions as imposed by the California Nonprofit Public Benefit Corporation Law

No committee may: Fill vacancies on the Board of Directors or on any committee that has authority of the Board; create any other committees of the Board or appoint the members of the committees of the Board.

No committee may fix compensation of the directors for serving on the Board or on any committee; ~~e~~Expend corporate funds to support a nominee for director; or approve any contract or transaction to which CSDA is a party and in which one or more of its directors has a material financial interest.

No committee may amend or repeal Bylaws or adopt new Bylaws or amend or repeal any resolution of the Board that by its express terms is not subject to amendment or repeal.

Section 3. Committee Meetings:

Meetings of the committees of ~~the~~ CSDA shall be held in accordance with the provisions of these Bylaws. The time and place for regular meetings of such committees may be determined

by the Board or by such committees. Special meetings of the committees may be called by the chair of such committee, or by the Board of Directors.

Section 4. Standing Committees:

Standing Committees of ~~the~~ CSDA shall be advisory in nature except for the Finance Corporation (see Section 4D). The Standing Committees are: Executive, Education Professional Development, Elections and Bylaw, Finance Corporation, Fiscal, Legislative, Membership Recruitment Member Services and Planning and Audit.

The President shall recommend the appointment of committee officers and members of each Standing Committee except the Executive Committee. All committee members are subject to ratification by the Board of Directors.

A. Executive Committee:

The Executive Committee shall consist of all officers of ~~the~~ CSDA. Members shall include the President, Vice President, Secretary, Treasurer and the Immediate Past President of ~~the~~ CSDA. If the Immediate Past President is no longer a member of the Board of Directors, a previous past president may be appointed. If there are no directors who have served as president in the past, the President shall appoint a current director to serve as a member of the Executive Committee.

Subject to these Bylaws and approval of the Board of Directors, the Executive Committee shall have full power, authority and responsibility for the operation and function of the CSDA.

B. Professional Development Education Committee:

The Education Professional Development Committee shall plan, organize and direct CSDA the education professional development programs and events of the CSDA. The Committee shall organize the Annual Conference and the Special District Legislative Days. A public relations program shall be maintained by the Committee.

C. Election and Bylaws Committee:

The Election and Bylaws Committee shall be responsible for conducting all elections ~~for~~ the CSDA Board of Directors as provided in these ~~By~~laws. The Committee shall annually review the ~~By~~laws and shall be responsible for membership vote on any bylaw changes and approval of election materials.

D. Finance Corporation Committee:

The Finance Corporation Committee shall serve as the Board of Directors of the CSDA Finance Corporation a California non profit public benefit corporation organized to provide financial assistance to CSDA members in acquiring, constructing and financing various public facilities and equipment for the use and benefit of the public. The Finance Corporation Committee is not an advisory committee, but has all of the powers described in the CSDA Finance Corporation Bylaws, which are incorporated herein by this reference. Such powers include the powers to manage and control the business affairs of the corporation, to approve policies for the corporation's operations, and to

~~enter into all contracts necessary to provide financial assistance to CSDA members and be responsible for oversight of the programs of the CSDA Finance Corporation.~~

E. Fiscal Committee:

The Treasurer shall serve as the chair of the Fiscal Committee and shall, with the Committee, be responsible for oversight of all the financial transactions of the CSDA. An annual budget shall be ~~prepared~~ reviewed by the committee and ~~shall be~~ ratified by the Board of Directors.

~~The Fiscal Committee shall assist the Planning Committee in the continuing development of the CSDA's "Strategic Plan".~~

F. Legislative Committee:

The Legislative Committee shall be responsible for the development of ~~the~~ CSDA's legislative agenda. The Committee shall review, direct and assist the CSDA Advocacy and Public Affairs ~~Legislative~~ Department with legislative and public policy issues.

G. Member Services~~Membership and Recruitment~~ Committee:

The ~~Membership and Recruitment~~ Member Services Committee shall be responsible for recruitment and recommendation of new members to the CSDA Board of Directors. All new members shall be ratified by the Board of Directors.

H. Planning Committee:

~~The Planning Committee in conjunction with the Fiscal Committee shall be responsible for the continuing development of the "Strategic Plan" of the CSDA. The "Strategic Plan" shall be reviewed and monitored. The Committee shall recommend revisions and/or additions to the Board of Directors for ratification.~~

I.H. Audit Committee:

The Audit Committee is responsible for maintaining and updating internal controls. The Committee selects the Auditor for Board of Director approval and provides guidance to the auditors on possible audit and fraud risks. The Committee reviews the audit and management letter and makes recommendation to the Board of Directors for action.

Section 5. Ad Hoc Committees:

The President may appoint other Ad Hoc Committees and their officers as may be determined necessary for the proper operation of the CSDA. The Standing Committees and the Ad Hoc Committees shall plan and authorize such programs as may be directed by the Board of Directors.

The Ad Hoc Committees shall be advisory in nature and shall be composed of at least two ~~(2)~~ members of the Board of Directors. Other members of such committees may include designees of regular, associate or professional members, ~~liaison representatives of other organizations~~, or members of the public, as approved by the Board of Directors.

Section 6. Special Committee of the Board:

A Special Committee may be granted authority of the Board as a Committee of the Board, as required by the California Nonprofit Public Benefit Corporation Law, provided by a specific resolution adopted by a majority of the Board of Directors then in office. In such case, the Special Committee shall be composed exclusively of two ~~(2)~~ or more directors, but less than a quorum of the Board of Directors.

ARTICLE VII – INDEMNIFICATION

Section 1. Right of Indemnity:

To the fullest extent permitted by law, the CSDA shall defend, indemnify and hold harmless both its past and present directors, officers, employees and other persons described in Section 5238(a) of the California Corporations Code, against any and all actions, expenses, fines, judgments, claims, liabilities, settlements and other amounts reasonably incurred by them in connection with any “proceeding”, as that term is used in the Section 5238(a) of the California Corporations Code.

“Expenses”, as used in these Bylaws, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

Section 2. Approval of Indemnity:

On written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the Board shall promptly determine under Section 5238(e) of the California Corporations code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met, and if so, the Board shall authorize indemnification.

If the Board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the Board shall promptly call a meeting of the members.

At the request for indemnification meeting, the members shall determine under Section 5238(e) of the California Corporations Code whether the applicable standard or conduct set forth in Section 5238(b) or Section 5238(c) has been met, and, if so, the members present at the meeting in person or by proxy shall authorize indemnification.

Section 3. Insurance:

The CSDA shall have the right to purchase and maintain insurance to the full extent permitted by law, on behalf of its officers, directors, employees, and agents, against any liability asserted against or incurred by any officer, director, employee or agent in such capacity, or arising out of the officer's, director's, employee's, or agent's status as such.

Section 4. Liability:

No member, individual, director, or staff member of the CSDA shall be personally liable to the CSDA's creditors, or for any indebtedness or liability. Any and all creditors shall look only to the CSDA's assets for payment.

ARTICLE VIII – LOCAL CHAPTERS

Section 1. Purpose:

The purpose of local chapters is to provide a local forum of members for the discussion, consideration and interchange of ideas concerning matters relating to the purposes and powers of special districts and the CSDA.

The local chapters may meet to discuss issues bearing upon special districts and the CSDA. The chapters may make recommendations to the CSDA's Board of Directors.

Section 2. Organization:

The regular voting members of ~~the~~ CSDA are encouraged to create and establish local chapters. In order to be recognized as a CSDA Chapter, each Chapter must approve and execute a Chapter Affiliation Agreement in order to obtain the right to use the CSDA name, logo, membership mailing list, intellectual property, endorsements, and CSDA staff support and technical assistance in conducting Chapter activities. The terms and conditions of the Chapter Affiliation Agreement are incorporated herein by this reference.

Each chapter formed prior to August 1, 2011, including but not limited to ~~of~~ the following ~~existing~~ chapters must have at least one ~~(1)~~ CSDA member in their membership at all times: Alameda, Butte, Contra Costa, Kern, Marin, Monterey, Orange (ISDOC), Placer, Sacramento, San Bernardino, San Diego, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara and Ventura. ~~These existing chapters are strongly encouraged to have all district members as CSDA members, however the existing local chapter may include members of~~ Such existing chapters may include as members local organizations, districts and professionals who are not members of ~~the~~ CSDA.

New chapters formed after August 1, 2011, are required to have 100 percent of their special district members as be current members of CSDA ~~members~~ in order to be a chapter affiliate of CSDA. ~~The existing~~ Such local chapters may include members of local organizations and professionals who are not members of CSDA.

Local chapters shall be determined to be affiliates of the CSDA upon approval and execution of the Chapter Affiliation Agreement by the local chapter and approval and ratification of the Chapter Affiliation Agreement by the CSDA Board of Directors ~~of the CSDA~~. The chapters shall be required to provide updated membership lists to the CSDA at least annually.

CSDA and its local chapters shall not become or be deemed to be partners or joint ventures with each other by reason of the provisions of these Bylaws or the Chapter Affiliation Agreement.

Section 3. Rules, Regulations and Meetings:

Each local chapter shall adopt such rules and regulations, meeting place and times as the membership of such local chapter may decide by majority vote. Rules and regulations of the local chapter shall not be inconsistent with the Articles of Incorporation or Bylaws of ~~the~~ CSDA.

Section 4. Financing of Local Chapters:

No part of ~~the~~ CSDA's funds shall be used for the operation of the local chapter affiliates. ~~The~~ CSDA is not responsible for the debts, obligations, acts or omissions of ~~theirs~~ local chapters.

Section 5. Legislative Program Participation:

Local chapters may function as a forum in regard to federal, state and local legislative issues. The chapters may assist ~~the~~ CSDA in the distribution of information to their members.

ARTICLE IX – AMENDMENTS TO THE BYLAWS

Section 1. Amendment Proposals:

Any regular voting member in good standing may propose changes to these Bylaws. The proposed amendments shall be reviewed by the Board of Directors and submitted to the Election and Bylaws Committee for their study.

After examination by the Election and Bylaws Committee and upon resolution of the Board of Directors the amendment proposals may be submitted for vote at the Annual Business meeting of the members held by ~~the~~ CSDA, at a specially called meeting, or by a mailed ballot.

Section 2. Amendment Membership Meeting:

Prior notice in writing of the proposed amendment/s to these Bylaws shall be given by the Board of Directors to the regular voting members, not later than ~~forty-five (45)~~ days in advance of the amendment meeting.

Electronic copies of the proposed amendment/s shall be available on the CSDA website for the regular voting members prior to the meeting. Copies of the proposed amendments shall be available for the voting members at the amendment meeting, ~~upon advance requests.~~

Section 3. Mailed Amendment Ballot:

When a mailed ballot is utilized to amend these Bylaws, the ballot shall include all amendments and matters the Board ~~of Directors~~ intends to present for action and vote by the members and shall be mailed by ~~the~~ CSDA to all regular voting members ~~in good standing~~. ~~The~~Such ballot shall be mailed by first class mail, not later than ~~forty-five (45)~~ days in advance of the date ~~the~~ CSDA has designated for the receipt of the ballot.

The amendment ballot must be received by ~~the~~ CSDA, no later than the established deadline date and time. Ballots received after the specified deadline will be deemed invalid

Section 4. Amendment Ratification:

A. Membership Meeting:

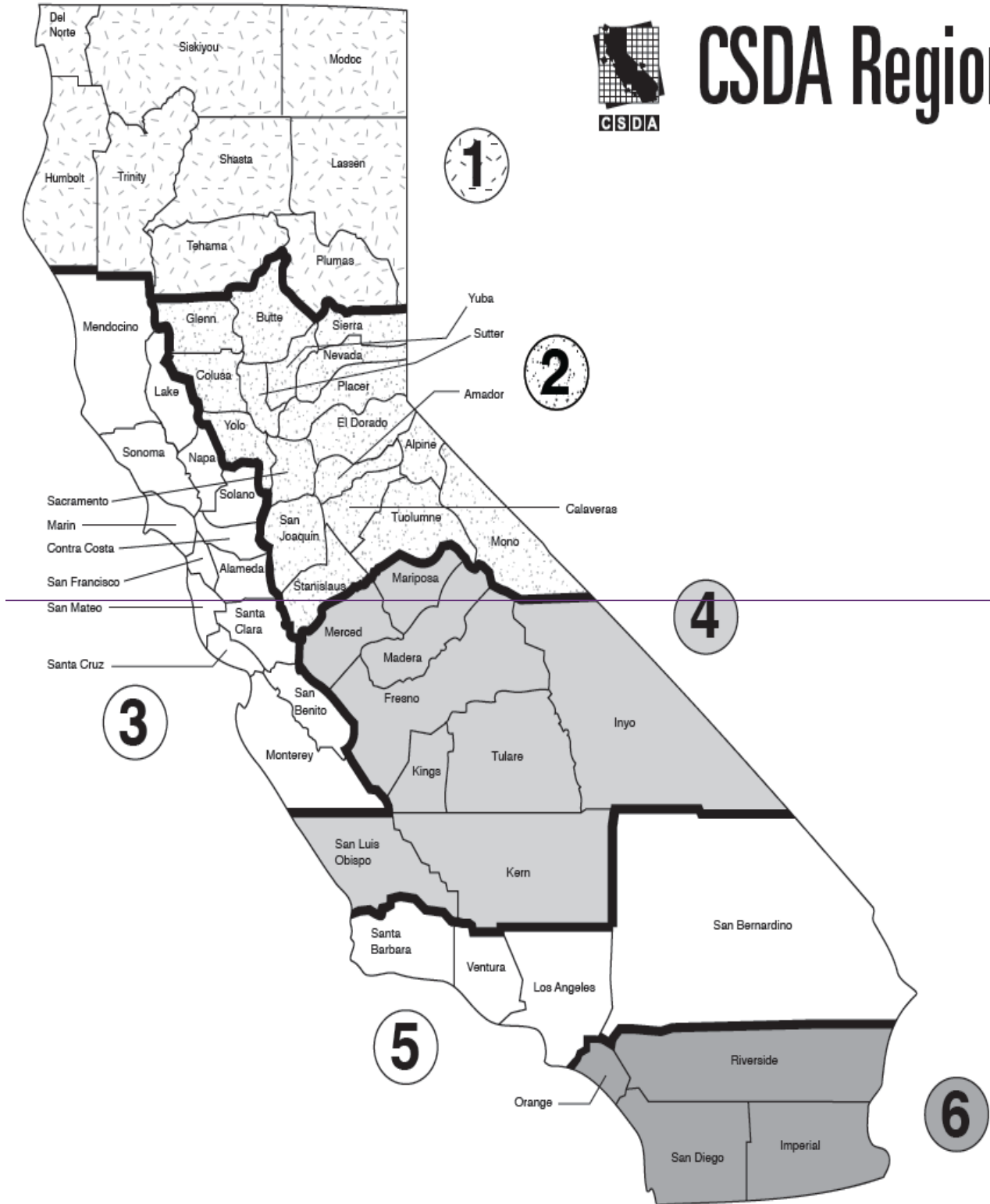
The proposed Bylaw amendments shall be deemed adopted by a majority vote of all regular voting members present at a membership meeting, at which a quorum, as defined in Article 2, Section 5 of these Bylaws, of the members is present.

B. Mailed Ballot:

The proposed Bylaw amendment/s shall be deemed adopted when ballots have been returned by a quorum of the regular voting members, and have been approved by a majority vote of the mail ballots returned.



CSDA Regions





2015 Regions/Networks



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 7, 2014 **May 14, 2014**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.8 – CONSIDERATION AND POSSIBLE ACTION
ON DEVELOPMENT OF AN EMPLOYEE RECOGNITION FUND.***

Recommendation:

Staff and the Personnel Committee recommend the Board approve increasing the Employee Retention budget in the amount of \$18,500.00 with funds from the JPIA refund for a total Employee Retention budget of \$20,000.00 and that this budget line item be fully funded in the annual budget when the District's Reserve Policy has been met.

Alternative Options:

The alternative is to not increase the Employee Retention budget.

Impact of Taking No Action:

The Employee Retention budget will remain at \$1,500.00.

Background:

In the past, the District held several employee appreciation events, provided District t-shirts and hats, and distributed annual service year awards. Due to budget constraints, these events were cancelled with the exception of the annual service year awards.

The Personnel Committee discussed and recommends increasing the Employee Retention budget with funds from the JPIA refund as the District received this refund due, in part, to employee efforts. The increase to this budget will allow the District to provide an annual picnic, a Christmas party, t-shirts for employees, and continue with the distribution of annual service year awards.

Strategic Plan Element:

This work is part of Strategic Element 4.0 Personnel Management.

Budget:

This is under Budget Item No. 1-08-4100-000 Employee Retention.

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 7, 2014 **May 14, 2014**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.9 – CONSIDERATION AND POSSIBLE ACTION
ON LIFTING THE HIRING FREEZE WITH THE EXCEPTION OF
SUPERVISOR/MANAGEMENT POSITIONS.***

Recommendation:

Staff and the Personnel Committee recommend the Board lift the hiring freeze with the exception of Supervisor/Management positions.

Alternative Options:

The alternative is to not lift the hiring freeze.

Impact of Taking No Action:

The hiring freeze will remain in effect, and approval to fill any vacated positions will continue to be brought before the Personnel Committee and the full Board for consideration.

Background:

In 2012, the Board approved a hiring freeze for all District employees. All vacated positions on the approved Organization Chart are brought before the Personnel Committee and then to the full Board for consideration and approval prior to beginning the recruitment process. The Personnel Committee discussed and recommends the hiring freeze be lifted with the exception of Supervisor/Management positions. This will allow staff to recruit and fill any other vacated positions in a more timely manner.

Strategic Plan Element:

This work is part of Strategic Element 4.0 Personnel Management.

Budget:

This item will have no impact on the budget.

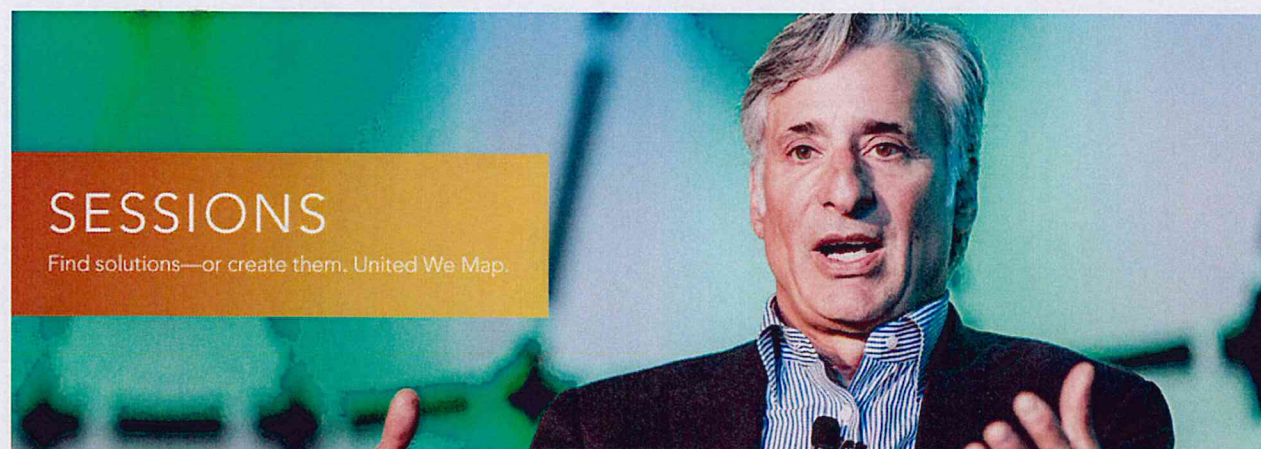
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Esri UC is where you find solutions to local, global, and industry problems. Learn the latest in spatial analysis, web and mobile apps, location analytics, big data, open data, and the ArcGIS platform.



Plenary Keynotes

Hear from GIS innovators, world leaders, and industry trendsetters.



Technical Workshops

A crowd-pleaser every year—build your GIS skills.



Moderated User Sessions

Gain insight and ideas from real-world success stories.



Lightning Talks

Fellow Esri users have five minutes to inform and inspire.



Preconference Seminars

Come early to attend focused workshops.



GIS Managers' Open Summit

Join a focused meeting of decision makers and strategists.

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JUSTIFY YOUR TRIP

Each year, our post-event survey shows that the Esri UC is more than just seminars, map galleries, and workshops—it is an investment in maximizing the value of your Esri software.

Download [this proposal letter](#) to help you justify your attendance.

The Esri UC is one of the most effective ways to

- Learn real applications of GIS
- Test new products, improve technical development skills, and gain new mapping techniques
- Discuss new Esri features, expand your network, and receive invaluable ideas to energize your GIS operations

Gain tips and tricks for telling better stories through maps

- More than 86% of attendees found the map gallery valuable
- 96% of attendees found the GIS concept sessions valuable

Learn to maximize the latest GIS techniques and applications

- 97% of attendees found the GIS EXPO valuable
- 99% of attendees found the Technical Workshops valuable
- 82% of attendees found the 20-minute technical workshops valuable

Make connections that help you gain resources for future projects

- 95% of attendees found the Industry Focus sessions valuable
- 93% of attendees found the Special Interest Group Meetings valuable
- 91% of attendees found the Regional User Group Meetings valuable

Improve your GIS Effectiveness

- 86.9% of surveyed users discovered a new technique to help complete a project or learned how someone else solved a problem
- More than 80% of attendees gained an understanding of what others in their industry are doing and expanded their professional network

Share what you are learning at the UC

- Let your boss know that you'll share your newly acquired knowledge with the rest of the team
- Plan a presentation for a working lunch after you return
- Write-up a report of the conference, along with an action plan based on what you learned
- Gather up information from the exhibits and displays and bring it back for your colleagues to review
- Create an experts network with a database of the business cards you bring back and share with your team

Check with your organization to see if you qualify for [complimentary registration](#).

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Agenda

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The Esri UC brings together social, economic, business, and environmental leaders covering the spectrum of Geospatial applications.

Saturday, July 12

7:30 a.m.–5:00 p.m.

Registration
SDCC, Hall E

8:30 a.m.–5:00 p.m.

Preconference Seminars
SDCC, Upper Level

Sunday, July 13

7:30 a.m.–5:00 p.m.

Registration
SDCC, Hall E

8:30 a.m.–5:00 p.m.

Preconference Seminars
SDCC, Upper Level

Monday, July 14

7:00 a.m.–5:00 p.m.

Registration
SDCC, Hall E

8:30 a.m.–3:30 p.m.

Plenary Session
SDCC, Halls F, G, and H

3:30 p.m.–7:00 p.m.

Academic GIS Program Fair
SDCC, Ballroom 20 Foyer

Monday, July 14

3:30 p.m.–7:00 p.m.

Map Gallery Opening and Evening Reception
SDCC, Sails Pavilion

4:30 p.m.–6:00 p.m.

Lightning Talks
SDCC, Ballroom 20 D

Tuesday, July 15

7:30 a.m.–5:00 p.m.

Registration
SDCC, Hall E

8:00 a.m.–6:00 p.m.

Map Gallery and Special Displays
SDCC, Sails Pavilion

8:30 a.m.–4:30 p.m.

Paper Sessions and Technical Workshops
SDCC, Mezzanine and Upper Level

8:00 a.m. – 4:30 p.m.

GIS Managers' Open Summit
(Sign-up Required)
SDCC, Ballroom 20 B/C

9:00 a.m.–6:00 p.m.

Esri Showcase and **GIS Solutions EXPO**
SDCC, Halls B, C, and D

9:00 a.m.–6:00 p.m.

User Software Applications Fair
SDCC, Hall D

10:00 a.m.–10:00 p.m.

Special Interest Group Meetings
SDCC, Mezzanine and Upper Level

Noon–7:00 p.m.

Regional User Group Meetings
SDCC, Mezzanine and Upper Level

3:15 p.m.–5:00 p.m.

SpeedGeeking
SDCC, Ballroom 20D Foyer Alcove

Wednesday, July 16

7:30 a.m. – 5:00 p.m.

Registration
SDCC, Hall E

6:45 a.m.

5K Fun Run/Walk

7:30 a.m.–10:00 p.m.

Special Interest Group Meetings

8:00 a.m.–6:00 p.m.

Map Gallery and Special Displays
SDCC, Sails Pavilion

8:30 a.m.–4:30 p.m.

Paper Sessions and Technical Workshops
SDCC, Mezzanine and Upper Level

9:00 a.m.–6:00 p.m.

Esri Showcase and **GIS Solutions EXPO**
SDCC, Halls B, C, and D

9:00 a.m.–6:00 p.m.

User Software Applications Fair
SDCC, Halls D

3:30 p.m.–5:30 p.m.

Special Achievement in GIS Awards Ceremony
SDCC, Ballroom 20 B, C, and D

4:00 p.m.–6:00 p.m.

Family Night
SDCC, Halls B, C, and D

Thursday, July 17

Thursday, July 17

7:30 a.m.–3:00 p.m.

Registration
SDCC, Hall E

8:00 a.m.–1:30 p.m.

Map Gallery and Special Displays
SDCC, Sails Pavilion

8:30 a.m.–4:30 p.m.

Paper Sessions and Technical Workshops
SDCC, Mezzanine and Upper Level

9:00 a.m.–1:30 p.m.

Esri Showcase and **GIS Solutions EXPO**
SDCC, Halls B, C, and D

9:00 a.m.–1:30 p.m.

User Software Applications Fair
SDCC, Halls D

10:00 a.m.–4:00 p.m.

User Experience (UX) & User Interface (UI) Summit
SDCC, Ballroom 20 B/C

11:45 a.m.–1:00 p.m.

Special Interest Group Meetings

5:30 p.m.–10:00 p.m.

Thursday Night Party
Balboa Park**Friday, July 18**

8:30 a.m.–10:15 a.m.

Technical Workshops
SDCC, Rooms 1-11

10:30 a.m.–noon

Closing Session and Awards
SDCC, Ballroom 20 B, C, and D**QUICK LINKS & RESOURCES**[Capture Esri UC in 60 Seconds! Watch the Video](#)[Meet the First Person to Register. Read the Blog](#)[Justify Your Trip](#)[Agenda at a Glance](#)[2013 Proceedings](#)[Submit Your Plenary Image](#)[Request a Meeting](#)**CONFERENCE HELP**[Email Esri](#)[Call Esri: 1-888-377-4576](#)[Let us know how we can help or check out the Frequently Asked Questions »](#)[Esri Home » Events](#)[Follow Us](#)**Events**[International User Conference](#)
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MINUTES OF REGULAR MEETING OF THE WATER SUPPLY & RELIABILITY COMMITTEE OF THE PALMDALE WATER DISTRICT, MARCH 31, 2014:

A regular meeting of the Water Supply & Reliability Committee of the Palmdale Water District was held Monday, March 31, 2014, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Dizmang called the meeting to order.

1) Roll Call.

Attendance:

Water Supply & Reliability Cmte:
Gloria Dizmang, Chair
Vincent Dino, Committee
Member

Others Present:

Dennis LaMoreaux, General Manager
Matt Knudson, Assistant General Manager
Jon Pernula, Water & Energy Resources Manager
Dawn Deans, Executive Assistant
1 member of the public

2) Adoption of Agenda.

It was moved by Committee Member Dino, seconded by Chair Dizmang, 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 February 24, 2014.

It was moved by Committee Member Dino, seconded by Chair Dizmang, and unanimously carried to approve the minutes of the Water Supply & Reliability Committee meeting held February 24, 2014, as written.

4.2) Presentation of Monthly Water Demand and Supply Status. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula reviewed the water supply projections and charts and stated that the initial State Water Project allocation remains at 0%; that carry-over water remains at 100%; that storms are predicted for later this week;

that Metropolitan Water District is spending \$5 million on ad campaigns for water conservation; and that the District benefits from these ads.

4.3) Status on the Operations of the State Water Project. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula stated that precipitation and reservoir conditions have increased; that a letter was recently sent requesting relief of the Delta smelt standards in order to capture the maximum amount of water from anticipated storms; and that a leak in the State Water Project was discovered just below Banks Pumping Plant and is being watched followed by discussion of reforming the state's water system similar to Australia's water operations.

5) Project Updates.

5.1) Palmdale Recycled Water Authority. (General Manager LaMoreaux)

General Manager LaMoreaux stated that a workshop meeting will be held in April to review the draft Recycled Water System Master Plan in detail and that recycled water reallocations have not yet been determined.

5.2) Littlerock Dam Sediment Removal Project. (Assistant General Manager Knudson)

Assistant General Manager Knudson stated that a Scoping Meeting for this Project was held March 25 at 6:30 p.m. at the District's office; that no one from the public attended; that comments on the scoping process can be submitted until April 15; and that if no major comments are received, work will begin on drafting the EIR/EIS environmental document.

5.3) Littlerock Creek Recharge and Recovery Project. (Assistant General Manager Knudson)

Assistant General Manager Knudson stated that Kennedy-Jenks Consultants is preparing the feasibility study for this Project; that staff is reviewing a draft report and alternative locations are being defined; that Kennedy-Jenks Consultants has presented this Project to various organizations and will present the status of this Project at the April 9 Board meeting; and that he will provide a written report to the Finance Committee on grant opportunities for this and other projects.

5.4) City of Palmdale's Upper Amargosa Recharge Project. (Assistant General Manager Knudson)

Assistant General Manager Knudson stated that the City of Palmdale has been awarded grant funding and is the lead agency for this Project; that the District's participation in this Project is approximately 25% of the Project capacity and is funded from the 2013 Water Revenue Bonds; and that GEI is working on the design of this Project.

Mr. Steve Chisolm, Palmdale resident, inquired if the District's customers have reduced their water use based on the Governor's requested 20% voluntary water use reduction after which General Manager LaMoreaux stated that customer water use is the same as last year at this point but that the District's customers have maintained a 26% water use reduction since 2007.

6) Information Items.

6.1) Drought Management Task Force. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula stated that a meeting of the Drought Management Task Force was held March 13, and the next meeting will be scheduled once a firm determination has been made on State Water Project supplies and the results of the next snow survey are known.

6.2) Other.

Assistant General Manager Knudson stated that Los Angeles County Waterworks will be presenting information on their water supply and demands at the next City of Palmdale Council Meeting and that staff will be attending the City Council meeting to address any questions regarding the District's supply after which General Manager LaMoreaux stated that the City Manager and City staff have been kept informed of the District's water supply status.

Chair Dizmang then stated that the topic of a recent documentary was the melting of Greenland ice and the prediction that water levels will rise in six years endangering some of our major cities and that this may affect the levies in the Delta.

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

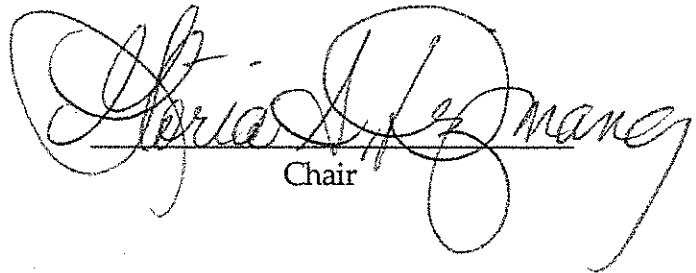
Chair Dizmang requested a report be provided at the next meeting on Los Angeles County Waterworks' presentation to the City Council.

There were no further requests for future agenda items.

It was then stated that the next Water Supply & Reliability Committee meeting will be held April 28, 2014 at 2:00 p.m.

7) **Adjournment.**

There being no further business to come before the Water Supply & Reliability Committee, the meeting was adjourned.


Chair

**MINUTES OF MEETING OF THE PERSONNEL COMMITTEE OF THE PALMDALE
WATER DISTRICT, MARCH 31, 2014:**

A meeting of the Personnel Committee of the Palmdale Water District was held Monday, March 31, 2014, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Mac Laren called the meeting to order.

1) Roll Call.

Attendance:

Personnel Committee:

Kathy Mac Laren, Chair

Joe Estes, Committee
Member

Others Present:

Dennis LaMoreaux, General Manager

Robert Alvarado, Director

Jennifer Emery, Human Resources Manager

Dawn Deans, Executive Assistant

1 member of the public

2) Adoption of Agenda.

It was moved by Committee Member Estes, seconded by Chair Mac Laren, 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 February 24, 2014.**

It was moved by Committee Member Estes, seconded by Chair Mac Laren, and unanimously carried to approve the minutes of the Personnel Committee meeting held February 24, 2014, as written.

**4.2) Consideration and Possible Action on Development of an Internship
Program. (Human Resources Manager Emery)**

Human Resources Manager Emery stated that she is working with the Antelope Valley College, the Employment Development Department, and the local and East Los Angeles High Schools regarding the development of an Internship Program followed by

discussion of the specifics of an Internship Program, who would be eligible for the Program, offering paid internships, Committee Member Estes' contacts for veterans programs, the District's positions that can benefit from an Internship Program, the cost, the District's budget, and the Strategic Plan process. The Committee then concurred with offering paid internships at \$10 per hour for a 20-hour per week 16-week program, and gradually starting the Program with only an intern in field/customer service, a service worker, and information technology with a goal of hiring interns in July for the August semester.

5) Project Updates.

5.1) Status on Organizational Assessment. (General Manager LaMoreaux)

General Manager LaMoreaux stated that the first step of the Strategic Plan process was the March 24 Workshop; that The Mathis Group is working on three potential recruitments depending on the completion of the Strategic Plan process; and that the Strategic Plan will clearly show the organizational recommendations from the Assessment followed by discussion of the Organization Chart being reviewed at the April 14 Strategic Plan Workshop.

5.2) Status on Employee Handbook. (Human Resources Manager Emery)

Human Resources Manager Emery stated that the Employee Handbook Committee is discussing several clarification items including stand-by and on-call pay to ensure consistency, educational reimbursement, and the OccuMed Fit-for-Duty Program and that staff hopes to present an updated draft Employee Handbook at the next Personnel Committee meeting.

6) Information Items.

There were no further information items.

7) Board Members' Requests for Future Agenda Items.

Chair Mac Laren requested an item be included on the next agenda for "Discussion and possible action on development of an Employee Recognition Fund" to be funded by ACWA/JPIA refunds with this fund providing t-shirts, picnics, or other employee retention options.

MARCH 31, 2014
PERSONNEL
COMMITTEE MEETING

Committee Member Estes then suggested these funds also be used to update the Board room and that annual refund checks be distributed in such a way that the budget is not affected.

Chair Mac Laren then requested that "Discussion and possible action on development of a Wellness Program" be considered after completion of the Employee Handbook and Internship Program.

Human Resources Manager Emery then presented a list of potential human resources tasks and requested the Committee prioritize the tasks for discussion at the next meeting for the development of a Human Resources Calendar followed by discussion of the employee performance appraisal process.

There were no further requests for future agenda items.

It was then stated that the next Personnel Committee meeting will be held April 28, 2014 at 5:30 p.m.

8) Adjournment.

There being no further business to come before the Personnel Committee, the meeting was adjourned.


Chair

**MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE
WATER DISTRICT, APRIL 7, 2014:**

A meeting of the Finance Committee of the Palmdale Water District was held Monday, April 7, 2014, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Dizmang called the meeting to order.

1) Roll Call.

Attendance:

Finance Committee:
Gloria Dizmang, Chair
Vincent Dino, Committee
Member

Others Present:

Dennis LaMoreaux, General Manager
Robert Alvarado, PWD Director
Mike Williams, Finance Manager
Dennis Hoffmeyer, Senior Accountant
Bob Egan, Financial Advisor
Dawn Deans, Executive Assistant
1 member of the public

2) Adoption of Agenda.

It was moved by Committee Member Dino, seconded by Chair Dizmang, 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 March 3, 2014.

It was moved by Committee Member Dino, seconded by Chair Dizmang, and unanimously carried to approve the minutes of the Finance Committee meeting held March 3, 2014, as written.

4.2) Presentation, Consideration, and Possible Action on Acceptance and Filing of 2013 Audit and Management Report. (Charles Z. Fedak & Company, CPAs/Financial Advisor Egan/Finance Manager Williams)

Chair Dizmang stated that this item will be skipped until the Charles Z. Fedak & Company representative arrives at the meeting.

4.3) Discussion and Overview of Cash Flow Statement and Current Cash Balances as of February 28, 2014. (Financial Advisor Egan)

Financial Advisor Egan reviewed the investment funds and cash flow reports as of February 28, 2014, including the overall increase in cash of \$575,000, and then reviewed the balance of the bond funds and rate stabilization fund and stated that projected year-end looks positive.

4.4) Discussion and Overview of Financial Statements, Revenue and Expense and Departmental Budget Reports for February 28, 2014. (Finance Manager Williams)

Finance Manager Williams reviewed 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 28, 2014 along with the graphic presentations for these reports and stated that all departments, with the exceptions of Administration, Engineering, and Finance, operated at or below the targeted expenditure percentage of 16.6% or less followed by discussion of overtime charges.

Chair Dizmang then stated that Agenda Item No. 4.2 will now be considered.

4.2) Presentation, Consideration, and Possible Action on Acceptance and Filing of 2013 Audit and Management Report. (Charles Z. Fedak & Company, CPAs/Financial Advisor Egan/Finance Manager Williams)

Mr. Paul Kaymark, of Charles Z. Fedak & Company, reviewed in detail the District's 2013 Audit and Management Report including the audit opinion, operating revenues and expenses, depreciation, the net increase in cash, secure investments, reclassification entries, tracking of unfunded CalPERS pension liability under GASB 68, and an explanation of GASB 68.

It was then moved by Committee Member Dino, seconded by Chair Dizmang, and unanimously carried that the Committee concurs with the acceptance and filing of the 2013 Audit and Management Report and that this item be presented to the full Board for consideration at the April 9, 2014 Regular Board meeting.

Chair Dizmang then stated that Agenda Item No. 4.5 will now be considered.

4.5) Discussion and Overview of Committed Contracts Issued. (Assistant General Manager Knudson)

General Manager LaMoreaux reviewed the status of engineering projects included in the Committed Contracts and Payout Schedule and payments for projects funded from the Water Revenue Series 2013A Bonds.

4.6) Discussion and Review of the District's Bid Procurement and Change Order Policy – Rules and Regulations Appendix M. (General Manager LaMoreaux)

General Manager LaMoreaux stated that he and Assistant General Manager Knudson have met with representatives from the Building Trades Association and their legal counsel regarding Project Labor Agreements; that a second meeting is scheduled for April 15 where they will present additional information and discussions will continue; and that discussions will also occur with an organization opposed to Project Labor Agreements after which Chair Dizmang requested the pros and cons of Project Labor Agreements, entering into such an Agreement on a trial basis, and the potential for local contractors not bidding on the District's projects if such an Agreement were in place be considered.

4.7) Discussion and Review of Low Income Assistance Program. (Finance Manager Williams)

Finance Manager Williams reviewed the details of a proposed Rate Assistance Program available to seniors age 62 or older and stated that this program will be funded through the District's leased property agreements and that if the Committee concurs with the concept of the Rate Assistance Program, a policy will be developed for implementation in January, 2015 after which the Committee concurred with the development of a policy for the Rate Assistance Program.

5) Information Items.

5.1) Status on Development of a Financial Calendar. (Finance Manager Williams)

Finance Manager Williams reviewed the Financial Calendar and stated that staff will continue adding to this Calendar to keep the Committee aware of the timeline for the completion of any financial documents and/or projects.

5.2) Other.

General Manager LaMoreaux stated that proposals for the RFP for the Water Rate Study are due April 17; that a special Finance Committee meeting is scheduled for April 21 to review the proposals; that staff's intent is to present a proposal to the full Board for consideration at the April 23, 2014 Board meeting; that the rates must be complete by June, a public hearing held in August, and the rates adopted for the preparation of the 2015 Budget; and that the RFP was sent to five rate analysis firms and four outreach firms.

He then stated that Assistant General Manager Knudson included a written report in the agenda packets regarding the status of pending grants and future grant opportunities, most of which are available through the Integrated Regional Water Management process, if there are any questions on same.

He then stated that a customer called to inform the District they are happy the IVR phone system is in place but are unhappy they had to press '1' to stay in English and that overall this system has been very successful.

There were no further information items.

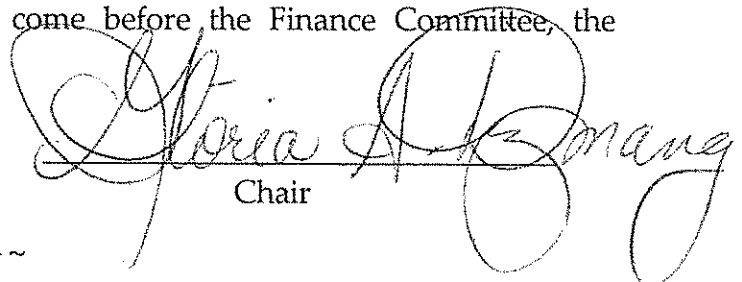
6) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

It was then stated that the next Finance Committee meeting may be held April 21, 2014 at 9:30 a.m. at the special Finance Committee meeting.

7) Adjournment.

There being no further business to come before the Finance Committee, the meeting was adjourned.


Chair