PALMDALE WATER DISTRICT

2029 East Avenue Q • Palmdale, California 93550 • **Telephone (661) 947-4111**
Fax (661) 947-8604
www.palmdalewater.org

LAGERLOF, SENECAL, GOSNEY & KRUSE LLP
Attorneys

Board of Directors

ROBERT E. ALVARADO
Division 1

GORDON G. DEXTER
Division 2

GLORIA DIZMANG
Division 3

KATHY MAC LAREN
Division 4

STEVE R. CORDOVA
Division 5

May 16, 2013

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 22, 2013

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.

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 May 8, 2013.

6.2) Approval of minutes of workshop meeting held May 13, 2013.

6.3) Payment of bills for May 22, 2013.

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) Consideration and possible action on Resolution No. 13-9 being a Resolution Authorizing Participation of Palmdale Water District in the Local Agency Investment Fund. (Finance Manager Williams)

7.2) Consideration and possible action on Resolution No. 13-10 being a Resolution to Tax Defer Member Paid Contributions – IRC 414(h)(2) Employer Pick-Up California Public Employees' Retirement System. (Finance Manager Williams)

7.3) Consideration and possible action on award of contract for the construction of the water main replacement in Division St., Carolside Ave., Glenraven Ave., Stanridge Ave., 3rd St. E., and Sumac Ave. under Specification No. 1204. ($806,857.00 – 2013A Series Water Revenue Bond – Engineering Manager Knudson)

7.4) Consideration and possible action on agreement for water storage tank maintenance services. ($319,100.00/year for 5-years – Budgeted – Engineering Manager Knudson)

7.5) Consideration and possible action on handling of potential internal promotions during an approved hiring process. (President Mac Laren)

7.6) Consideration and possible action on Board and staff attendance at conferences, seminars, and training sessions as follows:

a) Association of California Water Agencies "ACWA Region 8 – What Lies Beneath? A Look at Groundwater in Southern California" to be held June 13, 2013 in Carson.

8) Information Items:

8.1) Reports of Directors: Meetings/Committee Meetings/General Report.

8.2) Report of General Manager.

a) District vacancies.

b) Palmdale Recycled Water Authority status.

8.3) Report of Attorney.

9) Public comment on closed session agenda matters.

10) Closed session under:

10.1) Government Code Section 54956.9(a), existing litigation: *Antelope Valley Ground Water Cases.*

10.2) Government Code Section 54956.9(a), existing 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(a), existing 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(a), pending litigation: *Velez v. City of Palmdale, et al, Los Angeles Superior Court Case No. MC023216.*

10.5) Government Code Section 54956.9(a), pending litigation: *Miller v. Fairweather, et al, Los Angeles Superior Court Case No. MC023677.*

11) Public report of any action taken in closed session.

12) Board members' requests for future agenda items.

13) Adjournment.

DENNIS D. LaMOREAUX,
General Manager

DDL/dd

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 15, 2013	**May 22, 2013**
TO:	BOARD OF DIRECTORS	**Board Meeting**
FROM:	Michael Williams, Finance Manager/CFO	
VIA:	Mr. Dennis D. LaMoreaux, General Manager	
RE:	***AGENDA ITEM NO. 7.1 – CONSIDERATION AND POSSIBLE ACTION ON RESOLUTION NO. 13-9 BEING A RESOLUTION AUTHORIZING PARTICIPATION OF PALMDALE WATER DISTRICT IN THE LOCAL AGENCY INVESTMENT FUND.***	

Recommendation:

Staff recommends approving Resolution No. 13-9 authorizing deposit and withdrawals to Local Agency Investment Fund (LAIF).

Alternative Options:

There is no alternative.

Impact of Taking No Action:

The impact of not taking any action would prevent the District from withdrawing the funds on deposit currently.

Background:

The District adopted the first resolution to participate in LAIF back in 1977 and has not updated the resolution since. This Resolution is necessary in order to have current staff recognized as authorized agents of the District to deposit and withdraw funds from the account, as well as make changes when our bank account changes.

Strategic Plan Element:

This work is part of Strategic Element 5.0 Administrative Management.

Budget:

This item has no impact on the budget.

Supporting Documents:

- Resolution No. 13-9 Authorizing Participation of Palmdale Water District in the Local Agency Investment Fund

RESOLUTION NO. 13-9

AUTHORIZING PARTICIPATION OF PALMDALE WATER DISTRICT IN THE LOCAL AGENCY INVESTMENT FUND

WHEREAS, California Government Code Section 16429.1 has established the Local Agency Investment Fund; and

WHEREAS, Palmdale Water District desires to be a participant in said Local Agency Investment Fund;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Palmdale Water District, 2029 East Avenue Q, Palmdale, California, 93550, that:

1. Palmdale Water District agrees to deposit or withdraw money in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein.
2. The names and titles of the officials authorized by this Resolution to order the deposit or withdrawal of money in the Local Agency Investment Funds are:

Dennis LaMoreaux, General Manager or

Michael Williams, Finance Manager or

Robert Egan, Financial Advisor

I, Kathy Mac Laren, and I, Robert Alvarado, President and Secretary of the Board of Directors of Palmdale Water District, respectively, do hereby certify that the foregoing is a true copy of a resolution duly adopted by said Board of Directors at a regular meeting thereof duly held and convened on the 22nd day of May, 2013, at which meeting more than a quorum of said Board was present and acting throughout.

Dated this 22nd day of May, 2013.

_____

Kathy Mac Laren, President

_____

Robert Alvarado, Secretary

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 15, 2013 **May 22, 2013**

TO: BOARD OF DIRECTORS **Board Meeting**

FROM: Michael Williams, Finance Manager/CFO

VIA: Mr. Dennis D. LaMoreaux, General Manager

RE: ***AGENDA ITEM NO. 7.2 – CONSIDERATION AND POSSIBLE ACTION ON RESOLUTION NO. 13-10 BEING A RESOLUTION TO TAX DEFER MEMBER PAID CONTRIBUTIONS – IRC 414(h)(2) EMPLOYER PICK-UP CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.***

Recommendation:

Staff recommends approving Resolution No. 13-10 to tax defer member paid contributions to PERS.

Alternative Options:

There is no alternative.

Impact of Taking No Action:

The impact of not taking any action would prevent the District from withholding employee's portion of their PERS contribution on a pre-tax basis.

Background:

The District is required to begin withholding the employee's portion of their PERS contribution. The PERS contributions are for the employee's own retirement plan. Those deductions qualify for tax defer status under internal revenue code 414(h)(2). In order for the District to withhold under the code section, the District must adopt a Resolution stating it has the authority to do so.

Strategic Plan Element:

This work is part of Strategic Element 5.0 Administrative Management.

Budget:

This item has no impact on the budget.

Supporting Documents:

- Resolution No. 13-10, A Resolution to Tax Defer Member Paid Contributions – IRC 414(h)(2) Employer Pick-Up California Public Employees' Retirement System

RESOLUTION NO. 13-10

RESOLUTION TO TAX DEFER MEMBER PAID CONTRIBUTIONS – IRC 414(h)(2) EMPLOYER PICK-UP

WHEREAS, the governing body of the Palmdale Water District has the authority to implement the provisions of section 414(h)(2) of the Internal Revenue Code (IRC); and

WHEREAS, the Palmdale Water District has determined that even though the implementation of the provisions of section 414(h)(2) IRC is not required by law, the tax benefit offered by section 414(h)(2) IRC should be provided to All Employees who are members of the California Public Employees' Retirement System:

NOW, THEREFORE, BE IT RESOLVED:

I. That the Palmdale Water District will implement the provisions of section 414(h)(2) Internal Revenue Code by making employee contributions pursuant to California Government Code Section 20691 to the California Public Employees' Retirement System on behalf of all its employees or all its employees in a recognized group or class of employment who are members of the California Public Employees Retirement System. "Employee contributions" shall mean those contributions to the Public Employees' Retirement System which are deducted from the salary of employees and are credited to individual employee's accounts pursuant to California Government Code section 20691.

II. That the contributions made by the Palmdale Water District to the California Public Employees' Retirement System, although designated as employee contributions, are being paid by the Palmdale Water District in lieu of contributions by the employees who are members of the California Public Employees' Retirement System.

III. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the Palmdale Water District to the California Public Employees' Retirement System.

IV. That the Palmdale Water District shall pay to the California Public Employees' Retirement System the contributions designated as employee contributions from the same source of funds as used in paying salary.

V. That the amount of the contributions designated as employee contributions and paid by the Palmdale Water District to the California Public Employees' Retirement System on behalf of an employee shall be the entire contribution required of the employee by the California Public Employees' Retirement Law (California Government Code Sections 20000, et seq.).

VI. That the contributions designated as employee contributions made by Palmdale Water District to the California Public Employees' Retirement System shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by the California Public Employees' Retirement System.

PASSED AND ADOPTED by the governing body of the Palmdale Water District

_____
this day of May 22, 2013.

BY

_____
(Signature of Official)

President, Board of Directors
(Title of Official)

RETURN ADDRESS:

Palmdale Water District

2029 East Avenue Q

Palmdale, CA 93550

FOR CALPERS USE ONLY

RESOLUTION TO TAX DEFER MEMBER PAID CONTRIBUTIONS – IRC 414(h)(2)

Approved by: _____

Title: _____

PALMDALE WATER DISTRICT

BOARD MEMORANDUM

DATE:	May 15, 2013	**May 22, 2013**
TO:	BOARD OF DIRECTORS	**Board Meeting**
FROM:	Mr. Matthew Knudson, Engineering Manager	
VIA:	Mr. Dennis LaMoreaux, General Manager	
RE:	***AGENDA ITEM NO. 7.3 - CONSIDERATION AND POSSIBLE ACTION ON AWARD OF CONTRACT FOR THE CONSTRUCTION OF THE WATER MAIN REPLACEMENT IN DIVISION ST., CAROLSIDE AVE., GLENRAVEN AVE., STANRIDGE AVE., 3RD ST. E., AND SUMAC AVE. UNDER SPECIFICATION NO. 1204***	

Recommendation:

Staff recommends that the Board award a contract to Barnett VanDyne Construction, Inc. from Lancaster, CA in the not-to-exceed amount of $806,857.00 for the construction of the water main replacement in Division St., Carolside Ave., Glenraven Ave., Stanridge Ave., 3rd St. East, and Sumac Ave. under Specification No. 1204; provided, however, that the award shall be conditioned upon the issuance of the District's Series 2013A Water Revenue Bonds.

The proposal submitted by Barnett VanDyne Construction, Inc. includes an option for the District to substitute the new water main material with PVC C-900 Pipe in lieu of Ductile Iron Pipe per the plans and specifications. This option will reduce the contract price by $25,000, and the District will consider this option after the contract is awarded at the base price.

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. These improvements, studies and plans are estimated to cost approximately $8,500,000.

This project is identified as one of the District's most critical water main replacement projects. This contract, in the amount of $806,857.00, will be funded from said Water Revenue Bonds, Series 2013A proceeds.

The Water Revenue Bonds, Series 2013A is expected to close and fund on May 30, 2013.

Background:

This project will consist of the installation and replacement of approximately 6,509 feet of water main and appurtenances with new 6 and 12-inch water main in the area bounded by Ave. Q, Ave. Q-3, Division St., and 4th St. E. The existing water main was originally constructed between 1953 and 1957 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.

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

Barnett VanDyne Construction, Inc., located at P.O. Box 4270, Lancaster, CA 93539 holds a current and active Class A – General Engineering Contractor license. The contractor's state license number is 555781. This license was first issued on February 1, 1989. The license expiration date is February 28, 2015.

The total bid price in the bid proposal submitted by Barnett VanDyne Construction, Inc. is $806,857.00. A cashier's check in the amount of $81,000.00, or 10 percent, of the total bid price was submitted with the bid proposal.

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

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.

Barnett VanDyne Construction, Inc. has satisfactorily completed numerous water system improvement projects within the District including residential, commercial, relocation and repair. Barnett VanDyne Construction, Inc. has demonstrated a comprehensive grasp of the District's Standard Specifications for Water Distribution System Construction and works well with Engineering and Inspection Staff.

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 Barnett VanDyne Construction, Inc. will perform 90% 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.

Barnett VanDyne Construction, Inc., as the lowest responsible bidder, has met the criterion of providing the lowest bid price of qualified firms at $806,857.00. The lowest qualified bid price is $18,763.00, or 2.3 percent, lower than the next lowest bid.

Strategic Plan Element

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

Supporting Documents:

- Bid Results Summary
- Proposal Package from the Lowest Responsible Bidder
- Notice of Exemption (CEQA Compliance)

PALMDALE WATER DISTRICT SPECIFICATION NO. 1204 BID RESULTS SUMMARY

WATER MAIN REPLACEMENT IN DIVISION ST., CAROLSIDE AVE., GLENRAVEN AVE., STANRIDGE AVE., 3RD ST. EAST, AND SUMAC AVE.

ENGINEERS EST. $680,000

BIDDER	STATUS	RAW LUMP SUM BID AMOUNT	MOB	SHT/SHORE	PIPE	PAVING	ALL OTHER	G&C PAVE	PVC DEDUCT	5% LOCAL BIDDER REDUCTION	ADJUSTED LUMP SUM BID AMOUNT
B.V. CONSTRUCTION, INC.	LOCAL	$806,857.00	$21,850.00	$500.00	$549,211.00	$162,462.00	$65,334.00	$7,500.00	$25,000.00	$40,342.85	$766,514.15
HPS MECHANICAL, INC.	NON-LOCAL	$825,620.00	$38,000.00	$2,500.00	$602,850.00	$165,000.00	$5,770.00	$11,500.00			$825,620.00
PYRAMID BUILDING &ENGINEERING, INC.	NON-LOCAL	$832,250.00	$13,000.00	$2,000.00	$500,000.00	$286,000.00	$7,500.00	$23,750.00			$832,250.00
CHRISTENSEN BROTHERS GEN. ENG., INC.	NON-LOCAL	$842,640.88	$10,310.81	$1,441.51	$621,475.20	$195,690.00	$6,423.36	$7,300.00	$35,000.00		$842,640.88
VIDO SAMARZICH, INC.	NON-LOCAL	$948,000.00	$30,000.00	$5,000.00	$713,000.00	$150,000.00	$25,000.00	$25,000.00			$948,000.00
HIGH DESERT CONTRACTORS, INC.	LOCAL	$1,064,250.00	$35,000.00	$30,000.00	$635,000.00	$270,000.00	$28,000.00	$66,250.00		$53,212.50	$1,011,037.50
TEJON CONSTRUCTORS, INC.	LOCAL	$1,172,244.00	$50,000.00	$75,000.00	$700,000.00	$285,000.00	$19,744.00	$42,500.00	$45,000.00	$58,612.20	$1,113,631.80

PROPOSAL

BIDDER'S DECLARATION

Gentlepersons:

The undersigned hereby proposes to perform all work for which a contract may be awarded them and to furnish any and all plant, labor, services, material, tools, equipment, supplies, transportation, utilities, and all other items and facilities necessary therefor as provided in the Contract Documents, and to do everything required therein for the construction of the Water Main Replacement as specifically set forth in documents entitled "Specification No. 1204 – Construction of the Water Main Replacement in Division St., Carolside Ave., Glenraven Ave., Stanridge Ave., 3rd St. East, and Sumac Ave." together with addenda thereto, all as set forth on the drawings and in the specifications and other Contract Documents (hereinafter the "Work"); and they further propose and agree that, if this Proposal is accepted, they will contract in the form and manner stipulated to perform all the Work called for by drawings, specifications, and other Contract Documents, and to complete all such Work in strict conformity therewith within the time limits set forth therein, and that they will accept as full payment therefor the prices set forth in the Bid Sheet(s) forming a part hereof. It is understood that there are two options upon which the undersigned may bid, that a proposal may be submitted for either or both options, and that the undersigned is prepared to perform as provided in the Contract Documents on either option for which a proposal is submitted.

(check one)

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

properly made payable to Palmdale Water District, hereinafter designated as the Owner, for the sum of $ 81,000.00, which amount is not less than 10 percent of the total amount of this bid, as provided in Section N-9 of the Notice Inviting Bids, is attached hereto and is given as a guarantee that the undersigned will execute the Agreement and furnish the required bonds and insurance if awarded the contract and, in case of failure to do so within the time provided, the

(check one)

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

It is understood and agreed that:

1. The undersigned has carefully examined all the Contract Documents, as defined in Section N-12 of the Notice Inviting Bids, including, but not limited to, the bid quantities, any specifications regarding materials to be used, the contract provisions relating to payment for extra work and the procedures for seeking extensions of time;

2. The undersigned, by investigation at the site of the work, by review of any records available for inspection at the offices of utilities in the area affected by the Work, at any applicable public works departments, and otherwise, is satisfied as to the nature and location of the work and is fully informed as to all conditions and matters which can in any way affect the work or the cost thereof, including the location of all underground facilities in the area affected by the Work;

3. The undersigned fully understands the scope of the Work and has checked carefully all words and figures inserted in this Proposal and further understands that the Owner will in no way be responsible for any errors or omissions in the preparation of this Proposal;

4. The undersigned will execute the Agreement and furnish the required Performance and Payment Bonds and proof of insurance coverage within ten (10) days (not including Sundays and holidays) after Owner's notice of acceptance of this Proposal; and further, that, unless otherwise specified in the Special provisions, this Proposal may not be withdrawn for a period of sixty (60) days after the date set for the opening thereof, notwithstanding the award of contract to another bidder. If the undersigned bidder withdraws this Proposal within said period, said bidder shall be liable under the provisions of the Bid Security, or said bidder and their surety shall be liable under the Bid Bond, as the case may be.

5. The undersigned hereby certifies that this Proposal is genuine and not sham or collusive or made in the interest or in behalf of any person not herein named, and the undersigned has not directly or indirectly induced or solicited any other bidder to put in a sham bid, or any other person, firm, or corporation to refrain from bidding; the undersigned has not in any manner sought by collusion to secure for themselves an advantage over any other bidder.

6. In conformance with current statutory requirement of the Labor Code of the State of California, the undersigned certifies as follows:

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

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

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

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

dba: B.V. CONSTRUCTION (INC.)

Dated APRIL 10 20____

Bidder: BARNETT VANDYNE CONSTRUCTION INC

By: Helen Barnett

Title: PRES/RMO

Bidder's post-office address:

P.O. BOX 4270

LANCASTER, CA. 93539

Telephone No.: 661-948-8764

Facsimile No.: 661-722-4054

Corporation organized under the laws of the State of CALIF

Contractor's License(s): 555781

Expiration Dates: 02/28/2015

Surety or sureties:

BOND GROUP
PAYNE FINANCIAL GROUP
BILLINGS MONTANA.

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

BID SCHEDULE

Schedule of Prices for Construction of
Water Main Replacement in Division St., Carolside Ave., Glenraven Ave., Stanridge Ave., 3rd St. East, and Sumac Ave.
for
Palmdale Water District

Item	Description	Quantity	Unit	Unit Price	Item Amount
1	Mobilization	1	LS	21,850.00	$21,850.00
2	Sheeting, shoring, and bracing for all work indicated.	1	LS	500.00	$500.00
3	Construct ductile iron pipe water pipeline, including bedding, backfill, and appurtenances	1	LS	549,211.00	$549,211.00
4	Base paving and finish paving	1	LS	162462.00	$162,462.00
5	All other work indicated not included in items 1 through 4 above	1	LS	65,334.00	$65,334.00
6	Grind and cap pave approx. 5,000 Sq. Ft. of existing leak repair patches	5,000	SF	1.50	$7,500.00

Total $806,857.00

INFORMATION REQUIRED OF BIDDER

EQUIPMENT/MATERIAL SOURCE INFORMATION

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

Specification	Equipment/Material	Manufacturer/Supplier
1204	FITTINGS / PIPE	SIGMA / PACIFIC STATES

LIST OF PROPOSED SUBSTITUTIONS

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

Spec Section	Equipment & Manufacturer	Add	Deduct
2-05	P.V.C PIPE	$	$ 25,000.00
		$	$

INFORMATION REQUIRED OF BIDDER

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

FRANK & BRENT BANNETT VISITED THE SITE ON MULTIPLE OCCASIONS IN MARCH AND APRIL OF 2013

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

SEE ATTACHED SHEET

*ALSO COMPLETED PHASE I OF THIS PROJECT APRIL 2013

B.V. CONSTRUCTION incorporated

GENERAL ENGINEERING / GENERAL BUILDING / ENVIRONMENTAL
CALIF. LIC. NO. 555781

EXHIBIT B
WATER REMAIN PROJECTS ONLY

PARTIAL LIST OF COMPLETED WATER RE-MAIN ONLY CONTRACTS

- OWNER: LITTLEROCK CREEK IRRIGATION DISTRICT
  PROJECT LOCATION: LITLEROCK CALIF
  TYPE OF PROJECT: WATER REMAIN-HWY 138
  CONTACT PERSON: BRAD BONES
  TELEPHONE: (661) 944-2015

- OWNER: L.A. COUNTY WATER
  PROJECT LOCATION: BIG ROCK CREEK
  TYPE OF PROJECT: WATER REMAINS
  PROJECTS = 4= LAKE LA / LITTLEROCK CREEK/ DESERT VIEW HIGHLANDS/ ROCK CREEK / DATE AVE.
  CONTACT PERSON: DAN JONES
  TELEPHONE: (805) 940-5456
  APPROX. = $ 350,400.00 TO $900,000.00

- OWNER: PALMDALE WATER DISTRICT
  PROJECT LOCATION:PALMDALE, CA.
  TYPE OF PROJECT: WATER RE-MAINS
  CONTACT PERSON: MATHEW KNUDSON / PETER THOMPSON
  TELEPHONE: (661) 947-4111

APPROX. = $ 850,000..00 / DEC. 2008
APPROX. = $ 800,000.00 / JAN. 2009
APPROX. = $ 638,000.00 / MAY. 2005
APPROX. = $ 700,000.00 / MAY. 2010
APPROX. = $ 500,000.00 /JULY. 2011
APPROX. = $ 900,000.00 /APRIL. 2013

- OWNER: VENTURA COUNTY
  PROJECT LOCATION:VENTURA, CA.
  TYPE OF PROJECT: WATER RE-MAINS
  CONTACT PERSON: REBBY PAKALA
  TELEPHONE: (805) 584-4830

APPROX. = $ 1,137,805.00 /JUNE-2007

- OWNER: UNITED WATER CONSERVATION DISTRICT
  PROJECT LOCATION: LAKE PIRU
  TYPE OF PROJECT: BARGE / WATER TREATMENT AND PUMP STATION
  CONTACT PERSON: JIM GRIISHAM
  TELEPHONE: (805) 525-4431
  APPROX. = $ 750,000.00

P.O. BOX 4270, LANCASTER, CALIF. 93539
(661) 948-8764 (661) 722-4054 FAX.
bvconstruction.inc@earthlink.net

CONTRACTOR'S LICENSING STATEMENT

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

Contractor's License Number(s), Type(s) and Expiration Date(s): 555281 A-B-HAZ

Expiration Date: 02/28/2015

Name of Individual Contractor (print or type): N/A

Signature of Owner: _____

Business Address: _____

or

Name of Partnership or Firm: N/A

Business Address: _____

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

Signed: _____ Name: _____

Title: _____ Address: _____

Signed: _____ Name: _____

Title: _____ Address: _____

Signed: _____ Name: _____

Title: _____ Address: _____

dba: B.V. CONSTRUCTION INC.)

Name of Corporation: BARNETT VAN DYNE CONSTRUCTION INC.

Business Address: P.O. BOX 4270 LANCASTER CA. 93539

Corporation organized under the laws of the State of CALIFORNIA

SEAL

Franklin H Barnett

FRANKLIN H. BARNETT
Signature of Secretary of Corporation

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

State Of California
CONTRACTORS STATE LICENSE BOARD
ACTIVE LICENSE

Consumer Affairs

License Number **555781** Entity CORP

Business Name BARNETT-VAN DYNE CONSTRUCTION INC DBA B V CONSTRUCTION

Classification(s) A B HAZ

Expiration Date 02/28/2015 www.cslb.ca.gov

[redacted]

Any change of business address/name must be reported to the Registrar within 90 days.

This license is not transferrable, and shall be returned to the Registrar upon demand when suspended, revoked, or invalidated for any reason. This pocket card is valid through the expiration date only.

If found, drop in any mailbox.
Postage guaranteed by:
Contractors State License Board
P.O. Box 26000, Sacramento CA 95826

Licensee Signature

P-7A

LIST OF SUBCONTRACTORS

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

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

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

Subcontractor	License No. & Type	Main Office Address	% of Total Dollar Value Work	Description of Subcontract
BC RINCON	775327	SOMIS, CA.	10%	PAVING

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

BID SECURITY FORM

(Check or Cash to Accompany Bid)

Accompanying this Proposal is

(check one)

☐ Cash

☒ Certified check payable to the order of Palmdale Water District ("Owner")

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

in the amount of $81,000.00, this amount being not less than ten percent (10%) of the total amount of the bid (hereinafter referred to as "Bid Security"). EIGHTY ONE THOUSAND DOLLARS AND 00/100

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

dba: B.V. CONSTRUCTION (INC)
BARNETT VANDYNE CONSTRUCTION INC.

BIDDER PRESIDENT

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

0000724 / Office AU # | 11-24 / 1210(8)

CASHIER'S CHECK

0072400295

Operator I.D.: cu014335 cu019682

April 10, 2013

PAY TO THE ORDER OF ***PALMDALE WATER DISTRICT***

Eighty-one thousand dollars and no cents **$81,000.00**

WELLS FARGO BANK, N.A.
43543 20TH ST W
LANCASTER, CA 93534
FOR INQUIRIES CALL (480) 394-3122

VOID IF OVER US $ 81,000.00

AUTHORIZED SIGNATURE

⑈0072400295⑈ ⑆121000248⑆4861 511483⑈

Gave original check to Mike Williams 4/12/13 for safe keeping.

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

IN WITNESS WHEREOF, we hereunto set our hands and seals this _____ day of _____, 20 ____

_____ (SEAL)
(Principal)

By _____

THIS FORM NOT USED.

_____ (SEAL)
(Surety)

By _____

NOTE:

(1) This bid bond form is a **mandatory form**.

(2) The bid bond form should specify an exact number of dollars which shall not be less than ten percent (10%) of the total amount of the bid.

(3) The bid bond form must be acknowledged before notary publics, and a legally sufficient power of attorney must be attached to the bid bond to verify the authority of the party signing on behalf of the surety.

MANDATORY FORM

TO BE EXECUTED BY EACH BIDDER

NON-COLLUSION AFFIDAVIT

STATE OF CALIFORNIA)
)SS
COUNTY OF LOS ANGELES)

HELEN BARNETT, being first duly sworn, deposes and
[NAME]
says that he/she is PRESIDENT / RMO
(SOLE OWNER, A PARTNER, PRESIDENT, SECRETARY, ETC.)
of BARNETT LAW PIPELINE CONSTRUCTION INC dba B.N. CONSTRUCTION INC, the party submitting a
[IDENTITY OF BIDDER]
bid for a contract covering SPECIFICATION NO. 1204
(DESCRIBE NATURE OF CONTRACT)
that such a bid is not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization, or corporation; that such bid is genuine and not collusive or sham; that said bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, nor that anyone shall refrain from bidding; that said bidder has not in any manner, directly or indirectly, sought by agreement, communications or conference with anyone to fix the bid price of said bidder or any other bidder, nor to fix any overhead, profit, or cost element of such bid price, nor of that of any other bidder, nor to secure any advantage against the public body awarding the contract or anyone interested in the proposed contract; that all statements contained in such bid are true; and, further, that said bidder has not, directly or indirectly, submitted their bid price or any breakdown thereof, nor the contents thereof, nor divulged information or data relative thereto, nor paid and will not pay any fee in connection therewith to any corporation, partnership, company, association, organization, bid depository, nor to any member or agent thereof, nor to any other individual except to such person or persons as have a partnership or other financial interest with said bidder in their general business.

Dated: 4-10-2013

Signed: [signature]

PRES/RMO
[TITLE]

Subscribed and sworn to before me this 10th day of APRIL, 2013.

[signature]
Notary Public

SEAL

PAM DOBBINS
Commission # 1984930
Notary Public - California
Los Angeles County
My Comm. Expires Jul 26, 2016

PALMDALE WATER DISTRICT

2029 East Avenue Q • Palmdale, California 93550 • Telephone (661) 947-4111
Fax (661) 947-8604
www.palmdalewater.org

LAGERLOF, SENECAL, GOSNEY & KRUSE LLP
Attorneys

Board of Directors

ROBERT E. ALVARADO
Division 1

GORDON G. DEXTER
Division 2

GLORIA DIZMANG
Division 3

KATHY MAC LAREN
Division 4

STEVE R. CORDOVA
Division 5

ADDENDUM NO. 1

TO

CONTRACT DOCUMENTS AND SPECIFICATIONS

FOR

CONSTRUCTION OF THE WATER MAIN REPLACEMENT IN DIVISION ST., CAROLSIDE AVE., GLENRAVEN AVE., STANRIDGE AVE., 3RD ST. EAST, AND SUMAC AVE.

SPECIFICATION NO. 1204

March 6, 2013

ITEM NO. 1 – SECTION N-2 OF NOTICE INVITING BIDS – DATE OF OPENING BIDS

The date of opening bids in Section N-2 of Notice Inviting Bids of the Contract Documents shall be changed from March 13, 2013 to April 10, 2013.

MATTHEW KNUDSON
Engineering Manager
MRK/PKT/pkt

PALMDALE WATER DISTRICT

2029 East Avenue Q • Palmdale, California 93550 • Telephone (661) 947-4111
Fax (661) 947-8604
www.palmdalewater.org

Board of Directors

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Division 4

STEVE R. CORDOVA
Division 5

LAGERLOF, SENECAL, GOSNEY & KRUSE LLP
Attorneys

ADDENDUM NO. 2

TO

CONTRACT DOCUMENTS AND SPECIFICATIONS

FOR

CONSTRUCTION OF THE WATER MAIN REPLACEMENT IN DIVISION ST., CAROLSIDE AVE., GLENRAVEN AVE., STANRIDGE AVE., 3RD ST. EAST, AND SUMAC AVE.

SPECIFICATION NO. 1204

March 25, 2013

ITEM NO. 1 – MATERIAL LIST QUANTITY CHANGE

The Material List quantity shown on Sheet 1 of the project plans for Item No. 20 pertaining to the Sheet No. 4 and Total columns shall be changed to 3.

ITEM NO. 2 – CITY OF PALMDALE GRIND AND CAP PAVING REQUIREMENTS

The City of Palmdale Requirements regarding Grind and Cap Paving have been updated. The bidder is responsible to be aware of any new requirements which may affect the bid. For information regarding the updated requirements contact Mr. Charles Love at (661) 267 5683.

MATTHEW KNUDSON
Engineering Manager
MRK/PKT/pkt

DEPARTMENT OF CONSUMER AFFAIRS
Contractors State License Board

Contractor's License Detail - License # 555781

DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.

CSLB complaint disclosure is restricted by law (B&P 7124.6) If this entity is subject to public complaint disclosure, a link for complaint disclosure will appear below. Click on the link or button to obtain complaint and/or legal action information.

Per B&P 7071.17 , only construction related civil judgments reported to the CSLB are disclosed.

Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.

Due to workload, there may be relevant information that has not yet been entered onto the Board's license database.

License Number	**555781** **Extract Date** 4/12/2013
Business Information	BARNETT-VAN DYNE CONSTRUCTION INC dba B V CONSTRUCTION Business Phone Number: (661) 948-8764 P O BOX 4270 LANCASTER, CA 93539
Entity	Corporation
Issue Date	02/01/1989
Expire Date	02/28/2015
License Status	ACTIVE This license is current and active. All information below should be reviewed.
Classifications	CLASS DESCRIPTION A GENERAL ENGINEERING CONTRACTOR B GENERAL BUILDING CONTRACTOR
Certifications	CERT DESCRIPTION HAZ HAZARDOUS SUBSTANCES REMOVAL
Bonding	CONTRACTOR'S BOND This license filed a Contractor's Bond with AMERICAN CONTRACTORS INDEMNITY COMPANY. **Bond Number:** SC665752 **Bond Amount:** $12,500 **Effective Date:** 03/02/2009 Contractor's Bond History BOND OF QUALIFYING INDIVIDUAL 1. The Responsible Managing Officer (RMO) BARNETT HELEN LOUISE certified that he/she owns 10 percent or more of the voting stock/equity of the corporation. A bond of qualifying individual is **not** required.

Effective Date: 07/19/1990

Workers' Compensation	WORKERS' COMPENSATION This license is exempt from having workers compensation insurance; they certified that they have no employees at this time. **Effective Date:** 09/10/2012 **Expire Date:** None Workers' Compensation History

Personnel listed on this license (current or disassociated) are listed on other licenses.

Personnel List | Other Licenses

Conditions of Use | Privacy Policy
Copyright © 2010 State of California

RECEIVED
MAY 06 2013

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. 1204 – Water Main Replacement

Project Location-Specific:

Construction of Water Main Replacement in Division St., Carolside Ave., Glenraven Ave., Stanridge Ave., 3rd St. East, and Sumac Ave.

Project Location-City: Palmdale

Project Location-County: 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).
_X_Categorical Exemption. State type and section number:

2013 061919
FILED
Mar 28 2013
Dean C. Logan, Registrar – Recorder/County Clerk
Electronically signed by BRANDIE EVANS

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	x118

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 X No

Date: 3/18/13

Signature

Engineering Manager
Title

THIS NOTICE WAS POSTED
ON March 28 2013
UNTIL April 29 2013
Removed 4-30-13 PB
REGISTRAR – RECORDER/COUNTY CLERK

AGENDA ITEM NO. 7.4

PALMDALE WATER DISTRICT

BOARD MEMORANDUM

DATE:	May 16, 2013	**May 22, 2013**
TO:	BOARD OF DIRECTORS	**Board Meeting**
FROM:	Mr. Matthew Knudson, Engineering Manager	
VIA:	Mr. Dennis LaMoreaux, General Manager	
RE:	***AGENDA ITEM NO. 7.4 – CONSIDERATION AND POSSIBLE ACTION ON AGREEMENT FOR WATER STORAGE TANK MAINTENANCE SERVICES.***	

Recommendation:

Staff recommends that the Board approve the attached maintenance service agreement with Superior Tank Solutions, Inc. in the not-to-exceed amount of $319,100/year for the next five (5) years to renovate and maintain six of the District's existing water storage tanks per AWWA D 102-06 standards.

Superior Tank Solution's fee structure addresses the annual cost for the prescribed work scope. The total cost for the prescribed work scope and maintenance can be obtained by multiplying the annual cost by five. The immediate renovation costs and the maintenance costs are spread over a period of five (5) years. At the completion of this five-year term, the District can extend the Maintenance Program furnished by Contractor for up to ten (10) additional one (1) year renewal periods at a cost of $21,500/year.

This item will be reviewed and discussed at the May 21, 2013 Facilities Committee meeting.

Project Background:

The District currently has twenty-one (21) water storage tanks in the system totaling fifty-two (52) million gallons of storage. Attached is a table that lists the location, size, type, and year constructed for each of the District's tanks and are sorted based on the year constructed. As you can see, a majority of the District's tanks were constructed within the last twenty years, and the coatings are in good condition. The tanks that are identified to be part of this program are highlighted on the attached spreadsheet, and as indicated, the exterior coating, interior coating, or both are in need of removal and replacement in order to maintain the structural integrity of the steel.

District staff has had a number of discussions with Superior Tank Solutions, Inc. regarding the scope of the proposed maintenance agreement to determine the approach and scope best suited for the District. Based on those discussions, staff recommends only including the tanks that are in a condition where immediate renovation is needed and not including those tanks that are in good condition as part of the renovation and maintenance program.

The District has also recently completed a six year program with Utility Services, Inc. on seven tanks that had some interior and exterior renovations as well. Those maintenance activities are shown on the attached spreadsheet. Staff did meet and request a competitive proposal from Utility Services, Inc. to perform this work but never received a proposal after contacting them several times. The proposal we received from Superior Tank Solutions, Inc. is 10% less than the previous contract with Utility Services, Inc. if you compare the surface area of coatings under this program vs. the previous program.

Strategic Plan Element

Strategic Goal 3.1 – Plan for improvements and expansion of existing water delivery infrastructure

Budget

The 2013 Budget includes $315,000.00 under Budget Req. No. RCP04 for the 2013 payment of the tank rehabilitation and maintenance service agreement.

Supporting Documents

- Palmdale Water District Storage Tank Summary
- Proposed Agreement, Scope of Work, and Fee Structure

PALMDALE WATER DISTRICT
STORAGE TANK SUMMARY

TANK	CAPACITY (MG)	TANK MATERIAL	YEAR BUILT	INTERIOR RECOAT DATE	EXTERIOR REPAINT DATE
WELL NO. 14A	0.138	Bolted Steel	1958		
2.6 MG RESERVIOR	2.6	Welded Steel	1960	5/14/2009	2/6/2008
3 MG CLEARWELL	3	Welded Steel	1960	7/31/2008	7/31/2008
ANA VERDE TOVEY	0.3	Welded Steel	1963	1/9/2009	7/10/2000
UPPER EL CAMINO (3900)	0.3	Welded Steel	1963	6/1/2012	1/16/2002
WELL NO. 5	0.126	Welded Steel	1963		
WELL NO. 18/19	0.041	Bolted Steel	1969		
25TH STREET NO 1	2	Welded Steel	1976	11/21/2008	9/18/2007
25TH STREET NO 2	4	Welded Steel	1987	2015	8/31/2007
45TH STREET NO 1	3	Welded Steel	1987	10/30/2008	12/19/2006
47TH STREET NO 1	2	Welded Steel	1987		2013
5 MG RESERVOIR	5	Welded Steel	1987		2014 - Spot Repairs
LOWER EL CAMINO	2	Welded Steel	1988	2011 - Spot Repairs	2013
45TH STREET NO 2	4	Welded Steel	1990	2014	7/26/2006
47TH STREET NO 2	3	Welded Steel	1990	2013	2013
WALT DAHLITZ	1.5	Welded Steel	1992		
EL CAMINO UNDERGROUND	1.5	Concrete	1994		
6 MG CLEARWELL	6	Welded Steel	1998		
50TH STREET NO 1	4	Welded Steel	2005		
45TH STREET NO 3	4	Welded Steel	2006		
50TH STREET NO 2	4	Welded Steel	2006		

AGREEMENT

This Agreement is entered into this ____ day of May, 2013 by and between PALMDALE WATER DISTRICT ("District") and SUPERIOR TANK SOLUTIONS, INC. ("Contractor").

District and Contractor agree as follows:

1. Provision of Services and Materials. Contractor shall perform the services and furnish the materials as set forth in the Scope of Work described in Paragraph 2, below. Such services shall be referred to as the "Work." Contractor shall furnish all labor, material, tools, and equipment necessary to accomplish the Work and shall remove all unnecessary items upon completion of the Work.

2. Scope of Work. Contractor shall provide the services set forth on the Scope of Work and projected work schedules attached hereto as Exhibit A, which is fully incorporated herein by this reference.

3. Compensation and Payment; Term. The District shall pay Contractor a total contract amount of $1,595,500.00 for the Work, to be payable in five (5) equal installments of $319,100.00 during the five (5) year term of this Agreement, commencing June 1, 2013 and continuing through May 31, 2018, to be paid as provided in the "Pricing" provisions of Exhibit A hereto. Upon expiration of the five (5) year term of this Agreement, the District can extend the Maintenance Program furnished by Contractor for up to ten (10) additional one (1) year renewal periods, from 2018 through and including 2027, at a cost of $21,500 per year, and for additional periods thereafter in accordance with the "Pricing" provisions set forth in Exhibit A hereto. The District shall notify Contractor in writing on or before May 15 of each year for which the District desires such extension of the Maintenance Program to continue; provided that such notice may apply to extensions for multiple years as set forth in the notice.

4. License. Contractor represents and warrants that it now possesses, and at all times during performance of the Work will possess the necessary contractor's license required by law to enable the Contractor to perform the Work contemplated under this Agreement. Contractor shall provide District with its Contractor's license number and expiration date, and shall present satisfactory evidence that its license is in good standing.

5. Supervision and Superintendence. The Contractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with this Agreement. The Contractor shall be solely responsible for the means, methods, techniques, sequences and procedures in completing the Work. Contractor shall only utilize skilled workers to perform any part of the Work that requires special qualifications.

6. Independent Contractor Status. Contractor is an independent contractor and will maintain complete control of and responsibility for its employees, subcontractors, and agents.

Contractor shall supervise, inspect, and direct the Work competently and efficiently, devoting such time and attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with this Agreement.

7. Bond Requirements. Contractor shall provide, at Contractor's expense, a Payment Bond, on the mandatory form attached hereto, prior to commencing the Work. The Payment Bond shall be in the sum of $1,000,000.00, and shall be placed with a surety or sureties satisfactory to the District. The cost of such bond shall be included in the compensation set forth in Paragraph 3, above.

8. Indemnification. Contractor shall, to the extent permitted by law, indemnify, defend and hold harmless the District and its directors, officers, employees, agents and representatives from and against all claims, liabilities, damages, losses or expenses to the extent arising out of the performance of the Work by Contractor or its employees, agents or subcontractors. The claims, liabilities, damages, losses or expenses covered hereunder include, but are not limited to, settlements, judgments, court costs, attorneys' fees and other litigation expenses, fines and penalties arising out of actual or alleged: (a) injury to or death of any person, including employees of Contractor or District, or (b) loss of or damage to property, including property of Contractor or District, or (c) breach of contract, or (d) damage to the environment. The indemnification obligations under this Paragraph 8 shall not be restricted to insurance proceeds, if any, received by either party or any of their respective directors, officers, employees, agents and/or volunteers.

9. Insurance.

A. The Contractor shall not commence or continue to perform any work hereunder unless the Contractor, at its own expense, has in full force and effect, while the Work is in progress and for the full guarantee period: i) a commercial general liability insurance policy insuring against general bodily injury and property damage (ISO Commercial General Liability - Occurrence Form CG 0001) with a limit of not less than $2,000,000 per occurrence and $5,000,000 aggregate; ii) a policy insuring against automobile bodily injury and property damage (ISO Form Number CA 0001 (ed. 1/87) with a limit of not less than $1,000,000 per occurrence, including owned, non-owned and hired autos, and providing coverage for loading and unloading; and iii) workers compensation insurance, in accordance with the workers compensation laws of the State of California. All such policies shall be considered primary in relation to any other insurance maintained by the District and such other insurance maintained by the District shall be considered excess insurance, and not contributing insurance with respect to the insurance required herein. Each policy of insurance, except for workers compensation, shall be endorsed to name the District as an additional insured, and to state that the policy shall not be cancelled, reduced or materially modified without at least thirty (30) days' written notice to the District. Contractor shall provide the District with a certificate evidencing such insurance. Contractor shall not permit any subcontractor to perform work on this project unless all workers' compensation insurance requirements have been complied with by such subcontractor. The Contractor shall defend, protect and save harmless the District and its directors, officers, employees, agents and volunteers from and against all claims, suits and actions arising from

any failure of the Contractor or any subcontractor to maintain such workers' compensation insurance.

B. Insurers must be authorized to do business and have an agent for service of process in California and must have an "A" policyholder's rating and a financial rating of at least Class X in accordance with the most current Best's Rating.

C. Any failure of any Contractor-provided insurance to at least match the insurance requirements of this article, whenever such failure is discovered, shall not be the basis on any legal theory whatsoever for any lessening whatsoever of Contractor's financial responsibilities under this Contract for risks described in this Paragraph 9. Nothing contained in the insurance requirements shall be construed as limiting the extent of the Contractor's responsibility for payment of greater damages resulting from the Contractor's operations under this Agreement.

10. Time for Completion. Contractor shall coordinate with the District the Work to be performed under this Agreement and shall diligently undertake such Work, to complete it in accordance with the "Project Timeframe" provisions of Exhibit A hereto in as prompt a manner possible in order to minimize any impacts to the operation of the District's water storage and distribution system. Time is of the essence in this Agreement.

11. Acceptance and Final Cleanup. Upon completion of each phase of the Work, Contractor shall notify the District, which shall inspect the Work and, if, in the District's sole discretion, it is satisfied with the Work, accept that phase of the Work in writing. Upon completion of the Work, the Contractor shall clean the grounds occupied in connection with the Work of all rubbish, excess materials and equipment, and all parts of the Work and grounds occupied shall be left in a neat and presentable condition. In the event the Contractor fails to clean up as specified herein, clean up may be performed by the District at the Contractor's expense.

12. Warranty. The Contractor shall perform its work in accordance with the standards of care and diligence customary in the industry. The District shall notify the Contractor of any defects in the Work and Contractor shall promptly repair any such defect at no additional cost to the District. During the term of this Agreement, and during any extension of the Maintenance Program under Section 3, above, Contractor shall inspect the Work at least annually, as set forth in the "Maintenance Program Projected Schedules" attached hereto as Exhibit A, and shall promptly repair any defects noted.

13. Prevailing Wage. The Contractor shall comply with Labor Code Section 1775. In accordance with said Section 1775, the Contractor shall forfeit as a penalty to the District such amount as the Labor Commissioner shall determine for each calendar day or portion thereof for each worker paid less than the stipulated prevailing rates for such work or craft in which such worker is employed for any work done under the Agreement by them or by any subcontractor under them in violation of the provisions of the Labor Code and, in particular, Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to said Section 1775, the difference between such stipulated prevailing wage rates and the amount paid to each worker for each calendar day or portion

thereof for which each worker was paid less than the stipulated prevailing wage rate shall be paid to each worker by the Contractor.

14. Termination for Cause. If the Contractor refuses or fails to prosecute all or any part of the Work in accordance with this Agreement, or if the Contractor is adjudged a bankrupt, or makes a general assignment for the benefit of its creditors, or if a receiver is appointed on account of its insolvency, or if the Contractor or any of its subcontractors violate any of the provisions of the Agreement, or refuse or fail to supply enough properly skilled workers or proper materials to complete the Work in the manner specified, or the Contractor fails to make prompt payment to subcontractors or for material or labor, or if the Contractor disregards any laws or ordinances, or instructions given by the District, the District may, without prejudice to any other right or remedy, serve written notice upon the Contractor and its surety of its intention to terminate the Agreement. Any such notice by the District shall set forth the reasons for the intended termination of the Agreement, and unless within ten (10) days after the service of such notice such violations shall cease and satisfactory arrangements for the corrections thereof be made, the Agreement shall upon the expiration of said ten days cease and terminate. In such case, the Contractor shall not be entitled to receive any further payment until the Work is finished. Upon termination as provided above, the District shall immediately give written notice to the surety and the Contractor, and the surety shall have the right to take over and perform the Agreement; provided, however, that if the surety within fifteen (15) days after receipt of a notice of termination does not notify the District in writing of its intention to take over and perform the Agreement, or does not commence performance of the Work within thirty (30) days from the date of serving said notice, the District may take over the Work and prosecute the same to completion by contract or by any other method it may deem advisable for the account and at the expense of the Contractor, and the Contractor's surety shall be liable to the District for any excess cost or other damage incurred by the District thereby. For any portion of such work that the District elects to complete by furnishing its own employees, materials, tools, and equipment, the District shall be compensated in accordance with the usual hourly salaries paid to such employees who perform the required work.

15. Termination Without Cause. Notwithstanding Section 14, the District may terminate this Agreement without any cause as described in Section 14, above, by giving Contractor at least twenty (20) days written notice of such termination and Contractor shall cease performing all Work, unless otherwise authorized in writing by the District. In the event of such termination without cause, the District shall, within thirty (30) days of receipt of an invoice from Contractor describing such completed Work, pay Contractor the reasonable value of all Work completed by Contractor prior to the date of the notice of termination. The District shall thereafter be released from any further liability for any remaining sums due under this Agreement.

16. Notices. Unless otherwise provided in this Agreement, any notice, tender, or delivery to be given under this Agreement by either party to the other may be effected by personal delivery in writing, by facsimile or by registered or certified mail, postage prepaid, return receipt requested, and will be deemed communicated as of time of delivery for personal delivery, the time any such facsimile transmission is complete or two (2) days after mailing. Mailed notices must be addressed

as set forth below, but each party may change its address by written notice in accordance with this paragraph.

If to District:	Palmdale Water District Attention: General Manager 2029 East Avenue Q Palmdale, CA 93550-4050 (661) 947-4111; Fax: (661) 947-8604
If to Contractor:	Superior Tank Solutions, Inc. Attention: Mr. John Hake 9500 Lucas Ranch Road Rancho Cucamonga, CA 91730 (661) 400-1634; Fax: (661) 722-9890

17. Severability. 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.

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

19. Entire Agreement. 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.

20. Binding Effect. This Agreement will be binding on and inure to the benefit of the parties to this Agreement and their heirs, personal representatives, successors and assigns.

21. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

22. Venue and Jurisdiction. 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.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date specified above.

"District" By: _____
Palmdale Water District Dennis LaMoreaux,General Manager

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

"CONTRACTOR"

SUPERIOR TANK SOLUTIONS, INC.

License No. 939335 By: _____
Expiration Date: 10/31/2013 Title: _____

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

Contractors are required by law to be licensed and regulated by the Contractors' State License Board, which has jurisdiction to investigate complaints against contractors if a complaint is filed within three years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, SUPERIOR TANK SOLUTIONS, INC., hereinafter referred to as "Contractor," as principal, and _____, as surety, are held and firmly bound unto Palmdale Water District, hereinafter referred to as "District," in the sum of $1,000,000.00, lawful money of the United States of America, for the payment of which sum, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and/or assigns, jointly and severally, firmly by these presents.

The condition of the foregoing obligation is such that,

WHEREAS, said Contractor has been awarded and is about to enter into a contract with District for work as specifically set forth in Exhibit A to the Agreement between the parties, and is required under the terms of the Agreement to give this bond in connection with the execution of said contract:

NOW, THEREFORE, if Contractor, or any of its subcontractors, fails to pay for any materials, equipment, or other supplies, or for rental of same used in connection with the performance of work contracted to be done or for work or labor thereon of any kind, or fails to pay any of the persons named in Section 9100, California Civil Code or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant or for any amounts required to be deducted, withheld and paid to the Employment Development Department from the wages of employees of the Contractor and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code with respect to such work and labor and all other applicable laws of the state of California and rules and regulations of its agencies, then said surety will pay for the same in an amount not exceeding the sum specified above. This bond shall inure to the benefit of any persons named in Civil Code Section 9100, so as to give a right of action to them or their assigns in any suit brought upon this bond. This bond shall be subject to and include all of the provisions of Titles 1 and 3, as applicable, of Part 6 of Division 4 of the Civil Code of the State of California relating to Payment Bond for Public Works, including but not limited to Civil Code Sections 8152 and 8154 and 9550-9560, inclusive.

PROVIDED, that any alterations in the work to be done, or the material to be furnished, which may be made pursuant to the terms of said Agreement, shall not in any way release either the Contractor or the surety thereunder, nor shall any extensions of time granted under the provisions of said Agreement release either the Contractor or the surety, and notice of such alteration or extensions of the Agreement is hereby waived by the surety.

WITNESS our hands this _____ day of _____ , 2013

Contractor:
SUPERIOR TANK SOLUTIONS, INC.

By: _____
Title: _____

Surety: _____
By: _____
Title: _____
Home Office Address:
_____
_____
Phone: _____
Attorney-in-Fact:
_____
Address: _____
_____
Phone: _____

NOTE: This bond must be acknowledged before notary publics, and a legally sufficient power of attorney must be attached to the bond to verify the authority of any party signing on behalf of a surety.

SUPERIOR TANK SOLUTIONS

PALMDALE WATER DISTRICT
2013 TANK REHABILITATION AND MAINTENANCE PROGRAM

BACKGROUND:

In conjunction with information compiled by the District and through independent inspections, a work scope was developed to rectify the most critical issues impacting the District's welded steel potable water storage tanks. The following information identifies each of the subject tanks and the prescribed work scope applicable to each tank. Additionally, the time frame associated with the completion of the work on each tank is addressed along with the overall cost structure.

All prioritized work can be divided in to four categories of service as follows:

1. Interior Coating Removal, Steel Repairs, Installation of a New Interior Coating System and Implementation of an Ongoing Tank Maintenance Program
2. Exterior Coating Repairs and Full Over-Coating
3. Exterior Coating Repairs Only
4. Initiation of an Ongoing Tank Maintenance Program

The following overview defines the specific work scope for each of these categories of service and tanks that require this service to be performed.

INTERIOR COATING REMOVAL, STEEL REPAIRS, INSTALATION OF A NEW COATING SYSTEM AND IMPLEMENTATION OF AN ONGOING MAINTENANCE PROGRAM:

Three tanks require this work as detailed below:

- 25th Street 4.0 MG Welded Steel Tank
- 45th Street 4.0 MG Welded Steel Tank
- 47th Street 3.0 MG Welded Steel Tank

The rehabilitation work scope applicable to these three tanks is as follows:

- Employ confined space entry procedures, enter tank and remove residual sediment.
- Abrasive blast interior surfaces to an SSPC SP10 "Near White Metal" cleanliness
- Impart a 2.0 Mil surface profile minimum
- Apply two coats of an NSF 61 approved epoxy coating achieving a total thickness of 8-12 mils
- Stripe coat all irregular surfaces to insure full coverage
- Holiday detect all immersion surfaces per NACE RPO 188
- Test and dispose of all waste abrasive
- Clean site to pre-work conditions
- Ventilate tank to insure proper curing of the coating system
- Disinfect tank per AWWA C.652 Spray Method #2
- Supply and install new man-way gaskets and seal tank upon completion
- All work shall conform to AWWA D.102-06 "Inside Coating System #1" recommendations.

INTERIOR COATING REMOVAL, STEEL REPAIRS, INSTALATION OF A NEW COATING SYSTEM AND ONGOING MAINTENANCE PROGRAM (continued):

The ongoing maintenance work scope applicable to these three tanks is as follows:

- Wash-out warrantee inspection and repairs 11 months after completion of interior renovation.
- Perform annual professional visual inspections through 2017
- Perform 2nd wash-out inspections in years 2016 - 2017.
- Perform localized coating repairs in conjunction with 2nd wash-out.
- Provide emergency services as necessary through 2017.

EXTERIOR COATING REPAIRS AND FULL OVER-COATING:

Three tanks require this work as detailed below:

- 47th Street 2.0 MG Welded Steel Tank
- 47th Street 3.0 MG Welded Steel Tank
- Lower El Camino 2.0 MG Welded Steel Tank

The work scope applicable to these three tanks is as follows:

- Pressure water wash tank exterior surfaces at 3,500 psi using pressurized water
- Spot prepare localized defect areas exhibiting bare steel per SSPC SP3 requirements
- Smoothly feather transition area between bare steel and intact coatings
- Apply an epoxy coating to bare steel surfaces achieving a total thickness of 3-5 mils
- Apply a full coat of epoxy coating to entire exterior achieving a total thickness of 3-5 mils
- Apply a full coat of urethane topcoat to entire exterior achieving a total thickness of 2-3 mils
- District to choose specific color of topcoat
- Clean site to pre-work conditions

Note: The known presence of lead in the exterior coatings on each of the above noted tanks will require the implementation of lead abatement procedures that fulfill all Federal, State and Local regulatory requirements.

EXTERIOR COATING REPAIRS ONLY:

One tank requires this work scope as detailed below:

- Old Nadeau 5.0 MG Welded Steel Tank

This work scope is predicated on the fact that the existing exterior coating system on this tank is relatively uniform and intact. The required repairs are aesthetic in nature and are required to eliminate the color differentiation adjacent to the exterior ladder and cage assembly. Although some color and sheen differentiation will be unavoidable, this repair operation will minimize the color discrepancy and provide a straight repair line to match the vertical lines of the ladder and cage assembly. The disturbance of existing coatings will be performed in strict compliance with Federal, State and Local regulatory requirements.

SUPERIOR TANK SOLUTIONS

ONGOING TANK MAINTENANCE:

Three tanks require this work as detailed below:

- Treatment Plant 2.6 MG Welded Steel Tank
- Old Clear-Well 3.0 MG Welded Steel Tank @ Sierra Hwy & Ave. S
- 25th Street 2.0 MG Welded Steel Tank

The work scope applicable to these three tanks is as follows:

- Inspect tanks in 2013 to verify the absence of catastrophic failures from recent rehabilitations
- Perform annual professional visual inspections through 2017
- Perform wash-out inspections in 2013 and 2017.
- Perform localized coating repairs in 2013 and 2017 as necessary
- Provide emergency services as necessary

PRICING:

The total pricing for the performance of the entire work scope detailed above is as follows:

- 2013 $319,100
- 2014 $319,100
- 2015 $319,100
- 2016 $319,100
- 2017 $319,100

Upon completion and payment of this 5 year contract, all of the above work will be completed and paid in full. Because of the cost spread and the work scheduling (as detailed in the following section), the actual cost of the work performed will more that the amount paid by the District through 2016. All corporate profitability will be gained in the 2017 payment after the final portions of project costs are paid.

The first mile stone for work completion will be at the completion of interior rehabilitation on the 47th Street 3.0 MG Tank and the completion of exterior over-coating of the Lower El Camino Tank and both 47th Street Tanks. Upon completion of this work the first payment will be invoiced to the District. The subsequent four payments will be invoiced annually on this date.

The second mile stone for work completion will be at the completion of the 45th Street 4.0 MG Tank and the repair work on the Old Nadeau Tank. In the event that the 45th Street 4.0 MG Tank interior and the Old Nadeau Repair work is not completed prior to the second anniversary date in 2014, the District's payment can be delayed until this tank is completed.

The third mile stone for work completion will be at the completion of the 25th Street 4.0 MG Tank. In the event that the 25th Street 4.0 MG Tank interior is not completed prior to the third anniversary date in 2015, the District's payments can be delayed until this work is completed.

PRICING (Continued):

If the District chooses to continue the Tank Maintenance Program on the six tanks (25th Street 2.0 MG, 25th 4.0 MG, 45th 4.0 MG, 47th 3.0 MG, Old Clear Well, and Treatment Plant) covered through 2017, the cost to continue this program after 2017 on all six tanks is as follows:

2018	$21,500/year	2023	$21,500/year
2019	$21,500/year	2024	$21,500/year
2020	$21,500/year	2025	$21,500/year
2021	$21,500/year	2026	$21,500/year
2022	$21,500year	2027	$21,500/year

Note: Upon completion of this 10 year term (2018 – 2027), the continuation of the maintenance program can be accomplished over the following 10 years time increment (2028 – 2037) with an inflationary adjustment capped at 10%. On this basis, the maximum possible inflationary adjustment will increase the annual maintenance fee to $23,750/year for years 2028 thru 2037. The District can cancel the maintenance program at any time with no penalty. All pricing is predicated on each of the subject tanks being dewatered by the District. STS will remove (and reinstall) man-way covers and remove all silt and residual water after the tank is drained. The District is responsible for valve lock-out procedures to ensure that water flow into the tank is discontinued until the specific interior operation is completed.

PROJECT TIMEFRAME:

It is anticipated that the schedule detailed below will be required to complete the proposed work scope for each of the subject tanks. The focus of this scheduling is to complete a reasonable amount of work for the District each year. This scheduling will permit the work to be performed at times when the District can feasibly incur tank outages while allowing the work to be performed in climates conducive to proper surface preparation, coating application and curing.

The work has been coordinated to address the most severely degraded tanks first. In the event that unforeseen circumstances increases the priority of work on tanks not scheduled to be immediately renovated, the scheduling of this tank work will be accelerated at no change to the above noted pricing schedule.

INTERIOR COATING REMOVAL, STEEL REPAIRS, INSTALATION OF A NEW COATING SYSTEM AND ONGOING MAINTENANCE PROGRAM:

2013 – 1st and 2nd Quarter
- 47th Street 3.0 MG Welded Steel Tank

2014 – 1st and 2nd Quarter
- 45th Street 4.0 MG Welded Steel Tank

2015 – 1st and 2nd quarter
- 25th Street4.0 MG Welded Steel Tank

INTERIOR COATING REMOVAL, STEEL REPAIRS, INSTALATION OF A NEW COATING SYSTEM AND ONGOING MAINTENANCE PROGRAM (Continued):

The ongoing maintenance work scope applicable to these three tanks is as follows:

- Wash-out warrantee inspection and repairs 11 months after completion of interior renovation.
- Perform annual professional visual inspections through 2017
- Perform 2nd wash-out inspections in years 2016 - 2017.
- Perform localized coating repairs in conjunction with 2nd wash-out
- Provide emergency services as necessary

EXTERIOR COATING REPAIRS AND FULL OVER-COATING:

2013

- Lower El Camino 2.0 MG Welded Steel Tank
- 47th Street 3.0 MG Welded Steel Tank
- 47th Street 4.0 MG Welded Steel Tank

No ongoing work is applicable to these tanks. A warrantee inspection will be performed on these tanks 11 months after completion of the exterior over-coating operation. All defects will be satisfactorily repaired at this time.

EXTERIOR COATING REPAIRS:

2014

- Old Nadeau Tank

No ongoing work is applicable to this tank. A warrantee inspection will be performed on this tank 11 months after completion of the exterior repair operation. All defects in the newly repaired exterior coatings will be satisfactorily repaired at this time

ONGOING TANK MAINTENANCE:

The work scope applicable to the 25th Street 2.0 MG Tank, Treatment Plant Tank and the Old Clear Well Tank (as detailed below) is intended to seamlessly initiate upon completion of the existing maintenance program on these tanks. The scheduling for the work will be on an annual basis and include the annual professional inspections and wash-out inspections as previously detailed. Emergency service needs will be scheduled on an as-needed basis.

2013-2017

- 25th Street 2.0 MG Tank, Treatment Plant Tank, and Old Clear-well Tank
    - Wash-out, inspection and repairs in 2013
    - Perform annual professional visual inspections through 2017
    - Perform 2nd wash-out inspections in years 2016 - 2017.
    - Perform localized coating repairs in conjunction with 2nd wash-out
    - Provide emergency services as necessary

DEPARTMENT OF CONSUMER AFFAIRS
Contractors State License Board

Contractor's License Detail - License # 939335

DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.

CSLB complaint disclosure is restricted by law (B&P 7124.6) If this entity is subject to public complaint disclosure, a link for complaint disclosure will appear below. Click on the link or button to obtain complaint and/or legal action information.

Per B&P 7071.17 , only construction related civil judgments reported to the CSLB are disclosed.

Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.

Due to workload, there may be relevant information that has not yet been entered onto the Board's license database.

License Number	**939335** **Extract Date** 5/14/2013
Business Information	SUPERIOR TANK SOLUTIONS INC Business Phone Number: (909) 912-0580 9500 LUCAS RANCH ROAD RANCHO CUCAMONGA, CA 91730
Entity	Corporation
Issue Date	10/26/2009
Expire Date	10/31/2013
License Status	ACTIVE This license is current and active. **All information below should be reviewed.**
Classifications	CLASS DESCRIPTION A GENERAL ENGINEERING CONTRACTOR
Bonding	CONTRACTOR'S BOND This license filed a Contractor's Bond with SAFECO INSURANCE COMPANY OF AMERICA. **Bond Number:** 6622052 **Bond Amount:** $12,500 **Effective Date:** 10/08/2009 BOND OF QUALIFYING INDIVIDUAL 1. The Responsible Managing Officer (RMO) MARQUEZ LEWIS ARTHUR certified that he/she owns 10 percent or more of the voting stock/equity of the corporation. A bond of qualifying individual is **not** required. **Effective Date:** 10/26/2009
Workers' Compensation	WORKERS' COMPENSATION This license has workers compensation insurance with GRANITE STATE INSURANCE COMPANY

Policy Number: WC005564262

Effective Date: 08/26/2012

Expire Date: 08/26/2013

Workers' Compensation History

Personnel listed on this license (current or disassociated) are listed on other licenses.

Personnel List | Other Licenses

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AGENDA ITEM NO. 7.6

ASSOCIATION OF CALIFORNIA WATER AGENCIES
ACWA REGION 8 – WHAT LIES BENEATH?
A LOOK AT GROUNDWATER IN SOUTHERN CALIFORNIA
June 13, 2013
Carson

NAME:_____

ADVANCE REGISTRATION DEADLINE**:** JUNE 6, 2013

MEALS: ___YES ___NO SPOUSE: ___YES ___NO SPOUSES' TOUR: ___YES ___NO

DEPARTMENTAL TRAVEL BUDGET:

REGISTRATION:_____ TRAVEL:_____
TOTAL REMAINING BALANCE:_____

PROPOSED EXPENSES:

Registration:	_____
Transportation:	_____
Meals:*	_____
Miscellaneous:	_____
TOTAL:	_____

*DIRECTORS: Expenses are outlined in Section 4.06.1 of the District's Rules and Regulations.
*FOR STAFF: Meal limitations are outlined on pages 30 and 31 of the District's Employee Manual.
Please review these limitations.

HOTEL ACCOMMODATIONS: ___YES ___NO REGISTRATION DEADLINE:_____
ARRIVAL DATE/TIME:_____ DEPARTURE DATE/TIME:_____

TYPE OF ACCOMMODATIONS:
_____ SINGLE (1 PERSON)
_____ DOUBLE (2 PEOPLE)
_____ (2 PEOPLE/2 BEDS)

AIRLINE RESERVATIONS: ___YES ___NO

DEPART FROM _____ on _____ at _____ AM/PM
(airport) (date) (time)

RETURN FROM _____ on _____ at _____ AM/PM
(airport) (date) (time)

SUPERVISOR APPROVAL:_____ DATE:_____

910 K Street, Suite 100 • Sacramento, CA 95814 • 916.441.4545 • www.acwa.com



Association of California Water Agencies
Since 1910
Leadership • Advocacy
Information • Service

2012-2013
ACWA Region 8 Board

Chair
Gail Pringle, *Calleguas Municipal Water District*

Vice Chair
Stephen Cole, *Newhall County Water District*

Board Members
Robert Bowcock, *Main San Gabriel Watermaster*

Tom Coleman, *Orchard Dale Water District*

Robert Katherman, *Water Replenishment District of Southern California*

Event is underwritten by ACWA Region 8

For questions, please contact ACWA Regional Affairs Representative Marcia Wulff at marciaw@acwa.com or call 916-441-4545

ACWA Region 8 Presents:

What Lies Beneath?
A Look at Groundwater in Southern California

Thursday, June 13, 2013 • 9:00 a.m. – 3:00 p.m.

City of Carson Senior Center
701 E Carson Street, Carson, CA

9:00 – 9:30 a.m. Onsite Registration, Check In, Continental Breakfast, Networking

PROGRAM

9:45 – 10:00 a.m. ***Welcome***

- Gail Pringle, Chair, ACWA Region 8

10:00 – 11:30 a.m. ***Groundwater Basin Management Perspectives: Where We've Been and Where We're Going***

Moderator: Shane Chapman, Upper San Gabriel Valley Municipal Water District
- Kirby Brill, General Manager, Mojave Water Agency
- Rick Hansen, General Manager, Three Valleys Municipal Water District
- Tony Zampiello, Executive Officer, Main San Gabriel Basin and Raymond Basin Watermaster

11:30 – 12:30 p.m. **Lunch – *The Development of Groundwater Basins in Southern California***

- Ken Manning, Executive Officer, San Gabriel Basin Water Quality Authority

12:45 – 2:00 p.m. ***When We Tussle – – Storage Rights***

Moderator: Rob Katherman, Director, Water Replenishment District of Southern California
- Robb Whitaker, General Manager, WRD of Southern California
- Bill Kruse, Attorney, Central Basin Water Association
- Kevin Wattier, General Manager, City of Long Beach Water Department
- Tony Perez, General Manager, Central Basin Municipal Water District

2:00 – 3:00 p.m. ***Groundwater Quality Challenges – The Future is Now***

Moderator: Rich Atwater, Executive Director, Southern California Water Committee
- Donald Froelich, Vice President, Division 3, Moulton Niguel Water District
- Greg Galindo, General Manager, La Puente Valley County Water District
- Adan Ortega, Principle, Water Conservation Partners, Inc.

MINUTES OF MEETING OF THE OUTREACH COMMITTEE OF THE PALMDALE WATER DISTRICT, APRIL 8, 2013:

A regular meeting of the Outreach Committee of the Palmdale Water District was held Monday, April 8, 2013, 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:	**Others Present:**
Outreach Committee:	Mike Williams, Finance Manager
Gloria Dizmang, Chair	Jim Stanton, Information Technology Manager
Robert Alvarado, Committee Member	Claudette Beck, Water Conservation Supervisor
	Dawn Deans, Executive Assistant
	0 members of the public

2) **Adoption of Agenda.**

It was moved by Committee Member Alvarado, 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 11, 2013.

After a brief discussion, it was moved by Committee Member Alvarado, seconded by Chair Dizmang, and unanimously carried to approve the minutes of the meeting held March 11, 2013, as written.

4.2) Discussion of Next Issue of Water News. (Water Conservation Supervisor Beck)

Water Conservation Supervisor Beck reviewed the upcoming issue of Water News followed by discussion of the articles and revisions, a poetry contest, Before the First Drop survey results, climate change, and promotion of the ease of paying water bills on line

through the Water News, distribution of English/Spanish flyers at the front counter and at the Senior Center computer classes, and through Facebook.

4.3) Discussion of "Before the First Drop" Marketing Campaign. (Chair Dizmang)

Water Conservation Supervisor Beck reviewed the items completed for the "Before the First Drop" marketing campaign for entry into ACWA's Best in Blue Achieving Communications Excellence Awards Program, the use of the telephone system for promotion of the campaign, the Rules and Regulations for the landscape makeover drawing, coordination of a flash mob dance video, the budget for the campaign including educational videos, and promotion of the campaign through Twitter.

Chair Dizmang then requested that the first educational video be presented to the full Board and commended Water Conservation Supervisor Beck on her creativity with the "Before the First Drop" campaign.

4.4) Discussion and Possible Action on Social Media Marketing Campaign. (Information Technology Manager Stanton)

Information Technology Manager Stanton stated that the issue on the adult t-shirts with Ventura Graphics has been resolved with the District receiving a full refund; that an adult t-shirt proof has been received from Kosick's Keepsakes and, if acceptable, he will instruct them to proceed; that the t-shirts should be available by the time of the next Committee meeting; and that the social media marketing campaign can then begin after which the Committee agreed that the proof is acceptable.

4.5) Discussion of Aquadog Animation. (Information Technology Manager Stanton)

Information Technology Manager Stanton reviewed the time involved for producing quality animation products and then recommended the Committee consider a contract with Miller Bell Video in the amount of $1,450.00 for animation of Aquadog followed by discussion of the use of this animation and the budget, and the Committee concurred with staff's recommendation.

4.6) Discussion and Possible Action on MOU for A.V. Water Partners. (Water Conservation Supervisor Beck)

Water Conservation Supervisor Beck stated that the Memorandum of Understanding (MOU) between the A.V. Water Partners is a framework of cooperation for water conservation efforts and projects between the District, Quartz Hill Water District, Los Angeles County Waterworks District No. 40, and Rosamond Community Services District followed by discussion of 'Other Interested Groups,' the potential partnership of the Antelope Valley Resource Conservation District, AVEK's participation, of withdrawal from the MOU, and of event participation, and the Committee concurred with the MOU for the A.V. Water Partners and recommended it be presented to the full Board for consideration.

5) Old Business.

5.1) Discussion of Amendment to the District's Rules and Regulations Regarding Community Presentations and Policy for Requesting District Speakers and Presentations. (General Manager LaMoreaux)

Information Technology Manager Stanton reviewed the draft on line Speaker Request Form for the proposed Policy for Requesting District Speakers and Presentations and routing of the Speaker Request Form, and after discussion of the timeline and direction for requesting and scheduling speakers, Committee Member Alvarado requested a hard copy of the Speaker Request Form, clarification on Item No. 4 of the proposed Policy specifying if the disclosure statement is verbal, written, or both, and if written, a copy of the disclosure form provided for Committee review, and the preparation of a Powerpoint presentation to facilitate Directors providing basic information to groups.

Water Conservation Supervisor Beck then informed the Committee that she and General Manager LaMoreaux are scheduled to speak Friday at the Antelope Valley Black Chamber of Commerce luncheon and that on April 11, she and Greenbee Nursery are scheduled on air for one hour at High Desert Broadcasting to discuss the 'Before the First Drop' campaign, sources of water, the Bay-Delta, and tips for a water-wise landscape.

5.2) Discussion and Possible Action on Video Media for Front Lobby and Development of a Progressive Outreach Video. (Committee Member Alvarado/Information Technology Manager Stanton)

Information Technology Manager Stanton informed the Committee that work continues on the history video, and it will be presented to the Committee when complete.

6) Information Items.

6.1) Update on Landscape Workshops. (Water Conservation Supervisor Beck)

Water Conservation Supervisor Beck informed the Committee that District workshops are scheduled for April 13 and 25 on landscape and design for the Cash for Grass Program; that a schedule for the A.V. Water Partners' A.V. College Landscape Workshops is posted on the District's website; that the District will host the April and June A.V. College Landscape Workshops; and that additional District Landscape Workshops may be scheduled.

6.2) Update on Schedule for On Air Discussions. (Water Conservation Supervisor Beck)

Water Conservation Supervisor Beck stated that she provided an update on this item under Agenda Item No. 5.1 followed by discussion of additional on air topics.

Water Conservation Supervisor Beck then stated that she will schedule on air time with Time Warner Cable to discuss the "Before the First Drop" survey.

6.3) Update on "Blow-up-the-Box" Staff Committee. (Water Conservation Supervisor Beck)

Finance Manager Williams informed the Committee that the Blow-up-the-Box Committee has not yet had an opportunity to meet and then provided an overview of the previous items resulting from this Committee including the elimination of the late billing notice, the new bill format in an 8-1/2 x 14 template, the handling of service orders through the use of I-pads, improving the application process and instant ID checks, and requiring owners to sign up for water service.

Committee Member Alvarado then stated that customer service should be at the forefront center of attention of the Blow-up-the-Box Committee after which Chair Dizmang stated that the Blow-up-the-Box Committee is a managerial function but the Outreach Committee could help, if needed, for putting Blow-up-the-Box Committee suggestions into practice and then inquired about any consistent customer concerns that may be able to be addressed technologically.

Finance Manager Williams then reviewed on-hold times, the upcoming interactive voice recognition phone system, and the issues associated with cash customer payment practices after which Chair Dizmang recommended the office doors be closed at 4:30 p.m., and after a brief discussion of this option and reducing overtime costs, she stated she will present this matter to the Finance Committee for discussion as a cost-cutting option.

It was then determined that staff will provide the Committee with status reports on the Blow-up-the-Box Committee.

6.4) Other.

The requirements for the Special District Leadership Foundation "District Transparency Certificate of Excellence" were briefly discussed after which Committee Member Alvarado requested staff provide a report at the next Committee meeting on the District's status in meeting these requirements.

There were no further information items.

6) Board Members' Requests for Future Agenda Items.

It was determined that "Update on status of meeting requirements for Special District Leadership Foundation "District Transparency Certificate of Excellence" and "Update on District plant sale" will be added to the next agenda for consideration.

Water Conservation Supervisor Beck then informed the Committee that the Antelope Valley Resource Conservation District is holding a grand opening on May 4, 2013 from 9 a.m. to 4 p.m.; that the District will have a booth at this event; and then requested volunteers to work the booth.

There were no further requests for future agenda items.

The next Outreach Committee meeting was scheduled for May 6, 2013 at 3:00 p.m.

7) Adjournment.

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

Gloria A. Dizmang
Chair

MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT, APRIL 10, 2013:

A meeting of the Finance Committee of the Palmdale Water District was held Wednesday, April 10, 2013, 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:	**Others Present:**
Finance Committee:	Dennis LaMoreaux, General Manager
Gloria Dizmang, Chair	Mike Williams, Finance Manager
Steve Cordova, Committee Member	Bob Egan, Financial Advisor
	Peter Thompson II, Operations Manager
	Dennis Hoffmeyer, Senior Accountant
	Dawn Deans, Executive Assistant
	1 member of the public

2) **Adoption of Agenda.**

It was moved by Committee Member Cordova, 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 13, 2013.

After a brief discussion, it was moved by Committee Member Cordova, seconded by Chair Dizmang, and unanimously carried to approve the minutes of the meeting held March 13, 2013.

4.2) Discussion and Overview of Cash Flow Statement and Current Cash Balances as of February 28, 2013. (Financial Advisor Egan)

Financial Advisor Egan reviewed the investment funds report and cash flow statement as of February 28, 2013 and stated that cash has increased over $300,000, which

is approximately $1 million over last year; that conference calls were held today with the bond rating agencies regarding increasing the District's bond rating, and those agencies were impressed with the District's increased cash, debt service coverage, and water rate increase and should respond on the increase in the next two weeks; that January and February water sales and assessments increased; and that capital improvement fees were paid back at the request of a developer and then reviewed anticipated payments through year-end.

4.3) Discussion and Overview of Financial Statements, Revenue and Expense and Departmental Budget Reports for February 28, 2013. (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, 2013 and stated that accumulated depreciation is outpacing new assets and that all departments are operating at or below the targeted expenditure percentage of 16.6% and continue to keep expenses low and control costs.

Adjudication costs, overtime costs, and staffing issues were then discussed.

4.4) Discussion and Overview of Committed Contracts Issued. (Engineering Manager Knudson)

General Manager LaMoreaux reviewed the Projected Payout Schedule for Committed Contracts through April 2013 and stated that the majority of contracts are nearing the end; that additional projects will be added to this Schedule when the financing effort is successful; that bids were opened earlier today for the second half of the water main replacement project near Sumac Avenue; and that this project is ready to move forward when financing is set.

The status of the GAC coconut pilot project was then discussed.

4.5) Discussion and Overview on Project Financing Options. (Financial Consultant Egan/Finance Manager Williams)

Finance Manager Williams reviewed a cost comparison of new money options for the District separate from the refinance bond issue followed by discussion of cash flow and the option of early pay-off of the bonds.

4.6) Discussion and Possible Action on Resolution No. 13-7, a Resolution of the Board of Directors of the Palmdale Water District Authorizing the Execution and Delivery of a Joint Exercise of Powers Agreement By and Between the Palmdale Water District and California Municipal Finance Authority Approving Membership in the Authority and Forming the Palmdale Water District Public Financing Authority. (Financial Advisor Egan/Finance Manager Williams)

General Manager LaMoreaux provided an overview of Resolution No. 13-7, and after a brief discussion of the Resolution and of the Public Financing Authority, the Committee recommended that Resolution No. 13-7 be presented to the full Board for consideration at the April 10, 2013 regular Board meeting.

4.7) Discussion and Possible Action on Survey Results for Implementing a Level Pay Program. (Director Dizmang/Finance Manager Williams)

Finance Manager Williams stated that 288 responses were received for the Level Pay Program survey; that the majority were in favor of a Level Pay Program but not in favor of paying a fee to participate in a Level Pay Program; and that based on the percentage of customers interested in a Level Pay Program, it is not cost effective to implement a Level Pay Program.

Chair Dizmang then requested a record of the Level Pay Program survey results be kept on file for future reference.

4.8) Discussion and Possible Action on Establishing a CalPERS Trust Fund for OPEB Costs. (Finance Manager Williams/General Manager LaMoreaux)

Finance Manager Williams informed the Committee of the District's OPEB reporting requirements and stated that CalPERS developed a trust fund for these future OPEB costs; that the District is meeting its reporting obligations on a pay-as-you-go basis; and that participation in this trust fund would restrict cash flow after which the District's cash flow, a future actuarial of OPEB costs, CalPERS interest rates, and reviewing the CalPERS Trust Fund in the future were discussed.

5) Information Items.

There were no further information items.

6) Board Members' Requests for Future Agenda Items.

After a brief discussion, it was determined that an item be placed on the next agenda for "Discussion and possible action on reducing the various costs associated with cash payments" after which Chair Dizmang requested staff present different scenarios for reducing the various costs.

There were no further requests for future agenda items.

The next Finance Committee meeting was then scheduled for May 8, 2013 at 5:00 p.m.

7) Adjournment.

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

Chair

PALMDALE WATER DISTRICT

DEPARTMENT STATUS REPORT

April 2013

DATE: May 16, 2013

TO: BOARD OF DIRECTORS

FROM: Dennis D. LaMoreaux, General Manager

OPERATIONS

Peter Thompson II, Operations Manager

- Lab staff finished compiling data for the Consumer Confidence Report.
- Lab staff finished compiling data for and presented the Public Health Goal Report.
- Systems staff gave annual inspection tour to California Dept. of Public Health.
- Treatment staff completed a rebuild of flocculator drives for sedimentation basin #1.
- Lab staff completed second and final quarter of soluble organic carbon testing.
- Systems staff deployed three more radios in the Distribution System Radio Upgrade Project.
- The total production for April was 1686 Acre Feet (AF). 66% was from Surface Water, and 34% was from Groundwater. The total delivery of water to Lake Palmdale was 1291.6 Acre Feet, 1279.6 AF of which came from the DWR turnout and 12 AF came from AVEK via the Palmdale Ditch. April 2013's production was up by 14.3% compared to April 2012's and is a 7.4% increase when compared to the five year average for April.

ENGINEERING

Matt Knudson, Engineering Manager

- **Title: Hydro-Electric Generator Repairs:** The replacement hydro-electric generator is scheduled to be delivered on May 16, 2013, and it is scheduled to take approximately 3-weeks to install and get operational.

- **Hydro Pneumatic Tank Replacement:** The temporary tanks are in place that will feed the water system in this area while the new tank is being installed and tested. The new hydro tank will be installed the week of May 20, 2013.

- **Specification No. 1101 – GAC Adsorption System at Underground Booster Station:** The manufacturer has confirmed delivery of the new GAC vessel in approximately five weeks, and this will allow us sufficient time to complete the necessary site improvements to support said vessel. The contractor that was recently awarded a contract to perform said site improvements is scheduled to start construction the week of May 20, 2013.

- **Specification No. 0904 – 16th, 17th, and 18th Streets East between Avenue Q and Q-5:** Engineering staff completed the design for this specification, and we are waiting to make sure the funding is in place prior to proceeding with ordering the materials. The Facilities staff will be constructing this project vs. hiring an outside contractor.

- **Specification No. 1204 – Carolside Avenue, Glenraven Avenue, north of Avenue Q-3:** Staff is making a recommendation to award this contract at the May 22, 2013 Board meeting; provided, however, that the award shall be conditioned upon the issuance of the District's Series 2013A Water Revenue Bonds.. If awarded, the contractor will start construction by the end of June, 2013 as this will allow time to order materials and get the appropriate bonds and insurance in place.

FACILITIES
Tim Moore, Facilities Manager

- The Construction Crew repaired (33) mainline leaks and installed (4) ¾", (2) 1", and (1) 2"residential services lines. (6) Mainline leaks repaired after hours (Saturday & Sunday Emergency).

- Construction Crew installed a 6" check valve at the Sanitation District for the recycled water line that feeds McAdam Park. (This will eliminate water backflowing into the Sanitation District basin due to approximately 32' elevation difference.)

- The Ongoing Valve Exercise Program, along with the Water Quality Flushing Program, is producing good chlorine residuals and low turbidity numbers in the field with the Air-Vac Maintenance Program achieving better function in our distribution system.

- The mechanics completed (30) vehicle repairs, (8) truck and trailer repairs, (6) heavy duty and trailer repairs, (3) crane inspections, (12) HVAC pump and equipment maintenance and repairs at the Water Treatment Plant, and (5) generator and natural gas engine inspections.

- **T-8 booster:** Delivered and set up generator for planned Edison Outage.

- **Well No. 3:** While performing quarterly emissions service to generator, a fuel issue was discovered and is currently being diagnosed and repaired.

- **Well 15:** Well 15 engine top end overhaul started on April 2.

- **Well 21:** Pump motor bearing failed and motor shorted. Shop staff supervised vendor pulling and re-installing submersible pump and equipment. Well started and turned over to Pump Operators for disinfection.

PROJECTS AND CONCERNS:

Our staff continues to do our best to maintain District assets in safe, efficient and useful condition. The current staffing levels allow staff to perform most preventive maintenance and emergency repairs in a timely manner but very little staff time remains to identify maintenance and repair activities to extend the useful life and lower the lifetime cost of District assets.

INFORMATION TECHNOLOGY
Jim Stanton, Information Technology Manager

No report from Information Technology.

WATER CONSERVATION
Claudette Beck, Water Conservation Supervisor

- **Monthly Number of Rebate applications:**

Cash for Grass program all customers must sign up for 2013 program except 2012 (14) must finish by March 31, 2013

REBATES 2013	NUMBER PER MONTH												2013	2013 Paid	2013
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Totals	out	Pending
Cash for grass	36	7	7	8									58	8	50
Toilets	3	2	11	10	7								33		
Washing machines	3	1	1	5	1								11		
MP rotators	0	0	0	0									0		
Smart controllers	0	0	0	0									0		
HydroPoint Controllers	0	0	0	0									0		

- **Water News/Press Releases/Employee Newsletter/brochures:** The April e-Water News has been provided to PWD's customers. The campaign "Before the first Drop" first survey ended on April 30th. The next two months will be devoted to educating our customers about the cost of water "Before the First Drop." The Employee Newsletter continues to give updates on what is going on at the District.

- **Tours and presentations to schools:** There are tours scheduled in April. The educational program outlines tours, presentations and contests for the 2013 school year. The school contests are over, and the Directors have completed judging.

  The Conservation Department coordinates with other departments for additional public tours when there is a special occasion. These types of tours do not usually include school age children, and the District does not pay for transportation to the treatment plant unless otherwise decided and approved by the Board of Directors.

- **Events: The AV Water Partners Landscape Workshop at the A.V. College are in progress.** PWD hosted the workshop in April. Neil Weisenberger, A.V. College's Landscape Professor, continues to find landscape professional speakers for all the workshops. The AV Water Partners, consisting of Palmdale Water District, L.A. County Water Works, Rosamond Community Services District, and Quartz Hill Water District, have partnered with the A.V. College to have a series of Landscape Workshops at the college the third Saturday of every month. PWD provided two "Cash for Grass" workshops in April.

  The "Cash for Grass" Workshops will continue the third Saturday of the month until June and the fourth Thursday of the month until June. A yearly schedule of the "Cash for Grass" and the A.V. College workshops are posted on the District's web site.

- **Water Use Calculations/reports**: The Conservation Department has been inputting water use data on all rebate customers in order to analyze water use savings per customer per year and total water use savings per rebate per year. Each customer has a water use sheet, and all data for each customer is then logged into an excel database for analyzing water savings. The California Urban Water Conservation Council (CUWCC) reports will be due six months after the release of the new reporting forms. The new reporting forms should be ready late May or June. Work has started on the information that will be reported to the Department of Water Resources once the CUWCC forms are ready.

FINANCE/CUSTOMER SERVICE
Michael Williams, Finance Manager

Finance:

- Concluded the final adjustments and delivered all footnote schedules requested by the auditors.
- Completed all balancing of minor accounts through March (deposits, payroll liabilities, accruals)
- Started work on balancing of February CIP and AP accounts.
- Bank reconciliation complete through March 2013 for the Refund account.
- Started work on bank reconciliation for 2013 on General and Merchant accounts.
- Prepared cost analysis on overtime for CSRs and processing related charges for Cash, Checks, and CCs.
- Initiated advertising for first round of un-cashed warrants for 2013 with conclusion set for June 27, 2013.
- Supplied backup financial information for potential bond issuance as requested.

Customer Service:

- EBPP statistics as of 04/30/13: 11,976 registered; 3,600, or 30%, paperless; and 1,180, or 10%, Autopay.
- Processed 57 Leak Adjustment Applications. Total value of adjustments $11,722.95.
- Issued 3,121 door tags and 338 Shut-Off notices. Completed 218 applications for new service and 152 requests to close service.
- Handled 6,343 customers at the counter, of which 6,167 were payments.
- Handled 4,915 customers over the phone, 1,876 were requested call backs from phone system; of these totals, 1,973 were payments. Additional payment related detail and historical comparatives attached.

- Received 49 rejected payments, collected on 50. Dollar value of collections $3,983.97.

- Field Service crew replaced 11 Itron's, 9 registers, 16 meter Itron combinations, and 23 stuck meters. There are 474 meters and 501 register/Itron replacements needed to be complete. Staff supplied a list of 350 locations to Tejon Contractors to exchange which will use up remainder of approved contract.

- Updated MVRS software system to version 8.3.3 for use with the newer technology for meter reading and consumption analysis.

2013 PAYMENT	Apr		TOTAL YTD 2013		Apr		TOTAL YTD 2012		Change In Number of Pmts Month vs. YTD	
PROCESSING	# of	Amt	# of	Amt	# of	Amt	# of	Amt	Month	YTD
META - ACH Pymt	653	$34,618.14	2,497	$135,869.91	632	$30,674.71	2,485	$126,462.76	21	12
WES - ACH Pymt	88	4,604.11	320	$16,561.73	74	3,535.14	294	$14,724.79	14	26
EPX - Telephone CC	1,973	147,771.21	8,488	$703,047.19	1972	129,834.41	8,313	$596,534.75	1	175
INF - Website Pymts	6,037	357,076.68	23,175	$1,455,109.10	5199	270,291.65	20,544	$1,099,314.41	838	2,631
RM (Front Counter)	6,167	389,562.09	25,456	$1,764,140.71	5899	313,187.98	26,797	$1,565,958.77	268	-1,341
VAN - Vanco	2,379	124,870.37	8,888	$482,497.75	1810	86,851.39	6,708	$329,775.98	569	2,180
PM - Mail	8,728	674,837.82	33,480	$2,617,813.98	9231	654,285.03	37,484	$2,636,646.20	-503	-4,004
Total	26,025	$1,733,340.42	102,304	$7,175,040.37	24,817	$1,488,660.31	102,625	$6,369,417.66		

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 16, 2013 **May 22, 2013**

TO: BOARD OF DIRECTORS **Board Meeting**

FROM: Mr. Dennis D. LaMoreaux, General Manager

RE: ***AGENDA ITEM NO. 8.2 – REPORT OF GENERAL MANAGER – DISTRICT VACANCIES***

All budgeted positions are currently filled with the following exceptions:

Position	**Department**	**Comment**
Human Resources Manager	Human Resources	Retired
Treatment Plant Supervisor	Operations	Executing hiring process approved 2/13/13
Senior Plant Maintenance Worker	Operations	Executing hiring process approved 11/14/12
Water Quality Supervisor	Operations	Executing hiring process approved 4/10/13