PALMDALE WATER DISTRICT

2012 BUDGET

Approved: January 25, 2012

PALMDALE WATER DISTRICT
2012 BUDGET
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SECTION I
EXECUTIVE SUMMARY

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PALMDALE WATER DISTRICT

Providing High Quality Water to our Current and Future Customers at a Reasonable Cost

2012 BUDGET – EXECUTIVE SUMMARY

FOR: PALMDALE WATER DISTRICT CUSTOMERS AND STAKEHOLDERS

FROM: DENNIS LaMOREAUX, GENERAL MANAGER

Introduction

Thank you for your interest in Palmdale Water District. This document is the approved 2012 Palmdale Water District Budget. The following Executive Summary provides an overview of the District, its Strategic Plan, and how the 2012 Budget relates to the Strategic Plan.

Palmdale Water District was formed in 1918 by a vote of its customers as a public Irrigation District under the California Water Code. It had previously served the community of Palmdale as various forms of a private company for over 30 years. As a public agency, and in partnership with the neighboring Littlerock Creek Irrigation District, the District financed and built Littlerock Dam to increase water supplies. This remains an important resource today for the District's customers. It also demonstrates how the District's foresight and planning has created a strong foundation for the community of Palmdale.

Palmdale Water District enters its 94th year as a public agency in 2012 and retains its focus of providing a critical service to its customers through this approved Budget. The focus is identified in the District's Strategic Plan, including the Mission Statement shown in the heading. The Strategic Plan also identifies the Core Values exercised by the District and the Strategic Elements required to accomplish its Mission. The management Strategic Elements provide the framework for the remaining 2012 Budget discussion. They are:

- ✓ ***Financial Management***
- ✓ ***Administrative Management***
- ✓ ***Infrastructure Management***
- ✓ ***Natural Resources Management***
- ✓ ***Personnel Management***

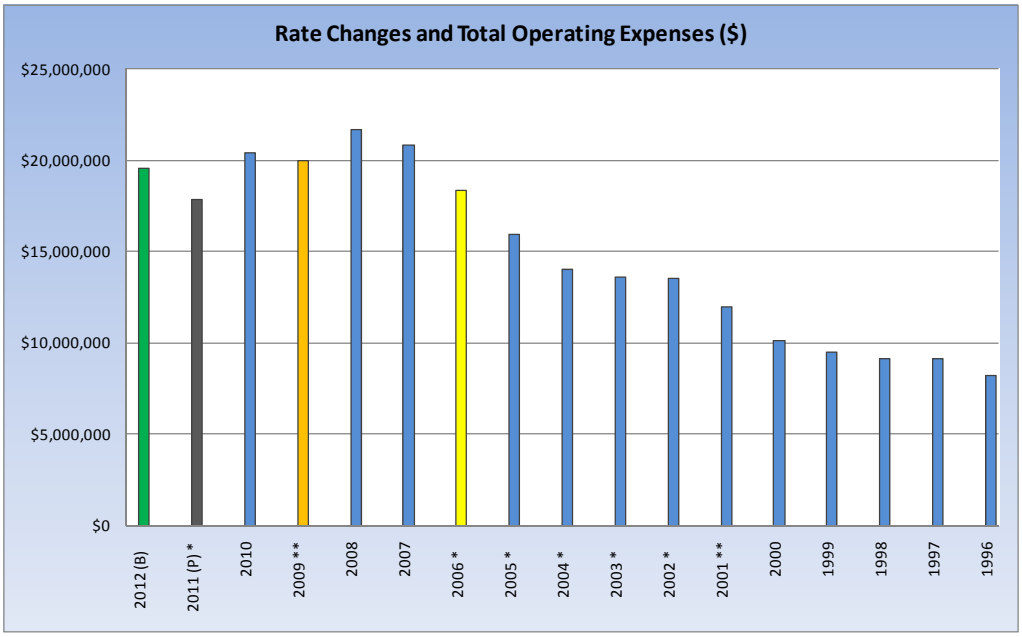
❖ ***Financial Management***

The purpose of the 2012 Budget is to continue financial planning of the public's funds to assure financial stability and demonstrate responsible stewardship of those funds. The District's overall financial position is stable. However, the reserve levels remain low. The 2012 Budget projects a conservative revenue year and uses the gain of $1.36 million in reserves in 2011 for infrastructure projects to provide long-term stability.

Operating Budget

The following is a graph of operating expenditures from 1996 to 2011 and shows the 2012 Budget. The costs shown are the top ten Operating Expense lines from the Income Statement (from Directors to Water Purchases, excluding GAC costs for comparative purposes.)

Fixed versus Variable - The District's fixed costs (those which do not vary based on the amount of water delivered) for 2012 are estimated at $15.25 million. Fixed revenues generated by monthly service fees will generate $10.40 million in revenue, so the remaining $4.85 million in costs must be covered by using revenue from commodity charges.



NOTES: *Water Rate Increase **Water Rate Increase and Water Rate Restructure
(B) Budget (P) Projected

Approved Water Rate Changes and Structure Review

The preceding graph also shows the District's water rate changes and restructuring during the same timeframe. The year 2000 water rate increase and restructuring introduced a five-tier increasing block rate system, an additional four-tiered elevation rate system, and preapproved increases for the next five years. The year 2005 water rate changes included updates from the year 2000 water rate study and again set five years of preapproved increases. However, in 2006, a

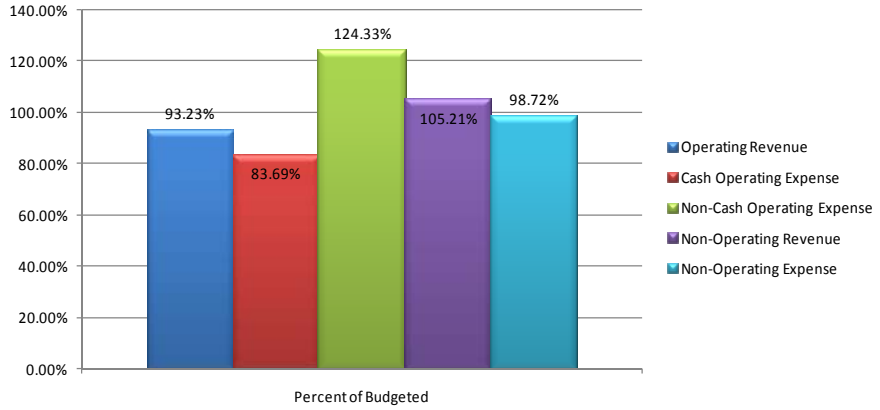
California Supreme Court ruling invalidated any further increases without the District complying with Proposition 218 procedures to adjust the water rates.

The District completed a Proposition 218 process in May 2009 that included water rate increases and restructured the water rate system. The water rate structure changed to water budgets for District customers that tailored the increasing block tiers to their water needs. This also set out five years of preapproved water rate increases as had been completed in earlier five-year plans. These consisted of a 14% increase in 2010 and 8% increases in the next three years. Changes in District financing plans and operations costs allowed the Board of Directors to eliminate the 14% increase in 2010 and reduce the 8% increase for 2011 to 5%.

The 8% increase approved through the 2009 Proposition 218 process for 2012 was also avoided in the 2012 Budget. The Budget does not change the meter and commodity charges, and leaves the water quality fee the same. It does revise and update the elevation booster charges to reflect actual costs from the last five-year period.

Analysis of Projected Revenue versus Actual

The 2011 Budget projected operational revenues of $23.4 million. However, continuing efforts by District customers to conserve, a wet winter, and a cooler than normal summer led to a projected revenue amount of $21.8 million. The 2012 Budget is based on a conservative, similar amount of water being consumed by our customers. The intent of this is to avoid another over projection of revenues in 2012. The operational revenue projection in the 2012 Budget is $22.05 million. The following chart shows the status of District revenues and expenses relative to the 2011 Budget as of December 31, 2011.



Revenue and Expenditure Cash Summary

The 2012 Budget continues to include several tables to assist reviewers in understanding the District's financial plans. The "Summary of Revenue and Expenditures" table (Page 11) shows revenues and expenses on a cash basis. This removes from the financial view those items, which are not cash in nature such as depreciation, post employment benefits, etc. It also shows in one place the District's use of cash for both operations and capital purposes and the effect on reserve levels. This table shows balanced revenues and expenditures of $22,053,600. This includes a shortfall in the

District's operations of $8,600 and a $1.41 million reduction in reserves from $7,853,943 to $6,442,636. A major goal of District staff, in managing the 2012 Budget, is to lessen the decrease in reserves.

Funds Analysis

The Board of Directors adopted a funds reserve policy in March, 2009, included in Appendix C. The Funds Analysis tables show the beginning balance for the Board's reserve funds, then the sources and uses for the year, and then the estimated end of year balance for each. For purposes of being thorough, three summary tables are included: 1) the Funds Analysis estimate for the 2011 budget; 2) the Funds Analysis estimate for 2011 year-end; and 3) the Funds Analysis estimate for the proposed 2012 budget.

The Funds Analysis for the 2012 budget shows $4.21 million in sources. Those sources will enter the various Reserve Funds set aside by the Board with the most significant being:

- $1.55 million to Water Quality with $1.55 million in uses to replace and regenerate GAC and conduct pilot projects on various media performance.

- $849,400 to Asset Replacement for a balance of $2.91 million with $1.96 million in budgeted uses leaving a balance of approximately $957,000.

- $300,000 to O&M Operating Reserve for needed cash on hand leaving a balance of $3.48 million. This will be less than the reserve policy by providing only 1.5 months instead of three (3) months reserve. (Business interruption insurance is in place to provide for the Reserve Policy minimums in the event of an emergency.)

- $150,000 to Water Supply for a balance of $850,000 with $495,000 in budgeted uses.

❖ ***Administrative Management***

The 2012 Budget continues to support the policies, procedures, and practices needed to operate in an effective manner. This also includes monitoring activities, meeting current and future regulations and requirements, and developing and improving operational efficiencies.

Monitoring Performance Indicators / Benchmarking

The District conducts many activities that are similar to other water agencies in California, the Western USA, and the nation. This allows the District to gauge its activities in relationship to other agencies. This benchmarking is helpful to see what areas of the District's operations stand out as being good or needing improvement. The following table is a summary of results from the American Water Works Association Benchmarking study for the years of 2005 and 2010. The study includes several ways to compare information. The best comparison is with all sizes of water agencies in the Western USA.

Performance Indicator		Western USA (All Sizes)			PWD			
Description	Desirable	25th per.	Median	75th per.	2005	Within 50% percentile?	2010	Within 50% percentile?
Customer Accounts/Employees	Higher	292	385	595	25,032 / 78 = 321	Yes	25,947 / 88 = 295	Yes
Average MGD/Employee	Higher	0.20	0.29	0.50	23.3MGD / 78 = 0.30	Yes	17.8 MGD / 88 = 0.20	Yes
Customer Service Cost/Account	Lower	22.7	35.9	51.5	898,801 / 25,032 = 35.9	Yes, Median	943k / 25,947 = 36.3	Yes
12-month Water Loss Percentage	Lower	4.1	6.2	11.5	(Loss/Production) x 100 = 6.05	Yes	(Loss/Production) x 100 = 9.1	Yes
Water System Integrity (Leaks/Mile)	Lower	16.9	36.4	59.6	[154 / 392] x 100 = 39.3	Yes	[763 / 405] x 100 = 188.0	No, Very High
O & M Cost/Account	Lower	244	387	621	15.931k / 25,032 = 636	No, High	21.364k / 25,947 = 823	No, High
O & M Cost/MG Billed	Lower	860	1,441	2,239	15.931k / 7.999 MG = 1,992	Yes	21.364k / 5.920 MG = 3,609	No, High
Water Treatment Cost / MG	Lower	85	310	517	4.172k / 15,047 AF = 850	No, High	4.548k / 11,991 AF = 1,164	No, Very High

*Page Number in AWWA Benchmarking Performance Indicators for Water and Wastewater Utilities: Survey Data and Analysis Report

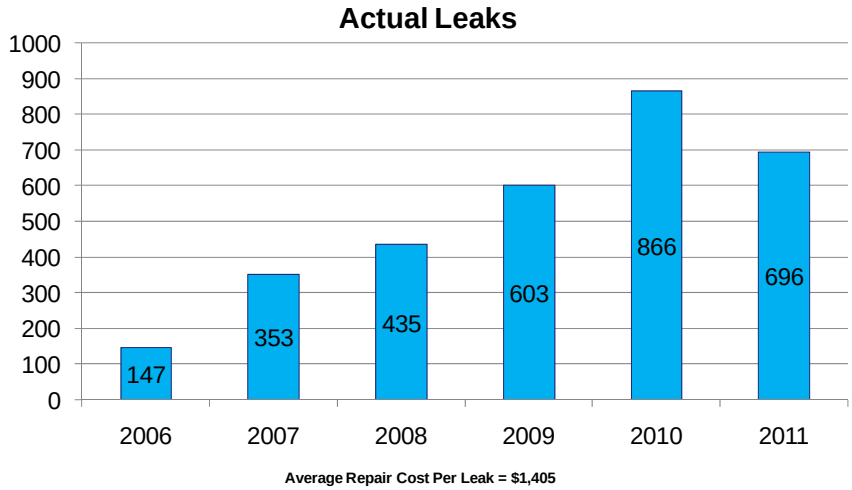
This comparison reinforces the emphasis in the 2012 Budget to replace old water mains, increase efficiency, and reduce staff through attrition. These areas have declined between 2005 and 2010. However, it should be noted that comparisons using water production reflect a significant reduction in water usage by District customers that may increase with normal weather conditions and water availability.

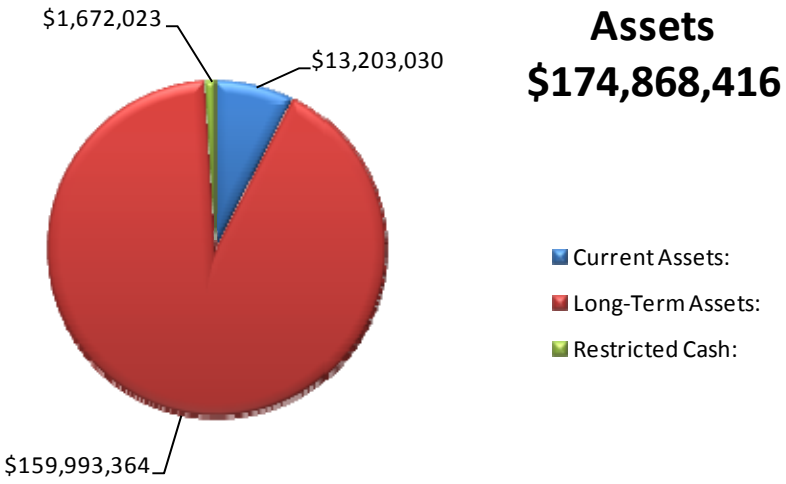
Litigation Expenses

There continue to be two main areas of litigation that are funded in the 2012 Budget to protect the District customers' interests. The District is defending itself in lawsuits brought upon it by the City of Palmdale and in lawsuits against the City. The cost of these efforts is considerable. The District has attempted to reach a settlement in these matters with the City. However, the efforts are unsuccessful to date. Additionally, the Antelope Valley Adjudication case persists. Its purpose is to determine groundwater-pumping rights in the Antelope Valley. While complicated, the District continues to meet with other parties in the lawsuit to seek a settlement and avoid future phases of trial.

❖ ***Infrastructure Management***

A major goal of the 2012 Budget is to continue maintenance of the District's infrastructure. This is important to manage the operations and maintenance costs due to emergency repairs or failures. As shown below in the graph, the number of leak repairs on District water mains increased dramatically from 2006 to 2010 and has now begun to decrease. Therefore, the 2012 Budget funds water main replacement in the worst areas and provides a priority list of additional replacement projects should available revenues increase. The following chart illustrates the large amount of fixed assets, as of December 31, 2011, in the facilities and water distribution system owned and operated by the District.





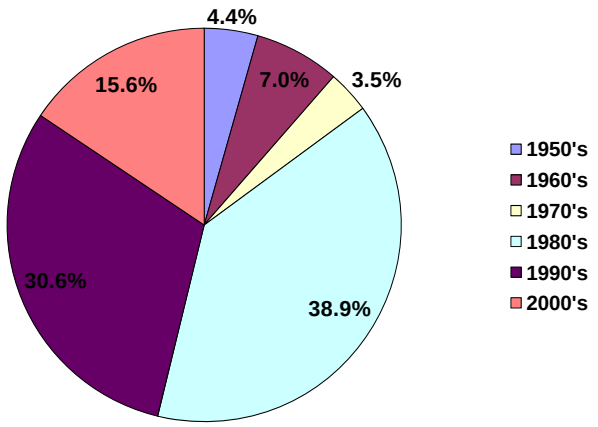
Infrastructure Spending Review

As stated above, the 2012 Budget provides for $1.81 million in asset replacements. The majority of this is for water main replacement projects with the remainder for other facilities and equipment. The District was very active over the last ten years in maintaining its infrastructure and

adding to it. During that period, $22.4 million went into replacing or improving infrastructure, $57.6 million for improvements to the Leslie O. Carter Water Treatment Plant, and $22.6 million in capital improvement projects that expanded the District's water distribution system and were funded by development. These investments total $102.6 million.

Water Main Replacement Program Review

Appendix "B" of the 2012 Budget contains a table detailing the water mains owned by the District totaling 406 miles. These have been installed over time as the water distribution system grew to accommodate new customers. Many of these water mains installed in the 1950's and earlier are failing and require a large effort by the Facilities Department to repair and maintain. They also account for most of the District's 9.9% water losses. The District began replacing these water mains in the late 1980's. This effort totals sixty (60) miles or 75% of the 1950's era water mains and is continued in the 2012 Budget. As stated above, revenues received above projections in the 2012 Budget will first be directed to water main replacement projects. The following chart illustrates the current age makeup of the water distribution system.

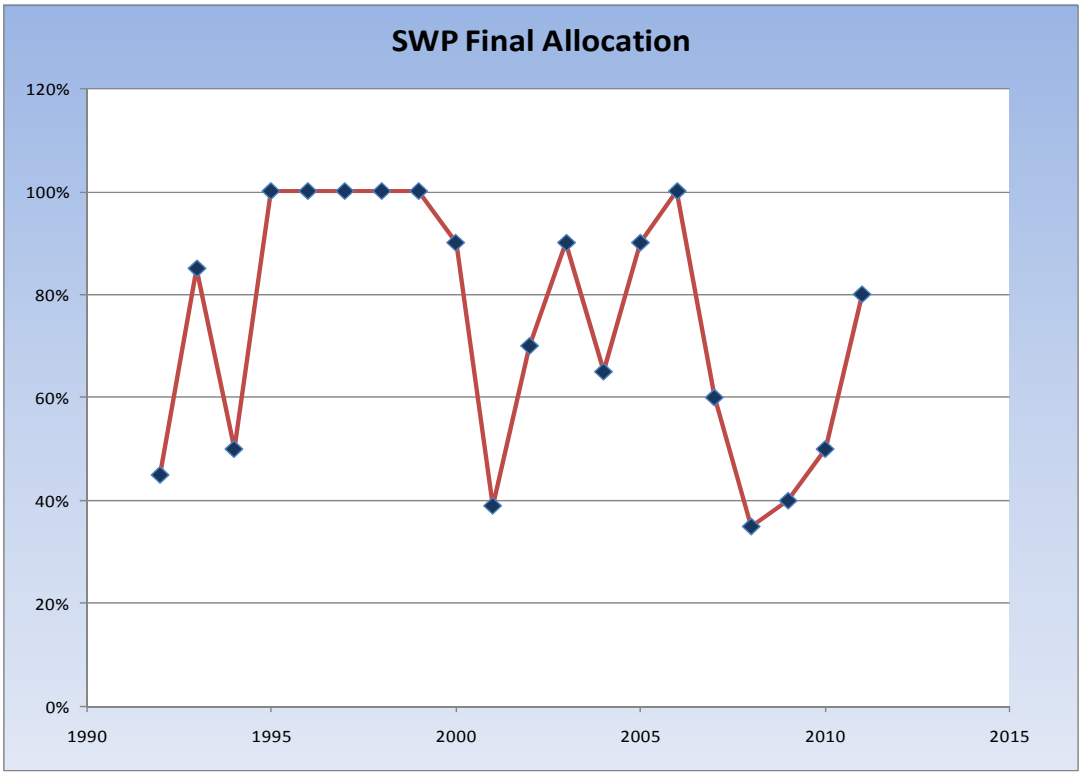


Other important infrastructure expenses include $200,000 to finish the rehabilitation of a well and $360,000 for ongoing steel water tank maintenance. CEQA work is budgeted to implement the Strategic Water Resource Plan and Littlerock Reservoir sediment removal permitting.

❖ ***Natural Resources Management***

The 2012 Budget supports providing sustainable, high quality water through the development and implementation of a Strategic Water Resources Plan, continued funding of the District's share of the California State Water Project, water conservation activities, and work leading to sediment maintenance in Littlerock Reservoir. The District has three main sources of water supply: the California State Water Project (SWP), Littlerock Dam and Reservoir, and pumped groundwater.

The SWP typically provides the largest share of water to meet customer demands followed by groundwater and then Littlerock Dam. However, the SWP supply is highly variable due to hydrology in Northern California and environmental problems in the Bay-Delta area west of Stockton. These factors have caused the long-term reliability to drop from over 75% of the District's 21,300 acre-feet Table "A" amount to 60%. The following graph of yearly allocations illustrates the variability and reduction in reliability.



Supply and Demand

The initial 2012 allocation from the SWP was set as 60% in late 2011. This, in combination with runoff into Littlerock Reservoir and carryover SWP water from 2011, is expected to provide adequate water supplies to meet the District customers' projected water demands in 2012. The 2012 water demand projection is 17,800 acre-feet or 5.8 billion gallons of water. This reflects a per capita water usage by District customers of 152 gallons/day/person. The 2011 per capita water usage was 151 gallons/day/person. The lowest prior usage was 159 gallons/day/person occurring in 2010.

The State of California enacted a law in 2009 requiring a 20% reduction of water use by the year 2020. California's average water use is 192 gallons per person per day. The statewide 2020 goal is 154 gallons per person per day. The District's per capita water use was in the 220 to 230 gallons/day/person range prior to 2007. Therefore, current usage is likely below the 2020 target usage. With continued water conservation efforts, the District expects to meet the required 2020 water use goal of 172 gallons per person per day even though customer water use is expected to increase from current levels (151 gallons per person per day).

The 2012 Budget also includes funds for customer rebates to encourage further conservation as well as continued educational programs for area school children, and staffing to work on the purchase of additional water supplies for future years.

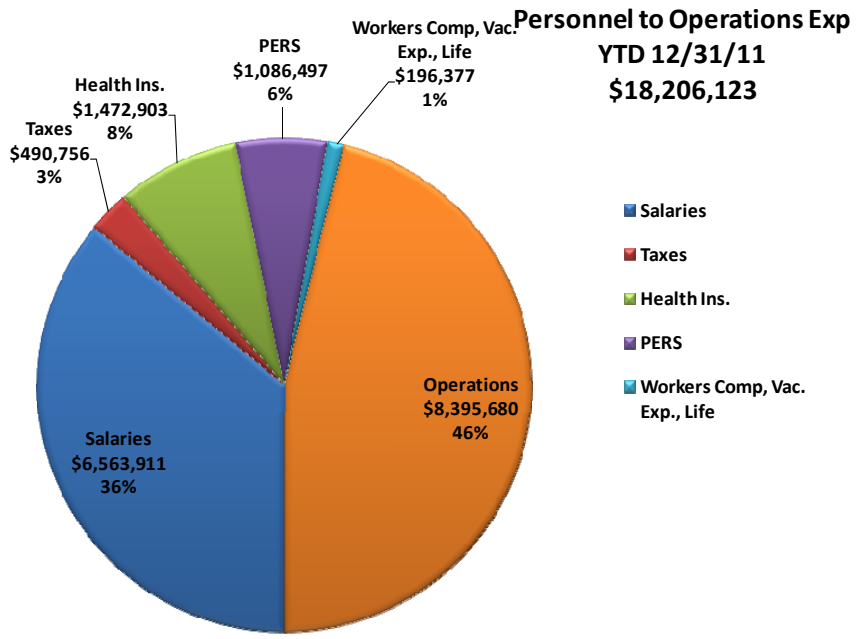
❖ ***Personnel Management***

The 2012 Budget continues to support providing a safe, productive, and rewarding work environment by funding employee related programs. These include improved internal communications, training, and education. The Budget also provides for a certain amount of attrition and a discussion about the long-term sustainability of current employee benefits.

Labor Expenses

The budget proposes a staffing level of 86 employees as shown in the 2012 Departmental Staffing Summary, (Pages 27 and 28). There are minor changes from 2011 with the Assistant General Manager, Community & Government Affairs Coordinator position, and two (2) part-time Customer Service Representative positions being left vacant and unfunded.

Total direct labor cost is $6.56 million and benefit expenses are an additional $3.25 million. Benefits costs as a percent of direct labor are 49% on average. Total Personnel costs are 54% of the operating budget. These are illustrated in the following chart.



The District completed a salary survey in 2010 and adjusted its salary ranges using data produced by the Association of California Water Agencies (ACWA). This is anticipated again in 2012 to keep the District's salary ranges competitive.

Cost of Living Adjustments (COLA)

The 2012 Budget includes funding, approximately $60,000, for an estimated COLA of 3% for the four months of September through December 2012. This amount is available to adjust salaries so that earning potential remains stable. To evaluate a potential COLA for employees, the District utilizes the United States Department of Labor Consumer Price Index (CPI) for all urban consumers in the Los Angeles-Riverside-Orange County, CA area for the July through following June timeframe. The cost of living will be reviewed in August 2012. While the funding is provided, no COLA will be implemented until the evaluation is completed and the Board of Directors approves a COLA.

No COLA was provided in 2009 and 2010 due to low CPI numbers. The 2011 evaluation found the 2010 and 2011 indexes were 225.9 and 232.3, respectively, showing that consumer prices changed 2.83% for that period. A COLA of 1.6% was approved by the District in August 2011.

❖ ***Conclusion***

The 2012 Palmdale Water District Budget provides the planning and framework necessary to continue as a strong foundation for the community of Palmdale. In summary, it addresses current and future water supplies, infrastructure maintenance, administrative and personnel issues, and financial stewardship of its customers' resources.

The following sections of the 2012 Budget provide summary and detailed information about the District operations under the Budget. Section II contains financial and staffing summaries; Section III contains the individual department descriptions, 2011 Water Year Indicators, 2011 Accomplishments, 2012 Objectives, and budgets; Section IV contains summary tables of the projects and equipment for 2012 and projections for 2013 and 2014, and; Appendixes A through E provide additional information about the District.

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SECTION II
SUMMARIES

SUMMARY OF REVENUES AND EXPENDITURES

FUND ANALYSIS

PROJECT REQUEST SUMMARY
(Three-Year Breakdown)

2012 FUND SOURCE SUMMARY

INCOME STATEMENT

FIVE-YEAR CASH FLOW

DEPARTMENTAL STAFFING

ORGANIZATIONAL CHART

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Palmdale Water District
Budget 2012
Summary of Revenues and Expenditures

Cash Basis (17,800 Ac. Ft.) - No Increase

Activity	Estimated Cash Revenues	Estimated Cash Expenditures
Net Water Sales	$ 8,320,000	
Meter Fees	10,400,000	
Elevation Fees	525,000	
Other Operating Revenue	1,250,000	
Water Quality Fees (Restricted Use)	1,550,000	
(Increase)/Decrease in Cash (From Operating)	**8,600**	
Directors		$ 154,000
Administration		3,547,000
Engineering		1,169,000
Facilities		3,490,500
Operations		5,113,750
Administrative Services		2,788,750
Water Conservation		223,500
Human Resources		267,850
Information Technology		736,750
Water Purchases		2,600,000
Capitalized Expenditures		412,500
Water Quality Expense (GAC)		1,550,000
SUBTOTAL OPERATING	**$ 22,053,600**	**$ 22,053,600**
Projected Beginning Cash - 01/01/2012	**$ 9,525,966**	
Assessments received	5,500,000	
Capital Improvement Fees	1,286,848	
Water Supply Connection Fees	-	
State Grants	250,000	
Interest on Investments	60,000	
Other Income	100,000	
Payments for State Water Project		2,261,286
Principal Paid on Long Term Debt		1,220,000
Interest Paid on Long Term Debt		2,414,192
Capital Leasing		212,000
Water Conservation		150,000
Acquistion of Property, Plant & Equipment		2,319,100
	$ 16,722,814	$ 8,576,578
Projected Ending Cash - Non-Operating	8,146,236	
Increase/(Decrease) in Cash (From Operating)	(8,600)	
Projected Ending Cash - 12/31/2012	8,137,636	
Less Restricted Cash	(1,695,000)	
Available Operating Cash - 12/31/2012	**$ 6,442,636**	

Palmdale Water District
Budget 2012
Summary of Revenues and Expenditures – 2011 Projected

Cash Basis

Activity	Estimated Cash Revenues	Estimated Cash Expenditures
Net Water Sales	$ 7,828,910	
Meter Fees	10,331,401	
Elevation Fees	514,356	
Other Operating Revenue	1,582,514	
Water Quality Fees (Restricted Use)	1,544,001	
(Increase)/Decrease in Cash (From Operating)	**(3,326,842)**	
Directors		$ 144,707
Administration		3,536,661
Engineering		1,170,372
Facilities		3,204,985
Operations		4,577,500
Administrative Services		2,773,472
Water Conservation		207,563
Human Resources		235,349
Information Technology		554,222
Water Purchases		680,483
Capitalized Expenditures		169,821
Water Quality Expense (GAC)		1,219,205
SUBTOTAL OPERATING	**$ 18,474,341**	**$ 18,474,341**
Actual Beginning Cash - 01/01/2011 (Audited)	**$ 8,122,631**	
Assessments received	4,812,071	
Capital Improvement Fees	1,225,519	
Water Supply Connection Fees	-	
State Grants	76,200	
Interest on Investments	78,498	
Other Income	167,503	
Payments for State Water Project		2,247,307
Principal Paid on Long Term Debt		1,170,000
Interest Paid on Long Term Debt		2,465,142
Capital Leasing		-
Acquistion of Property, Plant & Equipment		2,400,848
	$ 14,482,422	$ 8,283,297
Projected Ending Cash - Non-Operating	6,199,124	
Increase/(Decrease) in Cash (From Operating)	3,326,842	
Projected Ending Cash - 12/31/2011	9,525,966	
Less Restricted Cash	(1,672,023)	
Available Operating Cash - 12/31/2011	**$ 7,853,943**	

Palmdale Water District
Budget 2012
Funds Analysis – 2010 End of Year (Actual)

Fund levels reflect the fiscal viability of the District. These funds have been set aside pursuant to legal requirements or action by the Board of Directors. Current category of funds were established by Resolution No. 09-03 passed and adopted March 11, 2009 (See Appendix C for verbaige for the Reserve Fund Policy).

			2010 Budget		
	Sources of Cash	**Beginning Balance 12/31/2009**	**Sources**	**Uses**	**Actual Ending Balance 12/31/2010**
	Net Operating Income		$ (8,208,215)		
	Net Non-Operating Income		3,217,101		
	Depreciation/Amortization Add Back		7,010,721		
	Expenditures Capital Add Back		922,960		
			$ 2,942,567		
	Reserve Funds				
1	Water Facilities Connection Fees (CIF)	$ -	$ 148,777	$ 148,777	$ -
2	Water Supply Connection Fees	-	-	-	-
3	Debt Service Reserve Fund	1,557,398	68,896	-	1,626,294
4	Dam Self Insurance Reserve	-	-	-	-
	Total Legally Restricted	**$ 1,557,398**	**$ 217,673**	**$ 148,777**	**$ 1,626,294**
5	Rate Stabilization Fund	$ (141)	$ 141	$ -	$ -
6	O&M Operating Reserve (3 months cash operating expenses)	3,040,340	-	306,960	2,733,380
7	Supplemental Water Supply Fund	1,500,000	185,580	185,580	1,500,000
8	Asset Replacement Fund (% of annual depreciation)	1,221,998	972,638	1,356,824	837,813
9	Conservation Program Fund	250,000	40,986	40,986	250,000
10	Water Quality Service Fee	1,093,953	1,567,034	1,485,843	1,175,144
11	Unrestricted Reserves	-	-	-	-
	Total Board Restricted	**$ 7,106,150**	**$ 2,766,379**	**$ 3,376,192**	**$ 6,496,337**
	Total Funds	**$ 8,663,548**	**$ 2,984,052**	**$ 3,524,969**	**$ 8,122,631**

Equipment	$ 522,693
Capital projects - General Fund	292,370
Capital projects - CIP	2,755,359
Capital Expensed	(92,810)
Fixed Asset Adds (Audited 2010)	$ 3,477,612

NOTE: The 2010 End of Year (Actual) came in less than projected in the 2011 Budget. Total projected funds were shown in the approved 2011 Budget being $8,162,970 with actual audited funds being $8,122,631. This difference was a related to a combination of invoices that were re-classed from current year to prior during the audit field work review process.

Palmdale Water District
Budget 2012
Funds Analysis – 2011 Budget (as proposed)

	Sources of Cash	Actual Ending Balance 12/31/2010	2011 Budget Sources	2011 Budget Uses	Projected Balance 12/31/2011
	Net Operating Income		$ (5,039,750)		
	Adjustment - Water Quality (GAC Media)		1,600,000		
	Adjustment - Depreciation/Amortization Add Back		6,850,000		
	Adjustment - Post Employment Benefits (GASB 45)		550,000		
	Adjustment - Bad Debt		100,000		
	Adjustment - Service Costs Construction		125,000		
	Adjustment - Capitalized Construction		(1,000,000)		
	Net Non-Operating Income		1,675,000		
	Cash from Revenues above Expenses to place into funds		**$ 4,860,250**		
	Reserve Funds				
1	Water Facilities Connection Fees (CIF)	$ -	$ 250,000	$ 250,000	$ -
2	Water Supply Connection Fees	-	-	-	-
3	Debt Service Reserve Fund	1,626,294	48,706	-	1,675,000
4	Dam Self Insurance Reserve	-	-	-	-
	Total Legally Restricted	**$ 1,626,294**	**$ 298,706**	**$ 250,000**	**$ 1,675,000**
5	Rate Stabilization Fund	$ -	$ -	$ -	$ -
6	O&M Operating Reserve (3 months cash operating expenses)	2,733,380	1,518,544	1,639,711	2,612,213
7	Supplemental Water Supply Fund	$ 1,500,000	275,000	635,000	1,140,000
8	Asset Replacement Fund (% of annual depreciation)	837,813	1,305,250	2,047,596	95,467
9	Conservation Program Fund	$ 250,000	250,000	250,000	250,000
10	Water Quality Service Fee	1,175,144	1,600,000	1,600,000	1,175,144
11	Unrestricted Reserves	$ -	-	-	-
	Total Board Restricted	**$ 6,496,337**	**$ 4,948,794**	**$ 6,172,307**	**$ 5,272,824**
	Total Funds	**$ 8,122,631**	**$ 5,247,500**	**$ 6,422,307**	**$ 6,947,824**

Equipment	$ 115,700
Capital projects - General Fund	$ 3,624,196
Capital projects - CIP	$ -
Capital Expensed	$ (557,300)
	$ 3,182,596

Palmdale Water District
Budget 2012
Funds Analysis – 2011 Estimated End of Year (Actual)

			2011 Budget		
	Sources of Cash	**Actual Ending Balance 12/31/2010**	**Sources**	**Uses**	**Projected Balance 12/31/2011**
	Net Operating Income		$ (5,392,897)		
	Adjustment - Water Quality (GAC Media)		1,219,205		
	Adjustment - Depreciation/Amortization Add Back		7,725,000		
	Adjustment - Post Employment Benefits (GASB 45)		1,945,606		
	Adjustment - Bad Debt		57,724		
	Adjustment - Service Costs Construction		31,970		
	Adjustment - Capitalized Construction		(1,040,561)		
	Net Non-Operating Income		2,293,175		
	Cash from Revenues above Expenses to place into funds		**$ 6,839,222**		
	Reserve Funds				
1	Water Facilities Connection Fees (CIF)	$ -	$ 1,225,519	$ 1,225,519	$ -
2	Water Supply Connection Fees	-	-	-	-
3	Debt Service Reserve Fund	1,626,294	48,706	-	1,675,000
4	Dam Self Insurance Reserve	-	-	-	-
	Total Legally Restricted	**$ 1,626,294**	**$ 1,274,225**	**$ 1,225,519**	**$ 1,675,000**
5	Rate Stabilization Fund	$ -	$ -	$ -	$ -
6	O&M Operating Reserve (3 months cash operating expenses)	2,733,380	1,010,194	376,000	3,367,574
7	Supplemental Water Supply Fund	1,500,000	75,000	875,000	700,000
8	Asset Replacement Fund (% of annual depreciation)	837,813	2,883,674	1,657,778	2,063,709
9	Conservation Program Fund	250,000	100,000	100,000	250,000
10	Water Quality Service Fee	1,175,144	1,544,001	1,219,205	1,499,939
11	Unrestricted Reserves	-	-	-	-
	Total Board Restricted	**$ 6,496,337**	**$ 5,612,869**	**$ 4,227,983**	**$ 7,881,222**
	Total Funds	**$ 8,122,631**	**$ 6,887,094**	**$ 5,453,503**	**$ 9,556,222**

Equipment	$ 306,500
Capital projects - General Fund	4,815,686
Capital projects - CIP	59,400
Capital Expensed	(169,821)
	$ 5,011,765

Palmdale Water District
Budget 2012
Funds Analysis – 2012 Budget (Proposed)

	Sources of Cash	Projected Beginning Balance 12/31/2011	2012 Budget Sources	2012 Budget Uses	Projected Balance 12/31/2012
	Net Operating Income		$ (9,033,600)		
	Adjustment - Water Quality (GAC Media)		1,550,000		
	Adjustment - Depreciation/Amortization Add Back		7,800,000		
	Adjustment - Post Employment Benefits (GASB 45)		2,000,000		
	Adjustment - Bad Debt		100,000		
	Adjustment - Service Costs Construction		125,000		
	Adjustment - Capitalized Construction		(1,000,000)		
	Net Non-Operating Income		2,664,848		
	Cash from Revenues above Expenses to place into funds		**$ 4,206,248**		
	Reserve Funds				
1	Water Facilities Connection Fees (CIF)	$ -	$ 1,286,848	$ 1,286,848	$ -
2	Water Supply Connection Fees	-	-	-	-
3	Debt Service Reserve Fund	1,675,000	20,000	-	1,695,000
4	Dam Self Insurance Reserve	-	-	-	-
	Total Legally Restricted	**$ 1,675,000**	**$ 1,306,848**	**$ 1,286,848**	**$ 1,695,000**
5	Rate Stabilization Fund	$ -	$ -	$ -	$ -
6	O&M Operating Reserve	3,367,574	300,000	186,886	3,480,688
7	Supplemental Water Supply Fund	700,000	150,000	495,000	355,000
8	Asset Replacement Fund	2,063,709	849,400	1,956,100	957,009
9	Conservation Program Fund	250,000	50,000	150,000	150,000
10	Water Quality Service Fee	1,499,939	1,550,000	1,550,000	1,499,939
11	Unrestricted Reserves	-	-	-	-
	Total Board Restricted	**$ 7,881,222**	**$ 2,899,400**	**$ 4,337,986**	**$ 6,442,636**
	Total Funds	**$ 9,556,222**	**$ 4,206,248**	**$ 5,624,834**	**$ 8,137,636**

Equipment	$ 155,100
Capital projects - General Fund	$ 2,558,500
Capital projects - CIP	$ 18,000
Capital Expensed	$ (412,500)
	$ 2,319,100

Palmdale Water District
Budget 2012
Capital Projects – Expenditure Summary (Three-Year Breakdown)

	PROJECT EXPENDITURE SUMMARY		
	BUDGETING YEAR AMOUNT		
	2012	2013	2014
Studies and Planning Documents	115,000	80,000	-
Safety & Regulatory Requirements	20,000	-	-
New Equipment	82,000	197,500	-
Replacement Equipment	73,100	100,000	120,000
General Projects	360,500	815,500	270,000
Replacement Capital Projects	1,893,000	7,008,000	6,626,625
New Capital Projects	320,000	3,125,000	3,000,000
New Capital Projects (CIF)	18,000	1,875,000	2,000,000
GAC Media Replacement	1,550,000	1,600,000	1,600,000
Annual Project Expenditures: [1]	4,431,600	14,801,000	13,616,625
3-Yr Total:	32,849,225		

[1] The 2012 total amount includes items classified under capital expense. This amount is removed for the fund analysis calculation due to the amount of $767,000 being factored into the net operating income already.

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Palmdale Water District
Budget 2012
Capital Projects – 2012 Fund Breakdown Summary

	2012 FUND BREAKDOWN					
	O&M	CF	WS	AR	CON	WQ
Studies and Planning Documents	90,000	-	25,000	-	-	-
Safety & Regulatory Requirements	20,000	-	-	-	-	-
New Equipment	82,000	-	-	-	-	-
Replacement Equipment	10,000	-	-	63,100	-	-
General Projects	210,500	-	-	-	150,000	-
Replacement Capital Projects	-	-	200,000	1,693,000	-	-
New Capital Projects	-	-	270,000	50,000	-	-
New Capital Projects (CIF)	-	18,000	-	-	-	-
GAC Media Replacement (6 Contactors)	-	-	-	-	-	1,550,000
	412,500	18,000	495,000	1,806,100	150,000	1,550,000
2012 Total Tie-out:	4,431,600					

Equipment	155,100
Capital Projects - General Fund	2,558,500
Capital Projects - CIF	18,000
Captialized Expeditures	(412,500)
	2,319,100

Abbreviation Explanation		
O&M	=	Capital Expensed
CF	=	Water System Connection Fund
WS	=	Source Water Supply Fund
AR	=	Asset Replacement Fund
CON	=	Conservation Program
WQ	=	Water Quality Fund

Palmdale Water District
Budget 2012
Capital Projects – 2012 Fund Breakdown Summary (Continued)

Breakdown Category Definitions	
Studies and Planning Documents	Documents that assist in developing long term guidelines for the District. These include items such as the District's strategic or master plan, CEQA compliance documents, efficiency plans and studies, etc.
Safety & Regulatory Requirements	Items that can either be mandated or compliance related issues. These purchase help to satisfy requirements that can come from our insurance carrier (JPIA) during monthly inspections or to meet changes in federal/state regulatory compliance or OSHA guidelines.
New Equipment	Items that are first time purchases for the District and have a one time expenditure to purchase. This will include vehicles, printers, lab equipment, etc.
Replacement Equipment	Items that are replacement purchases for assets/equipment within the District and have a one time expenditure for purchase.
General Projects	Items that will include purchases from multiple vendors or span a period of time to complete. These typically are not asset replacement and will include overhauls to well and booster pumps, etc.
Replacement Capital Projects	Projects that typically go out to bid and replace large dollar assets and span a period of time for completion. Typical examples include replacement water mains, booster stations, well sites, etc.
New Capital Projects	Projects that assist in meeting the District's service requirements that are outside the Master Plan due to pre-existing development. This could include additional water facilities to meet items such as changes in fire flow demand, etc.
New Capital Projects (CIF)	Projects that were developed as part of the District's Master Plan to meet future growth requirements within service boundaries. These projects are usually offset by capital improvement fees paid for by developers and typically are building new developments that expand the current installed service area.

Palmdale Water District
Budget 2012
Income Statement

		PROPOSED 2012	PROJECTED 2011	BUDGET 2011	ACTUAL [2] 2010	ACTUAL 2009	ACTUAL 2008
Operating Revenue							
Wholesale Water (AVEK & LCID)		175,000	-	-	-	-	-
Water Sales		8,145,000	7,828,910	9,400,000	7,841,545	12,593,502	16,501,377
Meter Fees		10,400,000	10,331,401	10,650,000	10,049,688	5,603,197	-
Water Quality Fees		1,550,000	1,544,001	1,600,000	1,567,034	1,093,953	-
Elevation Fees		525,000	514,356	560,000	801,877	543,458	-
Other		1,250,000	1,582,514	1,175,000	1,264,530	1,423,484	1,099,949
		22,045,000	21,801,183	23,385,000	21,524,673	21,257,593	17,601,326
Operating Expenses							
Directors		154,000	144,707	146,200	136,055	125,558	168,954
Administration		3,547,000	3,536,661	3,158,000	4,031,877	3,874,118	3,978,039
Engineering		1,169,000	1,170,372	1,127,000	1,105,929	1,356,206	1,427,495
Facilities		3,490,500	3,204,985	3,380,000	3,301,961	3,829,919	3,880,060
Operations		5,113,750	4,577,500	5,071,050	4,551,993	3,826,877	4,353,161
Administrative Services		2,788,750	2,773,472	2,762,200	2,783,992	2,672,331	3,339,449
Water Conservation		223,500	207,563	212,500	206,048	252,339	543,167
Human Resources		267,850	235,349	273,000	216,096	69,376	205,375
Information Technology		736,750	554,222	712,500	405,872	631,228	-
Water Purchases	[3]	2,800,000	2,600,000	2,800,000	3,383,530	3,916,072	3,781,195
OAP Chrg (Prior Year)		-	(591,517)	200,000	688,425	-	-
Water Recovery	[8]	(200,000)	(1,328,000)	(200,000)	(351,096)	(431,139)	(512,505)
Water Quality (GAC Media)	[4]	1,550,000	1,219,205	1,600,000	1,031,565	-	-
Capitalized Expenditures		412,500	169,821	557,300	306,960	-	-
Cash Expenses		22,053,600	18,474,341	21,799,750	21,799,207	20,122,885	21,164,390
Depreciation		7,800,000	7,725,000	6,850,000	7,010,721	5,971,865	5,008,033
Post Employment Benefit (GASB 45)	[5]	2,000,000	1,945,606	550,000	1,854,179	535,321	521,734
Bad Debts		100,000	57,724	100,000	102,119	155,338	122,873
Service Costs Construction		125,000	31,970	125,000	(139,929)	(116,319)	164,806
Capitalized Construction		(1,000,000)	(1,040,561)	(1,000,000)	(893,408)	(1,446,419)	(1,373,880)
Non-Cash Expenses		9,025,000	8,719,739	6,625,000	7,933,681	5,099,785	4,443,566
Net Operating Income/(Loss)		(9,033,600)	(5,392,897)	(5,039,750)	(8,208,215)	(3,965,077)	(8,006,630)
Non-operating Revenues							
Assessments (Debt Service)		4,000,000	4,812,071	5,000,000	5,855,862	5,991,668	5,484,434
Assessments (1%)		1,500,000	-	-	-	-	-
Interest		70,000	78,498	120,000	99,060	317,118	1,023,293
Market Adj. on Investments		(10,000)	-	-	(10,289)	(268,917)	(33,610)
Capital Improvement Fees	[9]	1,286,848	1,225,519	250,000	148,777	37,115	619,845
Water Supply Connection Fees	[6]	-	-	-	-	-	-
Grants - State & Federal		250,000	76,200	500,000	(273)	1,304,813	30,000
Sale of Real Property		-	-	-	944,207	-	998,649
Other	[7]	100,000	167,503	175,000	135,748	103,519	676,946
		7,196,848	6,359,791	6,045,000	7,173,092	7,485,315	8,799,557
Non-operating Expenses							
Interest Paid & Amortization on long-term debt		2,490,000	2,562,801	2,541,000	2,550,410	2,632,385	2,674,023
Amortization of SWP		1,680,000	1,408,152	1,579,000	1,364,095	1,317,226	1,094,735
Capital Leasing	[10]	212,000	-	-	-	-	-
Water Conservation		150,000	95,662	250,000	41,486	-	-
		4,532,000	4,066,616	4,370,000	3,955,990	3,949,611	3,768,758
Net Non-operating Income/(Loss)		2,664,848	2,293,175	1,675,000	3,217,101	3,535,704	5,030,799
Net Earnings(Loss)		(6,368,752)	(3,099,722)	(3,364,750)	(4,991,114)	(429,372)	(2,975,831)

Palmdale Water District
Budget 2012
Income Statement – General Information

	PROPOSED 2012	PROJECTED 2011	PROPOSED 2011	ACTUAL 2009	ACTUAL 2008
Operating Revenue	1.12%	1.28%	10.01%	20.77%	-12.51%
Operating Expenses	3.50%	9.91%	29.91%	14.77%	4.48%
Non-operating Revenues	13.16%	-11.34%	-19.24%	-14.94%	-18.32%
Non-operating Expenses	11.44%	2.80%	10.64%	4.80%	1.01%

Footnotes:

[2] 2010 Budget contains all amendments made during the current fiscal year. Original Cash Expense amount was $21,743,000 and $7,450,000 for Non-operating Revenue approved December 16, 2010. Total Net Earnings was forecasted in the adopted budget in the amount of $1,425,264.

[3] 2010 charges were higher by $688,000 due to OAP charges for 2008/2007 and 2009/2008 being assessed. These charges are shown separate due to amount being over and above normal budgetry amounts and were not factored into the original 2010 Budget. In 2011 the District received credits for the 2010/2009 OAP charge in the amount of $(591,500).

[4] GAC filter media purchases are directly offset by the revenues from the water quality fee for prior year. The 2012 Budget includes the possible replacement of up to six contactors, which makes up the majority of the water quality expense.

[5] Post employment accrual expense (OPEB) was added as a compliance requirement for GASB 45 (2008).

[6] Water supply connection fees will be charged to developers to offset new source water supply. This charge's effective date was pushed back to mid-year 2011 after completion of CEQA study as outlined by the Strategic Water Resource plan.

[7] Other revenues in the non-operating revenues contains $393,829 that was collected from energy refunds/rebates for 2008. This was a single line item in prior year budget and was blended for this year.

[8] The District received offset credits in the amount of $(869,253) related to the variable cost component in purchased water from the State Water Project (DWR). This has been reflected in the Water Recovery amount of $(1,134,000)

[9] Capital Improvement Fees (CIF) received from AVEK are shown as part of the regular fee collections. There will be a second payment in 2012 from AVEK and this is included in the 2012 projections.

[10] The District entered into Capital Leasing agreements in 2011 for computer equipment, telephony system, and SCADA network infrastructure. These agreements will run for a term of 60 months and will conclude in 2015.

General Information:

Depreciation for 2011 Projected was higher due to the completion of several improvement projects being moved over from Construction in Process to the Fixed Asset schedule. This was the major contributing factor in the change from $6,850,000 to projected $7,725,000.

Projected federal grant funds were adjusted to coincide with the potential revenue receipt. The receipt of these funds will now be shown in 2012 due to changes in approval requirements and additional paperwork required be the adminstrative agency overseeing these funds.

Cost Factors and Assumptions:

Cost of Living possible increase maximum of 3% effective September 1, 2012 subject to Board approval (Review will occur in August).

Worker's comp rates are calculated at .0101 for office personnel and .0510 for field personnel.

PERS is calculated at 18.913% for 6 months (Jan. thru Jun.) and 19.385% for 6 months (Jul thru Dec.).

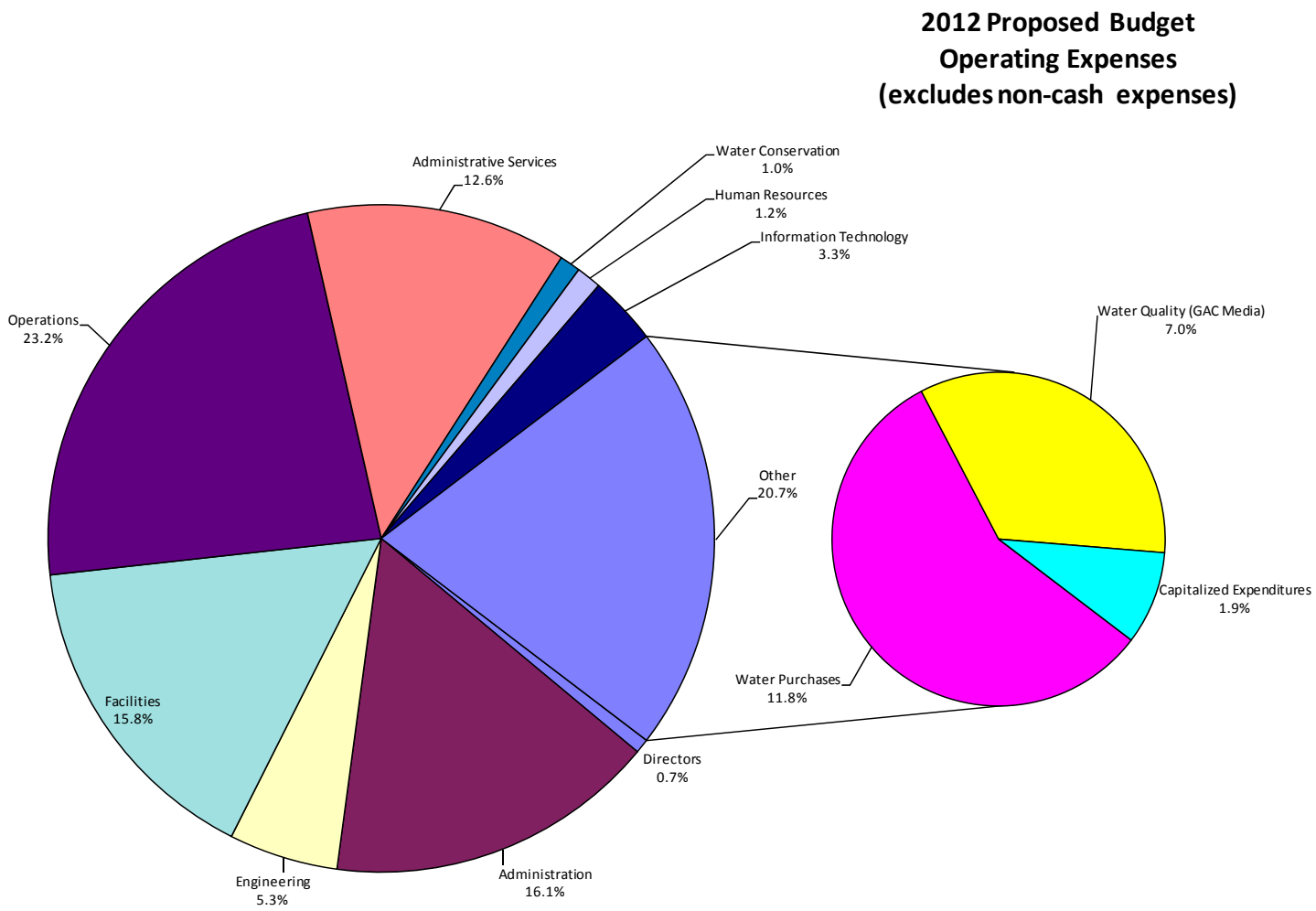
Employee benefits includes the cost of medical, dental & vision plans as well as the employee assistance program and on the job life insurance death benefit.

Health insurance rates have risen with a blended average for the three medical plans being an increase of 3.01% and the dental insurance was 4.13%.

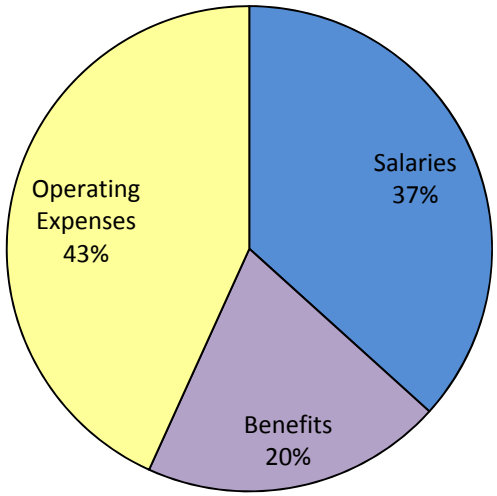
Health insurance includes benefits to directors that qualify for benefits based on years of service as a director.

Operating Revenue estimates were based on the potential sales of 17,800 ac. ft. of water for the 2012 Budget.

Palmdale Water District
2012 Operating Expenses (Proposed – excluding non-cash expenses) – Graph



Palmdale Water District
2012 Departmental Expenses (Proposed) – Graph



Departmental Expenses		
Salaries	$	6,340,250
Benefits		3,471,250
Operating Expenses		7,467,850
Total	$	17,279,350

Palmdale Water District
Budget 2012
5-Year Cash Flow (Aggregate)

	Proposed 2012	Projected 2011	Audited Numbers 2010	2009	2008
Beginning Cash	9,525,966	8,122,631	8,663,548	15,124,841	34,513,978
Operating Activities					
Net Operating Revenues	22,045,000	21,801,183	21,684,514	20,168,920	17,586,328
Net Operating Expenses	22,053,600	18,474,341	20,610,956	19,314,655	19,804,272
Net cash provided by operating activities	(8,600)	3,326,842	1,073,558	854,265	(2,217,944)
Other Sources and Uses of Cash					
Assessments received	5,500,000	4,812,071	5,790,877	5,677,001	5,262,788
Payments for State Water Project	(2,261,286)	(2,247,307)	(2,535,815)	(4,690,034)	(2,104,193)
Capital Improvement Fees Received	1,286,848	1,225,519	148,777	37,115	619,845
Water Conservation	(150,000)	-	-	-	-
Acquisition of Property, Plant & Equipment	(2,319,100)	(2,400,848)	(3,514,159)	(6,150,350)	(19,931,092)
Capital Leasing	(212,000)	-	-	-	-
Principal Paid on Long Term Debt	(1,220,000)	(1,170,000)	(1,125,000)	(1,080,000)	(1,040,000)
Interest Paid on Long Term Debt	(2,414,192)	(2,465,142)	(2,561,976)	(2,554,756)	(2,595,824)
State Grants and Other Income	350,000	243,703	2,094,050	1,152,767	1,705,595
Interest on Investments	60,000	78,498	88,771	292,699	911,688
Net Cash Provided by Other Sources and Uses	(1,379,730)	(1,923,507)	(1,614,475)	(7,315,558)	(17,171,193)
Net Increase (Decrease) in Cash	(1,388,330)	1,403,335	(540,917)	(6,461,293)	(19,389,137)
Cash End of Year	8,137,636	9,525,966	8,122,631	8,663,548	15,124,841
Less Restricted Cash	1,695,000	1,672,023	1,626,295	1,557,398	3,941,838
Available Operating Cash	6,442,636	7,853,943	6,496,336	7,106,150	11,183,003

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Palmdale Water District
2012 Departmental Staffing Budget

POSITION	2012	2011	2010
ADMINISTRATION:			
General Manager	1	1	1
Assistant General Manager	1	1	1
Executive Assistant	1	1	1
Administrative Assistant	1	1	1
SUBTOTAL:	4	4	4
ENGINEERING:			
Engineering Manager	1	1	1
Project Manager	1	1	1
Construction Inspector	3	3	3
Cross Connection Technician	1	1	1
Engineering Technician	3	3	3
SUBTOTAL:	9	9	9
FACILITIES:			
Facilities Manager	1	1	1
Construction Supervisor	1	1	1
Senior Service Worker	3	3	3
Service Workers	11	11	10
Warehouse Technician	2	2	2
Equipment Mechanic Supervisor	1	1	1
Equipment Mechanic	4	3	3
SUBTOTAL:	23	22	23
OPERATIONS:			
Operations Manager	1	1	1
Treatment Plant Supervisor	1	1	1
Plant Operators	6	6	7
Senior Maintenance Mechanic	1	1	1
Maintenance Mechanic	1	1	1
Administrative Technician	1	1	1
Water Quality Supervisor	1	1	1
Laboratory Analyst	2	2	2
Systems Supervisor	1	1	1
Pump Operator	2	2	2
Electrician	2	2	2
Electronic Technician	2	2	2
SUBTOTAL:	21	21	22

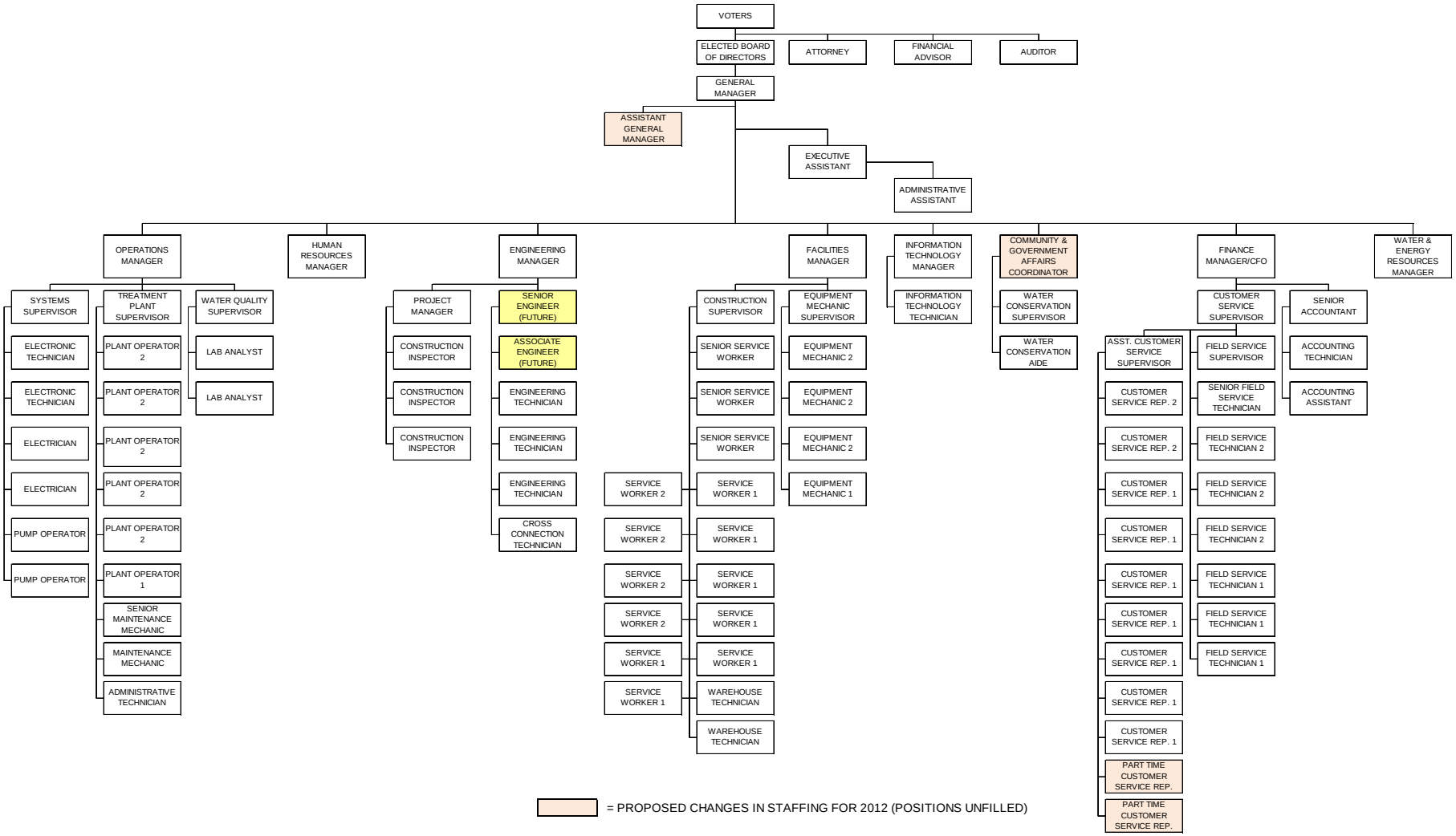
Palmdale Water District
2012 Departmental Staffing Budget (continued)

POSITION	2011	2010	2009
ADMINISTRATIVE SERVICES:			
Finance Manager/CFO	1	1	1
Senior Accountant	1	1	1
Accounting Technician	1	1	1
Accounting Assistant	1	1	1
Customer Service Supervisor	1	1	1
Assistant Customer Service Supervisor	1	1	1
Customer Service Representative	9	9	9
Part time Customer Service Representative	2	2	2
Field Service Supervisor	1	1	1
Senior Field Service Technician	1	1	1
Field Service Technician	6	6	6
SUBTOTAL:	25	25	25
WATER CONSERVATION:			
Community & Government Affairs Coordinator	1	1	1
Water Conservation Supervisor	1	1	1
Water Conservation Aide	1	1	1
SUBTOTAL	3	3	3
HUMAN RESOURCES:			
Human Resources Manager	1	1	1
SUBTOTAL:	1	1	2
WATER & ENERGY:			
Water & Energy Resources Manager	1	1	1
SUBTOTAL:	1	1	1
INFORMATION TECHNOLOGY:			
Information Technology Manager	1	1	1
Information Technology Technician	1	1	1
SUBTOTAL:	2	2	2
DISTRICT TOTAL:	**89**	**89**	**88**

Proposed Positions & Changes for 2012

ADMINISTRATION:	
Assistant General Manager	Position will not be funded but remains in chart.
ADMINISTRATIVE SERVICES:	
Part time Customer Service Representative	Positions will not be funded but remains in chart.
WATER CONSERVATION:	
Community & Government Affairs Coordinator	Position will not be funded but remains in chart.

Palmdale Water District
Organizational Chart
(Approved by Board of Directors on November 18, 2009)



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SECTION III
DEPARTMENTAL BUDGETS

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Administration Department

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Administration Department

DESCRIPTION:

The Administration Department manages the District through the Board of Directors, which sets policy, and the General Manager, who reports to the Board and manages the daily operation of the District. The attorneys and financial advisor positions, which answer to the Board and interact with the staff through the General Manager, are also an integral part of the Administration Department. The positions of Assistant General Manager, Executive Assistant, Administrative Assistant, & Water and Energy Resources Director also operate out of the Administration Department.

Palmdale Water District
Budget 2012
Board of Directors

Directors		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2012	2011	2011	2010	2009	2008
1-01-4000-000	Directors Fees	45,000	41,850	45,000	49,388	72,305	69,372
Benefits							
1-01-4005-000	Payroll Taxes	5,500	6,009	4,200	3,514	-	-
1-01-4010-000	Health Insurance	93,500	89,580	85,000	73,749	28,723	76,343
	Subtotal (Benefits)	99,000	95,589	89,200	77,263	28,723	76,343
	Personnel Expenses	144,000	137,439	134,200	126,652	101,028	145,715
OPERATING EXPENSES:							
1-01-4050-000	Director's Travel, Seminars & Meetings	10,000	7,268	12,000	9,403	24,531	23,239
	Total Operating Expense	10,000	7,268	12,000	9,403	24,531	23,239
	Total Departmental Expenses	154,000	144,707	146,200	136,055	125,558	168,954

Palmdale Water District
Budget 2012
Administration

Administration		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2012	2011	2011	2010	2009	2008
1-02-4000-000	Salaries	479,250	551,638	551,500	719,742	819,814	647,760
1-02-4000-100	Salaries - Departmental Overtime	6,000	6,217	8,500	7,677	-	-
1-02-4000-200	Salaries - District-wide Oncall/Standby	64,000	58,299	-	56,329	-	-
	Subtotal (Salaries)	549,250	616,153	560,000	783,748	819,814	647,760
Employee Benefits							
1-02-4005-000	Payroll Taxes	42,000	35,497	43,000	34,540	56,583	47,609
1-02-4010-000	Health Insurance	76,750	104,849	90,000	124,138	165,482	59,267
1-02-4015-000	Pers	90,500	88,045	102,000	105,019	120,476	89,548
1-02-4020-000	Worker's Comp (District-wide)	200,000	157,099	200,000	176,082	211,309	213,943
1-02-4025-000	Vacation Benefit Expense (District-wide)	35,000	22,492	35,000	8,597	(18,716)	89,107
1-02-4030-000	Life Insurance/EAP Program (District-wide)	7,500	7,876	7,500	4,994	4,013	3,550
	Subtotal (Benefits)	451,750	415,858	477,500	453,370	539,148	503,025
	Personnel Expenses	1,001,000	1,032,011	1,037,500	1,237,118	1,358,962	1,150,785
OPERATING EXPENSES:							
1-02-4050-000	Staff Travel	8,000	7,001	8,000	9,365	13,867	8,917
1-02-4050-100	General Manager Travel	5,000	5,964	5,000	3,029	3,144	7,597
1-02-4060-000	Staff Conferences & Seminars	3,000	378	3,000	1,793	2,417	1,656
1-02-4060-100	General Manager Conferences & Seminars	4,500	1,905	4,500	1,980	2,224	4,420
1-02-4070-000	Employee Expense	40,000	37,458	50,000	67,524	83,892	39,273
1-02-4080-000	Other Operating	20,000	24,280	15,000	27,774	9,621	51,815
1-02-4110-000	Consultants	200,000	225,782	174,000	289,920	591,470	527,905
1-02-4115-100	Settlements - City of Palmdale	-	-	-	20,000	-	-
1-02-4115-200	Settlements - Mr. Hill's Contract	-	-	-	377,900	-	-
1-02-4125-000	Insurance	325,000	277,126	350,000	287,883	356,796	289,284
1-02-4130-000	Bank Charges	130,000	125,502	125,000	147,385	101,906	74,389
1-02-4135-000	Groundwater Adjudication	925,000	1,037,403	425,000	676,467	259,125	366,077
1-02-4140-000	Legal Services	475,000	327,892	600,000	502,651	682,644	606,028
1-02-4140-100	Legal Services - Consultants	-	140,275	-	-	-	-
1-02-4150-000	Accounting Services	20,000	25,141	25,000	25,913	23,399	23,001
1-02-4155-000	Contracted Services	50,000	26,856	50,000	28,222	43,456	72,280
1-02-4160-000	Collection Related Fees	-	-	-	-	570	(10)
1-02-4165-000	Memberships/Subscriptions	110,000	92,884	110,000	118,381	144,172	102,130
1-02-4170-000	Elections	70,000	-	-	77,032	-	67,017
1-02-4175-000	Permits	20,000	10,713	20,000	10,750	31,160	28,173
1-02-4180-000	Postage	30,000	22,317	45,000	18,629	41,117	63,928
1-02-4190-100	Public Relations - Publications	30,000	38,094	32,000	29,728	42,573	38,712
1-02-4190-200	Public Relations - Chamber of Commerce	-	-	-	-	315	4,679
1-02-4190-800	Public Relations - Youth Sponsorship	-	-	-	-	2,000	2,000
1-02-4190-900	Public Relations - Other	1,000	1,102	1,000	1,194	19,770	7,564
1-02-4200-000	Advertising	3,000	2,745	3,000	3,740	1,190	2,645
1-02-4205-000	Office Supplies	20,000	18,833	20,000	19,068	18,849	40,109
1-02-4230-110	Mtce & Rep Office -Equipment	-	615	-	-	-	-
1-02-4210-000	Office Furniture	-	5,559	6,000	-	-	438
1-02-4215-200	Natural Gas - Office Building	5,000	4,829	3,500	2,387	2,583	4,134
1-02-4220-200	Electricity - Office Building	50,000	43,777	44,000	44,819	36,534	43,093
1-02-6300-100	Supplies - Janitorial	1,500	218	1,500	1,224	363	-
	Total Operating Expense	2,546,000	2,504,650	2,120,500	2,794,759	2,515,156	2,827,254
1-02-4900-000	Budget Inclusion Expense	-	-	-	-	-	-
	Total Departmental Expenses	3,547,000	3,536,661	3,158,000	4,031,877	3,874,118	3,978,039

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Engineering Department

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Engineering Department

DESCRIPTION:

The Engineering Department's primary responsibilities are planning, project development and management, and quality control. Associated duties include CEQA compliance, permit maintenance, plan checking, construction inspection, updating facility maps, maintaining standard construction specifications, and reporting water production to maintain water rights.

2011 WATER YEAR INDICATORS:

1) Three water improvement projects approved.
2) Two water improvement projects completed.
3) Four District construction projects completed.
4) 15 Inspection work orders actively being overseen for completion and closure of the work order.
5) 1,881 USA tickets received with 789 requiring street marks.

2011 ACCOMPLISHMENTS:

1) Provided input and staff time for various state reports.
2) Updated water service maps, gate books, and 1000' scale maps.
3) Updated total quantification miles of pipe, number of valves, fire hydrants, air vacs, and other facilities.
4) Completed survey and related reporting for both Littlerock and Palmdale Dam.
5) Continued working with consultant on the preparation of the Littlerock Reservoir Sediment Removal Project EIR/EIS.
6) Continued overseeing the contract for the re-coating and maintenance for various storage tanks.
7) Completed the design and construction oversight for the water main replacement project in Avenue Q between 10th Street East and 20th Street East.
8) Provided input and staff time in fulfilling the mission of the Antelope Valley State Water Contractors Association.
9) Provided input and staff time related to the Integrated Regional Water Management Plan.
10) Developed agreement between PWD and AVEK for proposed inter-connection at the Acton WTP.
11) Negotiated lease for new cell tower to be located at existing District Facility.
12) Completed design and construction oversight for various water distribution system improvements constructed by District forces.

2012 OBJECTIVES:

1) Continue providing QA/QC on the construction of the new tracts, commercial, and city projects which require water system improvements.
2) Continue providing QA/QC on the planning, design, and construction of various water distribution, energy, and treatment projects that may be necessary to maintain operation and improvement to the water system.
3) Obtain necessary permits for the Littlerock Reservoir Sediment Removal Project.
4) Complete the design and award a contract for the construction of the Grade Control Structure at Littlerock Dam.
5) Complete the design review and oversee the construction of the infrastructure necessary to complete the inter-connection between PWD and AVEK.
6) Update all fees related to new development and connection to the water system to support new development.
7) Continue ensuring that all water storage tanks are properly maintained and coated.
8) Continue improving the District's new GIS mapping tools and software.
9) Complete the design and construction of various Capital Improvement Projects.
10) Complete the design and construction of the various asset replacement projects that have been identified in the 2012 Budget.
11) Complete and certify the CEQA document associated with the Recycled Water System Master Plan.
12) Complete and Certify the CEQA document associated with the Strategic Water Resources Plan.
13) Continue involvement and provide input on projects related to the Integrated Regional Water Management Plan.
14) Continue involvement and work associated with fulfilling the mission of the Antelope Valley State Water Contractors Association.
15) Continue providing support to unexpected operational activities and emergencies throughout the year.
16) Conduct emergency response drills to ensure District staff is prepared in the event of a major emergency.

Palmdale Water District
Budget 2012

Engineering		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2012	2011	2011	2010	2009	2008
1-03-4000-000	Salaries	767,000	777,873	742,500	769,680	840,032	915,817
1-03-4000-100	Salaries - Departmental Overtime	7,500	10,758	7,500	5,381	-	-
	Subtotal (Salaries)	774,500	788,631	750,000	775,061	840,032	915,817
Employee Benefits							
1-03-4005-000	Payroll Taxes	59,250	57,608	57,500	56,784	63,897	67,362
1-03-4010-000	Health Insurance	158,000	151,270	152,500	126,171	149,853	152,827
1-03-4015-000	PERS	144,250	134,619	135,500	120,295	136,000	131,897
	Subtotal (Benefits)	361,500	343,496	345,500	303,250	349,749	352,086
	Personnel Expenses	1,136,000	1,132,127	1,095,500	1,078,311	1,189,781	1,267,903
OPERATING EXPENSES:							
1-03-4050-000	Staff Travel	4,250	4,275	3,500	3,425	6,494	2,963
1-03-4060-000	Staff Conferences & Seminars	2,750	2,557	3,500	2,055	775	2,945
1-03-4155-000	Contracted Services	6,000	9,513	5,000	-	13,816	-
1-03-4165-000	Memberships/Subscriptions	3,000	2,686	2,500	2,854	2,692	4,755
1-03-4250-000	General Materials & Supplies	2,000	1,390	2,000	918	752	1,745
1-03-4230-110	Maintenance & Repair - Office Equipment	-	599	-	69	-	-
1-03-8100-100	Computer Softw are - Maint. & Support	15,000	17,226	15,000	18,297	15,135	14,944
	Total Operating Expense	33,000	38,246	31,500	27,619	39,662	27,352
1-03-4900-000	Budget Inclusion Expense	-	-	-	-	126,763	132,240
	Total Departmental Expenses	1,169,000	1,170,372	1,127,000	1,105,929	1,356,206	1,427,495

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Facilities Department

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Facilities Department

DESCRIPTION:

The Facilities Department is in charge of maintaining and repairing all pipelines, vehicles and equipment, and related facilities. This includes the District's 23 active ground water wells, 17 reservoir sites, 15 booster stations, 14 pressure regulating stations, 9 seismic valves, and 9 hydro-pneumatic tanks.

2011 WATER YEAR INDICATORS:

1) 28,206 Meters in service
2) 9,352 System valves in service
3) 414 Miles of pipe in service
4) 512 Emergencies to which the department responded

2011 ACCOMPLISHMENTS:

1) Performed 2,083 hours of building and grounds maintenance. This maintenance included general upkeep of grounds, fence repairs, building repairs, graffiti removal, continuous cleaning and reorganizing for storage and warehouse needs, shifted the fabrication shop to accommodate more room for fleet and heavy equipment repair.
2) Performed quarterly maintenance on all HVAC units.
3) Completed the extension of security beams increasing security for the entire blacktop area and installed light standards for more visibility along with hookup for air particulates on diesel equipment.
4) Completed HVAC upgrade of District Office, remounted units to eliminate roof leaks installed backup unit for computer server room, replaced main chaser unit and ducting to provide adequate air-flow for heating and cooling.
5) All HVAC units were retro-fitted with economizers to save energy and provide fresh air to the building.
6) Thermostats reprogrammed to run HVAC fans during occupancy to provide improved ventilation.
7) Roof replaced with spray on coating.
8) District Office elevator load tested and certified.
9) Monthly cleaning on solar panels located on the east storage building (back shop).
10) Performed 2,404 hours of maintenance on wells, boosters and storage reservoirs. This included scheduled preventive maintenance (PM), 71 natural gas engine and generator inspections, 41 pump and motor PM's, repairs included performing approximately 29 miscellaneous repairs to pumps, motors and engine rehabilitation. Also included was replacing the damaged exhaust silencer at Well #3 and full rehabilitation of Well #19 including new pump installation and drain line. Replaced failed hydro-pneumatic tank air compressor at 5 million gallon booster station. Replaced failed booster #4 pump and motor removed, rebuilt and replaced at the 25th St. Booster Station.
11) Performed 761 hours of facilities training. This included training on backhoe/loader, hazmat, small and large crane, traffic control, forklift, confined space, signal person, rigging, underground locating training along with leadership and supervisor training, automated external defibrillator (AED) training. The district has implemented in-house training programs with (2) of the above categories and utilized cost free training from Joint Powers Insurance Authority (JPIA)on (4) other courses to reduce cost and hours on training employees.

2011 ACCOMPLISHMENTS (continued):

12) Performed 668 hours of meter repair and maintenance exchanging meters, angle stop repairs and leaks. This included fabrication of compound meter lids and repairing piping and installation of new meters.
13) Performed 142 hours of Treatment Plant repairs.
14) Performed 2,546 hours of vehicle and heavy equipment maintenance and repair activities performing miscellaneous repairs, 104 scheduled PM's and 131 truck, trailer and crane repairs and inspections.
15) Conducted work on the District's flushing program (Water Quality) flushing 481,510 cubic feet (3,601,695 gallons) of water flushed to maintain adequate chlorine residuals and low turbidity numbers throughout our distribution system. 101 yearly sites flushed.
16) Conducted the valve exercising program, which included exercising 790 system valves.
17) This year implemented the air-vac rehabilitation program rebuilding and replacing air-vacuum breakers to improve the 2800' zone to achieve better function throughout the distribution system. 95 air-vacs serviced, rebuilt or replaced.
18) As of 11-15-2011 we have repaired 581 mainline leaks and 55 residential service line leaks.
19) Construction crew completed the 12th St. E. pipeline eliminating approximately 1250' feet of 1951 double dipped and wrapped steel line.
20) In February 2011 the construction crew completed the installation of 1320' of 4" ductile iron pipe and pressure reducing valve (PRV) to circulate water in an area that had a dead end main. This will reduce the Total Trihalomethane (TTHM) count to meet future state requirements (April 2012).
21) Replaced the 16" altitude valve at the 5 million gallon reservoir.
22) Installed new assembly at the 3900' tank reservoir (12" altitude valve and vault).
23) Construction crew completed the installation of approximately 1300' of 6" ductile iron pipe replacing 1957 6" and 4" double dipped and wrapped steel line located at 40th St. E. and Avenue S10.

2012 OBJECTIVES:

1) Continue valve-exercising program.
2) Continue flushing program (water quality and required chlorine residuals).
3) Continue air-vac rebuild/replacement maintenance program to ensure proper operation.
4) Continue mainline replacement program.
5) Continue dead end tie-in program
6) Continue upgrade piping, plumbing and electrical at all well sites.
7) Continue to install new magnetic flow meters at well sites as necessary to improve accuracy of production tracking.

Palmdale Water District
Budget 2012

Facilities		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2012	2011	2011	2010	2009	2008
1-04-4000-000	Salaries	1,424,000	1,370,889	1,434,000	1,345,077	1,805,916	1,749,709
1-04-4000-100	Salaries - Departmental Overtime	45,000	47,171	45,000	46,025	-	-
	Subtotal (Salaries)	1,469,000	1,418,060	1,479,000	1,391,102	1,805,916	1,749,709
Employee Benefits							
1-04-4005-000	Payroll Taxes	112,500	113,701	110,000	99,084	138,153	132,410
1-04-4010-000	Health Insurance	394,000	341,285	337,000	276,349	376,151	342,028
1-04-4015-000	PERS	266,000	243,376	252,000	207,987	289,605	236,356
	Subtotal (Benefits)	772,500	698,361	699,000	583,419	803,908	710,794
	Personnel Expenses	2,241,500	2,116,421	2,178,000	1,974,521	2,609,824	2,460,503
OPERATING EXPENSES:							
1-04-4050-000	Staff Travel	3,000	625	3,000	835	-	2,552
1-04-4060-000	Staff Conferences & Seminars	3,000	2,081	3,000	625	315	4,529
1-04-4155-000	Contracted Services	33,000	24,674	33,000	12,367	53,815	70,378
1-04-4215-200	Natural Gas - Buildings	4,500	3,460	4,500	4,195	3,655	3,044
1-04-4220-200	Electricity - Buildings	17,500	11,141	17,500	12,385	14,019	9,547
1-04-4225-000	Maint. & Repair - Vehicles	45,000	41,055	45,000	32,035	42,323	46,535
1-04-4230-110	Maint. & Rep. Office - Equipment	-	-	-	357	75	491
1-02-4230-100	Maint. & Rep. Operations - Office Building	18,000	9,749	18,000	60,534	15,106	16,596
1-04-4235-110	Maint. & Rep. Operations - Equipment	7,500	5,479	5,000	3,578	5,894	8,032
1-04-4235-400	Maint. & Rep. Operations - Wells	150,000	105,612	150,000	57,249	79,159	253,112
1-04-4235-405	Maint. & Rep. Operations - Boosters	50,000	53,599	50,000	36,749	22,803	68,243
1-04-4235-410	Maint. & Rep. Operations - Shop Bldgs	10,000	20,922	3,000	2,206	2,302	5,303
1-04-4235-415	Maint. & Rep. Operations - Facilities	15,000	9,874	25,000	27,763	19,903	68,849
1-04-4235-420	Maint. & Rep. Operations - Water Lines	400,000	403,045	370,000	633,952	592,699	426,049
1-04-4235-425	Maint. & Rep. Operations - Littlerock Dam	25,000	19,049	25,000	39,979	15,297	1,219
1-04-4235-430	Maint. & Rep. Operations - Palmdale Dam	25,000	26,539	25,000	26,139	24,219	21,158
1-04-4235-435	Maint. & Rep. Operations - Palmdale Canal	5,000	184	5,000	-	-	9,571
1-04-4235-455	Maint. & Rep. Operations - Heavy Equipment	40,000	29,981	40,000	72,012	27,959	14,208
1-04-4235-460	Maint. & Rep. Operations - Storage Reservoirs	7,500	3,917	5,000	35	582	386
1-04-4250-000	General Material & Supplies	-	-	-	-	125	-
1-04-4250-100	Materials - Hot Tapping	-	-	-	1,029	-	-
1-04-5010-000	Service Costs Construction	-	-	-	-	-	15,859
1-04-6000-000	Waste Disposal	20,000	20,443	20,000	19,594	19,513	25,954
1-04-6100-100	Fuel and Lube - Vehicle	130,000	126,814	115,000	78,549	76,099	121,767
1-04-6100-200	Fuel and Lube - Machinery	43,000	31,097	43,000	27,321	13,162	29,898
1-04-6200-000	Uniforms	20,000	15,060	20,000	12,660	32,891	35,342
1-04-6300-000	Supplies	-	-	-	-	3,418	-
1-04-6300-100	Supplies - Misc.	50,000	40,641	50,000	141,820	112,308	132,776
1-04-6300-800	Supplies - Construction Materials	100,000	65,251	100,000	-	-	-
1-04-6400-000	Tools	12,000	7,968	12,000	8,297	7,015	10,493
1-04-7000-100	Leases -Equipment	15,000	10,304	15,000	15,174	11,333	13,401
	Total Operating Expense	1,249,000	1,088,564	1,202,000	1,327,440	1,195,989	1,415,292
1-04-4900-000	Budget Inclusion Expense	-	-	-	-	24,106	4,265
	Total Departmental Expenses	3,490,500	3,204,985	3,380,000	3,301,961	3,829,919	3,880,060

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Operations Department

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Operations Department

DESCRIPTION:

The Operations Department operates the Water Treatment Plant, Lake Palmdale, Littlerock Dam and Reservoir, and the Palmdale Ditch for surface water sources and treatment. The Operations Department monitors and maintains operation of the District's 23 active ground water wells, 17 reservoir sites, 15 booster stations, 14 pressure regulating stations, 9 seismic valves, 9 hydro-pneumatic tanks, and hypochlorite disinfection equipment at 32 of the above sites. The department is responsible for maintaining compliance with all Federal, State, and local regulations on water quality standards, updating watershed sanitary survey and development of wellhead protection as a source water protection plan, lake management, energy management, and pumping efficiency, as well as handling customer related water quality complaints and water quality analysis.

2011 WATER YEAR INDICATORS:

1) Treated 12,851.8* acre-feet of surface water, 66.4% of total production, (3.76% more than 2009/10).
2) Pumped 6,501.4* acre-feet of ground water, 33.6% of total production, (17.89% less than 2009/10).
3) 19,353.1* Total acre-feet of water produced for Water Year, (4.69% less than 2009/10).
4) Operated Water Treatment Plant 8,318* hours.
5) Received 10,909.2* acre-feet of State Project Water (3.1% less than 2009/10).
6) Drew 2,569.2 acre-feet of water from Littlerock Reservoir (629.6 ac/ft more than 2009/10).
7) Presently maintain 29.1** million gallons of potable water in distribution reservoir storage, (as of October 01, 2011).
8) Presently maintain 3,789.1 acre-feet of water in Lake Palmdale at an elevation of 2,811.0 feet above sea level, and approximately 10.0 acre-feet in Littlerock reservoir at an elevation of 3,206.8 feet above sea level.

* Water Year: October 1, 2010 to September 30, 2011
** Maximum Storage for 24 hr period of September 30 to October 01, 2011

2011 ACCOMPLISHMENTS:

1) Purchased, installed and trained on GCMS lab equipment enabling staff to perform in house TTHM analysis in preparation for the Stage II Disinfection Byproduct Rule.
2) Continued to adapt distribution strategies to improve water quality and increase energy efficiency.
3) Monitored water supplies for Radioactivity, MTBE, TTHM's and Hexavalent Chromium and all other constituents required by law.
4) GAC contactors were utilized to reduce disinfection byproducts and taste and odor compounds, thereby providing a higher quality of water.
5) Completed work on WTP Operations and Maintenance Manual.
6) Continued pilot plant for testing GAC media. This has lead staff to begin full scale testing of a potentially superior GAC media.
7) Completed upgrading and standardizing SCADA and electrical panels at all operational sites.
8) Completed Annual Laboratory re-certification.
9) Continued to diligently install, upgrade, maintain and repair a wide variety of critical distribution equipment to ensure reliable and efficient operations of the distribution system.
10) Made in house repairs to improve performance of the Hydro-Turbine.
11) Completed upgrade of Distribution WTP SCADA software.

2011 ACCOMPLISHMENTS (continued):

12) Utilized GAC influent flow meter to improve GAC performance and IPS pumping efficiency.
13) Began work on initiating a Computerized Maintenance Management System (CMMS) program.
14) Staff utilized training to initiate an in house preventative maintenance program on automated valve actuators, reducing the departments contracted maintenance costs.
15) Staff utilized training to handle in house repairs to the WTP Sodium Hypo-Chlorite generator, extending the useful life of the electrodes reducing costs for third party repairs.
16) Completed pilot testing of GAC media at the Underground Booster Station. This demonstrated that targeted localized GAC treatment is a viable option for reducing overall GAC expenditures.
17) Began program to track PRV flows.
18) Staff utilized training to begin making in house repairs to Wash Water Return pumps, reducing costs and downtime.
19) Completed the installation of two hydraulic power units for the Super Scraper system in the WTP Sedimentation Basins.
20) Relocated filter aid and sodium hypo-chlorite diffusers, improving chemical mixing prior to filtration.
21) Utilized training to initiate an in house ARC Flash Safety program.

2012 OBJECTIVES:

1) Continue development and execution of an effective lake monitoring program and clean up of Lake Palmdale shoreline.
2) Prepare for and comply with the Stage 2 Disinfection Byproduct Rule.
3) Continue to refine plant and distribution systems operational practices to reduce costs and optimize water quality.
4) Continue jar testing of coagulants to further reduce chemical costs and optimize treatment.
5) Repair and utilize Floc Aid dosing station.
6) Set up and utilize CMMS system for plant maintenance.
7) Complete Clear SCADA Software System upgrade for the WTP SCADA.
8) Install improved radio backbone for Distribution SCADA system.
9) Establish and implement a fully functioning security system for the WTP.
10) Install new lake sample line and pump.
11) Utilize targeted localized GAC treatment to reduce overall GAC operation costs.
12) Improve Production reporting through use of SCADA for synchronized data gathering.
13) Continue to perform compliance monitoring of water supplies for Radioactivity, MTBE, and Hexavalent Chromium, Cyanide, General Physical, General Mineral, Inorganics & Organics and all other constituents required by law.
14) Continue to promote education and conservation through informational tours and a proactive positive response in handling water quality complaints.
15) Maintain excellent interdepartmental cooperation through clear communication and promoting the understanding and respect of all staff's contributions towards our shared mission.
16) Encourage continued education and training in order to equip staff with the knowledge necessary to deal effectively with current and future water industry challenges.
17) Continue to upgrade, standardize, maintain and repair distribution and WTP facilities to ensure reliable and efficient performance.

Palmdale Water District
Budget 2012

Operations		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2012	2011	2011	2010	2009	2008
1-05-4000-000	Salaries	1,619,250	1,571,485	1,565,000	1,527,312	1,042,903	1,029,133
1-05-4000-100	Salaries - Departmental Overtime	60,000	113,848	50,000	67,947	-	-
	Subtotal (Salaries)	1,679,250	1,685,334	1,615,000	1,595,259	1,042,903	1,029,133
Employee Benefits							
1-05-4005-000	Payroll Taxes	128,500	124,733	123,500	120,429	77,119	78,362
1-05-4010-000	Health Insurance	367,500	345,691	380,000	290,849	196,526	163,256
1-05-4015-000	PERS	304,000	273,221	289,000	234,153	165,528	155,386
	Subtotal (Benefits)	800,000	743,644	792,500	645,430	439,173	397,004
	Personnel Expenses	2,479,250	2,428,978	2,407,500	2,240,689	1,482,076	1,426,137
OPERATING EXPENSES:							
1-05-4050-000	Staff Travel	8,000	11,061	10,800	4,914	1,755	6,783
1-05-4060-000	Staff Conferences & Seminars	9,500	11,856	10,800	2,420	1,791	7,079
1-05-4120-100	Training - Lab Equipment	3,500	1,962	7,500	-	-	-
1-05-4155-000	Contracted Services	59,000	62,870	73,500	53,483	38,078	68,896
1-05-4175-000	Permits	51,000	30,831	51,000	67,367	65,330	41,263
1-05-4215-100	Natural Gas - Wells & Boosters	150,000	90,369	150,000	119,255	170,615	335,842
1-05-4215-200	Natural Gas - Water Treatment Plant	3,000	2,168	3,000	1,623	2,022	3,312
1-05-4220-100	Electricity - Wells & Boosters	1,450,000	1,088,736	1,440,000	1,302,564	1,183,602	1,264,499
1-05-4220-200	Electricity - Water Treatment Plant	185,000	155,743	190,000	173,859	187,565	33,291
1-05-4230-110	Maint. & Rep. Office - Equipment	500	334	500	255	375	92
1-05-4235-110	Maint. & Rep. Operations - Equipment	15,000	5,597	15,000	10,040	4,821	12,879
1-05-4235-410	Maint. & Rep. Operations - Shop Bldgs	6,000	595	6,000	2,954	6,858	10,765
1-05-4235-415	Maint. & Rep. Operations - Facilities	38,000	41,815	38,000	29,048	20,507	32,936
1-05-4235-445	Maint. & Rep. Operations - Telemetry	2,250	14,490	2,250	507	-	2,346
1-05-4235-450	Maint. & Rep. Operations - Hypo Generators	7,250	1,344	7,250	10,318	1,065	36,760
1-05-4236-000	Palmdale Lake Management	15,000	14,330	21,000	9,048	30,577	35,271
1-05-4240-000	Maint. & Repair - Wind Turbine	-	-	-	-	-	630
1-05-4250-000	General Material & Supplies	-	1,167	-	-	-	-
1-05-4270-300	Telecommunication - Other	2,250	2,990	2,250	2,622	2,718	2,659
1-05-4300-300	Testing - Edison Testing	12,000	5,385	10,000	11,610	5,225	10,170
1-05-5011-000	Emergency Repair & Recovery	-	12,492	-	-	-	-
3-05-4300-100	R&D - Filter Media Testing	-	10,975	13,000	-	-	-
1-05-6000-000	Waste Disposal	15,000	36,357	36,000	2,696	3,029	49,864
1-05-6200-000	Uniforms	10,000	7,140	10,000	5,669	13,091	14,026
1-05-6300-100	Supplies - Misc.	15,000	9,755	15,000	13,704	9,898	21,951
1-05-6300-200	Supplies - Hypo Generators	6,750	5,590	6,750	8,719	8,991	9,358
1-05-6300-300	Supplies - Electrical	3,500	2,304	2,700	5,202	483	5,136
1-05-6300-400	Supplies - Telemetry	7,500	3,750	8,250	6,428	3,633	12,860
1-05-6300-600	Supplies - Lab	35,000	31,236	35,000	32,182	27,525	26,827
1-05-6300-700	Outside Lab Work	65,000	68,460	67,500	66,354	74,404	64,587
1-05-6400-000	Tools	6,500	6,677	6,500	4,397	2,596	4,405
1-05-6500-000	Chemicals	450,000	409,083	420,000	347,746	460,632	752,392
1-05-7000-100	Leases -Equipment	3,000	1,061	4,000	1,226	-	35,151
1-05-8100-200	Computer Softw are - Softw are and Upgrades	-	-	-	15,095	-	-
	Total Operating Expense	2,634,500	2,148,522	2,663,550	2,311,304	2,327,188	2,902,030
1-05-4900-000	Budget Inclusion Expenses	-	-	-	-	17,614	24,994
	Total Departmental Expenses	5,113,750	4,577,500	5,071,050	4,551,993	3,826,877	4,353,161

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Administrative Services Department

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Administrative Services Department

DESCRIPTION:

The Administrative Services Department's primary responsibility is overseeing the finance related aspects of the District. This includes customer service, accounts payable, payroll, bank reconciliation, financial reporting (both state and local), auditing, internal controls, and fixed asset allocation.

The customer service portion of the Administrative Services Department manages the day-to-day affairs for the water customers of the Palmdale Water District. This includes billing, meter reading, new service applications, customer complaints, payment processing, collections, assessment management, and records management.

2011 WATER YEAR INDICATORS:

1) Processed 3,723 +/- New Account Applications.*
2) Completed 12,140 +/- non-application based customer service orders.*
3) Issued 26,810 door tags, 2,771 shutoffs, and processed 807 rejected payments.*
4) Processed 298,645 payments: Make up was 142,634 mail payments, 80,378 front counter, 21,686 credit card by telephone, 44,841 online credit cards and 9,106 ACH.
5) 17,343 acre feet of water billed.*
6) Serviced an average of 26,191 active customer accounts*.
7) Serviced an total of 30,233 customers (active and inactive).

* All numbers are based on a reporting period of October 1, 2010 through September 30, 2011.

2011 ACCOMPLISHMENTS:

Finance Staff

1) Completed the annual audit and required reporting to outside governing agencies.
2) Provided technical, financial, and acquisition support to all departments.
3) Provided monthly financial reports to General Manager and Board of Directors.
4) Provided employee compensation in a timely manner.
5) Liquidated District's obligations in a timely manner.
6) Changed vendor for banking services and electronic payment processing which reduced overall operating costs.

Customer Service Staff

1) Continued cross training of office staff in various areas (billing, image scanning, collections, cash handling and mail payments) to enable the office to operate efficiently.
2) Provided Customer Service staff with additional training/education to promote effective customer service practices/programs to meet the changing needs of our customers.
3) Implemented a new Electronic Bill Presentment and Payment (EBPP) option for customer in conjunction with web based customer account management portal thus enabling our customers to access their account information online at any time to view their bills and make payments via Credit/Debit Card or Automated Clearing House (ACH) eCheck as well as perform other activities such as: address change request, closing their water service account, establishing a new water service account and the like through the customer service portal.

2011 ACCOMPLISHMENTS (continued):

4) Coordinating the large meter repair, and testing as well as overseeing replacement of large meters to improve accuracy and reliability.
5) Overseeing, coordinating and maintaining the replacement of radio read meters in various routes.
6) Secured the services of 3rd party check processor to convert individual paper checks in to one electronic payment file for more secure and timely processing of payments.

2012 OBJECTIVES:

Finance Staff

1) Complete year-end audit and required financial reporting in a timely manner.
2) Continue to provide technical, financial, and acquisition support to all departments.
3) Continue to provide monthly financial reports to the General Manager and Board of Directors.
4) Complete the upgrade to Great Plains/Cogsdale Customer Service Management version 2010 enterprise software packages.

Customer Service Staff

1) Continue to provide Customer Service staff with additional training/education to foster effective customer service practices/programs to meet the changing needs of our customers.
2) Cross training office personnel in various areas (mail payment handling, scanning, collections, cash handling, and the like) to help the office efficiency.
3) Continue to maintain the radio read meters throughout the District to maintain billing accuracy and efficiency.
4) Continue to conduct real-time auditing of radio-read routes at least twice a year to ensure that the radio read units operate effectively.
5) Continue to test, repair, or replace existing radio read infrastructure.
6) Oversee large meter repair, replacement and/or testing.
7) Upgrading existing telephone system with an IVR (interactive voice recognition) system so that customers can call in, inquire about balances on their accounts and pay their bills at any time. This system will also allow us to contact customers quickly in specific areas in case of emergency shutdowns.
8) Implement a new billing template which will contain more detailed information on bill calculation for current and future billings.

Palmdale Water District
Budget 2012

Administrative Services		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2012	2011	2011	2010	2009	2008
1-06-4000-000	Salaries	1,531,250	1,508,723	1,525,000	1,679,094	1,612,399	1,751,372
1-06-4000-100	Salaries - Departmental Overtime	25,000	30,945	15,000	12,214	-	-
	Subtotal (Salaries)	1,556,250	1,539,668	1,540,000	1,691,308	1,612,399	1,751,372
Employee Benefits							
1-06-4005-000	Payroll Taxes	119,250	119,983	118,000	122,180	123,066	134,500
1-06-4010-000	Health Insurance	381,000	365,774	365,000	337,125	321,174	319,002
1-06-4015-000	PERS	286,500	264,424	276,500	259,728	258,327	280,419
	Subtotal (Benefits)	786,750	750,181	759,500	719,033	702,567	733,921
	Personnel Expenses	2,343,000	2,289,848	2,299,500	2,410,341	2,314,966	2,485,293
OPERATING EXPENSES:							
1-06-4050-000	Staff Travel	250	173	1,000	757	481	14,873
1-06-4060-000	Staff Conferences & Seminars	1,000	456	500	330	270	11,608
1-06-4155-000	Contracted Services	14,500	-	-	-	35,340	16,708
1-06-4155-100	Contracted Services - Infosend	205,000	205,733	205,000	229,475	220,054	213,477
1-06-4155-300	Contracted Services - Computer Vendors	-	22,738	-	-	-	-
1-06-4165-000	Memberships/Subscriptions	500	275	500	435	195	610
1-06-4210-000	Office Furniture	-	-	-	-	-	7,040
1-06-4230-100	Maintenance & Repair - Office Building	-	-	-	-	-	-
1-06-4230-110	Maintenance & Repair - Office Equipment	1,000	209	2,000	8,700	8,874	7,587
1-06-4235-440	Maint. & Rep. Operations - Large Meters	10,000	8,648	41,000	34,517	12,240	7,898
1-06-4235-470	Maint. & Rep. Operations - Meter Exchanges	125,000	168,999	125,000	-	-	-
1-06-4250-000	General Material & Supplies	4,000	5,993	4,000	2,687	8,726	15,197
1-06-4260-000	Business Forms	10,000	7,163	10,000	22,125	10,497	11,748
1-06-4270-100	Telecommunication - Office	30,000	26,499	30,000	29,620	25,606	28,464
1-06-4270-200	Telecommunication - Cellular Stipend	17,000	15,845	20,000	23,602	17,382	17,956
1-06-4270-300	Telecommunication - Cellular (District On-Call)	3,000	2,288	-	245	63	-
1-06-4300-100	Testing - Meter Testing	-	-	-	152	183	-
1-06-4300-200	Testing - Large Meter Testing	21,500	15,575	21,500	19,300	16,135	13,302
1-06-6300-000	Supplies	-	-	-	-	-	-
1-06-7000-100	Leases - Equipment	3,000	3,030	2,200	1,707	1,319	1,304
	Total Operating Expense	445,750	483,623	462,700	373,651	357,365	367,772
1-06-4900-000	Budget Inclusion Expense	-	-	-	-	-	486,384
	Total Departmental Expenses	2,788,750	2,773,472	2,762,200	2,783,992	2,672,331	3,339,449

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Water Conservation Department

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Water Conservation Department

DESCRIPTION:

The Water Conservation Department's primary responsibilities are planning and executing conservation programs and providing information and education on conservation issues. Programs are developed for PWD customers and school classrooms. The duties include: public relations such as speaking to other agencies or groups, developing pamphlets, booklets, flyers, brochures and event planning and executing. The department also oversees the District's compliance of the California Urban Water Conservation Council's (CUWCC) Memorandum of Understanding (MOU) with the implementation of the Best Management Practices (BMP) within the District's water conservation programs.

2011 ACCOMPLISHMENTS:

1) Provide tours of both Littlerock Dam and WTP for elementary schools throughout the year.
2) Participated in the City of Palmdale's Thursday Night on the Square events.
3) Developed draft of memorandum of understanding (MOU) for the AV Water Partners, which includes; LA County Water Works, Quartz Hill Water District, Palmdale Water District and Rosamond Community Services District.
4) Planned and developed six bi-monthly PWD "Water News" inserts distributed with customer bills.
5) Planned and developed the monthly PWD employee newsletter.
6) Carried out four landscape workshops and three "Cash for Grass" landscape-training workshops during the year.
7) Develop monthly water use reports for the Palmdale School District and Antelope Valley Union High School District's (AVUHSD) Palmdale High School.
8) Plan, develop and execute rebate programs throughout the year including; "Cash for grass," washing machine rebates, toilet rebates, MP rotator rebates, smart controller rebates, and PWD/HydroPoint smart controller program.
9) Generated necessary press releases throughout the year for water conservation rebates, public information and general PWD public relations.
10) Developed promotional media for water conservation rebates and public information.
11) Compiled water use data on rebate customers for water savings throughout the year.
12) Assisted the Water and Energy Manager with the 2010 Urban Water Management Plan (UWMP). Provided and developed all the information and documentation for Best Management Practices (BMPS). Developed numerous water data information and schedules and provided write up material for the UWMP.
13) Assisted the Administrative Service Department's field service group with their meter replacement written program and sent a copy to the Department of Water Resources (DWR).
14) Compiled all conservation programs and data for reporting the Best Management Practices (BMPs) to the Department of Water Resources regarding the California Urban Water Conservation Council (CUWCC) required BMP reporting.
15) Compiled water use information for 2010 year to comply with AB 1420.
16) Provided information and contractor to environmental committee on Natural Solutions Pete Knight High school landscape soil amendment/water use reduction program.

2012 OBJECTIVES:

1) Plan, develop and execute class contests for elementary schools.
2) Provide six tours for elementary schools throughout the year.
3) Provide six classroom presentations to elementary schools throughout the year.
4) Plan, develop and execute PWD's six bi-monthly "Water News" billing inserts.
5) Plan, develop and execute PWD's monthly employee newsletter.
6) Continue compiling water use data on rebate customers for water savings throughout the year.
7) Continue monthly water use reports for the Palmdale School District and AVUHSD Palmdale High School.
8) Plan, develop and execute two to three "Fix a leak Workshops."
9) Plan, develop and execute six landscape workshops.
10) Continue executing rebate programs including: "Cash for grass," washing machine rebates, toilet rebates, MP rotator rebates, smart controller rebates, and PWD/HydroPoint smart controller program.
11) Continue helping Water and Energy, Manager with Urban Water Management Plan documentation.
12) Plan, develop, and complete compliance worksheets for CUWCC and turn into the Department of Water Resources (DWR).
13) Plan, develop and execute press releases for water conservation rebates, public information and general PWD public relations.
14) Plan, develop and execute promotional media for water conservation rebates and public information.
15) Develop and provide conservation materials for the City of Lancaster's Home and Garden Show.
16) Develop and provide conservation materials for the City Palmdale's Thursday night on the square Home and Garden Show.
17) Continue to developed draft of memorandum of understanding (MOU) for the AV Water Partners, which includes; LA County Water Works, Quartz Hill Water District, Palmdale Water District and Rosamond Community Services District.
18) Continue to compile all conservation programs and data for reporting the Best Management Practices (BMPs) to the Department of Water Resources regarding the California Urban Water Conservation Council (CUWCC) required BMP reporting.
19) Plan and develop a landscape contest within the Cash for Grass program to provide customers with information on developing a landscape design for a water wise yard.

Palmdale Water District
Budget 2012

Water Conservation		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2012	2011	2011	2010	2009	2008
1-07-4000-000	Salaries	151,750	149,794	148,750	153,005	143,633	148,730
1-07-4000-100	Salaries - Departmental Overtime	1,250	939	1,250	946	-	-
	Subtotal (Salaries)	153,000	150,733	150,000	153,951	143,633	148,730
Employee Benefits							
1-07-4005-000	Payroll Taxes	12,000	11,498	11,500	11,355	10,988	11,378
1-07-4010-000	Health Insurance	15,500	15,310	15,500	12,635	13,524	14,701
1-07-4015-000	PERS	28,500	26,469	27,000	23,670	23,179	17,350
	Subtotal (Benefits)	56,000	53,277	54,000	47,661	47,692	43,429
	Personnel Expenses	209,000	204,010	204,000	201,612	191,324	192,159
OPERATING EXPENSES:							
1-07-4050-000	Staff Travel	1,000	-	1,000	579	268	4,077
1-07-4060-000	Staff Conferences & Seminars	500	35	500	285	100	2,653
1-07-4190-300	Public Relations - Landscape Workshop/Training	2,500	974	2,500	478	158	291
1-07-4190-400	Public Relations - Contests	500	58	1,500	-	-	2,631
1-07-4190-500	Public Relations - Education Programs	5,000	616	1,000	438	1,678	9,943
1-07-4190-700	Public Relations - General Media (Public Outreach)	3,000	-	-	-	13,544	34,093
1-07-6300-100	Supplies - Misc.	2,000	1,869	2,000	2,656	1,912	9,757
	Water Awareness	-	-	-	-	-	78,421
	Total Operating Expense	14,500	3,552	8,500	4,437	17,659	141,866
1-07-4900-000	Budget Inclusion Expense	-	-	-	-	43,356	209,142
	Total Departmental Expenses	223,500	207,563	212,500	206,048	252,339	543,167

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Human Resources Department

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Human Resources Department

DESCRIPTION:

The Human Resources Department manages the District's human resource-related tasks. This includes planning, organizing, directing and reviewing the activities and operations of the Human Resources Department, including recruitment and selection, on boarding, classification and compensation, benefits administration, employee relations, performance management, training, safety and risk management.

2011 ACCOMPLISHMENTS:

1) Provided training workshop and served as a resource for the Board of Directors for the General Manager's review process.
2) Researched and provided reports to the Personnel Committee and Board of Directors regarding District benefits and various options for consideration.
3) Completed Cost-of-Living research for 2011, culminating in data provided to the Personnel Committee and staff presentation to the Board of Directors for consideration.
4) Completed the AWCA Benefits and Salary Survey for 2012.
5) Participated on ACWA's Diversity Team to assist in the development of policies and procedures for agencies.
6) Presented and trained staff on the new Employee Manual.
7) Trained staff and provided hands-on workshop for NeoGov's Performance Management System.
8) Participated in the implementation of NeoGov's on-line application process.
9) Chaired and facilitated the monthly meetings of the Communications Committee.
10) Coordinated and presented the District's Employee Communication's Plan and collateral material to the Board of Directors and trained all staff, in conjunction with the Communications Team.
11) Coordinated Communications, Supervisor, CPR/First Aid, Crane, Rigging, Hazwoper and HR Legal Update 2011 trainings. Coordinated completion of annual hazard business plans for the District.
12) Served as chair and facilitated the monthly Safety and Safety sub-committee meetings.
13) Developed and coordinated efforts of the Emergency Response Team
14) Completed the District's 2011 Property Assessment for Insurance Coverage.
15) Coordinated the completion of JPIA's Property Recommendations for 2011.
16) Coordinated the completion of JPIA's District's Risk Assessment process.
17) Coordinated Employee Benefits/Health Fair with 17 vendors participating and presentation by a keynote speaker.
18) Completed employee-specific training program through Target Safety/Prevention Link.
19) Participated in NeoGov's Performance Evaluation weekly User's Group.
20) Attended NeoGov's training and conference featuring performance management, on-line hiring processes, and on-boarding procedures.
21) Attended and participated in the Society for Human Resource Management Conference.
22) Obtained Certification – ACWA/JPIA Professional Development Program in Human Resources
23) Obtained Certification – International Public Management Association for Human Resources

2012 OBJECTIVES:

1) Develop competencies and criteria for Performance Evaluation process for 2012 with managers and supervisors.
2) Continue implementation of NeoGov's On-Line Hiring process, including enhancements of the application and qualifying questionnaires.
3) Finalize implementation of NeoGov's On-Boarding module (New Employee Orientation).
4) Recruit staff in specific functional areas to serve on Safety Sub-Committee for required Training and annual schedules.
5) Provide support to General Manager relative to Strategic Plan revisions.
6) Continue efforts on workforce planning in conjunction with the District's Strategic Plan.
7) Perform research and develop presentations for Personnel Committee and the Board of Directors for consideration.
8) Coordinate 2012 Employee Benefits and Wellness Fair.
9) Continue focus on Wellness programs to ensure a healthier workforce.
10) Coordinate the work of the Action Plan for Communications initiatives.
11) Facilitate Communications Committee meetings.
12) Facilitate Safety and Safety Sub-Committee meetings.
13) Develop Employee Benefits Task Force.
14) Follow ACWA's recommendations for Inclusion in the workplace.

Palmdale Water District
Budget 2012

Human Resources		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2012	2011	2011	2010	2009	2008
1-08-4000-000	Salaries	127,500	125,029	124,000	111,469	-	-
1-08-4000-100	Salaries - Departmental Overtime	-	-	-	-	-	-
	Subtotal (Salaries)	127,500	125,029	124,000	111,469	-	-
Employee Benefits							
1-08-4005-000	Payroll Taxes	10,000	7,693	9,500	8,178	-	-
1-08-4010-000	Health Insurance	17,250	20,343	38,000	13,658	-	14,701
1-08-4015-000	Pers	24,000	22,914	23,000	17,296	-	-
	Subtotal (Benefits)	51,250	50,950	70,500	39,132	-	14,701
	Personnel Expenses	178,750	175,979	194,500	150,601	-	14,701
OPERATING EXPENSES:							
1-08-4050-000	Staff Travel	3,000	1,325	2,000	1,591	-	-
1-08-4060-000	Staff Conferences & Seminars	2,000	1,344	2,000	1,380	-	-
1-08-4090-000	Temporary Staffing	-	1,966	-	-	9,640	90,179
1-08-4095-000	Employee Recruitment	3,000	872	3,000	4,309	4,386	4,057
1-08-4100-000	Employee Retention	1,500	2,920	1,000	1,032	717	1,100
1-08-4105-000	Employee Relations	3,500	3,185	3,000	1,938	2,494	17,389
1-08-4110-000	Consultants	1,000	-	1,000	500	15,602	39,662
1-08-4120-100	Training - Safety/HR Consultants	38,000	21,497	30,000	25,623	15,742	21,525
1-08-4121-000	Safety/HR Program	1,000	-	1,000	540	2,417	13,102
1-08-4165-000	Memberships/Subscriptions	1,600	1,144	1,000	145	-	-
1-08-4165-100	HR/Safety Publications	1,000	1,246	1,000	388	-	-
1-08-4210-000	Office Furniture	-	196	-	-	-	-
1-08-6300-500	Supplies - Safety	33,500	23,677	33,500	28,047	18,378	3,660
	Total Operating Expense	89,100	59,370	78,500	65,495	69,376	190,674
	Total Departmental Expenses	267,850	235,349	273,000	216,096	69,376	205,375

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Information Technology Department

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Information Technology Department

DESCRIPTION:

The Palmdale Water District Information Technology (IT) department provides IT support for the District's computer network, including the operation, maintenance, upgrade, and repair of network hardware and District employee workstations. The primary responsibility of the IT Department is providing a safe and secure networking environment. Additional responsibilities include the day-to-day operation of the network datacenter and servers, the District phone system, office machines, and software applications. The IT department is also responsible for testing and evaluating new software applications and hardware being considered for purchase by the District to insure they perform in our current, and future, infrastructure.

2011 ACCOMPLISHMENTS:

1) Redesign of District web site
2) Upgrade database server hardware and software to support Microsoft SQL 2008
3) Upgrade financial system software along with the utility billing software to version 11
4) Replace existing analog/digital phone system with digital VoIP system with full call center capabilities
5) Upgrade network infrastructure to support converged data and VoIP network
6) Implement network monitoring software to support converged network
7) Virtualization of our servers to save money on equipment, heating/cooling, electricity, and to reduce the manpower hours needed to manage the servers
8) Implement a centralized storage area network that meets the current district needs and will scale up to meet the needs of the District for at least 10 years
9) Modernize our backup system to better meet the needs of the District
10) Test, identify, label, and reroute (as needed) existing network data connections
11) Replacement of desktops, laptops, and workstations

2012 OBJECTIVES:

1) Implementation of District intranet to support the Communication policy
2) Continued virtualization of our servers to save money on equipment, heating/cooling, electricity, and to reduce the manpower hours needed to manage the servers
3) Implement a Disaster Recovery plan for mission critical data and network equipment
4) Conduct Social Engineering penetration testing on a random sampling of District employees to identify existing vulnerabilities; train PWD staff how to identify and report Social Engineering attacks; and retest a random sampling of staff to gauge the effectiveness of the training
5) Continue replacement of desktops, laptops, workstations and network printers
6) Microsoft Office Upgrade to Office 2010
7) Agenda Management software that eliminates the need for paper agendas, minutes, and packets.
8) Remote network access for field workers
9) Document infrastructure
10) Seek IT related federal and state grant sources

Palmdale Water District
Budget 2012

Information Technology		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2012	2011	2011	2010	2009	2008
1-09-4000-000	Salaries	195,250	196,681	191,000	-	-	-
1-09-4000-100	Salaries - Departmental Overtime	3,000	1,773	10,000	-	-	-
	Subtotal (Salaries)	198,250	198,453	201,000	-	-	-
Employee Benefits							
1-09-4005-000	Payroll Taxes	15,500	14,034	15,500	-	-	-
1-09-4010-000	Health Insurance	40,000	38,554	39,000	-	-	-
1-09-4015-000	PERS	37,000	33,431	35,000	-	-	-
	Subtotal (Benefits)	92,500	86,019	89,500	-	-	-
	Personnel Expenses	290,750	284,472	290,500	-	-	-
OPERATING EXPENSES:							
1-09-4050-000	Staff Travel	3,000	1,324	1,500	-	-	-
1-09-4060-000	Staff Conferences & Seminars	15,000	4,713	10,000	-	-	-
1-09-4120-100	Cogsdale Reimplementation and Templates	70,000	19,903	120,000	63,798	218,683	170,360
1-09-4155-200	Contracted Services - ACS	-	-	-	97,863	271,244	237,160
1-09-4155-300	Contracted Services - Computer Vendors	105,000	16,317	62,000	36,324	-	-
1-09-4165-000	Memberships/Subscriptions	500	340	500	-	-	-
1-09-8000-100	Computer Equipment - Computers	45,000	42,374	45,000	30,568	-	48,376
1-09-8000-200	Computer Equipment - Laptops	10,000	6,681	7,500	-	-	-
1-09-8000-300	Computer Equipment - Monitors	2,000	639	1,000	631	-	-
1-09-8000-400	Computer Equipment - Printers	2,500	1,911	2,500	3,525	5,748	-
1-09-8000-500	Computer Equipment - Toner Cartridges	3,000	13,330	12,000	11,683	1,070	-
1-09-8000-600	Computer Equipment - Other	35,000	9,267	20,000	25,205	17,397	13,819
1-09-8100-100	Computer Softw are - Maint. and Support	70,000	34,026	55,000	43,640	112,596	83,254
1-09-8100-150	Computer Softw are - Cogsdale Maint. and Support	70,000	109,439	70,000	43,135	-	-
1-09-8100-200	Computer Softw are - Softw are and Upgrades	15,000	9,486	15,000	49,500	4,492	18,921
	Total Operating Expense	446,000	269,750	422,000	405,872	631,228	581,314
	Total Departmental Expenses	736,750	554,222	712,500	405,872	631,228	581,314

SECTION IV
SUMMARY BUDGET EXPENDITURE REQUESTS

STUDIES AND PLANNING DOCUMENTS

SAFETY AND REGULATORY COMPLIANCE

NEW EQUIPMENT

REPLACEMENT EQUIPMENT

GENERAL PROJECTS

REPLACEMENT CAPITAL PROJECTS

NEW CAPITAL PROJECTS

NEW CAPITAL PROJECTS (CIF)

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Palmdale Water District
Budget 2012
Studies and Planning Documents

REQ. #	DESCRIPTION	Dept.	2012 FUND SOURCE BREAKDOWN			BUDGETING YEAR AMOUNT		
			O&M	WS	WQ	2012	2013	2014
Studies and Planning Documents								
PL01	Recycled Water Master Plan - CEQA	ENG	-	-	-	-	60,000	-
PL02	Strategic Water Resources Plan - CEQA (CO)	ENG	-	25,000	-	25,000	-	-
PL03	PWD Personnel Vulnerability Test & Training	IT	-	-	-	-	20,000	-
PL04	PWD Redistricting	ADM	35,000	-	-	35,000	-	-
PL05	LAFCO Study	ADM	55,000	-	-	55,000	-	-
			90,000	25,000	-	115,000	80,000	-
		Total Fund Source:	115,000					

Abbreviation Explanation		
O&M	=	Capital Expensed
CF	=	Water System Connection Fund
WS	=	Source Water Supply Fund
AR	=	Asset Replacement Fund
CON	=	Conservation Program
WQ	=	Water Quality Fund

Palmdale Water District
Budget 2012
Safety and Regulatory Compliance

REQ. #	DESCRIPTION	Dept.	2012 FUND SOURCE BREAKDOWN		BUDGETING YEAR AMOUNT		
			O&M	AR	2012	2013	2014
Safety and Regulatory Compliance							
SF01	2-Way Radio System (2012 Narrow Band Compliance)		20,000	-	20,000	-	-
			20,000	-	20,000	-	-
		Total Fund Source:	20,000				

Palmdale Water District
Budget 2012
New Equipment

REQ. #	DESCRIPTION	Dept.	2012 FUND SOURCE BREAKDOWN		BUDGETING YEAR AMOUNT		
			O&M	AR	2012	2013	2014
New Equipment							
NE01	ArcGIS Server Technology	ENG	-	-	-	75,000	-
NE02	Project Management & Planning Software	ENG	-	-	-	40,000	-
NE03	Warehouse Storage Racks	FAC	15,000	-	15,000	-	-
NE04	Pipe Cutter (Chain Saw for Large Diameter Pipe)	FAC	3,200	-	3,200	-	-
NE05	2011 Utility Truck w/Crane & Air Compressor	FAC	-	-	-	75,000	-
NE06	Diesel Powered Tamper (Qty. 2)	FAC	8,000	-	8,000	-	-
NE07	Service Truck Tools	FAC	2,500	-	2,500	7,500	-
NE08	Sheet Metal Shear & Slip Roll (Fabrication Shop Area)	FAC	3,500	-	3,500	-	-
NE09	CMMS Software (FAC/OPS - CO)	Multiple	20,000	-	20,000	-	-
NE10	PDA/Barcode Scanners (CMMS Software)	FAC	12,000	-	12,000	-	-
NE11	Ultrameter II (Portable Multi-parameter Probe)	OPS	2,800	-	2,800	-	-
NE12	Surface Wash Pump (Spare)	OPS	15,000	-	15,000	-	-
			82,000	-	82,000	197,500	-
		Total Fund Source:	82,000				

Palmdale Water District
Budget 2012
Replacement Equipment

REQ. #	DESCRIPTION	Dept.	2012 FUND SOURCE BREAKDOWN		BUDGETING YEAR AMOUNT		
			O&M	AR	2012	2013	2014
Replacement Equipment							
RE01	9055 Replacement Printer/Copier (Billing)	ASR	-	-	-	-	-
RE02	2012 1/2-Ton Truck (Replaces 281-26)	FAC	-	20,000	20,000	-	-
RE03	Automotive Scan Tool	FAC	-	10,000	10,000	-	-
RE04	Backhoe (2015)	FAC	-	-	-	-	-
RE05	Dump Truck	FAC	-	-	-	100,000	-
RE06	Loader	FAC	-	-	-	-	100,000
RE07	Motor Replacement & Rehab (Dump Truck 4)	FAC	10,000	-	10,000	-	-
RE08	Industrial Pressure Washer	FAC	-	7,500	7,500	-	-
RE09	Replacement Turbidimeters (Qty. 4)	OPS	-	10,600	10,600	-	-
RE10	Replacement PH/Alkalinity/Conductivity Autosampler	OPS	-	15,000	15,000	-	-
			10,000	63,100	73,100	100,000	100,000
		Total Fund Source:	73,100				

Palmdale Water District
Budget 2012
General Projects

REQ. #	DESCRIPTION	Dept.	2012 FUND SOURCE BREAKDOWN				BUDGETING YEAR AMOUNT		
			O&M	AR	WQ	CON	2012	2013	2014
General Projects									
PRO01	Booster Pump Replacements (3M Tank Site - Qty. 2)	FAC	20,000	-	-	-	20,000	-	-
PRO02	Booster Pump Spare Parts	FAC	25,000	-	-	-	25,000	-	-
PRO03	Well 15 - Scheduled Maintenance	FAC	40,000	-	-	-	40,000	-	-
PRO04	Storage Area Roof	FAC	-	-	-	-	-	-	20,000
PRO05	Agenda Management System ($7,000 Annual Support - Yr. 2)	IT	-	-	-	-	-	25,000	-
PRO06	Districtwide Printer Lease Project	IT	28,000	-	-	-	28,000	-	-
PRO07	Entry Way Buildings - GAC & Filter Galleries (Safety Issue)	OPS	-	-	-	-	-	39,000	-
PRO08	Additional Brine Tank	OPS	-	-	-	-	-	55,000	-
PRO09	Distribution SCADA Radio Upgrade	OPS	-	-	-	-	-	270,000	-
PRO10	DWR Building Rehabilitation **	OPS	-	-	-	-	-	35,000	-
PRO11	Epoxy Recoating Containment Area - South Chemical Building	OPS	-	-	-	-	-	35,000	-
PRO12	GAC Staging Area (2000 Sq. Ft.)	OPS	-	-	-	-	-	32,500	-
PRO13	Lake Outlet Sample Platform	OPS	-	-	-	-	-	7,500	-
PRO14	Old Lab Rehabilitation	OPS	-	-	-	-	-	8,500	-
PRO15	Re-Engineering of Wash Water Return Manifold (Design) **	OPS	10,000	-	-	-	10,000	40,000	-
PRO16	Sed Basin Loading Docks	OPS	-	-	-	-	-	9,000	-
PRO17	Sludge Level Indicators	OPS	7,500	-	-	-	7,500	-	-
PRO18	Mag Meter Replacement - Clearwell Boosters (Qty. x)	OPS	80,000	-	-	-	80,000	-	-
PRO19	2011 Water Rebate Program - Controllers, Turf Replacement, etc.	WC	-	-	-	150,000	150,000	250,000	250,000
PRO20	Landscape Design Booklet (Shared costs with other agencies)	WC	-	-	-	-	-	9,000	-
			210,500	-	-	150,000	360,500	815,500	270,000
		Total Fund Source:	360,500						

Palmdale Water District
Budget 2012
Replacement Capital Projects

REQ. #	DESCRIPTION	Dept.	2012 FUND SOURCE BREAKDOWN			BUDGETING YEAR AMOUNT		
			O&M	WS	AR	2012	2013	2014
Replacement Capital Projects								
RCP01	Radio-Read Meters	ASR	-	-	-	-	475,000	3,218,625
RCP02	Installation of Radio-Read Meters	ASR	-	-	-	-	38,000	265,000
RCP03	Well No. 24A - Design & Const. (Rep. Lanc. Subbasin)	ENG	-	-	-	-	500,000	-
RCP04	Dredging at WTP Inlet Structure - Construction	ENG	-	-	-	-	-	200,000
RCP05	Storage Tank Re-Coatings - Annual Maint. Contract (Year 5 of 5)	ENG	-	-	360,000	360,000	400,000	400,000
RCP06	Spec. No. 0902 - Ave Q3 / Division - Sumac Ave - South (GROUP 16)	ENG	-	-	-	-	725,000	-
RCP07	Spec. No. 0902a - Ave Q3 / Division - Sumac Ave - North (GROUP 16)	ENG	-	-	525,000	525,000	-	-
RCP08	Spec. No. 0903 - 9th/12th Street East s/o Avenue Q (GROUP 1)	ENG	-	-	500,000	500,000	-	-
	Spec. No. 0903 - 2011 Unpaid Carryover	ENG	-	-	183,000	183,000	-	-
RCP09	Replacement Project - 15th ST E & Avenue P8 (GROUP 4)	ENG	-	-	-	-	625,000	-
RCP10	Replacement Project - 22nd ST E from Ave Q to Ave Q5 (GROUP 8)	ENG	-	-	-	-	950,000	-
RCP11	Spec. No. 0904 - Avenue Q-5 / 16th Street East (GROUP 2)	ENG	-	-	-	-	275,000	-
RCP12	Replacement Project - Avenue P14 (GROUP 5)	ENG	-	-	-	-	50,000	-
RCP13	Replacement Project - Avenue Q1-5 & 5th ST E (GROUP 13)	ENG	-	-	-	-	40,000	-
RCP14	Replacement Project - Avenue Q1-3 & 15th ST E (GROUP 6)	ENG	-	-	-	-	45,000	-
RCP15	Replacement Project - Avenue P4-5 & 10th ST E (GROUP 7)	ENG	-	-	-	-	-	815,000
RCP16	Replacement Project - Avenue Q, Q4 & Frontier (GROUP 9)	ENG	-	-	-	-	1,100,000	-
RCP17	Replacement Project - Avenue S10 & 40th ST E (GROUP 10)	ENG	-	-	-	-	-	180,000
RCP18	Replacement Project - Avenue S & Dow ning (GROUP 11)	ENG	-	-	125,000	125,000	-	-
RCP19	Replacement Project - Camares, Lago Lindo & Barrel Spgs (GROUP 12)	ENG	-	-	-	-	-	288,000
RCP20	Replacement Project - Division, 2nd & 3rd ST E (GROUP 14)	ENG	-	-	-	-	-	1,260,000
RCP21	Well 20 Abandonment	FAC	-	-	-	-	15,000	-
RCP22	Well 20A - Design & Const.	FAC	-	-	-	-	600,000	-
RCP23	Well 11A Rehabilitation (CO)	FAC	-	200,000	-	200,000	-	-
RCP24	Well 4A Rehabilitation	FAC	-	-	-	-	175,000	-
RCP25	Well 3 Rehabilitation	FAC	-	-	-	-	250,000	-
RCP26	Well 14 Rehabilitation	FAC	-	-	-	-	250,000	-
RCP27	Security Access System - Main Office/N.O.B./Back Gates (CO)	IT	-	-	-	-	125,000	-
RCP28	Plate Settlers - Beam Replacement Project	OPS	-	-	-	-	370,000	-
			-	200,000	1,693,000	1,893,000	7,008,000	6,626,625
	Total Fund Source:		1,893,000					

Palmdale Water District
Budget 2012
New Capital Projects

REQ. #	DESCRIPTION	Dept.	2012 FUND SOURCE BREAKDOWN			BUDGETING YEAR AMOUNT		
			O&M	WS	AR	2012	2013	2014
New Capital Projects								
NCP01	WTP Security System (CO)	ENG	-	-	50,000	50,000	125,000	-
NCP02	Littlerock Dam Sediment Removal - EIR/Grade Control/Dredging (CO)	ENG	-	270,000	-	270,000	3,000,000	3,000,000
			-	270,000	50,000	320,000	3,125,000	3,000,000
		Total Fund Source:	320,000					

Palmdale Water District
Budget 2012
New Capital Projects (CIF)

REQ. #	DESCRIPTION	Dept.	2012 FUND SOURCE BREAKDOWN		BUDGETING YEAR AMOUNT		
			CF	WS	2012	2013	2014
New Capital Projects (CIF)							
NCC01	Well No. 34A - Design & Construction (Lanc. Subbasin)	ENG	-	-	-	1,500,000	-
NCC02	Recycled Water System Design	ENG	-	-	-	125,000	-
NCC03	Recycled Water System Construction	ENG	-	-	-	250,000	2,000,000
NCC04	Acquisition of Tax Defaulted Properties	ENG	18,000	-	18,000	-	-
			18,000	-	18,000	1,875,000	2,000,000
		Total Fund Source:	18,000				

APPENDIXES

APPENDIX A
BUDGET CONTROL GUIDELINES

APPENDIX B
DISTRICT INFORMATION

APPENDIX C
RESOLUTION No. 09-03 – RESERVE POLICY

APPENDIX D
CALIFORNIA WATER CODE – SECTION 370-374

APPENDIX E
GLOSSARY

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APPENDIX A
BUDGET CONTROL GUIDELINES

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BUDGET CONTROL GUIDELINES

The 2012 Budget approved by the Board of Directors will serve as the basis for operating Palmdale Water District. It includes a number of individual items and projects as well as the anticipated operations and maintenance budgets. Occasional questions have come up in recent years as the District has gotten familiar with the budget process. These range from adjustments in accounts of departmental operating budgets to implementing projects approved in the budget. The following are intended to act as guidelines for working within the budget and to clarify the Board's involvement in the process.

1) Work on purchasing equipment and other projects in the approved budget can be initiated by staff. Approval of proposals for the construction projects or purchasing equipment will follow the appropriate District policy and may involve Committee or Board action.

2) Department managers are required to operate within the approved budget amounts, both the total department amount and individual accounts. Permission from the General Manager is needed prior to exceeding any account budget amount.

3) The General Manager is authorized to approve transfers between operating budget accounts within or between departments up to $25,000. These transfers must be requested in writing from the department manager and shall not increase the overall District budget. Transfers above $25,000 must be approved by the Board of Directors.

4) Items not included in the approved budget and recommended by staff must be approved by the Board.

5) Increases in the total operating budget that are not due to emergency or maintenance activities must be approved by the Board of Directors. The General Manager shall inform the Board of Directors of spending related to emergency situations.

6) The General Manager will periodically provide the Board of Directors with reports on actual spending versus the approved budget, any recommended adjustments and any approved transfers.

7) The Departmental Staffing Summary included in the 2012 Budget is for monetary planning purposes only. The General Manager will consult with the Personnel Committee or full Board of Directors, as appropriate, prior to filling any vacant positions shown in the summary.

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APPENDIX B
DISTRICT INFORMATION

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PALMDALE WATER DISTRICT
2011 Water Rate Schedule

Meter Fee Charge (Effective 01/01/2011)	
5/8”	24.97
1”	47.44
1-1/2”	84.89
2”	129.84
3”	234.72
4”	384.55
6”	759.11
8”	1,208.58
10”	1,732.98

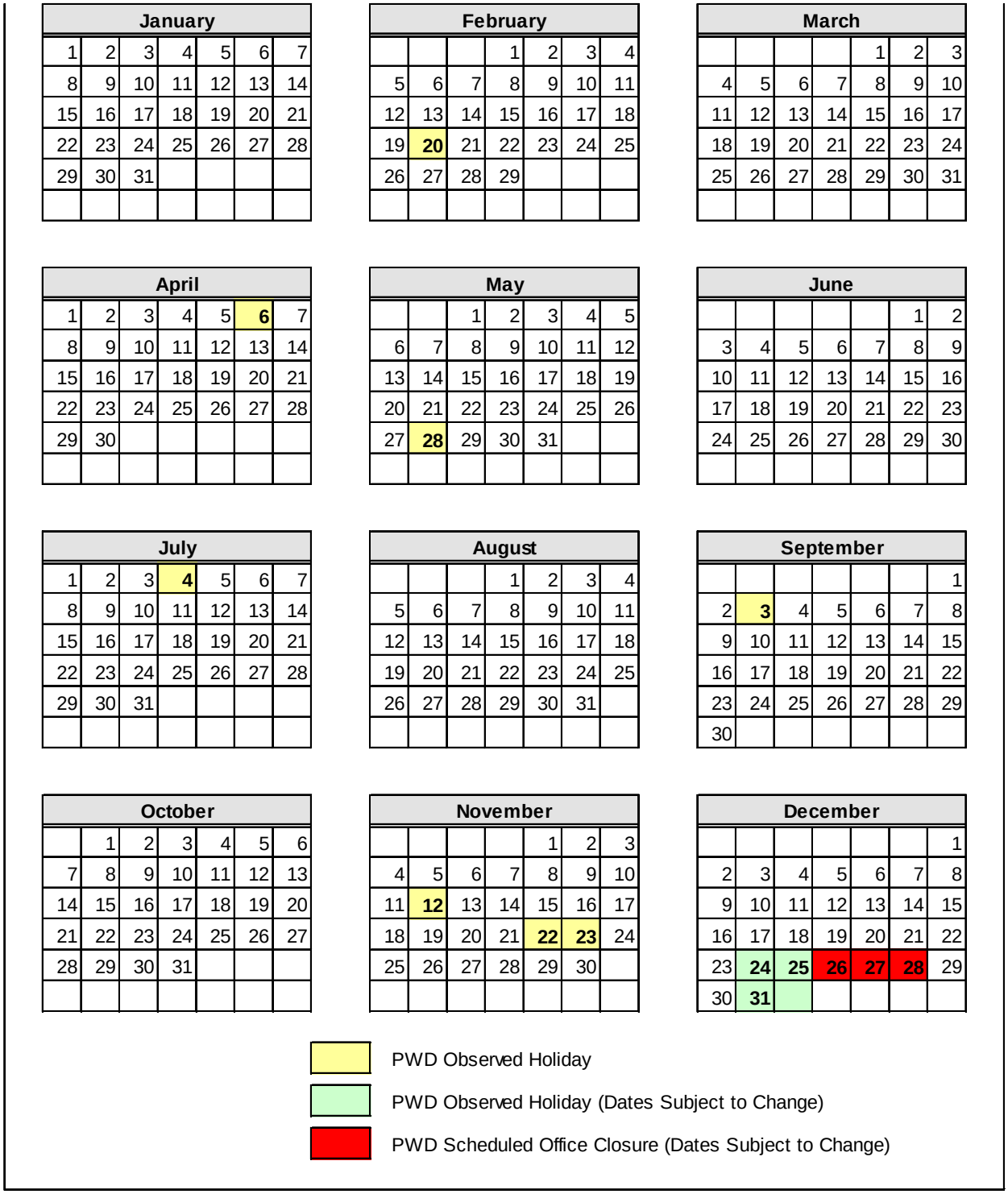
Commodity Rates ($/ccf)	
Tiers	
Tier 1	0.67
Tier 2	2.63
Tier 3	3.36
Tier 4	4.37
Tier 5	5.28
Water Quality Fee ($/ccf)	
0.20	
Elevation Booster Surcharge ($/ccf)	
B	-
A1	0.16
A2	0.35
A3	0.70

PALMDALE WATER DISTRICT
2012 Proposed Water Rate Schedule – No Increase

Meter Fee Charge (Effective 01/01/2012)	
5/8”	24.97
1”	47.44
1-1/2”	84.89
2”	129.84
3”	234.72
4”	384.55
6”	759.11
8”	1,208.58
10”	1,732.98

Commodity Rates ($/ccf)	
Tiers	
Tier 1	0.67
Tier 2	2.63
Tier 3	3.36
Tier 4	4.37
Tier 5	5.28
Water Quality Fee ($/ccf)	
0.20	
Elevation Booster Surcharge ($/ccf)	
B	-
A1	0.16
A2	0.37
A3	0.74

PALMDALE WATER DISTRICT
2012 Holiday Observance Calendar



February 20 – Presidents Day
April 6 – Good Friday
May 28 – Memorial Day
July 4 - Independence Day
September 3 – Labor Day
November 12 – Veterans Day
November 22 & 23 – Thanksgiving
December 24 & 25 - Christmas
December 31 & January 1 – New Years

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PALMDALE WATER DISTRICT
Yearly Memberships and Subscriptions
2012

Memberships:

1. A.C.W.A.
2. A.W.W.A.
3. Antelope Valley Board of Trade
4. Antelope Valley State Water Contractors Association
5. California Chamber of Commerce
6. California Municipal Treasures Association
7. California Society of Municipal Finance Officers
8. California Special Districts Association
9. California Urban Water Conservation Council
10. California Utilities Emergency Association
11. Foundation for Cross-Connection Control & Hydraulic Research
12. Greater Antelope Valley Economic Alliance
13. Local Agency Formation Commissions (LAFCO)
14. Municipal Information Systems Association of California
15. National Notary Association
16. Palmdale Chamber of Commerce
17. State Water Contractors
18. SWC – Bay Delta Fund
19. Underground Service Alert
20. Water Education Foundation
21. Water Research Foundation

PALMDALE WATER DISTRICT
Yearly Memberships and Subscriptions (Continued)
2012

Subscriptions:

1. A.W.W.A. magazine
2. A.W.W.A. Safe Drinking Water updates
3. Antelope Valley Press
4. B.N.I. Building News (Standard Spec. Books)
5. Bentley Systems - Software subscription/updates
6. Blue Book software updates
7. Engineering News Record
8. Environmental Compliance Alert
9. First American Real Estate Solutions – Property Data Information (Win2Data)
10. Micro-Station Manager
11. Regional Planning Agenda subscription
12. TCI – Credit Reporting System
13. U.S. Water News
14. West Publishing – Calif. Water Codes update
15. Expert Exchange (Information Technology)

PALMDALE WATER DISTRICT
District-wide Training
2012

Training		Action	Requirement	Last	Next	Notes
AED	♣	Training	Bi-annually	2011	2013	Required: for all personnel
ARC Flash and Electrical Safety		Training	Annual	N/A	2012	Required: for all electrical and maintenance personnel. 8 CCR § 2320.2; 2320.3 Required by: OSHA;NFPA and JPIA
Asbestos Concrete Pipe (ACP)	♦ ♣	Training	Bi-annually	2010	2012	Required: for all service workers and Facilities personnel at PWD. 8 CCR § 5208(j)(7)(C)
Backhoe Safety and Certification		Training	Annually	2011		Required: required for all facilities personnel.
Blood Borne Pathogens	♦	Training	Annually	2011	2012	Required: for all personnel. 8 CCR § 5193.
Constructions 10-hour course		Training	Annually	2012	March 2012	Required: OSHA; JPIA
Fire Dept Business Plans	♦		Annually	2010	2011	Safety Sub-Committee coordinates process. LA County Fire Department requirement
Chemical Safety: Ammonia/Alum Sulfuric Acid Sodium Hypo (Bleach) Caustic Soda		Training	Annually		2011	Required: for all treatment plant operators and facilities personnel.
Cold Stress	♦	Training	As necessary			Required: for all facilities personnel. Cal Labor Code §§ 6400-6406
Confined Space Entry	♦ ♥ ♣	Training	Annually	2010	2012	Required: Or whenever permit space operations change, there are deviations from the permit space entry procedures, or inadequacies in employee knowledge or use of procedures. 8 CCR § 5157 (h) and (i) Required: for all electrical and facilities personnel.
CPR/First Aid	♣	Training	Bi-annually	2011	2013	Required: for all personnel. 8 CCR § 3400

Crane Safety Signal Person Small, Large & Overhead		Training	Tri-annually	2011 2012 2013	2014 2015 2016	Required: for all treatment plant operations and facilities personnel. 8 CCR § 5031 Compliance requirements 0 2014; then every 5 years thereafter
Construction Safety 10-hour	♣	Training		2012	2012	Required: for all facilities and treatment plant personnel.
Defensive Driver	♥ ♣	Training	Quadrennial	2010	2014	New employees in 2012 and Employees who did not attend 2010 training Also required following an incident. Required: for all personnel.
Drug and Alcohol	♥ ♣	Training	Tri –annually	2010	2013	
Emergency Response	♦ ♣	Training	Annually	2012	March 2012	Required: for all personnel whenever plan is updated. 8 CCR § 3222
Fall Protection		Training	No Requirement	As Necessary		Required: OSHA
Field / Office Ergonomics	♥ ♣	Training	Tri-annually	2012	2012	Required: office ergonomics for all personnel; field for all operations and facilities personnel. 8 CCR § 5110
Fire / Evacuation & Safety	♦ ♣	Training	Bi-Annually	2012	2012	Required: for all personnel. 8 CCR § 6151
Fit Test		Training	Annually	2011	2012	Required:
Forklift Safety	♦ ♣	Certification	Tri -annually	2010	2013	Required: for all treatment plant operations and facilities personnel. 8 CCR § 3664
HAZWOPER	♦ ♥ ♣	Certification	Annually	2011	2012	JPIA offers First Responder Awareness level only. Required: First Responder Awareness for all treatment plant operations and facilities personnel. 8 CCR § 5192
Hearing Conservation	♦	Certification	Annually	2012	2012	Required: all operations and facilities personnel. 8 CCR §§ 5098(a)(4); 5099
Heat Illness Prevention	♦	Training	Annually	2012	2012	Required: all field personnel (facilities and customer service) 8 CCR § 3395
Injury and Illness Prevention Plan	♦		As necessary			Required: for all personnel during new hire orientation and when plan is updated. 8 CCR § 3203

Lockout / Tag out (LOTO)	♦ ♥ ♣	Training	Annually	2012	2012	Required : for authorized and affected personnel. 8 CCR § 3341
Personal Protective Equipment (PPE)	♦ ♥ ♣	Training	Tri-annually		2012	Required: for all field personnel. 8 CCR §3380
Reasonable Suspicion	♥ ♣	Training	Tri-annually	2010	2013	Required: for DOT supervisors.
Respirator Fit Testing	♦ ♥ ♣	Training	Annually	2012	2012	Pulmonary exam must be completed prior to fit testing. Required: for all operations and facilities personnel. 8 CCR § 5144; 5147
Sexual Harassment Prevention for Supervisors	♥ ♣	Training	Bi-annually	2009	2012	Required: by California for supervisors.
Sexual Harassment Prevention for Staff		Training	Tri-annually	2009	2012	Required: for all non-supervisory personnel.
Slip, Trip and Fall Prevention		Training		2012		Required: for all personnel. 8 CCR § 3210
Spill Response Plan	♣	Training	Tri-annually		2012	Required: for all operations and facilities personnel.
Safety Tailgate/Toolbox	♦	Training	Bi-weekly	Departmental logs	2012 to Safety Committee	Required; for all operations and facilities personnel. 8 CCR §§ 1509; 8406
Traffic Control and Flagger	♥ ♣	Training	Tri-annually	2009	2012	Required: for all facilities personnel that work or park on the street.
Trench/Shoring/Competent Person	♥ ♣	Training	Tri-annually	2009	2012	Required: for all facilities personnel.
Underground Utility Locator	♥ ♣	Training	Annually	2010	2012	Required: for all facilities personnel.

♦ OSHA required
♥ Training provided by ACWA/JPIA
♣ Recommended by ACWA/JPIA

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PALMDALE WATER DISTRICT
Contracted Services
2012

1.	AA Antivirus	(Antivirus Software)
2.	AES Water, Inc.	(Seismic Valve Maintenance)
3.	Allmax Software Inc.	(Water Data Management)
4.	AV Garden & Turf	(Landscaping)
5.	Black & Veatch Corporation	(Wind Turbine)
6.	Blue Claw Database Design LLC	(Backflow Management Software)
7.	Clark Pest Control	(Pest Control)
8.	Control Microsystems	(ClearSCADA Software)
9.	Credit Bureau Of Lancaster	(Credit Reports)
10.	DCSE	(GIS Data Updates)
11.	Elite Carpet Care	(Carpet Care)
12.	Government Jobs.Com Inc	(Web Site – Job Management)
13.	Infosend Inc	(Mailing Services)
14.	Ipswitch Inc	(Computer Site Monitoring Software)
15.	Iron Mountain	(Off-site Data Storage Service)
16.	Itron Inc	(Meter Reading Equipment & Software)
17.	Lexisnexis Risk Data Mgmt	(Instant ID Check Service)
18.	Mayflower Interactive Inc	(Web Site Updates)
19.	Nemo-Q, L.P.	(Lobby Management System)
20.	Opex Corporation	(Mail Opener Remittance Hardware)
21.	QCS Building Services Inc	(Janitorial Services)
22.	Rodloc Security Systems	(Alarm System Monitoring)
23.	Sartorious Mechatronics Corp	(Lab Equipment Calibration Service)
24.	Shimadzu Scientific Instruments Inc	(Lab Equipment Maintenance)
25.	Solar Bee Inc	(Lake Management Service Contract)
26.	Source Graphics	(Engineering Plotter Service Contract)
27.	Strategy 7 Corporation	(Legacy Database Support)
28.	Teledata Communications Inc	(Consumer Credit Reporting Service)
29.	Thyssenkrupp Elevator Corp	(Elevator Maintenance)
30.	Time Warner Cable	(Internet Backbone)
31.	Network Solutions	(Domain Name Renewals)
32.	World Wind Services	(Wind Turbine Inspection)

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PALMDALE WATER DISTRICT
Installed Pipeline Chart – Detail Breakdown

Length of Pipe (ft) by Year Constructed Source: GIS MainLine feature class data as of Oct 26, 2011																$/in-dia 11.50
Pipe Diameter (in)	1945-1949 (66 - 62)	1950-1954 (61 - 57)	1955-1959 (56 - 52)	1960-1964 (51 - 47)	1965-1969 (46 - 42)	1970-1974 (41 - 37)	1975-1979 (36 - 32)	1980-1984 (31 - 27)	1985-1989 (26 - 22)	1990-1994 (21 - 17)	1995-1999 (16 - 12)	2000-2004 (11 - 7)	2005-2009 (6 - 2)	2010-2011 (1 - Current)	Total Length (ft)	Replacement Cost ($)
4	15	2,637	3,519	2,502	301	4,387	676	4,957	8,888	2,594	1,553	557	26,962	-	59,549	$ 2,739,254
5	-	3,540	-	-	-	-	-	-	-	-	-	-	77,760	-	81,300	4,674,750
6	1,311	18,480	35,852	6,555	34,034	10,195	11,005	18,874	81,169	81,501	4,756	31,971	87	42	335,833	23,172,477
8	-	4,602	1,969	4,625	15,913	17,141	7,905	62,708	314,348	219,386	40,632	70,711	39,301	11,087	810,329	74,550,268
10	-	253	-	-	1,072	4,149	-	14,772	63,762	24,474	-	44	-	-	108,526	12,480,490
12	-	4,308	20,796	24,479	40,216	12,519	1,921	17,217	101,762	90,213	33,478	34,734	11,458	9,352	402,454	55,538,652
14	-	-	-	287	-	-	-	3,196	11,596	3,384	-	-	-	-	18,463	2,972,543
16	-	-	1,687	875	3,433	5,612	-	37,085	47,969	47,821	6,728	7,941	1,849	-	161,000	29,623,963
18	-	-	-	-	185	-	-	7,482	2,127	1,229	24	28	13,226	-	24,302	5,030,500
20	-	-	-	-	5,606	-	-	-	50,090	35,400	-	-	-	-	91,096	20,952,080
24	-	-	-	-	15,336	-	4,409	-	21,274	5,013	-	-	-	-	46,032	12,704,835
30	-	-	-	-	-	-	-	-	1,618	-	188	-	-	-	1,806	623,070
36	-	-	-	-	-	-	-	-	-	-	225	-	-	-	225	93,150
42	-	-	-	-	-	-	-	-	1,212	-	-	-	-	-	1,212	585,396
48	-	-	-	-	-	-	-	-	-	-	285	-	-	-	285	157,320
Totals (LF)	1,326	33,820	63,825	39,323	116,097	54,004	25,916	166,292	705,815	511,015	87,869	145,986	170,643	20,481	2,142,412	$ 245,898,747
Totals (Miles)	0.3	6.4	12.1	7.4	22.0	10.2	4.9	31.5	133.7	96.8	16.6	27.6	32.3	3.9	405.8	
Cumulative (LF)	1,326	35,146	98,970	138,294	254,391	308,394	334,311	500,602	1,206,418	1,717,433	1,805,302	1,951,288	1,975,945	1,971,769		
Cumulative (Miles)	0	7	19	26	48	58	63	95	229	325	342	370	374	373		
Replacement Cost ($)	$ 91,133	$ 2,646,977	$ 5,997,248	$ 4,578,149	$ 15,691,386	$ 5,719,671	$ 2,999,737	$ 20,261,273	$ 85,974,873	$ 60,314,190	$ 10,315,960	$ 15,002,325	$ 13,992,349	$ 2,313,478	$245,898,747	
Cumulative Replacement cost ($)	$ 91,133	$ 2,738,110	$ 8,735,357	$ 13,313,507	$ 29,004,892	$ 34,724,563	$ 37,724,300	$ 57,985,573	$143,960,446	$204,274,635	$214,590,595	$229,592,920	$228,582,944	$231,906,398		

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APPENDIX C
RESOLUTION No. 09-03 –RESERVE POLICY

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RESOLUTION NO. 09-03

PALMDALE WATER DISTRICT'S RESERVE POLICY

WHEREAS, the Board of Directors wants to ensure that the District will at all times have sufficient funding available to meet its operating, capital and debt service cost obligations.

WHEREAS, the Board of Directors recognizes the need to establish the finances necessary to secure additional water supply for the benefit of existing and future customers.

WHEREAS, the Board of Directors is establishing sound financial policies to promote favorable bond ratings in capital markets so that municipal bonds can be used for the future financing of projects.

WHEREAS, the Board of Directors need to include requirements imposed by law for the handling of developer related fees.

WHEREAS, the Board of Directors wants financial planning to address the planned needs for capital projects and equipment purchases.

WHEREAS, the Board of Directors wants to charge existing customers a fair share of the cost for the future replacement of facilities that are used to provide them service.

WHEREAS, the Board of Directors wants some reserve for unanticipated and unforeseeable expenses.

WHEREAS, the Board of Directors wants to avoid significant rate fluctuations in the future.

WHEREAS, the Board of Directors recognizes a need for long-term strategic financial policies.

WHEREAS, this action rescinds Resolution No.'s 05-9 and 08-31 and establishes the Palmdale Water District Reserve Policy as follows:

Legally Restricted Reserves:
The Water Facilities Connection Fees and Water Supply Connection Fees are subject to the requirements of the Mitigation Fee Act (AB 1600). The funds may not be used to support ongoing operations of the District. The District is legally required to account for these funds separately. An annual report is required to show balance forward, fees collected, income earned, expenditures, and future commitments. All funds collected must be committed or expended within five years of being collected or they must be refunded.

1. Water Facilities Connection Fees:

PWD will maintain a connection fee account with funds collected from developers to pay for the new facilities necessary to deliver water service to newly developed property. These fees are for offsite improvements such as the development's fair share cost of wells, reservoirs, transmission mains, treatment plant capacity, and other necessary facilities. The fees are collected at rates established by the Board of Directors based upon specific engineering studies. The rates charged are based on a project's equivalent capacity unit (ECU) basis. These funds are restricted to the design and construction of capital facilities for water delivery.

2. Water Supply Connection Fees:

PWD will maintain a connection fee account with funds collected from developers to pay for developing additional sources of water needed to support the water demands of new development. The District will use the funds to pursue a variety of supply sources including projects that produce additional imported water, water transfers, recycled water, conservation, groundwater rights, water banking, or any other project that increases water supply.

3. Debt Service Reserve Funds:

This fund is governed by legal bond covenants for the District's revenue bonds. Bond covenants require that this fund be maintained at a level sufficient to fund maximum annual debt service payments. These funds are held by the bond trustee during the term of the bonds and are to be used in the event that the District is unable to meet its required semi-annual debt service obligation. Reserve funds for each revenue bond issue will be used to make the last two semi-annual debt service payments for that issue. Annual interest earnings on bond reserve funds shall be applied to each year's debt service payments. Reserve funds related to state revolving fund loans shall be treated identically to revenue bond reserve funds as these loans are contractually defined as parity debt to the District's senior lien bonds.

As part of the 1998 bond documents, the District purchased insurance to secure an improved interest rate for the bonds. The insurance company was required to maintain a financial reserve to meet the lender's requirements. The municipal bond market was affected by the subprime mortgage crisis. During the crisis, our monoline insurer (FGIC) incurred heavy losses and consequently the credit rating of the insurer was downgraded. As a result, the District is required to maintain a reserve in lieu of insurance equivalent to the annual principal and interest of the bonds.

4. Dam Self Insurance:

The District has set aside $5 million for self-insurance of the Littlerock Dam as part of the 1998 Bond Documents. If the 1998 COP issue is refinanced, this reserve will be eliminated and the moneys will be available to the Board as an unrestricted reserve.

Board Restricted Funds:

Board designated funds are set to accomplish systematic and strategic goals or provide for prudent management of operations. The Board of Directors has complete discretion in the management and designation of self-adopted funds. Such funds can be modified, transferred, or altered by Board action.

5. Rate Stabilization Fund:

This fund is governed by legal bond covenants for the District's revenue bonds. The purpose of the fund is to assist in smoothing rates to pay PWD debt service and to assure that minimum debt service coverage ratios required by the District's bond covenants would be met in the future. Funds deposited into this reserve are treated as operating revenues in the year of deposit and will be treated as such in years of use for the purposes of computing the District's debt service coverage ratio.

This fund is applied in the five-year financial plan and annual rate model along with other reserve funds to smooth future rate increases. This fund provides a buffer should revenue estimates in any year not meet projections. The Rate Stabilization Fund will be drawn down to smooth rate increases. Specifically, they will be applied in any year where other revenues are not sufficient to meet the required debt service coverage ratio. They will also be applied if meeting only minimum coverage levels could result in the District's bond ratings being downgraded.

6. O&M Operating Reserve:

The O&M Operating Reserve will vary over time with a goal of maintaining three months average operating expenses excluding depreciation. This reserve is considered a working cash requirement. It bridges the gap between the time expenses are paid and the time revenues from the same service are collected from customers.

7. Supplemental Water Supply Fund:

To ensure water supply reliability, an additional water supply of at least 8,000 acre-feet is to be obtained for existing customers. This increase is necessary due to the decreased reliability of the State Water Project(63% reliability) and to offset supply losses related to restrictions on groundwater pumping in the Antelope Valley. Water rates will be set at a sufficient level to pay for the added water supply assuming a cost of $3,500 per acre-foot and financing costs to be paid through bond financing. Annual payments are estimated at $2.25 million for $28 million in principal repaid at 5% over 20 years. The funds can be used on any project that develops new supply, conserves existing supplies, or reuses water.

8. Asset Replacement Fund:

This fund pays for the replacement of existing facilities and equipment as it reaches the end of its useful life or for major repairs that extend the useful life of facilities. The 2009 budget shows depreciation of $5.1 million for the year. The policy is to "fund depreciation" at 100% beginning in 2009.

9. Conservation Program Fund:

This fund is set aside for conservation programs or programs that develop new water supply. The fund may pay for rebates, design, construction, equipment, or program related operating costs. It will be funded from "penalty tiers" by the incremental variable amounts charged customers for water use above their base allocation.

10. Water Quality Service Fee:

This fee pays for water quality improvements including ongoing operating costs of granular activated carbon (GAC) and water quality efforts including operating expenses, studies, design, and construction.

11. Unrestricted Reserves:

Unrestricted reserves represent a remainder balance of cash that is not yet designated for some use by the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Palmdale Water District as follows:

The Palmdale Water District Reserve Policy is hereby approved retroactive to December 2008, and the General Manager is directed to follow this Reserve Policy in managing available funds and investments of the District. Each fiscal year budget will report on the status of the reserve over the previous year and budget for proposed sources and uses for each reserve.

PASSED AND ADOPTED by the Board of Directors of the Palmdale Water District at a regular meeting held on this 11th day of March, 2009 by the following vote:

Ayes: Jeff Storm, David Gomez, Linda Godin, Richard Wells, Raul Figueroa
Noes: None
Absent: None
Abstain: None

SIGNED AND ATTESTED COPY CAN BE FOUND ON THE DISTRICT WEB SITE OR CONTACT THE EXECUTIVE ASSISTANT TO RECEIVE A PHOTO COPY BY MAIL.

APPENDIX D
CALIFORNIA WATER CODE – SECTION 370-374

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CALIFORNIA WATER CODE
SECTION 370-374
(Copied from original posted at http://www.leginfo.ca.gov/calaw.html)

370. The Legislature hereby finds and declares all of the following:

(a) The use of allocation-based conservation water pricing by public entities that sell and distribute water is one effective means by which waste or unreasonable use of water can be prevented and water can be saved in the interest of the people and for the public welfare, within the contemplation of Section 2 of Article X of the California Constitution.
(b) It is in the best interest of the people of California to encourage public entities to voluntarily use allocation-based conservation water pricing, tailored to local needs and conditions, as a means of increasing efficient uses of water, and further discouraging wasteful or unreasonable use of water under both normal and dry-year hydrologic conditions.
(c) The Legislature intends that allocation-based conservation water pricing is an alternative method that can be used by public entities to encourage water users to conserve water, increase efficient uses of water, and further discourage waste of water. The Legislature does not intend to limit the discretion of public entities to evaluate and select among different methods for conserving water or to create a presumption that the election to not use a particular method is a waste or unreasonable use of water by the public entity.
(d) Nothing in this chapter is intended to limit, or dictate, the design of rate structures that public entities may use to promote conservation by water users.
(e) Nothing in this chapter directs, or otherwise compels, a public entity to use allocation-based conservation water pricing.

371. For purposes of this chapter, the following terms have the following meanings:

(a) "Allocation-based conservation water pricing" means a retail water rate structure that meets all of the criteria in Section 372.
(b) "Basic charge" means a volumetric unit charge for the cost of water service other than any fixed costs that are recovered through meter charges or other fixed charges other than incremental costs that are recovered through conservation charges. A basic charge may include the cost of generally applicable conservation measures assumed in establishing basic use allocations.
(c) "Conservation charge" means a volumetric unit charge for incremental costs.
(d) "Incremental costs" means the costs of water service, including capital costs, that the public entity incurs directly, or by contract, as a result of the use of water in excess of the basic use allocation or to implement water conservation or demand management measures employed to increase efficient uses of water, and further discourage the wasteful or unreasonable use of water, and may include any of the following:

(1) Conservation best management practices, conservation education, irrigation controls and other conservation devices, and other demand management measures.

(2) Water system retrofitting, dual plumbing and facilities for production, distribution, and all uses of recycled water and other alternative water supplies.
(3) Projects and programs for prevention, control, or treatment of the runoff of water from irrigation and other outdoor water uses. Incremental costs shall not include the costs of stormwater management systems and programs.
(4) Securing dry-year water supply arrangements.
(5) Procuring water supplies to satisfy increments of water use in excess of the basic use allocations for the customers of the public entity, including supply or capacity contracts for water supply rights or entitlements and related energy costs for water delivery.

(e) "Public entity" means a city, whether general law or chartered, county, city and county, special district, agency, authority, any other municipal public corporation or district, or any other political subdivision of the state that provides retail water service and that is an urban water supplier, as defined in Section 10617.

372. (a) A public entity may employ allocation-based conservation water pricing that meets all of the following criteria:

(1) Billing is based on metered water use.
(2) A basic use allocation is established for each customer account that provides a reasonable amount of water for the customer's needs and property characteristics. Factors used to determine the basic use allocation may include, but are not limited to, the number of occupants, the type or classification of use, the size of lot or irrigated area, and the local climate data for the billing period.
Nothing in this chapter prohibits a customer of the public entity from challenging whether the basic use allocation established for that customer's account is reasonable under the circumstances.
Nothing in this chapter is intended to permit public entities to limit the use of property through the establishment of a basic use allocation.
(3) A basic charge is imposed for all water used within the customer's basic use allocation, except that at the option of the public entity, a lower rate may be applied to any portion of the basic use allocation that the public entity has determined to represent superior or more than reasonable conservation efforts.
(4) A conservation charge shall be imposed on all increments of water use in excess of the basic use allocation. The increments may be fixed or may be determined on a percentage or any other basis, without limitation on the number of increments, or any requirement that the increments or conservation charges be sized, or ascend uniformly, or in a specified relationship. The volumetric prices for the lowest through the highest priced increments shall be established in an ascending relationship that is economically structured to encourage conservation and reduce the inefficient use of water, consistent with Section 2 of Article X of the California Constitution.

(b) (1) Except as specified in subdivision (a), the design of an allocation-based conservation pricing rate structure shall be determined in the discretion of the public entity.

(2) The public entity may impose meter charges or other fixed charges to recover fixed costs of water service in addition to the allocation-based conservation pricing rate structure.

(c) A public entity may use one or more allocation-based conservation water pricing structures for any class of municipal or other service that the public entity provides.

373. (a) Revenues derived from allocation-based conservation water pricing shall not exceed the reasonable cost of water service including basic costs and incremental costs. This chapter does not limit the sources of funding for incremental costs to charges for water use.

(b) Revenues derived from allocation-based conservation water pricing shall not exceed the proportional cost of service attributable to the customer's parcel, as determined by giving consideration to all of the following:

(1) Customer classes established in consideration of service characteristics, demand patterns, and other factors.

(2) Basic use allocations.

(3) Meter size.

(4) Metered volume of water consumed.

(5) The public entity's discretionary allocation of incremental costs between and among the increments of water use subject to conservation charges, as permitted by paragraph (4) of subdivision (a) of Section 372 to meet the requirement of that section.

(c) In establishing the schedule of charges and metered volumes for the increments of water use subject to conservation charges, the public entity may also consider both of the following:

(1) Customer overuse characteristics, including ratios between overuse volumes and basic use allocations, variations in demand and consumption patterns, or other characteristics of overuse experienced by the public entity.

(2) The extent to which the pricing structure of the increments will be effective in minimizing or eliminating the need for other measures to curtail potential overuse.

374. (a) Allocation-based conservation water pricing under this chapter may be used on an ongoing basis and shall not require any finding of emergency or other water shortage conditions.

(b) The authority granted in this chapter is in addition to any other authority that a public entity has to use rate structure design to foster the conservation of water.

(c) The imposition and revision of rates and charges by a public entity under this chapter shall be subject to the procedures otherwise required by law for the public entity's water rates.

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APPENDIX E
GLOSSARY

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Palmdale Water District
Budget 2011
Glossary

ACH Automated Clearing House (ACH) is an electronic network for financial transactions in the United States. ACH processes large volumes of credit and debit transactions in batches. At the District, we are receiving bill payments for customers through Metavante.

ACWA Association of California Water Agencies – Association of California Water Agencies represents and provides key services to its members. From legislation, to regulatory activity, to broad policy issues, ACWA is on the front lines in Sacramento and in Washington, D.C. as a constant and respected advocate for California's public water agencies. ACWA's involvement at the state and federal level has helped shape laws and policies that affect ACWA member agencies and their customers. (http://www.acwa.com)

AWWA American Water Works Association – American Water Works Association is the authoritative resource on safe water, sharing knowledge on water resource development, water and wastewater treatment technology, water storage and distribution, and utility management and operations. AWWA provides knowledge, information and advocacy to improve the quality and supply of water in North America and beyond and advances public health, safety and welfare by uniting the efforts of the full spectrum of the water community. (http://www.awwa.org)

BMP A Best Management Practice (BMP) is a practice or combination of practices determined to be the most effective, practicable means for protecting natural resources.

CalPERS See PERS

CDPH California Department of Public Health – State agency that oversees and regulates the public drinking water systems. This includes the certification and licensing of water treatment and distribution system operators. (http://www.cdph.ca.gov)

CEQA California Environmental Quality Act - The California Environmental Quality Act is a California law (California Public Resources Code section 21000 et seq.) passed in 1970, shortly after the Federal Government passed the National Environmental Policy Act. CEQA does not directly regulate land uses, but instead requires development projects submit documentation of their potential environmental impact. (http://ceres.ca.gov/ceqa)

CIF Capital Improvement Fee – Capital improvement fees were established to provide funds for the construction of District facilities to meet water demands. These fees are collected from developers so they can contribute toward the cost of construction of these future facilities as specified by the District's Master Plan.

CSDA California Special Districts Association – California Special Districts Association is the recognized voice for all special districts. CSDA provides advocacy, outreach and member services, while educating policy makers and the public on the vital importance of local services provided by special districts in California. (http://www.csda.net)

CUWCC The California Urban Water Conservation Council was created to increase efficient water use statewide through partnerships among urban water agencies, public interest organizations, and private entities. The Council's goal is to integrate urban water conservation Best Management Practices into the planning and management of California's water resources.

DWR California Department of Water Resources – State agency that oversees the operation of the State Water Project (SWP). (http://www.water.ca.gov)

DBP Disinfection By-Products are potentially toxic chemical compounds that are formed in extremely low concentrations during the disinfection of water supplies.

EIR Environmental Impact Report – An EIR is a public document used by a government agency to analyze environmental effects of a proposed project. It also allows for the identification of alternatives and to disclose possible ways to reduce or avoid possible environmental damage.

EIS Environmental Impact Study – See EIR

EPA Environmental Protection Agency – The federal agency responsible for setting and enforcing water quality standards.

ET Evapotranspiration, or "ET," is the combination of water that is lost from the soil through evaporation and through transpiration from plants as a part of their metabolic processes. "ET" is simply the amount of water needed by a particular plant, tree, or turf grass.

GAC Granular Activated Carbon – Granular activated carbon is a form of carbon that has been processed to make it extremely porous and thus to have a very large surface area available for adsorption or chemical reactions. These carbons are therefore preferred for all adsorption of gases and vapors as their rate of diffusion are faster. Granulated carbons are used for water treatment, deodourisation and separation of components of flow system.

GASB Governmental Accounting Standards Board – The Governmental Accounting Standards Board exists to establish and improve standards of state and local governmental accounting and financial reporting. By doing this, the result is useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports. (http://www.gasb.org)

GIS Geographical Information System – Geographical information system captures, stores, analyzes, manages, and presents data that is linked to location. Technically, a GIS is a system, which includes mapping software and its application to remote sensing, land surveying, aerial photography, mathematics, photogrammetry, geography, and tools that can be implemented with GIS software.

MOU Memorandum of Understanding is a document describing a bilateral or multilateral agreement between parties. It expresses a convergence of will between the parties, indicating an intended common line of action.

MTBE Methyl tertiary-butyl ether (MTBE) is a chemical compound that is manufactured by the chemical reaction of methanol and isobutylene. MTBE is produced is almost exclusively used as a fuel additive in motor gasoline.

O&M Operations and Maintenance – Operations and Maintenance are the activities related to the performance of routine, preventive, predictive, scheduled, and unscheduled actions aimed at preventing equipment failure or decline with the goal of increasing efficiency, reliability, and safety.

OPEB Other Post-Employment Benefits – Other Post-Employment Benefits obligations are primarily for retiree health care costs but also can include other benefits such as insurance.

PERS or CalPERS California Public Employees' Retirement System – The State retirement system covering Palmdale Water District employees and retirees. The retirement program provides retirement income levels dependent on age and length of participation.

SCADA Supervisory Control and Data Acquisition is a system that collects data from various sensors at a factory, plant or in other remote locations and then sends this data to a central computer, which then manages and controls the data.

SWC The State Water Contractors is a non-profit association of 27 public agencies from Northern, Central and Southern California that purchase water under contract from the California State Water Project. (http://www.swc.org)

SWP California State Water Project – Administered by the Department of Water Resources (DWR), the State Water Project is the nation's largest state-built water and power development and conveyance system. Its purpose is to deliver water, control flooding, generate power, provide recreational opportunities, and enhance habitats for fish and wildlife.

TTHM Trihalomethanes (THM) are a group of four chemicals that are formed along with other disinfection byproducts when chlorine or other disinfectants used to control microbial contaminants in drinking water react with naturally occurring organic and inorganic matter in water. The EPA is in charge of regulating the total trihalomethanes (TTHM) at a maximum allowable annual average in drinking water.

VOC Volatile Organic Compounds are ground-water contaminants of concern because of very large environmental releases, human toxicity, and a tendency for some compounds to persist in and migrate with ground-water to drinking-water supply wells