



PALMDALE WATER DISTRICT

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

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Board of Directors

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LAGERLOF, SENECA, GOSNEY & KRUSE LLP
Attorneys



November 3, 2011

*Agenda for Regular Meeting
of the Board of Directors of the Palmdale Water District
to be held at the District's office at 2029 East Avenue Q, Palmdale
Wednesday, November 9, 2011
7:00 p.m.*

NOTE: To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Dawn Deans at 661-947-4111 x103 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale. Please call Dawn Deans at 661-947-4111 x103 for public review of materials.

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

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

- 1) Pledge of Allegiance.
- 2) Roll Call.
- 3) Adoption of Agenda.
- 4) Public comments for non-agenda items.
- 5) Action Items - Consent Calendar (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.)
 - 5.1) Approval of minutes of regular meeting held October 26, 2011.
 - 5.2) Payment of bills for November 9, 2011.

- 6) Action Items - Action Calendar (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.)
 - 6.1) Presentation on well levels and on the maintenance and reliability of the District's wells. (Water & Energy Resources Manager Pernula/Facilities Manager Moore/Water Supply & Reliability Committee)
- 7) Information Items:
 - 7.1) Reports of Directors: Meetings, Committee meetings, and general report.
 - 7.2) Report of General Manager.
 - 7.3) Report of Attorney.
- 8) Public comments on closed session agenda matters.
- 9) Closed session under:
 - 9.1) Government Code Section 54956.9(a), existing litigation: *Antelope Valley Ground Water Cases*.
 - 9.2) Government Code Section 54956.9(a), existing litigation: *City of Palmdale vs. Palmdale Water District, Case No. BC413432 (Rate Litigation)*.
 - 9.3) Government Code Section 54956.9(a), existing litigation: *City of Palmdale vs. Palmdale Water District and Palmdale Water District Public Facilities Corporation, Case No. BC413907 (Validation Action)*.
 - 9.4) Government Code Section 54956.9(a), existing litigation: *Palmdale Water District vs. City of Palmdale, Case No. BC420492 (Recycled Water Litigation)*.
 - 9.5) Government Code Section 54956.9(a), existing litigation: *United States, et al. v. J-M Manufacturing Company, Inc., et al., United States District Court for the Central District of California Case No. ED CV06-0055-GW*.
 - 9.6) Government Code Section 54956.9(a), pending litigation: *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561*.
- 10) Public report of any action taken in closed session.
- 11) Board members' requests for future agenda items.
- 12) Adjournment.



DENNIS D. LaMOREAUX,
General Manager

DDL/dd

PALMDALE WATER DISTRICT

BOARD MEMORANDUM

DATE: November 3, 2011 November 9, 2011
TO: BOARD OF DIRECTORS Board Meeting
FROM: Mr. Tim Moore, Facilities Manager
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: *AGENDA ITEM NO. 6.1 – PRESENTATION ON WELL LEVELS AND
ON THE MAINTENANCE AND RELIABILITY OF THE DISTRICT'S
WELLS*

The goal for production from the wells is to achieve a 60/40 surface/groundwater split pumping 40% of the water demand from the well field.

PWD is currently operating 24 wells ranging in age from 18 to 50 years old. Most of these wells are constructed of louvered steel casing with a few being stainless steel wire wrap casing. Recent breakdowns have included casing failures to louvered steel casings in the 40-plus age bracket.

The pumping equipment installed in the District's wells is a near 50-50 mixture of vertical turbine and submersible pumps with most of the high production, deep-set pumps being of the vertical turbine design.

Wells are scheduled for preventive rehab efforts on an eight to ten year cycle resulting in two to three rehabs per year.

The most recent failure was of the District's Well #11, an approximately 1,100 GPM well drilled in 1963 to a depth of 870 feet. The pump for this well was rebuilt in March, 2008. A patch was installed in the casing, and the well was placed back into service in May, 2008. The well failed again on September 25, 2008 due to sand and gravel damage to the louvers and the pump. Well #11 is currently being work on and is scheduled for rehabilitation through the 2012 Budget.

Average Annual Well Production:

- 2008 – 31,890, 642 gallons
- 2009 – 25,301,612 gallons
- As of August 2010 – 18,239,121 gallons

Maximum Daily Well Production by Year:

- 2008 - 15.6 MGD (August)
- 2009 - 13.7 MGD (July)
- 2010 - 12.1 MGD (January)

Supporting Documents:

- Well Level Reports
- Well Rehab Schedule

0329	WELL NO. 3A	12/30/1960	2163 EAST AVANUE P-8	40' patch installed 1993 at 540' Last brush & bail 2004, 10' patch installed 2004 at 712'
	Vertical Turbine Pump	2014		
	US Motor Model G61777, 500HP, 300EHT			
	Peerless Discharge Head S/N 161289			
	American Turbine 15M180 10 Stage Installed 04			New 04
	Natural Gas Genset			
0332	WELL NO. 6A	12/30/1982	39455 10TH STREET EAST	Rehab 06, pump repair 2010
	Submersible Pump 10	2016		Pump set 760 ft, Installed 06
0333	WELL NO. 10	Unknown	3701 EAST AVENUE P-8	Rehab 05, 12" liner installed 1987, perfed 500'
	Submersible Pump	2019		Installed 2009
0334	WELL NO. 11A	O/S	39501 15TH STREET EAST	Out of service-failed casing.
	Vertical Turbine Pump	NOW		
	Randolph 600HP Right Angle Drive			
	Goulds 12CHC 9 Stage Pump			
	Natural Gas Prime Mover			
0336	WELL NO. 14A	3/31/1965	39401 20TH STREET EAST	Unknown last re-hab, Sanding
	Vertical Turbine Pump	2014		
	Newman 250HP			Last rebuild 04
	Discharge Head			
	American Turbine 12-M-100 11 Stage Pump			Installed 04, 700'

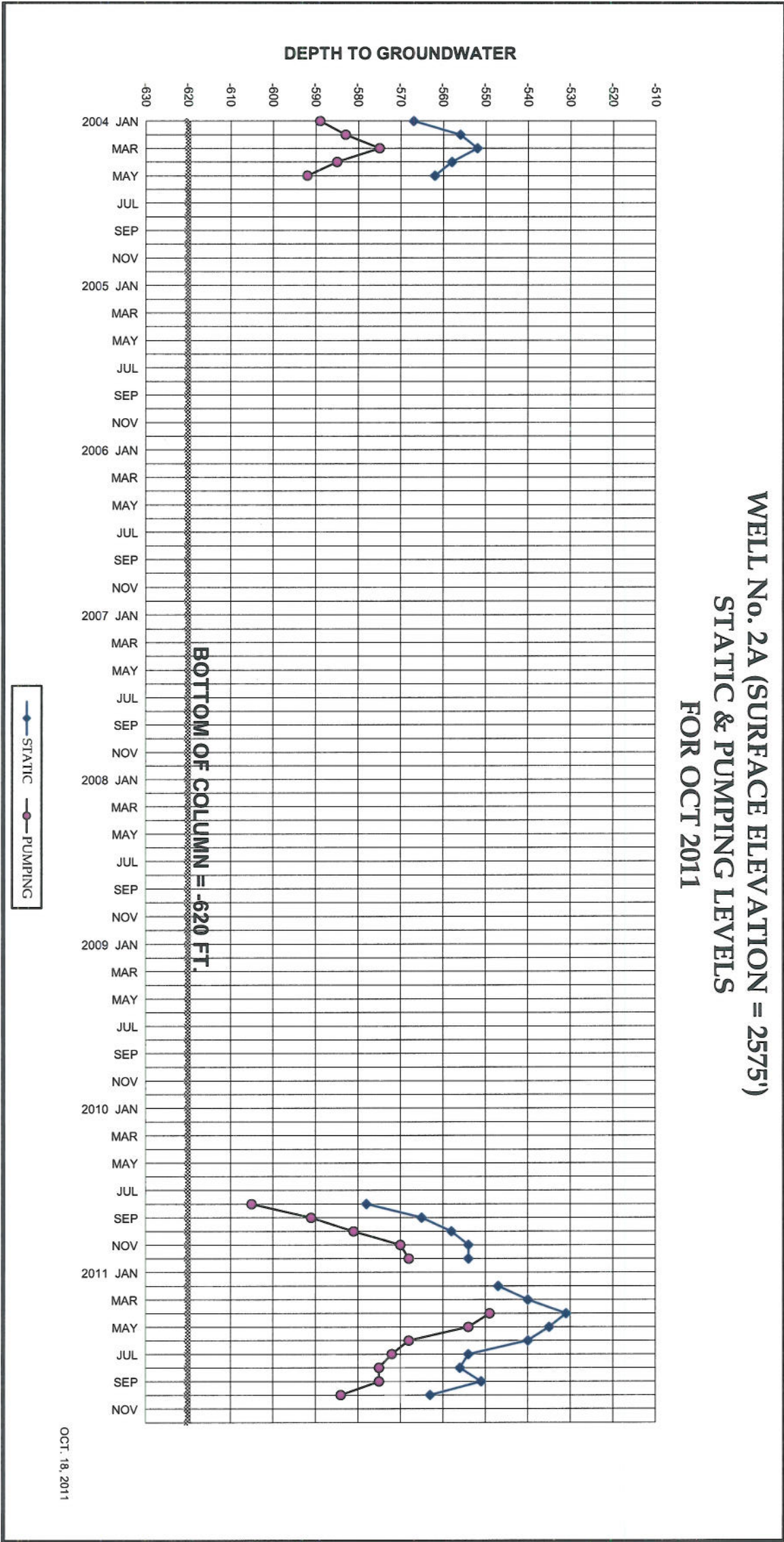
0337	WELL NO. 15	1/27/1960	1003 EAST AVENUE P	Brush/bail 05
	Vertical Turbine Pump	2015		
	Amarillo 600HP Right Angle Drive			
	American Turbine 12M80 12 Stage			Installed 05
	Natural Gas Prime Mover			
0338	WELL NO. 16	2020	4125 EAST AVENUE S-4	
	Submersible Pump			Pump installed 7/10
	Hitachi Sub Motor			
	American Turbine RL 14, 8 Stage Pump			
0339	WELL NO. 17	O/S	718 DENISE AVENUE	Out of service-water quality
	Vertical Turbine Pump & Motor			
	US Motor 20HP			
	Discharge Head			
	Peerless 8LA, 8 Stage Pump			
0343	WELL NO. 2A	3/30/1968	39400 20TH STREET EAST	Last re-hab 10-Brush & Bail
	VERTICAL TURBINE	2020		
	US MOTORS 400 HP			Rebuilt 10
	Discharge Head			
				New 10
	Natural Gas Prime Mover			Installed 01

0344	WELL NO.	188.19		4640 BARREL SPRINGS ROAD	
	18 Submersible Pump				Installed 2010
	Franklin 5HP Sub Mol	2020			
	Peerless 4-4LO-5-2-3 Pump				
	19 Vertical Turbine Pump & Motor				
	Westinghouse 5HP Motor				
	Discharge Head				
	Peerless 6LB 9 Stage Pump				
0346	WELL NO.	4A	7/7/1970	2475 EAST AVENUE P-8	Rehab 01
	Vertical Turbine Pump	2011			
	US Motor Model AA68A, 200 HP, 100EHT				New in 01
	Johnston SN GE1291 Discharge Head				
	Ingersoll Dresser 14KKL 11 Stage Pump				New in 01
0347	WELL NO.	22		5401 EAST AVENUE S	Rehab 05
	Submersible Pump	2015			
	Hitachi 75HP Sub Motor				
	Simmons SP9M, 7 Stage Pump				
0348	WELL NO.	7A	2019	39395 25TH STREET EAST	Rehab, new motor 2009
	Vertical Turbine Pump & Motor				
	US Motor 500 HP				
	Discharge Head				
	Ingersoll Rand 14KKH 10 Stage Pump				

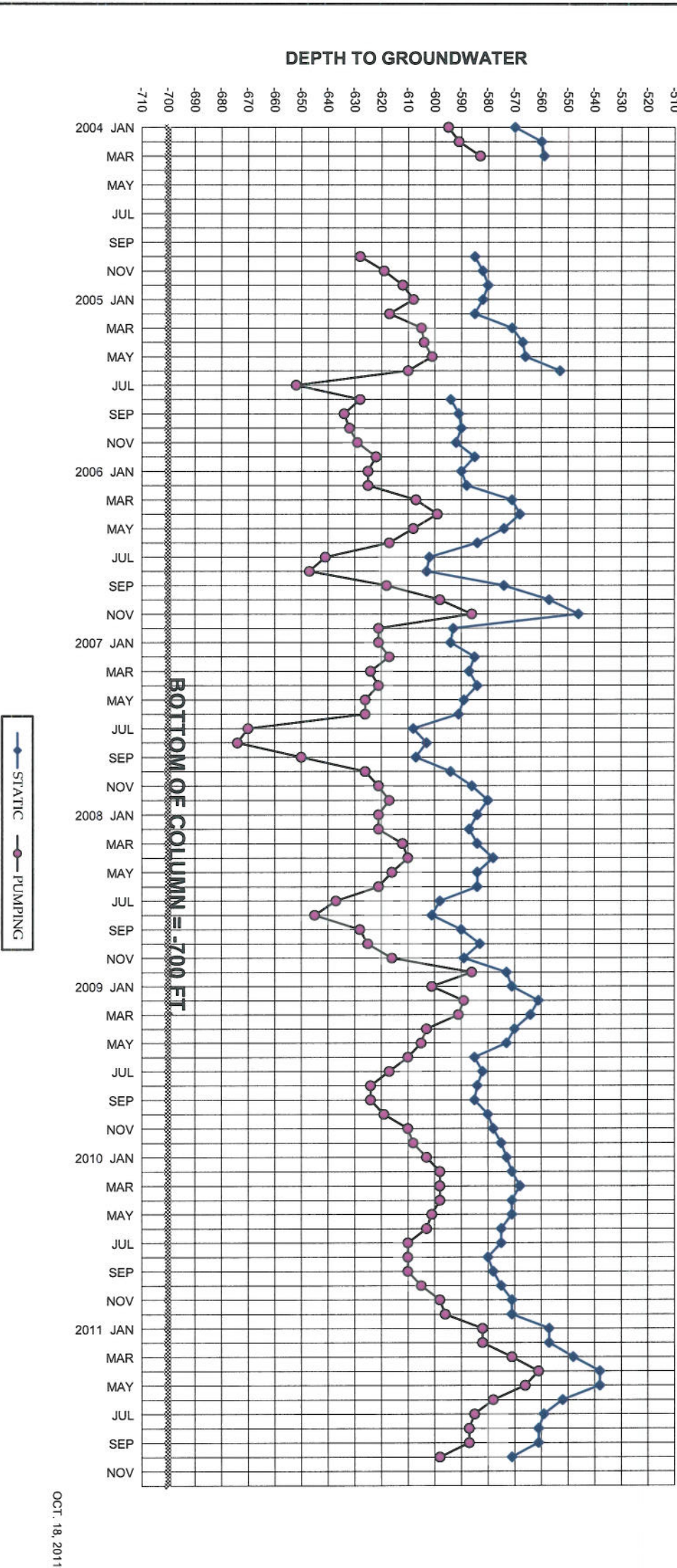
0349	WELL NO.	35	6/17/1992	36549 60TH STREET EAST	Wire wrap SS
	Submersible Pump		2016		
	Hitachi 75HP Sub Motor				
	American Turbine 8L30, 5 Stage Pump				
0351	WELL NO.	20	Unknown	5680 PEARBLOSSOM HIGHWAY	Out of Service-Casing Failure
	Vertical Turbine Pump		2011		472'
	US Motor 60HP				2002
	Discharge Head				
	Ingersoll Rand 10L30 8 Stage Pump				Unknown
0352	WELL NO.	21	Unknown	36525 52ND STREET EAST	332' 14" with 10" milslot liner installed '79
	Submersible Pump		2013		Brush/Bail '05
	40 HP Franklin				New in 05
	Christensen 7WALC 5 stage				New in 05 273'
0356	WELL NO.	23A	11/19/1991	2202 EAST AVENUE P-8	Patch installed 01, Rehab-acidize, swab, brush, bail, redevelop, test pump '06
	Vertical Turbine Pump		2016		Rebuilt 06
	250 HP 300EHT US Motor				
	Discharge Head				
	Christensen 12 CLC 15 stage				New 06
0365	WELL NO.	8A	10/21/1987	2200 EAST AVENUE P	660', Acid, swab, brush, bail, redevelop, test pump 08
	Vertical Turbine Pump		2018		New 300 EHT 600HP US Motor 08
	US Motor M4160 volt				New fab discharge head 08, new column, tube & shaft, 14RJHC 9 stage rebuilt 08
	Discharge Head				
	Peerless 14MC 10 Stage Pump				

0369	WELL NO. 25	1/30/1989		578' 14.25"
	Submersible Pump	2014		379'
	Hitachi 100HP Sub Motor			New 04
	Goulds 11RAHC			New 04
0370	WELL NO. 26	3/17/1989		468' 16"
	Submersible Pump	2015		400'
	Centri-pro 50HP Sub Motor			New 05
	Christensen 7WALC 6 stage			New 05
0373	WELL NO. 29	8/31/1989		394' 16" Rehab 05
	Submersible Pump	2016		340'
	Hitachi 40 HP			New in 06
	Peerless 9LA 12 stage			New in 06
0374	WELL NO. 30	Unknown		Brush/bail 04
	Submersible Pump	2014		360'
	Franklin 150HP Sub Motor			New in 04
	Goulds 7CHC, 5 Stage Pump			Rebuild in 04
<u>0376</u>	WELL NO. 32	11/27/1989	37301 35TH STREET EAST	570' Brush/bail 04
	Submersible Pump	2014		462'
	60 HP			New 04
	Simmons SS8H 5 stage			Rebuild 04
0379	WELL NO. 33	5/1/1991		465' 16" SS Wire Wrap
	Submersible Pump	2018		
	Franklin 75 HP Sub Motor			New 08
	American Turbine 8L30, 5 Stage Pump			Rebuild 08

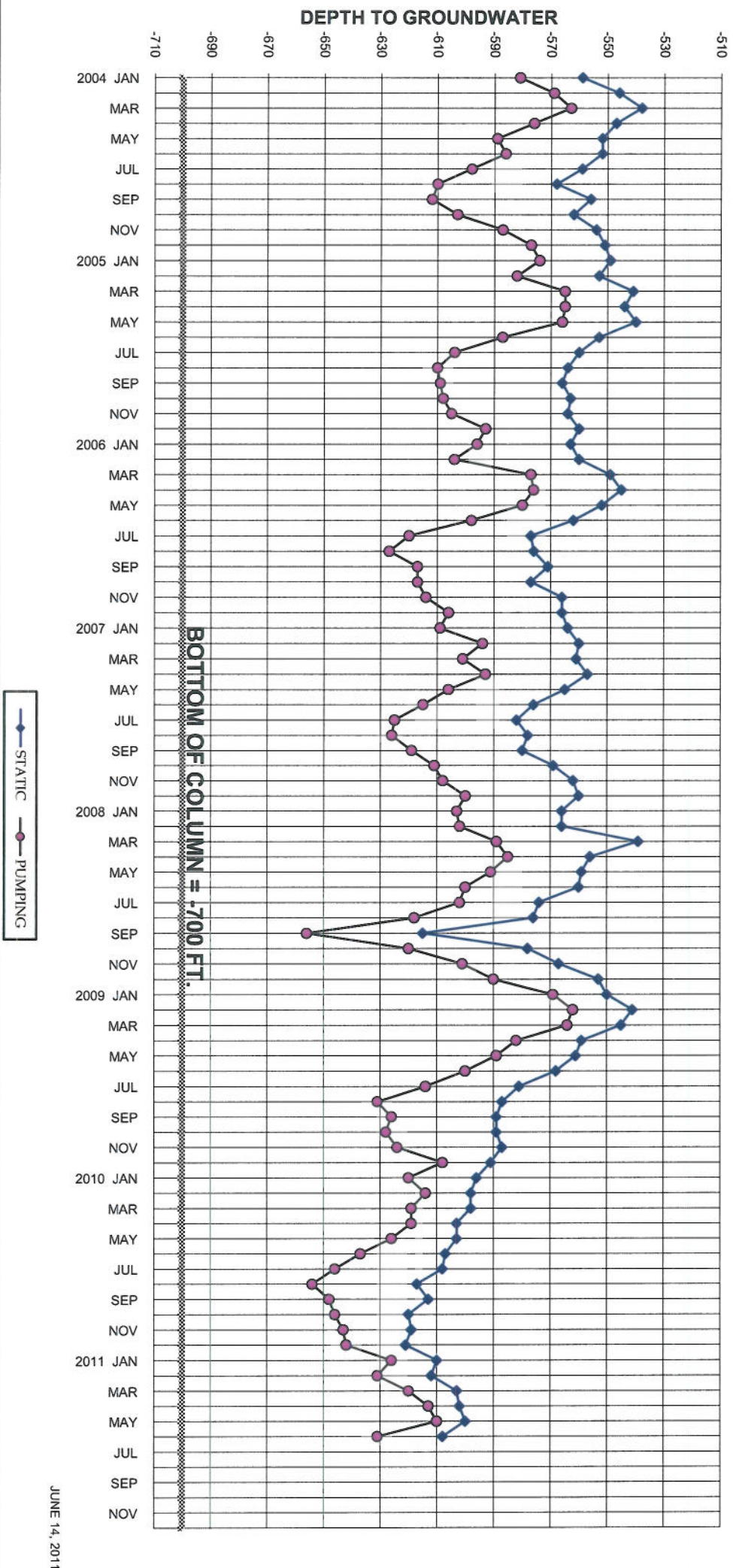
WELL No. 2A (SURFACE ELEVATION = 2575') STATIC & PUMPING LEVELS FOR OCT 2011



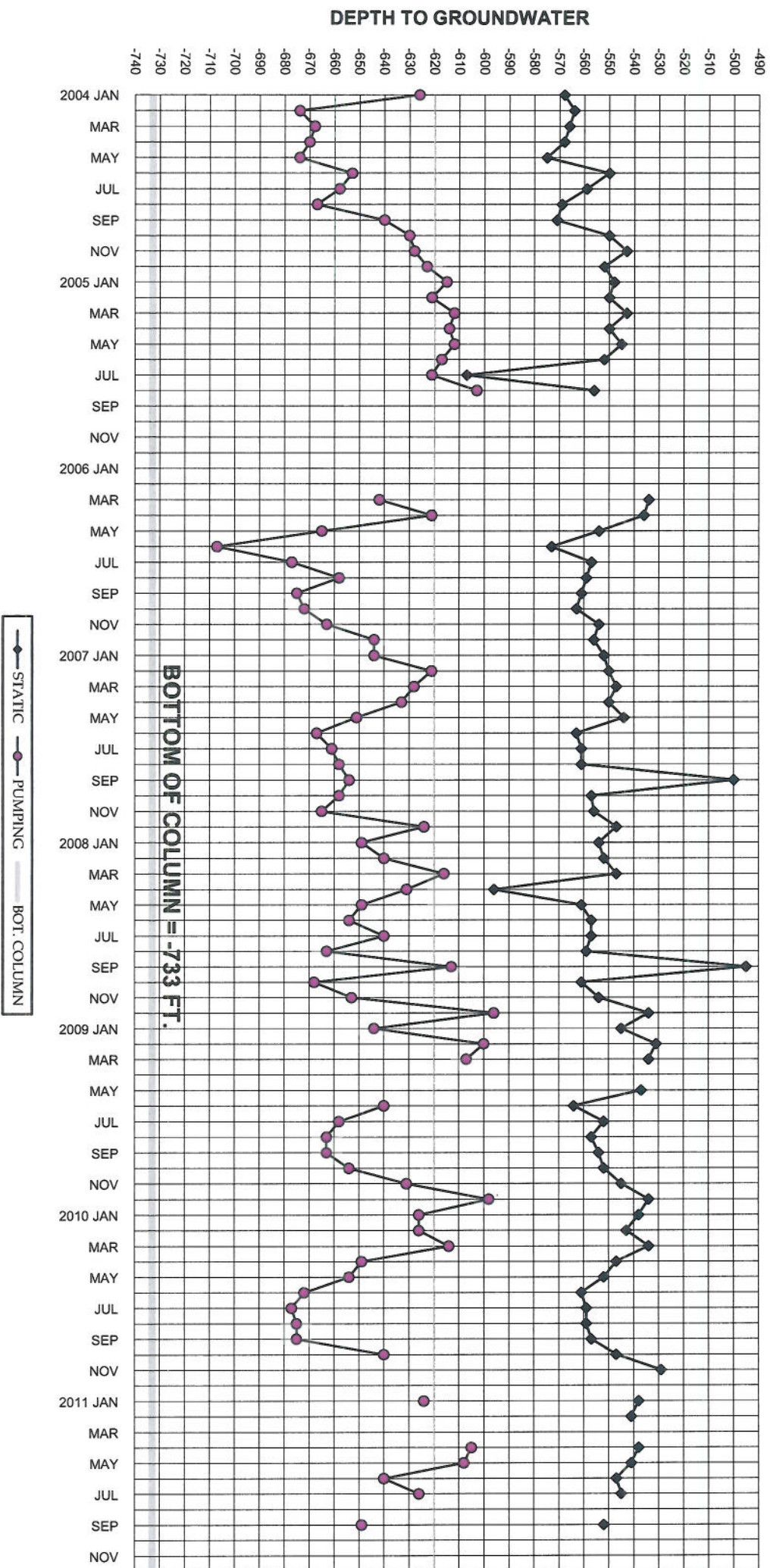
WELL No. 3A (SURFACE ELEVATION = 2586') STATIC & PUMPING LEVELS FOR OCT 2011



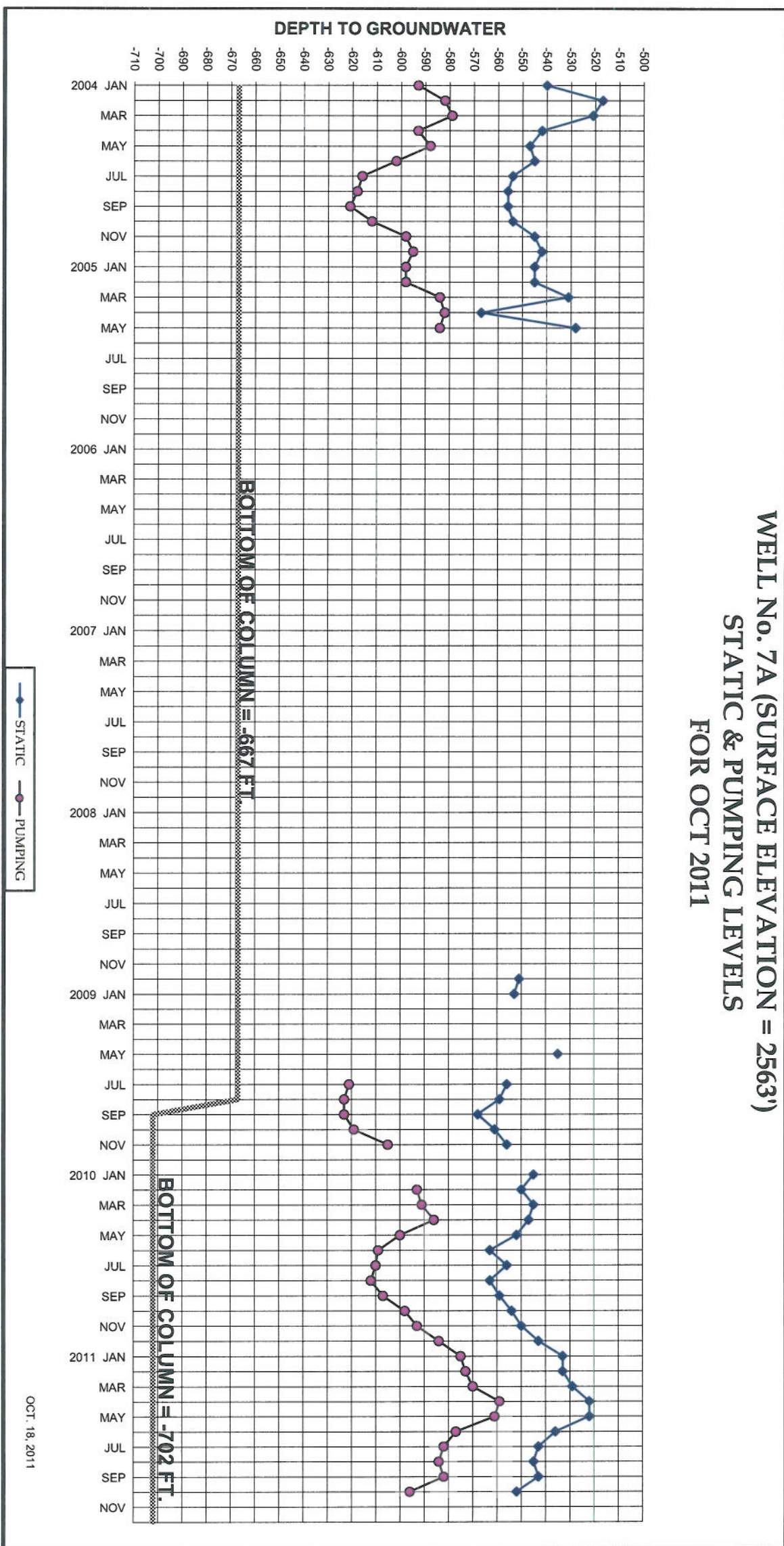
WELL No. 4A (SURFACE ELEVATION = 2571')
STATIC & PUMPING LEVELS
FOR JUNE 2011



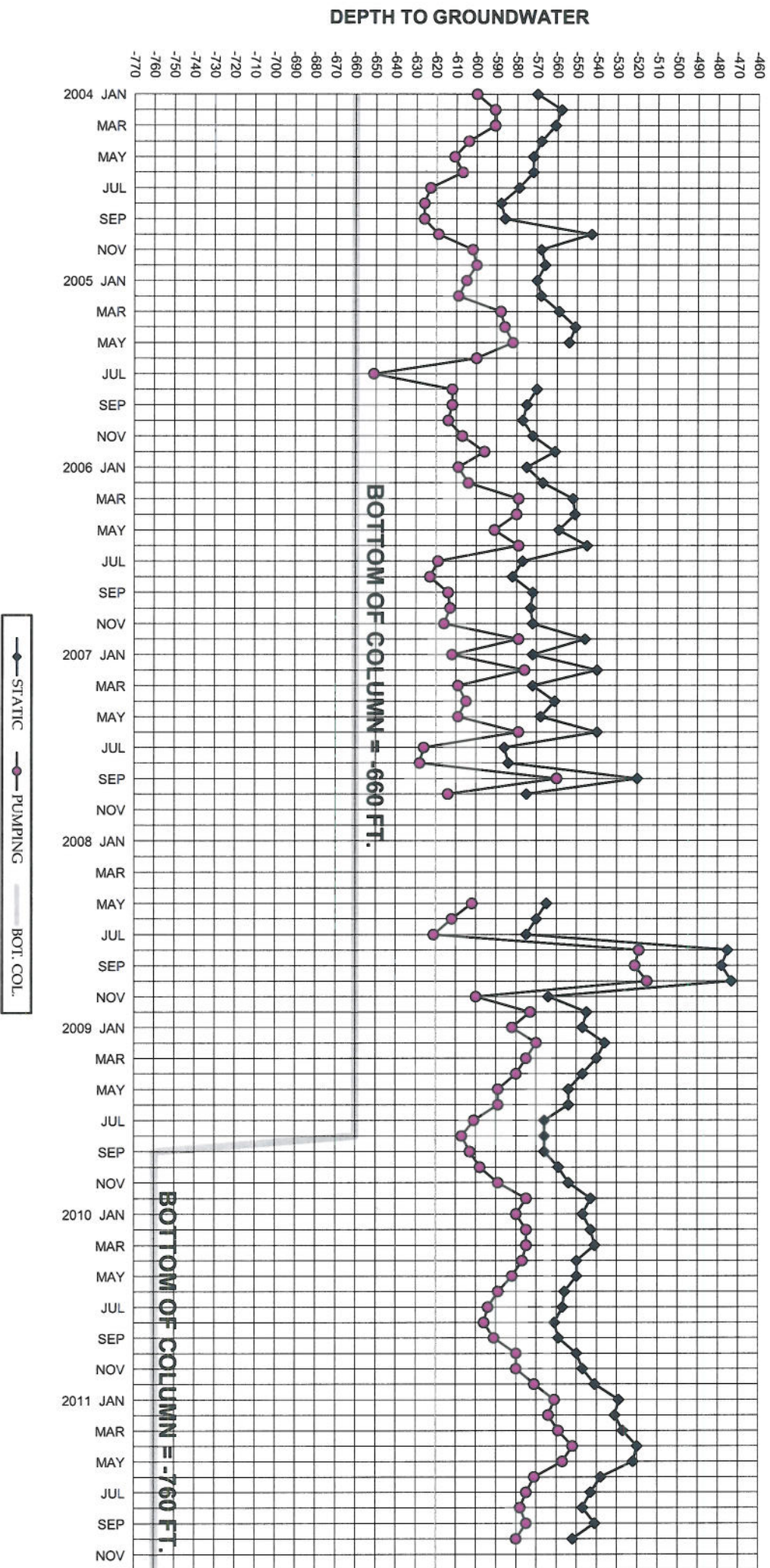
WELL No. 6A (SURFACE ELEVATION = 2598') STATIC & PUMPING LEVELS FOR SEPT 2011



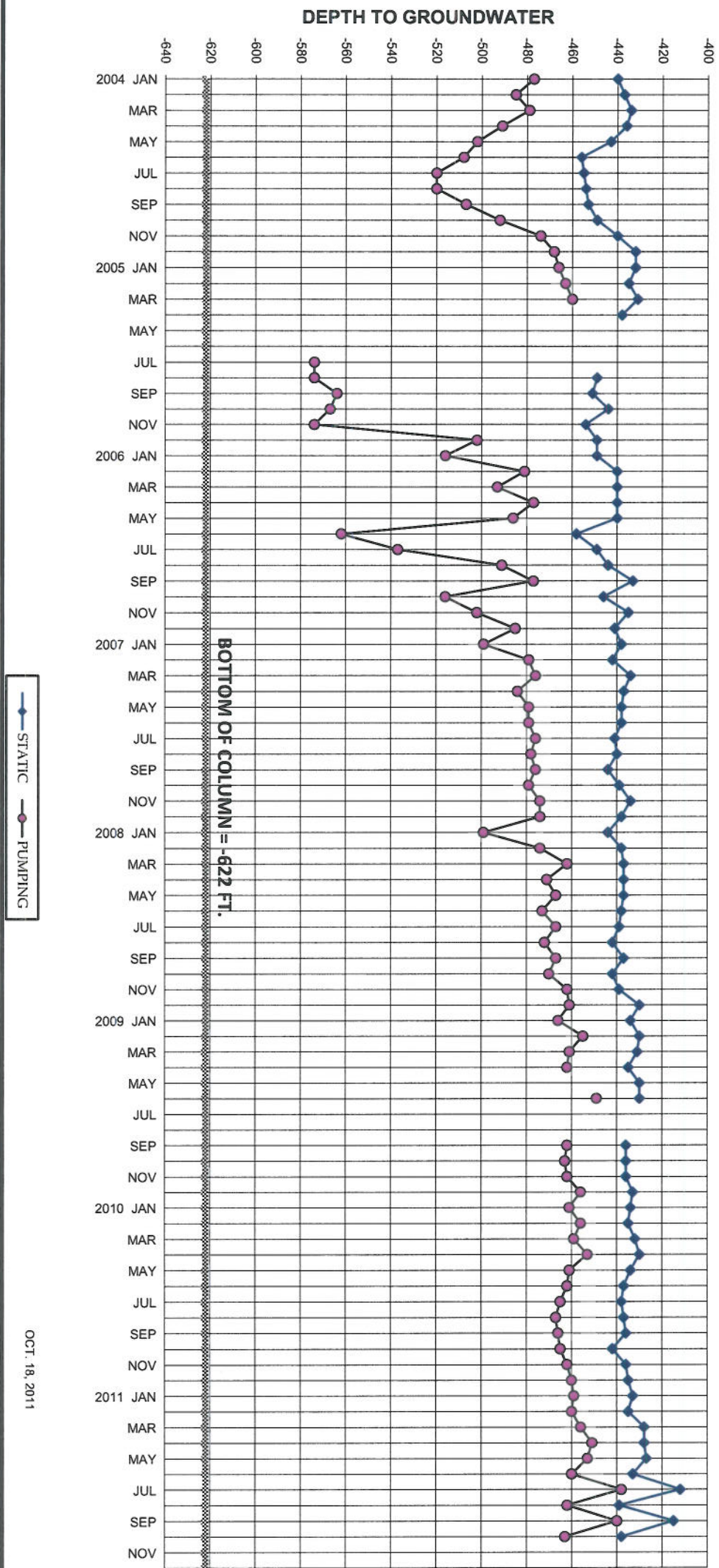
WELL No. 7A (SURFACE ELEVATION = 2563') STATIC & PUMPING LEVELS FOR OCT 2011



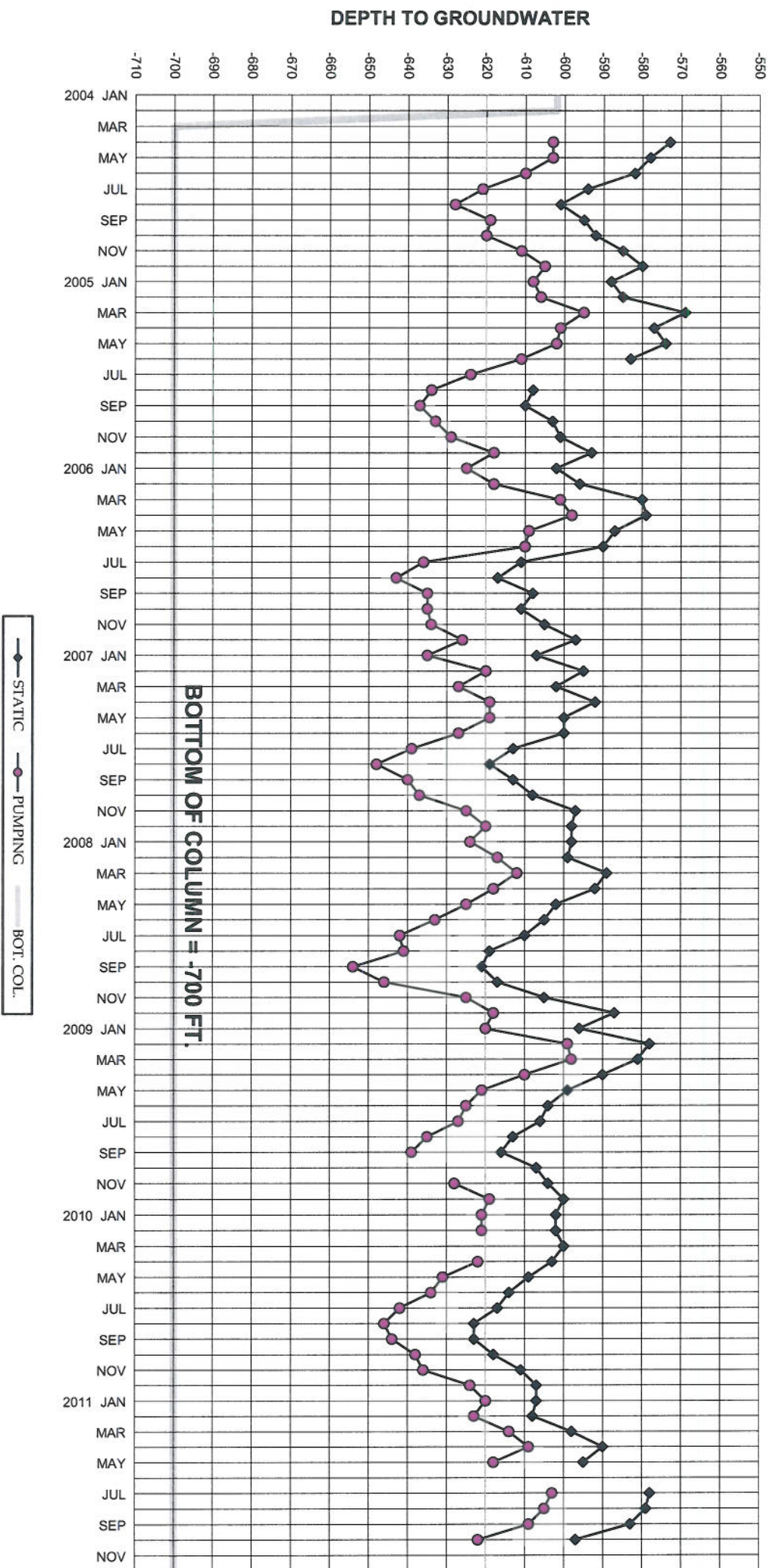
WELL No. 8A (SURFACE ELEVATION = 2562') STATIC & PUMPING LEVELS FOR OCT 2011



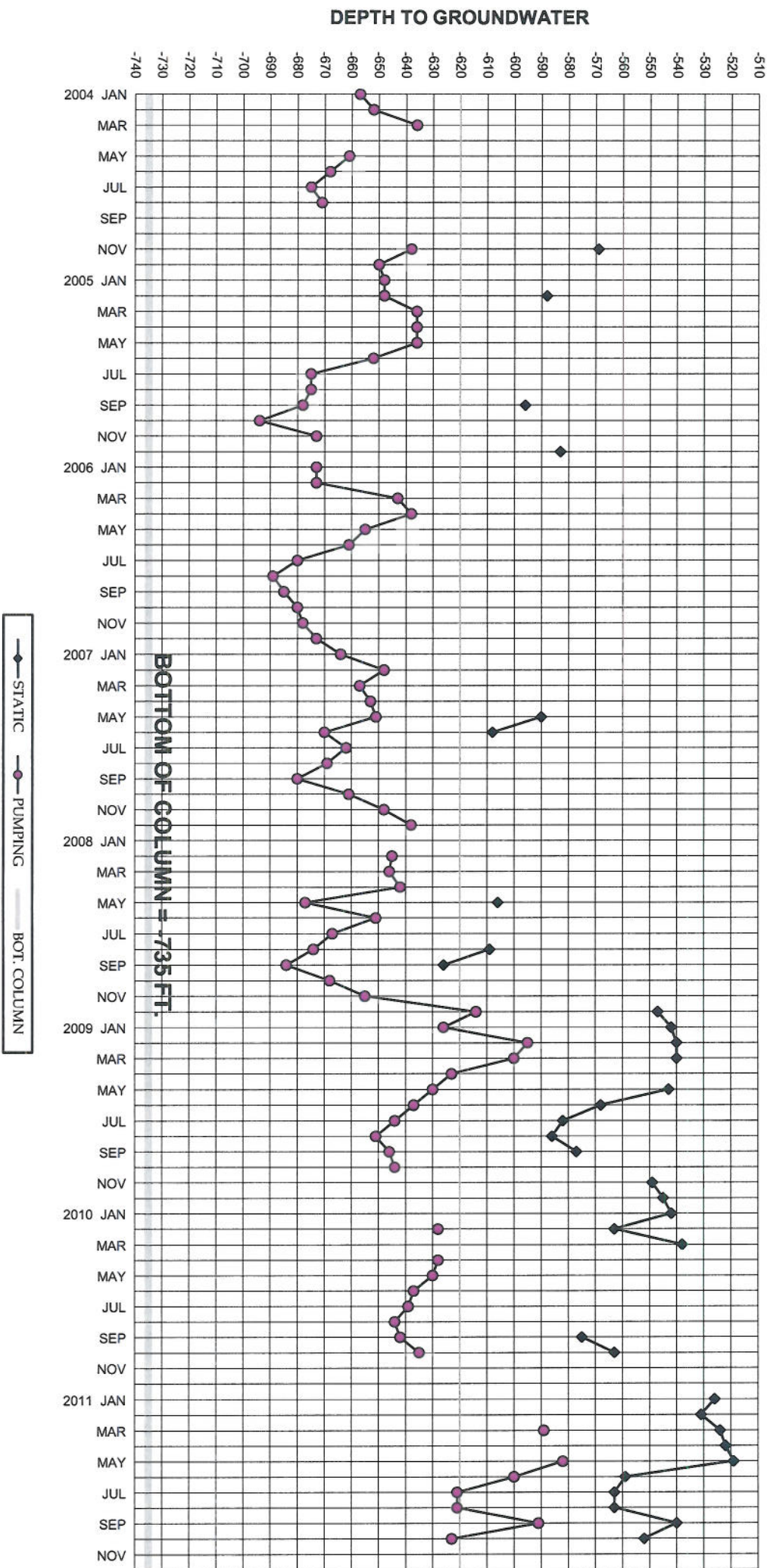
WELL No. 10 (SURFACE ELEVATION = 2568')
STATIC & PUMPING LEVELS
FOR OCT 2011



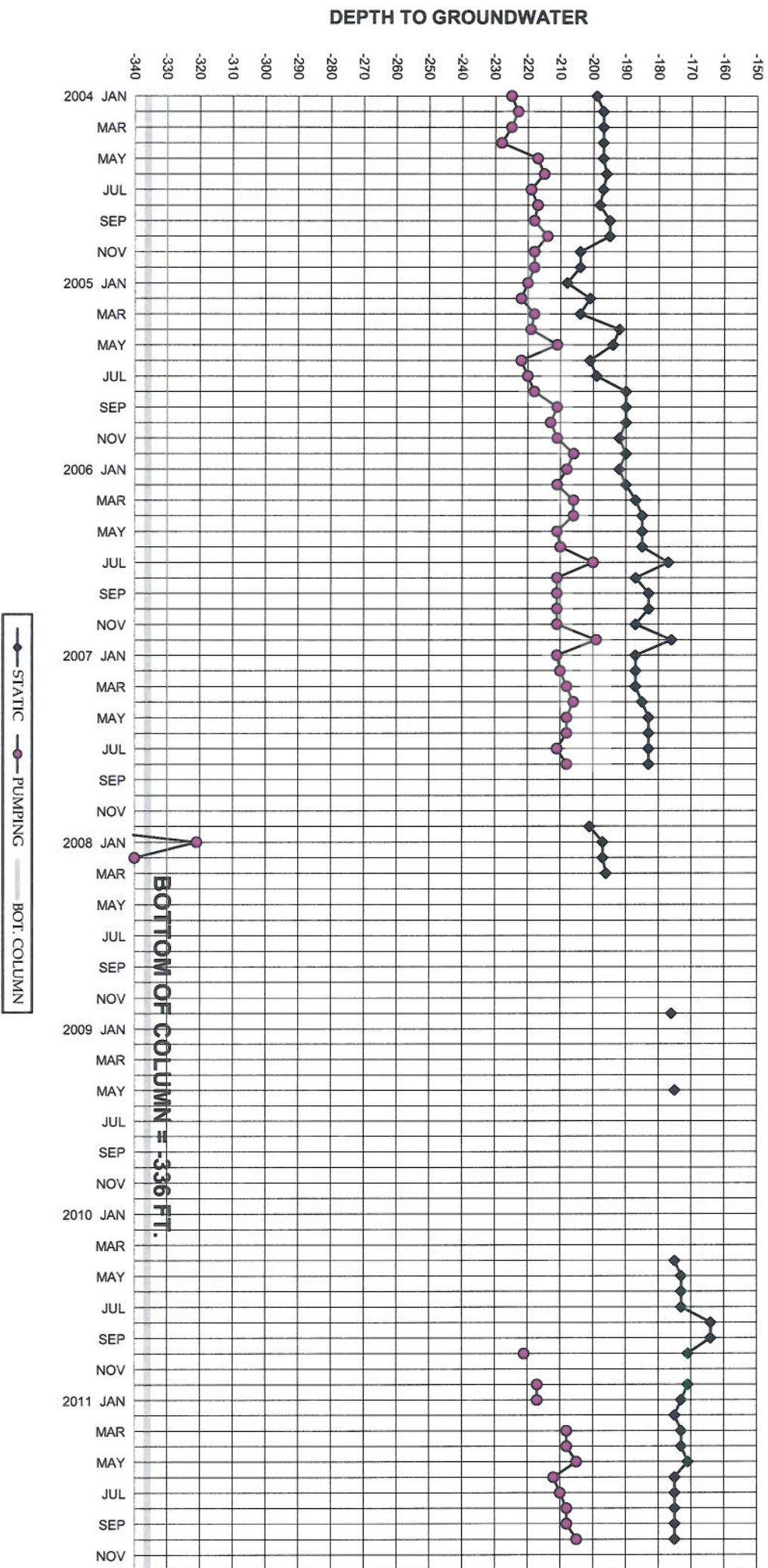
WELL No. 14A (SURFACE ELEVATION = 2580') STATIC & PUMPING LEVELS FOR OCT 2011



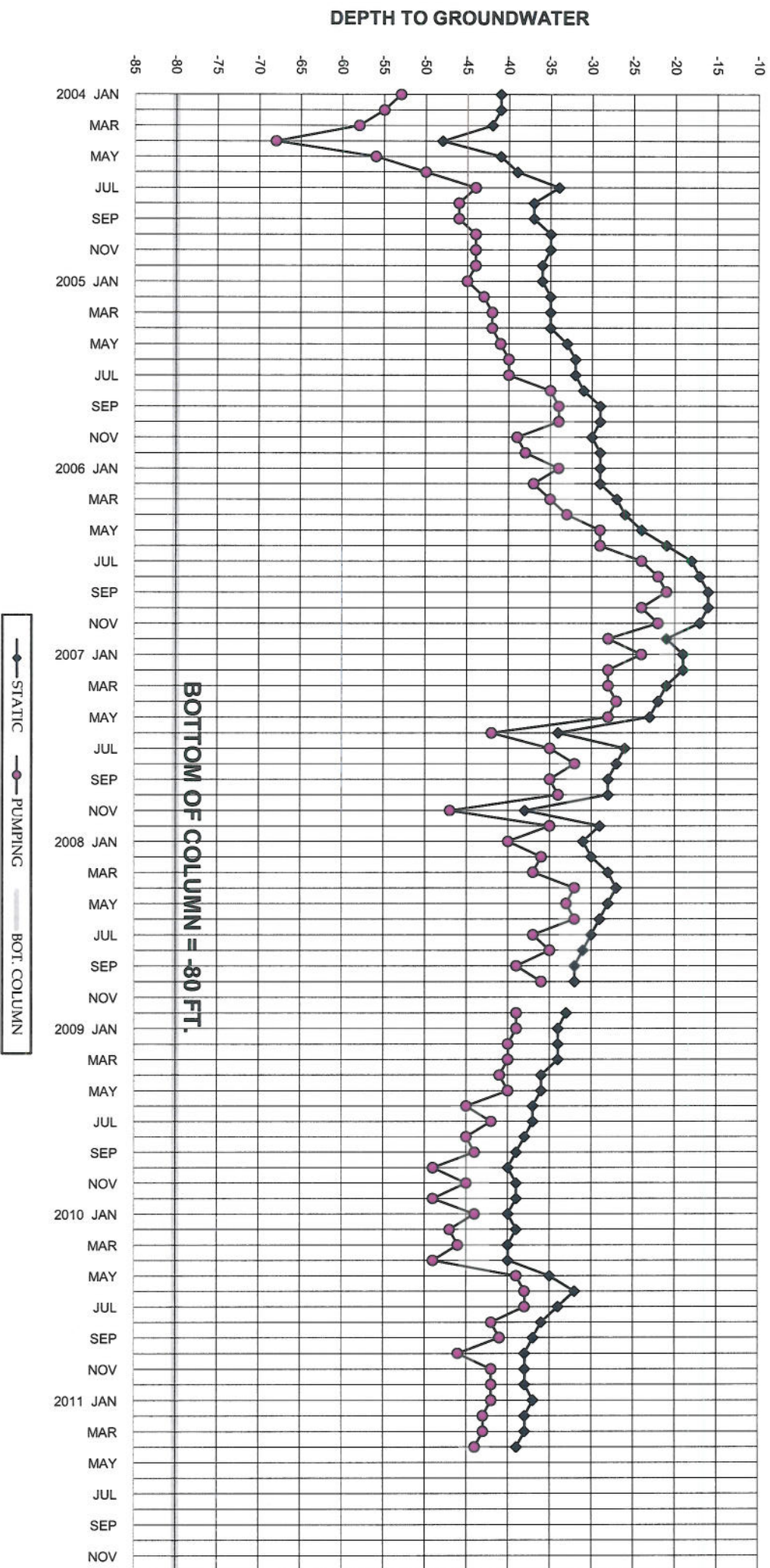
WELL No. 15 (SURFACE ELEVATION = 2592')
STATIC & PUMPING LEVELS
FOR OCT 2011



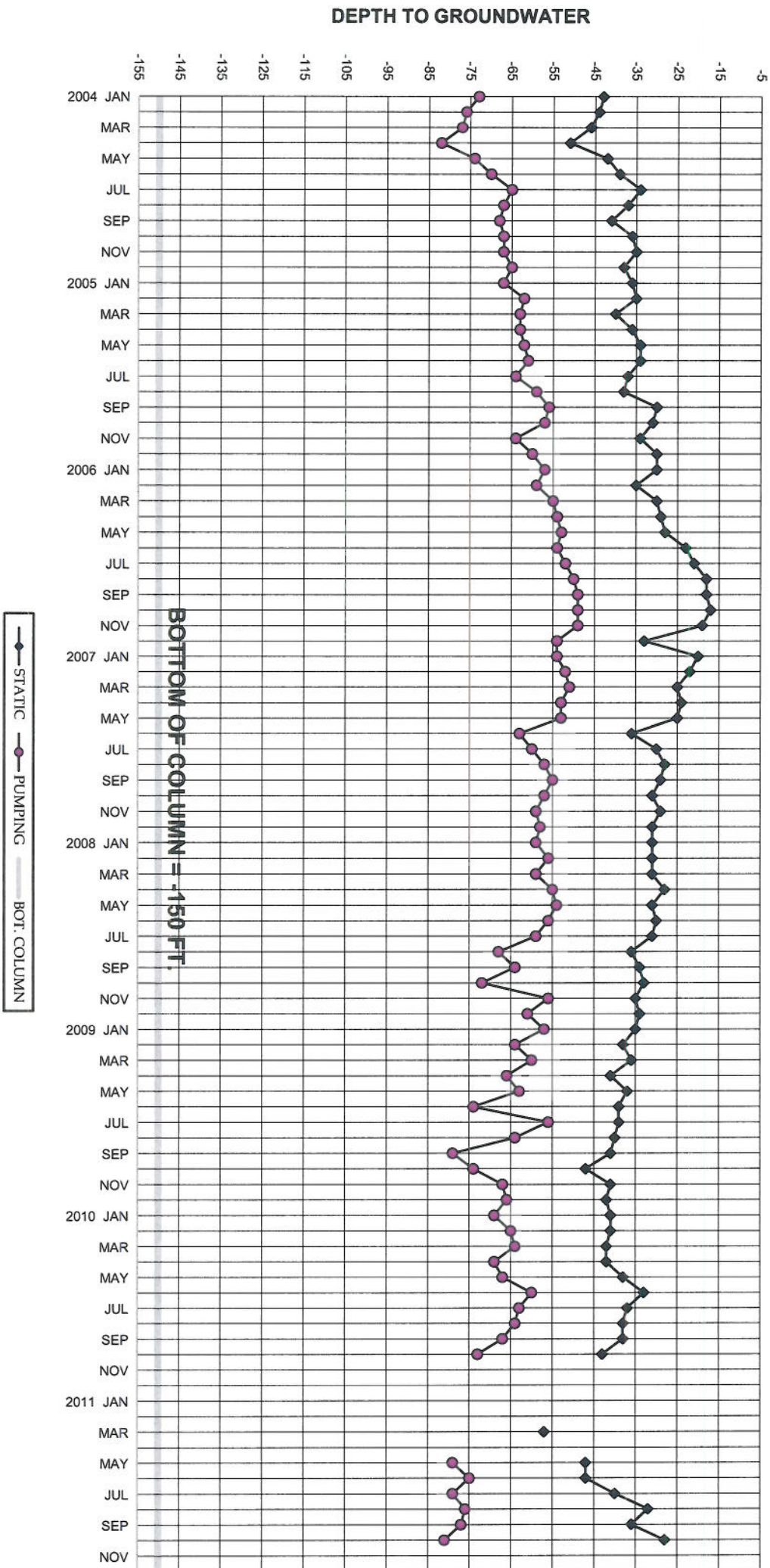
WELL No. 16 (SURFACE ELEVATION = 2690') STATIC & PUMPING LEVELS FOR OCT 2011



WELL No. 18 (SURFACE ELEVATION = 3060') STATIC & PUMPING LEVELS FOR APR. 2011

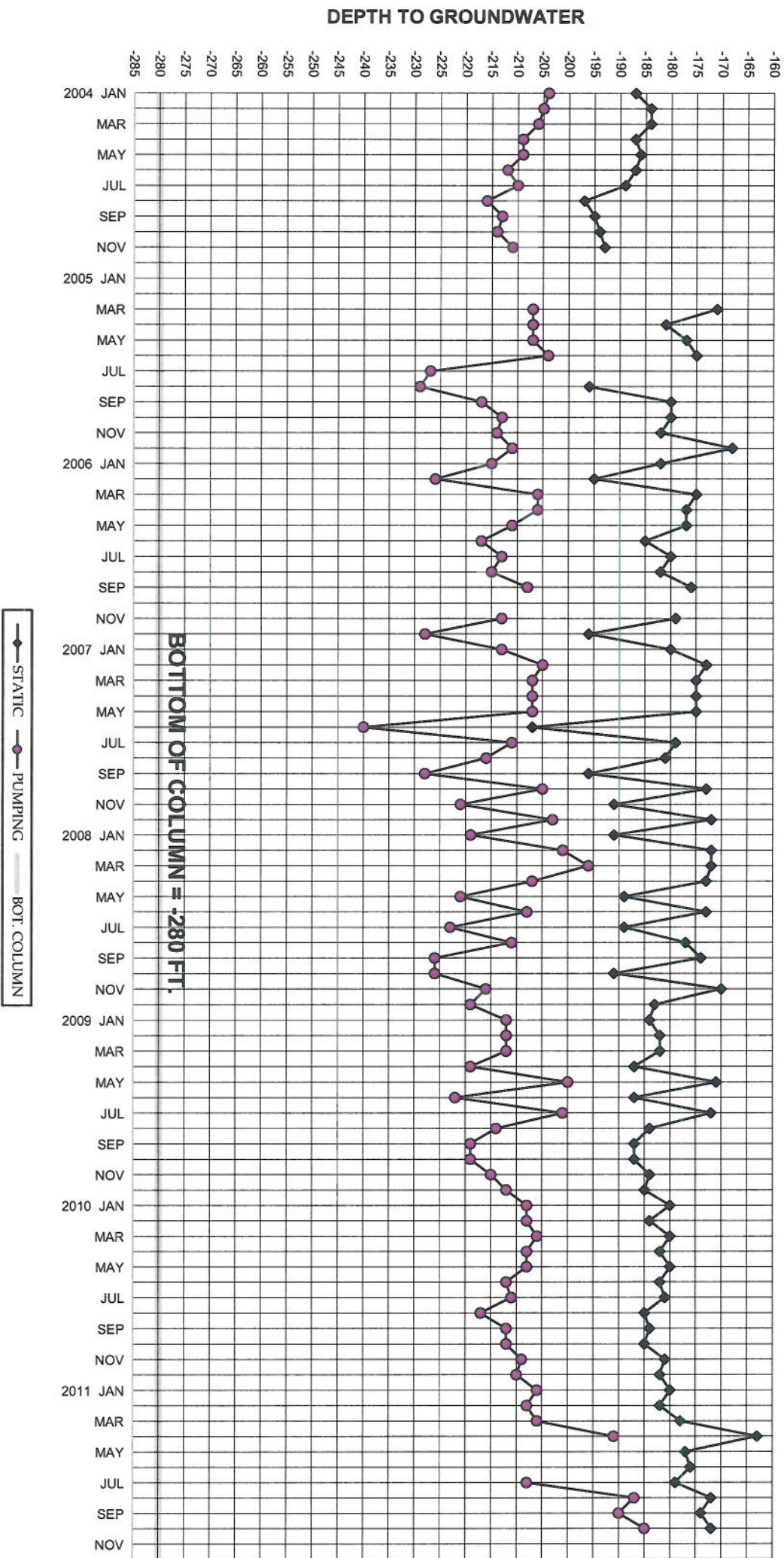


WELL No. 19 (SURFACE ELEVATION = 3060') STATIC & PUMPING LEVELS FOR OCT 2011

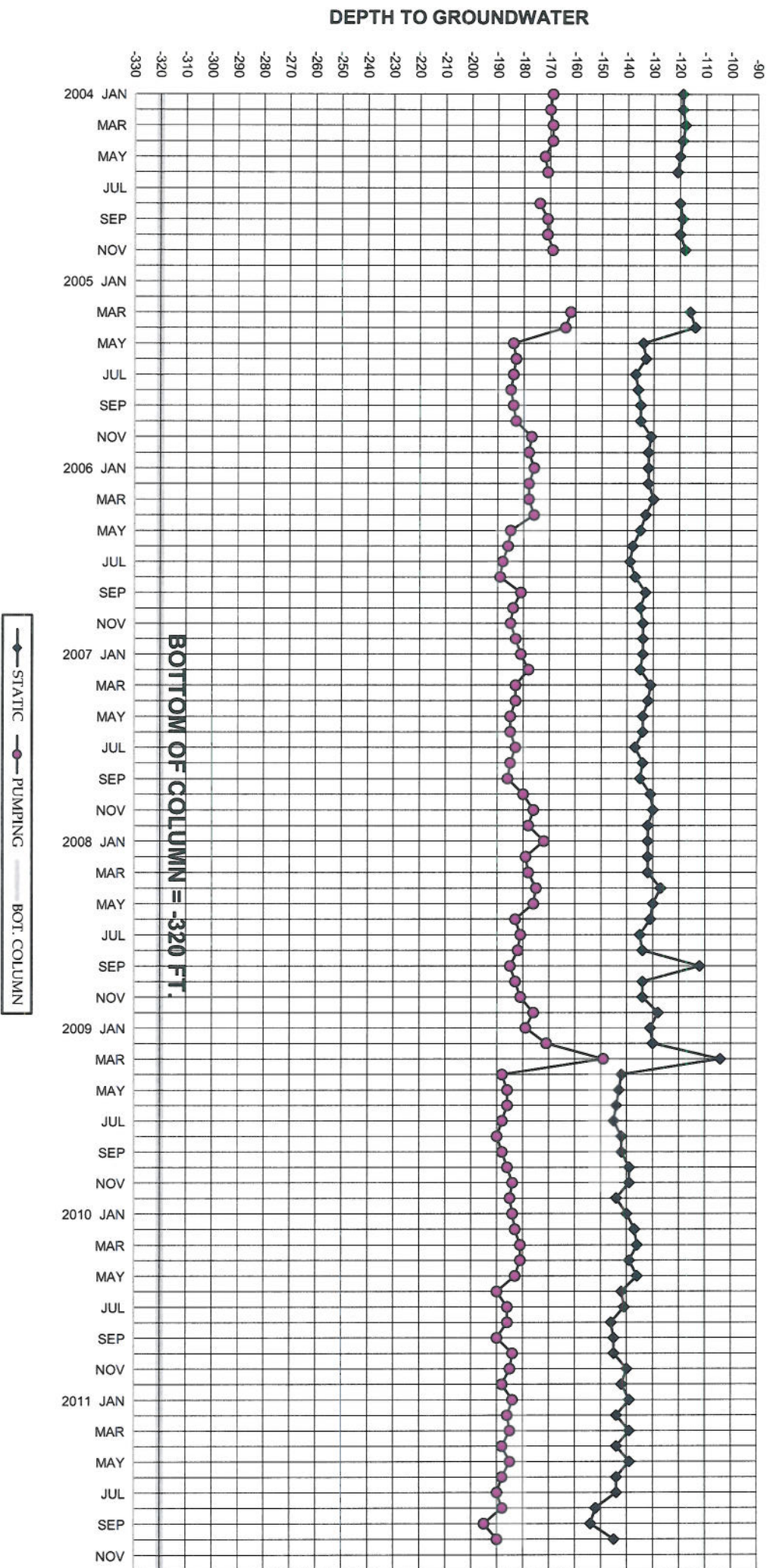


OCT. 18, 2011

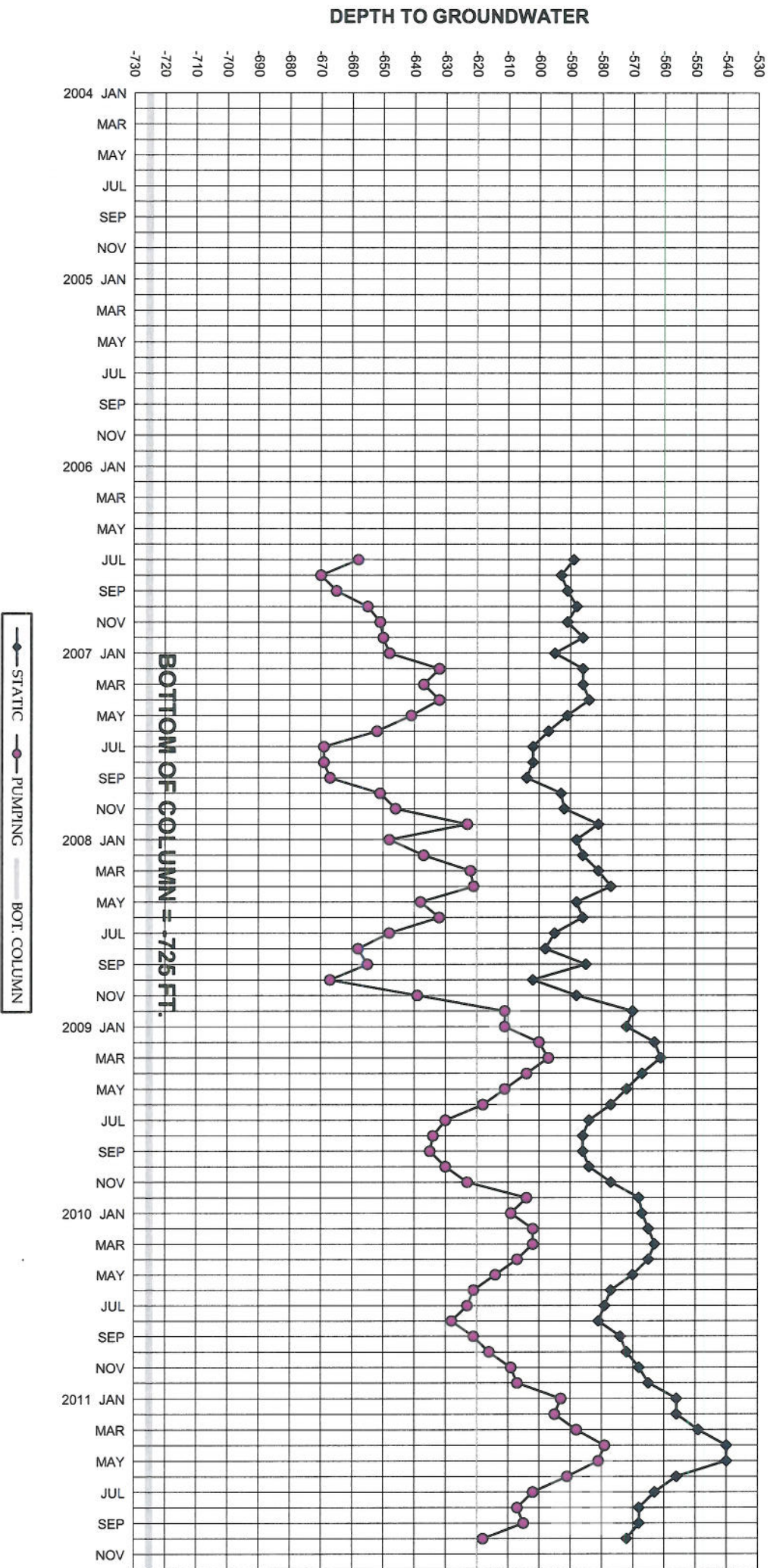
WELL No. 21 (SURFACE ELEVATION = 2738') STATIC & PUMPING LEVELS FOR OCT 2011



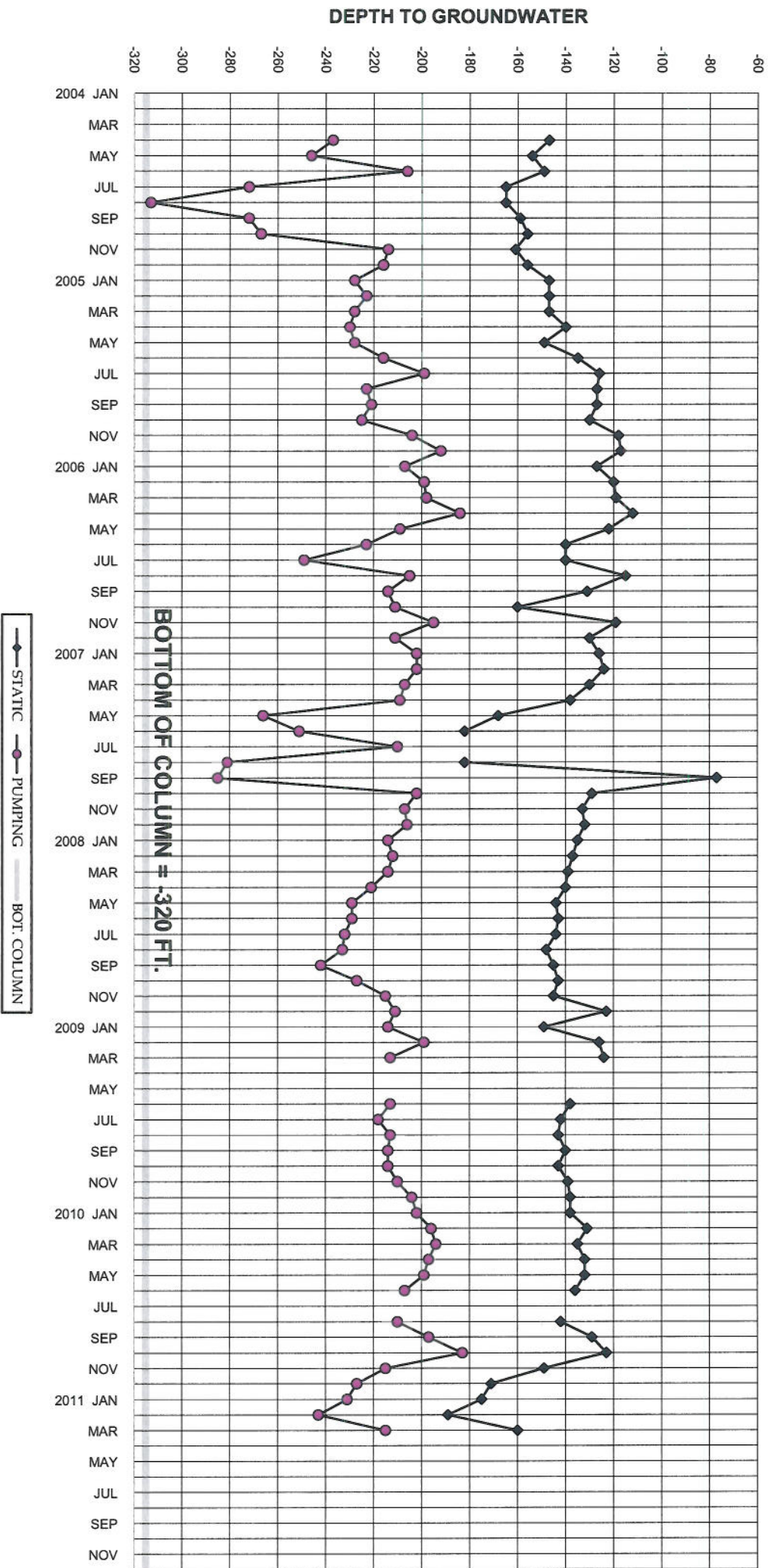
WELL No. 22 (SURFACE ELEVATION = 2700') STATIC & PUMPING LEVELS FOR OCT 2011



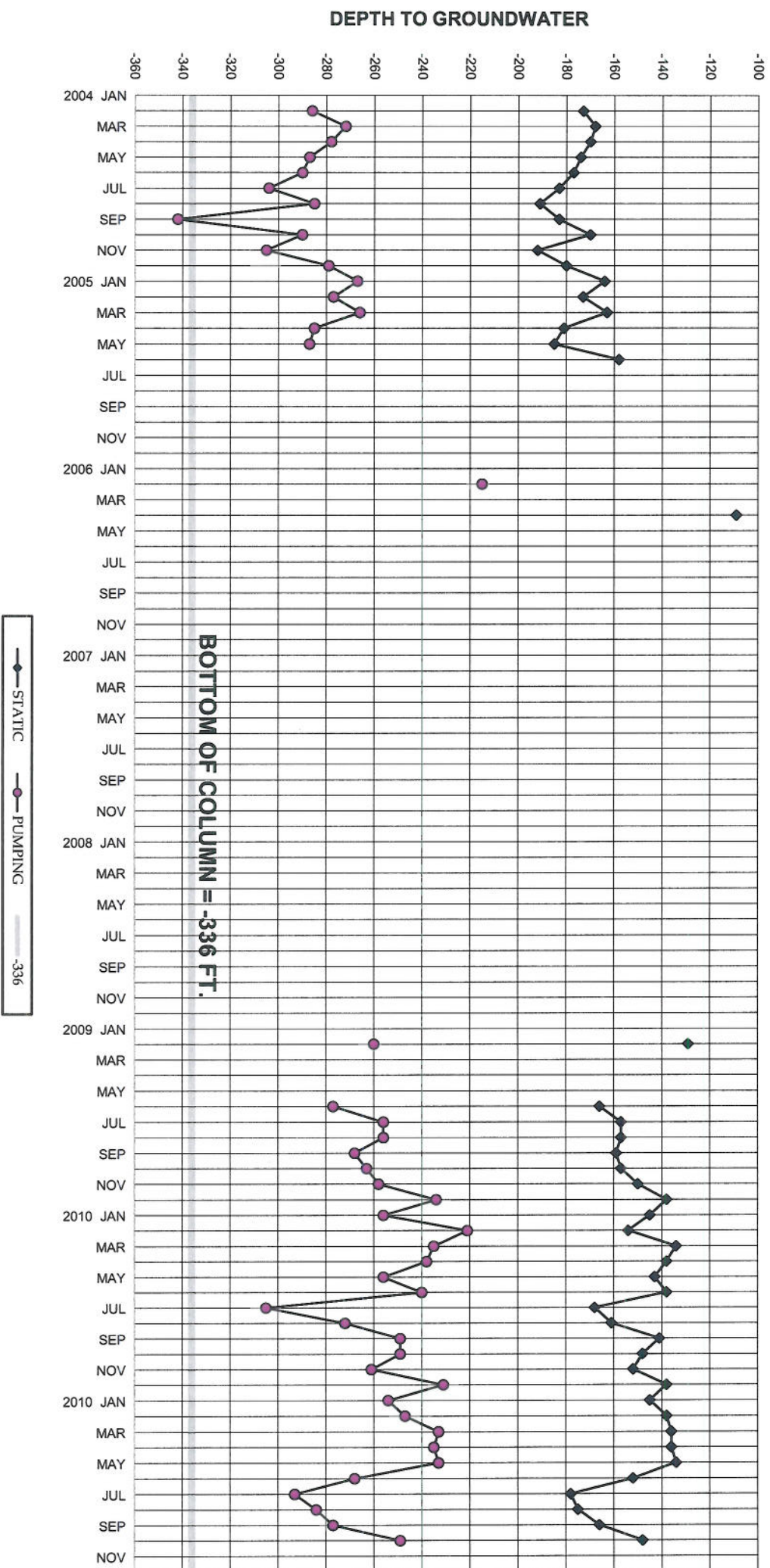
WELL No. 23A (SURFACE ELEVATION = 2580') STATIC & PUMPING LEVELS FOR OCT 2011



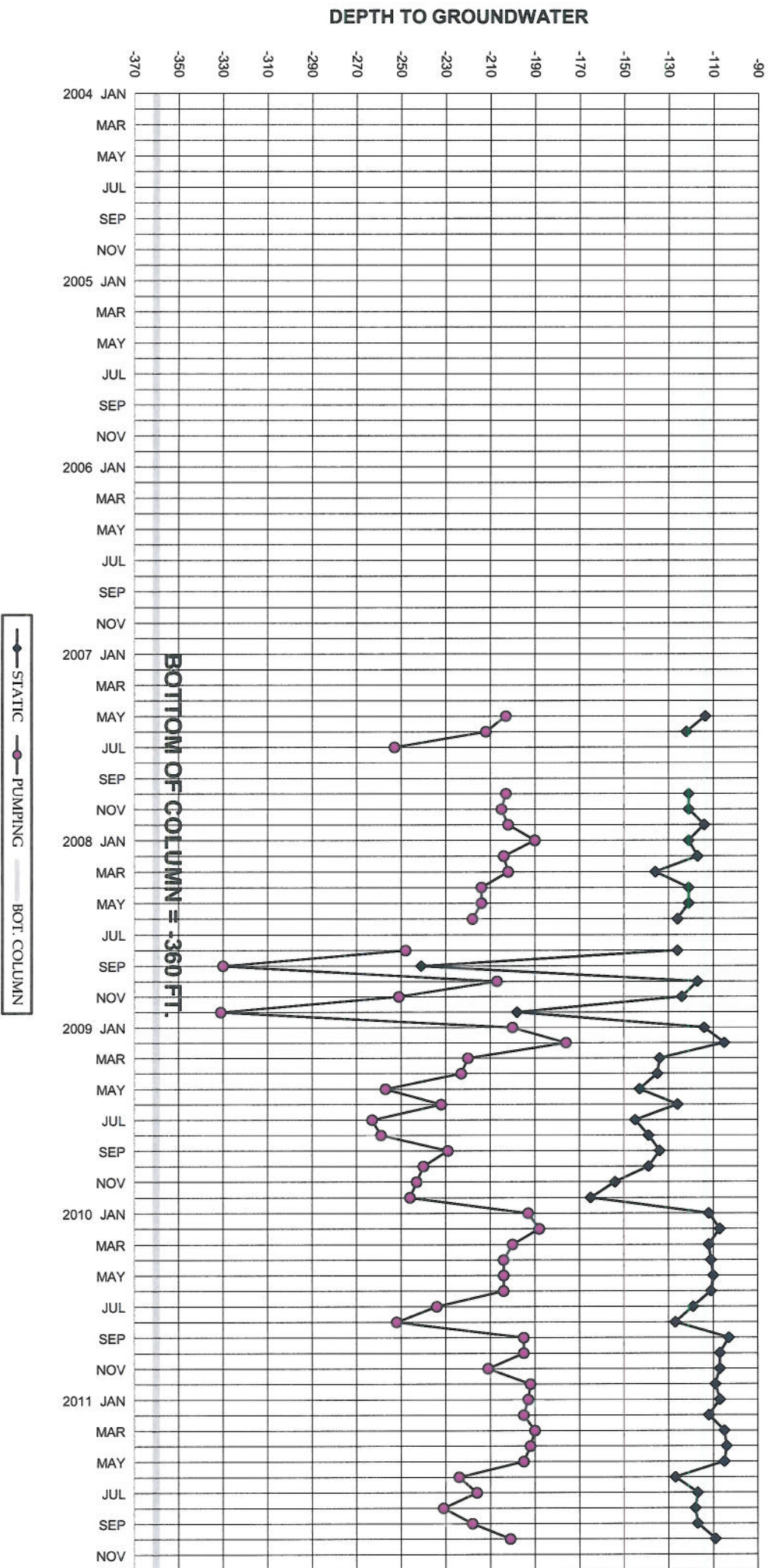
WELL No. 25 (SURFACE ELEVATION = 2709') STATIC & PUMPING LEVELS FOR MAR. 2011



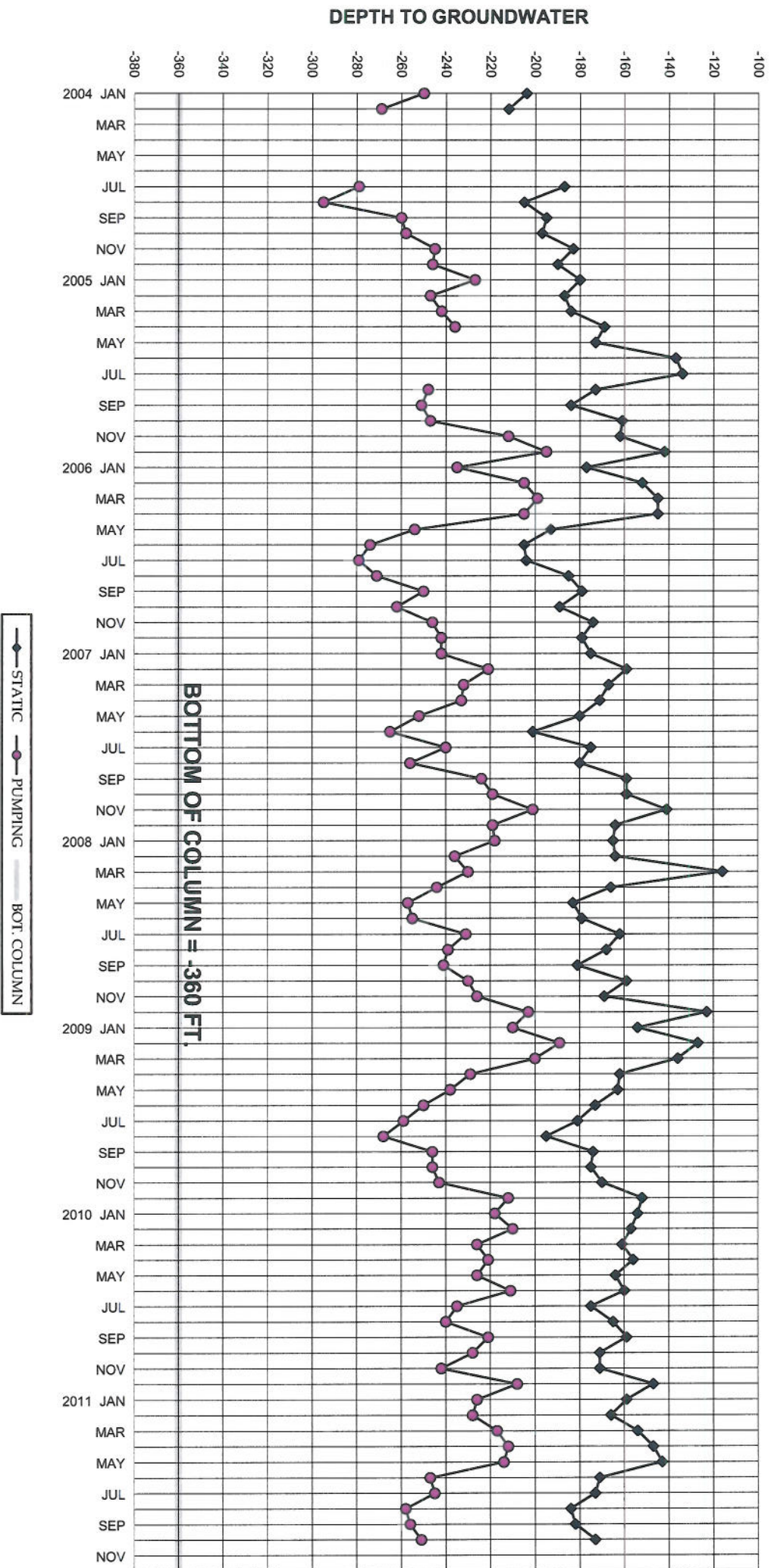
WELL No. 26 (SURFACE ELEVATION = 2661') STATIC & PUMPING LEVELS FOR OCT 2011



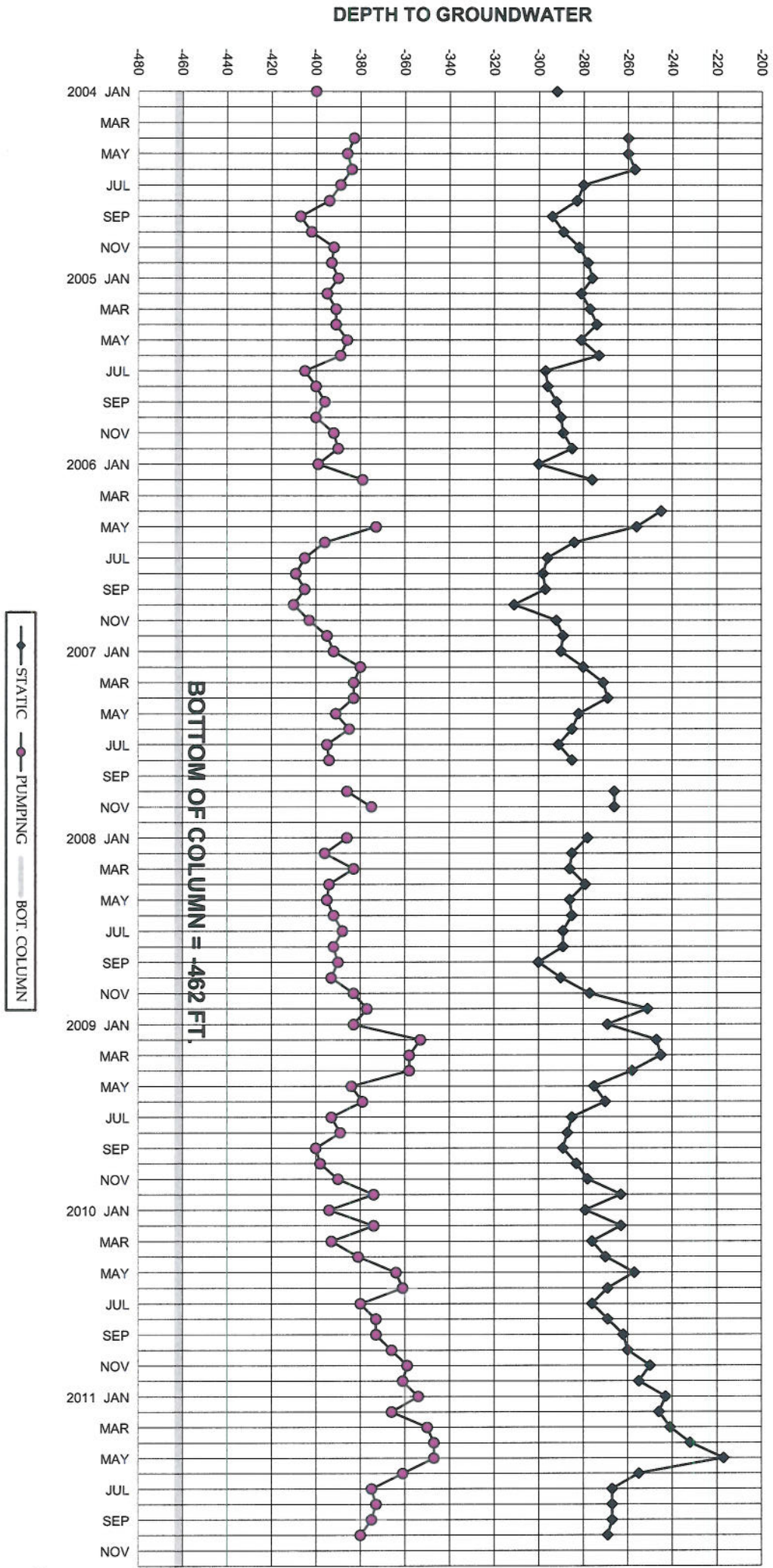
WELL No. 29 (SURFACE ELEVATION = 2689') STATIC & PUMPING LEVELS FOR OCT 2011



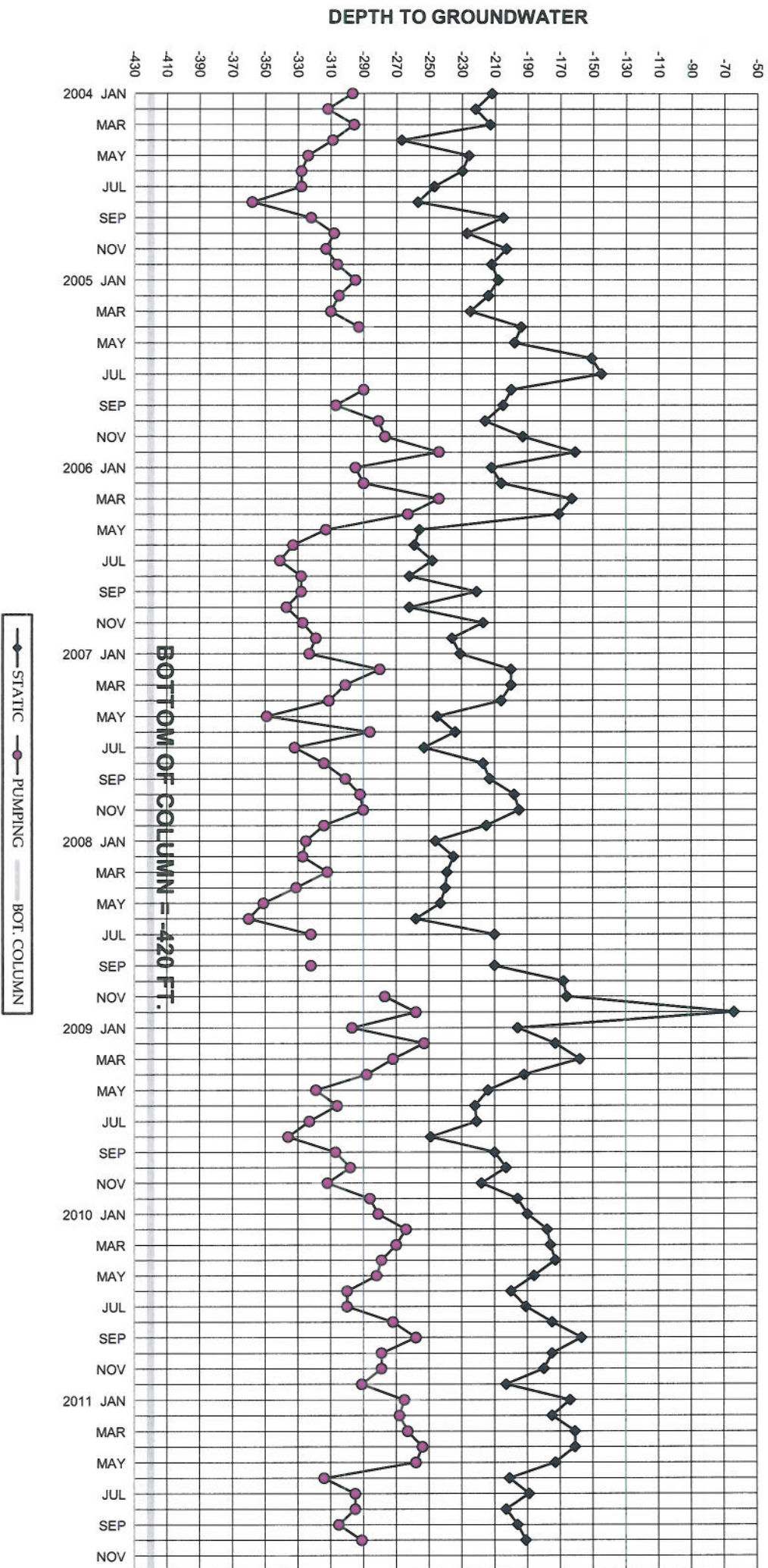
WELL No. 30 (SURFACE ELEVATION = 2668') STATIC & PUMPING LEVELS FOR OCT 2011



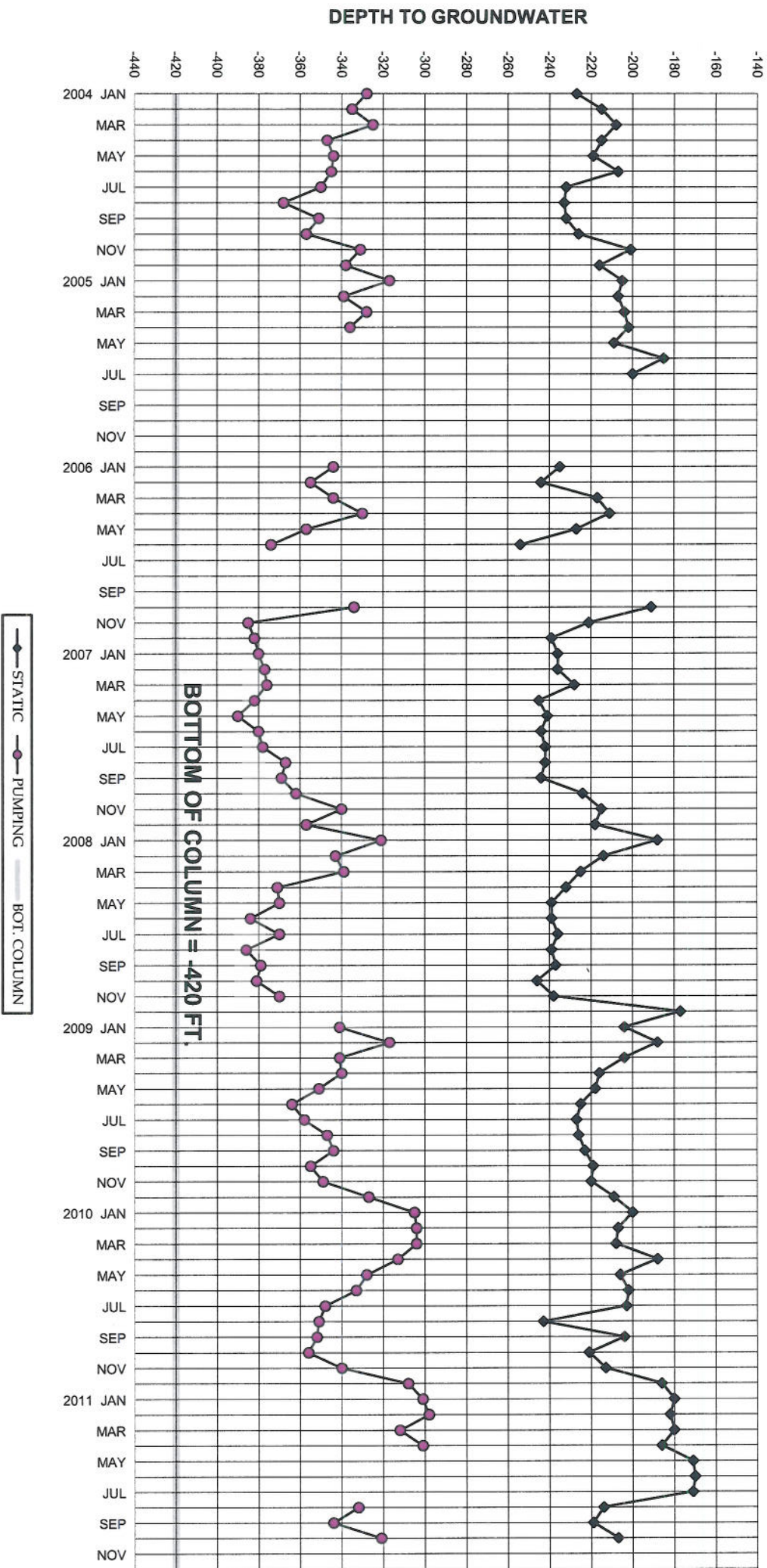
WELL No. 32 (SURFACE ELEVATION = 2675') STATIC & PUMPING LEVELS FOR OCT 2011



WELL No. 33 (SURFACE ELEVATION = 2667') STATIC & PUMPING LEVELS FOR OCT 2011



WELL No. 35 (SURFACE ELEVATION = 2753') STATIC & PUMPING LEVELS FOR OCT 2011



AGENDA ITEM NO. 7.1

**MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE
WATER DISTRICT, SEPTEMBER 26, 2011:**

A meeting of the Finance Committee of the Palmdale Water District was held Monday, September 26, 2011, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Godin called the meeting to order.

1) Roll Call.

Attendance:

Finance Committee:
Linda Godin, Chair
Gordon Dexter, Committee
Member

Others Present:

Mike Williams, Finance Manager
Ed Boka, Treatment Plant Supervisor
Dennis Hoffmeyer, Senior Accountant
Bob Egan, Financial Advisor
Dawn Deans, Executive Assistant
1 member of the public

2) Adoption of Agenda.

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

3) Public Comments.

Ms. Joan Guyer, Ana Verde Rural Association, questioned the GAC units being included in the 2011 Budget after which Senior Accountant Hoffmeyer reviewed the budget line items for the GAC units.

There were no further public comments.

4) Action Items:

**4.1) Consideration and Possible Action on Approval of Minutes of Meeting
Held August 22, 2011.**

It was moved by Committee Member Dexter, seconded by Chair Godin, and unanimously carried to approve the minutes of the meeting held August 22, 2011, as written.

4.2) Discussion of Status Report on Cash Report at August 31, 2011 and Cash Flow Report Through December 31, 2011. (Financial Advisor Egan)

Financial Advisor Egan reviewed the investment funds report and cash flow report for August 31 and stated that the bottom line ending cash balance is significantly lower than expected.

Senior Accountant Hoffmeyer then informed the Committee that the District just received \$315,000.00 in redevelopment agency funds.

4.3) Discussion of Status Report on Financial Statements and Departmental Budget Reports for August 2011. (Finance Manager Williams)

Finance Manager Williams reviewed the balance sheet, profit and loss statement, year-to-year and month-to-month revenue and expense analysis, and individual departmental reports through August 2011, along with the graphs for these reports and a graph comparing personnel costs to operational costs, and stated that the target expenditure percentage should be at or below 66.6%; that departments are at or below this expenditure; and then reviewed specific detail for these reports.

4.4) Discussion of Status Report on Engineering Department Contractual Commitments and Projected Payout Schedule. (Finance Manager Williams)

Finance Manager Williams reviewed the updated Contractual Commitments and Projected Payout Schedule and stated that the Avenue Q-3 water main replacement project will be budgeted at \$900,000 for 2012.

4.5) Discussion and Review of Draft Projections Through 2013. (Financial Advisor Egan)

Financial Advisor Egan reviewed anticipated cash flow projections through 2012 and through 2013 with no water rate increase and anticipated cash flow projections through 2012 and through 2013 with the scheduled 8% water rate increase and stated that year-end projections are low; that operating expenses are anticipated to increase; that it is important to determine specific operating expenses for 2012; that the District cannot continue with merely rate increases and must combine rate increases and substantial operating expense cuts based on water sales, operating expenses, and debt payment; and that he recommends a cut in operating expenses by \$2 to \$2.5 million.

4.6) Consideration and Possible Action on Financing of Security System at the Leslie O. Carter Water Treatment Plant. (\$50,000.00 – Budgeted in 2011; \$170,000.00 to be Budgeted in 2012; Total Project Cost \$220,000.00 – Treatment Plant Supervisor Boka)

Treatment Plant Supervisor Boka reviewed the cost for either purchasing or entering into a lease-purchase option for a security system at the Leslie O. Carter Water Treatment Plant, and after a discussion of the details of the system, the costs, and funding, the Committee recommended this project be deferred.

5) Information Items.

Finance Manager Williams reviewed a breakdown of the water budget rate structure for the period July 2010 through June 2011 showing revenue by category followed by discussion of fixed meter costs and stated that this same information can be presented to the full Board at the next regular meeting.

Financial Advisor Egan informed the Committee that the District's auditor has submitted a proposal for a three-year contract, and he recommends additional firms be solicited for proposals for presentation at the next Committee meeting after which Chair Godin directed Financial Advisor Egan to obtain auditing proposals for presentation at the next Committee meeting.

Finance Manager Williams then informed the Committee that credit calculations for the change in the District's rate structure for the period October through December 2009 amount to approximately \$87,000.00 with this amount credited to customer's bills beginning in October.

There were no further information items to discuss.

6) Board Members' Requests for Future Agenda Items.


Chair Godin stated that "Consideration and possible action on proposals received for preparation of the District's audit" will be placed on the next agenda along with standing agenda items.

There were no further requests for future agenda items.

The next Finance Committee meeting was then scheduled for October 24, 2011 at 5:15 p.m.

7) **Adjournment.**

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


Chair