

# PALMDALE WATER DISTRICT

2029 East Avenue Q . Palmdale, California 93550 .

Telephone (661) 947-4111 Fax (661) 947-8604 www.palmdalewater.org

LAGERLOF, SENECAL, GOSNEY & KRUSE LLP
Attorneys



#### **Board of Directors**

ROBERT E. ALVARADO Division 1 GORDON G. DEXTER Division 2 GLORIA DIZMANG Division 3

KATHY MAC LAREN Division 4

STEVE R. CORDOVA Division 5

May 3, 2012

# Agenda for Regular Meeting of the Board of Directors of the Palmdale Water District to be held at the District's office at 2029 East Avenue Q, Palmdale

Wednesday, May 9, 2012 7:00 p.m.

<u>NOTE:</u> 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.

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

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

- 1) Pledge of Allegiance.
- 2) Roll Call.
- 3) Adoption of Agenda.
- 4) Public comments for non-agenda items.
- 5) Presentations:
  - 5.1) No presentations scheduled at this time.

- 6) Action Items Consent Calendar (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.)
  - 6.1) Approval of minutes of informational workshop meeting held April 18, 2012.
  - 6.2) Approval of minutes of regular meeting held April 25, 2012.
  - 6.3) Payment of bills for May 9, 2012.
- 7) Action Items Action Calendar (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.)
  - 7.1) Status report on Cash Flow Statement and Current Cash Balances as of March, 2012. (Financial Advisor Egan)
  - 7.2) Status report on 2012 Financial Statements, Revenue and Expense and Departmental Budget Reports for March, 2012. (Finance Manager/CFO Williams)
  - 7.3) Status report on committed contracts issued. (Engineering Manager Knudson)
  - 7.4) Consideration and possible action on award of contract for the construction of the water main replacement in Division St., Carolside Ave., Glenraven Ave., Stanridge Ave., 3<sup>rd</sup> St. E., Sumac Ave., Ave. Q-3, Ave. Q-4, and Ave. Q-7 under Specification No. 0902, Option B, tabled from April 25, 2012 Board meeting. (\$987,183.00 Budgeted Engineering Manager Knudson)
  - 7.5) Consideration and possible action on adoption of a Consensual Relationships Policy. (Personnel Committee)
  - 7.6) Consideration and possible action on a hiring freeze for management positions. (Personnel Committee)
- 8) Information Items:
  - 8.1) Reports of Directors: Meetings, Committee meetings, and general report.
  - 8.2) Report of General Manager.
  - 8.3) Report of Attorney.
- 9) Public comments on closed session agenda matters.
- 10) Closed session under:
  - 10.1) Government Code Section 54956.9(a), existing litigation: *Antelope Valley Ground Water Cases*.
  - 10.2) Government Code Section 54956.9(a), existing litigation: City of Palmdale vs. Palmdale Water District, Case No. BC413432 (Rate Litigation).
  - 10.3) 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).
  - 10.4) Government Code Section 54956.9(a), existing litigation: *Palmdale Water District vs. City of Palmdale, Case No. BC420492 (Recycled Water Litigation).*

- 10.5) 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.
- 10.6) 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.
- 11) Public report of any action taken in closed session.
- 12) Board members' requests for future agenda items.
- 13) Adjournment.

DENNIS D. LaMOREAUX,

General Manager

DDL/dd

# PALMDALE WATER DISTRICT

# BOARD MEMORANDUM

**DATE:** May 3, 2012 **May 9, 2012** 

TO: BOARD OF DIRECTORS Board Meeting

**FROM:** Mr. Bob Egan, Financial Advisor

RE: AGENDA ITEM NO. 7.1 – STATUS REPORT ON CASH FLOW STATEMENT

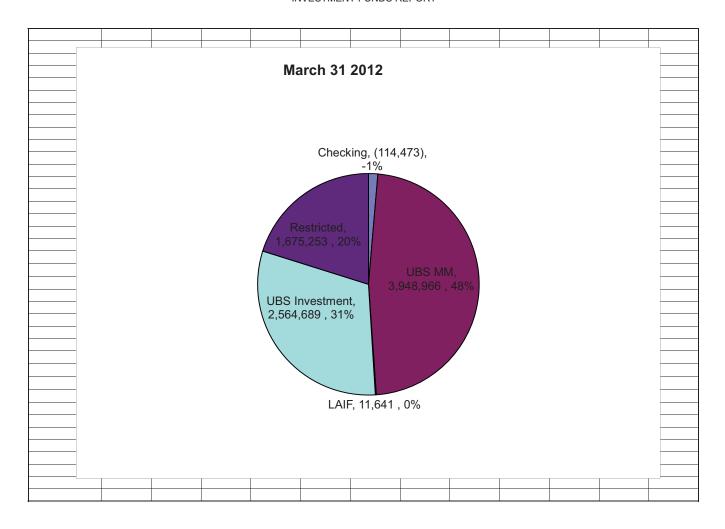
AND CURRENT CASH BALANCES AS OF MARCH, 2012.

Attached is the Investment Funds Report and current cash balance as of March, 2012. The reports will be reviewed in detail at the Board meeting.

# PALMDALE WATER DISTRICT INVESTMENT FUNDS REPORT

					March 31, 20	112		
DESCR					Warch 31, 20	112	March-12	February-12
A/C #							VALUE	VALUE
CASH							VALUE	VALUE
0-0103	Citizens/U	S Bank - Ch	eckina				(239,795.52)	271,810.32
0-0104	Citizens-						121,622.95	131,269.32
						Bank cash	(118,172.57)	403,079.64
0-0119	PETTY CA						300.00	300.00
0-0120	CASH ON	HAND					3,400.00	3,400.00
	TOTAL CA	ASH				,	(114,472.57)	406,779.64
INVESTME	ENIS							
0-0110	LIBS ACC	UNT SS 11	460 GG					
0-0110		Governmen					2,284,493.64	3,483,619.88
		USA Dep ad					250,000.00	250,000.00
	020 20			int paid	873,471.26	Total	200,000.00	200,000.00
				int paid	333,625.00	1,207,096.26	2,534,493.64	3,733,619.88
0-1110	UBS ACC	DUNT SS 11	475 GG					
		USA Dep ad					250,000.00	250,000.00
		Governmen					1,164,472.48	1,164,452.38
							1,414,472.48	1,414,452.38
0-0115	LAIF						11,641.28	11,641.28
0.0464	UDO 100	DUNT CO CC	400.00					
0-0111		OUNT SS 11						
		USA Dep ac					0.00	0.00
	UBS RMA	Governmen	t Portfolio	T			121,994.66	622,003.11
		Accrued int					23,154.24	18,252.61
	US GOVE	RNMENT SE	CURITIES:					
		ISSUE		EXPIR			MARKET	MARKET
		DATE	ISSUER	DATE	RATE	PAR	VALUE	VALUE
			FNMA	04/11/12	5.375	500,000	500,595.00	502,630.00
			LIMINA	04/11/12	3.373	500,000	300,393.00	302,030.00
			FHLB	04/16/15	2.90	400,000	400,360.00	401,096.00
				0 17 107 10		100,000	100,000.00	101,000.00
			FHLB	10/26/15	1.625	500,000	515,030.00	516,320.00
			FNMA	07/27/16	2.00	500,000	502,355.00	502,845.00
			FHLB	03/28/17	1.00	500,000	501,200.00	
						0.400.000.00	0.440.740.00	4 000 004 00
						2,400,000.00	2,419,540.00	1,922,891.00
	TOTAL MA	ANAGED AC	COLINT				2,564,688.90	2,563,146.72
	TOTAL WI	INAGED AC	COONT				2,304,000.90	2,303,140.72
	TOTAL IN	VESTMENTS	S				6,525,296.30	7,722,860.26
							-,,	1,122,000
	TOTAL UN	NESTRICTE	ED CASH				6,410,823.73	8,129,639.90
	TED CASH							
0-1120	1998 Debt	Reserve Fu						
					.625% interest		1,470,168.00	1,473,976.00
				bligation MM			182,106.67	182,106.67
		Accrued int	terest				22,978.47	18,749.30
	TOTAL	stricted CA	C II				1 675 252 44	1 674 024 07
	IOIALRE	stricted CAS	orī			+	1,675,253.14	1,674,831.97
	GRAND T	OTAL CASH	AND PEST	RICTED CAS	H		8,086,076.87	9,804,471.87
	SIANU I	O TAL OAGH	AND RESI	OILD OAS			3,000,010.01	3,004,471.07
<b>—</b>								
		-	<del>                                     </del>					
								i .
			Checking		(114,473)			
			Checking UBS MM		(114,473) 3,948,966			
			UBS MM LAIF		3,948,966 11,641			
			UBS MM LAIF UBS Inves		3,948,966 11,641 2,564,689			
			UBS MM LAIF		3,948,966 11,641 2,564,689 1,675,253			
			UBS MM LAIF UBS Inves		3,948,966 11,641 2,564,689			

# PALMDALE WATER DISTRICT INVESTMENT FUNDS REPORT



	71.07	2012	2012	2012	2012	2012	2012	2012	2012	2012	2012	2012	
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Water Sales	1,407,565	1,436,524	1,558,529	1,537,986	1,657,604	1,898,331	2,124,094	2,412,812	2,335,331	1,983,766	1,941,288	1,556,933	21,850,763
	1,407,565	1,436,524	1,558,529	1,537,986	1,657,604	1,898,331	2,124,094	2,412,812	2,335,331	1,983,766	1,941,288	1,556,933	
Beginning Balance	9,581,172	10,345,101	9,804,471	8,086,077	8,910,086	8,883,432	8,630,527	8,033,618	7,647,222	5,643,248	5,793,533	5,974,583	
	,		000					100		000,000	010 010 1		01000
Water Receipts	1,689,691	1,424,941	1,673,663	1,546,203	1,609,757	1,802,040	2,033,789	2,297,325	2,366,323	2,124,392	1,958,279	1,710,675	22,237,078
Other	1 689 691	1 424 941	1 673 663	1 546 203	1 609 757	1 802 040	2 033 789	2 207 325	2 366 323	2 124 392	1 958 279	1 710 675	
oral Operating Neverture	100,000,1	1,454,54	20,5 10,1	204,040	2,500,1	0,000,1	2,000,1	2,531,323	2,000,020	4,164,334	0.12,000,1	20,01	
Operating Expenses:													
Total Operating Expenses	1,262,300	1,782,790	1,785,682	1,774,403	1,710,545	1,783,753	2,211,679	2,311,590	1,638,923	1,699,477	1,628,019	1,546,592	21,135,753
													1,101,325
Non-Operating Revenue Expensess:													
Assessments, net	476,956	134,001	7,936	1,496,518	300,840	11,040	269,100	172,500			150,420	1,942,219	4,961,530
Special Avek CIF Payment	686,848												686,848
Interest	6,501	650	2,018	1,849	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	27,018
Grant Re-imbursement													0
Capital Improvement Fees	6,439	0	0	0	572,172	13,561	10,000	10,000	10,000	10,000	10,000	10,000	652,173
													0
DWR Refund													0
Other /Palmdale Redevel Agncy		44,554	11,229										55,783
Total Non-Operating Revenues	1,176,744	179,205	21,183	1,498,367	875,012	26,601	281,100	184,500	12,000	12,000	162,420	1,954,219	6,383,352
Capital Expenditures	(273,428)	(256,777)	(190,025)	(323,525)	(678,247)	(175,163)	(89,000)	(214,000)	(164,000)	(164,000)	(189,000)	(89,000)	(2,806,165)
Deposit refunds													0
SWP Capitalized	(566,283)	(104,714)	(129,747)	(104,714)	(104,712)	(104,712)	(593,199)	(104,712)	(134,360)	(104,711)	(104,711)	(104,711)	(2,261,286)
Prepaid Insurance (paid) refunded			(64,852)					(220,000)					(284,852)
Bond Payments Interest			(1,207,096)						(1,207,096)				(2,414,192)
Principal									(1,220,000)				(1,220,000)
System Work for AVEK													0
5,000 AF banked Water													0
Capital leases	(495)	(495)	(35,838)	(17,919)	(17,919)	(17,919)	(17,919)	(17,919)	(17,919)	(17,919)	(17,919)	(17,919)	(198,099)
Legal adjudication fees													0
Total Cach Engine Balanco	10 345 104	0 804 474	8 086 077	8 040 086	8 883 430	8 630 527	8 033 648	7 647 999	E 643 248	F 702 F33	E 074 E83	7 884 255	0 187 504)
Otal Casil Eliuliy Dalalice	0-0-0-0-0-0-	3,004,471	0,000,01	000,016,0	20,000,0	2,000,0	0,000,0	1,041,222	3,043,240	0,199,000	0,374,000	00,100,1	100,101,00

# PALMDALE WATER DISTRICT

# BOARD MEMORANDUM

DATE: May 3, 2012 May 9, 2012
TO: BOARD OF DIRECTORS Board Meeting

**FROM:** Michael Williams, Finance Manager/CFO **VIA:** Mr. Dennis LaMoreaux, General Manager

RE: AGENDA ITEM 7.2 - STATUS REPORT ON 2012 FINANCIAL STATEMENTS,

REVENUE AND EXPENSE AND DEPARTMENTAL BUDGET REPORTS FOR

MARCH, 2012

#### **Discussion:**

Presented here are Balance Sheet and Profit/Loss Statement for the period ending March 31, 2012. Also included are Year-To-Year Comparisons and Month-To-Month Revenue Analysis and Expense Analysis for the month of March. Finally, I have provided individual departmental budget reports through the month of March, 2012.

With three months of the budget year complete, target percentages should be at or below 25% for expenditures and at or above that mark for revenue. I will discuss some areas of the statements during the presentation.

#### **Balance Sheet:**

• Page 1 is our balance sheet on March 31, 2012. Our assets equal our liabilities and equity at \$172,693,351. This balance is approximately \$1.9 million less than in February due primarily to making our bond payment.

#### **Profit/Loss Statement:**

- Page 3 is our profit/loss statement on March 31, 2012.
- Operating revenue is at 20.22% of budget.
- Cash operating expense is at 20.65% of budget.
- Looking at strictly cash bases of operation, expenses are exceeding revenue year-to-date by \$96,834.
- Under other for Operating Revenue, it's showing a high percentage due to a return of rate stabilization insurance deposit.
- All departments are operating at 25% of budget or lower.

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

- Page 7 is our comparison of March 2011 to March 2012.
- Total operating revenue is down by 2.25%. This is due to our receiving \$177k performance bond from a default on a project in 2011.
- Operating expenditures are down by \$202k or 11.74%.

VIA: Mr. Dennis LaMoreaux, General Manager

-2-

May 3, 2012

• Page 8 is a graphic comparison of water consumption. Units billed were up by 11.58% with total revenue per unit down 12.39%, which is reflecting the performance bond receipt.

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

- Page 9 is our comparison of revenue, year-to-date.
- Operating revenue is down in 2012 by \$84k or 1.87% compared to 2011.
- Total revenue is up \$151k or 2.39%, due primarily to the Capital Improvement Fees collected.

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

- Page 11 is our comparison of expense, year-to-date.
- Cash Operating Expenses in 2012 are just about equal to 2011.
- Total Expenses are up in 2012 by \$540k or 11.18% compared to 2011, due to OPEB accrual expense.

## **Departments:**

- Pages 14 through 22 are detailed budgets of each department.
- Page 15 Administration Department, Legal Services continue to track high for this time of year.
- Page 18 Operation Department, Palmdale Lake Management is showing high due to the recent purchase of equipment.
- For all other departments, there is nothing significant to point out. As mentioned, the departments are operating at or below 25% for the year.

#### **Non-Cash Definitions:**

**Depreciation:** This is the spreading of the total expense of a capital asset over the expected life of that asset.

**OPEB Accrual Expense:** Other Post Employment Benefits (OPEB) is the recognized annual required contribution to the benefit. The amount is actuarially determined in accordance with the parameters of GASB 45. The amount represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year.

**Bad Debt:** The uncollectible accounts receivable that has been written off.

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

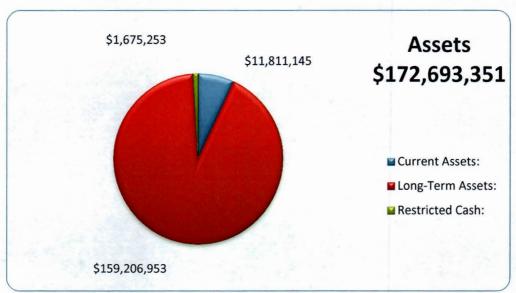
Capitalized Construction: The value of our labor force used to construct our asset infrastructure.

# Palmdale Water District Balance Sheet Report For the Three Months Ending 3/31/2012

	Y	ear-to-Date 2012
ASSETS		
Current Assets:	•	(112 526)
Cash and Cash Equivalents Investments	\$	(113,526) 6,525,296
Market Adjustment		0,323,290
Walket Aujustilient	\$	6,411,770
Receivables:		1 000 170
Accounts Receivables - Water Sales	\$	1,383,173
Accounts Receivables - Miscellaneous		47,270
Allowance for Uncollected Accounts	\$	(264,336) 1,166,107
	Φ	1,100,107
Interest Receivable	\$	
Assessments Receivables		3,371,332
Meters, Materials and Supplies		681,016
Prepaid Expenses	- 1 <u></u>	180,920
Total Current Assets	\$	11,811,145
Long-Term Assets:		
Property, Plant, and Equipment, net	\$	123,223,372
Participation Rights in State Water Project, net	Ψ	35,288,897
Bond Issuance Cost, Net		694,684
	\$	159,206,953
Restricted Cash:		
Debt Reserve Fund - 1998 Bonds	\$	1,675,253
Rate Stabilization Fund		· · · · ·
Installment Payment Account - 2004 Bonds		
Installment Payment Account - 1998 Bonds	\$	1,675,253
	Φ	1,070,200
Total Long-Term Assets & Restricted Cash Total Assets	\$	160,882,206 172,693,351
LIABILITIES AND DISTRICT EQUITY		
Current Liabilities:		
Current Interest Installment of Long-term Debt	\$	(0)
Current Principal Installment of Long-term Debt	•	1,220,000
Accounts Payable and Accrued Expenses		5,220,819
OPEB Liability		4,928,059
Deferred Assessments		1,249,997
Total Current Liabilities	\$	12,618,875
Long-Term Debt:		
1998 - Certificates of Participation	\$	11,797,397
2004 - Certificates of Participation	•	35,806,575
Total Liabilities	\$	60,222,847
7 - A		
District Equity		(4.004.50.1)
Revenue from Operations	\$	(1,264,764)
Retained Earnings	•	113,735,268
Total Liabilities and District Equity	\$	172,693,351

Page 1

# BALANCE SHEET AS OF MARCH 31, 2012



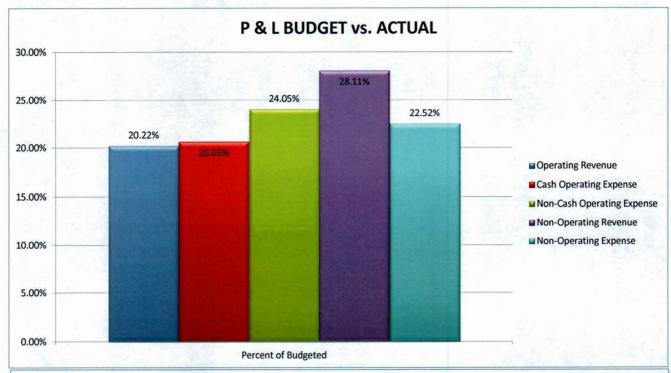


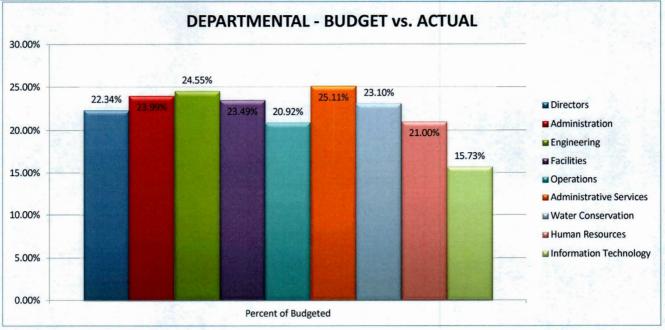
# Palmdale Water District Consolidated Profit and Loss Statement For the Three Months Ending 3/31/2012

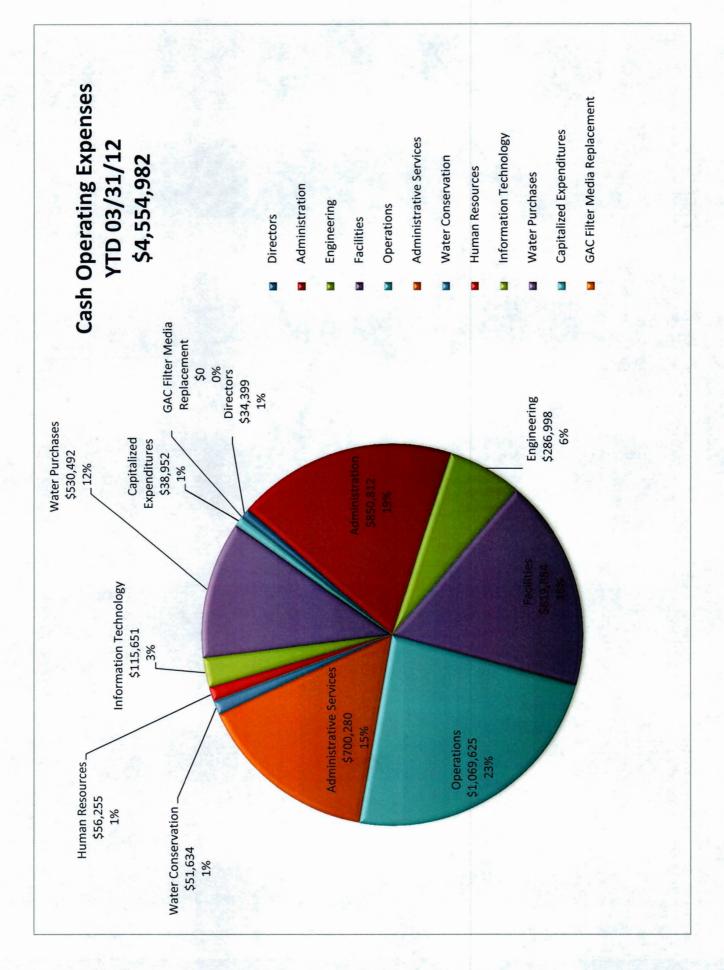
			Thru February	1	March	Y	ear-to-Date	Adjı	ustments		Adjusted Budget	% of Budget
Operating Revenue												
Wholesale Water		\$	100 -	\$		\$	_			\$	175,000	0.00%
Water Sales		•	729,463		400,006	•	1,129,469			Ŧ,	8,145,000	13.87%
Meter Fees			1,717,204		862,093		2,579,297				10,400,000	24.80%
Water Quality Fe	es		170,585		87,137		257,722				1,550,000	16.63%
Elevation Fees			53,606		28,403		82,009				525,000	15.62%
Other			228,761		180,890		409,652				1,250,000	32.77%
Total Water Sale	s	\$	2,899,619	\$	1,558,529	\$	4,458,148	\$		\$	22,045,000	20.22%
Cash Operating Ex	penses:											
Directors		\$	23,174	\$	11,225	\$	34,399			\$	154,000	22.34%
Administration			490,425		360,387		850,812				3,547,000	23.99%
Engineering			195,527		91,472		286,998				1,169,000	24.55%
Facilities			560,649		259,235		819,884				3,490,500	23.49%
Operations			700,091		369,534		1,069,625				5,113,750	20.92%
Administrative Se	rvices		471,815		228,465		700,280				2,788,750	25.11%
Water Conservati			33,617		18,017		51,634				223,500	23.10%
Human Resource			36,576		19,679		56,255				267,850	21.00%
Information Techi	The state of the s		80,371		35,280		115,651		(1,300)		735,450	15.73%
Water Purchases			508,747		96,594		605,341		( ,, /		2,800,000	21.62%
Water Recovery			(74,849)		-		(74,849)				(200,000)	37.42%
Capitalized Exper	nditures*		7,759		31,192		38,952		1,300		413,800	9.41%
GAC Filter Media			-,		,		-		.,		1,550,000	0.00%
Total Cash Oper		\$	3,033,902	\$	1,521,079	\$	4,554,982	\$	70.	\$	22,053,600	20.65%
Non-Cash Operatin	g Expenses:											
Depreciation		\$	1,202,156	\$	577,894	\$	1,780,049			\$	7,800,000	22.82%
OPEB Accrual Ex	pense		402,616		201,308		603,924				2,000,000	30.20%
Bad Debts			3,203		(158)		3,045				100,000	3.05%
Service Costs Co	nstruction		(11,233)		(7,372)		(18,605)				125,000	-14.88%
Capitalized Const			(139,470)		(58,122)		(197,592)				(1,000,000)	19.76%
		\$	1,457,272	\$	713,550	\$	2,170,822	\$	-	\$	9,025,000	24.05%
Net Operat	ting Profit/(Loss)	\$	(1,591,555)	\$	(676,101)	\$	(2,267,656)	\$		\$	(9,033,600)	25.10%
Non-Operating Rev	enues:											
Assessments (De	bt Service)	\$	572,130	\$	286,065	\$	858,194			\$	4,000,000	21.45%
Assessments (1%	6)	\$	261,206	\$	130,603		391,809			\$	1,500,000	26.12%
Interest			7,152		2,018		9,169				60,000	15.28%
Capital Improvem	ent Fees		693,287		_		693,287				1,286,848	53.87%
State Grants			-		· ·		-				250,000	0.00%
Other			59,648		11,229		70,877				100,000	70.88%
Total Non-Opera	ting Revenues	\$	1,593,422	\$	429,914	\$	2,023,337	\$	-	\$	7,196,848	28.11%
Non-Operating Exp	enses:											
Interest on Long-		\$	417,110	\$	208,555	\$	625,664			\$	2,490,000	25.13%
Amortization of S		•	257,890	-	128,945		386,835				1,680,000	23.03%
Capital Lease	- N. W 34 C.						-				212,000	
Water Conservati	on Programs		4,555		3,390		7,945				150,000	5.30%
Total Non-Opera		\$	679,555	\$	340,890	\$	1,020,445	\$		\$	4,532,000	22.52%
Net Earnin	ne	\$	(677,687)	\$	(587,076)	\$	(1,264,764)	^	3.5	•	(6,368,752)	19.86%

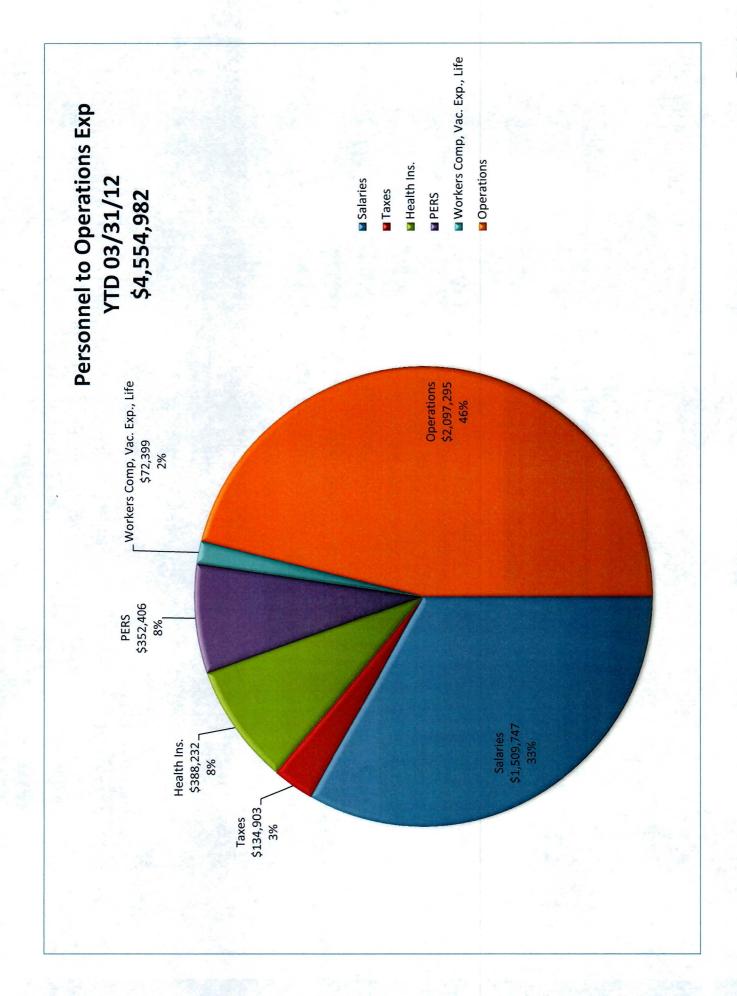
<sup>\*</sup> Budget adjustments by General Manager per Appendix A

Prepared 5/3/2012 12:10 PM Page 3







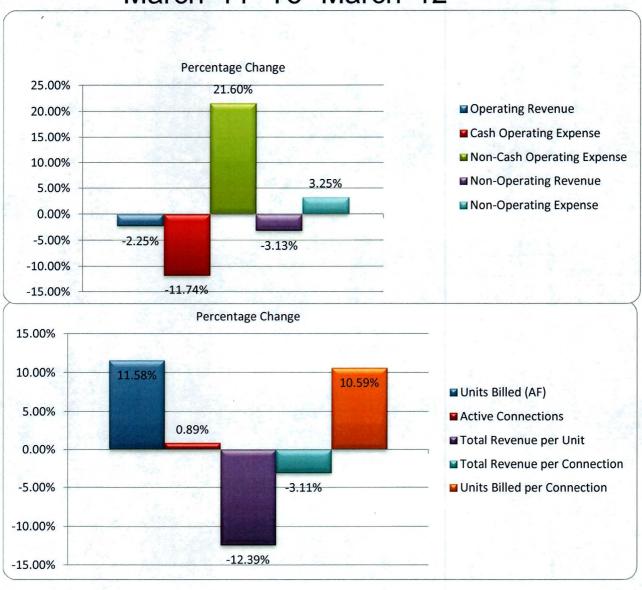


# Palmdale Water District Profit and Loss Statement Year-To-Year Comparison - March

		2011		2012			%	Consun	ptic	n Comp	aris	son
		March	15.	March	Ŋ,	Change	Change			2011		2012
Operating Revenue:								Units Billed		390,677	4	35,898
Wholesale Water	\$		\$		\$			Active		26,085		26,317
Water Sales	Ψ	347,298	Ψ	400,006	Ψ	52,708	15.18%	Vacant		1,541		1,325
Meter Fees		860,232		862,093		1,861	0.22%	Vacant		1,041		1,020
Water Quality Fees		78,145		87,137		8,992	11.51%					
Elevation Fees		24,236		28,403		4,167	17.19%	Rev/unit	\$	4.08	\$	3.58
									\$	61.12	\$	59.22
Other Total Water Sales	\$	284,500 <b>1,594,411</b>	\$	180,890 <b>1,558,529</b>	\$	(103,609) (35,882)	-36.42% -2.25%	Rev/con Unit/con	Ф	14.98	Φ	16.56
Cash Operating Expenses:												
Directors	\$	9,866	•	11,225	2	1,359	13.77%					
Administration	Φ	392,684	Φ	360,387	Φ	(32,297)	-8.22%					
		109,741		91,472		(18,269)	-16.65%					
Engineering		319,159		259,235		(59,924)	-18.78%					
Facilities							14.35%					
Operations		323,168		369,534		46,366						
Administrative Services		267,902		228,465		(39,437)	-14.72%					
Water Conservation		20,535		18,017		(2,518)	-12.26%					
Human Resources		18,695		19,679		984	5.26%					
Information Technology		39,610		35,280		(4,331)	-10.93%					
Water Purchases		212,389		96,594		(115,795)	-54.52%					
Water Recovery		(1,451)		-		1,451	4					
Capitalized Expenditures		11,137		31,192		20,056	180.09%					
GAC Filter Media Replacement	37	-	_	-	_	(000 000)	44 = 404					
Total Cash Operating Expenses	\$	1,723,435	\$	1,521,079	\$	(202,355)	-11.74%					
Non-Cash Operating Expenses:												
Depreciation	\$	567,337	\$	577,894	\$	10,557	1.86%					
OPEB Accrual Expense		162,134		201,308		39,175	24.16%					
Bad Debts		1,008		(158)		(1,166)	-115.62%					
Service Costs Construction		3,715		(7,372)		(11,087)	-298.44%					
Capitalized Construction		(147,385)		(58,122)		89,263	-60.56%					
Total Non-Cash Operating Expenses	\$	586,810	\$	713,550	\$	126,741	21.60%					
Net Operating Profit/(Loss)	\$	(715,833)	\$	(676,101)	\$	39,733	-5.55%					
				. Th								
Non-Operating Revenues: Assessments	·	446 660	•	446 660	<b>C</b>		0.000/					
	\$	416,668	\$	416,668	Ф	0.004	0.00%					
Interest		(347)		2,018		2,364	-681.95%					
Capital Improvement Fees		-		· ·		-						
State Grants		-		-		(10015)	50.400/					
Other	_	27,474		11,229		(16,245)	-59.13%					
Total Non-Operating Revenues	\$	443,795	\$	429,914	\$	(13,881)	-3.13%					
Non-Operating Expenses:												
Interest on Long-Term Debt	\$	212,801	\$	208,555	\$	(4,246)	-2.00%					
Amortization of SWP		117,346		128,945		11,599	9.88%					
Capital Lease		-		-								
Water Conservation Programs		200		3,390		3,390						
Total Non-Operating Expenses	\$	330,147	\$	340,890	\$	10,743	3.25%					
Net Earnings	\$	(602,185)	\$	(587,076)	\$	15,109	-2.51%					

Printed 5/3/2012 12:12 PM Page 7

# YEAR-TO-YEAR COMPARISON March '11 -To- March '12



	2011	2012	
Units Billed (AF)	897	1,001	11.58%
Active Connections	26,085	26,317	0.89%
Non-Active	1,541	1,325	-14.02%
Total Revenue per Unit	4.08	3.58	-12.39%
Total Revenue per Connection	61.12	59.22	-3.11%
Units Billed per Connection	14.98	16.56	10.59%

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For the Three Months Ending 3/31/2012

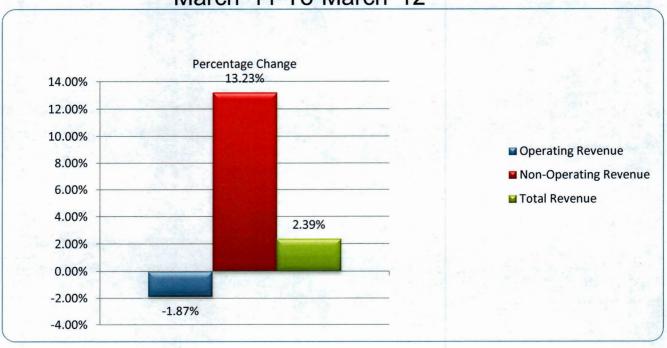
	2111	rot the three Months Ending 2012	2 2	(6)	313717017				2011 to	2011 to 2012 Comparison	ırison	
		Thru	_	March	Vear-to-Date	Adjusted	% of		Thru	March	Vear-to-Date	%
Operating Revenue:		coludi y			ו במו -נס-סמנס		106nna	1	- coldaly		cal-to-Date	Clange
Wholesale Water	↔	1	8		\$	\$ 175,000		↔			1	0.00%
Water Sales		729,463		400,006	1,129,469	8,	13.87%		(9,413)	52,708	43,295	3.99%
Meter Fees		1,717,204		862,093	2,579,297	_	24.80%		38,437	1,861	40,297	1.59%
Water Quality Fees		170,585		87,137	257,722	1,550,000	16.63%		24,873	8,992	33,865	15.13%
Elevation Fees		53,606		28,403	82,009		15.62%		11,044	4,167	15,211	22.77%
Other		228,761		180,890	409,652	1,	32.77%		(113,851)	(103,609)	(217,461)	-34.68%
Total Water Sales	₩	1	\$	1,558,529	\$ 4,458,148	\$ 22,045,000	20.22%	49			\$ (84,792)	-1.87%
Non-Operating Revenues:												
Assessments	8	833,335	\$	416,668	\$ 1,250,003	\$ 5,500,000	22.73%	8	\$		· •	0.00%
Interest		7,152		2,018	9,169		15.28%		8,879	2,364	11,244	-542.04%
Capital Improvement Fees		693,287		· 1	693,287	1,286,848	53.87%		200,970		200,970	40.82%
State Grants		ı				250,000	%00.0		•			
Other		59,648		11,229	70,877	100,000	70.88%		40,404	(16,245)	24,159	51.71%
Total Non-Operating Revenues	₩	1,593,422	\$	429,914	\$ 2,023,337	\$ 7,196,848	28.11%	₩.	250,254 \$	(13,881)	\$ 236,373	13.23%
Total Revenue	₩.	4,493,041	8	1,988,443	\$ 6,481,485	\$ 29,241,848	22.17%	4	201,344 \$	(49,763)	\$ 151,582	2.39%
		2011	_									
		Thru				Adjusted	% of					
	ļ	February	-	March	Year-to-Date	Budget	Budget					
Operating Revenue:												
Water Sales	↔	738,875	8	347,298	\$ 1,086,173	8	11.56%					
Meter Fees		1,678,767		860,232	2,539,000	Ŧ	23.84%					
Water Quality Fees		145,712		78,145	223,857	1,600,000	13.99%					
Elevation Fees		42,562		24,236	66,797	260,000						
Other		342,613		284,500	627,112	1,175,000	53.37%					
Total Water Sales	€9	2,948,529	\$	1,594,411	\$ 4,542,940	\$ 23,385,000	19.43%					
Non-Operating Revenues:												
Assessments	8	833,335	s	416,668	\$ 1,250,003	\$ 5,000,000	25.00%					
Interest		(1,728)		(347)	(2,074)		-1.73%					
Capital Improvement Fees		492,317			492,317	250,000	196.93%					
State Grants						200,000	%00.0					
Other		19,244		27,474	46,718	175,000	26.70%					
Total Non-Operating Revenues	₩	1,343,168	€	443,795	\$ 1,786,963	\$ 6,045,000	29.56%					

**Total Revenue** 

\$ 4,291,697 \$ 2,038,206 \$ 6,329,903 \$29,430,000 21.51%

# REVENUE COMPARISON YEAR-TO-DATE

# March '11-To-March '12



# For the Three Months Ending 3/31/2012 Operating Expense Analysis Palmdale Water District

2011 to 2012 Comparison

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	- 1			;		ζ'	Adjusted	10 %		nu.			1	%
	Feb	February	March	۲	Year-to-Date	_	Budget	Budget	_	February	March	Ye	Year-to-Date	Change
Cash Operating Expenses:												À		
Directors	8	23,174	\$ 11,225	5	34,399	4	154,000	22.34%	↔	(1,716)	\$ 1,359	\$ 69	(357)	-1.03%
Administration	4	490,425	360,387	7	850,812	(.,	3,547,000	23.99%		(118,279)	(32,297)	(16	(150,576)	-15.04%
Engineering	_	195,527	91,472	2	286,998	•	1,169,000	24.55%		25,827	(18,269	(69	7,558	2.70%
Facilities	S	560,649	259,235	2	819,884	(.,	3,490,500	23.49%		20,036	(59,924)	24)	(39,888)	-4.64%
Operations	7	700,091	369,534	4	1,069,625	۵,	5,113,750	20.92%		33,279	46,366	99	79,645	8.05%
Administrative Services	4	471,815	228,465	2	700,280	.,	2,788,750	25.11%		61,772	(39,437	37)	22,335	3.29%
Water Conservation		33,617	18,017	7	51,634		223,500	23.10%		6,184	(2,518)	18)	3,667	7.64%
Human Resources		36,576	19,679	6	56,255		267,850	21.00%		(1,757)	5	984	(773)	-1.36%
Information Technology	137	80,371	35,280	0	115,651		736,750	15.70%		80,371	(4,331)	31)	18,899	19.53%
Water Purchases	5	508,747	96,594	4	605,341	.,	000,008,	21.62%		306,911	(115,795)	92)	191,116	46.14%
Water Recovery	_	(74,849)			(74,849)		(200,000)	37.42%		(71,946)	1,451	51	(70,495)	1618.98%
Capitalized Expenditures		7,759	31,192	2	38,952		412,500	9.44%		(80,453)	20,056	99	(866,09)	-60.79%
GAC Filter Media Replacement				,		7.1	,550,000	%00.0				1		
Total Cash Operating Expenses	\$ 3,0	\$ 3,033,902	\$1,521,079	\$	4,554,982	\$ 27	\$ 22,053,600	20.65%	4	260,230	\$ (202,355)	\$ (99	733	0.02%
Non-Cash Operating Expenses:														
Depreciation	\$ 1,2	202,156	\$ 577,894	\$	1,780,049	8	7,800,000	22.82%	₩	67,481	\$ 10,557	57 \$	78,038	4.59%
OPEB Accrual Expense	4	402,616	201,308	8	603,924	.,	2,000,000	30.20%		313,396	39,175	75	352,571	140.27%
Bad Debts		3,203	(158)	8)	3,045		100,000	3.05%		1,759	(1,166)	(99	593	24.20%
Service Costs Construction	)	(11,233)	(7,372)	5	(18,605)		125,000	-14.88%		(11,920)	(11,087)	87)	(23,007)	-522.64%
Capitalized Construction	2	139,470)	(58,122)	2)	(197,592)	٢	1,000,000)	19.76%		13,584	89,263	63	102,847	-34.23%
Total Non-Cash Operating Expenses	\$ 1,4	\$ 1,457,272	\$ 713,550	\$ 0	2,170,822	\$	9,025,000	24.05%	₩	384,301	\$ 126,741	41 \$	511,042	23.54%
Non-Operating Expenses:														
Interest on Long-Term Debt	\$	417,110	\$ 208,555	5 \$	625,664	\$	2,490,000	25.13%	ઝ	(8,493)	\$ (4,246)	\$ (94	(12,739)	-2.00%
Amortization of SWP	2	257,890	128,945	2	386,835		000'089'	23.03%		23,198	11,599	66	34,797	9.88%
Water Constitution Programs		1 22 7	' 000	, ,	7 045		212,000			(500)	, 000 0	' 6	(500)	4400 0407
Total No. October Programs	6	4,000	1	.	4 000 4		000,000	1002.00	6				0,44	1409.04%
lotal Non-Operating Expenses	e A	6/9,555	\$ 340,890		\$ 1,020,445	A	4,532,000	77.52%	A	18,260	\$ 10,743	43.	29,003	2.93%

7.51%

\$ 662,792 \$ (64,872) \$ 540,778

\$ 5,170,729 \$2,575,520 \$ 7,746,248 \$35,610,600 21.75%

Total Expenses

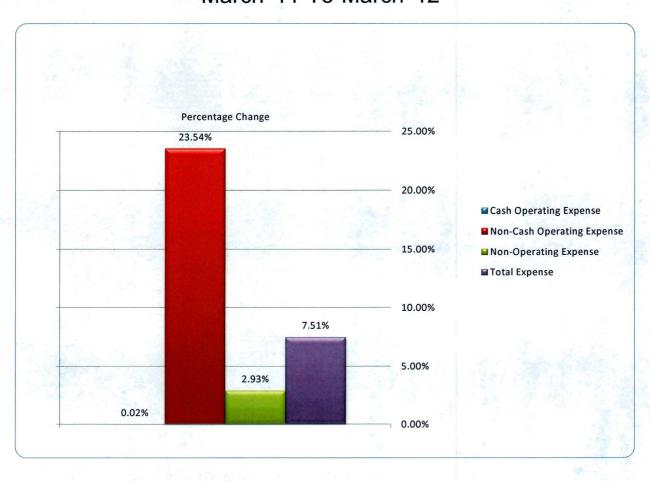
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# Palmdale Water District Operating Expense Analysis For the Three Months Ending 3/31/2012 2011

2011 to 2012 Comparison

		2011	=					
		- Prc					Adjusted	% of
	_	February		March	ž	Year-to-Date	Budget	Budget
Cash Operating Expenses:						1		
Directors	₩	24,891	4	9,866	8	34,757	\$ 146,200	
Administration		608,704		392,684		1,001,388	3,176,000	31.53%
Engineering		169,700		109,741		279,440	1,127,000	24.80%
Facilities		540,613		319,159		859,772	3,317,000	25.92%
Operations		666,812		323,168		989,980	5,071,050	19.52%
Administrative Services		410,042		267,902		677,944	2,762,200	24.54%
Water Conservation		27,432		20,535		47,967	212,500	22.57%
Human Resources		38,333		18,695		57,029	273,000	20.89%
Information Technology		57,142		39,610		96,752	712,500	13.58%
Water Purchases		201,836		212,389		414,225	3,000,000	13.81%
Water Recovery		(2,903)		(1,451)		(4,354)	(200,000)	2.18%
Capitalized Expenditures		88,213		11,137		99,349	557,300	17.83%
GAC Filter Media Replacement						1	1,600,000	%00.0
Total Cash Operating Expenses	↔	\$ 2,830,814	8	\$1,723,435	₩	\$ 4,554,249	\$21,754,750	20.93%
Non-Cash Operating Expenses:								
Depreciation	↔	\$ 1,134,674	8	567,337	€>	\$ 1,702,011	\$ 6,850,000	24.85%
OPEB Accrual Expense		89,220		162,134		251,354	250,000	45.70%
Bad Debts		1,444		1,008		2,452	100,000	2.45%
Service Costs Construction		687		3,715		4,402	125,000	3.52%
Capitalized Construction		(153,055)		(147,385)		(300,439)	(1,000,000)	30.04%
Total Non-Cash Operating Expenses	₩	\$ 1,072,970	₩.	586,810	₩	1,659,780	\$ 6,625,000	25.05%
Non-Operating Expenses:								
Interest on Long-Term Debt	4	425,602	₩	212,801	S	638,403	\$ 2,541,000	25.12%
Amortization of SWP		234,692		117,346		352,038	1,579,000	22.29%
Other		200	1	- 186	-	200	- 100 M	
Total Non-Operating Expenses	₩	660,794	₩	330,147	₩	990,941	\$ 4,120,000	24.05%
Total Expenses	₩	4,564,579	4	\$2,640,391	49	\$ 7,204,970	\$32,499,750	22.17%

# EXPENSE COMPARISON YEAR-TO-DATE March '11-To-March '12



# Palmdale Water District

2012 Directors Budget For the Three Months Ending Saturday, March 31, 2012

	A	YTD		RIGINAL SUDGET	AD	JUSTMENTS	ADJUSTED BUDGET	PERCENT
		2012	100	2012		2012	REMAINING	USED
Personnel Budget:								
1-01-4000-000 Directors Pay	\$	6,900	\$	45,000	\$	7.1	\$ 38,100	15.33%
Employee Benefits								
1-01-4005-000 Payroll Taxes		585		5,500			4,915	10.64%
1-01-4010-000 Health Insurance		26,815		93,500			66,685	28.68%
Subtotal (Benefits)		27,400		99,000	47	1 1 N 1 1	66,685	27.68%
Total Personnel Expenses	\$	34,300	\$	144,000	\$	-	\$ 104,785	23.82%
OPERATING EXPENSES:								
1-01-4050-000 Directors Travel, Seminars & Meetings		99		10,000			9,901	0.99%
Subtotal Operating Expenses		99		10,000		1.53	9,901	0.99%
Total O & M Expenses	\$	34,399	\$	154,000	\$	-	\$ 114,686	22.34%

Page 14 Prepared 5/3/2012 12:15 PM

## Palmdale Water District 2012 Administration Budget For the Three Months Ending Saturday, March 31, 2012

Personnel Budget:  1-02-4000-000 1-02-4000-100 1-02-4000-200 Subtot:  Employee Benefits	Salaries Overtime	\$	2012 111,780	BUDGET 2012	ADJUSTMENTS 2012		MINING	USED
1-02-4000-000 1-02-4000-100 1-02-4000-200 Subtot	Salaries Overtime On-Call	\$						
1-02-4000-100 1-02-4000-200 Subtot	Overtime On-Call	\$						
1-02-4000-100 1-02-4000-200 Subtot	Overtime On-Call	Œ.		\$ 479,250		\$ 36	67,470	23.32%
1-02-4000-200 Subtot	On-Call		2,205	6,000		1	3,795	36.76%
Subtot			12,122	64,000			51,878	18.94%
Employee Renefits		\$		\$ 549,250			23,143	22.96%
1-02-4005-000			10,133	42,000		100	31,867	24.13%
	Health Insurance		22,181	76,750			54,569	28.90%
1-02-4015-000			27,014	90,500			33,486	29.85%
	Worker's Compensation		37,782	200,000			52,218	18.89%
	Vacation Benefit Expense		29,622	35,000			5,378	84.63%
1-02-4030-000			4,995	7,500			2,505	66.60%
	tal (Benefits)	\$	131,727	\$ 451,750	\$ -	\$ 32	20,023	29.16%
Total	Personnel Expenses	\$	257,834	\$ 1,001,000	\$ -	\$ 74	13,166	25.76%
1-02-4060-000 1-02-4060-100 1-02-4070-000	Staff Travel General Manager Travel Staff Conferences & Seminars General Manager Conferences & Seminars Employee Expense Other Operating	\$	1,404 459 - 179 10,351 705	\$ 8,000 5,000 3,000 4,500 40,000 20,000			6,596 4,541 3,000 4,321 29,649 19,295	17.55% 9.18% 0.00% 3.98% 25.88% 3.52%
	Consultants		56,644	200,000			13,356	28.32%
	Insurance		76,811	325,000			18,189	23.63%
	Bank Charges		26,455	130,000		10	03,545	20.35%
	Groundwater Adjudication		54,373	925,000			70,627	5.88%
	Legal Services		229,664	475,000			15,336	48.35%
	Accounting Services		15,750	20,000			4,250	78.75%
	Contracted Services		6,625	50,000		4	13,375	13.25%
	Memberships/Subscriptions		5,212	110,000			04,788	4.74%
	Elections		78,451	70,000				
1-02-4175-000	Permits		1,400	20,000		0.00	18,600	7.00%
1-02-4180-000			5,903	30,000			24,097	19.68%
	Public Relations - Publications		4,413	30,000			25,587	14.71%
	Public Relations - Other		961	1,000			39	96.10%
1-02-4200-000			175	3,000			2,825	5.83%
1-02-4205-000			5,992	20,000			14,008	29.96%
	Natural Gas - Office Building		1,639	5,000			3,361	32.77%
	Electricity - Office Building		7,877	50,000		_	42,123	15.75%
	Maint & Repair - Office Building		1,536	-			(1,536)	
	Supplies - Janitorial		-,000	1,500			1,500	0.00%
	tal Operating Expenses	\$	592,977	\$ 2,546,000	\$ -	\$ 1,96	61,474	23.29%
Total	Departmental Expenses	\$	850,812	\$ 3,547,000	\$ -	\$ 2.70	04,639	23.99%

Prepared 5/3/2012 12:16 PM Page 15

# Palmdale Water District 2012 Engineering Budget For the Three Months Ending Saturday, March 31, 2012

		YTD ACTUAL		15	ORIGINAL BUDGET	ADJUSTMENTS		s		JUSTED UDGET	PERCENT	
			2012		2012		2012	414	REM	MAINING	USED	
Personnel Budge												
1-03-4000-000	Salaries	\$	179,027	\$	767,000				\$	587,973	23.34%	
1-03-4000-100	Overtime		55		7,500					7,445	0.73%	
Subte	otal (Salaries)	\$	179,082	\$	774,500				\$	595,418	23.12%	
Employee Benefit	s											
1-03-4005-000	Payroll Taxes		16,111		59,250					43,139	27.19%	
1-03-4010-000	Health Insurance		39,458		158,000					118,542	24.97%	
1-03-4015-000	PERS		42,964		144,250					101,286	29.78%	
Subte	otal (Benefits)	\$	98,533	\$	361,500	\$		-	\$	262,967	27.26%	
Total	Personnel Expenses	\$	277,615	\$	1,136,000	\$		-	\$	858,385	24.44%	
OPERATING EX	PENSES:											
1-03-4050-000	Staff Travel	\$	498	\$	4,250				\$	3,752	11.71%	
1-03-4060-000	Staff Conferences & Seminars		455		2,750					2,295	16.55%	
1-03-4155-000	Contracted Services		2,093		6,000					3,907	34.88%	
	Memberships/Subscriptions		741		3,000					2,259	24.71%	
1-03-4250-000			159		2,000					1,841	7.96%	
1-03-8100-100	Computer Software - Maint. & Support		5,438		15,000					9,563	36.25%	
	otal Operating Expenses	\$	9,384	\$	33,000	\$		-	\$	23,616	28.44%	
Total	Departmental Expenses	\$	286,998	\$	1,169,000	\$		-	\$	882,002	24.55%	

Page 16 Prepared 5/3/2012 12:16 PM

# Palmdale Water District 2012 Facilities Budget For the Three Months Ending Saturday, March 31, 2012

			YTD ACTUAL		ORIGINAL BUDGET	ADJUSTMENTS	ADJUSTED BUDGET	PERCENT
			2012		2012	2012	REMAINING	USED
Personnel Budge	t							
1-04-4000-000	Salaries	\$	328,018	\$	1,424,000		\$ 1,095,982	23.03%
1-04-4000-100	Overtime		4,138		45,000		40,862	9.20%
Subt	otal (Salaries)	\$	332,156	\$	1,469,000		\$ 1,136,844	22.61%
Employee Benefit								
1-04-4005-000	Payroll Taxes		30,168		112,500		82,332	26.82%
1-04-4010-000	Health Insurance		95,386		394,000		298,614	24.21%
1-04-4015-000	PERS		79,811		266,000		186,189	30.00%
Subt	otal (Benefits)	\$	205,365	\$	772,500	\$ -	\$ 567,135	26.58%
Total	Personnel Expenses	\$	537,521	\$	2,241,500	\$ -	\$ 1,663,117	23.98%
ODEDATING EVI	DENIGES.							
OPERATING EXP		•		•	2.000		0.000	0.000/
1-04-4050-000		\$	440	\$	3,000		3,000	0.00%
	Staff Conferences & Seminars		449		3,000		2,551	14.97%
	Contracted Services		2,370		33,000		30,630	7.18%
	Natural Gas - Buildings		1,409		4,500		3,091	31.32%
	Electricity - Buildings		11,326		17,500		6,174	64.72%
	Maint. & Repair - Vehicles		13,654		45,000		31,346	30.34%
	Maint. & Rep. Office Building		536		18,000		17,464	2.98%
	Maint. & Rep. Equipment		1,543		7,500		5,957	20.57%
	Maint. & Rep. Operations - Wells		10,045		150,000		139,955	6.70%
	Maint. & Rep. Operations - Boosters		13,803		50,000		36,197	27.61%
	Maint. & Rep. Operations - Shop Bldgs		1,757		10,000		8,243	17.57%
	Maint. & Rep. Operations - Facilities		2,611		15,000		12,389	17.41%
	Maint. & Rep. Operations - Water Lines		103,257		400,000		296,743	25.81%
	Maint. & Rep. Operations - Littlerock Dam		101		25,000		24,899	0.40%
	Maint. & Rep. Operations - Palmdale Dam		5,760		25,000		19,240	23.04%
	Maint. & Rep. Operations - Palmdale Canal		-		5,000		5,000	0.00%
	Maint. & Rep. Operations - Heavy Equipment		7,435		40,000		32,565	18.59%
	Maint. & Rep. Operations - Storage Reservoirs		-		7,500		7,500	0.00%
	Waste Disposal		6,870		20,000		13,130	34.35%
	Fuel and Lube - Vehicle		55,503		130,000		74,497	42.69%
1-04-6100-200	Fuel and Lube - Machinery		15,103		43,000		27,897	35.12%
1-04-6200-000			4,243		20,000		15,757	21.22%
	Supplies - Misc.		11,321		50,000		38,679	22.64%
1-04-6300-800	Supplies - Construction Materials		6,885		100,000		93,115	6.89%
1-04-6400-000	Tools		2,515		12,000		9,485	20.96%
1-04-7000-100	Leases -Equipment		3,865		15,000		11,135	25.77%
	otal Operating Expenses	\$	282,363	\$	1,249,000	\$ -	\$ 966,637	22.61%
Total	Departmental Expenses	\$	819,884	\$	3,490,500	\$ -	\$ 2,629,754	23.49%

Page 17 Prepared 5/3/2012 12:17 PM

# Palmdale Water District 2012 Operation Budget

For the Three Months Ending Saturday, March 31, 2012

		YTD ACTUAL		ORIGINAL BUDGET	ADJUSTMENTS	ADJUSTED BUDGET	PERCENT
		2012	1	2012	2012	REMAINING	USED
Personnel Budget:							
1-05-4000-000 Salaries		\$ 373,301	\$	1,619,250		\$ 1,245,949	23.05%
1-05-4000-100 Overtime		17,668		60,000		42,332	29.45%
Subtotal (Salaries)		\$ 390,970	\$	1,679,250		\$ 1,288,280	23.28%
Employee Benefits							
1-05-4005-000 Payroll Taxe	s	35,161		128,500		93,339	27.36%
1-05-4010-000 Health Insur		90,899		367,500		276,601	24.73%
1-05-4015-000 PERS		89,773		304,000		214,227	29.53%
Subtotal (Benefits)		\$ 215,833	\$		\$ -	\$ 584,167	26.98%
Total Personnel E	xpenses	\$ 606,803	\$	2,479,250	\$ -	\$ 1,830,115	24.48%
OPERATING EXPENSES:						a line	
1-05-4050-000 Staff Travel		\$ 234	\$			\$ 7,766	2.93%
1-05-4060-000 Staff Confer		3,366		9,500		6,134	35.43%
1-05-4120-100 Training - La	b Equipment	-		3,500		3,500	0.00%
1-05-4155-000 Contracted \$	Services	3,588		59,000		55,412	6.08%
1-05-4175-000 Permits		8,220		51,000		42,780	16.12%
1-05-4215-100 Natural Gas	- Wells & Boosters	10,330		150,000		139,670	6.89%
1-05-4215-200 Natural Gas	- WTP	364		3,000		2,636	12.13%
	Vells & Boosters	254,214		1,450,000		1,195,786	17.53%
1-05-4220-200 Electricity - \		34,733		185,000		150,267	18.77%
	o Office Equipment			500		500	0.00%
	o. Operations - Equipment	682		15,000		14,318	4.54%
	o. Operations - Shop Bldgs	325		6,000		5,675	5.42%
	o. Operations - Facilities	9,832		38,000		28,168	25.87%
	o. Operations - Telemetry	3,002		2,250		2,250	0.00%
	o. Operations - Hypo Generator	_		7,250		7,250	0.00%
	ke Management	10,564		15,000		4,436	70.43%
	erial & Supplies	185		15,000		4,430	70.4070
	nication - Other	628		2.250		1 622	27.91%
		020		2,250		1,622	
1-05-4300-300 Testing - Ed		050		12,000		12,000	0.00%
1-05-6000-000 Waste Dispo	osai	853		15,000		14,147	5.69%
1-05-6200-000 Uniforms		2,435		10,000		7,565	24.35%
1-05-6300-100 Supplies - M		2,991		15,000		12,009	19.94%
	ypo Generator	912		6,750		5,838	13.51%
1-05-6300-300 Supplies - E				3,500		3,500	0.00%
1-05-6300-400 Supplies - To		5,934		7,500		1,566	79.12%
1-05-6300-600 Supplies - La		14,187		35,000		20,813	40.53%
1-05-6300-700 Outside Lab	Work	15,740		65,000		49,260	24.22%
1-05-6400-000 Tools		961		6,500		5,539	14.79%
1-05-6500-000 Chemicals		81,542		450,000		368,458	18.12%
1-05-7000-100 Leases -Equ	ipment			3,000	The same of the	3,000	0.00%
Subtotal Operating	Expenses	\$ 462,822	\$	2,634,500	\$ -	\$ 2,171,863	17.57%
Total Departmenta	I Expenses	\$ 1,069,625	\$	5,113,750	\$ -	\$ 4,001,978	20.92%

Prepared 5/3/2012 12:18 PM Page 18

# Palmdale Water District 2012 Administrative Services Budget For the Three Months Ending Saturday, March 31, 2012

			YTD ACTUAL	1	ORIGINAL BUDGET	ADJUSTMENTS	ADJUSTED BUDGET	PERCENT
			2012		2012	2012	REMAINING	USED
Personnel Budge								
1-06-4000-000	Salaries	\$	357,729	\$	1,531,250		\$ 1,173,521	23.36%
1-06-4000-100	Overtime		5,144		25,000		19,856	20.57%
Subto	otal (Salaries)	\$	362,872	\$	1,556,250		\$ 1,193,378	23.32%
Employee Benefit	s							
1-06-4005-000			32,698		119,250		86,552	27.42%
	Health Insurance		95,368		381,000		285,632	25.03%
1-06-4015-000	PERS		85,623		286,500		200,877	29.89%
Subto	otal (Benefits)	\$	213,688	\$	786,750	\$ -	\$ 573,062	27.16%
Total	Personnel Expenses	\$	576,560	\$	2,343,000	\$ -	\$ 1,746,584	24.61%
OPERATING EXP		•		•	050			
1-06-4050-000	Staff Travel	\$	-	\$	250		250	0.00%
1-06-4060-000	Staff Conferences & Seminars		898		1,000		102	89.80%
1-06-4155-300	Contracted Services		2,770		14,500		11,730	05.000
1-06-4155-100	Contracted Services - Infosend		52,060		205,000		152,940	25.39%
1-06-4165-000 1-06-4230-110	Memberships/Subscriptions Maintenance & Repair - Office Equipment				500		500	0.00%
1-06-4235-440	Maint. & Rep. Operations - Large Meters		ge - T		1,000 10,000		1,000 10,000	0.00%
1-06-4235-470	Maint. & Rep. Operations - Large Meters  Maint. & Rep. Operations - Meter Exchanges		50,435		125,000		74,565	40.35%
1-06-4250-000	General Material & Supplies		2,145		4,000		1,855	53.62%
1-06-4260-000	Business Forms		1,595		10,000		8,405	15.95%
A IN THE STREET, INCOME.	Telecommunication - Office		5,330		30,000		24,670	17.77%
1-06-4270-200	Telecommunication - Cellular Stipend		3,945		17,000		13,055	23.21%
1-06-4270-300	Telecommunication - Cellular		420		3,000		2,580	LOILIA
1-06-4300-200	Testing - Large Meter Testing		3,525		21,500		17,975	16.40%
	Leases - Equipment		597		3,000		2,403	19.91%
	tal Operating Expenses	\$	123,720	\$	445,750	\$ -	\$ 322,030	27.76%
Total	Departmental Expenses	\$	700,280	\$	2,788,750	\$ -	\$ 2,068,614	25.11%

Prepared 5/3/2012 12:19 PM Page 19

# Palmdale Water District 2012 Water Conservation Budget For the Three Months Ending Saturday, March 31, 2012

		,	YTD	_ 17	RIGINAL	AD	JUSTMENTS		DJUSTED BUDGET	PERCENT
			2012		2012	4	2012	RI	EMAINING	USED
Personnel Budge	t:									
1-07-4000-000	Salaries	\$	34,478	\$	151,750			\$	117,272	22.72%
1-07-4000-100	Overtime		298		1,250				952	23.85%
Subto	otal (Salaries)	\$	34,777	\$	153,000		25	\$	118,223	22.73%
Employee Benefit	is in the second se									
1-07-4005-000	Payroll Taxes		3,100		12,000				8,900	25.83%
1-07-4010-000	Health Insurance		3,854		15,500				11,646	24.87%
1-07-4015-000	PERS		8,626		28,500				19,874	30.27%
Subto	otal (Benefits)	\$	15,581	\$	56,000	\$		\$	40,419	27.82%
Total	Personnel Expenses	\$	50,357	\$	209,000	\$		\$	157,691	24.09%
OPERATING EX	PENSES:									
1-07-4050-000	Staff Travel	\$	28	\$	1.000			\$	972	2.78%
1-07-4060-000	Staff Conferences & Seminars		_	•	500				500	0.00%
1-07-4190-300	Public Relations - Landscape Workshop/Training		237		2,500				2,263	9.48%
1-07-4190-400	Public Relations - Contests		-		500				500	0.00%
1-07-4190-500	Public Relations - Education Programs		137		5,000				4,863	2.74%
1-07-4190-700	Public Relations -General Media		875		3,000					
1-07-6300-100	Supplies - Misc.		10 -		2,000				2,000	0.00%
Subto	otal Operating Expenses	\$	1,277	\$	14,500	\$		\$		8.80%
Total	Departmental Expenses	\$	51,634	\$	223,500	\$		\$	168,789	23.10%

Prepared 5/3/2012 12:19 PM Page 20

## Palmdale Water District 2012 Human Resources Budget

For the Three Months Ending Saturday, March 31, 2012

			YTD	100	RIGINAL	AD	JUSTMENTS		DJUSTED BUDGET	PERCENT
		47 F Page 1	2012		2012	914 J	2012	RE	MAINING	USED
Personnel Budge	t									
1-08-4000-000	Salaries	\$	28,445	\$	127,500			\$	99,055	22.31%
Employee Benefit	ts									
1-08-4005-000	Payroll Taxes		2,554		10,000				7,446	25.54%
1-08-4010-000	Health Insurance		4,319		17,250				12,931	25.04%
1-08-4015-000	PERS		7,139		24,000				16,861	29.75%
Subt	otal (Benefits)	\$	14,011	\$	51,250	\$	Agree .	\$	37,239	27.34%
Total	Personnel Expenses	\$	42,456	\$	178,750	\$	2 -	\$	136,294	23.75%
OPERATING EX	PENSES:									
1-08-4050-000	Staff Travel	\$	231	\$	3,000			\$	2,769	7.69%
1-08-4060-000	Staff Conferences & Seminars		250		2,000				1,750	12.50%
1-08-4095-000	Employee Recruitment		228		3,000				2,772	7.60%
1-08-4100-000	Employee Retention		200		1,500				1,300	13.33%
1-08-4105-000	Employee Relations		2,116		3,500				1,384	60.45%
1-08-4110-000	Consultants		-		1,000				1,000	0.00%
1-08-4120-100	Training-Safety Consultants		8,330		38,000				29,670	21.92%
1-08-4121-000	Safety Program		-		1,000				1,000	0.00%
1-08-4165-000	Membership/Subscriptions		798		1,600				802	49.87%
1-08-4165-100	HR/Safety Publications		124		1,000				877	12.35%
1-08-6300-500	Supplies - Safety	7	1,523		33,500			100	31,977	4.55%
Subte	otal Operating Expenses	\$	13,799	\$	89,100	\$		\$	75,301	15.49%
Total	Departmental Expenses	\$	56,255	\$	267,850	\$		\$	211,595	21.00%

Prepared 5/3/2012 12:20 PM Page 21

#### Palmdale Water District 2012 Information Technology Budget For the Three Months Ending Saturday, March 31, 2012

			YTD ACTUAL		ORIGINAL BUDGET	AD	JUSTMENTS		DJUSTED BUDGET	PERCENT
			2012	5	2012		2012	R	EMAINING	USED
Personnel Budget										
1-09-4000-000	Salaries	\$	48,107	\$	195,250			\$	147,143	24.64%
1-09-4000-100			331		3,000				2,669	11.03%
Subte	otal (Salaries)	\$	48,438	\$	198,250	N	10.1	\$	149,812	24.43%
Employee Benefit										
1-09-4005-000	Payroll Taxes		4,394		15,500				11,106	28.35%
1-09-4010-000	Health Insurance		9,951		40,000				30,049	24.88%
1-09-4015-000			11,456		37,000				25,544	30.96%
Subto	otal (Benefits)	\$	25,801	\$	92,500	\$		\$	66,699	27.89%
Total	Personnel Expenses	\$	74,240	\$	290,750	\$		\$	213,841	25.53%
ODEDATING EVE	DENOTO.									
OPERATING EXP	Staff Travel	•		Φ.	2 000				0.000	0.000/
1-09-4050-000 1-09-4060-000	Staff Conferences & Seminars	\$	0.407	\$	3,000				3,000	0.00%
1-09-4120-100	Cogsdale Reimplementation & Templates		8,167 21,075		15,000				6,833	54.45%
1-09-4155-300	Contracted Services - Computer Vendors*				70,000		(4.200)		48,925	30.11%
1-09-4165-000	Memberships/Subscriptions		6,162		105,000 500		(1,300)		97,538	5.94%
1-09-8000-100	Computer Equipment - Computers		-1214		45,000				500 45.000	0.00%
1-09-8000-100	Computer Equipment - Laptops		1 1 1 1		10,000				10,000	0.00%
1-09-8000-300	Computer Equipment - Monitors		177		2,000				1,823	8.86%
1-09-8000-400	Computer Equipment - Printers		-		2,500				2,500	0.00%
1-09-8000-500	Computer Equipment - Toner Cartridges		3,714		3,000				(714)	123.81%
1-09-8000-600	Computer Equipment - Other		1,137		35,000				33,863	3.25%
1-09-8100-100	Computer Software - Maint, and Support		113		70,000				69,888	0.16%
1-09-8100-150	Computer Software - Cogsdale Maint and Support				70,000				70,000	0.00%
1-09-8100-200	Computer Software - Software and Upgrades		866		15,000				14,134	5.78%
Subto	otal Operating Expenses	\$	41,411	\$	446,000	\$	(1,300)	\$	403,289	9.31%
Total	Departmental Expenses	\$	115,651	\$	736,750	\$	(1,300)	\$	617,130	15.73%

<sup>\*</sup> Budget adjustments by General Manager per Appendix A

Prepared 5/3/2012 12:20 PM Page 22

# **AGENDA ITEM NO. 7.3**

# Engineering Department Projected Payout Schedule May - 2012

Project Title	201	2 Budget	Budget No.	Payee		Jan	Fe	b	Mar		Apr		May	Jui	1		ul		Aug	Se	ep		Oct	No	v	Dec
1.0,000 1.1110			_ augot ito.	. ayee		•		_		T	, .p.		y				-		9		- P					
Strategic Water Resources Plan	\$	25,000	PL02	ESA	\$	7,733	\$ 12	2,336	\$ 11,89	4		\$	10,000													
										+																
Littlerock Dam Sediment Removal	\$	270,000	NCP02																							
EIR/EIS		-		Aspen			\$ 11	1,719	\$ 3,25	7	\$ 3,966	\$	14,000	\$ 14	,000	\$	14,000	\$	14,000	\$ 1	4,000	\$	14,000	\$ 1	4,000	\$ 14,00
Cost Recovery Payment				USFS			\$ 119	9,416																		
										-																
8 N 2000 04 404 04 45 4			20200	1/0/	_																					
Spec. No. 0903 - 9th/12th Street East	\$	683,000	RCP08	VCI	\$	182,825	\$ 137	7,230	\$ 187,32	0 :	\$ 104,529	\$	86,084													
Acquisition of Tax Defaulted Property	\$	18,000	NCC04	LA County										\$ 18	,000											
Annual Tank Maint. (Year 5 of 5)	\$	360,000	RCP05	Utility Services								\$	360,000													
										$\parallel$																
Well No. 11A Rehabilitation	\$	200,000	RCP23	Layne							\$ 215,030	s	85.000													
	•	,								ľ		,	,													
Avenue S and Downing	\$	125,000	RCO18	TBD								\$	55,000													
Spec. No. 0902 - Ave. Q-3, Division, Sumac	\$	525,000	RCP07	TBD										\$ 75	000	\$	7E 000	٠,	150 000	¢ 15		٠,	150 000	¢ 17	F 000	\$ 75,00
Spec. No. 0902 - Ave. Q-3, Division, Sumac	Þ	323,000	KCFUI	IBD										<b>\$</b> /3	,000	Þ	75,000	J.	150,000	\$ 15	10,000	J.	130,000	\$ 17	5,000	\$ 75,00
Lighting Replacement	\$	-	N/A	ORION								\$	68,163	\$ 68	,163											
WTP Security System	\$	50,000	NCP01	TBD														\$	50,000							
										T																
Total Projected Payout:					\$	190,558	\$ 280	0,701	\$ 202,47	1 5	\$ 323,525	\$	678,247	\$ 175	,163	\$	89,000	\$ 2	214,000	\$ 16	4,000	\$ 1	64,000	\$ 18	9,000	\$ 89,00
																						!				
					1					_			1												1	
Water Quality Fund	201	2 Budget	Budget No.	Payee		Jan	Fe	de	Mar	+	Apr		May	Jui	1		ul		Aug	Se	еp	(	Oct	No	v	Dec
2012 Granular Activated Carbon Supply	¢	1,550,000	N/A																							
2012 Granuar Activated Carbon Supply 2012 Change-Outs	φ	.,000,000	IV/A	Calgon	ĺ							\$	217,000	\$ 217	.000	\$ 2	17.000	\$ 2	217,000	\$ 21	7.000					
GAC Vessel at Underground Booster Station				TBD	ĺ								2,000						100,000							
																, =	,		-,		,					
Total Water Quality Projected Payout:					\$		\$		\$	- 5		e	217,000	\$ 317	000	\$ 1	17 000	\$ 3	317,000	\$ 25	7 000	\$		\$		\$
Total Water Quality Frojected Payout.					φ		φ		¥	,	-	φ	217,000	ψ J17	,000	φ 4	. , , 0 0 0	φ 3	, , , , , , , , , , , , , , , , , , , ,	<b>\$ 23</b>	7,000	φ		φ		Ψ

= Actual Invoice Amount

# PALMDALE WATER DISTRICT

# BOARD MEMORANDUM

**DATE:** May 2, 2012 **May 9, 2012** 

TO: BOARD OF DIRECTORS Board Meeting

**FROM:** Mr. Matthew Knudson, Engineering Manager

**VIA:** Mr. Dennis LaMoreaux, General Manager

RE: AGENDA ITEM NO. 7.4 - CONSIDERATION AND POSSIBLE ACTION ON

AWARD OF CONTRACT FOR THE CONSTRUCTION OF THE WATER MAIN REPLACEMENT IN DIVISION ST., CAROLSIDE AVE., GLENRAVEN AVE., STANRIDGE AVE., 3<sup>RD</sup> ST. EAST, SUMAC AVE., AVE. Q-3, AVE. Q-4, AND

AVE. Q-7 UNDER SPECIFICATION NO. 0902 OPTION B

#### **Recommendation:**

Staff recommends that the Board award a contract to Barnett VanDyne Construction, Inc. from Lancaster, CA in the not-to-exceed amount of \$987,183.00 for the construction of the water main replacement in Division St., Carolside Ave., Glenraven Ave., Stanridge Ave., 3<sup>rd</sup> St. East, Sumac Ave., Ave. Q-3, Ave Q-4,. And Ave Q-7 – Specification No. 0902 Option B.

#### **Financial Impact:**

The approved 2012 Budget includes \$525,000.00 for this project under Budget Item No. RCP07 and an additional \$725,000 for 2013 under Budget Item No. RCP06.

The following is an estimate of anticipated expenditures for Specification No. 0902 Option B:

Construction Contract: \$ 987,183.00 Estimated Geotechnical (Soils Testing): \$ 20,000.00 Estimated Surveying: \$ 4,000.00 Advertising: \$ 4,000.00

Total Estimated Project Expenses: \$1,015,183.00

## **Background:**

This project will consist of the installation and replacement of approximately 8,060 feet of water main and appurtenances with new 6 and 8-inch water main in the area bounded by Ave. Q-3, Ave. Q-4, Division St., and 4<sup>th</sup> St. East. The existing water main was originally constructed between 1953 and 1957 and has had numerous leaks over the past several years. The completion of this project will reduce the labor associated with repairing leaks within this area and will reduce the amount of water loss in the distribution system.

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

VIA: Mr. Dennis D. LaMoreaux, General Manager

May 2, 2012

Barnett VanDyne Construction, Inc., located at P.O. Box 4270, Lancaster, CA 93539, holds a current and active Class A – General Engineering Contractor license. The contractor's state license number is 555781. This license was first issued on February 1, 1989. The license expiration date is February 28, 2013.

-2-

The total bid price in the bid proposal submitted by Barnett VanDyne Construction, Inc. is \$987,183.00. A cashier's check in the amount of \$98,719.00, or 10 percent of the total bid price, was submitted with the bid proposal.

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

Barnett VanDyne Construction, Inc., as the lowest responsive, responsible bidder holds a valid worker's compensation insurance policy (No. AQW003212) with Praetorian Insurance Company. This policy is effective from September 6, 2011 to September 6, 2012.

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

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

It is required that no less than 60 percent of the work be performed by the contractor's own forces without subcontracting. It appears that Barnett VanDyne Construction, Inc. will perform 88% of the work and meets the limitations on the subcontracting work.

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

Upon assignment of the 5% bid reduction for local contractors, Barnett VanDyne Construction, Inc., as the lowest responsible bidder, has met the criterion of providing the lowest bid price of qualified firms at \$937,823.85. The lowest qualified bid price is \$61,807.45 or 6.2 percent lower than the next lowest bid.

#### **Supporting Documents:**

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

## **Strategic Plan Element**

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

#### PALMDALE WATER DISTRICT SPECIFICATION NO. 0902 OPTION A BID RESULTS SUMMARY

WATER MAIN REPLACEMENT IN DIVISION ST., CAROLSIDE AVE., GLENRAVEN AVE., STANRIDGE AVE., 3RD ST. EAST, SUMAC AVE., AVE. Q-3, AVE. Q-4, AND AVE. Q-7

BIDDER	RAW LUMP SUM BID AMOUNT	5% LOCAL BIDDER REDUCTION	ADJUSTED LUMP SUM BID AMOUNT
MAJESTYC CONSTRUCTION	\$1,766,285.58	\$88,314.28	\$1,677,971.30
VCI TELECOM, INC.	\$1,699,800.00	1	\$1,699,800.00
J A SALAZAR CONSTRUCTION AND SUPPLY CORP.	\$1,929,501.00	1	\$1,929,501.00
CHRISTENSEN BROTHERS GEN. ENG., INC.	\$2,175,131.10		\$2,175,131,10
BLOISE CONSTRUCTION	\$2,689,914.00		\$2,689,914.00

#### PALMDALE WATER DISTRICT SPECIFICATION NO. 0902 OPTION B BID RESULTS SUMMARY

WATER MAIN REPLACEMENT IN DIVISION ST., CAROLSIDE AVE., GLENRAVEN AVE., STANRIDGE AVE., 3RD ST. EAST, SUMAC AVE., AVE. Q-3, AVE. Q-4, AND AVE. Q-7

	RAW LUMP SUM	5% LOCAL BIDDER	ADJUSTED
BIDDER	BID AMOUNT	REDUCTION	BID AMOUNT
B.V. CONSTRUCTION, INC.	\$987,183.00	\$49,359.15	\$937,823.85
MAJESTYC CONSTRUCTION	\$1,052,243.47	\$52,612.17	\$999,631.30
VCI TELECOM, INC.	\$999,675.00		\$999,675.00
TEJON CONSTRUCTORS, INC.	\$1,242,183.00	\$62,109.15	\$1,180,073.85
J A SALAZAR CONSTRUCTION AND SUPPLY CORP.	\$1,268,251.00		\$1,268,251.00
CHRISTENSEN BROTHERS GEN. ENG., INC.	\$1,277,657.51		\$1,277,657.51
BLOISE CONSTRUCTION	\$1,766,209,00		\$1,766,209,00

# **PROPOSAL**

## **BIDDER'S DECLARATION**

#### Gentlepersons:

The undersigned hereby proposes to perform all work for which a contract may be awarded them and to furnish any and all plant, labor, services, material, tools, equipment, supplies, transportation, utilities, and all other items and facilities necessary therefor as provided in the Contract Documents, and to do everything required therein for the construction of the Water Main Replacement as specifically set forth in documents entitled "Specification No. 0902 Option A or B - Construction of the Water Main Replacement in Division St., Carolside Ave., Glenraven Ave., Stanridge Ave., 3<sup>rd</sup> St. East, Sumac Ave., Ave. Q-3, Ave. Q-4, and Ave. Q-7" together with addenda thereto, all as set forth on the drawings and in the specifications and other Contract Documents (hereinafter the "Work"); and they further propose and agree that, if this Proposal is accepted, they will contract in the form and manner stipulated to perform all the Work called for by drawings, specifications, and other Contract Documents, and to complete all such Work in strict conformity therewith within the time limits set forth therein, and that they will accept as full payment therefor the prices set forth in the Bid Sheet(s) forming a part hereof. It is understood that there are two options upon which the undersigned may bid, that a proposal may be submitted for either or both options, and that the undersigned is prepared to perform as provided in the Contract Documents on either option for which a proposal is submitted.

(check one)

	Cash
ZÍ.	Cashiers check
	Certified check
	Bid Bond

(check one)

	cash shall be retained as liquidated damages by the Owner		
	proceeds of said check shall be retained as liquidated damages by the	e Owner	
	Surety's liability to the Owner for the face amount of the Bond shall	be conside	red as
	established.		
lt i	e understood and agreed that:	• •	

- 1. The undersigned has carefully examined all the Contract Documents, as defined in Section N-12 of the Notice Inviting Bids, including, but not limited to, the bid quantities, any specifications regarding materials to be used, the contract provisions relating to payment for extra work and the procedures for seeking extensions of time;
- 2. The undersigned, by investigation at the site of the work, by review of any records available for inspection at the offices of utilities in the area affected by the Work, at any applicable public works departments, and otherwise, is satisfied as to the nature and location of the work and is fully informed as to all conditions and matters which can in any way affect the work or the cost thereof, including the location of all underground facilities in the area affected by the Work;
- 3. The undersigned fully understands the scope of the Work and has checked carefully all words and figures inserted in this Proposal and further understands that the Owner will in no way be responsible for any errors or omissions in the preparation of this Proposal;
- 4. The undersigned will execute the Agreement and furnish the required Performance and Payment Bonds and proof of insurance coverage within ten (10) days (not including Sundays and holidays) after Owner's notice of acceptance of this Proposal; and further, that, unless otherwise specified in the Special provisions, this Proposal may not be withdrawn for a period of sixty (60) days after the date set for the opening thereof, notwithstanding the award of contract to another bidder. If the undersigned bidder withdraws this Proposal within said period, said bidder shall be liable under the provisions of the Bid Security, or said bidder and their surety shall be liable under the Bid Bond, as the case may be.
- 5. The undersigned hereby certifies that this Proposal is genuine and not sham or collusive or made in the interest or in behalf of any person not herein named, and the undersigned has not directly or indirectly induced or solicited any other bidder to put in a sham bid, or any other person, firm, or corporation to refrain from bidding; the undersigned has not in any manner sought by collusion to secure for themselves an advantage over any other bidder.
- 6. In conformance with current statutory requirement of the Labor Code of the State of California, the undersigned certifies as follows:

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

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

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

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

California.

Dated APRIL 25, 2	0 12 Bidde	T: BARNETT VANOQUE CONSTRUCTION IN
		By:
•		Title: HELEN BANNETT PRES/RM
,		Bidder's post-office address:
		P.O. BOX 4270
	•	LANCASTER, CA. 93539
		Telephone No.: (661) 948-8764
		Facsimile No.: (661) 722 -4654
		Corporation organized under the laws of the State of CALTFORNIA
		Contractor's License(s): <u>SSS 781</u>
		Expiration Dates: 02/28/2013 SEB A77ACH & DC OP 9 Surety or sureties:
	· •	
	•	

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

#### **BID SCHEDULE**

Schedule of Prices for Construction of Water Main Replacement in Division St., Carolside Ave., Glenraven Ave., Stanridge Ave., 3<sup>rd</sup> St. East, Sumac Ave., Ave. Q-3, Ave. Q-4, and Ave. Q-7

Palmdale Water District

#### **OPTION A**

Item	Description	Quantity	Unit	Unit Price	Item Amount
1	Mobilization	1.	LS		
2	Sheeting, shoring, and bracing for all work indicated.	1	LS		
3	Construct ductile iron pipe water pipeline, including bedding, backfill, and appurtenances	1	LS		
4	Base paving and finish paving	1	LS		X
5	All other work indicated not included in items 1 through 4 above	1	LS		
6	Grind and cap pave approx. 23,000 Sq. Ft. of existing leak repair patches	23,000	SF		

Total VA

#### **OPTION B**

ltem	Description	Quantity	Unit	Unit Price	Item Amount			
1	Mobilization	1	LS	31,050,0	\$31,050,00			
2	Sheeting, shoring, and bracing for all work indicated.	1	LS		\$ 500. dy			
3	Construct ductile iron pipe water pipeline, including bedding, backfill, and appurtenances	1	LS	655,441, œ	\$ 655,441, 00			
4	Base paving and finish paving	1	LS		\$170,726.00			
5	All other work indicated not included in items 1 through 4 above	1	LS		\$85,591.00			
6	Grind and cap pave approx. 22,500 Sq. Ft. of existing leak repair patches	22,500	SF		\$ 43,875.00			

Total <u>\$ 987,183,</u> <del>2</del>

#### INFORMATION REQUIRED OF BIDDER

#### **EQUIPMENT/MATERIAL SOURCE INFORMATION**

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

Specification	Equipment/Material	Manufacturer/Supplier
0902	FITTINUS PIPE	SIGMA   PACIFIC STATES
	LIST OF PROPOSED SUB	STITUTIONS

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

Spec Section	Equipment & Manufacturer	Add	Deduct
2-05	P.V.C PIPE	\$	\$ : 40,000. °C
		Ś	 · •

#### INFORMATION REQUIRED OF BIDDER

SITE INSPECTION AND UNDERGROUND UTILITIES REVIEW -- Describe when, by whom,

local utility prov diligent effort in	riders we n ascerta	ere reviewed aining local	i on behalf conditions	of the b which m	idder (NOT ay affect	E: Failure t	o demonstrate
,					•	HEWE	DTHE
COMPARABLE PROJECT EXPERIENCE In accordance with Section I-5 of the Instructions on Bidders, describe at least five (5) comparable projects completed by bidder within past hirty-six (36) month period, including dates completed, location of work, size of project in dollars, names, addresses, and phone numbers of persons in charge of project construction, and the name and address of the public agency or firm for whom the project was constructed (NOTE: Failure to include at least five (5) jobs similar in size and scope to that contemplated under the Contract Documents will render this Proposal informal or non-							
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4					J.		
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constructed (No contemplated u responsive and	OTE: Fai inder th may res	lure to include e Contract ult in its reje	de at least Document ction):	five (5) j s will rer	obs similar nder this	in size and Proposal in	d scope to that
	ease	<u> </u>	<u> </u>	<u>c(4 e))</u>	SABB	1	
COMPARABLE PROJECT EXPERIENCE In accordance with Section I-5 of the Instructions to Bidders, describe at least five (5) comparable projects completed by bidder within past thirty-six (36) month period, including dates completed, location of work, size of project indulars, names, addresses, and phone numbers of persons in charge of project was constructed (NOTE: Failure to include at least five (5) jobs similar in size and scope to that contemplated under the Contract Documents will render this Proposal informal or non-responsive and may result in its rejection):							
		Establish,					44
		,					
	•	,	Wed on behalf of the bidder (NOTE: Failure to demonstrate cal conditions which may affect the Work will render this we and may result in its rejection):  WARRIETT REVIEWED THE  WARRIE				
					* * * * * * * * * * * * * * * * * * * *		



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

# EXHIBIT A / CLARIFICATION SAMPLE LIST OF A VARITY OF COMPLETED CONTRACTS LARGE & SMALL

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

APPROX. = \$325,926.00

 OWNER: EAST KERN AIRPORT DIST. PROJECT LOCATION: MOJAVE, CALIF. TYPE OF PROJECT: TRANSMISSION MAIN (WATER) CONTACT PERSON: TOM WEIL TELEPHONE: (661) 824-2433

APPROX. = \$ 703,194.00 / APRIL 2008

OWNER: L.A. COUNTY WATER
 PROJECT LOCATION: BIG ROCK CREEK
 TYPE OF PROJECT: MAIN
 TRANSMISSION VALVE REPLACEMENT
 CONTACT PERSON: JAMES H. CATHEY
 TELEPHONE: (626) 458-3147

#### APPROX. = \$ 350,400.00 / APRIL 2005

 OWNER: CITY OF BAKERSFIELD PROJECT LOCATION: BAKERSFIELD TYPE OF PROJECT: WATER MAINS CONTACT PERSON: FLORN CORE TELEPHONE: (661) 326-3715

#### <u>APPROX. = \$ 466,127.</u>

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

 $APPROX_{*} = $850,000..00 / DEC. 2008$ 

### FOR ADDITIONAL INFORMATION FOR MORE COMPLETED PROJECTS, PLEASE CALL.

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

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

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

#### APPROX. = \$857,000.00 / DEC. 2010

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

#### APPROX. = \$650,000.00 / MAY. 2011

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

<u>APPROX. = \$ 800,000.00 / JAN. 2009</u>

OWNER: CITY OF PALMDALE
PROJECT LOCATION: PALMDALE, CA.
TYPE OF PROJECT: WATER MAIN
CONTACT PERSON: MR. NAVERETTE
TELEPHONE: (661) 947-

APPROX. = \$250,000.00

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



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

### <u>EXHIBIT B</u> WATER REMAIN PROJECTS ONLY

### PARTIAL LIST OF COMPLETED WATER RE-MAIN CONTRACTS

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

OWNER: L.A. COUNTY WATER
PROJECT LOCATION: BIG ROCK CREEK
TYPE OF PROJECT: WATER REMAINS
PROJECTS = 4= LAKE LA / LITTLEROCK
CREEK / DESERT VIEW HIGHLANDS /
ROCK CREEK / DATE AVE.
CONTACT PERSON: DAN JONES

TELEPHONE: (805) 940-5456 **APPROX** = \$ 350,400.00 TO \$900,000.00

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

APPROX. = \$ 850,000.00 / DEC. 2008 APPROX. = \$ 800,000.00 / JAN. 2009 APPROX. = \$ 638,000.00 / MAY. 2005 APPROX. = \$ 700,000.00 / MAY. 2010 APPROX. = \$ 500,000.00 / JULY. 2011

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

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

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

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

#### CONTRACTOR'S LICENSING STATEMENT

SEE ATTACHED COPY OF POCKET LIC.

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

Contractor's License Number(s), To A-B-HAZ		iration Date(s): <u>555.78/</u>
Name of Individual Contractor (prin	nt or type):	NA-
Signature of Owner:		
Business Address:		
Name of Partnership or Firm:	or NA	·
Business Address:	- ,	
Signature, name, title and address	of partners sig	ning on behalf of the partnership:
Signed:	Week and the second	Name:
Title:	Address:	
Signed:		Name:
Title:	Address:	
Signed:		Name:
	Address:	
	or	
Name of Corporation: BARN	ETT VAL	UDYHE CONSTRUCTION INC.
Business Address: P.D.B.DX	4270	, LANCASTER, CA. 93539
		te of CALIFORNIA
	حخ	
SEAL	/3	Eunshin # Buit
OUT.		
		FRANKLIN H. BARNETT  Signature of Secretary of Corporation

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

State Of California

CONTRACTORS STATE LICENSE BOARD

ACTIVE LICENSE



**555781** 

- CORP

BARNETT-VAN DYNE
CONSTRUCTION INC DBA B V
CONSTRUCTION

Consideratories A B HAZ

Department Date 02/28/2013

www.cslb.ca.gov



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

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

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

Licensee Signature

#### LIST OF SUBCONTRACTORS

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

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

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

Subcontractor	License No. & Type	Main Office Address	% of Total Dollar Value Work	Description of Subcontract
B.C RINCON	775 327	SOMIS, CA.	12%	PAUING
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	And the second s		marriage state de COSTA	<u>.</u> .
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(NOTE: THE FOLLOWING FORM SHALL BE USED IN CASE CHECK OR CASH ACCOMPANIES BID.)

Accompanying this Proposal is

#### BID SECURITY FORM

(Check or Cash to Accompany Bid)

	· · · · · · · · · · · · · · · · · · ·
(che	ck one)
	Cash
ď.	Certified check payable to the order of Palmdale Water District ("Owner")
X	Cashier's check payable to the order of Palmdale Water District ("Owner")
in th	he amount of $\frac{94479}{19}$ , this amount being not less than ten percent (10%) of the total out the bid (hereinafter referred to as "Bid Security").

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

BARNETT YANDYNE CONSTRUCTION INC

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

#### MANDATORY FORM

(NOTE: THE FOLLOWING FORM SHALL BE USED WHERE THE BIDDER DESIRES TO FURNISH A BOND INSTEAD OR CHECK OR CASH.)

#### BID SECURITY FORM

FORM NOT USED

#### BID BOND

KNOW ALL MEN BY THESE PRESENTS:

	•				
That we,	<del>/</del>	, .		as	principal
and			as suret	y, are h	neld and
irmly bound unto Paln	ndale Water Distri	ct (hereinafter "(	Owner,") in	the	sum of
\$, to be	e paid to the Owr	er, its successor	s, and assig	gns, fo	r which
payment, well and truly to	be made, we bind	ourselves, our heirs	s, executors,	admini	strators,
successors and assigns, jo	intly and severally, f	irmly by these pres	sents.		٠.
		· · · · · · · · · · · · · · · · · · ·			
THE CONDITION OF	THIS OBLIGATION	I IS SUCH, that if	the certain	Proposa	of the
above Principal for constru	ection of				
as specifically set forth in	documents entitled				
		*			
	· · · · · · · · · · · · · · · · · · ·				
all in accordance with the	Contract Document	s, including specifi	cations and	drawing	gs on file
at the offices of the Owne	er, is not withdrawn	within the period of	of 45 days a	fter the	date set
for the opening of bids or	as otherwise provid	led in the Special	Provisions,	notwith	standing
the award of the contrac	t to another bidder,	and that if said	Proposal is a	accepte	d by the
Owner through action of	f its legally constitu	uted contracting a	uthorities ar	nd if th	ie above
bound principal, its heirs,	executors, administr	ators, successors	and assigns,	shall d	uly enter
into and execute a contrac	ot for				

#### FORM NOT USED

#### MANDATORY FORM

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

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	•	•		(Principal)	(0,c, (c)
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				(Surety)	(SEAL)
			Ву		

#### NOTE:

- (1) This bid bond form is a mandatory form.
- (2) The bid bond form should specify an exact number of dollars which shall not be less than ten percent (10%) of the total amount of the bid.
- (3) The bid bond form must be acknowledged before notary publics, and a legally sufficient power of attorney must be attached to the bid bond to verify the authority of the party signing on behalf of the surety.

#### **NON-COLLUSION AFFIDAVIT**

STATE OF CALIFORNIA )
COUNTY OF LOS ANGELES
HELEU IS AR WETT , being first duly sworn, deposes and
says that he/she is PRUS. JRMO
(SOLE OWNER, A PARTNER, PRESIDENT, SECRETARY, ETC.)  OF HRUE 77 V AU DYNE CONSTRUCTION 14C., the party submitting a
bid for a contract covering Spec # 0902
that such a bid is not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization, or corporation; that such bid is genuine and not collusive or sham; that said bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, nor that anyone shall refrain from bidding; that said bidder has not in any manner, directly or indirectly, sought by agreement, communications or conference with anyone to fix the bid price of said bidder or any other bidder, nor to fix any overhead, profit, or cost element of such bid price, nor of that of any other bidder, nor to secure any advantage against the public body awarding the contract or anyone interested in the proposed contract; that all statements contained in such bid are true; and, further, that said bidder has not, directly or indirectly, submitted their bid price or any breakdown thereof, nor the contents thereof, nor divulged information or data relative thereto, nor paid and will not pay any fee in connection therewith to any corporation, partnership, company, association, organization, bid depository, nor to any member or agent thereof, nor to any other individual except to such person or persons as have a partnership or other financial interest with said bidder in their general business.
Dated: 4-75-2012 Signed:
HELDOU BANGET BRES/12MD.
Subscribed and sworn to before me this 25 day of APRIL, 20 12.
Pam Olic SEAL





#### PALMDALE WATER DISTRICT

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

LAGERLOF, SENECAL, GOSNEY & KRUSE LLP

ACWA

**Board of Directors** 

ROBERT E. ALVARADO Division 1

GORDON G. DEXTER Division 2

GLORIA DIZMANG Division 3

KATHY MAC LAREN Division 4

STEVE R. CORDOVA

ADDENDUM NO. 1

April 11, 2012 Page 1 of 2

ADDENDUM NO. 1

TO

CONTRACT DOCUMENTS AND SPECIFICATIONS

**FOR** 

CONSTRUCTION OF THE WATER MAIN REPLACEMENT IN DIVISION ST., CAROLSIDE AVE., GLENRAVEN AVE., 3<sup>RD</sup> ST. EAST, SUMAC AVE., AVE. Q-3, AVE. Q-4, AND AVE. Q-7

SPECIFICATION NO. 0902

April 11, 2012

From: Palmdale Water District

To: 7224054

Page: 3/3

Date: 4/11/2012 3:07:51 PM

ADDENDUM NO. 1

April 11, 2012 Page 2 of 2

#### ITEM NO. 1 - WATER MAIN SIZE ON SHEET 4 AND 5 OF CONTRACT DRAWINGS

The size of the proposed water main, valves, and fittings located in Stanridge Avenue between Avenue Q-4 and Avenue Q-7 and in Avenue Q-4 between 2<sup>nd</sup> Street East and Stanridge Avenue shall be reduced from 12" to 8". Affected valves shall be changed from Flanged Butterfly to MJ Gate.

MATTHEW KNUDSON

Engineering Manager

MRK/PKT/pkt



### PALMDALE WATER DISTRICT

2029 East Avenue Q . Palmdale, California 93560

Telephone (661):347-4111
 Fax (661):347-8604
 www.palmdalewster.org

LAGERLOF, BENECAL, GOSNEY & KRUSE LLP



Board of Directors

BOBERT E, ALMARADO
DIVISION G, DEXTERDIVISION 2

GLORA DIZMANG
DIX 1000 A

KATHY MAO LAREN
DIVISION 4

STEVE H, ORGOVA
Distant

ADDENDUM NO. 2

April 18, 2012 Page 1 of 3

ADDENDUM NO. 2

TO

CONTRACT DOCUMENTS AND SPECIFICATIONS

FOR

CONSTRUCTION OF THE WATER MAIN REPLACEMENT IN DIVISION ST., CAROLSIDE AVE., GLENRAVEN AVE., 3<sup>RD</sup> ST. EAST, SUMAC AVE., AVE. Q-3, AVE. Q-4, AND AVE. Q-7

SPECIFICATION NO. 0902

April 18, 2012

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

April 18, 2012 Page 2 of 3

#### ADDENDUM NO. 2

#### ITEM NO. 1 -SECTION 6-10 OF THE GENERAL PROVISIONS-INDEMNITY

Replace Section 6-10 of the General Provisions of the Contract Documents and Specifications with the following:

#### 6-10 INDEMNITY

- (a) To the fullest extent permitted by law, the Contractor shall indemnify and hold harmless the Owner, the Engineer, the Owner's Representative, their consultants, and each of their directors, officers, agents, employees and volunteers from and against all claims, damages, losses, expenses, and other costs, including, but not limited to, costs of defense and attorneys' fees, arising out of or resulting from or in connection with the performance of the Work, both on and off the job site, provided that any such liability (1) is attributable to personal injury, bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, including the loss of use resulting therefrom, and (2) is caused in whole or in part by an act or omission of the Contractor, any subcontractor, any supplier, anyone directly or indirectly employed by any of them or enyone for whose acts or omissions any of them may be liable, regardless of whether or not it is caused in part by any act or omission (active, passive, or comparative negligence included), of a party indemnified hereunder. Such obligation shall not be construed to negate, shridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist. The Contractor's obligation under this Section 6-10 shall not be abridged, reduced or discharged by the maintenance of insurance by the Contractor.
- (b) Where Contractor or any of its subcontractors is performing work in a City of Palmdele right-a-way, the following applies:

(Contractor) hereb	y agrees to	indemnify t	the City of	Palmdale, its
officers,		_	·   ·	
employees, agents and electe	d and appoin	nted boards i	hereinafter	"Indemnities")
for any loss, claim, demand,	cause of act	on, cost, ex	pense, dam	on obligation
or liability which arises out of	of or is in ar	Way conn	acted with	its work on a
project for which an encrose	hment perm	it was Issued	d by the Cit	v of Palmdale
to the Palmdale Water Dis	trict. includ	ling any ac	ts or only	reione willful
misconduct or negligent con	duct, what	er active or	passive o	n the part of
( Contractor )	ts emplo	Vess. eg/	ints or	contractors
retained by <u>I Contractor</u>	and	repardless of	f any acte	Amieniano as
negligence	And the control of th	. a Bartantánia, At	. with maray	Allinainila Af

(whether active or passive) of any person or entity indemnified hereunder.

April 18, 2012 Page 3 of 3

#### **ADDENDUM NO. 2**

( Contractor ) shall defend any suit, claim or action At its own expense, against the Indemnitees founded upon such loss, claim, demand, cause of action, cost expense, damage, obligation or liability.

Where any subcontractor engaged by the Contractor will perform work in a City of Palmdale right-a-way, Contractor shall insure that the preceding paragraphs of this subsection (b) are included in any subcontract between the subcontractor and Contractor.

in any and all claims against the indemnified parties by any employee of the Contractor, any subcontractor, any supplier, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under the first and fourth paragraphs of this Section 6-10 shall not be limited in any way by any limitation on the amount or type of damages, compensation, or banefits payable by or for the Contractor, or any subcontractor, or any supplier or other person under workers' compensation acts, disability benefit acts, or other employee acts.

The obligations of the Contractor under the first and fourth paragraphs of this Section 6-10 shall not extend to the liability of the Engineer, the Owner's Representative, and their consultants, and each of their directors, officers, employees, and agents, arising out of or resulting from or in connection with the preparation or approval of maps, drawings, opinions, reports, surveys, designs or specifications, providing that the foregoing was the sole and exclusive cause of the loss, damage, or injury.

The Contractor shall also indemnify and hold harmless the Owner, the Engineer, the Owner's Representative, and their consultants, and each of their directors, officers, employees, agents and volunteers from and against all losses, expenses, damages (including damages to the Work itself), attorneys' fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of Contractor to faithfully perform the work and all of the Contractor's obligations under the contract. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.

Engineering Manager

MRK/PKT/pkt

# Copy\_ NOTICE OF EXEMPTION

RECEIVED

APR 23 2012

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

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

Project Title:				
Specification No. 0902 –	Water Main Replacement	en e	· .	
Project Location-Specific:			. ,	
Construction of Water	Main Replacement in D	oivision St., Car	olside Ave.,	
	ge Ave., 3 <sup>rd</sup> St. East, Sumac			
Ave. Q-7				
Project Location-City:	Project Location	n-County:	·	
Palmdale		Tog Angolog		
Description of Nature, Purpose, a	nd Ponoficiaries of Project:	Los Angeles		
Description of Nature, Purpose, a	nd benendanes of Floject.			
Replacement of aged water	er conveyance facilities ser	ving existing cust	omers.	
Name of Public Agency Approving	g Project:	,		
Palmdale Water District		•	•	
Name of Person or Agency Carry	ing Out Project:	**************************************		
Palmdale Water District		ORIGINA	L FILED	
Exempt Status (Check One):		APR .	9 2012	
Ministerial. See Section 1526	88			
Declared Emergency. See Se	ection 15269 (a).	LOS ANGELES,	COUNTY CLERI	
Emergency Project. See Sec				
X Categorical Exemption. State	e type and section number:			
Reasons Why Project is Exempt:	·			
Soc. 15200 Closs 2 (a) Do	mlaanmant on Daganstmistis	·		
Contact Person:	placement or Reconstruction  Area Code:	The second secon	Extension:	
Contact i croom.	Alea Code.	reiephone.	Extension.	
Matthew R. Knudson	(661)	947-4111	x118	
If filed by applicant:				
	nent of exemption finding. been filed by the public agency app	proving the project?		
YesX	No			
		*.		
Date: 4/10/12	WIX XL	Engineering	Manager	
	Signature	Title	Title	

Appendix E A-9

### PALMDALE WATER DISTRICT

#### **BOARD MEMORANDUM**

DATE: April 24, 2012 May 9, 2012

TO: BOARD OF DIRECTORS Board Meeting

FROM: Mr. Dennis LaMoreaux, General Manager

RE: AGENDA ITEM NO. 7.5 - CONSIDERATION AND POSSIBLE ACTION ON

ADOPTION OF A CONSENSUAL RELATIONSHIPS POLICY.

#### **Recommendation:**

It is recommended that the Consensual Relationships Policy be approved and included in the District's Employee Manual.

#### **Background:**

Concerns regarding relationships between managers and/or supervisors and employees may create issues of equality, fairness and favoritism, whether perceived or real. Due to special risks in any relationship between individuals in inherently unequal positions, any parties in such relationships assume those risks. The District wishes to avoid any misunderstandings, actual or potential conflicts of interest, complaints of favoritism, and possible claims of sexual harassment, reduced work performance, or employee morale issues.

The Personnel Committee requested staff develop a Consensual Relationships Policy. Based on research of similar policies, and in conjunction with the District's legal counsel, the attached draft policy was developed and reviewed by the Personnel Committee. JPIA is also reviewing the draft policy. The Personnel Committee recommends approval to provide staff with direction on handling such relationships in the workplace.

#### **Financial Impact:**

The approval of this policy has no financial impact.

#### **Supporting Documents:**

Draft Policy on Consensual Relationships and Employment of Relatives Policy

#### **Strategic Plan Element:**

The Policy on Consensual Relationships is part of Strategic Element 4.0 (Personnel Management)

#### SECTION II, C. CONSENSUAL RELATIONSHIPS

#### **Consensual Relationships**

Conflicts of interests may arise in connection with consensual romantic and/or sexual relationships between the District's managers/supervisors and other employees. Such relationships may: (i) compromise, or appear to compromise, the integrity of supervisory authority; (ii) cause actual or perceived partiality, bias, or unfairness; (iii) involve, or appear to involve, the improper use of such relationships for personal gain; (iv) be, or are perceived to be, exploitative or coercive in nature; and/or (v) create an actual or perceived adverse impact on workplace discipline, authority, morale, and productivity.

The District desires to avoid these problems as well as other misunderstandings, complaints of favoritism, potential sexual harassment claims, and any other employee morale and dissension problems that may result from certain consensual romantic and/or sexual relationships between District managers/supervisors and other non-manager/supervisor employees. Accordingly, District policy and more general ethical principles prohibit District managers/supervisors from fraternizing or becoming romantically involved with any other non-manager/supervisor employee of the District. If a manager or supervisor violates the terms of this policy, the District reserves the right to reassign such manager or supervisor to a different department, engage in the progressive discipline process as set forth in Section V(D), and/or discipline such manager or supervisor including, but not limited to, termination of employment.

While relationships between employees serving a managerial and/or supervisory capacity, and relationships between employees who do not serve a managerial or supervisory capacity, are not prohibited by this policy, the District discourages such relationships. If any such relationship creates, whether actual or perceived (in the District's sole judgment), any conflict of interest, problem, or issue described in this Section V(K)(1), or otherwise creates any disruptions in the workplace or other problems involving work productivity, performance, favoritism, attitude, bias, safety, security, supervision, attitude, or morale, the District reserves the right to reassign any such manager, supervisor, or employee, as applicable, to a different department, engage in the progressive discipline process set forth in Section V (D), and/or discipline such manager, supervisor, or employee including, but not limited to, termination of employment.

All employees should be mindful that the District maintains a strict policy against unlawful harassment of any kind, including but not limited to sexual harassment.

### PALMDALE WATER DISTRICT

#### **BOARD MEMORANDUM**

DATE: May 3, 2012 May 9, 2012

TO: BOARD OF DIRECTORS Board Meeting

VIA: Mr. Dennis LaMoreaux, General Manager

FROM: Mrs. Jeannie Burns, Human Resources Manager

RE: AGENDA ITEM NO. 7.6 - CONSIDERATION AND POSSIBLE ACTION ON A

HIRING FREEZE FOR MANAGEMENT POSITIONS.

#### **Recommendation:**

After completing additional research, staff recommends prior to approving a hiring freeze, that the Board of Directors consider development of a policy that will contain the criteria for such workforce action. According to the Society for Human Resource Management, "in general, employers may treat different groups of employees differently without violating discrimination laws "<u>as long as the premise for the different treatment is not based on protected classes and does not adversely impact any protected class."</u>

Therefore, it is suggested that the District develop a policy for hiring freezes that is not limited to ensure compliance with the Equal Employment Opportunity Commission. Other considerations regarding hiring freezes are: criteria for such a workforce action, financial need, re-organization, retirement or layoff reduction in force; definition of classes, across the board freeze as opposed to a freeze for one classification; length of time for a hiring freeze, etc.

A policy would protect the District from claims of liability as they relate to age, sex or other protected classes. Although there is a difference in the exempt or management status in that it is not protected, sex and age are protected classes, and therefore subject to discriminatory legal claims.

#### **Strategic Plan Element:**

The action for consideration and possible action on a hiring freeze for management positions is part of Strategic Element 4.0 (Personnel Management).

### MINUTES OF MEETING OF THE WATER SUPPLY & RELIABILITY COMMITTEE OF THE PALMDALE WATER DISTRICT, MARCH 16, 2012:

A meeting of the Water Supply & Reliability Committee of the Palmdale Water District was held Friday, March 16, 2012, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Dexter called the meeting to order.

#### 1) Roll Call.

Attendance:

Others Present:

Water Supply & Reliability Cmte:

Dennis LaMoreaux, General Manager

Gordon Dexter, Chair

Jon Pernula, Water & Energy Resources Mngr.

Gloria Dizmang, Committee

Peter Thompson II, Operations Manager

Dawn Deans, Executive Assistant

Member

0 members of the public

#### 2) Adoption of Agenda.

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

#### 3) Public Comments.

There were no public comments.

#### 4) Action Items:

### 4.1) Consideration and Possible Action on Approval of Minutes of Meeting Held February 17, 2012.

It was moved by Committee Member Dizmang, seconded by Chair Dexter, and unanimously carried to approve the minutes of the Water Supply & Reliability Committee meeting held February 17, 2012, as written.

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

Water & Energy Resources Manager Pernula reviewed the water supply projections and charts included with the agenda packet and then informed the Committee that March is at 100% of snow pack; that the Department of Water Resources has

indicated the State Water Project allocation will stay at 50%; and that staff anticipates a good yield from Littlerock Reservoir.

### 4.3) Consideration and Possible Action on Strategic Water Resources Plan. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula informed the Committee of the comments received on the draft Programmatic Environmental Impact Report for the Strategic Water Resources Plan and stated that the final Report will be published followed by a public review period and adoption of the Report.

General Manager LaMoreaux then recommended the Committee review the comments received and this item be considered at the next meeting.

#### 5) Project Updates.

### 5.1) Recycled Water Master Plan. (Water & Energy Resources Manager Pernula)

Chair Dexter stated that there are no updates to report on this item due to litigation.

### 5.2) Garden Bar Water Supply and Power Project. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula reported that the District participated in the Reconnaissance Study for this Project and that the engineering firm preparing the Study has offered to present a summary of the Study to the Committee, and after a brief discussion of interest in this Project, it was determined that a presentation be made at a later date.

### 5.3) Water Purchase Opportunities. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula reported on the negotiations of the water purchase opportunity with Butte County and the required environmental work for this opportunity, and after a brief discussion, the Committee recommended the proposal

received for environmental work on the Butte County water purchase opportunity be presented to the full Board for consideration.

# 5.4) Water Treatment and Transportation Agreement Between Palmdale Water District and Antelope Valley East Kern Water Agency – Acton Water Treatment Plant. (Engineering Manager Knudson)

General Manager LaMoreaux reported that AVEK's contractor for construction of this project mobilized a few weeks ago; that they began digging the bore pits on either side of the railroad; and that the casing and carrier pipe will be installed under the railroad and built out from either side.

### 5.4) Littlerock Dam Sediment Removal Project. (Engineering Manager Knudson)

General Manager LaMoreaux reported that a meeting is scheduled on site next week with the Forest Service biologist as the Forest Service has now begun work on this Project.

#### 6) Information Items.

General Manager LaMoreaux informed the Committee of a potential grant up to \$250,000.00 with no matching funds from the Department of Water Resources for local ground water assistance; that this is a competitive grant; that Engineering Manager Knudson has requested a preliminary quote from RMC Water & Environment for preparing the grant application; that depending on timing for the application, this proposal may be presented directly to the Board; and that this is a good next step past the Strategic Water Resources Plan for further study on recharge programs in the Littlerock Wash area.

There were no additional information items to discuss.

#### 7) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

Chair Dexter stated that the next Water Supply & Reliability Committee meeting will be held April 20, 2012 at 3:00 p.m.

#### 8) Adjournment.

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

Chair

### MINUTES OF MEETING OF THE PERSONNEL COMMITTEE OF THE PALMDALE WATER DISTRICT, MARCH 26, 2012:

A meeting of the Personnel Committee of the Palmdale Water District was held Monday, March 26, 2012, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Mac Laren called the meeting to order.

#### 1) Roll Call.

#### Attendance:

Personnel Committee: Kathy Mac Laren, Chair Gloria Dizmang, Committee Member

#### Others Present:

Dennis LaMoreaux, General Manager Jeannie Burns, Human Resources Manager Peter Thompson, Operations Manager Tim Moore, Facilities Manager Kelly Jeters, Systems Supervisor Dawn Deans, Executive Assistant 2 members of the public

#### 2) Adoption of Agenda.

It was moved by Committee Member Dizmang, seconded by Chair Mac Laren, and unanimously carried to adopt the agenda, as written.

#### 3) Public Comments.

There were no public comments.

#### 4) Action Items:

### 4.1) Consideration and Possible Action on Approval of Minutes of Meeting Held February 27, 2012.

It was moved by Committee Member Dizmang, seconded by Chair Mac Laren, and unanimously carried to approve the minutes of the Personnel Committee meeting held February 27, 2012, as written.

4.2) Consideration and Possible Action on Certification of Compliance With Government Code Section 7507 for Two-Year Service Credit Retirement Incentive Program. (Human Resources Manager Burns)

Human Resources Manager Burns provided an overview of the required steps for implementing the Two-Year Service Credit Retirement Incentive Program, and after a brief discussion of this Program, it was moved by Committee Member Dizmang, seconded by Chair Mac Laren, and unanimously carried that the Certification of Compliance With Government Code Section 7507 be presented to the full Board for consideration at the April 11, 2012 Board meeting.

It was then moved by Committee Member Dizmang, seconded by Chair Mac Laren, and unanimously carried that Resolution No. 12-4 to Grant Another Designated Period for Two Years Additional Service Credit be presented to the full Board for consideration at the April 25, 2012 Board meeting provided the Certification of Compliance With Government Code Section 7507 is approved.

Potential changes to the CalPERS pension plan were then discussed.

4.3) Discussion and Possible Action on Changing the District's Medical Coverage From the Association of California Water Agencies/Health Benefits Authority (ACWA/HBA) Plans to the CalPERS Medical Plan. (Human Resources Manager Burns)

Human Resources Manager Burns provided the Committee with basic premium rates and a comparison of all health plans, a side-by-side comparison of CalPERS products compared to the current product, and quotes for restructuring the current Kaiser plan with a co-pay followed by discussion of out-of-state dependent or retiree coverage, program costs and rate changes, the District's plan year beginning January 1, and COBRA.

Human Resources Manager Burns then informed the Committee that an all-hands meeting is scheduled for this Wednesday, and a survey will be provided to employees at that time regarding dual coverage and the waiver and the personal day program after which it was determined to postpone any action on this item until input is received from employees and this item be considered at the next Committee meeting.

4.4) Discussion and Possible Action on Employee Benefit Cost Savings Measures. (Human Resources Manager Burns)

Human Resources Manager Burns provided the Committee with dependent coverage costs by department as well as a copy of the draft survey to be conducted at the all-hands meeting followed by the Committee's review of the survey.

### 4.5) Review and Discussion of Cross-Training Activities at the District. (Human Resources Manager Burns)

Human Resources Manager Burns stated that developing training to fill any gaps in the knowledge, skills, and abilities in each position description will be addressed through the development of the Succession Plan and then informed the Committee of cross-training provided in the Administration and Customer Service Departments after which Facilities Manager Moore and Operations Manager Thompson II gave an overview of cross-training activities in their departments.

#### 4.6) Review of District Overtime. (General Manager LaMoreaux)

General Manager LaMoreaux reviewed the overtime breakdown summary for years 2009 to February 2012 followed by discussion of the decrease in overtime for 2010, reimbursements to the District, structural overtime, the industry standard, and the percentage of overtime included in the Budget.

### 4.7) Review of Management Job Descriptions/Salary Ranges. (Chair Mac Laren)

General Manager LaMoreaux reviewed the salary schedule and job descriptions for exempt positions followed by clarification of contracted employees, salaried employees, the definition of exempt positions and savings to the District with this designation, and the District's turnover rates compared to government standards.

### 4.8) Review and Possible Action on Palmdale Water District Grievance Policy. (Chair Mac Laren)

Committee Member Dizmang reviewed her experience with grievance issues and stated that as a public agency, an employee should have the right to a final appeal to the Board after which General Manager LaMoreaux clarified the District's previous grievance policy and stated that updating the Employee Handbook included compliance with JPIA's requirements and recommendations; that the District is an 'at-will' employer,

which is different than a school district or general purpose city agency; and that the Board may become involved in an employee grievance if there is a separation from the District.

After a brief discussion, Committee Member Dizmang requested the District's Grievance Policy be revisited regarding final appeals to the Board, and General Manager LaMoreaux stated that this item will be researched and a report provided at the next Committee meeting followed by discussion of the District's Communications Plan, following chain of command, and Human Resources Manager Burns' role in the grievance process.

#### 5) Information Items.

Chair Mac Laren informed Committee Member Dizmang that as the District's JPIA Representative, she will be able to vote by phone at the upcoming ACWA Conference.

General Manager LaMoreaux informed the Committee of the all-hands/lunch meeting this Wednesday and stated that these meetings are held on a quarterly basis, and the Board is invited to attend.

He then informed the Committee that the District has a vacant Customer Service Representative I position; that Finance Manager Williams conducted an analysis on filling this vacancy; and that based on that analysis, the position has been advertised.

There were no additional information items to discuss.

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

Committee Member Dizmang requested an item be placed on the next agenda for "Consideration and possible action on development of a fraternization policy" followed by a discussion of the need for this policy.

She also requested an item be placed on the next agenda for "Review of the Palmdale Water District's Employee Assistance Program."

It was then determined that "Discussion and possible action on changing the District's medical coverage from the Association of California Water Agencies/Health Benefits Authority (ACWA/HBA) plans to the CalPERS medical plan" and "Discussion

and possible action on employee benefit cost savings measures" and "Review of Palmdale Water District grievance policy" will be placed on the next agenda for consideration.

There were no further requests for future agenda items.

The next Personnel Committee meeting was then scheduled for April 23, 2012 at 6:30 p.m.

#### 7) Adjournment.

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