



PALMDALE WATER DISTRICT

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

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www.palmdalewater.org

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

LAGERLOF, SENEAL, GOSNEY & KRUSE LLP
Attorneys



November 8, 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, November 14, 2012
7:00 p.m.*

NOTE: To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Dawn Deans at 661-947-4111 x1003 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale. Please call Dawn Deans at 661-947-4111 x1003 for public review of materials.

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

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

- 1) Pledge of Allegiance.
- 2) Roll Call.
- 3) Adoption of Agenda.
- 4) Public comments for non-agenda items.
- 5) Presentations:
 - 5.1) Solar opportunities for PWD. (Water & Energy Resources Manager Pernula)

- 6) Action Items - Consent Calendar (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.)
 - 6.1) Approval of minutes of regular meeting held October 24, 2012.
 - 6.2) Payment of bills for November 14, 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) Consideration and possible action to adopt Resolution No. 12-14 Approving an Installment Purchase Agreement to Refund the District's Refunding Revenue Certificates of Participation Series 1998 and Authorizing the Execution and Delivery of said Installment Purchase Agreement and related documents. (Financial Advisor Egan)
 - 7.2) Adjourn to Palmdale Water District Public Facilities Corporation Board meeting.
 - 7.3) Status report on Cash Flow Statement and Current Cash Balances as of September 30, 2012. (Financial Advisor Egan)
 - 7.4) Status report on 2012 Financial Statements, Revenue and Expense and Departmental Budget Reports for September 30, 2012. (Finance Manager/CFO Williams)
 - 7.5) Status report on committed contracts issued. (Engineering Manager Knudson)
 - 7.6) Consideration and possible action on 2012 WaterReuse Association Membership. (\$2,300.00 – Budgeted – General Manager LaMoreaux)
 - 7.7) Consideration and possible action on adding Section 4.10 – Directors' Social Media Communications Policy to PWD Rules & Regulations. (Outreach Committee)
 - 7.8) Consideration and possible action on District participation in Palmdale Holiday Parade. (Director Cordova)
 - 7.9) Consideration and possible action on adoption of revised Organization Chart. (General Manager LaMoreaux/Ad Hoc Committee)
 - 7.10) Consideration and possible action to authorize recruiting for the vacant positions of Field Service Tech. I, Senior Maintenance Worker, and Service Worker I. (General Manager LaMoreaux)
 - 7.11) Consideration and possible action on Board and staff attendance at conferences, seminars, and training sessions as follows:
 - a) NACB, Inc. Mobile Crane Inspector Training to be held December 3 – 7, 2012 in Los Angeles.

- 8) Information Items:
 - 8.1) Reports of Directors: Meetings, Committee meetings, and general report.
 - 8.2) Report of General Manager.
 - a) District vacancies.
 - b) Palmdale Recycled Water Authority status.
 - 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: *United States, et al. v. J-M Manufacturing Company, Inc., et al., United States District Court for the Central District of California Case No. ED CV06-0055-GW*.
 - 10.3) Government Code Section 54956.9(a), pending litigation: *Central Delta Water Agency vs. Department of Water Resources, Sacramento Superior Court Case No. 34-2010-80000561*.
 - 10.4) Government Code Section 54956.9(a), pending litigation: *Velez v. City of Palmdale, et al, Los Angeles Superior Court Case No. MC023216*.
 - 10.5) Government Code Section 54957.6, conference with labor negotiator (General Manager, Legal Counsel, Human Resources Consultant) regarding benefits for unrepresented employees.
- 11) Public report of any action taken in closed session.
- 12) Board members' requests for future agenda items.
- 13) Adjournment.

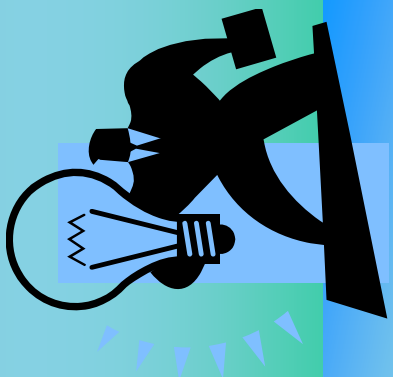


DENNIS D. LaMOREAUX,
General Manager

DDL/dd



PWD SOLAR AND GREEN ENERGY



CLARIFY PWD OBJECTIVES

1. Solar as an additional Source of Revenue

- a. District rents or leases its surplus property to a green energy project for Solar Production

2. Offset our current electrical costs

- a. Secure additional offsets for District energy use through owned and operated facilities or a PPA

3. Secure a profit from the sale of electricity

- a. District becomes a owner operator solar power generator selling directly into the grid



The Federal Government and the State of California have actively promoted and promulgated green energy projects through incentives and subsidies over the last several years providing opportunities to expand the District's renewable energy portfolio

- Palmdale Water District was well ahead of the renewables curve by pursuing green energy alternatives before going green was cool
- The District investment in available green energy technologies began early with the first hydro plant installed at Lake Palmdale in 1986



Latest Palmdale Water District Hydro- Electric Plant



- The hydro-turbine allows the District to generate electricity from the water flowing from the California Aqueduct into Palmdale Lake (Commissioned

June 2008)

SOLAR PANELS AT HEADQUARTERS BLDG



- Palmdale Water District developed a 30 kW solar array to convert sunlight into electricity whenever sunlight is present . The installation of this project was completed in January 2003

PWD WIND TURBINE



- In August 2004, Palmdale Water District completed construction of its 950 kW (kilowatt) wind turbine located at Lake Palmdale

Some Solar Options That Are Currently Available

1. The District could directly finance, purchase and build a solar project thereby immediately owning the equipment (solar array) and either sell power to grid or use the power through net metering
2. The District could also secure an operating “lease to own” solar project wherein we pay for the system over time eventually owning and operating the equipment. (sell power to grid or use the power through net metering)
3. Power Purchase Agreement (District contractually purchases power from the energy developer and provide the property for the facilities)
4. District leases District owned property to a solar developer (receive rents)



Determining the Best Option:

A. We will need to look at:

- What are our Needs
- What are the Cost/Benefit ratios
- What are the Risks
- Weigh the Advantages and Disadvantages
- Reliability of the proposed equipment/system
- The long term financial strength of the manufacture/supplier
- Market assumptions and realities
- Projected future uses of the property involved
- After market support

Option One : Finance, purchase and build a District owned project

Advantages

- Pay up front
- Own the equipment immediately
- Tax incentive driven (NA)
- Best option for successful commercial for profit business entity with strong liquidity needing tax write-offs (NA)
- Power rate based on project costs, maintenance and pay back schedule

Disadvantages

- Incentives are tied to tax credits (We are a tax exempt entity)
- Hard to justify the capital expenditure and financing costs with an uncertain energy market
- Operations and maintenance requires additional qualified staffing or contracted services
- There is no second hand market (cant sell used equipment and equipment cant be easily moved once set in place)



Option Two : Secure Operating Lease

Advantages

- We can Pay for the system over time
- Own and operate the system eventually
- Usually 100% financing by manufacture/leaser after down payment
- Debt service by preset monthly payments (lease payment)
- We already own the land

Disadvantages

- Provide insurance
- PWD would be responsible for production KWh
- O&M and replacement costs would be ours
- PWD would service the debt regardless of production (continue to pay costs with no return during outages/failures)
- No tax incentive benefit
- Must be comfortable with the asset class (Are we an energy provider/manager)



Option Three : Power Purchase Agreements (PPA'S)

Advantages

- No up front costs
- Pay only for electricity produced
- Predictable energy pricing (20 to 25 years typical)
- No or Low risk to install & O&M
- Can purchase the equipment at end of contractual term
- Ability to extend contract term or have equipment removed at providers expense
- Operation and maintenance, R&R provided by others

Disadvantages

- PPA energy rates increase at a pre-set contracted rate regardless of utility rates
- Higher transaction costs
- Stricter underwriting (Needs exceptional credit worthiness)
- Viability depends on subsidies and incentives (which are currently shrinking)
- Assumed energy cost escalator higher than current utility increases
- Success tied to long term solvency of provider

Option Four : The District leases out District owned property to Solar developer

Advantages

- District owns the land (put vacant land to productive use)
- Installation and operation costs by others
- Terms and duration to be negotiated to District advantage
- Low risk of market change effects
- Income not subject to fluctuating energy rates
- Insurance and ultimate removal by others

Disadvantages

- Tie up land for an extended period of time that may be left unavailable for other District purposes
- The District may be left post project with cleanup and disposal if renter defaults
- There may be some assumed insurance liability risk



Financial Model used for Project Analysis

- Due to the past high volume of proposals inquiring about District interest and participation in solar projects the District decided it needed an objective, level platform to scientifically analyze and evaluate these unsolicited proposals
- In August of 2010 PWD's board of directors approved a renewable energy project evaluation methodology proposal that we had requested from Carollo Engineers'
- Carollo Engineers provided the District with a dynamic renewable energy project analysis model which we are currently using to perform comprehensive evaluations necessary to determine logistics and economics variables of implementing large scale photovoltaic power generation technologies
- The goal is to insure dependable long term performance and to make sure that the proposed projects being considered are a good fit to District purposes and that it makes good economic sense.

List of Qualified Firms and Solar Providers that have submitted proposals to PWD

1. **GreenVolts Energy** Solar project Bill McNeese
2. **Cheveron Energy Management** Jain Aishu
3. **Solar City** Linh Tran
4. **GreenWing Energy** Matt Penry
5. **PSOMAS** Maureen McDonald
6. **Grid Partners** Patti Ehsaei
7. **Enfinity Corporation** Richard Konieczka
8. **Golden State Power/ Satcon-New energy** Joseph Bork
9. **Alternative Energy Capital/SPG Solar** Tim Walsh
10. **Johnson Controls** Frank Mann & Jonathan Pera
11. **Southland Power Partners** Robert Blackburn/John Schmuhl
12. **Energy Protection Systems/ GreenVolts** Willie Evans



In Determining the Best Option We Still Need to Identify

A. What are our Basic Needs

B. What are the Cost/Benefit ratios

What are the Risks ?

Whatever system is installed, theoretically, it will be in place for a long time.

Equally important to the financial aspect of the project is the long term operational durability of the equipment and associated components

New innovative photovoltaic technologies made by newly formed manufacturing firms possess certain inherent risks



• SOLYNDRA

Faltering Federally Subsidized Green Energy Companies

- As of Oct. 2012 36 companies that received federal support from taxpayers have either gone bankrupt or are laying off workers and are heading for bankruptcy. The following list includes only those companies that received federal money from the current Administration's Department of Energy. The amount of money indicated does not reflect how much was actually received or spent but how much was offered. The amount also does not include other state, local, and federal tax credits and subsidies, which push the amount of money these companies have received from subsidies even higher.

Reuters

The complete list of faltering or bankrupt green-energy companies:

- 1. Evergreen Solar (\$24 million)*
 - 2. SpectraWatt (\$500,000)*
 - 3. Solyndra (\$535 million)*
 - 4. Beacon Power (\$69 million)*
 - 5. AES's subsidiary Eastern Energy (\$17.1 million)
 - 6. Nevada Geothermal (\$98.5 million)
 - 7. SunPower (\$1.5 billion)
 - 8. First Solar (\$1.46 billion)
 - 9. Babcock and Brown (\$178 million)
 - 10. EnerDel's subsidiary Ener1 (\$118.5 million)*
 - 11. Amonix (\$5.9 million)
 - 12. National Renewable Energy Lab (\$200 million)
 - 13. Fisker Automotive (\$528 million)
 - 14. Abound Solar (\$374 million)*
 - 15. A123 Systems (\$279 million)*
 - 16. Willard and Kelsey Solar Group (\$6 million)
 - 17. Johnson Controls (\$299 million)
 - 18. Schneider Electric (\$86 million)
 - 19. Brightsource (\$1.6 billion)
 - 20. ECOtality (\$126.2 million)
 - 21. Raser Technologies (\$33 million)*
 - 22. Energy Conversion Devices (\$13.3 million)*
 - 23. Mountain Plaza, Inc. (\$2 million)*
 - 24. Olsen's Crop Service and Olsen's Mills Acquisition Company (\$10 million)*
 - 25. Range Fuels (\$80 million)*
 - 26. Thompson River Power (\$6.4 million)*
 - 27. Stirling Energy Systems (\$7 million)*
 - 28. LSP Energy (\$2.1 billion)*
 - 29. UniSolar (\$100 million)*
 - 30. Azure Dynamics (\$120 million)*
 - 31. GreenVolts (\$500,000)
 - 32. Vestas (\$50 million)
 - 33. LG Chem.'s subsidiary Compact Power (\$150 million)
 - 34. Nordic Windpower (\$16 million)*
 - 35. Navistar (\$10 million)
 - 36. Satcon (\$3 million)*
- *Denotes companies that have filed for bankruptcy.

Actual PPA Proposal Example

Benefits

Palmdale Water District - Single Axis Tracking Ground Mount 1MW

Assumptions

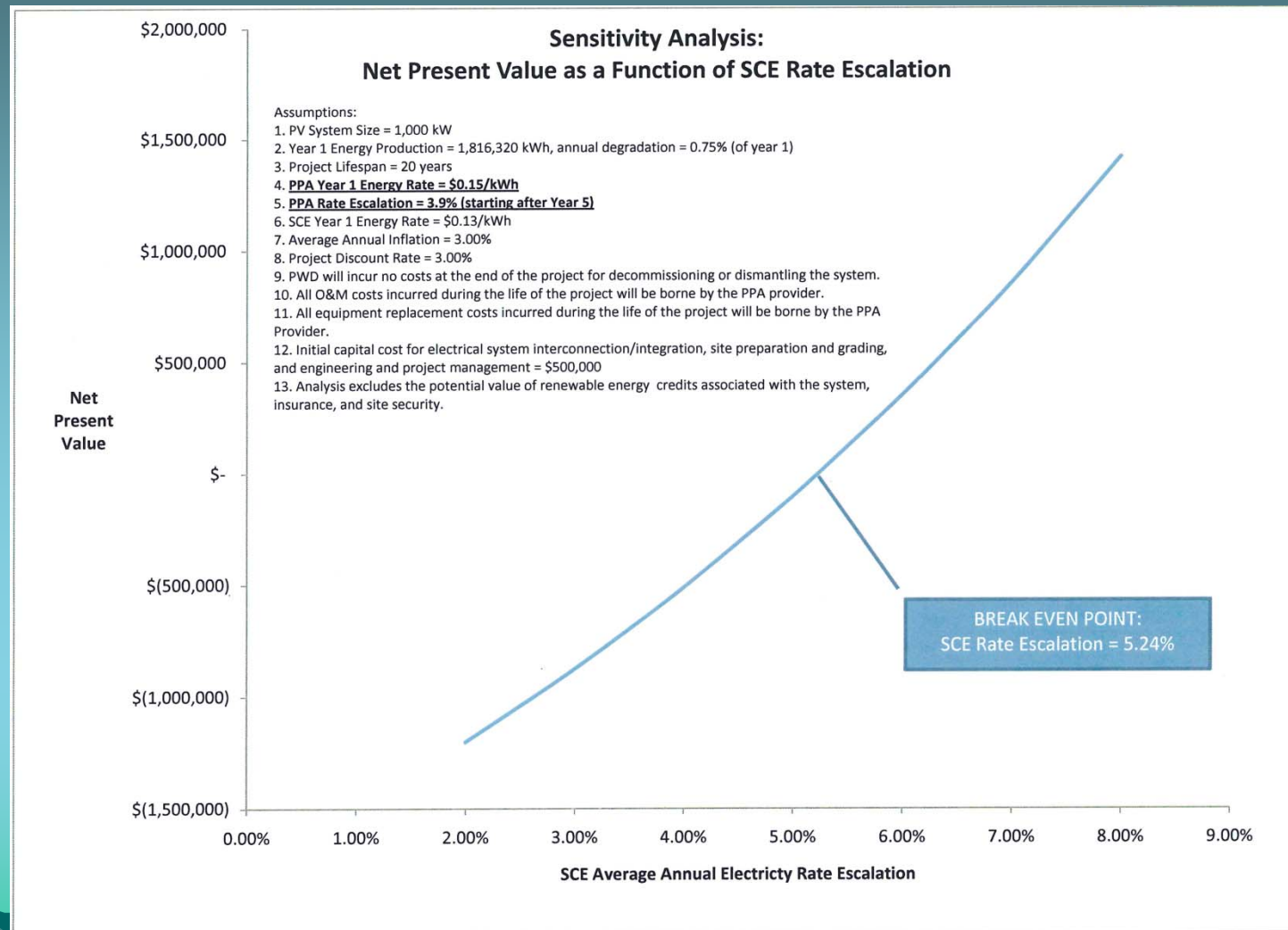
System Life in years	30
Municipality Utility Cost/kWh (2010)	\$ 0.1481
Utility Projected Annual Rate Increases	6.52%
PPA First Year Electricity Cost/kWh	\$ 0.1350
PPA Annual Rate Increases	3.90%
System First Year Production (kWh)	1,835,449
System Degradation/year	0.75%
Year Escalation Begins	6

Conclusions

First Year Savings	\$ 41,695
First Year Savings %	14%
Savings over 20 years	\$ 4,640,000
Average Annual Savings	42%

								Projected					
year #	year	SCE "avoided cost"/kWh	PPA Electricity Cost	New Effective Rate with system	New SCE incremental Rate	Projected 2010 Usage	System Production per year	SCE Cost without System	Cost of PPA	Projected Annual Saving	Annual Percent savings on Electric bill		
1	2011	\$ 0.158	\$ 0.1350	0.1577	0.158	1,835,269	1,835,449	289,481	\$ 247,786	\$ 41,695	14%		
2	2012	\$ 0.168	\$ 0.1350	0.1680	0.168	1,835,269	1,821,683	306,042	\$ 245,927	\$ 60,115	20%		
3	2013	\$ 0.179	\$ 0.1350	0.1790	0.179	1,835,269	1,808,021	323,551	\$ 244,083	\$ 79,468	25%		
4	2014	\$ 0.191	\$ 0.1350	0.1906	0.191	1,835,269	1,794,460	342,062	\$ 242,252	\$ 99,810	29%		
5	2015	\$ 0.203	\$ 0.1350	0.2030	0.203	1,835,269	1,781,002	361,631	\$ 240,435	\$ 121,196	34%		
6	2016	\$ 0.216	\$ 0.1350	0.2163	0.216	1,835,269	1,767,644	382,321	\$ 238,632	\$ 143,689	38%		
7	2017	\$ 0.230	\$ 0.1403	0.2304	0.230	1,835,269	1,754,387	404,194	\$ 246,079	\$ 158,115	39%		
8	2018	\$ 0.245	\$ 0.1457	0.2454	0.245	1,835,269	1,741,229	427,318	\$ 253,759	\$ 173,559	41%		
9	2019	\$ 0.261	\$ 0.1514	0.2614	0.261	1,835,269	1,728,170	451,765	\$ 261,678	\$ 190,087	42%		
10	2020	\$ 0.278	\$ 0.1573	0.2785	0.278	1,835,269	1,715,209	477,611	\$ 269,844	\$ 207,767	44%		
11	2021	\$ 0.297	\$ 0.1635	0.2966	0.297	1,835,269	1,702,345	504,936	\$ 278,265	\$ 226,671	45%		
12	2022	\$ 0.316	\$ 0.1698	0.3160	0.316	1,835,269	1,689,577	533,824	\$ 286,949	\$ 246,874	46%		
13	2023	\$ 0.337	\$ 0.1765	0.3366	0.337	1,835,269	1,676,905	564,364	\$ 295,904	\$ 268,460	48%		
14	2024	\$ 0.358	\$ 0.1833	0.3585	0.358	1,835,269	1,664,328	596,652	\$ 305,139	\$ 291,514	49%		
15	2025	\$ 0.382	\$ 0.1905	0.3819	0.382	1,835,269	1,651,846	630,787	\$ 314,661	\$ 316,126	50%		
16	2026	\$ 0.407	\$ 0.1979	0.4068	0.407	1,835,269	1,639,457	666,875	\$ 324,481	\$ 342,394	51%		
17	2027	\$ 0.433	\$ 0.2056	0.4333	0.433	1,835,269	1,627,161	705,028	\$ 334,607	\$ 370,420	53%		
18	2028	\$ 0.462	\$ 0.2137	0.4615	0.462	1,835,269	1,614,957	745,363	\$ 345,050	\$ 400,314	54%		
19	2029	\$ 0.492	\$ 0.2220	0.4916	0.492	1,835,269	1,602,845	788,006	\$ 355,818	\$ 432,188	55%		
20	2030	\$ 0.524	\$ 0.2306	0.5237	0.524	1,835,269	1,590,824	833,089	\$ 366,922	\$ 466,167	56%		
								10,334,899	\$ 5,698,270	\$ 4,636,629	42%		

Sensitivity Analysis



Average 2011 Energy Costs For Production Wells

2011 Energy Costs

SITE ID	RATE	PAGE	TOTAL kWh/THERMS	BILLING TOTAL	LATE CHARGES	AVG. COST PER AC/FT	AVG. COST PER kWh/THERM	CREDITS
WELL 2A	TOU-PA-SOP	WELL2A TOU	13038	\$ 2,336.16	\$3.98	\$3.35	\$0.179	
WELL 3A	TOU-PA-SOP	WELL3A,TOU	1206363	\$ 99,381.55	325.74	\$120.70	\$0.082	
WELL 4A	TOU-PA-SOP	WELL4ATOU	358270	\$ 30,446.41	90.55	\$110.96	\$0.085	
WELL 6A	PA-2	WELL6A.	130320	\$ 21,977.81	0.99	\$388.64	\$0.169	
WELL 7A	TOU-PA-SOP	WELL7A,TOU	992043	\$ 80,013.22	350.68	\$103.34	\$0.081	
WELL 8A	TOU-PA-SOP	WELL8,TOU	1437580	\$ 110,985.05	331.41	\$101.05	\$0.077	
WELL 10	Tou-Pa-Sop-1-API	WELL10TOU	139735	\$ 12,773.61	36.29	\$110.39	\$0.091	
WELL 14	TOU-PA-SOP	WELL14TOU	620636	\$ 56,423.50	186.2	\$131.98	\$0.091	
WELL 21	TOU-PA-SOP	WELL21TOU	65274	\$ 8,822.25	0	\$110.50	\$0.135	
WELL 23	TOU-PA-SOP	WELL23TOU	575388	\$ 49,079.76	0	\$148.86	\$0.085	
WELL 25	TOU-PA-B	WELL25TOU	153774	\$ 17,902.05	0	\$86.23	\$0.116	
WELL 26	TOU-PA-B	WELL26TOU	83167	\$ 11,507.98	23.27	\$126.87	\$0.138	
WELL 29	TOU-PA-A	WELL29TOU	76728	\$ 9,300.17	0	\$86.90	\$0.121	
WELL 30	TOU-PA-B	WELL30TOU	169518	\$ 19,707.78	\$66.18	\$96.14	\$0.116	
WELL 33	TOU-PA-B	WELL33TOU	110430	\$ 16,419.81	30.61	\$145.93	\$0.149	
			6,132,264.00	\$547,077.11				
				Overall Average \$ KWh			\$0.11	

Model Run Using Proposal Assumptions

PSOMAS (1) SA

3.48% Edison

450K Capital

0.134

Power Purchase Agreement				
PV System Size (kWac-CEC)	1000	Southern California Edison Year 1 Energy Rate (\$/kWh)	0.1577	0.1144
Year 1 Energy Production (kWh)	1476129	Southern California Edison Avg. Annual Rate Escalation	6.5000%	3.48%
Avg. Annual Output Degradation (% of Year 1)	0.7500%	Average Annual Inflation Rate	3.0000%	
Project Duration (years)	30	Project Discount Rate	3.0000%	dr
Power Purchase Agreement Year 1 Energy Rate (\$/kWh)	0.134	Year 1 Renewable Energy Credit Value (\$/kWh)	0.0100	
Power Purchase Agreement Annual Rate Escalation	3.9000%	Initial Capital Cost Incurred By Owner (Note 1)	\$ 450,000.00	\$ 500,000.00

Year	Capital Cost	O & M Costs (Note 2)	Energy Production (kWh) (Note 3)	PPA Energy Rate	SCE Energy Rate (Note 4)	Energy Cost Savings (Note 5)	Renewable Energy Credit Revenue (Note 6)	Annual Project Cash Flow	Discounted Annual Project Cash Flow	Cumulative Discounted Project Cash Flow
0	\$ (450,000.00)	\$ -	NA	NA	NA	\$ -	\$ -	\$ (450,000.00)	\$ (450,000.00)	\$ (450,000.00)
1	\$ -	\$ -	1,476,129	\$ 0.1340	\$ 0.1577	\$ 34,984.26	\$ 14,761.29	\$ 49,745.55	\$ 48,296.65	\$ (401,703.35)
2	\$ -	\$ -	1,465,058	\$ 0.1340	\$ 0.1680	\$ 49,811.97	\$ 15,542.80	\$ 65,354.77	\$ 61,603.14	\$ (340,100.21)
3	\$ -	\$ -	1,453,987	\$ 0.1340	\$ 0.1789	\$ 65,284.02	\$ 15,888.11	\$ 81,172.13	\$ 74,284.00	\$ (265,816.21)
4	\$ -	\$ -	1,442,916	\$ 0.1340	\$ 0.1905	\$ 81,524.76	\$ 16,240.15	\$ 97,764.91	\$ 86,862.85	\$ (178,953.36)
5	\$ -	\$ -	1,431,845	\$ 0.1340	\$ 0.2029	\$ 98,654.13	\$ 16,599.01	\$ 115,253.14	\$ 99,418.37	\$ (79,534.99)
6	\$ -	\$ -	1,420,774	\$ 0.1340	\$ 0.2101	\$ 116,645.56	\$ 16,064.79	\$ 133,610.35	\$ 111,896.56	\$ 32,361.57
7	\$ -	\$ -	1,409,703	\$ 0.1392	\$ 0.2301	\$ 128,105.37	\$ 17,337.57	\$ 145,442.94	\$ 118,258.42	\$ 150,619.99
8	\$ -	\$ -	1,398,632	\$ 0.1447	\$ 0.2451	\$ 140,484.48	\$ 17,717.45	\$ 158,201.93	\$ 124,886.06	\$ 275,506.06
9	\$ -	\$ -	1,387,561	\$ 0.1503	\$ 0.2610	\$ 153,606.65	\$ 18,104.53	\$ 171,711.18	\$ 131,602.32	\$ 407,108.38
10	\$ -	\$ -	1,376,490	\$ 0.1562	\$ 0.2780	\$ 167,712.97	\$ 18,498.88	\$ 186,211.85	\$ 138,559.10	\$ 545,667.48
11	\$ -	\$ -	1,365,419	\$ 0.1622	\$ 0.2961	\$ 182,762.48	\$ 18,900.60	\$ 201,663.08	\$ 145,685.70	\$ 691,353.18
12	\$ -	\$ -	1,354,348	\$ 0.1686	\$ 0.3153	\$ 198,714.18	\$ 19,309.77	\$ 218,023.95	\$ 152,917.61	\$ 844,270.79
13	\$ -	\$ -	1,343,277	\$ 0.1752	\$ 0.3358	\$ 215,795.62	\$ 19,726.48	\$ 235,522.10	\$ 160,379.09	\$ 1,004,649.88
14	\$ -	\$ -	1,332,206	\$ 0.1820	\$ 0.3576	\$ 233,959.01	\$ 20,150.82	\$ 254,109.83	\$ 167,996.53	\$ 1,172,646.41
15	\$ -	\$ -	1,321,135	\$ 0.1891	\$ 0.3808	\$ 253,288.59	\$ 20,582.86	\$ 273,871.45	\$ 175,787.66	\$ 1,348,434.07
16	\$ -	\$ -	1,310,064	\$ 0.1965	\$ 0.4056	\$ 273,995.10	\$ 21,022.69	\$ 295,017.79	\$ 183,845.34	\$ 1,532,279.41
17	\$ -	\$ -	1,298,994	\$ 0.2041	\$ 0.4320	\$ 296,020.59	\$ 21,470.38	\$ 317,490.97	\$ 192,087.26	\$ 1,724,366.67
18	\$ -	\$ -	1,287,923	\$ 0.2121	\$ 0.4601	\$ 319,435.80	\$ 21,926.02	\$ 341,361.82	\$ 200,514.09	\$ 1,924,880.76
19	\$ -	\$ -	1,276,852	\$ 0.2203	\$ 0.4900	\$ 344,307.01	\$ 22,389.67	\$ 366,696.68	\$ 209,121.99	\$ 2,134,002.75
20	\$ -	\$ -	1,265,781	\$ 0.2289	\$ 0.5219	\$ 370,822.57	\$ 22,861.41	\$ 393,683.97	\$ 217,973.27	\$ 2,351,976.02

Notes:

1. Estimate of initial capital cost includes project/construction administration, site preparation, fencing, modifications to existing electrical equipment not included in PV Supplier's scope.

Including Sale of Renewable Energy Credits		Without Sale of Renewable Energy Credits	
Net Present Value	\$ 2,351,976.02	Net Present Value	\$ 2,078,215.00
Payback (years)	13.04	Payback (years)	18.42

2011 Model Run Using More Realistic Assumptions

Power Purchase Agreement					
PSOMAS (1) SA 3.48% Edison 450K Capital 0.134	PV System Size (kWac-CEC)	1000	Southern California Edison Year 1 Energy Rate (\$/kWh)	0.1144	0.1144
	Year 1 Energy Production (kWh)	1476129	Southern California Edison Avg. Annual Rate Escalation	4.5000%	3.48%
	Avg. Annual Output Degradation (% of Year 1)	0.7500%	Average Annual Inflation Rate	3.0000%	
	Project Duration (years)	30	Project Discount Rate	3.0000%	dr
	Power Purchase Agreement Year 1 Energy Rate (\$/kWh)	0.134	Year 1 Renewable Energy Credit Value (\$/kWh)	0.0100	
	Power Purchase Agreement Annual Rate Escalation	3.9000%	Initial Capital Cost Incurred By Owner (Note 1)	\$ 500,000.00	\$ 500,000.00

Year	Capital Cost	O & M Costs (Note 2)	Energy Production (kWh) (Note 3)	PPA Energy Rate	SCE Energy Rate (Note 4)	Energy Cost Savings (Note 5)	Renewable Energy Credit Revenue (Note 6)	Annual Project Cash Flow	Discounted Annual Project Cash Flow	Cumulative Discounted Project Cash Flow
0	\$ (500,000.00)	\$ -	NA	NA	NA	\$ -	\$ -	\$ (500,000.00)	\$ (500,000.00)	\$ (500,000.00)
1	\$ -	\$ -	1,476,129	\$ 0.1340	\$ 0.1144	\$ (28,932.13)	\$ 14,761.29	\$ (14,170.84)	\$ (13,758.10)	\$ (513,758.10)
2	\$ -	\$ -	1,465,058	\$ 0.1340	\$ 0.1195	\$ (21,243.34)	\$ 15,542.80	\$ (5,700.54)	\$ (5,373.31)	\$ (519,131.40)
3	\$ -	\$ -	1,453,987	\$ 0.1340	\$ 0.1249	\$ (13,231.28)	\$ 15,888.11	\$ 2,656.83	\$ 2,431.37	\$ (516,700.03)
4	\$ -	\$ -	1,442,916	\$ 0.1340	\$ 0.1305	\$ (5,050.21)	\$ 16,240.15	\$ 11,189.94	\$ 9,942.12	\$ (506,757.91)
5	\$ -	\$ -	1,431,845	\$ 0.1340	\$ 0.1364	\$ 3,436.43	\$ 16,599.01	\$ 20,035.44	\$ 17,282.74	\$ (489,475.17)
6	\$ -	\$ -	1,420,774	\$ 0.1340	\$ 0.1425	\$ 12,076.58	\$ 16,964.79	\$ 29,041.37	\$ 24,321.69	\$ (465,153.48)
7	\$ -	\$ -	1,409,703	\$ 0.1392	\$ 0.1489	\$ 13,637.47	\$ 17,337.57	\$ 30,975.04	\$ 25,185.54	\$ (439,967.94)
8	\$ -	\$ -	1,398,632	\$ 0.1447	\$ 0.1556	\$ 15,306.89	\$ 17,717.45	\$ 33,024.35	\$ 26,069.72	\$ (413,898.21)
9	\$ -	\$ -	1,387,561	\$ 0.1503	\$ 0.1626	\$ 17,070.62	\$ 18,104.53	\$ 35,175.15	\$ 26,958.82	\$ (386,939.39)
10	\$ -	\$ -	1,376,490	\$ 0.1562	\$ 0.1699	\$ 18,914.37	\$ 18,498.88	\$ 37,413.25	\$ 27,838.97	\$ (359,100.42)
11	\$ -	\$ -	1,365,419	\$ 0.1622	\$ 0.1775	\$ 20,823.75	\$ 18,900.60	\$ 39,724.35	\$ 28,697.71	\$ (330,402.71)
12	\$ -	\$ -	1,354,348	\$ 0.1686	\$ 0.1855	\$ 22,919.76	\$ 19,309.77	\$ 42,229.53	\$ 29,618.94	\$ (300,783.76)
13	\$ -	\$ -	1,343,277	\$ 0.1752	\$ 0.1938	\$ 25,050.23	\$ 19,726.48	\$ 44,776.71	\$ 30,490.76	\$ (270,293.00)
14	\$ -	\$ -	1,332,206	\$ 0.1820	\$ 0.2025	\$ 27,333.80	\$ 20,150.82	\$ 47,484.61	\$ 31,392.92	\$ (238,900.08)
15	\$ -	\$ -	1,321,135	\$ 0.1891	\$ 0.2116	\$ 29,752.47	\$ 20,582.86	\$ 50,335.33	\$ 32,308.33	\$ (206,591.74)
16	\$ -	\$ -	1,310,064	\$ 0.1965	\$ 0.2211	\$ 32,288.21	\$ 21,022.69	\$ 53,310.90	\$ 33,221.59	\$ (173,370.16)
17	\$ -	\$ -	1,298,994	\$ 0.2041	\$ 0.2310	\$ 34,922.89	\$ 21,470.38	\$ 56,393.27	\$ 34,118.86	\$ (139,251.30)
18	\$ -	\$ -	1,287,923	\$ 0.2121	\$ 0.2414	\$ 37,767.14	\$ 21,926.02	\$ 59,693.16	\$ 35,063.44	\$ (104,187.86)
19	\$ -	\$ -	1,276,852	\$ 0.2203	\$ 0.2523	\$ 40,799.38	\$ 22,389.67	\$ 63,189.05	\$ 36,035.83	\$ (68,152.02)
20	\$ -	\$ -	1,265,781	\$ 0.2289	\$ 0.2637	\$ 43,998.01	\$ 22,861.41	\$ 66,859.42	\$ 37,018.44	\$ (31,133.59)

Notes:

- Estimate of initial capital cost includes project/construction administration, site preparation, fencing, modifications to existing electrical equipment not included in PV Supplier's scope.

Including Sale of Renewable Energy Credits		Without Sale of Renewable Energy Credits	
Net Present Value	\$ (31,133.59)	Net Present Value	\$ (304,894.61)
Payback (years)	13.04	Payback (years)	18.42

Average 2012 Energy Costs For Production Wells

2012 Actual Energy Costs

SITE ID	RATE	PAGE	TOTAL kWh/THERMS	BILLING TOTAL	LATE CHARGES	AVG. COST PER AC/FT	AVG. COST PER kWh/THERM
WELL 2A	TOU-PA-SOP	WELL2A TOU	988,394	\$67,663.60	\$342.66	\$83.23	\$0.07
WELL 3A	TOU-PA-SOP	WELL3A,TOU	485,700	41302.88	281.74	\$139.24	\$0.09
WELL 4A	TOU-PA-SOP	WELL4ATO	325,308	23545.53	118.89	\$91.18	\$0.07
WELL 7A	TOU-PA-SOP	WELL7A,TOU	931,346	63718.65	271.42	\$86.72	\$0.07
WELL 8A	TOU-PA-SOP	WELL8,TOU	1,349,276	89166.6	457.92	\$85.12	\$0.07
WELL 10	Tou-Pa-Sop-1-API	WELL10TOU	123,464	9820.68	37.77	\$94.99	\$0.08
WELL 14	TOU-PA-SOP	WELL14TOU	518,031	41330.84	223.44	\$117.30	\$0.08
WELL 21	TOU-PA-SOP	WELL21TOU	59,078	6132.94	0	\$71.55	\$0.10
WELL 23	TOU-PA-SOP	WELL23TOU	136,454	18143.24	0	\$255.31	\$0.13
WELL 25	TOU-PA-B	WELL25TOU	117,674	10834.19	0	\$59.80	\$0.09
WELL 26	TOU-PA-B	WELL26TOU	87,280	8549.47	6.53	\$84.70	\$0.10
WELL 29	TOU-PA-A	WELL29TOU	69,547	7100.09	0	\$69.72	\$0.10
WELL 30	TOU-PA-B	WELL30TOU	152,694	13868.12	54.87	\$72.45	\$0.09
WELL 32	PA-2	WELL32PA2	104,382	13289.66	54.77	\$124.13	\$0.13
WELL 33	TOU-PA-B	WELL33TOU	103,335	11393.75	60.43	\$107.10	\$0.11
				\$425,860.24			
				Overall Average \$ KWh			\$0.0918

2012 Actual vs. Proposed Solar PPA Fixed Cost Savings

2012 Actual Energy Costs compared to proposed PPA rate @ \$0.134 Per KWh

SITE ID	RATE	PAGE	TOTAL kWh/THERMS	BILLING TOTAL	LATE CHARGES	AVG. COST PER AC/FT	AVG. COST PER kWh/THERM	TOTAL PPA kWh X \$0.1340
WELL 2A	TOU-PA-SOP	WELL2A TOU	988,394	\$67,663.60	\$342.66	\$83.23	\$0.07	\$ 132,444.80
WELL 3A	TOU-PA-SOP	WELL3A,TOU	485,700	41302.88	281.74	\$139.24	\$0.09	\$ 65,083.80
WELL 4A	TOU-PA-SOP	WELL4ATOu	325,308	23545.53	118.89	\$91.18	\$0.07	\$ 43,591.27
WELL 7A	TOU-PA-SOP	WELL7A,TOU	931,346	63718.65	271.42	\$86.72	\$0.07	\$ 124,800.36
WELL 8A	TOU-PA-SOP	WELL8,TOU	1,349,276	89166.6	457.92	\$85.12	\$0.07	\$ 180,802.98
WELL 10	Tou-Pa-Sop-1-API	WELL10TOU	123,464	9820.68	37.77	\$94.99	\$0.08	\$ 16,544.18
WELL 14	TOU-PA-SOP	WELL14TOU	518,031	41330.84	223.44	\$117.30	\$0.08	\$ 69,416.15
WELL 21	TOU-PA-SOP	WELL21TOU	59,078	6132.94	0	\$71.55	\$0.10	\$ 7,916.45
WELL 23	TOU-PA-SOP	WELL23TOU	136,454	18143.24	0	\$255.31	\$0.13	\$ 18,284.84
WELL 25	TOU-PA-B	WELL25TOU	117,674	10834.19	0	\$59.80	\$0.09	\$ 15,768.32
WELL 26	TOU-PA-B	WELL26TOU	87,280	8549.47	6.53	\$84.70	\$0.10	\$ 11,695.52
WELL 29	TOU-PA-A	WELL29TOU	69,547	7100.09	0	\$69.72	\$0.10	\$ 9,319.30
WELL 30	TOU-PA-B	WELL30TOU	152,694	13868.12	54.87	\$72.45	\$0.09	\$ 20,461.00
WELL 32	PA-2	WELL32PA2	104,382	13289.66	54.77	\$124.13	\$0.13	\$ 13,987.19
WELL 33	TOU-PA-B	WELL33TOU	103,335	11393.75	60.43	\$107.10	\$0.11	\$ 13,846.89
				\$425,860.24				\$ 743,963.04
				Overall Average \$ KWh			\$0.0918	\$ 425,860.24
				ACTUAL VS. PROPOSED PPA COST DIFFERENTIAL				\$ (318,102.80)



Conclusions

- District staff has explored numerous options for solar and alternative energy
- PWD as a public water agency qualifies for exceptionally lower power rates than most other public entities and private enterprises narrowing the economic feasibility of most solar options
- District staff has excelled in energy rate management which saves the District tremendous amounts of money but in turn further limits the economics of implementing large scale Solar PV in our energy portfolio
- District staff utilizes a scientifically based technical and financial economic evaluation model to gauge proposals submitted for consideration
- The number of Solar proposals have dramatically dropped over the last year with the decline in available incentives and subsidies
- We may see a new round of subsidies and incentives on the horizon with renewed federal interest in expanding green energy initiatives



NEXT STEP

- BOARD DISCUSSION AND DIRECTION



P A L M D A L E W A T E R D I S T R I C T
B O A R D M E M O R A N D U M

DATE: November 8, 2012 **November 14, 2012**
TO: BOARD OF DIRECTORS **Board Meeting and**
FROM: Mr. Bob Egan, Financial Advisor **Public Facilities Corporation**
RE: ***PWD-AGENDA ITEM NO. 7.1 – CONSIDERATION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO. 12-14 APPROVING AN INSTALLMENT PURCHASE AGREEMENT TO REFUND THE DISTRICT’S REFUNDING REVENUE CERTIFICATES OF PARTICIPATION SERIES 1998 AND AUTHORIZING THE EXECUTION AND DELIVERY OF SAID INSTALLMENT PURCHASE AGREEMENT AND RELATED DOCUMENTS***
PWDPFC-AGENDA ITEM NO. 4.3 – CONSIDERATION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO. 12-1 AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT PURCHASE AGREEMENT TO REFUND THE PALMDALE WATER DISTRICT’S REFUNDING REVENUE CERTIFICATES OF PARTICIPATION SERIES 1998 AND AUTHORIZING THE EXECUTION AND DELIVERY OF SAID INSTALLMENT PURCHASE AGREEMENT AND OF THE ASSIGNMENT AGREEMENT WITH BANK OF NEVADA AND APPROVING THE PURCHASER’S CERTIFICATE IN CONNECTION THEREWITH.

Recommendation:

Staff recommends that the Board adopt Resolution No. 12-14 being a Resolution of the Board of Directors of the Palmdale Water District Approving an Installment Purchase Agreement to Refund the Palmdale Water District’s Refunding Revenue Certificates of Participation Series 1998 and Authorizing the Execution and Delivery of Said Installment Purchase Agreement and related documents.

Staff further recommends that the Board of the Public Facilities Corporation adopt Resolution No. 12-1 being a Resolution of the Board of Directors of the Palmdale Water District Public Facilities Corporation Authorizing the Execution and Delivery of An Installment Purchase Agreement to Refund the Palmdale Water District’s Refunding Revenue Certificates of Participation Series 1998 and authorizing the execution and delivery of said Installment Purchase Agreement and of the Assignment Agreement with Bank of Nevada and approving the Purchaser’s Certificate in connection therewith.

Impact of Taking No Action:

The interest rate on the 1998 Certificates of Participation will remain at 5%.

Background:

In April, 1998, the District issued \$21.925 million in Certificates of Participation (the "COP's") to refund (refinance) prior COP issues of the District issued in 1991 and 1993. As of today, \$12.505 million of the 1998 COP's remain outstanding. The District and its Public Facilities Corporation are seeking to refund these 1998 COP's with the private placement of this debt with a bank. District staff, the Board's Financial Advisor and the District financial consultant, NHA Advisors, with the assistance of a Placement Agent, conducted a bid process to find banks willing to fund the refinancing of the 1998 COP's. Bank of Nevada, a division of Western Alliance Bank, was the low bid.

By adopting the attached Resolutions, the Board of Directors and the Public Facilities Corporation are taking the following steps:

1. Approval of an Installment Purchase Agreement wherein the District makes installment purchase payments (debt service payments) that are secured by a pledge of net revenues (after operating expenses) of the District. This Agreement is between the District and the Palmdale Water District Public Facilities Corporation.
2. Approval of an Assignment Agreement assigning the Installment Purchase Agreement from the Public Facilities Corporation to Bank of Nevada.
3. Approval of the Purchaser's Certificate wherein Bank of Nevada makes certain representations to the District regarding the adequacy of disclosure regarding the District's credit and its legal status.
4. Authorizing and directing the specified District staff to do any and all things and deliver any and all documents which they may deem necessary in order to carry out the terms of the Resolutions.

Analysis:

The 1998 COP's are no longer call protected and, therefore, may now be refunded. Presently, private placement of this kind of debt with community and regional banks provides lower interest rates and lower costs of issuance than the conventional bond market methods typically employed when the District refunds debt. The current interest rate for the 1998 COP's currently outstanding is 5%. The District has received a firm offer from Bank of Nevada to refinance the Certificates at a fixed interest rate of 3.10%. The present value savings achieved would be approximately \$1.16 million, net of all financing costs, which is equal to over 9.3% of the amount of outstanding Certificates/Bonds. The amortization period will remain the same as the original 1998 COP's.

In addition, Bank of Nevada will not require a debt service reserve fund for the 2012 Installment Purchase Agreement. This will enable the District to release \$1.5 million in its own cash reserves currently restricted to serving as a debt service reserve fund for the 1998 COP's. The District was forced to use its own cash to provide a debt service reserve fund for the 1998 COP's when the bond insurer on the 1998 COP's, FGIC, went bankrupt in 2008.

In addition to the bid from Bank of Nevada, the District received a bid from Citizens Business Bank at 3.58%, significantly higher than the bid from Bank of Nevada. No other banks contacted were willing to provide a bid for the refinancing.

The terms of the Installment Purchase Agreement with respect to conditions for the issuance of future debt by the District and rate covenants are the same as those for the 1998 COP's. The 2012 Installment Purchase Agreement will be on a parity with respect to the pledge of net operating revenues with the District's other debt issuance, the 2004 Revenue Certificates of Participation. This issue cannot be refinanced with any significant savings to the District at this time.

Note that for legal reasons, the District's nonprofit corporation, the Palmdale Water District Public Facilities Corporation needs to be involved in the transaction. The Installment Purchase Agreement securing the financing is technically a lease purchase by the District of the assets that were originally financed with the 1991 and 1993 COPs. Consequently, there needs to be both a purchaser (the District) and a seller (the Public Facilities Corporation). Otherwise, the Public Facilities Corporation takes no active role in the financing since it assigns all of its rights (other than to indemnification and notice) under the Installment Purchase Agreement to the Bank of Nevada.

Strategic Plan Element:

This work is part of Strategic Element 6.0 Financial Management.

Budget:

Net operating revenues of the District will be increased by approximately \$100,000 per year, net of all financing costs, as a result of the proposed refunding. Additional annual savings will also be realized due to the removal of the need for a trustee on this issue. As noted previously, the refunding will free up \$1.5 million in District funds currently restricted to a debt service reserve fund for the 1998 COP's.

Supporting Documents:

- Resolution No. 12-14 being a Resolution of the Board of Directors of the Palmdale Water District Approving an Installment Purchase Agreement to Refund the Palmdale

Water District's Refunding Revenue Certificates of Participation Series 1998 and Authorizing the Execution and Delivery of Said Installment Purchase Agreement and related documents

- Resolution No. 12-1 being a Resolution of the Board of Directors of the Palmdale Water District Public Facilities Corporation Authorizing the Execution and Delivery of an Installment Purchase Agreement to Refund the Palmdale Water District's Refunding Revenue Certificates of Participation Series 1998 and authorizing the execution and delivery of said Installment Purchase Agreement and of the Assignment Agreement with Bank of Nevada and approving the Purchaser's Certificate in connection therewith.
- Installment Purchase Agreement
- Assignment Agreement
- Bond Counsel Agreement
- Certificate of Purchaser

RESOLUTION NO. 12-14

RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, APPROVING AN INSTALLMENT PURCHASE AGREEMENT TO REFUND THE DISTRICT'S REFUNDING REVENUE CERTIFICATES OF PARTICIPATION SERIES 1998 AND AUTHORIZING THE EXECUTION AND DELIVERY OF SAID INSTALLMENT PURCHASE AGREEMENT AND RELATED DOCUMENTS

WHEREAS, the Palmdale Water District, a California irrigation district organized and existing under the laws of the State of California (the "District"), is authorized to enter into agreements and to finance the acquisition and construction of improvements to the District's water system (the "System"); and

WHEREAS, the District and the Palmdale Water District Public Facilities Corporation (the "Corporation") have previously entered into that certain Amended and Restated Installment Purchase Agreement, dated as of March 1, 1998 (the "1998 Installment Purchase Agreement"), for the purpose of refinancing the cost of acquiring various improvements to the System through the execution and delivery of the \$21,925,000 Refunding Revenue Certificates of Participation Series 1998 (the "1998 Certificates"); and

WHEREAS, the District and the Corporation now desire to enter into an Installment Purchase Agreement (the "2012 Installment Purchase Agreement") for the purpose of prepaying the remaining installment payments due under the 1998 Installment Purchase Agreement and, in turn, prepaying the outstanding 1998 Certificates in order to reduce the District's borrowing costs; and

WHEREAS, to obtain the funds required to prepay the 1998 Certificates, the Corporation will assign certain of its rights under the 2012 Installment Purchase Contract to the Bank of Nevada (the "Purchaser") in accordance with the terms of that certain Assignment Agreement (the "Assignment Agreement") between the Corporation and the Purchaser; and

WHEREAS, for this financing there has been presented to the District the forms of the 2012 Installment Purchase Agreement, the Assignment Agreement and an agreement for services from bond counsel to the District (the "Agreement for Services") for approval;

WHEREAS, the 2012 Installment Purchase Agreement, the Assignment Agreement and the Agreement for Services are necessary to accomplish the prepayment of the 1998 Certificates;

NOW, THEREFORE, the Board of Directors of the Palmdale Water District does hereby RESOLVE, DETERMINE and ORDER as follows:

Section 1. Each of the above recitals is true and correct and is adopted by the legislative body of the District.

Section 2. The forms of the 2012 Installment Purchase Agreement and the Agreement for Services are hereby approved and each of the President of the District, the General Manager of the District or their written designees (the "Authorized Officers"), acting alone, is hereby authorized

and directed to execute and deliver the 2012 Installment Purchase Agreement (subject to the limitations set forth in the following sentence) and the Agreement for Services in the name of and on behalf of the District, in substantially the form and content now before this meeting, but with such changes, modifications, additions and deletions therein as shall be deemed necessary, desirable or appropriate by the Authorized Officer or Authorized Officers executing the same, such approval to be conclusively evidenced by the execution and delivery thereof by one or more of the Authorized Officers. The 2012 Installment Purchase Agreement shall be executed only if the total principal components due thereunder do not exceed \$12,800,000, the maximum interest rate for the interest components due thereunder shall not exceed 3.1% per annum and the net present value savings to the District, as calculated by the District's financial advisor, shall not be less than 5% of the outstanding principal amount of the 1998 Certificates.

Section 3. The District hereby consents to the assignment by the Corporation of certain of the Corporation's rights under the 2012 Installment Purchase Agreement, including the right to receive the Installment Payments thereunder, to the Purchaser and hereby approves the form of the Assignment Agreement by and between the Corporation and the Purchaser provided that the consideration paid by the Purchaser pursuant to the Assignment Agreement is in an amount sufficient to provide for the prepayment of the 1998 Certificates and the costs of issuance related to the execution and delivery of the 2012 Installment Purchase Agreement.

Section 4. The President of the Board of Directors, the Secretary of the Board of Directors, the General Manager and any other proper officer of the District are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents necessary or proper for carrying out the transactions contemplated by this Resolution.

ADOPTED, SIGNED and APPROVED at a regular meeting of the District this 14th day of November, 2012.

President

ATTEST:

Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I, _____, Secretary of the Palmdale Water District, hereby certify that the foregoing is a full, true and correct copy of a Resolution duly adopted at a regular meeting of the members of said District duly and regularly held at the regular meeting thereof on the 14th day of November, 2012, of which meeting all of the members of said District had due notice and at which a majority thereof was present; and that at said meeting said Resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

I further certify that I have carefully compared the foregoing Resolution with the original minute of said meeting on file and of record in my office; that said Resolution is a full, true and correct copy of the original Resolution adopted at said meeting and entered in said minutes; and that said Resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Secretary, Palmdale Water District

(SEAL)

RESOLUTION NO. 12-1

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
PALMDALE WATER DISTRICT PUBLIC FACILITIES
CORPORATION APPROVING AN INSTALLMENT PURCHASE
AGREEMENT TO REFUND THE PALMDALE WATER
DISTRICT'S REFUNDING REVENUE CERTIFICATES OF
PARTICIPATION SERIES 1998 AND AUTHORIZING THE
EXECUTION AND DELIVERY OF SAID INSTALLMENT
PURCHASE AGREEMENT AND RELATED DOCUMENTS**

WHEREAS, the Palmdale Water District Public Facilities Corporation, a California public benefit nonprofit corporation organized and existing under the laws of the State of California (the "Corporation"), is authorized to enter into agreements and to assist in the financing of improvements for the Palmdale Water District (the "District"); and

WHEREAS, the District is authorized to enter into agreements with the Corporation to finance the acquisition and construction of improvements to the District's water system (the "System"); and

WHEREAS, the District and the Corporation have previously entered into that certain Amended and Restated Installment Purchase Agreement, dated as of March 1, 1998 (the "1998 Installment Purchase Agreement"), for the purpose of refinancing the cost of acquiring various improvements to the System through the execution and delivery of the \$21,925,000 Refunding Revenue Certificates of Participation Series 1998 (the "1998 Certificates"); and

WHEREAS, the District and the Corporation now desire to enter into an Installment Purchase Agreement (the "2012 Installment Purchase Agreement") for the purpose of prepaying the remaining installment payments due under the 1998 Installment Purchase Agreement and, in turn, prepaying the outstanding 1998 Certificates in order to reduce the District's borrowing costs; and

WHEREAS, to obtain the funds required to prepay the 1998 Certificates, the Corporation will assign certain of its rights under the 2012 Installment Purchase Contract to the Bank of Nevada (the "Purchaser") in accordance with the terms of that certain Assignment Agreement (the "Assignment Agreement") between the Corporation and the Purchaser; and

WHEREAS, for this financing there has been presented to the Corporation the forms of the Installment Purchase Agreement and the Assignment Agreement for approval;

WHEREAS, the Installment Purchase Agreement and the Assignment Agreement are necessary to carry out the prepayment of the 1998 Certificates;

NOW, THEREFORE, the Board of Directors of the Palmdale Water District Public Facilities Corporation does hereby RESOLVE, DETERMINE and ORDER as follows:

Section 1. Each of the above recitals is true and correct.

Section 2. The 2012 Installment Purchase Agreement and the Assignment Agreement (together the "Corporation Documents") are hereby approved and each of the President, the Vice President, the Treasurer and the Secretary of the Corporation, or their written designees (the "Authorized Officers"), acting alone, is hereby authorized and directed to execute and deliver the Corporation Documents in the name of and on behalf of the Corporation, in substantially the forms now before this meeting, but with such changes, modification, additions and deletions therein as shall be deemed necessary, desirable or appropriate by the Authorized Officer or Authorized Officers executing the Corporation Documents. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Corporation Documents by one or more Authorized Officers.

Section 3. The Authorized Officers are hereby authorized and directed, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the prepayment of the 1998 Certificates and otherwise to effectuate the purposes of this resolution.

ADOPTED, SIGNED and APPROVED at a special meeting of the Corporation this 14th day of November, 2012.

PALMDALE WATER DISTRICT PUBLIC
FACILITIES CORPORATION

President

ATTEST:

Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I, _____, Secretary of the Palmdale Water District Public Facilities Corporation, hereby certify that the foregoing is a full, true and correct copy of a Resolution duly adopted at a regular meeting of the members of said Corporation duly and regularly held at the regular meeting thereof on the 14th day of November, 2012, of which meeting all of the members of said Corporation had due notice and at which a majority thereof was present; and that at said meeting said Resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

I further certify that I have carefully compared the foregoing Resolution with the original minute of said meeting on file and of record in my office; that said Resolution is a full, true and correct copy of the original Resolution adopted at said meeting and entered in said minutes; and that said Resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Secretary, Palmdale Water District Public Facilities Corporation

(SEAL)

ASSIGNMENT AGREEMENT

by and between

**PALMDALE WATER DISTRICT PUBLIC FACILITIES CORPORATION,
as Assignor**

and

**BANK OF NEVADA,
as Assignee**

Dated as of November 1, 2012

Relating to the prepayment of the

**PALMDALE WATER DISTRICT
REFUNDING REVENUE CERTIFICATES OF PARTICIPATION
SERIES 1998**

ASSIGNMENT AGREEMENT

This Assignment Agreement is made and entered into as of November 1, 2012 by and between PALMDALE WATER DISTRICT PUBLIC FACILITIES CORPORATION, a California public benefit nonprofit corporation, as assignor (the "Assignor"), and the BANK OF NEVADA, a banking corporation duly organized and existing under and by virtue of the laws of the State of California, as trustee, as assignee (the "Assignee");

WHEREAS, the Assignor and the Palmdale Water District (the "District") have entered into an Installment Purchase Agreement, dated as of the date hereof (the "Installment Purchase Agreement"), pursuant to which the District has agreed to make Installment Payments to the Assignor as set forth in the Installment Purchase Agreement for the purpose of obtaining funds to prepay the Refunding Revenue Certificates of Participation Series 1998 that are currently outstanding; and

WHEREAS, for valuable consideration to be paid by the Assignee, the Assignor desires to assign and transfer all of its right, title and interest in and to the Installment Purchase Agreement (subject to certain exceptions as set forth in Section 2 below) to the Assignee on the terms and conditions set forth herein;

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

SECTION 1. Definitions. All capitalized terms used herein without definition shall have the meanings given to such terms in the Installment Purchase Agreement.

SECTION 2. Assignment. As consideration for the receipt of the Purchase Price (as specified in a certificate of the District delivered on the effective date of this Assignment Agreement), the Assignor does hereby sell, assign and transfer to the Assignee, all of the Assignor's rights, title and interest in and to the Installment Purchase Agreement (excepting only the Assignor's rights to receive notices and its rights to indemnification in accordance with the Installment Purchase Agreement), including the Assignor's right to receive Installment Payments, as well as its rights to enforce payment of such Installment Payments when due or otherwise to protect its interest in the event of a default by the District under the Installment Purchase Agreement, in accordance with the terms thereof.

In entering into this Assignment Agreement, the Assignor is relying on the representations made by the Assignee in the Purchaser's Certificate, dated _____, 2012.

SECTION 3. Acceptance of Assignment. The Assignee hereby accepts the assignment of such of the Assignor's rights under the Installment Purchase Agreement as are assigned pursuant to the terms of this Assignment Agreement.

SECTION 4. No Additional Rights or Duties. This Assignment Agreement shall not confer any rights upon the Assignee beyond those expressly provided in the Installment Purchase Agreement, nor impose any duties, obligation or responsibilities upon the Assignee. This Assignment Agreement shall not impose any duties, obligations or responsibilities upon the Assignor or the

District beyond those expressly provided in the Installment Purchase Agreement or as otherwise set forth herein.

SECTION 5. Subsequent Assignment by the Assignee.

(a) The Assignee's right, title and interest in and to this Agreement may be assigned and reassigned by the Assignee in whole, or its right to receive Installment Payments (but not any of its other rights under the Installment Purchase Agreement assigned to it herein) may be assigned in part, to one or more subsequent assignees, subject to the limitations set forth in this Section 5, without the necessity of obtaining the consent of Assignor or the District. The Assignor and the Assignee hereby acknowledge and agree that the restrictions and limitations on transfer as provided in this Section 5 shall apply to the first and subsequent assignees of any of Assignee's right, title and interest in, to and under this Assignment Agreement.

(b) Any such assignment, transfer or conveyance (i) shall be made only to an investor which is a "qualified institutional buyer" as defined in Rule 144A(a)(1) promulgated under the Securities Act of 1933, as amended, and is purchasing its right, title and interest in and to this Agreement for its own account with no present intention to resell its interest herein; (ii) in the case of a partial assignment of the right to receive Installment Payments, shall not result in more than 10 assignees entitled to receive Installment Payments and each assignee must acquire a minimum interest in the Principal Components of at least \$1,000,000, (iii) shall not require the District to make Installment Payments to, send notices to or otherwise deal with respect to matters arising under the Installment Purchase Agreement with any entity other than Assignee or a subsequent entity to whom Assignee transfers its right, title and interest hereunder in whole, and (iv) shall be made only to investors who complete and submit to the District a letter substantially in the form attached hereto as Exhibit A. Neither the Assignee nor any subsequent assignee may participate out any interest held by it in the Installment Purchase Agreement and the Installment Payments other than in accordance with this Section 5. The Assignor and the Assignee hereby acknowledge and agree that the restrictions and limitations on transfer as provided in this Section 5 shall apply to each and every assignee of any rights hereunder made subsequent to the initial assignment described in Section 2. No assignment, transfer or conveyance of any of the Assignee's rights hereunder shall be effective until such subsequent assignee has executed a letter substantially in the form attached hereto as Exhibit A and delivered it to the District.

(c) No assignment, transfer or conveyance of the Assignee's rights in whole permitted by this Section 5 shall be effective until Assignor and the District shall have received a written notice of assignment that discloses the name and address of such assignee.

SECTION 6. Further Assurances. The Assignor will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Assignment Agreement, and to assure and confirm to the Assignee the rights and benefits intended to be conveyed pursuant hereto.

SECTION 7. Amendments. This Assignment Agreement may be amended by an instrument in writing executed by the Assignor and the Assignee, with the written consent of the District.

SECTION 8. Governing Law; Venue. This Assignment Agreement is made in the State of California under the Constitution and laws of the State and is to be so construed. If any party to this

Assignment Agreement initiates any legal or equitable action to enforce the terms of this Assignment Agreement, to declare the rights of the parties under this Assignment Agreement or which relates to this Assignment Agreement in any manner, each such party agrees that the place of making and for performance of this Assignment Agreement shall be the County of Los Angeles, State of California, and the proper venue for any such action is the Superior Court of the State of California, in and for the County of Los Angeles.

SECTION 9. Consideration Paid by Assignee. The parties acknowledge that the execution of this Assignment Agreement will evidence that the Assignee has paid the Purchase Price referenced in Section 2 above as consideration for the execution of this Assignment Agreement by the Assignor and the assignment of rights set forth herein.

SECTION 10. Counterparts. This Assignment Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement by their officers thereunto duly authorized as of the day and year first written above.

PALMDALE WATER DISTRICT PUBLIC
FACILITIES CORPORATION, as Assignor

By: _____
Its: President

ATTEST:

Secretary

BANK OF NEVADA, as Assignee

By: _____
Its: Authorized Officer

EXHIBIT A

PALMDALE WATER DISTRICT (Prepayment of Revenue Certificates of Participation Series 1998)

INVESTOR'S CERTIFICATE

The undersigned, a duly authorized officer of _____ (the "Investor"), does hereby certify as follows with regard to the Assignment Agreement, dated as of November 1, 2012 (the "Assignment Agreement"), between the Bank of Nevada (the "Bank") and the Palmdale Water District Public Facilities Corporation (the "Corporation") pursuant to which the Corporation assigned to the Bank certain rights of the Corporation pursuant to an Installment Purchase Agreement, dated as of November 1, 2012 (the "Agreement"), between the Corporation and the Palmdale Water District, as lessee (the "District"):

1. The Investor has full power and authority to carry on its business as now conducted, deliver this certificate and make the representations and certifications contained herein. The Investor has duly authorized the execution and delivery of this Investor's Certificate.

2. The Investor is an investor that regularly purchases loans in the form of state and local government obligations such as the Agreement; has knowledge and experience in financial and business matters that make it capable of evaluating the District, the Agreement and the risks associated with the purchase of certain rights of the Corporation pursuant to the Agreement; has the ability to bear the economic risk of an investment in the Agreement; and is a "qualified institutional buyer" as defined in Rule 144A(a)(1) promulgated under the Securities Act of 1933, as amended. The Investor is not acting as a broker, dealer or municipal securities underwriter in connection with its purchase of certain rights of the Corporation pursuant to the Agreement.

3. The Investor has conducted its own investigation of the financial condition of the District, the purpose for which the Agreement was entered into and of the security for the payment of the Installment Payments due under the Agreement, and has obtained such information regarding the Agreement and the District and its operations, financial condition and financial prospects as the Investor deems necessary to make an informed investment decision with respect to its purchase of certain rights of the Corporation pursuant to the Agreement.

4. The Investor is purchasing certain rights with respect to the Agreement previously assigned to the Bank under the Assignment Agreement for its own account (the "Assigned Rights") solely and not with a present view to any distribution of the Assigned Rights and without a present intention of distributing or selling its interest in the Assigned Rights; provided that the Investor retains the right at any time to dispose of its Assigned Rights in accordance with the provisions of Section 5 of the Assignment Agreement. In the event that the Investor disposes of its Assigned Rights at any time, the Investor understands that it has the responsibility for complying with the provisions of Section 5 of the Assignment Agreement with respect thereto and any applicable federal and state securities laws and all rules and regulations promulgated pursuant thereto.

5. The Investor understands that the obligation of the District to pay Installment Payments under the Agreement is secured only by Net Revenues as and to the extent described therein and does not constitute a pledge of the full faith and credit or taxing power of the District.

6. The Investor understands that the obligation of the District to pay Installment Payments under the Agreement is secured only by Net Revenues as and to the extent described therein and does not constitute a pledge of the full faith and credit or taxing power of the District.

Dated: _____, 2012

[INVESTOR]

By: _____

Its: _____

INSTALLMENT PURCHASE AGREEMENT

by and between

**PALMDALE WATER DISTRICT
PUBLIC FACILITIES CORPORATION,
as Seller**

and

**PALMDALE WATER DISTRICT,
as Purchaser**

Dated as of November 1, 2012

Relating to the prepayment of the

**PALMDALE WATER DISTRICT
REFUNDING REVENUE CERTIFICATES OF PARTICIPATION
SERIES 1998**

INSTALLMENT PURCHASE AGREEMENT

THIS INSTALLMENT PURCHASE AGREEMENT (the "Agreement"), made and entered into as of November 1, 2012, by and between the PALMDALE WATER DISTRICT (herein called the "District"), a public corporation and political subdivision of the State of California, and PALMDALE WATER DISTRICT PUBLIC FACILITIES CORPORATION (herein called the "Corporation"), a California public benefit nonprofit corporation.

WHEREAS, the District is authorized to enter into agreements and to finance the construction of improvements to the District's water system (the "Water System"); and

WHEREAS, the District and the Corporation have previously entered into that certain Amended and Restated Installment Purchase Agreement, dated as of March 1, 1998 (the "1998 Installment Purchase Agreement"), for the purpose of refinancing the cost of acquiring various improvements to the Water System through the execution and delivery of the \$21,925,000 Refunding Revenue Certificates of Participation Series 1998 (the "1998 Certificates"); and

WHEREAS, in order to reduce the District's borrowing costs, the District and the Corporation now desire to enter into this Installment Purchase Agreement for the purpose of prepaying the remaining installment payments due under the 1998 Installment Purchase Agreement and, in turn, prepaying the outstanding 1998 Certificates; and

WHEREAS, to obtain the funds required to prepay the 1998 Certificates, the Corporation will assign certain of its rights under this Installment Purchase Agreement to the Bank of Nevada, a Nevada corporation (the "Assignee"), in accordance with the terms of that certain Assignment Agreement, dated as of November 1, 2012 (the "Assignment Agreement") between the Corporation and the Assignee; and

WITNESSETH:

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and for other valuable consideration, the parties hereto do agree as follows:

ARTICLE I

REPRESENTATIONS AND WARRANTIES

Section 101. Representations by the District. The District makes the following representations:

(a) The District is a California irrigation district organized and existing under the laws of the State of California and political subdivision of the State of California.

(b) The District has full legal right, power and authority to enter into this Agreement and carry out its obligations hereunder, to carry out and consummate all other transactions contemplated

by this Agreement, and the District has complied with all provisions of law in all matters relating to such transactions.

(c) By proper action, the District has duly authorized the execution, delivery and due performance of this Agreement.

(d) The District will not take or, to the extent within its power, permit any action to be taken which results in the Interest Components being included in the gross income of the Corporation or its assignee for purposes of federal income taxation or State of California personal income taxation.

(e) The District has determined that it is necessary and proper that the District refinance the District's obligations under the 1998 Installment Purchase Agreement in the manner provided for in this Agreement, in order to reduce the District's costs of financing the Water System.

Section 102. Representations and Warranties by the Corporation. The Corporation makes the following representations and warranties:

(a) The Corporation is a California public benefit nonprofit corporation in good standing under the laws of the State of California, has full legal right, power and authority to enter into this Agreement and to carry out and consummate all transactions contemplated by this Agreement and by proper action has duly authorized the execution and delivery and due performance of this Agreement.

(b) The execution and delivery of this Agreement and the consummation of the transactions herein contemplated will not violate any provision of law, any order of any court or other agency of government, or any indenture, material agreement or other instrument to which the Corporation is now a party or by which it or any of its properties or assets is bound, or be in conflict with, result in a breach of or constitute a default (with due notice or the passage of time or both) under any such indenture, agreement or other instrument, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Corporation.

(c) The Corporation will not take or permit any action to be taken which results in the Interest Components being included in the gross income of the Corporation or its assignee for purposes of federal income taxation or State of California personal income taxation.

ARTICLE II

DEFINITIONS AND GENERAL PROVISIONS

Section 201. Definitions in General. The terms defined in Exhibit "A" attached hereto and by this reference incorporated herein, as used and capitalized herein, shall, for all purposes of this Agreement, have the meanings ascribed to them in said Exhibit "A", unless the context clearly requires some other meaning.

Section 202. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice

versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons.

The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms, as used in this Agreement, refer to this Agreement.

Section 203. Acknowledgment of Assignment Agreement. The Corporation and the District acknowledge that on the date hereof the Corporation is entering into the Assignment Agreement with the Assignee pursuant to which the Corporation is assigning and transferring to the Assignee all of its rights under this Agreement, other than its rights to notice and to indemnification hereunder, including its rights to exercise its remedies to enforce the receipt of such Installment Payments, as such rights and remedies are provided for in this Agreement.

Section 204. Public Benefit. This Agreement is for the benefit of the public and is in furtherance of the public purposes of the District.

ARTICLE III

SALE AND PURCHASE OF PROJECT; PURCHASE PRICE

Section 301. Deposit of Moneys. In order to induce the District to enter into this Agreement, the Corporation shall cause the Assignee to pay \$_____ to The Bank of New York Mellon Trust Company, N.A., in its capacity as the trustee for the 1998 Certificates (the “Trustee”). The District shall provide to the Assignee a certificate of its financial advisor certifying that the amount deposited with the Trustee is sufficient to defease the 1998 Certificates.

Section 302. Refinancing of the Project. Under the 1998 Installment Purchase Agreement, the Corporation sold the Project to the District in consideration of the District’s promise to pay the installment purchase payments due thereunder. The District acknowledges that its obligation to pay the installment purchase payments due under the 1998 Installment Purchase Agreement is being refinanced hereunder and is reducing the amount required to be paid by the District to acquire the Project. In consideration of the Corporation’s entering into this Agreement, the District agrees to complete its acquisition of the Project from the Corporation under the terms of this Agreement by paying the Installment Payments to the Corporation, or its assignee.

Section 303. Sale and Purchase of the Project; Term.

(a) Sale and Purchase of the Project. In consideration of the payment of Installment Payments and any other amounts due and owing hereunder by the District to the Corporation or its assignee, the Corporation hereby grants, conveys, bargains and sells to the District, and the District hereby purchases from the Corporation, the Project, upon the terms and conditions set forth in this Agreement and the District hereby accepts said grant, conveyance, bargain and sale upon said terms and conditions.

(b) Disclaimer of Warranties. Neither the Corporation nor its assignee make any warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the District of the Project or any portion thereof, or any other representation or warranty with respect to the Project or any portion thereof. In no event shall the Corporation or its assignee be liable for

incidental, indirect, special or consequential damages in connection with this Agreement or the existence, furnishing, or functioning of the Project or the District's use of the Project, except such damages as may arise by reason of a breach of this Agreement by the Corporation or its assignee.

(c) Term of Agreement. The term of this Agreement shall commence on the Closing Date and shall terminate upon the payment in full of the Installment Payments and any other amounts due and owing hereunder by the District to the Corporation or its assignee.

Section 304. Pledge of Net Revenues; Installment Payments. All Net Revenues are hereby pledged to the payment of the Installment Payments and Debt Service on Bonds and other Contracts. So long as any Installment Payments remain unpaid, the Net Revenues shall not be used for any other purpose except as expressly permitted in this Agreement. This pledge shall constitute a first lien on the Net Revenues for the payment of Installment Payments and all Bonds and other Contracts. For the purchase of the Project, the District shall pay to the Corporation, its successors and assigns, the purchase price set forth in Exhibit "C" attached hereto and by this reference incorporated herein by payment of the Installment Payments from Net Revenues.

The Installment Payments shall be payment for the purchase of the Project. For each such annual period commencing with the period beginning on the date hereof, the District shall make Installment Payments on the Installment Payment Dates during said annual period as more particularly set forth in Exhibit "C".

Installment Payments for each annual payment period during the term of this Agreement shall constitute the total amount due for said payment period, and shall be paid by the District for and in consideration of the sale of the Project to the District.

An amount equal to the next succeeding Installment Purchase Payment shall be due from and payable by the District on each of the Installment Payment Dates specified in said Exhibit "C".

As additional consideration for the purchase of the Project, the District agrees to pay such additional amounts due and owing hereunder.

Section 305. Interest Component. A portion of each Installment Purchase Payment is paid as, and represents the payment of a portion of the unpaid purchase price and interest on the unpaid purchase price and constitutes an Interest Component. The Interest Component of each Installment Purchase Payment is set forth in Exhibit "C".

Section 306. Payment in Lawful Money; No Set Off. Each Installment Payment shall be paid or caused to be paid by the District on each Installment Payment Date in lawful money of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, to or upon the order of the Corporation or its assignee at such place as the Corporation or its assignee shall designate, in writing, to the District. Unless and until otherwise specified in writing by the Assignee, or its successor under the terms of the Assignment Agreement, payments shall be remitted to the following account:

Account No. [BANK TO PROVIDE WIRING INSTRUCTIONS]

Notwithstanding any dispute between the District and the Corporation, the District shall make each and all Installment Payments when due and shall not withhold any Installment Payments

pending the final resolution of such dispute nor shall the District assert any right of set off or counterclaim against its obligation to make Installment Payments as set forth herein.

The obligation of the District to pay the Installment Payments from the Net Revenues as herein provided is absolute and unconditional, and until such time as the purchase price with respect to the Project shall have been fully paid, the District will not discontinue or suspend any Installment Payments required to be made by it under this section when due, whether or not the Project or any part thereof is operating or operable, or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and such payments shall not be subject to abatement because of any damage to, destruction or condemnation of the Project, and such payments shall not be subject to reduction whether by offset or otherwise and shall not be conditional upon the performance or nonperformance by any party of any agreement for any cause whatsoever.

Section 307. Title. From and after the Closing Date, title to the Project, and each and every portion thereof, shall vest in the District, provided, however, that title to the Project and each and every portion thereof remaining in the District shall be subject to the subsequent payment of Installment Payments as described in Section 304 hereof.

Section 308. Prepayment of Installment Payments.

(a) The District may or shall, as the case may be, prepay from the Net Proceeds as provided herein on any date, all or any part on any Installment Payment Date, of the principal amount of the unpaid Installment Payments at a prepayment price equal to the sum of the principal amount prepaid plus accrued interest thereon to the date of prepayment.

(b) The District, at its option, may prepay the Installment Payments in whole or in part on any date on and after April 1, 2016. This option shall be exercised by the District by giving written notice to the Corporation, or its assignee, of the exercise of such option at least fifteen (15) days prior to the date of prepayment.

In the event of prepayment in part, the partial prepayment shall be applied by the Corporation or its assignee against Installment Payments in the manner directed by the District, and the District shall cause to be provided to the Corporation, or its assignee, a revised schedule of Installment Payments reflecting said partial prepayment.

Section 309. Rate Stabilization Fund. In order to avoid fluctuations in its water rates, the District has previously established a fund entitled the "Rate Stabilization Fund" to be held by the District or in an account of the District at an institution approved by the District, which the District hereby agrees and covenants to maintain so long as this Installment Purchase Agreement is in effect. The District may deposit in the Rate Stabilization Fund from time to time Revenues which the District, in its discretion, deems available for deposit in the Rate Stabilization Fund. From time to time, the amounts deposited in the Rate Stabilization Fund may be transferred by the District to pay any lawful expenses of the District, including but not limited to Debt Service and Maintenance and Operation Expenses. The District covenants that, so long as it has other Bonds or Contracts outstanding, the Rate Stabilization Fund will not be held by the trustee for such Bonds or Contracts or be expressly pledged to the repayment of any Bonds or Contracts.

Section 310. Closing Conditions. The District acknowledges that the Assignee's obligation to make the payment pursuant to Section 301 is expressly conditioned upon the delivery

to the Assignee of the following documents, in form and content satisfactory to the Assignee, duly executed (and acknowledged where necessary) by the appropriate parties thereto:

- (a) This Agreement;
- (b) The Assignment Agreement;
- (c) A closing certificate of the District acceptable to the Assignee, including a copy of the resolution authorizing the execution and delivery of this Agreement, in a form acceptable to the Assignee;
- (d) A closing certificate of the Corporation acceptable to the Assignee, including a copy of the resolution authorizing the execution and delivery of this Agreement, in a form acceptable to the Assignee;
- (e) A legal opinion from special counsel to the District, acceptable to the Assignee, addressing the authorization and validity of the District's documents and the parity nature of this Agreement;
- (f) A legal opinion from counsel to the Corporation, acceptable to the Assignee;
- (h) Such other documents and certificates as the Assignee may reasonably require.

ARTICLE IV

COVENANTS

Section 401. Compliance with Installment Purchase Agreement and Ancillary Agreements. The District will punctually pay the Installment Payments in strict conformity with the terms hereof, and will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by it, and will not terminate this Agreement for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of California or any political subdivision of either or any failure of the Corporation to observe or perform any agreement, condition, covenant or term contained herein required to be observed and performed by it, whether express or implied, or any duty, liability or obligation arising out of or connected herewith or the insolvency, or deemed insolvency, or bankruptcy or liquidation of the Corporation or any force majeure, including acts of God, tempest, storm, earthquake, war, rebellion, riot, civil disorder, acts of public enemies, blockade or embargo, strikes, industrial disputes, lock outs, lack of transportation facilities, fire, explosion, or acts or regulations of governmental authorities.

It is expressly understood and agreed by and among the parties to this Agreement that, subject to Section 606 hereof, each of the agreements, conditions, covenants and terms contained in this Agreement is an essential and material term of the purchase of and payment for the Project by the District.

The District will faithfully observe and perform all the agreements, conditions, covenants and terms required to be observed and performed by it pursuant to all outstanding Contracts and Bonds as such may from time to time be executed or issued, as the case may be.

Section 402. Against Encumbrances. The District will not make any pledge of or place any lien on Revenues or the moneys in the Rate Stabilization Fund except as provided herein. The District may at any time, or from time to time, execute Contracts or issue Bonds as permitted herein or incur evidences of indebtedness or incur other obligations for any lawful purpose which are payable from and secured by a pledge of and lien on Revenues and on any moneys in the Rate Stabilization Fund as may from time to time be deposited therein, provided that such pledge and lien shall be subordinate in all respects to the pledge of and lien thereon provided herein.

Section 403. Against Sale or Other Disposition of Property. The District will not enter into any agreement or lease which impairs the operation of the Water System or any part thereof necessary to secure adequate Revenues for the payment of the Installment Payments, or which would otherwise impair the rights of the Corporation hereunder or the operation of the Water System. Any real or personal property which has become nonoperative or which is not needed for the efficient and proper operation of the Water System, or any material or equipment which has become worn out, may be sold if such sale will not impair the ability of the District to pay the Installment Payments provided that the proceeds of such sale shall constitute and be treated as Revenues.

Nothing herein shall restrict the ability of the District to sell any portion of the Water System if such portion is immediately repurchased by the District and if such arrangement cannot by its terms result in the purchaser of such portion of the Water System exercising any remedy which would deprive the District of or otherwise interfere with its right to own and operate such portion of the Water System.

Section 404. Against Competitive Facilities. To the extent permitted by law, the District covenants that it will not acquire, construct, maintain or operate and will not, to the extent permitted by law and within the scope of its powers, permit any other public or private agency, corporation, district or political subdivision or any person whomsoever to acquire, construct, maintain or operate within the District any potable water system competitive with the Water System. The foregoing does not limit the ability of the District to construct, acquire, maintain or operate a recycled water system.

Section 405. Tax Covenants. Notwithstanding any other provision of this Agreement, absent an opinion of Bond Counsel that the exclusion from gross income for federal income tax purposes of the Interest Components will not be adversely affected, the District and the Corporation covenant to comply with all applicable requirements of the Code necessary to preserve such exclusion from gross income and specifically covenants, without limiting the generality of the foregoing, as follows:

(a) Private Activity. The District and the Corporation will not take or omit to take any action or make any use of the monies paid to the Corporation by the Assignee or of any other moneys or property which would cause the District's obligations hereunder to be "private activity bonds" within the meaning of Section 141 of the Code.

(b) Arbitrage. The District and the Corporation will make no use of the monies paid to the Corporation by the Assignee or of any other amounts or property, regardless of the source, or take

or omit to take any action which would cause the District's obligations hereunder to be "arbitrage bonds" within the meaning of Section 148 of the Code.

(c) Federal Guarantee. The District and the Corporation will make no use of the monies paid to the Corporation by the Assignee or take or omit to take any action that would cause the District's obligations hereunder to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(d) Information Reporting. The District and the Corporation will take or cause to be taken all necessary action to comply with the informational reporting requirements of Section 149(e) of the Code.

(e) Hedge Bonds. The District and the Corporation will make no use of the monies paid to the Corporation by the Assignee or any other amounts or property, regardless of the source, or take any action or refrain from taking any action that would cause the District's obligations hereunder to be considered "hedge bonds" within the meaning of Section 149(g) of the Code unless the District takes all necessary action to assure compliance with the requirements of Section 149(g) of the Code to maintain the exclusion from gross income of the Interest Components for federal income tax purposes.

(f) Miscellaneous. The District and the Corporation will take no action, or omit to take any action, inconsistent with the expectations stated in the Tax Certificate and will comply with the covenants and requirements stated therein and incorporated by reference herein.

Section 406. Maintenance and Operation of the Water System. The District will maintain and preserve the Water System in good repair and working order at all times and will operate the Water System in an efficient and economical manner and will pay all Maintenance and Operation Expenses as they become due and payable.

Section 407. Payment of Claims. The District will pay and discharge any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien on the Revenues or the funds or accounts created hereunder or on any funds in the hands of the District pledged to pay the Installment Payments prior or superior to the lien of the Installment Payments or which might impair the security of the Installment Payments.

Section 408. Compliance with Contracts. The District will neither take nor omit to take any action under any contract if the effect of such act or failure to act would in any manner impair or adversely affect the ability of the District to pay Installment Payments; and the District will comply with, keep, observe and perform all agreements, conditions, covenants and terms, express or implied, required to be performed by it contained in all other contracts affecting or involving the Water System, to the extent that the District is a party thereto.

Section 409. Insurance.

(a) The District will procure and maintain or cause to be procured and maintained insurance on the Water System with responsible insurers in such amounts and against such risks (including damage to or destruction of the Water System) as are usually covered in connection with a

water system similar to the Water System so long as such insurance is available from reputable insurance companies on commercially reasonable terms.

In the event of any damage to or destruction of the Water System caused by the perils covered by such insurance, the Net Proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the Water System. The District shall begin such reconstruction, repair or replacement promptly after such damage or destruction shall occur, and shall continue and properly complete such reconstruction, repair or replacement as expeditiously as possible, and shall pay out of such Net Proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same shall be completed and the Water System shall be free and clear of all claims and liens.

If such Net Proceeds exceed the costs of such reconstruction, repair or replacement portion of the Water System, and/or the cost of the construction of additions, betterments, extensions or improvements to the Water System, then the excess Net Proceeds may, at the option of the District, be applied in part to the prepayment of Installment Payments as provided in Section 308 and in part to such other fund or account as may be appropriate and used for the retirement of Bonds and Contracts in the same proportion which the aggregate unpaid principal balance of Installment Payments then bears to the aggregate unpaid principal amount of such Bonds and Contracts. If such Net Proceeds are sufficient to enable the District to retire the entire obligation evidenced hereby prior to the final due date of the Installment Payments as well as the entire obligations evidenced by Bonds and Contracts then remaining unpaid prior to their final respective due dates, the District may elect not to reconstruct, repair or replace the damaged or destroyed portion of the Water System, and/or not to construct other additions, betterments, extensions or improvements to the Water System; and thereupon such Net Proceeds shall be applied to the prepayment of Installment Payments as provided in Article VII and to the retirement of such Bonds and Contracts.

(b) The District will procure and maintain such other insurance as it shall deem advisable or necessary to protect its interests and the interests of the Corporation, which insurance shall afford protection in such amounts and against such risks as are usually covered in connection with a water system similar to the Water System.

(c) Any insurance required to be maintained by paragraph (a) above and, if the District determines to procure and maintain insurance pursuant to paragraph (b) above, such insurance, may be maintained under a self-insurance program so long as such self-insurance is maintained in the amounts and manner usually maintained in connection with a water system similar to the Water System and is, in the opinion of an accredited actuary, actuarially sound.

Section 410. Accounting Records; Financial Statements and Other Reports.

(a) The District will keep appropriate accounting records in which complete and correct entries shall be made of all transactions relating to the District, which records shall be available for inspection by the Corporation and the Trustee at reasonable hours and under reasonable conditions.

(b) The District will prepare and file with the Corporation and its assignee annually within two hundred seventy (270) days after the close of each Fiscal Year (commencing with the Fiscal Year ending June 30, 2012) financial statements of the District for the preceding Fiscal Year prepared in accordance with generally accepted accounting principles, together with an Accountant's Report thereon.

(c) As long as there are any outstanding financial obligations of the District (in excess of \$100,000), the District will notify the Assignee within 10 days following the date of any event that has the potential to have a material impact on the financial condition of the District.

Section 411. Protection of Security and Rights of the Corporation. The District will preserve and protect the security hereof and the rights of the Corporation to the Installment Payments hereunder and will warrant and defend such rights against all claims and demands of all persons.

Section 412. Payment of Taxes and Compliance with Governmental Regulations. The District will pay and discharge all taxes, assessments and other governmental charges which may hereafter be lawfully imposed upon the Water System, or any part thereof or upon the Revenues when the same shall become due. The District will duly observe and conform with all valid regulations and requirements of any governmental authority relative to the operation of the Water System, or any part thereof, but the District shall not be required to comply with any regulations or requirements so long as the validity or application thereof shall be contested in good faith.

Section 413. Amount of Rates and Charges. The District, to the fullest extent permitted by law, shall fix, prescribe and collect Revenues for Water Service which will be at least sufficient to yield during each Fiscal Year Net Revenues equal to one hundred ten percent (110%) of Debt Service and one hundred percent (100%) of Policy Costs. The District may make adjustments from time to time in such Revenues and may make such classification thereof as it deems necessary, but shall not reduce the Revenues then in effect unless the Net Revenues from such reduced Revenues will at all times be sufficient to meet the requirements of this section.

Section 414. Collection of Rates and Charges. The District will have in effect at all times by-laws, rules and regulations requiring each customer to pay the rates and charges applicable to the Water Service and providing for the billing thereof and for a due date and a delinquency date for each bill.

Section 415. Eminent Domain Proceeds. If all or any part of the Water System shall be taken by eminent domain proceedings, the Net Proceeds thereof shall be applied as follows:

(a) If (1) the District files with the Corporation and its assignee a certificate showing (i) the estimated loss of annual Net Revenues, if any, suffered or to be suffered by the District by reason of such eminent domain proceedings, (ii) a general description of the additions, betterments, extensions or improvements to the Water System proposed to be acquired and constructed by the District from such Net Proceeds, and (iii) an estimate of the additional annual Net Revenues to be derived from such additions, betterments, extensions or improvements, and (2) the District, on the basis of such certificate filed with the Corporation and its assignee, determines that the estimated additional annual Net Revenues will sufficiently offset the estimated loss of annual Net Revenues resulting from such eminent domain proceedings so that the ability of the District to meet its obligations hereunder will not be substantially impaired (which determination shall be final and conclusive), then the District shall promptly proceed with the acquisition and construction of such additions, betterments, extensions or improvements substantially in accordance with such certificate and such Net Proceeds shall be applied for the payment of the costs of such acquisition and construction, and any balance of such Net Proceeds not required by the District for such purpose shall be held by the District and shall be treated as Revenues.

(b) If the foregoing conditions are not met, then such Net Proceeds shall be applied by the District in part to the prepayment of Installment Payments as provided in Section 308 and in part to such other fund or account as may be appropriate and used for the retirement of Bonds and Contracts in the same proportion which the aggregate unpaid principal balance of Installment Payments then bears to the aggregate unpaid principal amount of such Bonds and Contracts.

Section 416. Further Assurances. The District will adopt, deliver, execute and make any and all further assurances, instruments and resolutions as may be reasonably necessary or proper to carry out the intention or to facilitate the performance hereof and for the better assuring and confirming unto the Corporation of the rights and benefits provided to it herein.

Section 417. Enforcement of Contracts. The District will not voluntarily consent to or permit any rescission of, nor will it consent to any amendment to or otherwise take any action under or in connection with any contracts previously or hereafter entered into if such rescission or amendment would in any manner impair or adversely affect the ability of the District to pay Installment Payments.

Section 418. Additional Contracts and Bonds.

(a) The District may at any time execute any Contract or issue any Bonds, as the case may be, in accordance herewith; provided there shall be on file with the District either:

(i) A Certificate of the District demonstrating that, during the last audited Fiscal Year or any consecutive twelve (12) calendar month period during the immediately preceding eighteen (18) calendar month period, the Net Revenues were at least equal to 110% of Maximum Annual Debt Service and one hundred percent (100%) of any Policy Costs, including the Contracts proposed to be executed or the Bonds proposed to be issued; provided, that for the purpose of providing this Certificate, the District may adjust the foregoing Net Revenues to reflect:

(A) An allowance for Net Revenues that would have been derived from each new connection to the Water System that, during all or any part of such Fiscal Year or twelve (12) calendar month period, was not in existence, in an amount equal to the estimated additional Net Revenues that would have been derived from each such connection if it had been made prior to the beginning of such Fiscal Year or twelve (12) calendar month period, and

(B) An allowance for Net Revenues that would have been derived from any increase in the rates, fees and charges fixed and prescribed for Water Service which, during all or any part of such Fiscal Year or twelve (12) calendar month period, was not in effect, in an amount equal to the estimated additional Net Revenues that would have been derived from such increase in rates, fees and charges if it had been in effect prior to the beginning of such Fiscal Year or twelve (12) calendar month period; or

(ii) A Certificate of the District or an Engineer's Report demonstrating that the estimated Net Revenues for each of the five (5) Fiscal Years next following the earlier of (i) the end of the period during which interest on the Contracts proposed to be executed, or the Bonds proposed to be issued (i) is to be capitalized or, if no interest is capitalized, the Fiscal Year in which the Contracts proposed to be executed, or the Bonds proposed to be issued, is executed or issued, or (ii) the date on which substantially all Projects financed with the Contracts proposed to be executed, or the Bonds proposed to be issued, plus all Projects financed with all existing Contracts and Bonds

are expected to commence operations, will be at least equal to 110% of the Maximum Annual Debt Service and one hundred percent (100%) of any Policy Costs for such period; provided, that for the purpose of this section the foregoing estimated Net Revenues may be adjusted to reflect:

(A) An allowance for Net Revenues that are estimated to be derived from any increase in the rates, fees and charges for Water Service in effect and being charged or from any increase in the rates, fees and charges for Water Service that are expected to be charged; and

(B) An allowance for Net Revenues that are estimated to be derived from customers of the Water System anticipated to be served by the additions, betterments or improvements to the Water System to be financed by the Contracts proposed to be executed, or the Bonds proposed to be issued, together with any additional Contracts and Bonds expected to be executed or issued during such five (5) year period.

(iii) No event of default, or event which with the passage of time would constitute an event of default, shall exist hereunder.

Notwithstanding the foregoing provisions, the District may issue bonds and contracts the payment of which are subordinate to Bonds and Contracts and which are subordinate to the payment by the District of the Installment Payments without meeting the test provided in this Section 418.

Notwithstanding the foregoing provisions, the District may issue refunding Bonds and Contracts for the purpose of refunding any Bond or Contract without complying with the parity requirements set forth in (a)(i) and (a)(ii); provided that the Debt Service payable by the District for each Fiscal Year with respect to such refunding Contracts or Bonds is less than or equal to 105% of the Debt Service for each corresponding Fiscal Year for such Contracts or Bonds being refunded.

The District shall provide written notice to the Corporation and its assignee upon the issuance of any additional Contracts and Bonds.

Section 419. Payments in Connection with the State Water Supply Contract. The District shall apply to the payments due for any Fiscal Year under that certain Water Supply Contract, by and between the District and the State of California Department of Water Resources, as amended, all amounts the District collects through the *ad valorem* assessment levied to pay such amounts.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

Section 501. Events of Default Defined. The following shall be “events of default” under this Agreement and the terms “events of default” and “default” shall mean, whenever they are used in this Agreement, with respect to the Project, any one or more of the following events, namely:

(a) Failure by the District to pay any Installment Payment or other payment required to be paid hereunder at the time specified herein or a failure to make any payment required with respect to a Bond or a Contract when due;

(b) Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in clause (a) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the District by the Corporation or its assignee; provided, however, that the Corporation or its assignee may, upon written request of the District prior to the expiration of such thirty (30) day period, consent to an extension of such time in order to cure such failure if corrective action has been instituted by the District and is being diligently pursued and will, in the judgment of the Corporation or its assignee, be diligently pursued until the default is corrected;

(c) A court having jurisdiction shall enter a decree or order for relief in respect of the District in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the District or for any substantial part of its property, or ordering the winding up or liquidation of its affairs, and such decree or order shall remain unstayed and in effect for a period of sixty (60) days; or

(d) The District shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the District for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due or shall take any corporate action in furtherance of any of the foregoing.

Section 502. Remedies on Default; Suits at Law or in Equity and Mandamus; Payment of Interest at Default Rate.

(a) In case one or more of the events of default shall happen, then and in every such case, the Corporation or its assignee may proceed to protect and enforce the rights vested in the Corporation by this Agreement by such appropriate judicial proceeding as the Corporation or its assignee shall deem most effectual to protect and enforce any such right, either by suit in equity or by action at law, whether for the specific performance of any covenant or agreement contained in this Agreement or by law. The provisions of this Agreement and the duties of the District and of the officers, agents and employees thereof shall be enforceable by the Corporation or its assignee by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

(b) Without limiting the generality of the foregoing, the Corporation and its assignee have the right:

(i) Accounting. By action or suit in equity to require the District and its officers, agents and employees to account as the trustee of an express trust.

(ii) Injunction. By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the Corporation or its assignee.

(iii) Mandamus. By mandamus or other suit, action or proceeding at law or equity to enforce its or their rights against the District and its and any of its officers, agents, and employees, and to compel it or them to perform and carry out its and their duties and obligations under the law and its and their covenants and agreements with the District as provided herein.

(c) Following an event of default under Section 501(a), in addition to the Interest Components, the District shall pay additional interest on the unpaid Principal Components at the rate of two and nine-tenths percent (2.9%) so that the Corporation, or its assignee, is receiving interest payments on the unpaid Principal Components at the rate of six percent (6%) per annum until such event of default is cured.

Section 503. Application of Funds Upon Default. Following an event of default as provided in Section 501, all Revenues thereafter received and all amounts in the Rate Stabilization Fund shall be applied in the following order -

First, to the payment, without preference or priority, and in the event of any insufficiency of such Revenues ratably without any discrimination or preference, of the fees, costs and expenses of the Trustee, the Insurer, the Corporation and its assignee, including reasonable compensation to its accountants and counsel;

Second, to the payment of the Maintenance and Operation Expenses; and

Third, to the payment of the entire principal amount of the unpaid Installment Payments and the unpaid principal amount of all Bonds and Contracts and the accrued interest thereon, with interest on the overdue installments at the rate or rates of interest applicable to the unpaid Installment Payments and such Bonds and Contracts if paid in accordance with their respective terms.

Section 504. Non Waiver. Nothing in this Article V or in any other provision of this Agreement shall affect or impair the obligation of the District, which is to pay the Installment Payments, as herein provided. No delay or omission of the Corporation or its assignee to exercise any right or power arising upon the happening of any event of default shall impair any such right or power or shall be construed to be a waiver of any such event of default or any acquiescence therein, and every power and remedy given by this Article V to the Corporation and its assignee may be exercised from time to time and as often as shall be deemed expedient by the Corporation or its assignee.

Section 505. Remedies Not Exclusive. No remedy herein or by law conferred upon or reserved to the Corporation or its assignee is intended to be exclusive of any other remedy, but each such remedy is cumulative and in addition to every other remedy, and every remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise may be exercised without exhausting and without regard to any other remedy conferred or by any law. If any remedial action is discontinued or abandoned, the Corporation and its assignee shall be restored to their former positions.

Section 506. Status Quo. In case any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and then discontinued or abandoned, or shall be determined adversely to the Corporation and its assignee, then, and in every such case, the Corporation and its assignee shall be restored to its former position and rights and remedies as if no such suit, action or proceedings had been brought or taken.

ARTICLE VI

MISCELLANEOUS

Section 601. Liability of District Limited to Revenues. Notwithstanding anything contained herein, the District shall not be required to advance any moneys derived from any source of income other than the Revenues and the Rate Stabilization Fund for the payment of amounts due hereunder or for the performance of any agreements or covenants required to be performed by it contained herein. The District may, however, advance moneys for any such purpose so long as such moneys are derived from a source legally available for such purpose and may be legally used by the District for such purpose.

The obligation of the District to make the Installment Payments is a special obligation of the District payable solely from the Net Revenues, and does not constitute a debt of the District or of the State of California or of any political subdivision thereof in contravention of any constitutional or statutory debt limitation or restriction.

Section 602. Benefits of Installment Purchase Agreement Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the District or the Corporation or its assignee under the Assignment Agreement any right, remedy or claim under or pursuant hereto, and any agreement or covenant required herein to be performed by or on behalf of the District or the Corporation shall be for the sole and exclusive benefit of the other party and each assignee under the Assignment Agreement.

Section 603. Successor Is Deemed Included in all References to Predecessor. Whenever either the District or the Corporation is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the District or the Corporation, and all agreements and covenants required hereby to be performed by or on behalf of the District or the Corporation shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 604. Waiver of Personal Liability. No director, officer or employee of the District shall be individually or personally liable for the payment of the Installment Payments, but nothing contained herein shall relieve any director, officer or employee of the District from the performance of any official duty provided by any applicable provisions of law or hereby.

Section 605. Article and Section Headings, Gender and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. All references herein to "Articles," "Sections" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words "hereby," "herein," "hereof," "hereto," "herewith" and other words of similar import refer to this Agreement as a whole and not to any particular article, section, subdivision or clause hereof.

Section 606. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the District or the Corporation shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements

and covenants or portions thereof and shall in no way affect the validity hereof. The District and the Corporation hereby declare that they would have executed this Agreement, and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 607. Assignment. This Agreement and any rights hereunder may be assigned by the Corporation, as a whole pursuant to the terms of the Assignment Agreement, without the necessity of obtaining the prior consent of the District.

Section 608. California Law. THE INSTALLMENT PURCHASE AGREEMENT SHALL BE CONSTRUED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

Section 609. Notices. All written notices to be given hereunder shall be given by mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

If to the District:	Palmdale Water District 2029 East Avenue Q Palmdale, California 93550 Attention: General Manager
If to the Corporation:	Palmdale Water District Public Facilities Corporation 2029 East Avenue Q Palmdale, California 93550 Attention: Executive Director
If to the Trustee:	The Bank of New York Mellon Trust Company, N.A. 400 South Hope Street, Suite 400 Los Angeles, California 90071 Attention: Corporate Trust Department
If to the Assignee:	Western Alliance Bancorporation c/o Bank of Nevada One East Washington St., Suite 1400 Phoenix, AZ 85004 Attention: Jim Sult, Jr., Vice President

Section 610. Effective Date. This Agreement shall become effective upon its execution and delivery, and shall terminate when the Purchase Price shall have been fully paid (or provision for the payment thereof shall have been made to the written satisfaction of the Corporation).

Section 611. Indemnification of Corporation. The District hereby agrees to indemnify and hold harmless the Corporation if and to the extent permitted by law, from and against all claims, advances, damages and losses, including legal fees and expenses, arising out of or in connection with

the acceptance or the performance of its duties hereunder and under the Trust Agreement; provided that no indemnification will be made for willful misconduct, negligence or breach of an obligation hereunder or under the Trust Agreement by the Corporation.

Section 612. Amendments Permitted. This Agreement and the rights and obligations of the Corporation and the District may be modified or amended at any time by an amendment hereto which shall become binding upon execution by the Corporation, or its assignee, and the District.

Section 613. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 614. Attorneys' Fees. If the Corporation or its assignee prevails in any action brought to enforce any of the terms and provisions of this Agreement following a default hereunder by the District, the District agrees to pay reasonable attorneys' fees incurred by the Corporation or its assignee in attempting to enforce any of the remedies available to the Corporation or its assignee hereunder, whether or not a lawsuit has been filed and whether or not any lawsuit culminates in a judgment.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their respective names by their duly authorized officers as of the date first above written.

PALMDALE WATER DISTRICT PUBLIC
FACILITIES CORPORATION, as Seller

By: _____
Its: President of the Board of Directors

ATTEST:

Secretary of the Board of Directors

PALMDALE WATER DISTRICT, as Purchaser

By: _____
Its: President of the Board of Directors

ATTEST:

Secretary of the Board of Directors

EXHIBIT “A”

DEFINITIONS

Any terms not defined herein shall have the same meaning as set forth in the Trust Agreement.

Agreement or the Installment Purchase Agreement. The term “Agreement” or “Installment Purchase Agreement” means the Installment Purchase Agreement, dated as of November 1, 2012, by and between the District and the Corporation, as supplemented or amended from time to time.

Assignee. The term “Assignee” means the Bank of Nevada and any subsequent assignee of all of the Bank of Nevada’s right, title and interest under the Assignment Agreement.

Assignment Agreement. The term “Assignment Agreement” means that certain Assignment Agreement, by and between the Corporation and the Assignee, dated as of November 1, 2012, as supplemented or amended from time to time.

Assumed Interest Rate. The term “Assumed Interest Rate” means the amount of interest calculated in accordance with the following provisions:

(A) Generally. Except as otherwise provided in subparagraph (B) below with respect to Variable Interest Rate Contracts, in subparagraph (C) below with respect to Contracts or Bonds with respect to which a Payment Agreement is in force, and in subparagraph (D) below with respect to Balloon Contracts, interest on any Contracts or Bonds shall be calculated based on the actual amount of interest that is payable under such Contracts or Bonds;

(B) Interest on Variable Interest Rate Contracts. Interest deemed to be payable on any Variable Interest Rate Contract for periods when the actual interest rate can be determined shall be the actual Variable Interest Rates and for periods when the actual interest rate cannot yet be determined shall be calculated on the assumption that the interest rate on such Variable Interest Rate Contract would be equal to (i) the average rate that accrued on such Variable Interest Rate Contract over the preceding 12 months, or (ii) if the Variable Interest Rate Contract has not been accruing interest at a variable rate for 12 months, the average interest rate that accrued on an outstanding Variable Interest Rate Contract of the District for which interest is computed on substantially the same basis during the preceding twelve month period, or (iii) if no such comparable Variable Interest Rate Contract was outstanding during the 12 months preceding the date of calculation, then (x) if the interest on such Variable Interest Rate Contract is excluded from gross income for purposes of Federal income taxation, 90% of the average rate of interest for The Bond Buyer Revenue Bond Index over the preceding 12 months, or, if that index is no longer published, a similar index selected by the District and acceptable to each credit enhancer providing credit enhancement for an outstanding Contracts or Bonds, or, if the District fails to select a replacement index, an interest rate equal to 80% of the yield for outstanding United States Treasury bonds having an equivalent maturity as the Variable Rate Interest Contract, or if there are no such Treasury Bonds having equivalent maturities, 80% of the lowest prevailing prime rate of any of the five largest commercial banks in the United States, ranked by assets, and (y) if interest on such Variable Interest Rate Contract is not excluded from gross income for purposes of Federal income taxation, 110% of the yield for outstanding United States Treasury bonds having an equivalent maturity as the Variable Rate Interest

Contract, or if there are no such United States Treasury Bonds having equivalent maturities, 110% of the lowest prevailing prime rate of any of the five largest commercial banks in the United States, ranked by assets;

(C) Interest on Obligations with respect to which a Payment Agreement is in Force. Interest deemed to be payable on any Contracts or Bonds with respect to which a Payment Agreement is in force shall be based on the net economic effect on the District expected to be produced by the terms of such Contracts or Bonds and such Payment Agreement, including but not limited to the effects that (i) such Contracts or Bonds would, but for such Payment Agreement, be treated as an obligation bearing interest at a Variable Interest Rate instead shall be treated as an obligation bearing interest at a fixed interest rate, and (ii) such Contracts or Bonds would, but for such Payment Agreement, be treated as an obligation bearing interest at a fixed interest rate instead shall be treated as an obligation bearing interest at a Variable Interest Rate; and accordingly, the amount of interest deemed to be payable on any Contracts or Bonds with respect to which a Payment Agreement is in force shall be an amount equal to the amount of interest that would be payable at the rate or rates stated in such Contracts or Bonds plus the Payment Agreement Payments minus the Payment Agreement Receipts, and for the purpose of calculating as nearly as practicable the Payment Agreement Receipts and the Payment Agreement Payments under such Contracts or Bonds, the following assumptions shall be made:

(1) District Obligated to Pay Net Variable Payments. If a Payment Agreement has been entered into by the District with respect to Contracts or Bonds resulting in the payment of a net variable interest rate with respect to such Contracts or Bonds and Payment Agreement by the District, the interest rate on such Contracts or Bonds for future periods when the actual interest rate cannot yet be determined shall be assumed (but only during the period the Payment Agreement is in effect) to be equal to the sum of (i) the fixed rate or rates stated in such Contracts or Bonds, minus (ii) the fixed rate paid by the Qualified Counterparty to the District, plus (iii) the lesser of (A) the interest rate cap, if any, provided by a Qualified Counterparty with respect to such Payment Agreement (but only during the period that such interest rate cap is in effect) and (B) the applicable Variable Interest Rate calculated in accordance with paragraph (B) above; and

(2) District Obligated to Pay Net Fixed Payments. If a Payment Agreement has been entered into by the District with respect to Contracts or Bonds resulting in the payment of a net fixed interest rate with respect to such Contracts or Bonds and Payment Agreement by the District, the interest on such Contracts or Bonds shall be included in the calculation of Payments (but only during the period the Payment Agreement is in effect) by including for each Fiscal Year or twelve (12) calendar month period an amount equal to the amount of interest payable at the fixed interest rate pursuant to such Payment Agreement;

(D) Interest on Balloon Contracts. If any outstanding Contracts or Bonds constitute Balloon Contracts (and such Contracts or Bonds do not constitute Short-Term Obligations excluded from the calculation of the Payments pursuant to clause (E), below) or if Contracts or Bonds proposed to be incurred would constitute Balloon Contracts (and such Contracts or Bonds would not constitute Short-Term Obligations excluded from the calculation of the Payments pursuant to clause (E), below), then such Balloon Contracts shall be treated as if the principal amount of such Contracts or Bonds were amortized from the date originally incurred in substantially equal installments of principal and interest over a term of 30 years (provided, however, that the full principal amount of such Balloon Contract shall be included in making such calculation if such principal amount is due within 90 days of the date such calculation is being made); and, if interest

accrues under such Balloon Contract at other than a fixed rate, the interest rate used for such computation shall be (x) if the interest on such Contracts or Bonds is excluded from gross income for purposes of Federal income taxation, 90% of the average rate of interest for The Bond Buyer Revenue Bond Index over the preceding 12 months, or if that index is no longer published, a similar index selected by the District and acceptable to each credit enhancer providing credit enhancement for outstanding Contracts or Bonds, or if the District fails to select a replacement index, an interest rate equal to 80% of the yield for outstanding United States Treasury bonds having an equivalent maturity as the Contracts or Bonds on the date incurred, or if there are no such United States Treasury bonds having equivalent maturities, 80% of the lowest prevailing prime rate of any of the five largest commercial banks in the United States, ranked by assets, and (y) if the interest on such Contracts or Bonds is not excluded from gross income for purposes of Federal income taxation, the rate equal to 110% of the yield for outstanding United States Treasury bonds having an equivalent maturity as the Balloon Contract, or, if there are no such United States Treasury Bonds having equivalent maturities, 110% of the lowest prevailing prime rate of any of the five largest commercial banks in the United States, ranked by assets;

(E) Exclusion of Certain Short-Term Obligations. If any outstanding Contracts or Bonds constitute Short-Term Obligations or if Contracts or Bonds proposed to be incurred would constitute Short-Term Obligations, and such Short-Term Obligations are or will be payable only out of Revenues of the Fiscal Year in which such Short-Term Obligations are incurred, then such Short-Term Obligations shall be disregarded and not included in calculating Payments;

(F) Credit for Accrued and Capitalized Interest. If amounts constituting accrued interest or capitalized interest have been deposited with a third party trustee, then the interest payable from such amounts with respect to the Contracts or Bonds shall be disregarded and not included in calculating Parity Payments.

Authorized Officer. The term “Authorized Officer”, when used with respect to the District, means the President, Vice President or Secretary of the Board of Directors, General Manager or any deputy or assistant of the General Manager designated by the General Manager or any other officer of the District which is designated by the Board of Directors of the District as an Authorized Officer. The term “Authorized Officer”, when used with respect to the Corporation, means the President, any Vice President, Secretary, Assistant Secretary or Treasurer of the Corporation or any other officer of the Corporation which is designated by the Board of Directors of the Corporation as an Authorized Officer.

Balloon Contract. The term “Balloon Contract” means Contracts or Bonds 50% or more of the principal of which matures or is payable on the same date and which is not required by the instrument pursuant to which such Contracts or Bonds were incurred to be amortized by payment or redemption prior to such date.

Balloon Installment Payments. The term “Balloon Installment Payments” means any Parity Payments designated as such in any Balloon Contract.

Bond Counsel. The term “Bond Counsel” means a nationally recognized law firm specializing in the area of tax exempt municipal finance.

Bonds. The term “Bonds” means all revenue bonds or notes of the District authorized, executed, issued and delivered by the District, the payments of which are on a parity with the

Installment Payments and which are secured by the Net Revenues of the District. The term Bonds does not include bonds heretofore or hereafter issued required by law to be paid from the District assessments.

Certificate of the District. The term “Certificate of the District” means an instrument in writing signed by the President, or by any other officer of the District duly authorized by the Board of Directors for that purpose.

Closing Date. The term “Closing Date” means the date the Assignee pays the amount specified in Section 301 hereof.

Code. The term “Code” means the Internal Revenue Code of 1986, as amended, and any regulations, rulings, judicial decisions, notices, announcements, and other releases of the United States Treasury Department or Internal Revenue Service interpreting and construing it.

Contracts. The term “Contracts” means the Installment Purchase Agreement and any amendments and supplements thereto, and all contracts of the District, including Payment Agreements, authorized and executed by the District, the payments under which are on a parity with the Installment Payments and which are secured by the Net Revenues of the District. The term Contracts does not include the contract with the State of California for the State Water Project.

Corporation. The term “Corporation” means Palmdale Water District Public Facilities Corporation.

Debt Service. The term “Debt Service” shall mean, for any Fiscal Year, the sum of (1) the interest paid during such Fiscal Year on all outstanding Bonds, assuming that all outstanding serial Bonds are retired as scheduled and that all outstanding term Bonds are prepaid or paid from sinking fund payments as scheduled (except to the extent that such interest is to be paid from the proceeds of sale of any Bonds), (2) that portion of the principal amount of all outstanding serial Bonds paid during such Fiscal Year, (3) that portion of the principal amount of all outstanding term Bonds required to be paid during such Fiscal Year, and (4) that portion of any payments, including the Installment Payments, required to be made at the times provided in the Contracts during such Fiscal Year.

For purposes of this definition, interest on any Contracts or Bonds executed or issued by the District shall be calculated based upon the Assumed Interest Rate.

District. The term “District” means Palmdale Water District.

Engineer’s Report. The term “Engineer’s Report” means a report signed by an Independent Engineer.

Fiscal Year. The term “Fiscal Year” means the twelve (12) months beginning on January 1st and ending on the following December 31st.

Independent Financial Consultant, or Independent Certified Public Accountant. The terms “Independent Financial Consultant”, or “Independent Certified Public Accountant” means any individual or firm engaged in the profession involved, appointed by the Agency, and who, or each of whom, has a favorable reputation in the field in which his/her opinion or certificate will be given, and:

- (1) Is in fact independent and not under domination of the District;
- (2) Does not have any substantial interest, direct or indirect, with the District; and
- (3) Is not connected with the District as an officer or employee of the District, but who may be regularly retained to make reports to the District.

Independent Engineer. The term “Independent Engineer” means any registered engineer or firm of registered engineers of national reputation generally recognized to be well qualified in engineering matters relating to water delivery and wastewater collection systems, appointed and paid by the District, and who or each of whom –

- (1) is in fact independent and not under the domination of the District;
- (2) does not have a substantial financial interest, direct or indirect, in the operations of the District; and
- (3) is not connected with the District as a director, officer or employee of the District, but may be regularly retained to make reports to the District.

Installment Payment Dates. The term “Installment Payment Dates” shall mean the dates set forth in Exhibit “C” hereto.

Installment Payments. The term “Installment Payments” means Installment Payments payable by the District to the Corporation or its assignee pursuant to the Agreement as more particularly set forth in Exhibit “C” attached to the Agreement.

Insurer. The term “Insurer” means Assured Guaranty Municipal Corp., the insurer of the Revenue Certificates of Participation Series 2004 outstanding under the Trust Agreement.

Maintenance and Operation Expenses. The term “Maintenance and Operation Expenses” means the reasonable and necessary costs paid or incurred by the District for maintaining and operating the water system of the District, determined in accordance with generally accepted accounting principles, including any water purchase costs (exclusive of any recovered amount from the State of California’s Department of Water Resources) and all reasonable expenses of management and repair and other expenses necessary to maintain and preserve the water system of the District in good repair and working order, and including all administrative costs of the District that are charged directly or apportioned to the maintenance and operation of the water system of the District, such as salaries and wages of employees, overhead, insurance, taxes (if any) and insurance premiums, and including all other reasonable and necessary costs of the District or charges required to be paid by it to comply with the terms of the Installment Purchase Agreement and other Bonds and Contracts, such as compensation, reimbursement and indemnification of the Trustee; but excluding in all cases depreciation, replacement and obsolescence charges or reserves therefor and amortization of intangibles or other bookkeeping entries of a similar nature.

Maximum Annual Debt Service. The term “Maximum Annual Debt Service” means the highest Debt Service for any Fiscal Year or twelve (12) calendar month period through the final maturity date of all Contracts and Bonds; provided, however, for purposes of such calculation, the interest on all Contracts and Bonds shall be computed at the applicable Assumed Interest Rate.

Net Proceeds. The term “Net Proceeds”, when used with respect to any insurance or condemnation award, means the gross proceeds from such insurance or condemnation award, paid with respect to the Project, remaining after payment therefrom of all expenses incurred in the collection of such gross proceeds.

Net Revenues. The term “Net Revenues” means, for any Fiscal Year, the Revenues for such Fiscal Year less the Maintenance and Operation Expenses for such Fiscal Year.

1991 Project. The term “1991 Project” means the improvements to the District’s water treatment plant and appurtenances thereto.

1993 Project. The term “1993 Project” means the construction of improvements to the Littlerock Dam and Reservoir and appurtenances thereto, including equipment.

1998 Installment Purchase Agreement. The term “1998 Installment Purchase Agreement” means the Amended and Restated Installment Purchase Agreement, executed and entered into as of March 1, 1998, by and between the District and the Corporation.

Parity Payment Agreement. The term “Parity Payment Agreement” means a Payment Agreement which is a Contract.

Parity Payments. The term “Parity Payments” means all installment payments and other debt service payments scheduled to be paid by the District under all Contracts or Bonds.

Parity Payments Date. The term “Parity Payments Date” means the date on which any Parity Payments are due on Contracts or Bonds.

Payment Agreement. The term “Payment Agreement” means a written agreement for the purpose of managing or reducing the District’s exposure to fluctuations in interest rates or for any other interest rate, investment, asset or liability managing purposes, entered into either on a current or forward basis by the District and a Qualified Counterparty as authorized under any applicable laws of the State in connection with, or incidental to, the entering into of any Contracts or Bonds, that provides for an exchange of payments based on interest rates, ceilings or floors on such payments, options on such payments or any combination thereof, or any similar device.

Payment Agreement Payments. The term “Payment Agreement Payments” means the amounts periodically required to be paid by the District to all Qualified Counterparties under all Payment Agreements.

Payment Agreement Receipts. The term “Payment Agreement Receipts” means the amounts periodically required to be paid by all Qualified Counterparties to the District under all Payment Agreements.

Payment Dates. The term “Payment Dates” means April 1 and October 1 of each year, commencing April 1, 2013.

Policy Costs. The term “Policy Costs” means the annual amount due with respect to any policy or surety bond in lieu of depositing cash in the Reserve Fund or any reserve fund established for any Bonds or Contracts.

Principal Components. The term “Principal Components” means the portion of the Installment Payments constituting the unpaid principal due hereunder as specified in Exhibit “C” hereto.

Project. The term “Project” means the improvements to the Water System consisting of the 1991 Project and the 1993 Project which were refinanced pursuant to the 1998 Installment Purchase Agreement, as more fully described in Exhibit “B” hereto, refinanced under the Agreement.

Qualified Counterparty. The term “Qualified Counterparty” means a party (other than the District or a party related to the District) who is the other party to a Payment Agreement and (1) (a) who is rated at least equal to the ratings assigned by each of the Rating Agencies to the obligations secured by Parity Payments (without regard to any gradations within a rating category), but in no event less than a rating of “A” from Fitch, “A2” from Moody’s and “A” from S&P, (b) whose senior debt obligations are rated at least equal to the ratings assigned by each of the Rating Agencies to the obligations secured by Parity Payments (without regard to any gradations within a rating category), or guaranteed by an entity so rated, (c) whose obligations under the Payment Agreement are guaranteed for the entire term of the Payment Agreement by a bond insurer or other institution which has been assigned a credit rating at least equal to the ratings assigned by each of the Rating Agencies to the obligations secured by Parity Payments (without regard to any gradations within a rating category), but in no event less than a rating of “A” from Fitch, “A2” from Moody’s and “A” from S&P, or (d) whose obligations under the Payment Agreement are collateralized in such a manner as to obtain a rating at least equal to the ratings assigned by each of the Rating Agencies to the obligations secured by Parity Payments, and (2) who is otherwise qualified to act as the other party to a Payment Agreement under all applicable laws of the State.

Rate Stabilization Fund. The term “Rate Stabilization Fund” means the Rate Stabilization Fund established pursuant to Section 309 hereof.

Reserve Fund. The term “Reserve Fund” means the account by that name established under, and held by the Trustee pursuant to Section 5.04 of the Trust Agreement.

Reserve Policy. The term “Reserve Policy” means that certain municipal bond debt service reserve fund policy issued by the Insurer to satisfy the Reserve Requirement under the Trust Agreement.

Revenues. The term “Revenues” means, for any Fiscal Year, all income, rents, rates, fees, charges and other moneys derived from the ownership or operation of the District’s Water System, including, without limiting the generality of the foregoing, (1) all income, rents, rates, fees, charges, business interruption insurance proceeds or other moneys derived by the District from the sale, furnishing and supplying of the water or other services, facilities, and commodities sold, furnished or supplied through the facilities of or in the conduct or operation of the business of the water system, plus (2) proceeds of the District’s share of the County’s 1% property tax received by the District, if any, plus (3) the earnings on and income derived from the investment of such income, rents, rates, fees, charges, or other moneys, including District reserves and the Reserve Fund, plus (4) the proceeds of any stand by or water availability charges collected by the District, but excluding in all cases customer deposits or any other deposits or advances subject to refund until such deposits or advances have become the property of the District and excluding any proceeds of assessment required by law to be used by the District to pay bonds heretofore or hereafter issued and to pay the contract payments due under the State Water Project Contract, plus (5) money withdrawn from the

Rate Stabilization Fund in such Fiscal Year, minus (6) any Revenues transferred to the Rate Stabilization Fund in such Fiscal Year.

Short-Term Obligations. The term “Short-Term Obligations” means Contracts or Bonds having an original maturity of less than or equal to one year and which are not renewable at the option of the District for a term greater than one year beyond the date of original incurrence.

Termination Payments. The term “Termination Payments” means any payments due and payable to a Qualified Counterparty in connection with the termination of a Payment Agreement.

Trust Agreement. The term “Trust Agreement” means that certain Trust Agreement, dated as of September 1, 2004, by and among the Trustee, the District and the Corporation, as supplemented or amended from time to time.

Trustee. The term “Trustee” means The Bank of New York Mellon Trust Company, N.A. at its corporate trust office in Los Angeles, California, or its successor in interest acting as trustee under the Trust Agreement.

Variable Interest Rate. The term “Variable Interest Rate” means any variable interest rate or rates to be paid under any Contracts or Bonds, the method of computing which variable interest rate shall be as specified in the applicable Contracts or Bonds, which Contracts or Bonds shall also specify either (i) the payment period or periods or time or manner of determining such period or periods or time for which each value of such variable interest rate shall remain in effect, and (ii) the time or times based upon which any change in such variable interest rate shall become effective, and which variable interest rate may, without limitation, be based on the interest rate on certain bonds or may be based on interest rate, currency, commodity or other indices.

Variable Interest Rate Contracts. The term “Variable Interest Rate Contracts” means, for any period of time, any Contracts or Bonds that bear a Variable Interest Rate during such period, except that no Contracts or Bonds shall be treated as a Variable Interest Rate Contract if the net economic effect of interest rates on any particular Parity Payments or such Contracts or Bonds and interest rates on any other Parity Payments of the same Contracts or Bonds, as set forth in such Contracts or Bonds, or the net economic effect of a Payment Agreement with respect to any particular Parity Payments, in either case is to produce obligations that bear interest at a fixed interest rate, and any Contracts or Bonds with respect to which a Payment Agreement is in force shall be treated as a Variable Interest Rate Contract if the net economic effect of the Payment Agreement is to produce obligations that bear interest at a Variable Interest Rate.

Water Service. The term “Water Service” means the water distribution service made available or provided by the Water System.

Water System. The term “Water System” means the entire water supply, treatment, storage and distribution system of the District, including but not limited to all facilities, properties and improvements at any time owned, controlled or operated by the District for the supply, treatment and storage of water to residents of the District and adjacent areas, and any necessary lands, rights, entitlements and other property useful in connection therewith, together with all extensions thereof and improvements thereto at any time acquired, constructed or installed by the District.

EXHIBIT B

DESCRIPTION OF THE PROJECT

A. Description of the 1991 Project.

The 1991 Project consists of improvement and construction of a water treatment plant, including six new filters, three new clarifiers, three additional sludge lagoons, and an enlarged backwash basin.

The 1991 Project also includes new office building on an existing 34 acre site adjacent to the present District offices. The existing office building is 3,100 square feet and was constructed in 1962. The new building is two stories, providing 15,240 square feet.

B. Description of the 1993 Project.

The 1993 Project consists of construction and improvement of the Littlerock Dam and Reservoir and appurtenances thereto, including equipment.

EXHIBIT C

Installment Purchase
Payment Date

Principal Component

Interest Component

Total Payment

TOTAL

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BOND COUNSEL AGREEMENT

PALMDALE WATER DISTRICT

(Prepayment of Refunding Revenue Certificates of Participation, Series 1998)

THIS AGREEMENT is made as of this 14th day of November, 2012, by and between the PALMDALE WATER DISTRICT, an irrigation district organized and existing under the laws of the State of California (herein "District") and STRADLING YOCCA CARLSON & RAUTH, a Professional Corporation (herein "Bond Counsel"):

RECITALS:

A. The District previously has entered into certain transactions with the Palmdale Water District Public Facilities Corporation (the "Corporation") related to the execution and delivery of the Refunding Revenue Certificates of Participation, Series 1998 (the "Certificates") which refinanced improvements to the District's water system (the "Project") and now desires to enter into a transaction to refinance the District's obligations with respect to the Certificates (the "Refinancing") to reduce further the District's borrowing costs; and

B. The District desires to retain Bond Counsel to do the necessary legal work outlined herein upon the terms and conditions set forth herein, and assist in the Refinancing; and

C. Bond Counsel represents that it is ready, willing and able to perform said legal work;

NOW, THEREFORE, in consideration of the premises, and the mutual covenants, terms and conditions herein contained, the parties agree as follows:

1. SCOPE OF SERVICES

A. The District retains Bond Counsel to provide, and Bond Counsel agrees to provide, legal services in connection with the Refinancing. Such services shall include, but not be limited to, the rendering of legal opinions (hereinafter called the "opinions") pertaining to the Refinancing to the effect that:

1. The agreements executed by the District with respect to the Refinancing have been properly authorized and issued and are valid and binding; and
2. The interest component of the installment payments to be made by the District with respect to the Refinancing is exempt from California personal income taxation and is excluded from gross income for purposes of federal income taxes.

Bond Counsel's services will also include:

- i. Researching applicable laws and ordinances relating to the Refinancing;
- ii. Attending conferences and consulting with District staff and District Counsel regarding such laws, and the need for amendments thereto, or additional legislation;
- iii. Participating in meetings, conferences or discussions with any financial advisors, underwriters or other experts retained by the District with respect to the Refinancing;
- iv. Supervising and preparing documentation of the steps to be taken with respect to the Refinancing, including:
 - a. Drafting all resolutions, notices, rules and regulations and other legal documents required for the Refinancing, in consultation with the District, its counsel, financial advisor, underwriter or purchaser for the Refinancing;
 - b. Preparing the record of proceedings for the authorization of the Refinancing;
 - c. Participating in meetings and other conferences scheduled by the District, the District's financial advisor, the underwriter or purchaser for the Refinancing;
 - d. Consulting with the purchaser for the Refinancing and its legal counsel;
 - e. Consulting with general counsel to the District concerning any legislation or litigation which may affect the Refinancing;

Bond Counsel does not and cannot guarantee any outcome in any matter. District acknowledges that Bond Counsel is not a financial advisor and has not rendered any advice to the District as to the financial implications to the District of the Refinancing.

B. Special Services

"Special Services" are defined for purposes of this Agreement as services in addition to the services outlined in Section A above. Special Services will include, but not be limited to, any work related to litigation concerning the Refinancing, whether before or after its completion, and any work after the closing related to the amendment of documents or agreements and special studies or analyses. Special Services must be authorized, in writing, by the General Manager or his designee.

2. COMPENSATION

The District agrees to pay Bond Counsel, but only from the sources of funds specified below, the following amounts as compensation for services rendered by Bond Counsel under this Agreement:

A. For the services to be rendered under this Agreement relating to the Refinancing, it is agreed that Bond Counsel will be paid a fee of \$45,000, which will be payable only from the proceeds of the Refinancing.

B. In the event Bond Counsel is requested to perform Special Services as set forth in Section 1.B above, Bond Counsel will be paid fees at the hourly rates set forth in Exhibit A, or in such other manner as is mutually acceptable to the District and Bond Counsel. Such fees will be billed monthly and shall be payable from funds of the District within thirty (30) days following the receipt of each invoice.

C. In addition to the fees set forth in paragraphs A and B above, Bond Counsel shall be reimbursed for the actual cost of any out-of-pocket expenses reasonably incurred by Bond Counsel in the course of its employment, such as document reproduction, telecommunications charges, printing costs, filing fees, long-distance telephone calls, messenger services, overnight delivery services, travel and similar items of expense. Expenses related to the services described in Section 1.B above will be billed monthly. All expenses incurred in connection with services rendered under Section 1.A will be billed upon the completion of the Refinancing and may include an estimate of expenses to be incurred subsequent to the execution and delivery and will not exceed \$2,000.

3. PERSONNEL AND CONTRACT ADMINISTRATION

District agrees to accept, and Bond Counsel agrees to provide, the services described herein primarily through Robert J. Whalen and Carol L. Lew. If any one of the above attorneys is unable to provide such services due to death, disability or similar event, Bond Counsel reserves the right to substitute another of its attorneys, upon approval by the General Manager, or his designee, to provide such services; and such substitution shall not alter or affect in any way Bond Counsel's or the District's other obligations under this Agreement.

This Agreement will be administered by the General Manager, or his designee.

4. TERMINATION

A. This Agreement may be terminated without cause by the District or Bond Counsel upon thirty (30) days' advance written notice to the other party. Such notification shall state the effective date of the termination of this Agreement.

B. Bond Counsel reserves the absolute right to withdraw from representing the District if, among other things, the District fails to honor the terms of this Agreement, the District fails to cooperate fully or follow Bond Counsel's advice on a material matter, or any fact or circumstance occurs that would, in Bond Counsel's view, render its continuing representation unlawful or unethical. If Bond Counsel elects to withdraw, the District will take all steps necessary to free Bond Counsel of any obligation to perform further services, including the execution of any

documents necessary to complete such withdrawal, and Bond Counsel will be entitled to be paid at the time of withdrawal for all services rendered and costs and expenses paid or incurred on the District's behalf in accordance with the payment terms set forth in Section 2 above. If necessary in connection with litigation, Bond Counsel would request leave of court to withdraw.

C. Bond Counsel's representation of the District will be considered terminated at the earlier of (i) the District's termination of its representation, (ii) Bond Counsel's withdrawal from its representation of the District, or (iii) the substantial completion by Bond Counsel of its substantive work for the District. Unless Bond Counsel has been specifically engaged to perform Special Services, Bond Counsel's representation of District with respect to the Refinancing shall terminate on the date funds are received by the District to prepay the Certificates.

5. ARBITRATION

IN THE EVENT OF A DISPUTE REGARDING FEES, COSTS, OR ANY OTHER MATTER ARISING OUT OF OR RELATED IN ANY WAY WHATSOEVER TO BOND COUNSEL'S RELATIONSHIP WITH THE DISTRICT, OR BOND COUNSEL'S OR THE DISTRICT'S PERFORMANCE OF THIS AGREEMENT, INCLUDING THE QUALITY OF THE SERVICES WHICH BOND COUNSEL RENDERS, THE DISPUTE SHALL BE DETERMINED, SETTLED AND RESOLVED BY CONFIDENTIAL ARBITRATION IN THE COUNTY OF LOS ANGELES, CALIFORNIA. ANY AWARD SHALL BE FINAL, BINDING AND CONCLUSIVE UPON THE PARTIES, AND A JUDGMENT RENDERED THEREON MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. SHOULD YOU ELECT TO HAVE ANY FEE DISPUTE ARBITRATED PURSUANT TO NONBINDING ARBITRATION UNDER STATUTORY OR CASE LAW, THEN SUCH NONBINDING ARBITRATION SHALL DETERMINE ONLY THE ISSUE OF THE AMOUNT OF FEES PROPERLY CHARGEABLE TO YOU. ANY OTHER CLAIMS OR DISPUTES BETWEEN US, INCLUDING CLAIMS FOR PROFESSIONAL NEGLIGENCE, SHALL REMAIN SUBJECT TO BINDING ARBITRATION PURSUANT TO THIS AGREEMENT.

Arbitration may be demanded by the sending of written notice to the other party. If arbitration is demanded, within 20 days of the demand the District shall present a list of five qualified individuals who would be willing to serve that the District would find acceptable to act as arbitrator. To serve as arbitrator, the individual must be a retired judge having served on any federal court or the California Superior Court or higher court in the State of California. Within 20 days of receiving the District's list, Bond Counsel may at its sole discretion (i) select any individual from that list and that individual shall serve as the arbitrator, or (ii) propose its own list of five individuals for arbitrator. If Bond Counsel chooses to present a separate list, the District may within 20 days select any individual from that list and that person shall serve as arbitrator. If no arbitrator can be agreed upon at the end of this process, the District and Bond Counsel each shall select one individual from its own list and those two persons shall jointly select the arbitrator. The arbitration shall be conducted pursuant to the procedures set forth in the California Code of Civil Procedure §§ 1280 et seq., and in that connection you and we agree that § 1283.05 thereof is applicable to any such arbitration. Nothing herein shall limit the right of the parties to stipulate and agree to conduct the arbitration pursuant to the then-current rules of the American Arbitration Association, the Judicial Arbitration & Mediation Services, or any other agreed-upon arbitration services provider.

6. MISCELLANEOUS

A. Bond Counsel and the employees of Bond Counsel, in performance of the Agreement, shall act in an independent capacity and not as officers or agents of the District.

B. Without the written consent of the District, this Agreement is not assignable by Bond Counsel in whole or in part.

C. No alteration or variation of the terms of this Agreement shall be valid unless in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.

D. Bond Counsel does not and cannot guarantee any outcome in a matter.

E. In accordance with the requirements of California Business and Professions Code §6148, Bond Counsel advises you that the firm maintains professional errors and omissions insurance coverage applicable to the services to be rendered to the District.

PALMDALE WATER DISTRICT

By: _____
General Manager

STRADLING YOCCA CARLSON & RAUTH
a Professional Corporation

By: _____
Robert J. Whalen

EXHIBIT A

Shareholders	\$490
Associates	\$295
Paralegals	\$125

PALMDALE WATER DISTRICT
(Prepayment of Revenue Certificates of Participation Series 1998)

PURCHASER'S CERTIFICATE

The undersigned, a duly authorized officer of the Bank of Nevada (the "Purchaser") does hereby certify as follows with regard to the Assignment Agreement, dated as of November 1, 2012 (the "Assignment Agreement"), between the Purchaser and the Palmdale Water District Public Facilities Corporation (the "Corporation") pursuant to which the Corporation is assigning to the Purchaser on the date hereof certain rights of the Corporation pursuant to an Installment Purchase Agreement, dated as of November 1, 2012 (the "Agreement") between the Corporation and the Palmdale Water District, as lessee (the "District"):

1. The Purchaser has full power and authority to carry on its business as now conducted, deliver this certificate and make the representations and certifications contained herein. The Purchaser has duly authorized the execution and delivery of the Assignment Agreement and this Purchaser's Certificate, and the Assignment Agreement has been duly executed and delivered by an authorized officer of the Purchaser.

2. The Purchaser is a lender that regularly extends credit by purchasing loans in the form of state and local government obligations such as the Agreement; has knowledge and experience in financial and business matters that make it capable of evaluating the District, the Agreement and the risks associated with the purchase of certain rights of the Corporation pursuant to the Agreement; has the ability to bear the economic risk of an investment in the Agreement; and is a "qualified institutional buyer" as defined in Rule 144A(a)(1) promulgated under the Securities Act of 1933, as amended. The Purchaser is not acting as a broker, dealer or municipal securities underwriter in connection with its purchase of certain rights of the Corporation pursuant to the Agreement.

3. The Purchaser has conducted its own investigation of the financial condition of the District, the purpose for which the Agreement is being entered into and of the security for the payment of the Installment Payments due under the Agreement, and has obtained such information regarding the Agreement and the District and its operations, financial condition and financial prospects as the Purchaser deems necessary to make an informed investment decision with respect to its purchase of certain rights of the Corporation pursuant to the Agreement.

4. The Purchaser is purchasing certain rights of the Corporation pursuant to the Agreement for its own account solely and not with a view to any distribution of its interests in the Assignment Agreement or any interest therein or portion thereof or without a present intention of distributing or selling its interests in the Assignment Agreement or any interest therein or portion thereof; provided that, the Purchaser retains the right at any time to dispose its interests in the Assignment Agreement in accordance with the provisions of Section 5 thereof as it may determine to be in its best interests. In the event that the Purchaser disposes of its interests in the Assignment Agreement at any time, the Purchaser understands that it has the responsibility for complying with the provisions of the Assignment Agreement with respect thereto and any applicable federal and state securities laws and all rules and regulations promulgated pursuant thereto.

5. The Purchaser understands that the obligation of the District to pay Installment Payments under the Agreement is secured only by Net Revenues as and to the extent described therein and does not constitute a pledge of the full faith and credit or taxing power of the District.

Dated: _____, 2012

BANK OF NEVADA

By: _____
Its:

**PALMDALE
WATER DISTRICT
BOARD MEMORANDUM**

DATE:	November 8, 2012	November 14, 2012
TO:	BOARD OF DIRECTORS	Board Meeting
FROM:	Mr. Bob Egan, Financial Advisor	
RE:	<i>AGENDA ITEM NO. 7.3 – DISCUSSION AND OVERVIEW OF CASH REPORTS</i>	

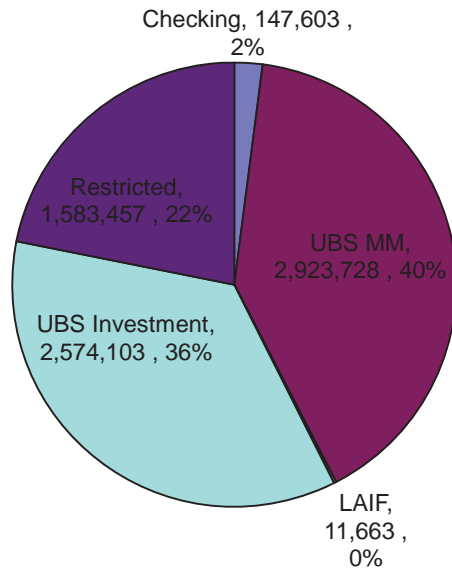
Attached is the Investment Funds Report and current cash balance as of September, 2012. The reports will be reviewed in detail at the Board Meeting.

PALMDALE WATER DISTRICT
INVESTMENT FUNDS REPORT

				September 30, 2012		September-12	August-12
DESCR	A/C #					VALUE	VALUE
CASH							
0-0103	Citizens/US Bank - Checking					(23,304.51)	162,887.53
0-0104	Citizens- Merchant					167,207.08	139,252.96
					Bank cash	143,902.57	302,140.49
0-0119	PETTY CASH					300.00	300.00
0-0120	CASH ON HAND					3,400.00	3,400.00
	TOTAL CASH					147,602.57	305,840.49
INVESTMENTS							
0-0110	UBS ACCOUNT SS 11469 GG						
	UBS RMA Government Portfolio					2,673,715.60	5,004,203.42
	UBS Bank USA Dep acct					250,000.00	250,000.00
						2,923,715.60	5,254,203.42
0-1110	UBS ACCOUNT SS 11475 GG						
	UBS Bank USA Dep acct					11.99	11.99
	UBS RMA Government Portfolio					0.00	0.00
						11.99	11.99
0-0115	LAIF					11,662.57	11,662.57
0-0111	UBS ACCOUNT SS 11432 GG						
	UBS Bank USA Dep acct					41,649.62	41,642.64
	UBS RMA Government Portfolio					502,500.88	0.88
	Accrued interest					6,332.65	6,742.05
	US GOVERNMENT SECURITIES:						
	ISSUE	EXPIR				MARKET	MARKET
	DATE	ISSUER	DATE	RATE	PAR	VALUE	VALUE
		FHLB	10/26/2015	1.625	500,000	518,280.00	520,235.00
		FHLB	3/28/2017	1.00	500,000	0.00	500,280.00
		FNMA	6/28/2017	1.125	500,000	502,280.00	502,520.00
		FNMA	7/17/2017	1.2	500,000	502,510.00	502,605.00
		FNMA	8/22/2017	0.625	500,000	500,550.00	500,665.00
					2,500,000.00	2,023,620.00	2,526,305.00
	TOTAL MANAGED ACCOUNT					2,574,103.15	2,574,690.57
	TOTAL INVESTMENTS					5,509,493.31	7,840,568.55
	TOTAL UNRESTRICTED CASH					5,657,095.88	8,146,409.04
RESTRICTED CASH							
0-1120	1998 Debt Reserve Fund						
	FHLB par 1.4Mil matures 10/18/13 3.625% interest					1,449,616.00	1,453,074.00
	Federated Treasury Obligation MM					110,862.50	207,481.67
	Accrued interest					22,978.47	18,749.30
	TOTAL Restricted CASH					1,583,456.97	1,679,304.97
	GRAND TOTAL CASH AND RESTRICTED CASH					7,240,552.85	9,825,714.01
					Incr (Decr)	(2,585,161.16)	
		Checking		147,603			
		UBS MM		2,923,728			
		LAIF		11,663			
		UBS Investment		2,574,103			
		Restricted		1,583,457			
		Total		7,240,553			

PALMDALE WATER DISTRICT
INVESTMENT FUNDS REPORT

9/30/2012



			4,402,618	5,900,528	7,551,400								
REVISED 10/16/12	2012	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	1,497,910	1,650,872	2,005,547	2,291,232	2,402,584	2,400,731	1,983,766	1,941,288	1,556,933	22,133,481
	1,407,565	1,436,524	1,558,529	1,497,910	1,650,872	2,005,547	2,291,232	2,402,584	2,400,731	1,983,766	1,941,288	1,556,933	
Beginning Balance	9,581,172	10,345,101	9,804,471	8,086,077	9,219,435	10,240,691	10,246,324	10,079,283	9,825,714	7,240,552	6,923,589	6,952,120	
Water Receipts	1,689,691	1,424,941	1,673,663	1,522,158	1,589,687	1,863,677	2,042,046	2,358,043	2,280,299	2,150,552	1,958,279	1,710,675	22,263,711
Other													
Total Operating Revenue	1,689,691	1,424,941	1,673,663	1,522,158	1,589,687	1,863,677	2,042,046	2,358,043	2,280,299	2,150,552	1,958,279	1,710,675	
Operating Expenses:													
Total Operating Expenses excl GAC	1,262,300	1,771,202	1,784,873	1,418,678	1,416,937	1,705,314	1,693,126	1,954,919	1,905,145	1,482,701	1,411,243	1,546,592	19,353,030
													2,910,681
Non-Operating Revenue Expensess:													
Assessments, net	476,956	134,001	7,936	1,496,518	696,673	2,854	401,253	145,546			150,420	1,942,219	5,454,377
Special Avek CIF Payment													0
Interest	6,501	650	1,860	1,849	1,539	2,157	4,864	3,909	183	1,500	1,500	1,500	28,013
Grant Re-imbursement													0
Capital Improvement Fees	693,287	0	0	0	531,216	30,923	0			2,391			1,257,817
													0
DWR Refund					36,235	257,410							293,645
Other /Palmdale Redevel Agency		44,554	11,229	11,229	13,118	124,953	16,981	6,266	9,639	12,000	12,000	12,000	273,969
Total Non-Operating Revenues	1,176,744	179,205	21,025	1,509,596	1,278,781	418,297	423,098	155,721	9,822	15,891	163,920	1,955,719	7,307,821
Capital Expenditures	(273,428)	(268,365)	(190,677)	(323,525)	(86,084)	(414,837)	(93,229)	(271,931)	(183,329)	(176,016)	(329,000)	(269,000)	(2,879,421)
GAC					(219,829)		(213,723)	(216,776)	(217,991)	(216,776)	(216,776)	(219,829)	(1,521,700)
SWP Capitalized	(566,283)	(104,714)	(129,747)	(118,652)	(118,650)	(118,650)	(611,172)	(118,650)	(118,556)	(118,649)	(118,650)	(118,650)	(2,361,023)
Prepaid Insurance (paid) refunded			(64,852)					(187,306)					(252,158)
Bond Payments Interest			(1,207,096)						(1,207,096)				(2,414,192)
Principal									(1,220,000)				(1,220,000)
System Work for AVEK													0
Butte payments										(471,264)			(471,264)
Capital leases	(495)	(495)	(35,838)	(37,540)	(5,712)	(37,540)	(20,936)	(17,751)	(23,166)	(18,000)	(18,000)	(18,000)	(233,473)
Legal adjudication fees													0
Total Cash Ending Balance	10,345,101	9,804,471	8,086,077	9,219,435	10,240,691	10,246,324	10,079,283	9,825,714	7,240,552	6,923,589	6,952,120	8,446,443	(11,353,231)
											Budget	8,100,000	(1,134,729)
actual cash											diff	346,443	

PALMDALE WATER DISTRICT BOARD MEMORANDUM

DATE: November 7, 2012 **November 14, 2012**
TO: Board of Directors **Board Meeting**
FROM: Michael Williams, Finance Manager/CFO
VIA: Mr. Dennis LaMoreaux, General Manager
RE: ***AGENDA ITEM 7.4 – DISCUSSION AND OVERVIEW ON 2012 FINANCIAL STATEMENTS, REVENUE AND EXPENSE AND DEPARTMENTAL BUDGET REPORTS FOR SEPTEMBER, 2012***

Discussion:

Presented here are Balance Sheet and Profit/Loss Statement for the period ending September 30, 2012. Also included are Year-To-Year Comparisons and Month-To-Month Comparisons for both revenue and expense. Finally, I have provided individual departmental budget reports through the month of September, 2012.

With nine months of the budget year complete, target percentages should be at or below 75% 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 September 30, 2012. The significant changes to report are Investments reduced by \$2 Million and Current Interest Installment and Long Term Debt reduced by \$1 Million, respectively.

Profit/Loss Statement:

- Page 3 is our profit/loss statement on September 30, 2012.
- Operating revenue is at 75% of budget
- Cash operating expense is at 70% of budget.
- Capitalized Expenditures is over budget due to the closing of old projects that were open for years but not completed. A majority of the work was studies done that can't be recognized as an asset and is expensed.
- All departments are operating at 75% of budget or lower with the exception of Administrative Services which is at 77%.

Year-To-Year Comparison P&L:

- Page 7 is our comparison of September 2011 to September 2012.
- Total operating revenue is up by \$92K or 4%.
- Operating expenditures are down by \$176K or 10%.
- Page 8 is a graphic presentation of the water consumption comparison. Units billed were up 134 units or 6% with total revenue per unit consumed down by \$0.05 or -2.18%.

BOARD OF DIRECTORS
PALMDALE WATER DISTRICT

VIA: Mr. Dennis D. LaMoreaux, General Manager

-2-

November 7, 2012

- Total Revenue per connection was up by \$3.23 or 3%. There were 87 more active connections this September compared to last year.

Revenue Analysis Year-To-Date:

- Page 9 is our comparison of revenue, year-to-date.
- Operating revenue is up in 2012 by \$332k or 2% compared to 2011. In addition, looking at strictly our water sales revenue, we continue to exceed last year's levels by \$540K.
- Total revenue is up \$292K or 1%.

Expense Analysis Year-To-Date:

- Page 11 is our comparison of expense, year-to-date.
- Cash Operating Expenses in 2012 are up by \$550K or 3% compared to 2011.
- Total Expenses are up in 2012 by \$859K or 3% compared to 2011.

Departments:

- Pages 14 through 22 are detailed budgets of each department. As stated earlier, all departments are below the target 75% except for Administrative Services on page 19. The higher percentage is due to the increased number of meter and register replacements.

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.

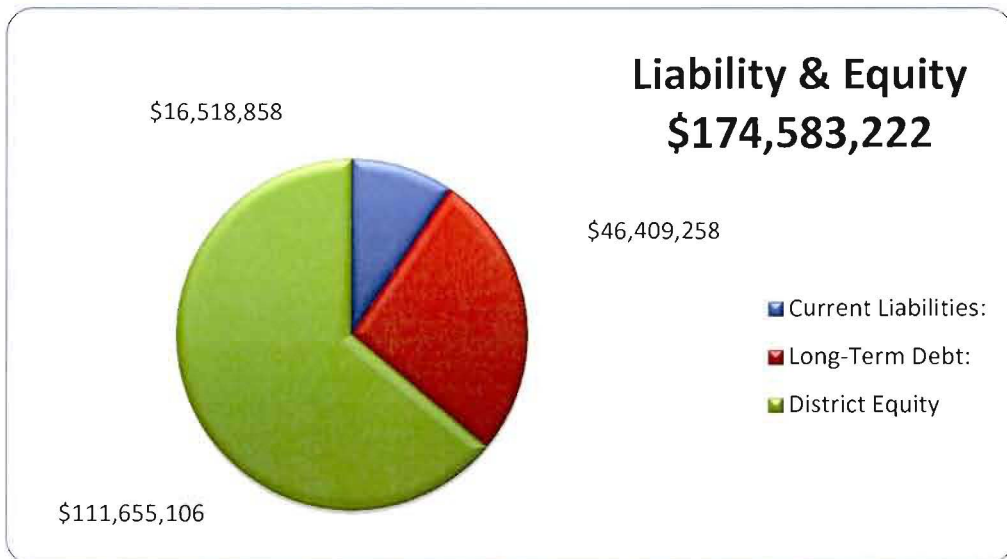
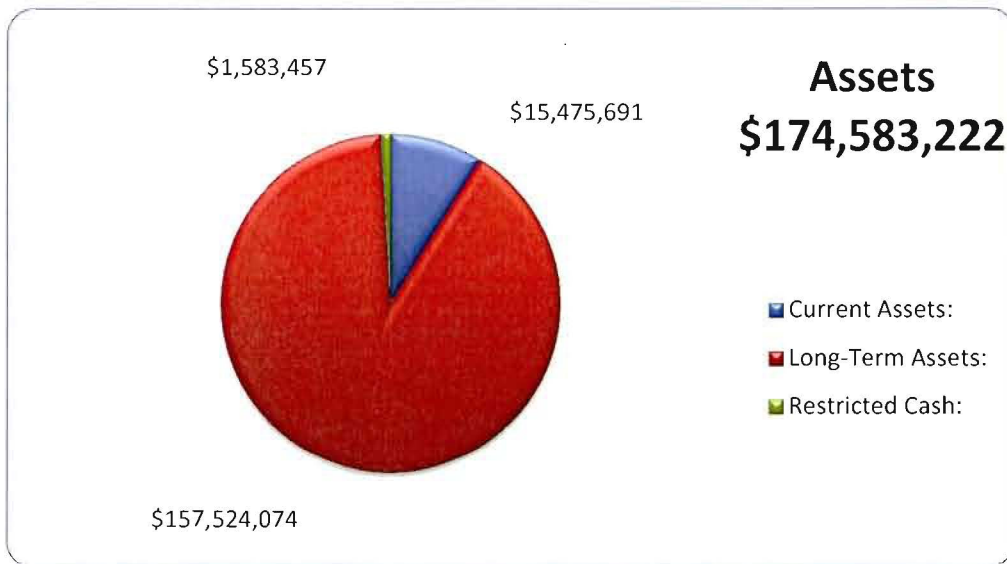
Service Cost Construction: The value of material, parts and supplies from inventory used to construct, repair and maintain our asset infrastructure.

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

Palmdale Water District
Balance Sheet Report
For the Nine Months Ending 9/30/2012

	<u>September 2012</u>	<u>August 2012</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 147,603	\$ 307,071
Investments	5,509,493	7,818,470
Market Adjustment	-	-
	<u>\$ 5,657,096</u>	<u>\$ 8,125,541</u>
Receivables:		
Accounts Receivables - Water Sales	\$ 2,427,755	\$ 2,225,427
Accounts Receivables - Miscellaneous	74,531	66,859
Allowance for Uncollected Accounts	(264,336)	(264,336)
	<u>\$ 2,237,949</u>	<u>\$ 2,027,949</u>
Interest Receivable	\$ -	\$ -
Assessments Receivables	6,628,487	6,628,487
Meters, Materials and Supplies	738,961	730,236
Prepaid Expenses	213,197	239,139
Total Current Assets	<u>\$ 15,475,691</u>	<u>\$ 17,751,353</u>
Long-Term Assets:		
Property, Plant, and Equipment, net	\$ 121,099,038	\$ 121,536,267
Participation Rights in State Water Project, net	35,749,299	35,729,946
Bond Issuance Cost, Net	675,737	678,895
	<u>\$ 157,524,074</u>	<u>\$ 157,945,108</u>
Restricted Cash:		
Debt Reserve Fund - 1998 Bonds	\$ 1,583,457	\$ 1,679,305
Rate Stabilization Fund	-	-
Installment Payment Account - 2004 Bonds	-	-
Installment Payment Account - 1998 Bonds	-	-
	<u>\$ 1,583,457</u>	<u>\$ 1,679,305</u>
Total Long-Term Assets & Restricted Cash	<u>\$ 159,107,531</u>	<u>\$ 159,624,413</u>
Total Assets	<u>\$ 174,583,222</u>	<u>\$ 177,375,766</u>
LIABILITIES AND DISTRICT EQUITY		
Current Liabilities:		
Current Interest Installment of Long-term Debt	\$ (0)	\$ 1,005,913
Current Principal Installment of Long-term Debt	1,220,000	1,220,000
Accounts Payable and Accrued Expenses	4,891,119	5,298,073
OPEB Liability	5,741,083	5,605,393
Deferred Assessments	4,666,657	5,083,324
Total Current Liabilities	<u>\$ 16,518,858</u>	<u>\$ 18,212,704</u>
Long-Term Debt:		
1998 - Certificates of Participation	\$ 10,988,162	\$ 11,823,034
2004 - Certificates of Participation	35,421,096	35,802,009
Total Liabilities	<u>\$ 62,928,116</u>	<u>\$ 65,837,748</u>
District Equity		
Revenue from Operations	\$ (2,080,558)	\$ (2,197,645)
Retained Earnings	113,735,664	113,735,664
Total Liabilities and District Equity	<u>\$ 174,583,222</u>	<u>\$ 177,375,766</u>

BALANCE SHEET AS OF SEPTEMBER 30, 2012

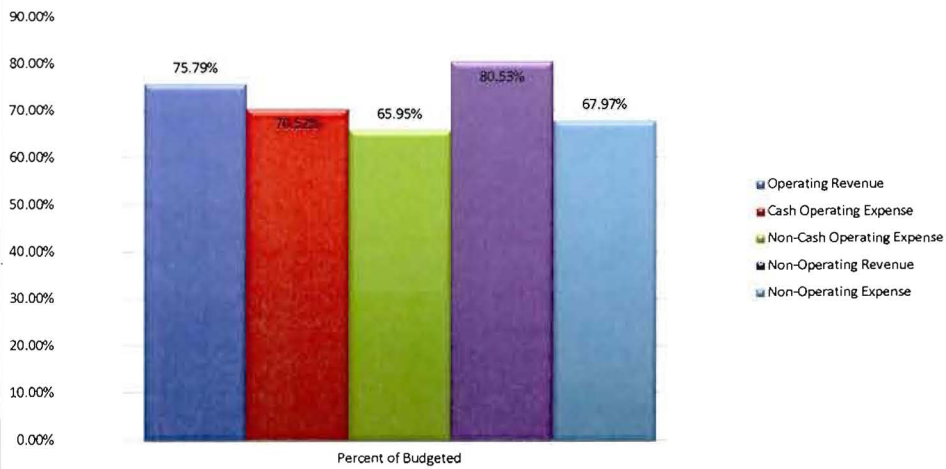


Palmdale Water District
Consolidated Profit and Loss Statement
For the Nine Months Ending 9/30/2012

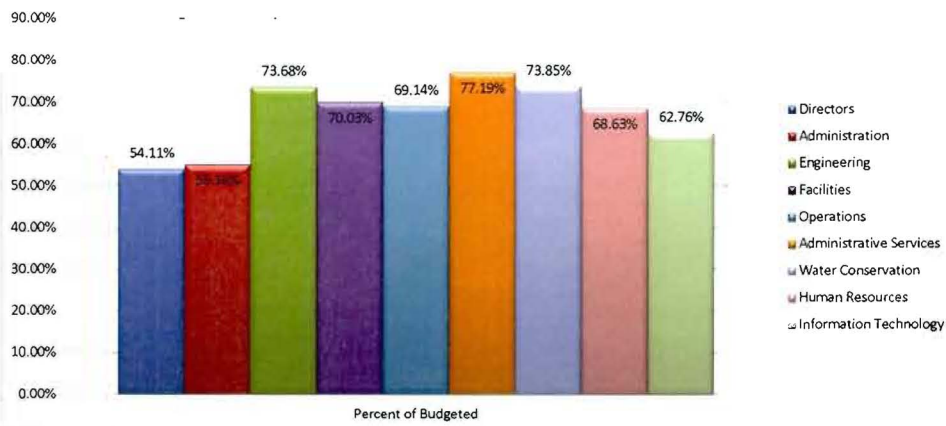
	Thru August	September	Year-to-Date	Adjustments	Adjusted Budget	% of Budget
Operating Revenue:						
Wholesale Water	\$ -	\$ -	\$ -		\$ 175,000	0.00%
Water Sales	5,078,302	1,144,659	6,222,961		8,145,000	76.40%
Meter Fees	6,896,040	867,347	7,763,387		10,400,000	74.65%
Water Quality Fees	1,052,756	195,914	1,248,670		1,550,000	80.56%
Elevation Fees	360,263	70,163	430,426		525,000	81.99%
Other	920,106	122,648	1,042,754		1,250,000	83.42%
Total Water Sales	\$ 14,307,467	\$ 2,400,731	\$ 16,708,198	\$ -	\$ 22,045,000	75.79%
Cash Operating Expenses:						
Directors	\$ 74,073	\$ 9,259	\$ 83,331		\$ 154,000	54.11%
Administration	1,842,789	113,647	1,956,436		3,547,000	55.16%
Engineering	768,931	92,426	861,357		1,169,000	73.68%
Facilities	2,185,206	259,287	2,444,493		3,490,500	70.03%
Operations	3,127,211	408,230	3,535,441		5,113,750	69.14%
Administrative Services	1,899,579	252,977	2,152,556		2,788,750	77.19%
Water Conservation	147,038	18,022	165,060		223,500	73.85%
Human Resources	179,455	4,379	183,835		267,850	68.63%
Information Technology*	415,231	46,368	461,600	(1,300)	735,450	62.76%
Water Purchases	2,403,217	55,873	2,459,090		2,800,000	87.82%
Water Recovery	(118,789)	-	(118,789)		(200,000)	59.39%
Capitalized Expenditures*	486,675	12,569	499,244	1,300	413,800	120.65%
GAC Filter Media Replacement	650,328	217,991	868,320		1,550,000	56.02%
Total Cash Operating Expenses	\$ 14,060,945	\$ 1,491,029	\$ 15,551,974	\$ -	\$ 22,053,600	70.52%
Non-Cash Operating Expenses:						
Depreciation	\$ 4,642,570	\$ 565,587	\$ 5,208,157		\$ 7,800,000	66.77%
OPEB Accrual Expense	1,342,313	147,678	1,489,991		2,000,000	74.50%
Bad Debts	3,608	(54)	3,554		100,000	3.55%
Service Costs Construction	64,037	(48,273)	15,764		125,000	12.61%
Capitalized Construction	(663,162)	(102,213)	(765,375)		(1,000,000)	76.54%
Total Non-Cash Operating Expenses	\$ 5,389,366	\$ 562,725	\$ 5,952,092	\$ -	\$ 9,025,000	65.95%
Net Operating Profit/(Loss)	\$ (5,142,844)	\$ 346,976	\$ (4,795,868)	\$ -	\$ (9,033,600)	53.09%
Non-Operating Revenues:						
Assessments (Debt Service)	\$ 2,546,794	\$ 300,376	\$ 2,847,170		\$ 4,000,000	71.18%
Assessments (1%)	986,000	116,292	1,102,292		1,500,000	73.49%
DWR Fixed Charge Recovery	435,918		435,918		-	
Interest	23,499	183	23,682		60,000	39.47%
Capital Improvement Fees	1,255,427	-	1,255,427		1,286,848	97.56%
State Grants	-	-	-		250,000	0.00%
Other	121,695	9,639	131,334		100,000	131.33%
Total Non-Operating Revenues	\$ 5,369,333	\$ 426,490	\$ 5,795,823	\$ -	\$ 7,196,848	80.53%
Non-Operating Expenses:						
Interest on Long-Term Debt	\$ 1,668,439	\$ 208,555	\$ 1,876,993		\$ 2,490,000	75.38%
Amortization of SWP	1,031,560	128,945	1,160,505		1,680,000	69.08%
Capital Lease	-	-	-		212,000	0.00%
Water Conservation Programs	38,167	4,847	43,014		150,000	28.68%
Total Non-Operating Expenses	\$ 2,738,166	\$ 342,347	\$ 3,080,513	\$ -	\$ 4,532,000	67.97%
Net Earnings	\$ (2,511,677)	\$ 431,119	\$ (2,080,558)	\$ -	\$ (6,368,752)	32.67%

* Budget adjustments by General Manager per Appendix A

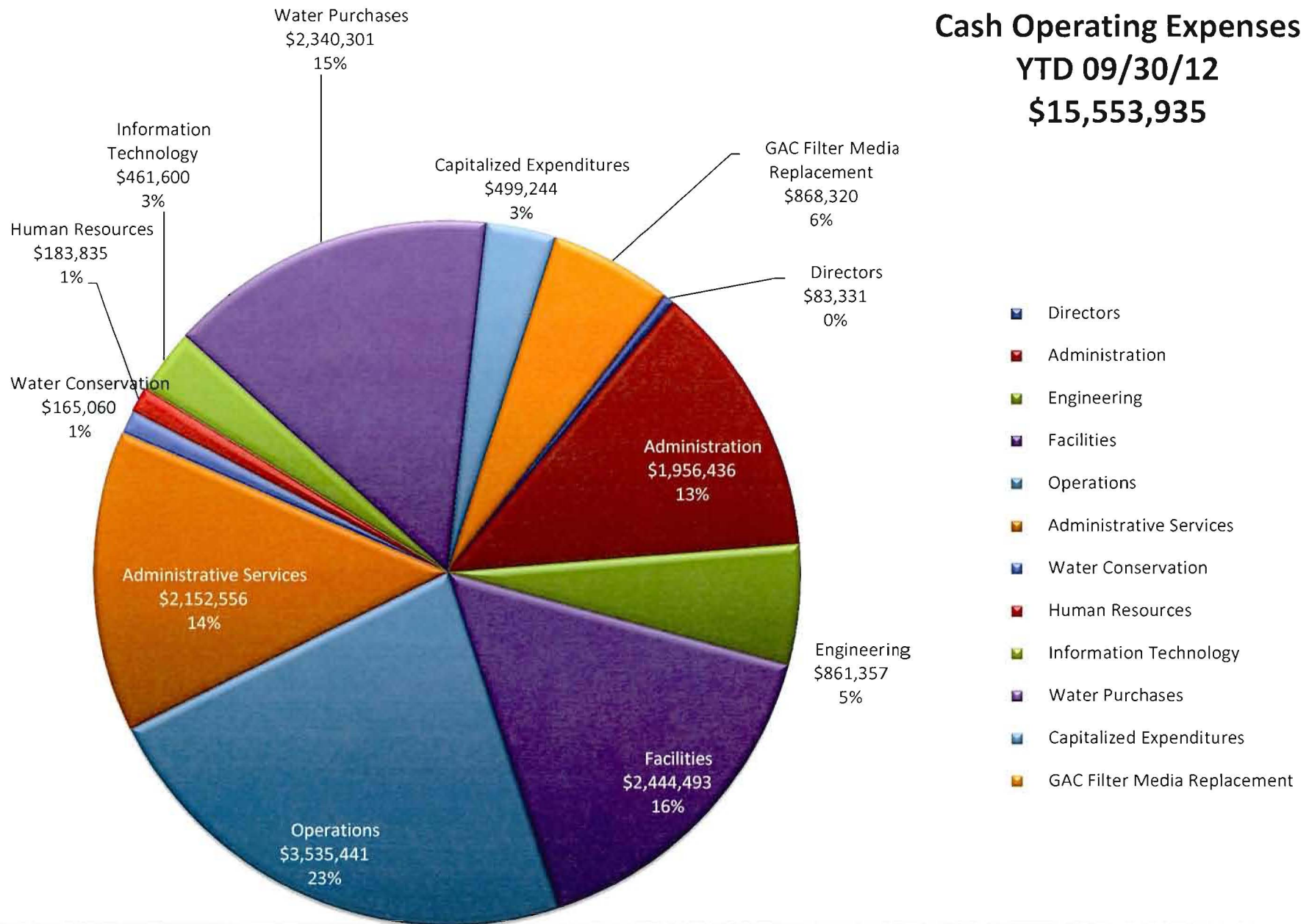
P & L BUDGET vs. ACTUAL



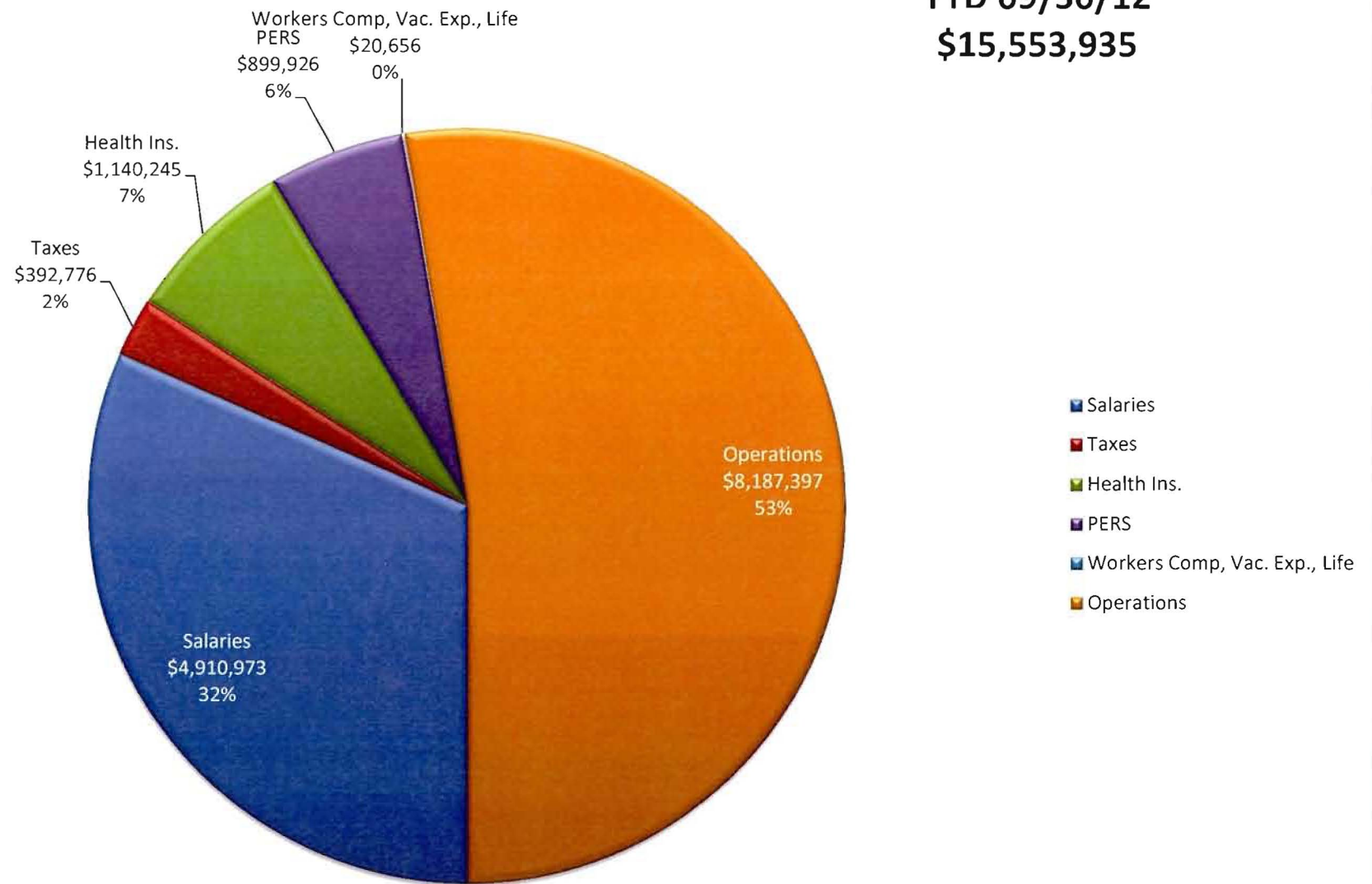
DEPARTMENTAL - BUDGET vs. ACTUAL



Cash Operating Expenses YTD 09/30/12 \$15,553,935



Personnel to Operations Exp
YTD 09/30/12
\$15,553,935

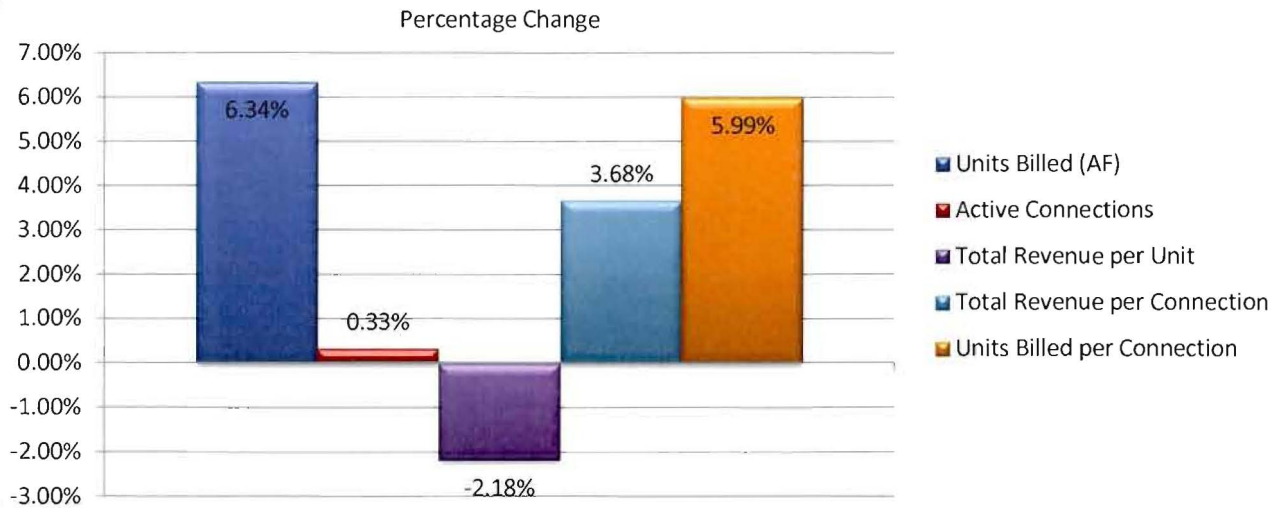
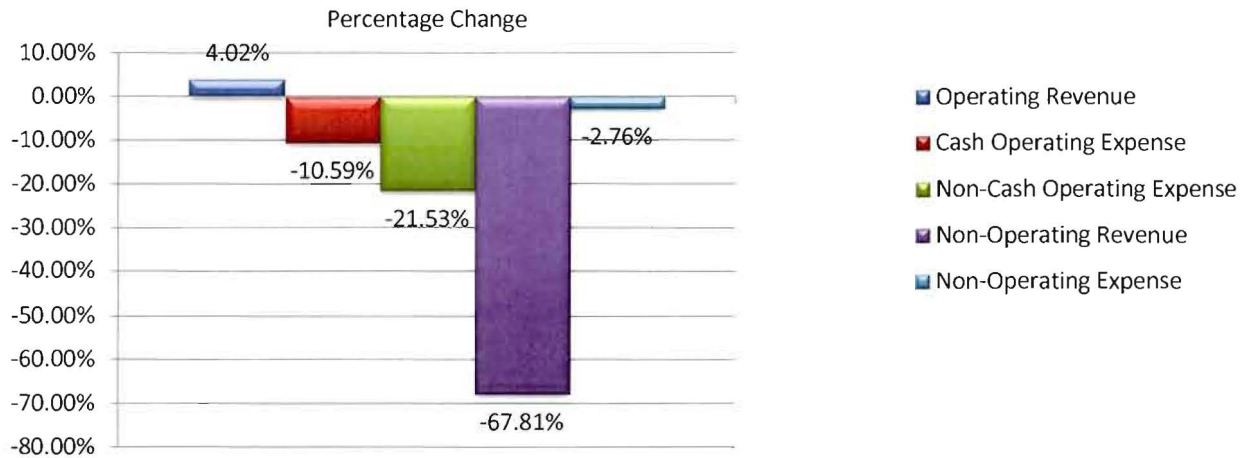


Palmdale Water District
Profit and Loss Statement
Year-To-Year Comparison - September

	2011 September	2012 September	Change	% Change	Consumption Comparison		
					Units Billed	2011 921,790	2012 980,257
Operating Revenue:							
Wholesale Water	\$ -	\$ -	\$ -		Active	26,280	26,367
Water Sales	1,062,105	1,144,659	82,554	7.77%	Vacant	1,362	1,275
Meter Fees	860,414	867,347	6,932	0.81%			
Water Quality Fees	205,882	195,914	(9,968)	-4.84%	Rev/unit	\$ 2.50	\$ 2.45
Elevation Fees	66,388	70,163	3,775	5.69%	Rev/con	\$ 87.82	\$ 91.05
Other	113,125	122,648	9,523	8.42%	Unit/con	35.08	37.18
Total Water Sales	\$ 2,307,915	\$ 2,400,731	\$ 92,816	4.02%			
Cash Operating Expenses:							
Directors	\$ 11,427	\$ 9,259	\$ (2,168)	-18.97%			
Administration	225,792	113,647	(112,145)	-49.67%			
Engineering	91,499	92,426	927	1.01%			
Facilities	305,474	259,287	(46,187)	-15.12%			
Operations	449,678	408,230	(41,448)	-9.22%			
Administrative Services	216,083	252,977	36,894	17.07%			
Water Conservation	16,398	18,022	1,624	9.91%			
Human Resources	29,891	4,379	(25,512)	-85.35%			
Information Technology	96,903	46,368	(50,535)	-52.15%			
Water Purchases	49,924	55,873	5,949	11.92%			
Water Recovery	(43,853)	-	43,853	-100.00%			
Capitalized Expenditures	1,640	12,569	10,929	666.34%			
GAC Filter Media Replacement	216,742	217,991	1,249	0.58%			
Total Cash Operating Expenses	\$ 1,667,598	\$ 1,491,029	\$ (176,569)	-10.59%			
Non-Cash Operating Expenses:							
Depreciation	\$ 560,979	\$ 565,587	\$ 4,608	0.82%			
OPEB Accrual Expense	201,308	147,678	(53,630)	-26.64%			
Bad Debts	373	(54)	(427)	-114.50%			
Service Costs Construction	(5,638)	(48,273)	(42,634)	756.17%			
Capitalized Construction	(39,919)	(102,213)	(62,294)	156.05%			
Total Non-Cash Operating Expenses	\$ 717,102	\$ 562,725	\$ (154,376)	-21.53%			
Net Operating Profit/(Loss)	\$ (76,785)	\$ 346,976	\$ 423,761	-551.88%			
Non-Operating Revenues:							
Assessments	\$ 645,398	\$ 416,668	\$ (228,730)	-35.44%			
DWR Fixed Charge Recovery	-	-	-				
Interest	(1,947)	183	2,130	-109.42%			
Capital Improvement Fees	686,848	-	(686,848)	-100.00%			
State Grants	-	-	-				
Other	(5,433)	9,639	15,072				
Total Non-Operating Revenues	\$ 1,324,866	\$ 426,490	\$ (898,376)	-67.81%			
Non-Operating Expenses:							
Interest on Long-Term Debt	\$ 234,728	\$ 208,555	\$ (26,173)	-11.15%			
Amortization of SWP	117,346	128,945	11,599	9.88%			
Capital Lease	-	-	-				
Water Conservation Programs	-	4,847	4,847				
Total Non-Operating Expenses	\$ 352,074	\$ 342,347	\$ (9,727)	-2.76%			
Net Earnings	\$ 896,007	\$ 431,119	\$ (464,888)	-51.88%			

YEAR-TO-YEAR COMPARISON

September '11 -To- September '12



	2011	2012	Change	
Units Billed (AF)	2,116	2,250	134	6.34%
Active Connections	26,280	26,367	87	0.33%
Non-Active	1,362	1,275	-87	-6.39%
Total Revenue per Unit	\$2.50	\$2.45	-\$0.05	-2.18%
Total Revenue per Connection	\$87.82	\$91.05	\$3.23	3.68%
Units Billed per Connection	35.08	37.18	2	5.99%

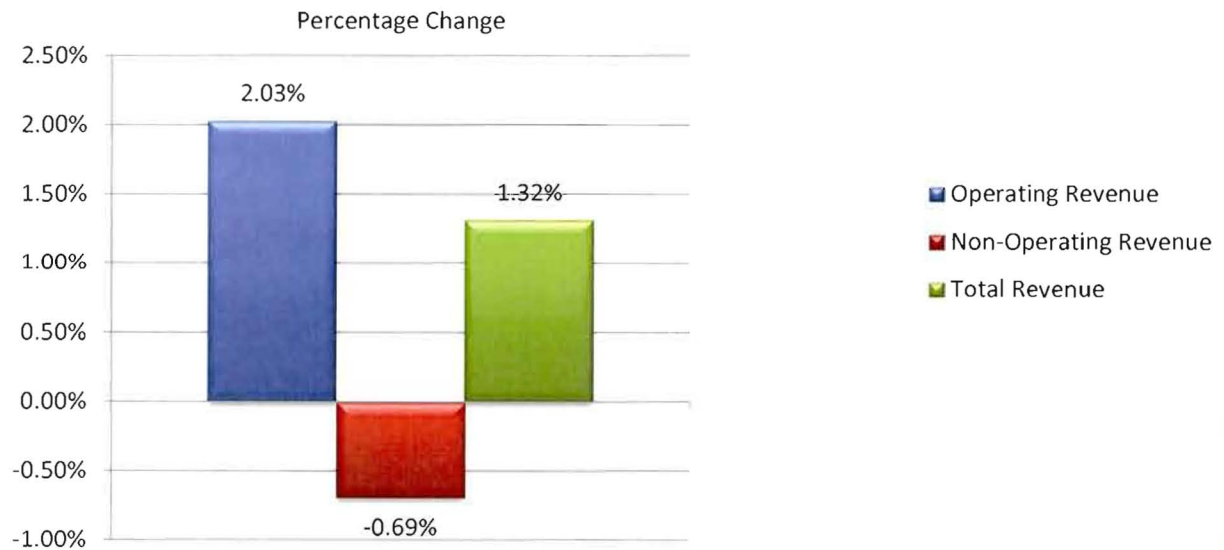
Palmdale Water District
Revenue Analysis
For the Nine Months Ending 9/30/2012

	2012					2011 to 2012 Comparison			
	Thru August	September	Year-to-Date	Adjusted Budget	% of Budget	Thru August	September	Year-to-Date	% Change
Operating Revenue:									
Wholesale Water	\$ -	\$ -	\$ -	\$ 175,000		\$ -	-	-	0.00%
Water Sales	5,078,302	1,144,659	6,222,961	8,145,000	76.40%	318,957	82,554	401,511	6.90%
Meter Fees	6,896,040	867,347	7,763,387	10,400,000	74.65%	17,399	6,932	24,331	0.31%
Water Quality Fees	1,052,756	195,914	1,248,670	1,550,000	80.56%	91,676	(9,968)	81,708	7.00%
Elevation Fees	360,263	70,163	430,426	525,000	81.99%	37,351	3,775	41,125	10.56%
Other	920,106	122,648	1,042,754	1,250,000	83.42%	(225,448)	9,523	(215,925)	-17.15%
Total Water Sales	\$ 14,307,467	\$ 2,400,731	\$ 16,708,198	\$ 22,045,000	75.79%	\$ 239,935	\$ 92,816	\$ 332,751	2.03%
Non-Operating Revenues:									
Assessments	\$ 3,532,794	\$ 416,668	\$ 3,949,462	\$ 5,500,000	71.81%	\$ 366,121	\$ (228,730)	\$ 137,391	3.60%
DWR Fixed Charge Recovery	435,918	-	435,918	-		(155,599)	-	(155,599)	-26.31%
Interest	23,499	183	23,682	60,000	39.47%	(51,906)	2,130	(49,776)	-67.76%
Capital Improvement Fees	1,255,427	-	1,255,427	1,286,848	97.56%	723,195	(686,848)	36,347	2.98%
State Grants	-	-	-	250,000	0.00%	(76,200)	-	(76,200)	
Other	121,695	9,639	131,334	100,000	131.33%	52,268	15,072	67,341	105.23%
Total Non-Operating Revenues	\$ 5,369,333	\$ 426,490	\$ 5,795,823	\$ 7,196,848	80.53%	\$ 857,880	\$ (898,376)	\$ (40,496)	-0.69%
Total Revenue	\$ 19,676,800	\$ 2,827,221	\$ 22,504,021	\$ 29,241,848	76.96%	\$ 1,097,815	\$ (805,560)	\$ 292,255	1.32%

	2011				
	Thru August	September	Year-to-Date	Adjusted Budget	% of Budget
Operating Revenue:					
Water Sales	\$ 4,759,345	\$ 1,062,105	\$ 5,821,450	\$ 9,400,000	61.93%
Meter Fees	6,878,642	860,414	7,739,056	10,650,000	72.67%
Water Quality Fees	961,080	205,882	1,166,962	1,600,000	72.94%
Elevation Fees	322,913	66,388	389,301	560,000	
Other	1,145,554	113,125	1,258,679	1,175,000	107.12%
Total Water Sales	\$ 14,067,533	\$ 2,307,915	\$ 16,375,447	\$ 23,385,000	70.03%
Non-Operating Revenues:					
Assessments	\$ 3,166,673	\$ 645,398	\$ 3,812,071	\$ 5,000,000	76.24%
DWR Fixed Charge Recovery	591,517	-	591,517	-	
Interest	75,405	(1,947)	73,458	120,000	61.22%
Capital Improvement Fees	532,232	686,848	1,219,080	250,000	487.63%
State Grants	76,200	-	76,200	500,000	15.24%
Other	69,426	(5,433)	63,993	175,000	36.57%
Total Non-Operating Revenues	\$ 4,511,453	\$ 1,324,866	\$ 5,836,319	\$ 6,045,000	96.55%
Total Revenue	\$ 18,578,985	\$ 3,632,781	\$ 22,211,766	\$ 29,430,000	75.47%

REVENUE COMPARISON YEAR-TO-DATE

September '11-To-September '12



Palmdale Water District
Operating Expense Analysis
For the Nine Months Ending 9/30/2012

2011 to 2012 Comparison

	2012								
	Thru August	September	Year-to-Date	Adjusted Budget	% of Budget	Thru August	September	Year-to-Date	% Change
Cash Operating Expenses:									
Directors	\$ 74,073	\$ 9,259	\$ 83,331	\$ 154,000	54.11%	\$ (20,584)	\$ (2,168)	\$ (22,752)	-21.45%
Administration	1,842,789	113,647	1,956,436	3,547,000	55.16%	(930,614)	(112,145)	(1,042,758)	-34.77%
Engineering	768,931	92,426	861,357	1,169,000	73.68%	(7,470)	927	(6,544)	-0.75%
Facilities	2,185,206	259,287	2,444,493	3,490,500	70.03%	26,131	(46,187)	(20,056)	-0.81%
Operations	3,127,211	408,230	3,535,441	5,113,750	69.14%	143,177	(41,448)	101,729	2.96%
Administrative Services	1,899,579	252,977	2,152,556	2,788,750	77.19%	82,901	36,894	119,794	5.89%
Water Conservation	147,038	18,022	165,060	223,500	73.85%	13,621	1,624	15,245	10.18%
Human Resources	179,455	4,379	183,835	267,850	68.63%	38,008	(25,512)	12,496	7.29%
Information Technology	415,231	46,368	461,600	736,750	62.65%	415,231	(50,535)	60,703	15.14%
Water Purchases	2,403,217	55,873	2,459,090	2,800,000	87.82%	1,149,199	5,949	1,155,148	88.59%
Water Recovery	(118,789)	-	(118,789)	(200,000)	59.39%	(29,372)	43,853	14,480	-10.87%
Capitalized Expenditures	486,675	12,569	499,244	412,500	121.03%	322,201	10,929	333,131	200.54%
GAC Filter Media Replacement	650,328	217,991	868,320	1,550,000	56.02%	(171,616)	1,249	(170,367)	-16.40%
Total Cash Operating Expenses	\$ 14,060,945	\$ 1,491,029	\$ 15,551,974	\$ 22,053,600	70.52%	\$ 1,030,813	\$ (176,569)	\$ 550,251	3.54%
Non-Cash Operating Expenses:									
Depreciation	\$ 4,642,570	\$ 565,587	\$ 5,208,157	\$ 7,800,000	66.77%	\$ 121,025	\$ 4,608	\$ 125,633	2.47%
OPEB Accrual Expense	1,342,313	147,678	1,489,991	2,000,000	74.50%	201,939	(53,630)	148,309	11.05%
Bad Debts	3,608	(54)	3,554	100,000	3.55%	(45,877)	(427)	(46,304)	-92.87%
Service Costs Construction	64,037	(48,273)	15,764	125,000	12.61%	28,523	(42,634)	(14,111)	-47.23%
Capitalized Construction	(663,162)	(102,213)	(765,375)	(1,000,000)	76.54%	72,495	(62,294)	10,202	-1.32%
Total Non-Cash Operating Expenses	\$ 5,389,366	\$ 562,725	\$ 5,952,092	\$ 9,025,000	65.95%	\$ 378,106	\$ (154,376)	\$ 223,729	3.76%
Non-Operating Expenses:									
Interest on Long-Term Debt	\$ 1,668,439	\$ 208,555	\$ 1,876,993	\$ 2,490,000	75.38%	\$ (33,971)	\$ (26,173)	\$ (60,143)	-3.10%
Amortization of SWP	1,031,560	128,945	1,160,505	1,680,000	69.08%	92,792	11,599	104,391	9.88%
Capital Lease	-	-	-	212,000	0.00%	-	-	(1,035)	-100.00%
Water Conservation Programs	38,167	4,847	43,014	150,000	28.68%	37,133	4,847	41,980	1.40%
Total Non-Operating Expenses	\$ 2,738,166	\$ 342,347	\$ 3,080,513	\$ 4,532,000	67.97%	\$ 95,954	\$ (9,727)	\$ 85,193	2.85%
Total Expenses	\$ 22,188,477	\$ 2,396,102	\$ 24,584,579	\$ 35,610,600	69.04%	\$ 1,504,873	\$ (340,672)	\$ 859,173	3.62%

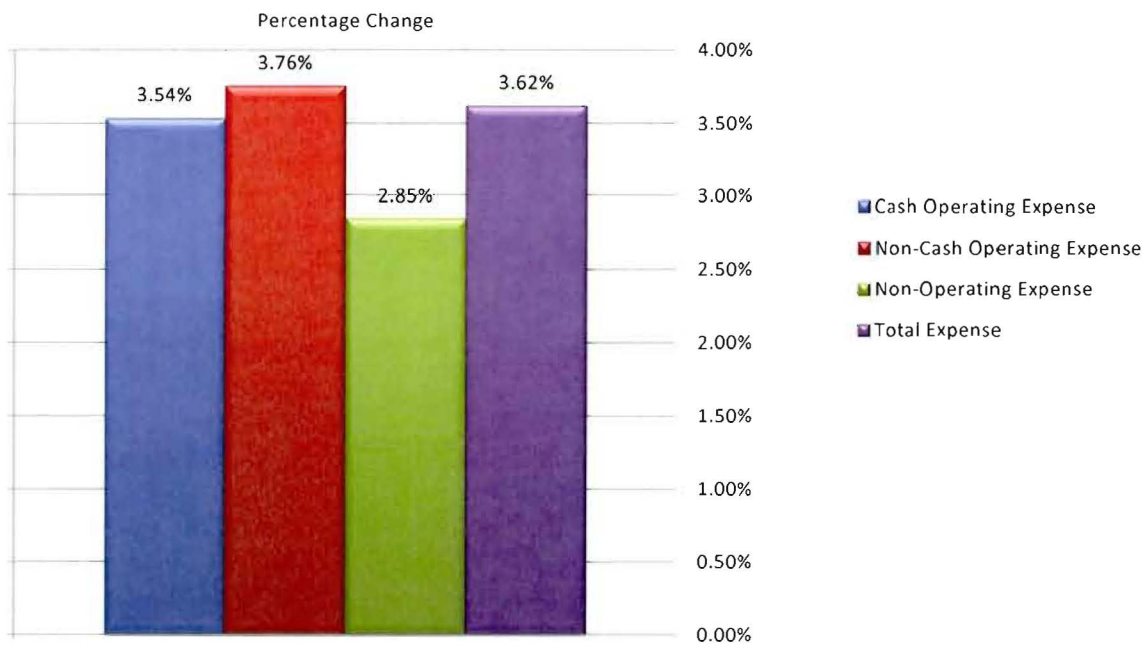
Palmdale Water District
Operating Expense Analysis
For the Nine Months Ending 9/30/2012
2011

2011 to 2012 Comparison

	Thru August	September	Year-to-Date	Adjusted Budget	% of Budget
Cash Operating Expenses:					
Directors	\$ 94,657	\$ 11,427	\$ 106,083	\$ 146,200	72.56%
Administration	2,773,402	225,792	2,999,194	3,176,000	94.43%
Engineering	776,402	91,499	867,901	1,127,000	77.01%
Facilities	2,159,075	305,474	2,464,549	3,317,000	74.30%
Operations	2,984,034	449,678	3,433,712	5,071,050	67.71%
Administrative Services	1,816,679	216,083	2,032,762	2,762,200	73.59%
Water Conservation	133,416	16,398	149,815	212,500	70.50%
Human Resources	141,447	29,891	171,339	273,000	62.76%
Information Technology	303,994	96,903	400,897	712,500	56.27%
Water Purchases	1,254,018	49,924	1,303,942	3,000,000	43.46%
Water Recovery	(89,417)	(43,853)	(133,269)	(200,000)	66.63%
Capitalized Expenditures	164,473	1,640	166,114	557,300	29.81%
GAC Filter Media Replacement	821,944	216,742	1,038,686	1,600,000	64.92%
Total Cash Operating Expenses	\$ 13,334,125	\$ 1,667,598	\$ 15,001,724	\$ 21,754,750	68.96%
Non-Cash Operating Expenses:					
Depreciation	\$ 4,521,545	\$ 560,979	\$ 5,082,524	\$ 6,850,000	74.20%
OPEB Accrual Expense	1,140,374	201,308	1,341,682	550,000	243.94%
Bad Debts	49,485	373	49,858	100,000	49.86%
Service Costs Construction	35,513	(5,638)	29,875	125,000	23.90%
Capitalized Construction	(735,657)	(39,919)	(775,577)	(1,000,000)	77.56%
Total Non-Cash Operating Expenses	\$ 5,011,260	\$ 717,102	\$ 5,728,362	\$ 6,625,000	86.47%
Non-Operating Expenses:					
Interest on Long-Term Debt	\$ 1,702,409	\$ 234,728	\$ 1,937,137	\$ 2,541,000	76.24%
Amortization of SWP	938,768	117,346	1,056,114	1,579,000	66.88%
Capital Lease	-	-	-	-	-
Water Conservation Programs	1,035	-	1,035	-	-
Total Non-Operating Expenses	\$ 2,642,212	\$ 352,074	\$ 2,994,286	\$ 4,120,000	72.68%
Total Expenses	\$ 20,987,598	\$ 2,736,774	\$ 23,724,372	\$ 32,499,750	73.00%

EXPENSE COMPARISON YEAR-TO-DATE

September '11-To-September '12



Palmdale Water District
2012 Directors Budget
For the Nine Months Ending Sunday, September 30, 2012

	YTD ACTUAL 2012	ORIGINAL BUDGET 2012	ADJUSTMENTS 2012	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-01-4000-000 Directors Pay	\$ 30,900	\$ 45,000	\$ -	\$ 14,100	68.67%
Employee Benefits					
1-01-4005-000 Payroll Taxes	2,421	5,500		3,079	44.02%
1-01-4010-000 Health Insurance	49,336	93,500		44,164	52.77%
Subtotal (Benefits)	51,757	99,000	-	44,164	52.28%
Total Personnel Expenses	<u>\$ 82,657</u>	<u>\$ 144,000</u>	<u>\$ -</u>	<u>\$ 58,264</u>	<u>57.40%</u>
OPERATING EXPENSES:					
1-01-4050-000 Directors Travel, Seminars & Meetings	675	10,000		9,325	6.75%
Subtotal Operating Expenses	675	10,000	-	9,325	6.75%
Total O & M Expenses	<u>\$ 83,331</u>	<u>\$ 154,000</u>	<u>\$ -</u>	<u>\$ 67,590</u>	<u>54.11%</u>

Palmdale Water District
2012 Administration Budget
For the Nine Months Ending Sunday, September 30, 2012

	YTD	ORIGINAL		ADJUSTED	
	ACTUAL	BUDGET	ADJUSTMENTS	BUDGET	PERCENT
	2012	2012	2012	REMAINING	USED
Personnel Budget:					
1-02-4000-000 Salaries	\$ 361,604	\$ 479,250		\$ 117,646	75.45%
1-02-4000-100 Overtime	7,137	6,000		(1,137)	118.95%
1-02-4000-200 On-Call	39,741	64,000		24,259	62.10%
Subtotal (Salaries)	\$ 408,482	\$ 549,250		\$ 140,768	74.37%
Employee Benefits					
1-02-4005-000 Payroll Taxes	26,661	42,000		15,339	63.48%
1-02-4010-000 Health Insurance	66,544	76,750		10,206	86.70%
1-02-4015-000 PERS	68,252	90,500		22,248	75.42%
1-02-4020-000 Worker's Compensation	69,674	200,000		130,326	34.84%
1-02-4025-000 Vacation Benefit Expense	(54,305)	35,000		89,305	-155.16%
1-02-4030-000 Life Insurance	5,287	7,500		2,213	70.49%
Subtotal (Benefits)	\$ 182,112	\$ 451,750	\$ -	\$ 269,638	40.31%
Total Personnel Expenses	\$ 590,594	\$ 1,001,000	\$ -	\$ 410,406	59.00%
OPERATING EXPENSES:					
1-02-4050-000 Staff Travel	\$ 6,524	\$ 8,000		\$ 1,476	81.55%
1-02-4050-100 General Manager Travel	3,994	5,000		1,006	79.89%
1-02-4060-000 Staff Conferences & Seminars	754	3,000		2,246	25.13%
1-02-4060-100 General Manager Conferences & Seminars	2,184	4,500		2,316	48.53%
1-02-4070-000 Employee Expense	30,650	40,000		9,350	76.63%
1-02-4080-000 Other Operating	12,860	20,000		7,140	64.30%
1-02-4110-000 Consultants	116,466	200,000		83,534	58.23%
1-02-4125-000 Insurance	233,926	325,000		91,074	71.98%
1-02-4130-000 Bank Charges	78,913	130,000		51,087	60.70%
1-02-4135-000 Groundwater Adjudication	154,972	925,000		770,028	16.75%
1-02-4140-000 Legal Services	360,558	475,000		114,442	75.91%
1-02-4150-000 Accounting Services	18,941	20,000		1,059	94.71%
1-02-4155-000 Contracted Services	20,313	50,000		29,687	40.63%
1-02-4165-000 Memberships/Subscriptions	67,045	110,000		42,955	60.95%
1-02-4170-000 Elections	78,451	70,000		(8,451)	112.07%
1-02-4175-000 Permits	9,111	20,000		10,889	45.55%
1-02-4180-000 Postage	18,185	30,000		11,815	60.62%
1-02-4190-100 Public Relations - Publications	19,866	30,000		10,134	66.22%
1-02-4190-900 Public Relations - Other	1,314	1,000		(314)	131.40%
1-02-4200-000 Advertising	3,651	3,000		(651)	121.70%
1-02-4205-000 Office Supplies	13,003	20,000		6,997	65.02%
1-02-4215-200 Natural Gas - Office Building	2,093	5,000		2,907	41.87%
1-02-4220-200 Electricity - Office Building	36,519	50,000		13,481	73.04%
1-02-4230-100 Maint & Repair - Office Building	75,548	-		(75,548)	
1-02-6300-100 Supplies - Janitorial	-	1,500		1,500	0.00%
Subtotal Operating Expenses	\$ 1,365,842	\$ 2,546,000	\$ -	\$ 1,180,158	53.65%
Total Departmental Expenses	\$ 1,956,436	\$ 3,547,000	\$ -	\$ 1,590,564	55.16%

Palmdale Water District
2012 Engineering Budget
For the Nine Months Ending Sunday, September 30, 2012

	YTD ACTUAL 2012	ORIGINAL BUDGET 2012	ADJUSTMENTS 2012	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-03-4000-000 Salaries	\$ 562,453	\$ 767,000		\$ 204,547	73.33%
1-03-4000-100 Overtime	873	7,500		6,627	11.64%
Subtotal (Salaries)	\$ 563,326	\$ 774,500		\$ 211,174	72.73%
Employee Benefits					
1-03-4005-000 Payroll Taxes	45,654	59,250		13,596	77.05%
1-03-4010-000 Health Insurance	118,375	158,000		39,625	74.92%
1-03-4015-000 PERS	107,757	144,250		36,493	74.70%
Subtotal (Benefits)	\$ 271,786	\$ 361,500	\$ -	\$ 89,714	75.18%
Total Personnel Expenses	\$ 835,113	\$ 1,136,000	\$ -	\$ 300,887	73.51%
OPERATING EXPENSES:					
1-03-4050-000 Staff Travel	\$ 3,873	\$ 4,250		\$ 377	91.12%
1-03-4060-000 Staff Conferences & Seminars	1,215	2,750		1,535	44.18%
1-03-4155-000 Contracted Services	2,093	6,000		3,907	34.88%
1-03-4165-000 Memberships/Subscriptions	1,970	3,000		1,030	65.67%
1-03-4250-000 General Materials & Supplies	1,837	2,000		163	91.84%
1-03-8100-100 Computer Software - Maint. & Support	15,257	15,000		(257)	101.71%
Subtotal Operating Expenses	\$ 26,245	\$ 33,000	\$ -	\$ 6,755	79.53%
Total Departmental Expenses	\$ 861,357	\$ 1,169,000	\$ -	\$ 307,643	73.68%

Palmdale Water District
2012 Facilities Budget
For the Nine Months Ending Sunday, September 30, 2012

	YTD ACTUAL 2012	ORIGINAL BUDGET 2012	ADJUSTMENTS 2012	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-04-4000-000 Salaries	\$ 1,065,959	\$ 1,424,000		\$ 358,041	74.86%
1-04-4000-100 Overtime	21,379	45,000		23,621	47.51%
Subtotal (Salaries)	\$ 1,087,338	\$ 1,469,000		\$ 381,662	74.02%
Employee Benefits					
1-04-4005-000 Payroll Taxes	89,438	112,500		23,062	79.50%
1-04-4010-000 Health Insurance	292,673	394,000		101,327	74.28%
1-04-4015-000 PERS	204,278	266,000		61,722	76.80%
Subtotal (Benefits)	\$ 586,389	\$ 772,500	\$ -	\$ 186,111	75.91%
Total Personnel Expenses	\$ 1,673,726	\$ 2,241,500	\$ -	\$ 544,152	74.67%
OPERATING EXPENSES:					
1-04-4050-000 Staff Travel	\$ -	\$ 3,000		3,000	0.00%
1-04-4060-000 Staff Conferences & Seminars	449	3,000		2,551	14.97%
1-04-4155-000 Contracted Services	17,244	33,000		15,756	52.25%
1-04-4215-200 Natural Gas - Buildings	1,760	4,500		2,740	39.12%
1-04-4220-200 Electricity - Buildings	24,454	17,500		(6,954)	139.74%
1-04-4225-000 Maint. & Repair - Vehicles	28,737	45,000		16,263	63.86%
1-04-4230-100 Maint. & Rep. Office Building	1,375	18,000		16,625	7.64%
1-04-4235-110 Maint. & Rep. Equipment	3,535	7,500		3,965	47.13%
1-04-4235-400 Maint. & Rep. Operations - Wells	66,089	150,000		83,911	44.06%
1-04-4235-405 Maint. & Rep. Operations - Boosters	35,299	50,000		14,701	70.60%
1-04-4235-410 Maint. & Rep. Operations - Shop Bldgs	6,486	10,000		3,514	64.86%
1-04-4235-415 Maint. & Rep. Operations - Facilities	18,374	15,000		(3,374)	122.49%
1-04-4235-420 Maint. & Rep. Operations - Water Lines	249,921	400,000		150,079	62.48%
1-04-4235-425 Maint. & Rep. Operations - Littlerock Dam	16,524	25,000		8,476	66.10%
1-04-4235-430 Maint. & Rep. Operations - Palmdale Dam	20,379	25,000		4,621	81.52%
1-04-4235-435 Maint. & Rep. Operations - Palmdale Canal	373	5,000		4,627	7.45%
1-04-4235-455 Maint. & Rep. Operations - Heavy Equipment	25,371	40,000		14,629	63.43%
1-04-4235-460 Maint. & Rep. Operations - Storage Reservoirs	104	7,500		7,396	1.39%
1-04-6000-000 Waste Disposal	16,765	20,000		3,235	83.82%
1-04-6100-100 Fuel and Lube - Vehicle	105,713	130,000		24,287	81.32%
1-04-6100-200 Fuel and Lube - Machinery	37,115	43,000		5,885	86.31%
1-04-6200-000 Uniforms	11,428	20,000		8,572	57.14%
1-04-6300-100 Supplies - Misc.	31,207	50,000		18,793	62.41%
1-04-6300-800 Supplies - Construction Materials	32,548	100,000		67,452	32.55%
1-04-6400-000 Tools	10,480	12,000		1,520	87.34%
1-04-7000-100 Leases -Equipment	9,038	15,000		5,962	60.25%
Subtotal Operating Expenses	\$ 770,767	\$ 1,249,000	\$ -	\$ 478,233	61.71%
Total Departmental Expenses	\$ 2,444,493	\$ 3,490,500	\$ -	\$ 1,022,386	70.03%

Palmdale Water District
2012 Operation Budget
For the Nine Months Ending Sunday, September 30, 2012

	YTD ACTUAL 2012	ORIGINAL BUDGET 2012	ADJUSTMENTS 2012	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-05-4000-000 Salaries	\$ 1,239,319	\$ 1,619,250		\$ 379,931	76.54%
1-05-4000-100 Overtime	59,026	60,000		974	98.38%
Subtotal (Salaries)	\$ 1,298,345	\$ 1,679,250		\$ 380,905	77.32%
Employee Benefits					
1-05-4005-000 Payroll Taxes	104,892	128,500		23,608	81.63%
1-05-4010-000 Health Insurance	275,588	367,500		91,912	74.99%
1-05-4015-000 PERS	233,229	304,000		70,771	76.72%
Subtotal (Benefits)	\$ 613,708	\$ 800,000	\$ -	\$ 186,292	76.71%
Total Personnel Expenses	\$ 1,912,053	\$ 2,479,250	\$ -	\$ 566,223	77.12%
OPERATING EXPENSES:					
1-05-4050-000 Staff Travel	\$ 4,236	\$ 8,000		\$ 3,764	52.94%
1-05-4060-000 Staff Conferences & Seminars	4,916	9,500		4,584	51.75%
1-05-4120-100 Training - Lab Equipment	-	3,500		3,500	0.00%
1-05-4155-000 Contracted Services	52,623	59,000		6,377	89.19%
1-05-4175-000 Permits	39,536	51,000		11,464	77.52%
1-05-4215-100 Natural Gas - Wells & Boosters	60,825	150,000		89,175	40.55%
1-05-4215-200 Natural Gas - WTP	666	3,000		2,334	22.21%
1-05-4220-100 Electricity - Wells & Boosters	884,700	1,450,000		565,300	61.01%
1-05-4220-200 Electricity - WTP	62,411	185,000		122,589	33.74%
1-05-4230-110 Maint. & Rep. - Office Equipment	-	500		500	0.00%
1-05-4235-110 Maint. & Rep. Operations - Equipment	2,175	15,000		12,825	14.50%
1-05-4235-410 Maint. & Rep. Operations - Shop Bldgs	2,229	6,000		3,771	37.14%
1-05-4235-415 Maint. & Rep. Operations - Facilities	28,001	38,000		9,999	73.69%
1-05-4235-445 Maint. & Rep. Operations - Telemetry	94	2,250		2,156	4.17%
1-05-4235-450 Maint. & Rep. Operations - Hypo Generator	307	7,250		6,943	4.24%
1-05-4236-000 Palmdale Lake Management	12,978	15,000		2,022	86.52%
1-05-4250-000 General Material & Supplies	335				
1-05-4270-300 Telecommunication - Other	1,897	2,250		353	84.30%
1-05-4300-300 Testing - Edison	-	12,000		12,000	0.00%
1-05-6000-000 Waste Disposal	2,288	15,000		12,712	15.25%
1-05-6200-000 Uniforms	6,620	10,000		3,380	66.20%
1-05-6300-100 Supplies - Misc.	15,337	15,000		(337)	102.25%
1-05-6300-200 Supplies - Hypo Generator	1,760	6,750		4,990	26.08%
1-05-6300-300 Supplies - Electrical	991	3,500		2,509	28.31%
1-05-6300-400 Supplies - Telemetry	6,928	7,500		572	92.38%
1-05-6300-600 Supplies - Lab	27,770	35,000		7,230	79.34%
1-05-6300-700 Outside Lab Work	33,725	65,000		31,275	51.88%
1-05-6400-000 Tools	2,340	6,500		4,160	36.00%
1-05-6500-000 Chemicals	367,702	450,000		82,298	81.71%
1-05-7000-100 Leases -Equipment	-	3,000		3,000	0.00%
Subtotal Operating Expenses	\$ 1,623,388	\$ 2,634,500	\$ -	\$ 1,011,447	61.62%
Total Departmental Expenses	\$ 3,535,441	\$ 5,113,750	\$ -	\$ 1,577,670	69.14%

Palmdale Water District
2012 Administrative Services Budget
For the Nine Months Ending Sunday, September 30, 2012

	YTD ACTUAL 2012	ORIGINAL BUDGET 2012	ADJUSTMENTS 2012	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-06-4000-000 Salaries	\$ 1,131,863	\$ 1,531,250		\$ 399,387	73.92%
1-06-4000-100 Overtime	12,873	25,000		12,127	51.49%
Subtotal (Salaries)	\$ 1,144,736	\$ 1,556,250		\$ 411,514	73.56%
Employee Benefits					
1-06-4005-000 Payroll Taxes	93,254	119,250		25,996	78.20%
1-06-4010-000 Health Insurance	280,281	381,000		100,719	73.56%
1-06-4015-000 PERS	216,623	286,500		69,877	75.61%
Subtotal (Benefits)	\$ 590,159	\$ 786,750	\$ -	\$ 196,591	75.01%
Total Personnel Expenses	\$ 1,734,895	\$ 2,343,000	\$ -	\$ 595,978	74.05%
OPERATING EXPENSES:					
1-06-4050-000 Staff Travel	\$ -	\$ 250		250	0.00%
1-06-4060-000 Staff Conferences & Seminars	928	1,000		72	92.84%
1-06-4155-300 Contracted Services	7,465	14,500		7,035	51.48%
1-06-4155-100 Contracted Services - Infosend	157,426	205,000		47,574	76.79%
1-06-4165-000 Memberships/Subscriptions	-	500		500	0.00%
1-06-4230-110 Maintenance & Repair - Office Equipment	117	1,000		883	11.66%
1-06-4235-440 Maint. & Rep. Operations - Large Meters	7,067	10,000		2,933	70.67%
1-06-4235-470 Maint. & Rep. Operations - Meter Exchanges	199,338	125,000		(74,338)	159.47%
1-06-4250-000 General Material & Supplies	2,810	4,000		1,190	70.25%
1-06-4260-000 Business Forms	5,334	10,000		4,666	53.34%
1-06-4270-100 Telecommunication - Office	11,940	30,000		18,060	39.80%
1-06-4270-200 Telecommunication - Cellular Stipend	11,750	17,000		5,250	69.12%
1-06-4270-300 Telecommunication - Cellular	1,120	3,000		1,880	37.34%
1-06-4300-200 Testing - Large Meter Testing	10,575	21,500		10,925	49.19%
1-06-7000-100 Leases - Equipment	1,792	3,000		1,208	59.72%
Subtotal Operating Expenses	\$ 417,661	\$ 445,750	\$ -	\$ 28,089	93.70%
Total Departmental Expenses	\$ 2,152,556	\$ 2,788,750	\$ -	\$ 624,067	77.19%

Palmdale Water District
2012 Water Conservation Budget
For the Nine Months Ending Sunday, September 30, 2012

	YTD ACTUAL 2012	ORIGINAL BUDGET 2012	ADJUSTMENTS 2012	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-07-4000-000 Salaries	\$ 110,452	\$ 151,750		\$ 41,298	72.79%
1-07-4000-100 Overtime	1,000	1,250		250	80.03%
Subtotal (Salaries)	\$ 111,452	\$ 153,000		\$ 41,548	72.84%
Employee Benefits					
1-07-4005-000 Payroll Taxes	8,966	12,000		3,034	74.71%
1-07-4010-000 Health Insurance	14,640	15,500		860	94.45%
1-07-4015-000 PERS	21,926	28,500		6,574	76.93%
Subtotal (Benefits)	\$ 45,531	\$ 56,000	\$ -	\$ 10,469	81.31%
Total Personnel Expenses	\$ 156,984	\$ 209,000	\$ -	\$ 51,767	75.11%
OPERATING EXPENSES:					
1-07-4050-000 Staff Travel	\$ 28	\$ 1,000		\$ 972	2.78%
1-07-4060-000 Staff Conferences & Seminars	299	500		201	59.80%
1-07-4190-300 Public Relations - Landscape Workshop/Training	407	2,500		2,093	16.26%
1-07-4190-400 Public Relations - Contests	-	500		500	0.00%
1-07-4190-500 Public Relations - Education Programs	3,995	5,000		1,005	79.89%
1-07-4190-700 Public Relations -General Media	875	3,000		2,125	29.17%
1-07-6300-100 Supplies - Misc.	2,473	2,000		(473)	123.66%
Subtotal Operating Expenses	\$ 8,076	\$ 14,500	\$ -	\$ 6,424	55.70%
Total Departmental Expenses	\$ 165,060	\$ 223,500	\$ -	\$ 58,191	73.85%

Palmdale Water District
2012 Human Resources Budget
For the Nine Months Ending Sunday, September 30, 2012

	YTD ACTUAL 2012	ORIGINAL BUDGET 2012	ADJUSTMENTS 2012	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-08-4000-000 Salaries	\$ 105,474	\$ 127,500		\$ 22,026	82.72%
Employee Benefits					
1-08-4005-000 Payroll Taxes	8,432	10,000		1,568	84.32%
1-08-4010-000 Health Insurance	12,956	17,250		4,294	75.11%
1-08-4015-000 PERS	18,557	24,000		5,444	77.32%
Subtotal (Benefits)	\$ 39,945	\$ 51,250	\$ -	\$ 11,305	77.94%
Total Personnel Expenses	\$ 145,418	\$ 178,750	\$ -	\$ 33,332	81.35%
OPERATING EXPENSES:					
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	515	3,000		2,485	17.17%
1-08-4100-000 Employee Retention	1,855	1,500		(355)	123.67%
1-08-4105-000 Employee Relations	2,729	3,500		771	77.98%
1-08-4110-000 Consultants	-	1,000		1,000	0.00%
1-08-4120-100 Training-Safety Consultants	17,118	38,000		20,882	45.05%
1-08-4121-000 Safety Program	-	1,000		1,000	0.00%
1-08-4165-000 Membership/Subscriptions	1,946	1,600		(346)	121.62%
1-08-4165-100 HR/Safety Publications	198	1,000		802	19.84%
1-08-6300-500 Supplies - Safety	13,574	33,500		19,926	40.52%
Subtotal Operating Expenses	\$ 38,416	\$ 89,100	\$ -	\$ 50,684	43.12%
Total Departmental Expenses	\$ 183,835	\$ 267,850	\$ -	\$ 84,015	68.63%

Palmdale Water District
2012 Information Technology Budget
For the Nine Months Ending Sunday, September 30, 2012

	YTD ACTUAL 2012	ORIGINAL BUDGET 2012	ADJUSTMENTS 2012	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-09-4000-000 Salaries	\$ 158,965	\$ 195,250		\$ 36,285	81.42%
1-09-4000-100 Overtime	1,956	3,000		1,044	65.18%
Subtotal (Salaries)	\$ 160,921	\$ 198,250		\$ 37,329	81.17%
Employee Benefits					
1-09-4005-000 Payroll Taxes	13,059	15,500		2,441	84.25%
1-09-4010-000 Health Insurance	29,853	40,000		10,147	74.63%
1-09-4015-000 PERS	29,305	37,000		7,695	79.20%
Subtotal (Benefits)	\$ 72,216	\$ 92,500	\$ -	\$ 20,284	78.07%
Total Personnel Expenses	\$ 233,137	\$ 290,750	\$ -	\$ 56,568	80.18%
OPERATING EXPENSES:					
1-09-4050-000 Staff Travel	\$ 500	\$ 3,000		2,500	16.67%
1-09-4060-000 Staff Conferences & Seminars	8,167	15,000		6,833	54.45%
1-09-4120-100 Cogsdale Reimplementation & Templates*	21,075	70,000	(20,000)	28,925	42.15%
1-09-4155-300 Contracted Services - Computer Vendors*	86,268	105,000	(1,300)	17,432	83.19%
1-09-4165-000 Memberships/Subscriptions	240	500		260	48.00%
1-09-8000-100 Computer Equipment - Computers	36,865	45,000		8,135	81.92%
1-09-8000-200 Computer Equipment - Laptops	-	10,000		10,000	0.00%
1-09-8000-300 Computer Equipment - Monitors	726	2,000		1,274	36.29%
1-09-8000-400 Computer Equipment - Printers	1,905	2,500		595	76.20%
1-09-8000-500 Computer Equipment - Toner Cartridges	5,424	3,000		(2,424)	180.81%
1-09-8000-600 Computer Equipment - Other*	35,112	35,000	5,500	5,388	86.70%
1-09-8100-100 Computer Software - Maint. and Support*	11,171	70,000	(5,500)	53,329	17.32%
1-09-8100-150 Computer Software - Cogsdale Maint and Support	15,800	70,000		54,200	22.57%
1-09-8100-200 Computer Software - Software and Upgrades*	5,210	15,000	20,000	29,790	14.88%
Subtotal Operating Expenses	\$ 228,463	\$ 446,000	\$ (1,300)	\$ 216,237	51.37%
Total Departmental Expenses	\$ 461,600	\$ 736,750	\$ (1,300)	\$ 272,806	62.76%

* Budget adjustments by General Manager per Appendix A

CASH DISBURSMENTS - SEPTEMBER 1, 2012 - SEPTEMBER 30, 2012

AGENDA ITEM NO. 4.5

Account number	Acct Description	Vendor ID	Vendor Name	Document Date	Document Number	Debit Amount	Transaction Description
General Disbursements							
1-00 -1200 -000	General Fund-Construction in Process	NEW001	NEWARK	9/4/2012	22647779	\$343.79	CABLE 2COND 16AWG 1000FT
1-00 -1330 -000	Participation Rights SWP -	DEP002	DEPT OF WATER RESOURCES	9/26/2012	012-018-T/SEP 2012	\$118,556.00	INV. 012-018-T
1-00 -1330 -000	Participation Rights SWP -	DEP002	DEPT OF WATER RESOURCES	9/26/2012	012-009-TAB/9-26-12	\$21,223.00	INV. 012-009-TAB
1-00 -1330 -000	Participation Rights SWP -	DEP002	DEPT OF WATER RESOURCES	9/26/2012	012-006-E/SEP 2012	\$8,519.00	INV.012-006-E
1-00 -2010 -000	Accrued Purchases	KEL003	KELLER AMERICA INC	9/12/2012	49085/7-9-12	\$655.00	ACCULEVEL TRANSMITTER
1-00 -2010 -000	Accrued Purchases	FAI001	FAILSAFE COATINGS INC	9/4/2012	2541	\$5,800.84	FIBERGLASS FLOOR & WALL/WTP
1-00 -2010 -000	Accrued Purchases	HDS001	HD SUPPLY WATERWORKS LTD	9/5/2012	5382390	\$1,064.15	18"D.I. FLANGED90, BOLT KIT
1-00 -2010 -000	Accrued Purchases	HDS001	HD SUPPLY WATERWORKS LTD	9/13/2012	5435275	\$396.50	TAPERED SCREW PLUGS
1-00 -2010 -000	Accrued Purchases	HDS001	HD SUPPLY WATERWORKS LTD	9/13/2012	5408732	\$1,111.54	8"GATE VALVE FLANGE CL 150
1-00 -2010 -000	Accrued Purchases	INL001	INLAND WATER WORKS SUPPLY CO.	9/6/2012	245069	\$60,028.80	METERS 5/8" X 3/4"
1-00 -2010 -000	Accrued Purchases	JLW001	J.L. WINGERT CO.	9/10/2012	322121	\$2,592.75	MYRON ULTRAMETER II, ETC
1-00 -2010 -000	Accrued Purchases	MOR001	MORTON SALT INC	9/10/2012	276204	\$2,932.78	BULK SOLAR SALT
1-00 -2010 -000	Accrued Purchases	RAN001	RANDOLPH MANUFACTURING CO.	9/4/2012	78806	\$2,048.14	REPLACEMENT SPRAG CLUTCH
1-00 -2010 -000	Accrued Purchases	GFI001	GFI USA INC	9/21/2012	USINV0137144	\$873.00	GFI FAXMAKER RENEWAL 1YR
1-00 -2010 -000	Accrued Purchases	HAC001	HACH COMPANY	9/13/2012	7940754	\$1,128.96	2100Q PORTABLE TURBIDIMETER
1-00 -2010 -000	Accrued Purchases	HAC001	HACH COMPANY	9/14/2012	7943198	\$456.75	POCKET COLORIMETER II W/DPD
1-00 -2010 -000	Accrued Purchases	KEM001	KEMIRA WATER SOLUTIONS INC	9/19/2012	9017296545	\$6,271.20	FERRIC CHLORIDE
1-00 -2010 -000	Accrued Purchases	KEM001	KEMIRA WATER SOLUTIONS INC	9/20/2012	9017296842	\$6,282.90	FERRIC CHLORIDE
1-00 -2010 -000	Accrued Purchases	KEM001	KEMIRA WATER SOLUTIONS INC	9/24/2012	9017297362	\$5,943.60	FERRIC CHLORIDE
1-00 -2045 -000	Customer ET Controller Service	HYD001	HYDROPOINT DATA SYSTEMS INC	9/1/2012	PALMDALE SEPT 0 7.12	\$96.00	RENEW WEATHER TRAK ET
1-00 -2045 -000	Customer ET Controller Service	HYD001	HYDROPOINT DATA SYSTEMS INC	9/10/2012	HR1062616	\$96.00	WEATHER TRAK ET RENEWAL
1-00 -2050 -000	OPEB Liability	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$8,450.74	BLUE CROSS,DELTA DENTAL, VSP
1-00 -2050 -000	OPEB Liability	KAI001	KAISER FOUNDATION HEALTH PLAN	9/10/2012	SEP 2012	\$3,537.24	DUES FOR SEPTEMBER 2012
1-00 -2125 -000	Accrued State W/H Taxes -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/5/2012	08-30-12HENRY	\$250.95	State Tax Handck Henry
1-00 -2125 -000	Accrued State W/H Taxes -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/5/2012	08-30-12BURNS	\$803.64	State Tax Handck Burns
1-00 -2125 -000	Accrued State W/H Taxes -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/5/2012	08-29-12	\$10,821.27	State Taxes
1-00 -2125 -000	Accrued State W/H Taxes -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/6/2012	09-05-12HANDCKS	\$595.75	State Taxes Handck 09-05-12
1-00 -2125 -000	Accrued State W/H Taxes -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/7/2012	09-06-12FINAL	\$511.42	State Taxes Final Rodriguez
1-00 -2125 -000	Accrued State W/H Taxes -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/7/2012	09-06-12HANDCKS	\$158.26	State Taxes Handcks09-06-12
1-00 -2125 -000	Accrued State W/H Taxes -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/12/2012	09-04-12HANDCKS	\$183.39	State Tax Handck 09-04-12
1-00 -2125 -000	Accrued State W/H Taxes -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/13/2012	09-13-12HANDCK	\$92.01	State Taxes Handck Espinoza
1-00 -2125 -000	Accrued State W/H Taxes -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/13/2012	09-12-12	\$12,053.89	State Taxes
1-00 -2125 -000	Accrued State W/H Taxes -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/27/2012	09-26-12	\$8,609.03	State Taxes
1-00 -2125 -000	Accrued State W/H Taxes -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/27/2012	09-27-12HANDCK	\$160.04	State Tax Handck Boka
1-00 -2130 -000	Accrued F.I.T. Taxes -	INT002	INTERNAL REVENUE SERVICE	9/5/2012	09-04-12HANDCKS	\$594.65	Federal Tax Handck 09-04-12
1-00 -2130 -000	Accrued F.I.T. Taxes -	INT002	INTERNAL REVENUE SERVICE	9/5/2012	08-30-12BURNS	\$2,391.23	Federal Tax Handck Burns
1-00 -2130 -000	Accrued F.I.T. Taxes -	INT002	INTERNAL REVENUE SERVICE	9/5/2012	08-30-12HENRY	\$630.81	Federal Tax Handck Henry
1-00 -2130 -000	Accrued F.I.T. Taxes -	INT002	INTERNAL REVENUE SERVICE	9/6/2012	09-05-12HANDCKS	\$1,518.55	Federal Taxes Handck 09-05-12
1-00 -2130 -000	Accrued F.I.T. Taxes -	INT002	INTERNAL REVENUE SERVICE	9/7/2012	09-06-12HANDCKS	\$479.13	Federal Taxes Handcks09-06-12
1-00 -2130 -000	Accrued F.I.T. Taxes -	INT002	INTERNAL REVENUE SERVICE	9/7/2012	09-06-12FINAL	\$1,391.22	Federal Taxes Final Rodriguez
1-00 -2130 -000	Accrued F.I.T. Taxes -	INT002	INTERNAL REVENUE SERVICE	9/13/2012	09-13-12HANDCK	\$334.44	Federal Taxes Handck Espinoza
1-00 -2130 -000	Accrued F.I.T. Taxes -	INT002	INTERNAL REVENUE SERVICE	9/13/2012	09-12-12	\$30,878.71	Federal Taxes
1-00 -2130 -000	Accrued F.I.T. Taxes -	INT002	INTERNAL REVENUE SERVICE	9/27/2012	09-26-12	\$23,608.08	Federal Taxes
1-00 -2130 -000	Accrued F.I.T. Taxes -	INT002	INTERNAL REVENUE SERVICE	9/27/2012	09-27-12HANDCK	\$229.15	Federal Taxes Handck Boka

CASH DISBURSMENTS - SEPTEMBER 1, 2012 - SEPTEMBER 30, 2012

Account number	Acct Description	Vendor ID	Vendor Name	Document Date	Document Number	Debit Amount	Transaction Description
1-00 -2130 -000	Accrued F.I.T. Taxes -	INT002	INTERNAL REVENUE SERVICE	9/28/2012	09-27-12DIR	\$82.50	Federal Tax Directors 09-27-12
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/5/2012	09-04-12HANDCKS	\$132.26	Federal Tax Handck 09-04-12
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/5/2012	09-04-12HANDCKS	\$474.28	Federal Tax Handck 09-04-12
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/5/2012	08-30-12BURNS	\$288.44	Federal Tax Handck Burns
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/5/2012	08-30-12BURNS	\$968.43	Federal Tax Handck Burns
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/5/2012	08-30-12HENRY	\$106.00	Federal Tax Handck Henry
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/5/2012	08-30-12HENRY	\$380.14	Federal Tax Handck Henry
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/6/2012	09-05-12HANDCKS	\$260.86	Federal Taxes Handck 09-05-12
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/6/2012	09-05-12HANDCKS	\$935.48	Federal Taxes Handck 09-05-12
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/7/2012	09-06-12HANDCKS	\$102.08	Federal Taxes Handcks09-06-12
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/7/2012	09-06-12HANDCKS	\$366.05	Federal Taxes Handcks09-06-12
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/7/2012	09-06-12FINAL	\$199.74	Federal Taxes Final Rodriguez
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/7/2012	09-06-12FINAL	\$716.29	Federal Taxes Final Rodriguez
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/13/2012	09-13-12HANDCK	\$84.40	Federal Taxes Handck Espinoza
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/13/2012	09-13-12HANDCK	\$302.68	Federal Taxes Handck Espinoza
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/13/2012	09-12-12	\$7,800.02	Federal Taxes
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/13/2012	09-12-12	\$27,210.25	Federal Taxes
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/27/2012	09-26-12	\$6,620.40	Federal Taxes
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/27/2012	09-26-12	\$22,659.91	Federal Taxes
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/27/2012	09-27-12HANDCK	\$110.66	Federal Taxes Handck Boka
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/27/2012	09-27-12HANDCK	\$396.88	Federal Taxes Handck Boka
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/28/2012	09-27-12DIR	\$78.32	Federal Tax Directors 09-27-12
1-00 -2135 -000	Accrued Fica/Medi Taxes -	INT002	INTERNAL REVENUE SERVICE	9/28/2012	09-27-12DIR	\$280.80	Federal Tax Directors 09-27-12
1-00 -2140 -000	Life Insurance Deductions Payroll -	COL002	COLONIAL LIFE & ACCIDENT	9/12/2012	09-12-12	\$348.05	Colonial Life Ins deduction
1-00 -2140 -000	Life Insurance Deductions Payroll -	COL002	COLONIAL LIFE & ACCIDENT	9/27/2012	09-26-12	\$348.05	Colonial Life Ins deduction
1-00 -2145 -000	Deferred Compensation -	LIN003	LINCOLN NATIONAL PENSION	9/12/2012	09-12-12	\$8,945.52	Lincoln Def Comp deduction
1-00 -2145 -000	Deferred Compensation -	LIN003	LINCOLN NATIONAL PENSION	9/27/2012	09-26-12	\$8,912.70	Lincoln Def Comp deduction
1-00 -2155 -000		PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/6/2012	08-29-12	\$149.46	
1-00 -2155 -000		CAL018	CALIFORNIA STATE DISBURSEMENT UNIT	9/12/2012	09-12-12	\$633.84	
1-00 -2155 -000		PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/20/2012	09-12-12	\$149.46	
1-00 -2155 -000		CAR007	CARYBROOKE MENKO	9/27/2012	044296/09-26-12	\$1,440.00	
1-00 -2155 -000		FRA004	FRANCHISE TAX BOARD	9/27/2012	044299/09-26-12	\$400.00	
1-00 -2155 -000		CAL018	CALIFORNIA STATE DISBURSEMENT UNIT	9/27/2012	09-26-12	\$633.84	
1-00 -2158 -000	Prepaid Legal	PRE002	LEGALSHIELD	9/27/2012	044297/09-26-12	\$478.16	Legal Shield deduction
1-00 -2160 -000	United Way -	UNI002	UNITED WAY OF GREATER LOS ANGELES	9/4/2012	044096/08-29-12	\$34.50	United Way donation
1-00 -2160 -000	United Way -	UNI002	UNITED WAY OF GREATER LOS ANGELES	9/12/2012	044193/09-12-12	\$24.50	United Way donation
1-00 -2160 -000	United Way -	UNI002	UNITED WAY OF GREATER LOS ANGELES	9/27/2012	044300/09-26-12	\$24.50	United Way donation
1-00 -2170 -000	Payroll Tax - State Disability Insurance -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/5/2012	08-30-12HENRY	\$36.55	State Tax Handck Henry
1-00 -2170 -000	Payroll Tax - State Disability Insurance -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/5/2012	08-29-12	\$2,405.80	State Taxes
1-00 -2170 -000	Payroll Tax - State Disability Insurance -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/6/2012	09-05-12HANDCKS	\$89.95	State Taxes Handck 09-05-12
1-00 -2170 -000	Payroll Tax - State Disability Insurance -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/7/2012	09-06-12FINAL	\$68.87	State Taxes Final Rodriguez
1-00 -2170 -000	Payroll Tax - State Disability Insurance -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/7/2012	09-06-12HANDCKS	\$33.70	State Taxes Handcks09-06-12
1-00 -2170 -000	Payroll Tax - State Disability Insurance -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/12/2012	09-04-12HANDCKS	\$29.10	State Tax Handck 09-04-12
1-00 -2170 -000	Payroll Tax - State Disability Insurance -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/13/2012	09-13-12HANDCK	\$29.10	State Taxes Handck Espinoza
1-00 -2170 -000	Payroll Tax - State Disability Insurance -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/13/2012	09-12-12	\$2,474.69	State Taxes

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Account number	Acct Description	Vendor ID	Vendor Name	Document Date	Document Number	Debit Amount	Transaction Description
1-00 -2170 -000	Payroll Tax - State Disability Insurance -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/27/2012	09-26-12	\$2,048.61	State Taxes
1-00 -2170 -000	Payroll Tax - State Disability Insurance -	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/27/2012	09-27-12HANDCK	\$38.16	State Tax Handck Boka
1-00 -2180 -000	AFLAC Insurance -	AFL001	AFLAC	9/27/2012	09-26-12	\$1,084.38	AFLAC Ins deduction
1-00 -2181 -000	Allstate Insurance	ALL013	AMERICAN HERITAGE LIFE INSURANCE CO	9/27/2012	09-26-12	\$290.20	Allstate Ins deduction
1-00 -2185 -000	Oppenheimer Deduction	OPP001	OPPENHEIMER SHAREHOLDERS	9/4/2012	044095/08-29-12	\$60.00	Oppenheimer deduction
1-00 -2185 -000	Oppenheimer Deduction	OPP001	OPPENHEIMER SHAREHOLDERS	9/12/2012	044194/09-12-12	\$60.00	Oppenheimer deduction
1-00 -2185 -000	Oppenheimer Deduction	OPP001	OPPENHEIMER SHAREHOLDERS	9/27/2012	044298/09-26-12	\$60.00	Oppenheimer deduction
1-00 -3095 -000	Revenue - Other Activities	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$1,701.96	BLUE CROSS,DELTA DENTAL, VSP
						\$458,294.82	
District General							
1-00 -5021 -000	Capitalized Expenditures	GEC001	GE CAPITAL	9/9/2012	S7710713	\$2,724.96	BILLING ID NO: 90136171460
1-00 -5021 -000	Capitalized Expenditures	SEM001	SEMS TECHNOLOGIES LLC	9/19/2012	1041/6-30-12	\$7,251.75	RETENTION
1-00 -5050 -000	Water Purchased -	DEP002	DEPT OF WATER RESOURCES	9/26/2012	012-017-0/9-26-12	\$53,642.00	INV. 012-017-0
1-00 -5050 -000	Water Purchased -	DEP002	DEPT OF WATER RESOURCES	9/26/2012	012-083-U/9-26-12	\$2,231.00	INV. 012-083-U
1-00 -5060 -000	Water Quality Expense (GAC Media)	CAL010	CALGON CARBON CORPORATION	9/11/2012	21323908/7-16-12	\$217,991.30	ACTIVATED CARBON
						\$283,841.01	
Customer Refunds							
1-00 -9999 -999	CSM AP Clearing Account	1000834	MARK KAUFMAN	9/11/2012	CHEQ000000020985	\$53.24	22562618 Refund Check
1-00 -9999 -999	CSM AP Clearing Account	1042468	DEL SOL REALTY, INC.	9/14/2012	CHEQ000000021083	\$4.97	29482001 Refund Check
1-00 -9999 -999	CSM AP Clearing Account	1042468	DEL SOL REALTY, INC.	9/19/2012	CHEQ000000021226	\$17.52	32267045 Refund Check
1-00 -9999 -999	CSM AP Clearing Account	1042468	DEL SOL REALTY, INC.	9/19/2012	CHEQ000000021266	\$1.40	32702023 Refund Check
						\$77.13	
Directors							
1-01 -4010 -000	Health Insurance - Directors	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$1,973.79	BLUE CROSS,DELTA DENTAL, VSP
1-01 -4010 -000	Health Insurance - Directors	KAI001	KAISER FOUNDATION HEALTH PLAN	9/10/2012	SEP 2012	\$2,440.70	DUES FOR SEPTEMBER 2012
						\$4,414.49	
Administration Department							
1-02 -4010 -000	Health Insurance - Administration Department	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$2,037.28	BLUE CROSS,DELTA DENTAL, VSP
1-02 -4010 -000	Health Insurance - Administration Department	KAI001	KAISER FOUNDATION HEALTH PLAN	9/10/2012	SEP 2012	\$5,300.82	DUES FOR SEPTEMBER 2012
1-02 -4010 -000	Health Insurance - Administration Department	DEL002	DELTA CARE USA	9/1/2012	4873419	\$55.65	DUES FOR SEPT/ACCT: 2793
1-02 -4015 -000	PERS - Administration Department	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/6/2012	08-29-12	\$3,496.91	PERS Payment
1-02 -4015 -000	PERS - Administration Department	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/20/2012	09-12-12	\$3,449.89	PERS Report
1-02 -4030 -000	Life Insurance/EAP Program	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$290.28	BLUE CROSS,DELTA DENTAL, VSP
1-02 -4050 -000	Staff Travel	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$603.20	CAL-CARD CHARGES THRU 9-24-12
1-02 -4060 -100	General Manager - Conferences and Seminars	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$635.00	CAL-CARD CHARGES THRU 9-24-12
1-02 -4070 -000	Employee Expense	SRP001	SR PALMDALE FD INC	9/12/2012	44192	\$1,361.14	LUNCHEON 09-19-2012
1-02 -4070 -000	Employee Expense	DIR002	DIR-ELECTRICIAN CERTIFICATION FUND	9/6/2012	V12-4486	\$100.00	D.MCKINSEY /ELECTRICIAN RENEW
1-02 -4070 -000	Employee Expense	EMP001	EMPLOYMENT DEVELOPMENT DEPT	9/5/2012	1419134336	\$4,704.50	ACCOUNT ID: 925-0315-0
1-02 -4070 -000	Employee Expense	COF001	COFFEE BREAK SERVICE INC	9/20/2012	184321	\$483.88	COFFEE SUPPLIES
1-02 -4070 -000	Employee Expense	FOU001	FOUR STAR PRINTING INC	9/20/2012	68624	\$103.42	RETIREE'S MEMORY BOOKLETS
1-02 -4070 -000	Employee Expense	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$285.02	CAL-CARD CHARGES THRU 9-24-12

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Account number	Acct Description	Vendor ID	Vendor Name	Document Date	Document Number	Debit Amount	Transaction Description
1-02 -4080 -000	Other Operating	BAN002	BANK OF NEW YORK MELLON	9/3/2012	252-1651845	\$1,802.00	ADMIN FEES ACCT:PALMDALE2004
1-02 -4085 -000	Post Employment Benefits -	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$6,789.79	BLUE CROSS,DELTA DENTAL, VSP
1-02 -4110 -000	Consultants	EGA001	ROBERT M. EGAN	9/20/2012	SEP	\$2,025.00	CONSULTING SERVICES
1-02 -4110 -000	Consultants	MET005	METROPOLITAN WATER DISTRICT	9/10/2012	39333	\$75.28	CONSULT SERVICE THRU JUNE
1-02 -4130 -000	Bank Charges	SEC004	SECTRAN SECURITY INC	9/1/2012	12090671	\$302.10	SERVICE THRU SEPTEMBER
1-02 -4140 -000	Legal Services	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$85.40	CAL-CARD CHARGES THRU 9-24-12
1-02 -4155 -000	Contracted Services	THY001	THYSSENKRUPP ELEVATOR CORP	9/1/2012	1300053144	\$238.17	ELEVATOR MAINTENANCE
1-02 -4155 -000	Contracted Services	QCS001	QCS BUILDING SERVICES INC	9/3/2012	9133	\$720.00	JANITORIAL SVCS/MAIN BLDG &NOB
1-02 -4155 -000	Contracted Services	UNI013	UNIVERSAL ELECTRONIC ALARMS, INC	9/1/2012	TRN-CA16948	\$27.00	ACCT: 1768 MAIN OFFICE
1-02 -4155 -000	Contracted Services	AVG001	AV GARDEN & TURF	9/23/2012	2944	\$850.00	LANDSCAPE MAINTENANCE
1-02 -4155 -000	Contracted Services	AVG001	AV GARDEN & TURF	9/23/2012	2945	\$175.00	R&R WATER PUMP IN POND
1-02 -4175 -000	Permits	LOS001	LOS ANGELES COUNTY FIRE DEPARTMENT	9/7/2012	IN0171710	\$1,747.00	LACO/CUPA#: AR0004372
1-02 -4180 -000	Postage	UPS001	UPS FREIGHT	9/5/2012	20935285	\$751.66	FREIGHT CHARGES TO ITRON
1-02 -4180 -000	Postage	FED001	FEDEX	9/26/2012	44295	\$184.42	ACCT: 1519-5429-4
1-02 -4180 -000	Postage	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$13.06	CAL-CARD CHARGES THRU 9-24-12
1-02 -4190 -100	Public Relations - Publications	FOU001	FOUR STAR PRINTING INC	9/7/2012	68517	\$150.00	WATER NEWS-STMNT STUFFER
1-02 -4190 -100	Public Relations - Publications	INF001	INFOSEND INC	9/17/2012	61922	\$3,490.92	BILLING STATEMENTS
1-02 -4200 -000	Advertising	YP0001	YP	9/19/2012	V12-4989	\$12.00	ACCT: 8306014173-00002
1-02 -4205 -000	Office Supplies	QCS001	QCS BUILDING SERVICES INC	9/3/2012	9166	\$206.47	JANITORIAL SUPPLIES
1-02 -4205 -000	Office Supplies	STA009	STAPLES ADVANTAGE	9/1/2012	8022959625	\$66.19	TAB DIVIDERS W/POCKET, ETC
1-02 -4205 -000	Office Supplies	STA009	STAPLES ADVANTAGE	9/15/2012	8023087415	\$214.25	INSERTS 5 TAB, LABELS, ETC
1-02 -4220 -200	Electricity - Buildings	EDI001	EDISON COMPANY	9/30/2012	V12-5044	\$5,226.42	ELECTRIC UTILITIES
1-02 -4230 -100	Mtce & Rep Office -Office Building	DAR001	DARYL'S PLUMBING	9/12/2012	57378	\$75.00	STOPPAGE URINAL DRAIN
						\$48,134.12	
Engineering Department							
1-03 -4010 -000	Health Insurance - Engineering Department	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$8,690.79	BLUE CROSS,DELTA DENTAL, VSP
1-03 -4010 -000	Health Insurance - Engineering Department	KAI001	KAISER FOUNDATION HEALTH PLAN	9/10/2012	SEP 2012	\$4,461.98	DUES FOR SEPTEMBER 2012
1-03 -4015 -000	PERS - Engineering Department	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/6/2012	08-29-12	\$6,761.50	PERS Payment
1-03 -4015 -000	PERS - Engineering Department	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/20/2012	09-12-12	\$6,030.92	PERS Report
1-03 -4050 -000	Staff Travel	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$40.32	CAL-CARD CHARGES THRU 9-24-12
1-03 -4060 -000	Conferences & Seminars	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$210.00	CAL-CARD CHARGES THRU 9-24-12
1-03 -4085 -000	Post Employment Benefits -	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$15,277.01	BLUE CROSS,DELTA DENTAL, VSP
1-03 -4165 -000	Memberships/Subscriptions	UND001	UNDERGROUND SERVICE ALERT/SC	9/30/2012	920120530	\$160.50	TICKET CHARGES THRU SEPT
1-03 -4250 -000	General Material & Supplies	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$528.44	CAL-CARD CHARGES THRU 9-24-12
						\$42,161.46	
Facilities Department							
1-04 -4010 -000	Health Insurance - Facilities Department	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$13,474.62	BLUE CROSS,DELTA DENTAL, VSP
1-04 -4010 -000	Health Insurance - Facilities Department	KAI001	KAISER FOUNDATION HEALTH PLAN	9/10/2012	SEP 2012	\$19,353.80	DUES FOR SEPTEMBER 2012
1-04 -4010 -000	Health Insurance - Facilities Department	DEL002	DELTA CARE USA	9/1/2012	4873419	\$55.65	DUES FOR SEPT/ACCT: 2793
1-04 -4015 -000	PERS - Facilities Department	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/6/2012	08-29-12	\$10,500.12	PERS Payment
1-04 -4015 -000	PERS - Facilities Department	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/20/2012	09-12-12	\$12,129.11	PERS Report
1-04 -4085 -000	Post Employment Benefits -	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$39,041.24	BLUE CROSS,DELTA DENTAL, VSP
1-04 -4155 -000	Contracted Services -	CLA001	CLARK PEST CONTROL	9/4/2012	948072/9-4-12	\$3,439.80	WELLS & BSTRS CONTRACT 1 YR

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Account number	Acct Description	Vendor ID	Vendor Name	Document Date	Document Number	Debit Amount	Transaction Description
1-04 -4155 -000	Contracted Services -	QC5001	QCS BUILDING SERVICES INC	9/3/2012	9133	\$294.00	JANITORIAL SVCS/MAIN BLDG &NOB
1-04 -4155 -000	Contracted Services -	UNI013	UNIVERSAL ELECTRONIC ALARMS, INC	9/1/2012	TRN-CA16947	\$27.00	ACCT: 1769 NOB
1-04 -4155 -000	Contracted Services -	UNI013	UNIVERSAL ELECTRONIC ALARMS, INC	9/1/2012	TRN-CA16946	\$27.00	ACCT: 1768
1-04 -4155 -000	Contracted Services -	UNI013	UNIVERSAL ELECTRONIC ALARMS, INC	9/1/2012	TRN-CA16945	\$27.00	ACCT: 1767 CONSTRUCTION ROOM
1-04 -4155 -000	Contracted Services -	UNI013	UNIVERSAL ELECTRONIC ALARMS, INC	9/1/2012	TRN-CA16939	\$35.00	ACCT: 1649 WELL SITE 25
1-04 -4155 -000	Contracted Services -	UNI013	UNIVERSAL ELECTRONIC ALARMS, INC	9/1/2012	TRN-CA16937	\$35.00	ACCT: 1649 WELL SITE 33
1-04 -4155 -000	Contracted Services -	UNI013	UNIVERSAL ELECTRONIC ALARMS, INC	9/1/2012	TRN-CA16938	\$35.00	ACCT: 1650 WELL SITE 30
1-04 -4155 -000	Contracted Services -	UNI013	UNIVERSAL ELECTRONIC ALARMS, INC	9/1/2012	TRN-CA16940	\$35.00	ACCT: 1652 WELL SITE 35
1-04 -4155 -000	Contracted Services -	AVG001	AV GARDEN & TURF	9/23/2012	2944	\$171.60	LANDSCAPE MAINTENANCE
1-04 -4220 -200	Electricity - Buildings	EDI001	EDISON COMPANY	9/30/2012	V12-S043	\$1,102.00	ELECTRIC UTILITIES
1-04 -4220 -200	Electricity - Buildings	EDI001	EDISON COMPANY	9/30/2012	V12-S044	\$1,410.62	ELECTRIC UTILITIES
1-04 -4225 -000	Mtce & Rep Vehicles -	RAL001	RALLY AUTO GROUP INC	9/4/2012	521928	\$364.56	REPLACE MAF SENSOR/TR#106
1-04 -4225 -000	Mtce & Rep Vehicles -	AFF001	AFFORDABLE TIRE	9/4/2012	481543	\$12.00	FLAT REPAIR/TR#81
1-04 -4225 -000	Mtce & Rep Vehicles -	CAR005	CARQUEST AUTO PARTS	9/5/2012	12199-199636	\$97.54	TR#107/BRAKE PADS & SHOE
1-04 -4225 -000	Mtce & Rep Vehicles -	CAR005	CARQUEST AUTO PARTS	9/11/2012	12199-200165	\$7.50	STANDARD MINIATURE BULBS
1-04 -4225 -000	Mtce & Rep Vehicles -	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$601.33	CAL-CARD CHARGES THRU 9-24-12
1-04 -4230 -100	Mtce & Rep Office -Office Building	LOW001	LOWE'S COMPANIES INC	10/8/2012	STATEMENT 10-15-12	\$831.55	CHARGES THRU 9-25-12
1-04 -4230 -100	Mtce & Rep Office -Office Building	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$6.94	CAL-CARD CHARGES THRU 9-24-12
1-04 -4235 -110	Mtce & Rep Operations -Equipment	CAR005	CARQUEST AUTO PARTS	9/4/2012	12199-199584	\$4.57	OIL SEAL/TR#16
1-04 -4235 -400	Mtce & Rep Operations -Wells	KEL003	KELLER AMERICA INC	9/12/2012	49127/7-12-12	\$404.00	VALULINE 1S0PSIG
1-04 -4235 -400	Mtce & Rep Operations -Wells	CED001	CED INC-LANCASTER	9/5/2012	3978-611311	\$221.12	CONTACTOR/WELL 33
1-04 -4235 -400	Mtce & Rep Operations -Wells	DES001	DESERT INDUSTRIAL SUPPLY	9/19/2012	787266	\$159.60	BRASS HEX BUSHINGS, ETC
1-04 -4235 -405	Mtce & Rep Operations -Boosters	DES001	DESERT INDUSTRIAL SUPPLY	9/12/2012	785525	\$60.25	2" 150 DOM BLD RF FLANGE 6X2
1-04 -4235 -405	Mtce & Rep Operations -Boosters	HD5001	HD SUPPLY WATERWORKS LTD	9/5/2012	5361744	\$1,246.12	GATE VALVE, FLG, ETC
1-04 -4235 -405	Mtce & Rep Operations -Boosters	BAT003	BATTERY WORX INC	9/12/2012	1-16987	\$549.92	4D BATTERIES FOR CLEARWELL
1-04 -4235 -405	Mtce & Rep Operations -Boosters	BAT003	BATTERY WORX INC	9/12/2012	1-16987 T	\$48.12	TAX INVOICE: 1-16987
1-04 -4235 -405	Mtce & Rep Operations -Boosters	LOW001	LOWE'S COMPANIES INC	10/8/2012	STATEMENT 10-15-12	\$37.42	CHARGES THRU 9-25-12
1-04 -4235 -410	Mtce & Rep Operations -Shop Buildings	LOW001	LOWE'S COMPANIES INC	10/8/2012	STATEMENT 10-15-12	\$78.33	CHARGES THRU 9-25-12
1-04 -4235 -410	Mtce & Rep Operations -Shop Buildings	HOM001	HOME DEPOT CRC	9/27/2012	STATEMENT 09-27-12	\$32.62	CHARGES THRU 09-27-2012 STMNT
1-04 -4235 -415	Mtce & Rep Operations -Facilities	DIV002	DIVE/CORR INC	9/6/2012	12128	\$7,000.00	INSPECTION/UNDERWATER SVCS
1-04 -4235 -415	Mtce & Rep Operations -Facilities	HD5001	HD SUPPLY WATERWORKS LTD	9/20/2012	5383137	\$2,839.47	GATE VALVE
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	COU005	COUNTY OF LOS ANGELES	9/18/2012	RE-PW-12041609778	\$725.00	#RE-PW-12041609778/4-16-12
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	COU005	COUNTY OF LOS ANGELES	9/18/2012	RE-PW-12041609779	\$725.00	#RE-PW-12041609779/4-16-12
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	COU005	COUNTY OF LOS ANGELES	9/18/2012	IN120000926/4-23-12	\$1,401.00	SERVICE CUTS-MARCH 2012
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	COU005	COUNTY OF LOS ANGELES	9/18/2012	IN120001275/7-18-12	\$1,401.00	SERVICE CUTS - JUNE 2012
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	HD5001	HD SUPPLY WATERWORKS LTD	9/13/2012	5435275	\$0.44	TAPERED SCREW PLUGS
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	INL001	INLAND WATER WORKS SUPPLY CO.	9/6/2012	245069	\$1.20	METERS 5/8" X 3/4"
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	RBC001	RBC INC	9/6/2012	1207-239	\$6,495.50	ASPHALT REPAIRS
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	RBC001	RBC INC	9/8/2012	1207-240	\$2,529.50	ASPHALT REPAIRS
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	RBC001	RBC INC	9/10/2012	1207-241	\$2,640.07	ASPHALT REPAIRS
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	HD5001	HD SUPPLY WATERWORKS LTD	9/21/2012	5434906	\$171.28	ASSTD TAPERED SCREW PLUGS
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	RBC001	RBC INC	9/11/2012	1207-242	\$3,091.26	ASPHALT REPAIRS
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	RBC001	RBC INC	9/19/2012	1207-245	\$2,518.75	ASPHALT REPAIRS
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	RBC001	RBC INC	9/22/2012	1207-247	\$2,456.76	ASPHALT REPAIRS
1-04 -4235 -420	Mtce & Rep Operations -Water Lines	RBC001	RBC INC	9/26/2012	1207-248	\$1,404.69	ASPHALT REPAIRS

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1-04 -4235 -420	Mtce & Rep Operations -Water Lines	UNI004	UNITED RENTALS NORTH AMERICA INC	9/18/2012	105703333-001	\$191.23	CONCRETE BATCH PLANT MIX
1-04 -4235 -425	Mtce & Rep Operations -Littlerock Dam	CSA001	CS- AMSCO	9/7/2012	6874-A	\$504.60	BOARD INTERFACE 24/115V
1-04 -4235 -425	Mtce & Rep Operations -Littlerock Dam	SIT001	SITE SURVEYING	9/26/2012	120213/10-1-12	\$620.00	ANNUAL MONITOR OBSERVATIONS
1-04 -4235 -430	Mtce & Rep Operations -Palmdale Dam	CLA001	CLARK PEST CONTROL	9/17/2012	77651	\$1,920.00	SQUIRREL CONTROL 8/15 TO 9/17
1-04 -4235 -455	Mtce & Rep Operations -Heavy Equipment	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$1,589.12	CAL-CARD CHARGES THRU 9-24-12
1-04 -6000 -000	Waste Disposal -	SAF001	SAFETY-KLEEN CORP.	9/6/2012	58897378	\$660.00	WASTE DISPOSAL FEE
1-04 -6000 -000	Waste Disposal -	WAS001	WASTE MGMT OF ANTELOPE VALLEY	9/1/2012	7864890-2508-4	\$658.31	ACCT: 508-0037725-2508-9
1-04 -6000 -000	Waste Disposal -	SHR001	SHRED-IT USA- NORTH LOS ANGELES	9/6/2012	9400844881	\$85.80	SHREDDING SERVICE 9-6-12
1-04 -6100 -200	Fuel and Lube -Machinery	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$152.89	CAL-CARD CHARGES THRU 9-24-12
1-04 -6300 -100	Supplies -Misc.	AIR001	AIRGAS USA LLC	9/4/2012	9008352160	\$152.68	WELDING HELMET, ARGON
1-04 -6300 -100	Supplies -Misc.	AIR001	AIRGAS USA LLC	9/6/2012	9008425572	\$21.85	WELDING TIPS & WIRE
1-04 -6300 -100	Supplies -Misc.	APP001	APPLIED TECHNOLOGY GROUP INC	9/4/2012	1005528	\$182.85	KENWOOD KSC-25 CHARGER, ETC
1-04 -6300 -100	Supplies -Misc.	DES001	DESERT INDUSTRIAL SUPPLY	9/4/2012	P23902	\$336.66	2" GALV ST 90 DOMESTIC, ETC
1-04 -6300 -100	Supplies -Misc.	GAL002	GALETON	9/6/2012	1060087-00	\$129.00	RR WATER RESISTANT GLOVES
1-04 -6300 -100	Supplies -Misc.	QCS001	QCS BUILDING SERVICES INC	9/3/2012	9166	\$206.46	JANITORIAL SUPPLIES
1-04 -6300 -100	Supplies -Misc.	SNA001	SNAP-ON INDUSTRIAL	9/6/2012	ARV/17910781	\$37.04	1/2 DR 1 1/8 SHAL IMP SWIV SKT
1-04 -6300 -100	Supplies -Misc.	SNA001	SNAP-ON INDUSTRIAL	9/1/2012	ARV/179172036	\$51.40	1/2IN DRIVE IMP SOCKET, ETC
1-04 -6300 -100	Supplies -Misc.	MCM001	MCMaster-CARR SUPPLY CO.	9/14/2012	36904388	\$66.75	GR80 ALLOY STEEL CHAIN, ETC
1-04 -6300 -100	Supplies -Misc.	MCM001	MCMaster-CARR SUPPLY CO.	9/18/2012	37153157	\$43.77	GRADE 63 ALLOY STEEL SLIP HOOK
1-04 -6300 -100	Supplies -Misc.	AIR001	AIRGAS USA LLC	9/20/2012	9008785594	\$77.98	HELIUM
1-04 -6300 -100	Supplies -Misc.	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$34.92	CAL-CARD CHARGES THRU 9-24-12
1-04 -6300 -100	Supplies -Misc.	HOM001	HOME DEPOT CRC	9/27/2012	STATEMENT 09-27-12	\$279.74	CHARGES THRU 09-27-2012 STMNT
1-04 -6300 -800	Supplies - Construction Materials	YAT001	YATES TRUCKING INC	9/4/2012	9413	\$836.28	CLASS A BASE, FILL SAND
1-04 -6300 -800	Supplies - Construction Materials	YAT001	YATES TRUCKING INC	9/13/2012	9439	\$961.65	FILL SAND, CLASS A BASE
1-04 -6300 -800	Supplies - Construction Materials	YAT001	YATES TRUCKING INC	9/25/2012	9445	\$3,098.77	COLD MIX, FILL SAND, A BASE
1-04 -6400 -000	Tools	LOW001	LOWE'S COMPANIES INC	10/8/2012	STATEMENT 10-15-12	\$72.76	CHARGES THRU 9-25-12
1-04 -6400 -000	Tools	HOM001	HOME DEPOT CRC	9/27/2012	STATEMENT 09-27-12	\$84.60	CHARGES THRU 09-27-2012 STMNT
1-04 -7000 -100	Leases -Equipment	AND001	ANDY GUMP INC	9/24/2012	INV122567	\$266.74	MONTHLY RENTAL CHARGES
						\$154,681.82	
Operations Department							
1-05 -4010 -000	Health Insurance - Operations	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$18,553.88	BLUE CROSS, DELTA DENTAL, VSP
1-05 -4010 -000	Health Insurance - Operations	KAI001	KAISER FOUNDATION HEALTH PLAN	9/10/2012	SEP 2012	\$12,117.60	DUES FOR SEPTEMBER 2012
1-05 -4015 -000	PERS - Operations	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/6/2012	08-29-12	\$11,985.79	PERS Payment
1-05 -4015 -000	PERS - Operations	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/20/2012	09-12-12	\$13,873.49	PERS Report
1-05 -4060 -000	Conferences & Seminars	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$1,170.00	CAL-CARD CHARGES THRU 9-24-12
1-05 -4085 -000	Post Employment Benefits -	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$35,646.35	BLUE CROSS, DELTA DENTAL, VSP
1-05 -4155 -000	Contracted Services	AES001	AES WATER, INC.	9/12/2012	1197	\$5,425.00	SEISMIC VLV CONTROLLER MAINT
1-05 -4155 -000	Contracted Services	QCS001	QCS BUILDING SERVICES INC	9/3/2012	9134	\$466.00	WTP/JANITORIAL SERVICES
1-05 -4155 -000	Contracted Services	SEM001	SEMS TECHNOLOGIES LLC	9/17/2012	1405	\$5,025.00	SEMS SOFTWARE SUBSCRIPTION
1-05 -4155 -000	Contracted Services	AVG001	AV GARDEN & TURF	9/23/2012	2944	\$135.00	LANDSCAPE MAINTENANCE
1-05 -4175 -000	Permits -	DEP009	DEPT OF PUBLIC HEALTH	9/25/2012	1260204	\$23,842.23	WATER SYSTEM FEES NO:1910102
1-05 -4175 -000	Permits -	LOS001	LOS ANGELES COUNTY FIRE DEPARTMENT	9/7/2012	IN0167152	\$363.00	LACO/CUPA#: AR0006863
1-05 -4175 -000	Permits -	LOS001	LOS ANGELES COUNTY FIRE DEPARTMENT	9/7/2012	IN0171708	\$363.00	LACO/CUPA#: AR0004346
1-05 -4175 -000	Permits -	LOS001	LOS ANGELES COUNTY FIRE DEPARTMENT	9/7/2012	IN0171716	\$1,747.00	LACO/CUPA#: AR0004407

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Account number	Acct Description	Vendor ID	Vendor Name	Document Date	Document Number	Debit Amount	Transaction Description
1-05 -4175 -000	Permits -	LOS001	LOS ANGELES COUNTY FIRE DEPARTMENT	9/7/2012	IN0178316	\$363.00	LACO/CUPAH: AR0044117
1-05 -4215 -100	Natural Gas - Wells & Boosters	ACC003	ACCENT ENERGY CALIFORNIA LLC	9/30/2012	44483453	\$4.80	ACCT: 9900568004
1-05 -4215 -100	Natural Gas - Wells & Boosters	ACC003	ACCENT ENERGY CALIFORNIA LLC	9/30/2012	11183442	\$5.08	ACCT: 5071058006
1-05 -4220 -100	Electricity - Wells & Boosters	EDI001	EDISON COMPANY	9/30/2012	V12-5043	\$40,118.76	ELECTRIC UTILITIES
1-05 -4220 -100	Electricity - Wells & Boosters	EDI001	EDISON COMPANY	9/30/2012	V12-5044	\$55,390.57	ELECTRIC UTILITIES
1-05 -4220 -200	Electricity - Water Treatment Plant	EDI001	EDISON COMPANY	9/30/2012	V12-5043	\$944.53	ELECTRIC UTILITIES
1-05 -4235 -410	Mtce & Rep Operations -Shop Buildings	UNI014	UNITED REFRIGERATION INC	9/6/2012	36101534-00	\$94.22	PRE PLEAT FILTERS
1-05 -4235 -415	Mtce & Rep Operations -Facilities	PAT001	PATTON SALES CORP	9/17/2012	2363772	\$14.14	1X1X1/8 ALUM ANGLE 10'
1-05 -4235 -415	Mtce & Rep Operations -Facilities	AIR001	AIRGAS USA LLC	9/20/2012	9008785593	\$95.09	ACETYLENE, OXYGEN, ETC
1-05 -4235 -415	Mtce & Rep Operations -Facilities	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$509.09	CAL-CARD CHARGES THRU 9-24-12
1-05 -4236 -000	Palmdale Lake Management -	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$13.71	CAL-CARD CHARGES THRU 9-24-12
1-05 -4270 -300	Telecommunication -Other	ATT002	AT & T	9/1/2012	V12-4733	\$115.70	TELEPHONE UTILITIES
1-05 -4270 -300	Telecommunication -Other	ATT002	AT & T	9/30/2012	V12-5072	\$100.18	TELEPHONE UTILITIES
1-05 -6000 -000	Waste Disposal -	WAS001	WASTE MGMT OF ANTELOPE VALLEY	9/1/2012	7864889-2508-6	\$291.14	ACCT: 508-0039093-2508-0/WTP
1-05 -6300 -100	Supplies -Misc.	QCS001	QCS BUILDING SERVICES INC	9/3/2012	9167	\$185.14	WTP/JANITORIAL SUPPLIES
1-05 -6300 -100	Supplies -Misc.	HAR003	HARRINGTON	9/19/2012	00585342	\$872.69	3/4"VALVE BALL TUBV , ETC
1-05 -6300 -100	Supplies -Misc.	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$13.91	CAL-CARD CHARGES THRU 9-24-12
1-05 -6300 -200	Supplies -Hypo Generators	MCM001	MCMaster-CARR SUPPLY CO.	9/25/2012	37819692	\$129.55	PRESSURE REGULATOR, ETC
1-05 -6300 -300	Supplies - Electrical	CED001	CED INC-LANCASTER	9/19/2012	3978-612175	\$478.75	3/4 ALUM STR CORD CONN, ETC
1-05 -6300 -300	Supplies - Electrical	CED001	CED INC-LANCASTER	9/20/2012	3978-611910	\$511.96	CODING TAPE,HOLE SAW, ETC
1-05 -6300 -600	Supplies -Lab	HAC001	HACH COMPANY	9/7/2012	7931874	\$203.00	PH BUFFER SOLUTION KITS 4L
1-05 -6300 -600	Supplies -Lab	IDE001	IDEXX DISTRIBUTION INC	9/6/2012	262487131	\$287.54	GAMMA IR PSEUDALERT 100ML, ETC
1-05 -6300 -600	Supplies -Lab	IDE001	IDEXX DISTRIBUTION INC	9/10/2012	262581553	\$166.49	WKIT 1001 QUANTI-CULT, ETC
1-05 -6300 -600	Supplies -Lab	RES002	RESTEK CORPORATION	9/6/2012	243	\$193.39	VOA VIAL SEPTA & MIX 500, ETC
1-05 -6300 -600	Supplies -Lab	SIE006	SIEMENS INDUSTRY INC	9/6/2012	900897508	\$161.64	RENTAL FOR DI TANKS/AUG-SEP
1-05 -6300 -600	Supplies -Lab	SIE006	SIEMENS INDUSTRY INC	9/13/2012	900905426	\$191.19	TANK EXCHANGE
1-05 -6300 -600	Supplies -Lab	VWR001	VWR INTERNATIONAL INC	9/6/2012	8051560303	\$135.57	EPTIP RACK ST
1-05 -6300 -600	Supplies -Lab	VWR001	VWR INTERNATIONAL INC	9/6/2012	8051560311	\$43.07	OIL VACUUM ULTRAGRADE 19 1L
1-05 -6300 -600	Supplies -Lab	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$17.90	CAL-CARD CHARGES THRU 9-24-12
1-05 -6300 -700	Outside Lab Work	EUR001	EUROFINS EATON ANALYTICAL INC	9/14/2012	L0098286	\$80.00	LAB TESTS
1-05 -6300 -700	Outside Lab Work	EUR001	EUROFINS EATON ANALYTICAL INC	9/25/2012	L0099679	\$825.00	LAB TESTS
1-05 -6300 -700	Outside Lab Work	EUR001	EUROFINS EATON ANALYTICAL INC	9/26/2012	L0099312	\$1,715.00	LAB TESTS
1-05 -6400 -000	Tools	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$268.23	CAL-CARD CHARGES THRU 9-24-12
1-05 -6500 -000	Chemicals	INT003	INTER- VALLEY POOL SUPPLY	9/12/2012	46467	\$584.37	CHLORINE
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331369	\$31.35	ACCT: 984807
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331367	\$30.05	ACCT: 984484
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331368	\$31.35	ACCT: 984781
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331802	\$28.50	ACCT: 984666
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331172	\$32.80	ACCT: 1331172
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331213	\$32.80	ACCT: 984765
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331800	\$29.95	ACCT: 984609
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	984625/9-20-12	\$29.95	ACCT: 984625
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331174	\$32.80	ACCT: 984542
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331176	\$30.00	ACCT: 353086
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	984708/9-20-12	\$29.95	ACCT: 984708

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1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331799	\$29.95	ACCT: 984567
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331173	\$30.25	ACCT: 984526
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1330621	\$31.85	ACCT: 1330621
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331803	\$362.20	ACCT: 984823
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331798	\$26.15	ACCT: 984500
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331801	\$1,117.25	ACCT: 984641
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331001	\$40.70	ACCT: 984740
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331178	\$29.00	ACCT: 1317221
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331175	\$29.00	ACCT: 1317239
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331000	\$31.85	ACCT: 1317247
1-05 -6500 -000	Chemicals	CUL001	CULLIGAN OF SYLMAR	9/20/2012	1331002	\$31.85	ACCT: 1317254
1-05 -6500 -000	Chemicals	HOM001	HOME DEPOT CRC	9/27/2012	STATEMENT 09-27-12	\$2,043.94	CHARGES THRU 09-27-2012 STMNT
						\$239,981.23	

Administrative Services Department

1-06 -4010 -000	Health Insurance - Administrative Services Dept.	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$20,695.75	BLUE CROSS,DELTA DENTAL, VSP
1-06 -4010 -000	Health Insurance - Administrative Services Dept.	KAI001	KAISER FOUNDATION HEALTH PLAN	9/10/2012	SEP 2012	\$10,182.22	DUES FOR SEPTEMBER 2012
1-06 -4010 -000	Health Insurance - Administrative Services Dept.	DEL002	DELTA CARE USA	9/1/2012	4873419	\$111.30	DUES FOR SEPT/ACCT: 2793
1-06 -4015 -000	PERS - Administrative Services Department	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/5/2012	08-29-12	\$11,265.13	PERS Payment
1-06 -4015 -000	PERS - Administrative Services Department	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/20/2012	09-12-12	\$12,370.52	PERS Report
1-06 -4085 -000	Post Employment Benefits -	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$42,436.13	BLUE CROSS,DELTA DENTAL, VSP
1-06 -4155 -100	Contracted Services - INFOSEND	INF001	INFOSEND INC	9/17/2012	61922	\$7,155.99	BILLING STATEMENTS
1-06 -4155 -100	Contracted Services - INFOSEND	INF001	INFOSEND INC	9/10/2012	61775	\$375.92	BILLING STATEMENTS
1-06 -4155 -300	Contracted Services-Vendors	ITR001	ITRON INC	9/11/2012	260404	\$1,284.91	HARDWARE MAINT/OCT-DEC
1-06 -4155 -300	Contracted Services-Vendors	SSC002	SS&C TECHNOLOGIES INC	9/17/2012	INV346717	\$87.00	CREDIT SCREENER
1-06 -4235 -440	Mtce & Rep Operations -Large Meters	MCC003	McCALL'S METER SALES & SERVICE	9/4/2012	22931	\$1,409.38	FIELD METER TESTS & REPAIRS
1-06 -4235 -440	Mtce & Rep Operations -Large Meters	MCC003	McCALL'S METER SALES & SERVICE	9/13/2012	22981	\$1,802.34	METER REPAIRS
1-06 -4235 -440	Mtce & Rep Operations -Large Meters	MCC003	McCALL'S METER SALES & SERVICE	9/20/2012	23000	\$1,726.80	METER TESTING & REPAIRS
1-06 -4250 -000	General Material & Supplies -	NEM001	NEMO-Q, L.P.	9/19/2012	3568	\$600.00	BOX OF 12 ROLLS THERMAL PAPER
1-06 -4250 -000	General Material & Supplies -	HOM001	HOME DEPOT CRC	9/27/2012	STATEMENT 09-27-12	\$64.86	CHARGES THRU 09-27-2012 STMNT
1-06 -4260 -000	Business Forms -	FOU001	FOUR STAR PRINTING INC	9/14/2012	68542	\$1,177.42	48HR DISCONNECT DOORHANGERS
1-06 -4260 -000	Business Forms -	FOU001	FOUR STAR PRINTING INC	9/6/2012	68545	\$653.96	GENERAL PURPOSE CHECKS
1-06 -4270 -100	Telecommunication -Office	ATT002	AT & T	9/1/2012	V12-4733	\$89.26	TELEPHONE UTILITIES
1-06 -4270 -100	Telecommunication -Office	ATT002	AT & T	9/30/2012	V12-5072	\$509.32	TELEPHONE UTILITIES
1-06 -4270 -300	Telecommunication -Cellular	NEX001	NEXTEL COMMUNICATIONS	9/16/2012	26023631-130	\$139.96	ACCT: 260236311/WIRELESS SVC
1-06 -4300 -200	Testing -Large Meter Testing	MCC003	McCALL'S METER SALES & SERVICE	9/4/2012	22931	\$705.00	FIELD METER TESTS & REPAIRS
1-06 -4300 -200	Testing -Large Meter Testing	MCC003	McCALL'S METER SALES & SERVICE	9/20/2012	23000	\$2,350.00	METER TESTING & REPAIRS
						\$117,193.17	

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Account number	Acct Description	Vendor ID	Vendor Name	Document Date	Document Number	Debit Amount	Transaction Description
Water Conservation Department							
1-07 -4010 -000	Health Insurance - Water Conservation Department	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$1,900.15	BLUE CROSS,DELTA DENTAL, VSP
1-07 -4015 -000	PERS - Water Conservation Department	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/6/2012	08-29-12	\$1,115.48	PERS Payment
1-07 -4015 -000	PERS - Water Conservation Department	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/20/2012	09-12-12	\$1,299.59	PERS Report
1-07 -4085 -000	Post Employment Benefits -	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$3,394.89	BLUE CROSS,DELTA DENTAL, VSP
1-07 -6300 -100	Supplies -Misc.	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$200.68	CAL-CARD CHARGES THRU 9-24-12
						<u>\$7,910.79</u>	
Human Resources Department							
1-08 -4010 -000	Health Insurance - Human Resources Department	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$1,439.59	BLUE CROSS,DELTA DENTAL, VSP
1-08 -4015 -000	PERS - Human Resources Department	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/6/2012	08-29-12	\$1,512.14	PERS Payment
1-08 -4015 -000	PERS - Human Resources Department	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/20/2012	09-12-12	\$914.74	PERS Report
1-08 -4085 -000	Post Employment Benefits -	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$1,697.45	BLUE CROSS,DELTA DENTAL, VSP
1-08 -4105 -000	Employee Relations	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$324.27	CAL-CARD CHARGES THRU 9-24-12
1-08 -6300 -500	Supplies -Safety	AIR001	AIRGAS USA LLC	9/4/2012	9008352160	\$188.51	WELDING HELMET, ARGON
						<u>\$6,076.70</u>	
Information Technology Department							
1-09 -4010 -000	Health Insurance - Information Technology Dept	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$1,886.93	BLUE CROSS,DELTA DENTAL, VSP
1-09 -4010 -000	Health Insurance - Information Technology Dept	KAI001	KAISER FOUNDATION HEALTH PLAN	9/10/2012	SEP 2012	\$1,430.06	DUES FOR SEPTEMBER 2012
1-09 -4015 -000	PERS - Information Technology Dept	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/6/2012	08-29-12	\$1,467.98	PERS Payment
1-09 -4015 -000	PERS - Information Technology Dept	PUB001	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9/20/2012	09-12-12	\$1,709.83	PERS Report
1-09 -4050 -000	Staff Travel	USB001	U.S. BANK CORPORATE PYMT SYSTEMS	9/30/2012	STATEMENT 9-24-12	\$378.26	CAL-CARD CHARGES THRU 9-24-12
1-09 -4085 -000	Post Employment Benefits - Information Technology	ACW001	ACWA/JPIA	9/1/2012	SEPT 2012	\$3,394.89	BLUE CROSS,DELTA DENTAL, VSP
1-09 -4155 -300	Contracted Services - Computer Vendors	TIM002	TIME WARNER CABLE	9/12/2012	44191	\$1,099.00	ACCT: 84482000S1304094
1-09 -4155 -300	Contracted Services - Computer Vendors	COR005	CORELOGIC SOLUTIONS LLC	9/24/2012	80589467/44286	\$825.00	REALQUEST-GEOGRAPHIC PKG
1-09 -4155 -300	Contracted Services - Computer Vendors	TIM002	TIME WARNER CABLE	9/24/2012	44287	\$7,702.50	ACCT: 84482000S1339876/WTP
1-09 -4155 -300	Contracted Services - Computer Vendors	TIM002	TIME WARNER CABLE	9/24/2012	9-24 TO 10-23/44288	\$1,304.55	ACCT: 84482000S104184S
1-09 -4155 -300	Contracted Services - Computer Vendors	KYO001	KYOCERA	9/26/2012	55B1083626	\$353.31	CONTRACT OVERAGE CHARGES
1-09 -8000 -500	Computer Equipment - Toner Cartridges	COP001	COPY R OFFICE SOLUTIONS LLC	9/18/2012	47631	\$12.98	FREIGHT CHARGE
1-09 -8000 -500	Computer Equipment - Toner Cartridges	COP001	COPY R OFFICE SOLUTIONS LLC	9/18/2012	47632	\$12.98	FREIGHT CHARGE
1-09 -8000 -500	Computer Equipment - Toner Cartridges	COP001	COPY R OFFICE SOLUTIONS LLC	9/18/2012	47633	\$11.98	FREIGHT CHARGE
1-09 -8000 -500	Computer Equipment - Toner Cartridges	COP001	COPY R OFFICE SOLUTIONS LLC	9/25/2012	47825	\$11.98	FREIGHT CHARGE
1-09 -8000 -600	Computer Equipment - Other	XTE001	XTELESIS CORPORATION	9/13/2012	T3544	\$19.15	WALL MOUNT KIT
1-09 -8000 -600	Computer Equipment - Other	XTE001	XTELESIS CORPORATION	9/24/2012	T3574	\$19.15	WALL MOUNT KIT
1-09 -8100 -140	Computer Software-Starnik	STA013	STARNIK SYSTEMS INC	9/13/2012	44196	\$15,800.00	UTILITY TRAKR SOFTWARE SUBSC.
						<u>\$37,440.53</u>	
Special Funds							
2-00 -5100 -100	Conservation - Rebates	1001764	ANTONIO OCHOA	9/7/2012	17628079-1001764	\$792.00	CASH FOR GRASS PROGRAM
2-00 -5100 -100	Conservation - Rebates	1049304	LAURA ONOFRE	9/10/2012	31919172-1049304	\$347.20	CASH FOR GRASS PROGRAM
2-00 -5100 -100	Conservation - Rebates	ANT004	ANTELOPE VALLEY PRESS	9/30/2012	4138236	\$88.00	AD NO: 4138236/SPANISH
2-00 -5100 -100	Conservation - Rebates	GAR003	GARDEN SOFT	9/14/2012	4231	\$2,500.00	WATER WISE GARDEN WEBSITE
3-00 -1200 -000	Water Quality-Work in Process	WAT006	WATER QUALITY & TREATMENT SOLUTIONS INC	9/17/2012	12-1882	\$359.00	ANALYTICAL SERVICES
3-00 -1200 -000	Water Quality-Work in Process	WAT006	WATER QUALITY & TREATMENT SOLUTIONS INC	9/30/2012	12-1888	\$1,265.92	CHROMIUM 6 STUDY PROJECT

CASH DISBURSMENTS - SEPTEMBER 1, 2012 - SEPTEMBER 30, 2012

Account number	Acct Description	Vendor ID	Vendor Name	Document Date	Document Number	Debit Amount	Transaction Description
4-00 -1200 -000	Water Supply Fund-Work in Process	RMC001	RMC WATER AND ENVIRONMENT	9/19/2012	14941	\$315.00	SSWD-GARDEN BAR STUDY
5-00 -1200 -000	Asset Rpl Fund-Work in Process	GOW001	GOWEST LEASING	9/10/2012	99222	\$17,256.45	LEASE#GML-2934A01
5-00 -1200 -000	Asset Rpl Fund-Work in Process	HDS001	HD SUPPLY WATERWORKS LTD	9/4/2012	5383058	\$141.38	DAILY RENTAL /TEST PUMP
5-00 -1200 -000	Asset Rpl Fund-Work in Process	ROB005	ROBERTSON'S	9/5/2012	6734	\$326.79	SLURRY
5-00 -1200 -000	Asset Rpl Fund-Work in Process	ROB005	ROBERTSON'S	9/5/2012	6735	\$459.33	CONCRETE
5-00 -1200 -000	Asset Rpl Fund-Work in Process	GEC001	GE CAPITAL	9/19/2012	57736983	\$459.70	BILLING ID #: 90136108467
5-00 -1200 -000	Asset Rpl Fund-Work in Process	HDS001	HD SUPPLY WATERWORKS LTD	9/21/2012	5447076	\$2,027.47	6"STEEL FLANGE 90 CL150, ETC
5-00 -1200 -000	Asset Rpl Fund-Work in Process	HDS001	HD SUPPLY WATERWORKS LTD	9/21/2012	2537.50	\$2,537.50	6"STEEL FLG 11-1/4 CMLC, ETC
5-00 -1200 -000	Asset Rpl Fund-Work in Process	JAQ001	JAQUA & SONS	9/13/2012	187048	\$15.52	T&G DESERT SAND, ETC
5-00 -1200 -000	Asset Rpl Fund-Work in Process	QCC001	QC CONSULTANTS INC	9/25/2012	12-119-002	\$255.00	RE: AVENUE S & SWAN DRIVE
5-00 -1200 -000	Asset Rpl Fund-Work in Process	RBC001	RBC INC	9/20/2012	1207-246	\$2,427.25	ASPHALT REPAIRS
5-00 -1200 -000	Asset Rpl Fund-Work in Process	RBC001	RBC INC	9/22/2012	1207-247	\$2,094.44	ASPHALT REPAIRS
5-00 -1200 -000	Asset Rpl Fund-Work in Process	RBC001	RBC INC	9/26/2012	1207-248	\$2,929.63	ASPHALT REPAIRS
5-00 -1200 -000	Asset Rpl Fund-Work in Process	HOM001	HOME DEPOT CRC	9/27/2012	STATEMENT 09-27-12	\$19.38	CHARGES THRU 09-27-2012 STMNT
						\$36,616.96	

Engineering Department Projected Payout Schedule November - 2012

AGENDA ITEM NO. 7.5

Project Title	2012 Budget	Budget No.	Payee	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Littlerock Dam Sediment Removal EIR/EIS Cost Recovery Payment	\$ 270,000	NCP02	Aspen USFS		\$ 11,719 \$ 119,416	\$ 3,257	\$ 3,966		\$ 23,343	\$ 12,399		\$ 14,998	\$ 17,783	\$ 14,000	\$ 14,000
Spec. No. 0903 - 9th/12th Street East	\$ 683,000	RCP08	VCI	\$ 182,825	\$ 137,230	\$ 187,320	\$ 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						\$ 355,147						
Well No. 11A Rehabilitation	\$ 200,000	RCP23	Layne				\$ 215,030					\$ 87,321			
Avenue S and Downing - Water Main Replacement	\$ 125,000	RCO18	TBD						\$ 36,347						
Spec. No. 0902 - Ave. Q-3, Division, Sumac	\$ 525,000	RCP07	TBD								\$ 203,768	\$ 60,941	\$ 156,430	\$ 225,000	\$ 225,000
3600' Hydro-Pneumatic Tank Replacement	\$ -	N/A	Superior Tank											\$ 70,000	\$ 20,000
Well No. 3A Rehabilitation	\$ -	N/A	Layne Reed Electric							\$ 12,667		\$ 112,956 \$ 19,709			
Water Meter Exchange	\$ -	N/A	Tejon											\$ 15,000	\$ 10,000
Lighting Replacement	\$ -	N/A	ORION							\$ 68,163	\$ 68,163				
WTP Security System	\$ 50,000	NCP01	Protection 1											\$ 20,000	
Total Projected Payout:				\$ 182,825	\$ 268,365	\$ 190,577	\$ 323,525	\$ 86,084	\$ 414,837	\$ 93,229	\$ 271,931	\$ 295,925	\$ 174,213	\$ 362,000	\$ 269,000
Water Quality Fund	2012 Budget	Budget No.	Payee	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012 Granular Activated Carbon Supply	\$ 1,550,000	N/A	Calgon					\$ 219,829		\$ 216,776	\$ 216,776	\$ 217,991		\$ 433,552	\$ 216,776
2012 Change-Outs			Siemens											\$ 30,000	\$ 16,550
2012 Change-Outs (Pilot)			Black & Veatch											\$ 1,266	\$ 4,806
Sanitary Survey Update			WQTS									\$ 359	\$ 1,266	\$ 4,806	\$ 4,500
Chromium VI Study															
Total Water Quality Projected Payout:				\$ -	\$ -	\$ -	\$ -	\$ 219,829	\$ -	\$ 216,776	\$ 216,776	\$ 218,350	\$ 1,266	\$ 488,358	\$ 237,826

Approved for Payment

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: November 8, 2012 **November 14, 2012**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.6 – CONSIDERATION AND POSSIBLE ACTION
ON 2012 WATEREUSE ASSOCIATION MEMBERSHIP. (\$2,300.00 –
BUDGETED – GENERAL MANAGER LaMOREAUX)***

Recommendation:

Staff recommends the Board approve 2012 District membership in the WateReuse Association in the amount of \$2,300.00.

Alternative Options:

The alternative is to not join this organization.

Impact of Taking No Action:

The District would not be a member of the WateReuse Association.

Background:

As the Palmdale Recycled Water Authority was recently formed to make maximum beneficial use of recycled water for direct use, recharge, and exchange, the District can benefit from membership in the WateReuse Association.

The WateReuse Association represents an international group of organizations and individuals working together to improve and increase local water supplies with the goal of advancing the beneficial and efficient use of water resources through water reuse and desalination. They are headquartered in the Washington D.C. area and help ensure water reuse receives attention and funding from the federal government.

The WateReuse Association has four strategic initiatives — advocacy, education and outreach, research, and organization and membership. Benefits to its members as follows:

• ***Advocacy:***

Federal Advocacy Initiatives — The WateReuse Association lobbies for funding support for reuse research and local water reuse and desalination projects, tracks relevant water legislation, supports bills important to members, and maintains close contact with Congress and federal agencies.

State Legislative and Regulatory Support — The Association's California Section works to secure grant and loan funding for local reuse projects, obtain research funding, remove barriers to reuse, and is prepared to assist other states with advocacy activities related to these efforts as well as legislation and regulations regarding water reuse and desalination.

- **Education:** The Association's website (www.WateReuse.org) provides information on current events, conferences, research, membership, links to relevant websites, and more. Newsletters are distributed covering the latest news on water reuse and desalination, industry events, legislation and regulations, projects and initiatives, and a national conference is held devoted exclusively to water reuse and desalination.

- **Outreach:** WateReuse communicates the value of water reuse and desalination to community leaders and the public by conducting research on public perception, ensuring regulations are written to protect public health and the environment, and serving as a resource for local decision-makers. In addition, brochures, reports, and other outreach products are developed for use by its members.

- **Research:** The WateReuse Foundation conducts and promotes applied research on water reclamation, recycling, reuse, and desalination. Research sponsored by the WateReuse Foundation advances the science of water reuse through the sponsorship of "leading edge," applied research and supports the Association's commitment to providing high-quality water, protecting public health, and improving the environment.

- **Organization:**

State Sections — WateReuse sections complement the national organization with their ability to focus on unique legislative, regulatory, and funding issues in a given state.

Committees — WateReuse's active committee structure allows members to collaborate on key issues of common interest.

Strategic Alliances and Partnerships — WateReuse partners on initiatives with other associations such as the American Water Works Association and Water Environment Federation and works closely with federal agencies, including the Bureau of Reclamation, the U.S. EPA, and Department of Energy.

Strategic Plan Element:

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

Budget:

This is under Budget Item No. 1-02-4165-000 Memberships/Subscriptions.

Supporting Documents:

- WateReuse invoice and membership application



November 08, 2012

Mr. Matthew Knudson
Palmdale Water District
2029 E Avenue Q
Palmdale, CA 93550
(661) 947-4111

INVOICE

Agency/Water Supplier Dues \$2,278.90
(based on 17.53 MGD)

Total Amount Due: \$2,278.90

Please remit payment to:

WaterReuse Association
1199 North Fairfax Street, Suite 410
Alexandria, VA 22314
(703) 548-0880 (phone)
(703) 548-5085 (fax)
www.watereuse.org

Credit Card: ☐ Check ☐ VISA ☐ Master Card ☐ AMEX

Card Number: _____ Exp. Date _____ CVV _____

Print Cardholder Name _____ Total Due _____

Signature _____ Date _____

Please make checks payable to the WaterReuse Association



Sustainable Solutions for a Thirsty Planet®

Agency/Water Supplier

2012 WaterReuse Association Membership Application

Public agencies, municipalities, and investor-owned or privately owned utilities that have an interest in the objectives and purposes of the Association and are engaged in or empowered to engage in: (1) reclamation and recycling of water; (2) employment of desalination or other advanced water treatment processes in public water supply; (3) development, management, and use of surface and/or groundwater; (4) management of water quality; and/or (5) management of agricultural or municipal wastewater, whether or not such waters are to be reused, are eligible to become **Division A: Agency/Water Supplier Members** of the WaterReuse Association, provided the agency, company, or department so qualified is empowered to act jointly or cooperate with other entities for any of the objectives of the WaterReuse Association. If two or more entities share a board of directors, each entity may be an Agency/Water Supplier Member,

provided that in order for each entity to vote, it must pay full dues. Each Agency/Water Supplier Member shall designate a Primary Representative and up to two Alternate Representatives and shall notify WaterReuse in writing of the names of its Representatives. These designated Representatives shall continue to represent the Agency/Water Supplier Member organization until WaterReuse receives written notification from the Agency/Water Supplier Member of a change in its Primary Representative or Alternative Representative(s). Each Agency/Water Supplier Member has voting privileges in the WaterReuse Association, and all Agency/Water Supplier Member Primary and Alternate Representatives may serve as members and officers of committees of the WaterReuse Association and the Board of Directors.

Step 1: Provide Your Organization's Information

Organization Name: Palmdale Water District Website: www.palmdalewater.org

Type of Agency (check all that apply): ☒ Reuse ☐ Desalination ☒ Water ☐ Wastewater ☐ Other _____

Primary Contact: Matthew Knudson Title: Engineering Manager

Mailing Address: 2029 East Avenue Q

City: Palmdale State: CA Zip: 93550 Country: USA

Telephone: 661-456-1018 Fax: 661-947-8604 E-mail: mknudson@palmdalewater.org

Step 2: Assign Your Organization's Alternate Contacts

In addition to the Primary Contact selected in Step 1, you may also designate up to two Alternate Representatives. Alternate Representatives will receive copies of the Association's journal (*World Water: Reuse & Desalination*) and newsletter (*Water Reuse Update*), have access to member-only areas of the website, and be listed in the member directory.

	Representative #1	Representative #2
Name:	Dennis D. LaMoreaux	Peter Thompson Jr.
Title:	General Manager	Operations Manager
Street Address:	2029 East Avenue Q	2029 East Avenue Q
City, State Zip:	Palmdale, CA 93550	Palmdale, CA 93550
Telephone:	661-456-1017	661-456-1169
Fax:	661-947-8604	661-947-8604
E-mail	dlaumoreaux@palmdalewater.org	pthompsonii@palmdalewater.org

(Please Continue to Page 2)

Step 3: Calculate Your Dues

Please calculate your 2012 dues by adding your 2011 flow of potable water and recycled water purveyed plus wastewater treated (converted to millions of gallons per day, MGD). Multiply the flow amount by \$130. The minimum Agency/Water Supplier dues are \$600 and the maximum dues are \$7,000. All fields are required to be completed for statistical purposes.

<u>17.53</u>	+	<u>0.00</u>	+	<u>0.00</u>	=	<u>17.53</u>
2011 potable water (MGD)		2011 recycled water (MGD)		2011 wastewater (MGD)		Total Flow (MGD)
		<u>17.53</u>	x	\$ 130	=	<u>\$ 2,278.90</u>
		Total Flow (MGD)				2012 Dues (USD)
						In Step 4, enter this amount or the minimum amount or maximum amount as appropriate.

Step 4: Dues Summary

2012 WaterReuse Association Dues

(Enter the amount from Step 3 above, the minimum dues of \$600, or the maximum of \$7,000)

₹ 2,278.90

WaterReuse Research Foundation Donation

(\$250 minimum recommended)

\$

Optional Contribution to the WaterReuse Research Foundation: The WaterReuse Research Foundation is a 501(c)(3) nonprofit organization dedicated to conducting and promoting applied research on the reuse, reclamation, recycling, and desalination of water. WaterReuse Association members receive discounted prices on WaterReuse Research Foundation research reports and conferences.

GRAND TOTAL

\$ 2,278.90

Remit this amount to the WaterReuse Association

Step 5: Remit Dues Payment to the WaterReuse Association

Dues are assessed for each calendar year. One full year of dues is paid upon joining and a prorated amount will be assessed for the following year.

Note: The WaterReuse Association estimates that 20% of your annual dues will be used to support the Association's 2012 national and state legislative/regulatory program. Pursuant to the 1993 Federal Tax Act, that portion of your 2012 annual WaterReuse Association dues will therefore be considered nondeductible for income tax purposes.

Remit your dues payment with this application to:

WaterReuse Association
1199 North Fairfax Street, Suite 410
Alexandria, VA 22314
Fax: (703) 548-5085

Payment Method

- ☐ Check (payable to the WaterReuse Association)
☐ VISA ☐ MasterCard ☐ American Express

Credit Card #

Expiration Date

Security Code

Cardholder Name

Total Due

Billing Address

City/State/Zip

Signature _____

Date _____

TEN GOOD REASONS TO BE A WATEREUSE ASSOCIATION MEMBER



1 Strong, well connected Federal advocacy program and strategy keeps members informed about relevant legislative and regulatory events in the Congress and Federal agencies such as the Environmental Protection Agency and Bureau of Reclamation.

2 Discounted rates on publications and registration at all WaterReuse Association and WaterReuse Research Foundation events. Members receive a 15% to 30% discount on events and publications!

3 Opportunity to serve on one of several active committees – choose from the newly established Industrial Reuse Committee, the Desalination Committee, National Legislative or National Regulatory Committee, or the Education & Outreach Committee...and more!

4 Periodic specialty conferences on timely topics are a hallmark of WaterReuse. In 2013, we plan to convene an Industrial Reuse Conference in Brisbane, Australia in conjunction with the Australian Water Association and the Water Services Association of Australia.

5 A steady stream of webcasts on timely topics such as a recent event presented in conjunction with the National Research Council on their 2012 report entitled *Water Reuse: Potential for Expanding the Nation's Water Supply Through Reuse of Municipal Wastewater*. With hundreds of virtual attendees and dynamic speakers, WaterReuse webcasts offer information on pertinent industry topics, education, and professional development hours.



Congressional Briefing on Alternative Energy and Water Supplies.

6 Preparation of reports on key issues as they arise; a good example is the "White Paper on Graywater" published in 2010 by WaterReuse, the American Water Works Association, and the Water Environment Federation.

7 The WaterReuse website which features the latest news on relevant happenings in water reuse and desalination, as well as links to state reuse regulations, technical resources, and access to recent webcasts and videos, available for streaming (e.g., "Downstream").

8 WaterReuse has seven state sections plus an international division which are positioned well to address local issues, advocate key legislation, work with key legislators, and plan and convene state level annual conferences. The state sections and international division provide substantial local, grass-roots expertise.

9 Subscription to *World Water: Water Reuse and Desalination*, a quarterly journal published by WaterReuse and the Water Environment Federation. Readership and distribution is at 20,000 and growing all around the world.

10 WaterReuse developed and maintains an extranet website called "athirstyplanet.com" designed for the non-technical, lay person who wants to know the basics about water reuse and desalination.

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: November 7, 2012 **November 14, 2012**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.7 – CONSIDERATION AND POSSIBLE ACTION
ON ADDING SECTION 4.10 – DIRECTORS’ SOCIAL MEDIA
COMMUNICATIONS POLICY TO PWD RULES & REGULATIONS.
(OUTREACH COMMITTEE)***

Recommendation:

Staff and the Outreach Committee recommend “Section 4.10 – Directors’ Social Media Communications Policy” be added to the District’s Rules & Regulations.

Alternative Options:

There is no alternative option.

Impact of Taking No Action:

The Rules & Regulations would remain unchanged.

Background:

The Directors’ Social Media Communications Policy was developed at the Outreach Committee to respect a Director’s right to express themselves on issues within the District’s subject matter jurisdiction and to enhance a Director’s communications with their constituents through social media and other electronic communications while ensuring compliance with the Brown Act. This Policy was presented to the Board for consideration at the October 10, 2012 Board meeting. The Board referred the Policy back to the Outreach Committee for further discussion and development.

The Outreach Committee reviewed and revised the Policy at their November 5, 2012 meeting, and the revised Policy is attached for consideration of the full Board.

Strategic Plan Element:

This work is part of Strategic Element 5.0 Administrative Management.

Budget:

The Directors’ Social Media Communications Policy will have no financial impact on the Budget.

Supporting Documents:

- Directors’ Social Media Communications Policy

**PALMDALE WATER DISTRICT
DIRECTORS' SOCIAL MEDIA COMMUNICATIONS POLICY**

- 1. Introduction/Purpose:** In light of advances in information and communications technology, the Board of Directors of Palmdale Water District (the "District") adopts this policy to ensure continued compliance with the Brown Act in connection with certain social media and other electronic communications, while respecting a director's right to express himself or herself on issues within the District's subject matter jurisdiction, and to enhance directors' communications with their constituents.
- 2. Application:** This policy shall apply only to directors' communications in the following social or electronic media:
 - a. District's website;
 - b. District's Facebook page;
 - c. other directors' individual Facebook pages, but only as to issues within the District's subject matter jurisdiction;
 - d. water industry websites and blogs; and
 - e. Palmdale community websites and blogs, but only as to issues within the District's subject matter jurisdiction.
- 3. Tone and Tenor of Communications:** The Board acknowledges that all communications made by a District director, whether in his or her capacity as a director or in his or her individual capacity, have the potential to reflect on the District and the Board, as a whole. Directors' social media and other electronic communications shall be professional and civil, and shall not include profanity, personal attacks or racial slurs. In addition, in making such communications, directors shall not disclose confidential or closed session information, particularly regarding ongoing litigation, personnel issues or proprietary District information.
- 4. District Website:** Each director may, from time to time, post informative newsletters to communicate District events and accomplishments to their constituents. Directors must refrain from using their newsletters to respond to any items included in another director's newsletter. Notwithstanding the foregoing, during the period that commences on the date that candidates may first submit papers to become a candidate for a position on the District's Board of Directors and ending on the day after the election for that position, directors shall not post anything on the District's website and all existing posts will be removed from the District's website.
- 5. District Facebook Page:**
 - a. Subject to the limitations set forth in subdivisions (b), (c) and (ed) of this Section 5, directors may post communications on the District's Facebook

page that will not be reasonably construed to constitute the development of a collective concurrence or commitment to make a decision on a matter within the District's subject matter jurisdiction.

- b. With respect to comments on the District's Facebook page, not more than two (2) directors may comment on any post on the District's Facebook page; provided, however, that if a District director posted the initial comment, then only one (1) other director may comment on that post. Directors should refrain from knowingly commenting on any post that concerns an issue that it is reasonably anticipated the Board of Directors will consider in the future.

- c. With respect to "likes" on the District's Facebook page, directors may "like" any post or comment on that page so long as the post or comment concerns a prior event or occurrence; provided, however, that if a District director posted the initial post or comment, then only one (1) other director may "like" that post or comment. For any posts or comments concerning future events or occurrences or issues that it is reasonably anticipated the Board of Directors will consider in the future, directors should refrain from "liking" any such post or comment, and in all cases not more than two (2) directors may "like" that same post or comment.

- d. During the period that commences on the date that candidates may first submit papers to become a candidate for a position on the District's Board of Directors and ending on the day after the election for that position, directors shall not post any campaign-related comments or posts on the District's website, nor "like" any campaign-related comments or posts made by any other person or entity and all existing posts will be removed from the District's website.

6.1

6. Other Social Media Sites or Blogs, including Palmdale Community Sites:

- a. For any substantive discussion regarding an issue within the District's subject matter jurisdiction, the director must include a disclaimer that the comment or statement made by the director is the director's personal view or position and not the view or position of the District.
- b. Upon becoming aware of a posting, comment or statement by a District director on any website or blog (other than the District's website or District's Facebook page, as described in Sections 4 and 5, above), other directors shall refrain from posting on the same website or blog comments or statements in response to that director's post, comment or statement if that post, comment or statement concerns subject matter that is within the District's subject matter jurisdiction.

NACB, INC. MOBILE CRANE INSPECTOR TRAINING
December 3 - 7, 2012
Los Angeles

NAME: _____

ADVANCE REGISTRATION DEADLINE: _____

MEALS: ☐ YES SPOUSE: ☐ YES SPOUSES' TOUR: ☐ YES
 ☐ NO ☐ NO ☐ NO

DEPARTMENTAL TRAVEL BUDGET:

REGISTRATION: _____ TRAVEL: _____

TOTAL REMAINING BALANCE: _____

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

*DIRECTORS: Expenses are outlined in Section 4.06.1 of the District's Rules and Regulations.

*FOR STAFF: Meal limitations are outlined on pages 30 and 31 of the District's Employee Manual.

Please review these limitations.

HOTEL ACCOMMODATIONS: ☐ YES ☐ NO REGISTRATION DEADLINE: _____

ARRIVAL DATE/TIME: _____ DEPARTURE DATE/TIME: _____

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

AIRLINE RESERVATIONS: ☐ YES ☐ NO

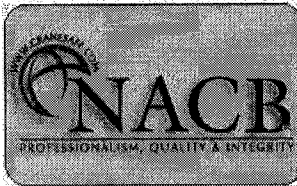
DEPART FROM _____ on _____ at _____ AM/PM
 (airport) (date) (time)

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

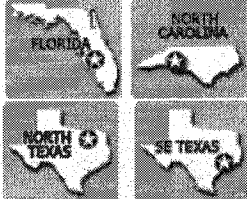
SUPERVISOR APPROVAL: _____ DATE: _____

1 - MECHANIC LOS ANGELES SITE

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OUR SERVICES

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- » Litigation Support
- » Training Simulators
- » On-Site Training
 - Professional
 - Development
 - Conference

2012 Course Schedule

North Carolina Training Center

North Texas Training Center

SE Texas Training Center

Mobile Crane Fastrack

MOBILE CRANE INSPECTOR TRAINING

ALL CLASSES

Mobile Crane Operator FASTRACK
 Mobile Crane Operator Training
 Tower Crane Operator Training
Mobile Crane Inspector Training
 Rigging Inspector Training
 Overhead Crane Inspector Training

Mobile Crane Train The Trainer
 Overhead Crane Train The Trainer
 Lift Truck Train The Trainer
 Aerial Work Platform Train The Trainer
 Advanced Rigging Practices & Principles

Overhead Hoist Maintenance Training
 Crane & Equipment Management Training
 On-Site Training
 Heavy Equipment Operator Training
 Programs in Colombia

The effort put forth in properly training inspectors is greatly rewarded. A well-trained, qualified Inspector will save your company a great deal of money and time by avoiding unscheduled downtime, costly repairs, accidents and lawsuits. The inspection process is the vital link to the safety and maximum utilization of your cranes.

With hundreds of years field experience to draw from, our instructional staff offers the student the opportunity to receive documented, formal training on the inspection processes and techniques used by North American Crane Bureau, Inc. field inspection personnel.

We have inspected thousands of different pieces of lift equipment utilizing General Industry, Maritime, and Construction Safety Standards. Our inspection work sheets, developed over the years from the actual field experiences of our inspection staff, will be utilized throughout this program.

This class has been extended by one day of hands-on training.....availability/weather permitting.

You will learn about:

- The Need for Inspection and Inspection Intervals
- How to Read & Apply OSHA & ASME Standards
- Inspector Qualifications
- Lockout/Blockout
- Load Chart Interpretation & Load Testing
- Safe Operating Practices
- In-Depth Discussion of Tools Used in Inspections
- Inspection of Various Components of Carriers, Mounts, Superstructures and Booms as Required by Federal Regulations, Consensus Standards and Manufacturer Requirements
- Factors Affecting Lifting Capabilities
- Types of Nondestructive Testing - Advantages and Disadvantages
- Information Presented on Inspection Forms



Crane Inspection: WEST 2000

5 Days \$1,295.00

Includes field inspection of mobile cranes (weather permitting)

NOTE: Students must provide their own personal protective equipment (PPE) such as gloves, hard hats, safety glasses, appropriate footwear, etc.



NACB, Inc. - Certified Inspector - \$395.00

Immediately following the completion of this program, a block of time has been reserved for administration of written testing for Certification. A Certificate of Competency is issued to those who successfully complete all the requirements set forth by NACB, Inc. Please contact us to determine what qualifications your personnel must possess.



Inspector Kit

All students attending the inspector training class will receive an inspector kit.

For registration and program availability, contact us at 1-800-654-5640 or via email at nacbgroup@cranesafe.com

2012 Mobile Crane Inspector Training

Start Date:	End Date:	Location:
9-Jan	13-Jan	"Dallas, TX"
23-Jan	27-Jan	"Indianapolis, IN"

13-Feb	17-Feb	"Houston, TX"
20-Feb	24-Feb	"Charlotte, NC"
27-Feb	2-Mar	"Panama City, Panama"
19-Mar	23-Mar	"Orlando, FL"
16-Apr	20-Apr	"Oklahoma City, OK"
14-May	18-May	"Los Angeles, CA"
4-Jun	8-Jun	"Milwaukee, WI"
11-Jun	15-Jun	"Columbus, OH"
18-Jun	22-Jun	"Houston, TX"
25-Jun	29-Jun	"Anchorage, AK"
16-Jul	20-Jul	"New Orleans, LA"
23-Jul	27-Jul	"Baltimore, MD"
13-Aug	17-Aug	"Denver CO"
10-Sep	14-Sep	"Dallas, TX"
1-Oct	5-Oct	"Orlando, FL"
22-Oct	26-Oct	"Houston, TX"
3-Dec	7-Dec	"Los Angeles, CA"

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MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT, JULY 24, 2012:

A meeting of the Finance Committee of the Palmdale Water District was held Tuesday, July 24, 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:

Finance Committee:
Kathy Mac Laren, Chair
Gordon Dexter, Committee
Member

Others Present:

Dennis LaMoreaux, General Manager
Mike Williams, Finance Manager
Bob Egan, Financial Advisor
Dennis Hoffmeyer, Senior Accountant
Dawn Deans, Executive Assistant
2 members of the public

2) Adoption of Agenda.

It was moved by Committee Member Alvarado, 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 November 21, 2011.

Committee Member Alvarado moved to approve the minutes of the meeting held November 21, 2011. The motion died for lack of a second.

After a brief discussion of the November 21, 2011 minutes, it was determined that the Committee take no action on this item and the November 21, 2011 minutes be presented to the full Board for approval at the next regular Board meeting.

4.2) Discussion and Overview of Cash Reports. (Financial Advisor Egan)

Financial Advisor Egan reviewed in detail the investment funds report and cash flow report as of June 30, 2012 including assessments, scheduled bond payments, debt reserves, tracking of capital improvement fees, the District's Investment Policy, tracking GAC payments, and estimated cash at year end.

General Manager LaMoreaux then reviewed redevelopment funds and stated that June 30, 2012 financial reports will also be reviewed in detail at the August 1, 2012 Financial Information Workshop after which the Committee requested a detailed review of bonds and the capital improvement fee loan to the general fund also be presented at the Workshop.

4.3) Discussion and Overview of Financial Statements and Departmental Budget Reports. (Finance Manager/CFO Williams)

Finance Manager/CFO Williams reviewed in detail the May 2012 balance sheet including water sales billed, uncollected accounts, assets, restricted cash, and total liabilities and equity; the profit and loss statement indicating the various sources of revenue, revenues related to department expenses, water recovery through the Department of Water Resources, non-cash operating expenses, non-operating revenue, non-operating expenses, and the connection of net earnings to the balance sheet; additional supplemental reports; water sales; and visuals and graphics related to these financial statements, which are presented monthly to ensure no year-end financial surprises.

General Manager LaMoreaux then clarified the difference between Financial Advisor Egan's cash flow reports and Finance Manager/CFO Williams' financial reports, the basis for the District's fees and charges and how they are applied, what rates cover, and sources for building reserves.

The Committee then commended staff on reducing expenses by 16.64% for May 2012 compared to May 2011, recommended this be publicized, and requested a detailed listing of Other Operating Revenue and Other Non-Operating Revenue.

4.4) Discussion and Overview of Engineering Department Project Payout Schedule. (Finance Manager/CFO Williams)

Finance Manager/CFO Williams reviewed in detail the Projected Payout Schedule, which assists Financial Advisor Egan in the preparation of cash flow reports, after which Financial Advisor Egan provided clarification on payments included in the Schedule.

4.5) Discussion and Overview of Accounts Payable Report. (Finance Manager/CFO Williams)

Finance Manager/CFO Williams reviewed in detail cash disbursements for June including payments made by department and expenditure category and stated that this report will be included with the Accounts Payable report for the second regular Board meeting for the entire previous month.

Chair Mac Laren then stated that this report was prepared at her request after which Committee Member Alvarado concurred with the format of the report.

4.6) Discussion of State Water Project Assessment Rate. (Financial Advisor Egan/Finance Manager/CFO Williams)

Financial Advisor Egan informed the Committee of how the District's assessment rates are set after which General Manager LaMoreaux reviewed the purpose of the State Water Project assessment rate and stated that setting the assessment rates will be presented to the Board in August for consideration.

4.7) Discussion of Financial Workshop.

General Manager LaMoreaux informed the Committee that staff's intent for the Financial Workshop is to provide an overview of the District's Strategic Plan and its relation to the budget, the budget as a framework for staff operations and the relation to Financial Advisor Egan's and Finance Manager/CFO Williams' monthly reports, an overview of the bonds, the internal loan from the capital improvement fund to the general fund, and how staff is operating under the budget with the current water rates after which Chair Mac Laren requested a review of the rates.

5) Information Items.

Finance Manager/CFO Williams informed the Committee of the requirement for the Board to receive and file a report of employees reimbursed for personally paid District

expenses and stated that this report will be presented to the Board for consideration at the August 8, 2012 regular Board meeting.

Financial Advisor Egan then informed the Committee of the average interest rates and outstanding balances of the District's bonds.

There were no further information items.

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

There were no requests for future agenda items.

7) **Adjournment.**

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


Chair

**MINUTES OF MEETING OF THE WATER SUPPLY & RELIABILITY COMMITTEE
OF THE PALMDALE WATER DISTRICT, SEPTEMBER 21, 2012:**

A meeting of the Water Supply & Reliability Committee of the Palmdale Water District was held Friday, September 21, 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:

Water Supply & Reliability Cmte:
Gordon Dexter, Chair
Gloria Dizmang, Committee
Member

Others Present:

Dennis LaMoreaux, General Manager
Jon Pernula, Water & Energy Resources Mngr.
Danielle Henry, Administrative Assistant
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 July 27, 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 July 27, 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 informed the Committee that the District is selling more water than budgeted, more surface water than groundwater is being utilized, actual water consumption is slightly above projected consumption and

below the projected production, production and consumption are under the five year average, water use is trending towards the 70/30 surface water/groundwater split, and 1,300 acre feet of the Butte water purchase has been moved.

4.3) Discussion of the District's Water Banking Opportunities. (Chair Dexter)

Water & Energy Resources Manager Pernula informed the Committee that a draft proposal for a potential water banking opportunity is currently being reviewed by staff and will be brought to the Committee for review at a future meeting.

The importance of water banking in relation to the impacts of an earthquake, the state of the State Water Project, and the State Water Contractors were then briefly discussed.

4.4) Status on the operations of the State Water Project. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula provided an overview on the conditions of the State Water Project and stated that there is a problem with releasing water from Oroville Dam due to three hydro-generators being down; that this is a recurring problem; that there may be a high risk of encroaching on redline storage for flood water; and that water may have to be released without running any energy.

The Joint State Water Project Authority and the lack of durability in new high-efficient equipment were then briefly discussed.

5) Project Updates.

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

Water & Energy Resources Manager Pernula stated that there is no change in the status of the Recycled Water Master Plan.

5.2) Water Purchase Opportunities. (Water & Energy Resources Manager Pernula)

Water & Energy Resources Manager Pernula stated that he and General Manager LaMoreaux will be meeting with another State Water Contractor to discuss potential Table A water purchase opportunities.

5.3) 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 stated that the potable side for this Project is currently being tested; that AVEK is now flowing water into Lake Palmdale; and that the Project is close to completion.

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

General Manager LaMoreaux stated that staff is still working with the Forest Service on follow-up items from a recent meeting including a time table for the public scoping meetings to kick off the EIS/EIR document.

6) Information Items.

Committee Member Dizmang inquired about the possibility of touring Oroville Dam followed by a brief discussion of the benefits of touring Oroville Dam and the Delta.

There were no additional information items to discuss.

7) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

The next Water Supply & Reliability Committee meeting was then scheduled for October 19, 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 OUTREACH COMMITTEE OF THE PALMDALE WATER DISTRICT, OCTOBER 8, 2012:

A regular meeting of the Outreach Committee of the Palmdale Water District was held Monday, October 8, 2012, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Dizmang called the meeting to order.

1) Roll Call.

Attendance:

Outreach Committee:
Gloria Dizmang, Chair
Robert Alvarado, Committee
Member

Others Present:

Dennis LaMoreaux, General Manager
Jim Ciampa, Attorney
Tim Moore, Facilities Manager
Jim Stanton, Information Technology Manager
Claudette Roberts, Water Conservation Spvsr.
0 members of the public

2) Adoption of Agenda.

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

3) Public Comments.

There were no public comments.

4) Action Items:

4.1) Consideration and Possible Action on Approval of Minutes of Meeting Held September 10, 2012.

It was moved by Committee Member Alvarado, seconded by Chair Dizmang, and unanimously carried to approve the minutes of the meeting held September 10, 2012, as written.

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

Water Conservation Supervisor Roberts informed the Committee that the October Water News issue is scheduled to be mailed on October 11; that this issue explains the

new billing statement format; and that the November Water News issue will feature District wells and boosters as the first highlighted topic of the "Before the First Drop" campaign.

After a brief discussion of the "Before the First Drop" campaign drawings, of the interactive website version, of the billing statement format, and of the future addition of Quick Response codes on billing statements, Chair Dizmang stated that the bill format explanation is very clear and staff should be congratulated for their work.

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

Facilities Manager Moore presented the draft drawings for the boosters and wells feature of the "Before the First Drop" campaign followed by a brief discussion of the interactive web tool, of web animation and videos, of the daily water use per average household, and of the number of District wells and boosters and their operation costs.

4.4) Discussion of District Participation in the Antelope Valley Veterans Parade on November 3, 2012 in Lancaster. (Committee Member Alvarado)

Committee Member Alvarado stated that there is an upcoming Veterans Day Parade in Lancaster, that it is a valley-wide event, and that he would like Board participation in this event as well as the Palmdale Holiday Parade.

After a brief discussion of District participation in past event, of the associated costs for these events, and of participation in future events, Water Conservation Supervisor Roberts stated that she would review and discuss a listing of local events with the AV Water Partners for the potential sharing of participation.

Chair Dizmang then inquired about the personal ad purchased by Committee Member Alvarado, which displayed his Director business card given by the District and happened to have the logo on the card.

After further discussion of the Veterans Parade, Committee Member Alvarado stated that he would like to bring this item to the full Board for approval with no associated costs for Board participation.

He then stated that he would also like to bring the Palmdale Holiday Parade to the full Board for approval after which Attorney Ciampa stated that this item must be a separate action item to be considered at the October 24 Board meeting without Committee recommendation due to this item not being included on the Outreach Committee agenda.

4.5) Consideration and Possible Action on Adding Section 4.10 – Directors' Social Media Communications Policy to PWD Rules & Regulations. (Chair Dizmang)

Attorney Ciampa stated that based on discussions at the last Outreach Committee meeting, the concepts developed for social media use by Directors were formalized in policy format and that the District's Records Retention Policy will need to be reviewed and modified to include electronic communications.

After a brief discussion of communication by Directors on the District website, it was determined to recommend approval of District Rules and Regulations Section 4.10 – Directors' Social Media Communications Policy at the next Board meeting.

5) Old Business.

5.1) Status of Water Cost Comparison with Different Water Districts and Comparisons to Gas and Electricity Costs. (Director Dizmang)

After a brief discussion, it was determined to keep this item on the agenda for further discussion when more information is available.

6) Information Items.

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

Water Conservation Supervisor Roberts informed the Committee that Los Angeles County Waterworks will be hosting the last workshop for 2012 on October 20 at Antelope Valley College; that this workshop will be on Fall Landscaping; that College workshops will be scheduled for 2013; and that Cash for Grass workshops will begin in January 2013.

6.2) Status Report on Enhancing the District's Web Site and Social Media Presence. (Information Technology Manager Stanton/Water Conservation Supervisor Roberts)

Information Technology Manager Stanton informed the Committee that the District's A.P.N. look-up has been replaced with the District boundary map; that the tie-in with Google Maps continues to be a work in progress; that Constant Contact campaign click-through numbers continue to rise and are currently at 40%; that the e-mail drop-out rates are very minimal; and that the District continues to receive opt-ins for e-mail notifications.

6.3) Other.

Committee Member Alvarado inquired about the video content for the front lobby television screens and after a brief discussion of new content costs, of existing content, and of the system capabilities, he requested this item be added to agenda for review at the next Committee meeting.

Chair Dizmang then inquired about the update on the District's speakers forum after which General Manager LaMoreaux stated that the next step is to receive feedback on requested content from interested organizations but that this item has been on hold due to limited staff.

Water leaks and District phone numbers for reporting leaks was then briefly discussed.

Committee Member Dizmang then informed the Committee of a Facebook campaign she came across offering free t-shirts for "liking" a company on Facebook, and after a brief discussion of the t-shirt costs, design graphics, and hosting a similar campaign through Constant Contact, staff was directed to receive quotes from vendors for District related t-shirts.

There were no further information items.

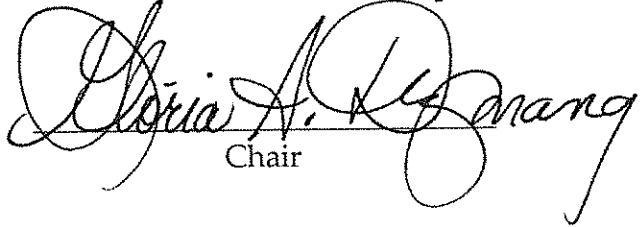
6) Board Members' Requests for Future Agenda Items.

There were no further requests for future agenda items.

The next Outreach Committee meeting was then scheduled for November 5, 2012 at 3:00 p.m.

7) **Adjournment.**

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


Chair

**MINUTES OF MEETING OF THE PERSONNEL COMMITTEE OF THE PALMDALE
WATER DISTRICT, OCTOBER 17, 2012:**

A meeting of the Personnel Committee of the Palmdale Water District was held Wednesday, October 17, 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 Consultant

Kelly Jeters, Systems Supervisor

Danielle Henry, Administrative Assistant

4 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 August 16, 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 September 19, 2012, as written.

**4.2) Discussion and Possible Action on Conducting a Manpower or
Workforce Planning Study. (General Manager LaMoreaux)**

General Manager LaMoreaux informed the Committee that based on discussions at the last Committee meeting, he is still working on contact with QualServe; that he did make contact with EMA Inc., one of the engineering management groups involved with

the development of the American Water Works Association (AWWA) program; that EMA Inc. confirmed they have the material for the program; and that a program can be developed for the District after the first of the year provided AWWA grants permission on the use of the program materials.

After a brief discussion of the potential program costs, it was determined that this item be further discussed when there is more information available.

4.3) Discussion and Possible Action on Employee Contribution Towards CalPERS Retirement. (Chair Mac Laren)

After a brief discussion on the clarification needed for the "normal cost" term indicated in the newly passed pension reform legislation AB 340, of percentage transitions on required employee contributions by 2018, and of the 2.2% cost of living index budgeted for the 2013 fiscal year, it was determined that staff prepare an employee survey once further clarification is received on this legislation.

4.4) Discussion and Possible Action on Minimal Employee Premium Contribution Towards Health Insurance Benefits. (Chair Mac Laren)

After a brief discussion of the 2013 benefit premium increases on the District's independent Kaiser contract and Association of California Water Agencies (ACWA) plans, Human Resources Consultant Burns informed the Committee that a 4% incentive would be provided to the District by ACWA for packaging all health care plans with them resulting in an annual District savings of approximately \$90,000.00.

Committee Member Dizmang the inquired about the research on cafeteria plans, after which Human Resources Consultant Burns informed the Committee that the volume discount rate would be lost through a broker; that benefits received would not be the same; and that out-of-state benefits may not be available if the District chooses to move forward in that direction.

After a brief discussion of the comparison of the independent and ACWA Kaiser plans, of the availability of other ACWA health care plans, and of employee contributions, Chair Mac Laren stated that Agenda Item No. 4.5 will now be discussed.

4.5) Discussion and Possible Action to Compare Benefit Packages with District With Represented Employees. (Chair Mac Laren)

Human Resources Consultant Burns provided a handout on the benefit comparisons of other agencies, and after a brief discussion of CalPERS employee contribution amounts and two tiered programs for new employees, General Manager LaMoreaux stated that starting the first of the year, the two tier program for new employees will become law and will need to be formalized in the District's CalPERS contract.

Human Resources Consultant Burns then informed the Committee that agencies making employee pension adjustments are cautioned in terms of the impacts on the competitive marketplace for recruiting and hiring.

After a lengthy discussion of the election, of the potential impacts of Obama Care, of "Cadillac" health care plans, of open enrollment, of employee contributions towards health care, of the independent and ACWA Kaiser plans, and of the 2013 Budget impacts due to increased insurance premiums, staff was directed to prepare a side by side comparison of the independent and ACWA Kaiser plans and an employee survey on health care and CalPERS contributions for review at the next Committee meeting scheduled for November 7, 2012.

5) Information Items.

There were no information items.

6) Board Members' Requests for Future Agenda Items.

There were no further requests for future agenda items.

7) Adjournment.

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


Chair

P A L M D A L E W A T E R D I S T R I C T
B O A R D M E M O R A N D U M

DATE: November 7, 2012 **November 14, 2012**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 8.2 – REPORT OF GENERAL MANAGER –
DISTRICT VACANCIES***

All budgeted positions are currently filled with the following exceptions:

<u>Position</u>	<u>Department</u>	<u>Comment</u>
Human Resources Manager	Human Resources	Retired
Field Service Supervisor	Administrative Services	Retired
Construction Supervisor	Facilities	Retired
Treatment Plant Supervisor	Operations	Retired
Senior Maintenance Mechanic	Operations	
Service Worker	Facilities	