

Since 1918



# PALMDALE WATER DISTRICT

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

Fax (661) 947-8604

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## Board of Directors

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GLORIA DIZMANG

Division 3

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Division 4

VINCENT DINO

Division 5

ALESHIRE & WYNDER  
Attorneys

August 6, 2015

***Agenda for a Meeting  
of the Finance Committee of the Palmdale Water District  
Committee Members: Gloria Dizmang-Chair, Vincent Dino  
to be held at the District's office at 2029 East Avenue Q, Palmdale***

***Monday, August 10, 2015***

***10:30 a.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 (Government Code Section 54957.5). 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. (PWD Rules and Regulations, Appendix DD, Sec. IV.A.)

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

- 1) Roll call.
- 2) Adoption of agenda.
- 3) Public comments.
- 4) Action Items: (The public shall have an opportunity to comment on any action item as each item is considered by the Committee prior to action being taken.)



- 4.1) Consideration and possible action on approval of minutes of meeting held July 6, 2015.
- 4.2) Discussion and overview of Cash Flow Statement and Current Cash Balances as of June, 2015. (Financial Advisor Egan)
- 4.3) Discussion and overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for June 30, 2015. (Finance Manager Williams)
- 4.4) Discussion and overview of committed contracts issued and water revenue bond projects. (Assistant General Manager Knudson)
- 4.5) Consideration and possible action on revisions to the Palmdale Water District's Rate Assistance Program. (Finance Manager Williams)
- 4.6) Consideration and possible action on setting Palmdale Water District's assessment rates for fiscal year 2015-2016 and adoption of Resolution No. 15-13 regarding said rates. (Financial Advisor Egan)
- 5) Information items.
  - 5.1) Status of Debt Service Coverage. (Financial Advisor Egan)
  - 5.2) Other.
- 6) Board members' requests for future agenda items.
- 7) Adjournment.



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DENNIS D. LaMOREAUX,  
General Manager

DDL/dd

**PALMDALE  
WATER DISTRICT  
BOARD MEMORANDUM**

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<b>DATE:</b>	August 5, 2015	August 10, 2015
<b>TO:</b>	FINANCE COMMITTEE	Committee Meeting
<b>FROM:</b>	Mr. Bob Egan, Financial Advisor	
<b>RE:</b>	<i><b>AGENDA ITEM NO. 4.2 – DISCUSSION AND OVERVIEW OF CASH FLOW STATEMENT AND CURRENT CASH BALANCES AS OF JUNE, 2015.</b></i>	

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Attached is the Investment Funds Report and current cash balance as of June 30, 2015. The reports will be reviewed in detail at the Finance Committee meeting.

PALMDALE WATER DISTRICT  
INVESTMENT FUNDS REPORT

				June 30, 2015				
	DESCR						June-15	May-15
CASH								
0-0103	Citizens/US Bank - Checking						548,740.30	60,865.33
0-0104	Citizens- Merchant						137,110.01	84,345.03
					Bank cash		685,850.31	145,210.36
0-0119	PETTY CASH						300.00	300.00
0-0120	CASH ON HAND						5,400.00	5,400.00
	TOTAL CASH						691,550.31	150,910.36
INVESTMENTS								
0-0110	UBS ACCOUNT SS 11469 GG							
	UBS RMA Government Portfolio						4,605,291.15	5,593,191.72
	UBS Bank USA Dep acct						250,000.00	250,000.00
		Accrued interest					3,298.73	2,775.54
							4,858,589.88	5,845,967.26
		CD'S	Due	Rate	Face Value			
		1 Bank of Baroda	07/23/15	0.35	240,000		240,021.60	240,052.80
		2 Comenity Bank	07/28/15	0.45	200,000		199,736.00	199,796.00
		3 Peoples United CT	07/28/15	0.30	240,000		240,021.60	240,036.00
		4 Bank of India	07/28/15	0.30	23,000		23,002.07	23,003.45
		5 Safra Nat'l	07/30/15	0.45	240,000		240,048.00	240,093.60
		6 Standard B&T	07/30/15	0.45	57,000		57,007.98	57,014.25
		7 Everbank	01/15/16	0.50	240,000		240,175.20	240,165.60
		8 Horizon Financial	01/15/16	0.30	240,000		239,923.20	239,870.40
		9 Hardin county	01/20/16	0.35	240,000		239,980.80	239,935.20
		10 Level One bank	01/21/16	0.35	40,000		39,996.80	39,989.20
		11 Firsy Merit	01/22/16	0.45	240,000		240,110.40	240,084.00
					2,000,000		2,000,023.65	2,000,040.50
					Total acct		6,858,613.53	7,846,007.76
0-1110	UBS ACCOUNT SS 11475 GG							
	UBS Bank USA Dep acct						250,000.00	250,000.00
	UBS RMA Government Portfolio						357,544.47	357,537.16
					Total acct		607,544.47	607,537.16
0-0115	LAIF							
					Total acct		11,740.58	11,740.58
0-0111	UBS ACCOUNT SS 11432 GG							
	UBS Bank USA Dep acct						250,000.00	250,000.00
	UBS RMA Government Portfolio						437,659.31	912,848.59
		Accrued interest					5,106.41	5,286.67
US GOVERNMENT SECURITIES:								
	ISSUE		EXPIR				MARKET	MARKET
	DATE	ISSUER	DATE	RATE	PAR		VALUE	VALUE
		FNMA	10/26/2015	1.625	500,000		502,365.00	502,945.00
		FFCB	6/2/2016	0.375	1,000,000		1,000,500.00	1,000,410.00
		FHLB	12/28/2017	0.95	500,000		497,765.00	497,875.00
					2,000,000		2,000,630.00	2,001,230.00
		CD'S	Due	Rate	Face Value			
		1 Sallie Mae Bank	11/06/15	0.85	240,000		240,439.20	240,525.60
		2 Goldman Sachs Bk	11/07/16	1.00	240,000		240,979.20	241,231.20
		3 CIT Bank	11/06/17	1.60	240,000		240,280.80	240,290.40
		4 BMW Bank	11/15/18	2.00	240,000		242,724.00	244,538.40
		5 American Express	4/29/2019	1.45	240,000		238,653.60	
		6 Synchrony Bank	4/14/2020	1.85	240,000		238,039.20	
		7						
					1,440,000		1,441,116.00	966,586
	TOTAL MANAGED ACCOUNT						4,134,511.72	4,135,950.86
	TOTAL INVESTMENTS						11,612,410.30	12,601,236.36
	UBS ACCOUNT SS 24016			UBS USA			250,000.00	250,000.00
		Rate Stabilization Fund	UBS AG				230,258.18	230,250.35
							480,258.18	480,250.35
	GRAND TOTAL CASH AND INVESTMENTS						12,784,218.79	13,232,397.07
		Summary:						
		Checking	691,550		Incr (Decr)		(448,178.28)	
		UBS MM	7,466,158					
		LAIF	11,741					
		UBS Investment	4,134,512					
		Rate Stab fund	480,258		BNY Mellon			
		Total	12,784,219		Construction		2,707,278.67	2,831,313.47

PALMDALE WATER DISTRICT													
2015 Cash Flow Report													
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Budgeted Water Sales	1,665,617	1,645,827	1,701,805	1,717,590	1,933,174	2,100,833	2,336,905	2,377,838	2,191,667	2,101,685	1,823,592	1,806,467	23,403,000
Actual/Projected Water Sales	1,574,657	1,508,991	1,555,455	1,737,099	1,707,376	1,744,859	2,289,680	2,328,034	2,203,592	2,119,278	1,780,115	1,737,363	22,286,498
Beginning Balance	12,989,489	13,129,226	13,311,353	10,792,096	12,454,470	13,232,397	12,784,219	11,955,431	11,281,306	9,084,306	9,281,804	8,763,292	
Water Receipts	1,955,377	1,333,287	1,882,461	1,715,041	1,541,540	1,900,537	2,289,680	2,328,034	2,203,592	2,119,278	1,780,115	1,737,363	22,786,305
DWR Refund (Operational Related)				37,515									37,515
Other					122,850				126,015				248,865
Total Operating Revenue (BUDGET)	1,955,377	1,805,677	1,780,736	1,691,040	1,777,997	2,046,064	2,312,079	2,377,838	2,191,667	2,101,684	1,823,591	1,806,466	23,670,217
Total Operating Revenue (ACTUAL)	1,955,377	1,333,287	1,882,461	1,752,556	1,664,390	1,900,537	2,289,680	2,328,034	2,329,607	2,119,278	1,780,115	1,737,363	23,072,685
Total Operating Expenses excl GAC (BUDGET)	1,941,325	1,336,683	1,620,620	1,268,042	1,457,882	1,415,451	2,043,912	1,725,160	1,626,092	1,790,975	1,788,698	1,539,261	19,554,101
Total Operating Expenses excl GAC (ACTUAL)	1,220,357	1,283,474	1,934,657	1,515,586	1,595,351	1,452,485	2,043,912	1,725,160	1,626,092	1,790,975	1,788,698	1,539,261	19,516,008
													2,770,490
Non-Operating Revenue Expenses:													
Budgeted Assessments, net	658,043	301,052	8,169	2,023,311	743,899	7,993	82,865	175,695	-	-	147,607	2,901,366	7,050,000
Actual/Projected Assessments, net	720,946	275,795	15,646	2,199,772	803,305	11,911	81,982	175,695	-	-	147,607	2,901,366	7,334,026
RDA Pass-through (Successor Agency)					331,200							170,000	501,200
Interest	3,425	3,617	4,221	3,604	3,164	3,823	4,000	4,000	4,000	4,000	4,000	4,000	45,854
Market Adjustment	6,917	(4,350)	6,676	951	(625)	(4,479)	800	800	800	800	800	800	9,890
Grant Re-imbursement										306,915		178,085	485,000
Capital Improvement Fees		19,315	101,633	17,754									138,702
DWR Refund (Capital Related)			39,207	65,731	35,221	113,573							253,732
Other	608	3,971	2,270	4,259	21	63	500	500	500	500	500	500	14,191
Total Non-Operating Revenues (BUDGET)	677,843	500,852	512,969	2,043,111	1,013,699	27,793	152,665	195,495	19,800	19,800	167,407	3,091,168	8,422,601
Total Non-Operating Revenues (ACTUAL)	731,896	298,348	169,653	2,292,071	1,172,287	124,891	87,282	180,995	5,300	312,215	152,907	3,254,751	8,782,595
Non-Operating Expenses:													
Budgeted Capital Expenditures	(549,456)	(580,000)	(945,000)	(710,000)	(545,000)	(178,000)	(187,000)	(115,000)	(135,000)	(35,000)	(10,000)	(10,000)	(3,999,456)
Actual/Projected Capital Expenditures	(549,456)	(41,022)	(478,918)	(300,653)	(251,559)	(164,467)	(145,512)	(687,974)	(162,407)	(75,000)	(34,816)		(2,891,784)
Uncommitted Capital Expenditures							(205,000)	(222,000)	(210,000)	(160,000)	(235,000)	(50,000)	(1,082,000)
WRB Capital Expenditures												(675,386)	(675,386)
GAC			(297,759)	(298,286)				(340,000)			(185,000)		(1,121,045)
SWP Capitalized	(754,079)	(185,988)	(213,428)	(187,871)	(187,871)	(187,871)	(754,074)	(187,388)	(219,319)	(187,388)	(187,387)	(187,387)	(3,440,051)
Butte County Water Transfer						(648,151)						(648,151)	(1,296,303)
Prepaid Insurance (paid)/refunded		81,446		(62,561)			(36,620)		(197,480)				(215,215)
Bond Payments - Interest			(1,105,798)						(1,097,735)				(2,203,533)
Principal			(520,179)						(998,242)				(1,518,421)
Capital leases - Go West (2012 Lease)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(207,553)
Capital leases - GE Capital (Printer Lease)	(6,347)	(3,174)	(3,336)	-	(6,672)	(3,336)	(3,336)	(3,336)	(3,336)	(3,336)	(3,336)	(3,336)	(42,882)
Total Cash Ending Balance (BUDGET)	12,377,388	12,241,913	9,741,797	11,292,763	11,870,085	11,659,383	11,027,929	11,557,846	9,479,577	9,386,831	9,190,876	11,650,994	
Total Cash Ending Balance (ACTUAL)	13,129,226	13,311,353	10,792,096	12,454,470	13,232,397	12,784,219	11,955,431	11,281,306	9,084,306	9,281,804	8,763,292	10,634,589	(14,694,172)
											Budget	11,500,000	(3,141,088)
											Difference	(865,411)	

# **PALMDALE WATER DISTRICT BOARD MEMORANDUM**

**DATE:** August 5, 2015 **August 10, 2015**  
**TO:** Finance Committee **Committee Meeting**  
**FROM:** Michael Williams, Finance Manager/CFO  
**VIA:** Mr. Dennis LaMoreaux, General Manager  
**RE:** ***AGENDA ITEM 4.3 – DISCUSSION AND OVERVIEW OF FINANCIAL STATEMENTS, REVENUE, AND EXPENSE AND DEPARTMENTAL BUDGET REPORTS FOR JUNE 30, 2015***

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## **Discussion:**

Presented here are the Balance Sheet and Profit/Loss Statement for the period ending June 30, 2015. 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 for the month of June, 2015.

This is the sixth month of the District's Budget Year 2015. The target percentage is 50%. Revenues ideally are at or above, and expenditures ideally are below.

## **Balance Sheet:**

- Page 1 is our balance sheet on June 30, 2015.
- The significant change is the decrease in investments of approximately \$1.1 MM due primarily to decrease revenue.

## **Profit/Loss Statement:**

- Page 3 is our profit/loss statement on June 30, 2015.
- Operating revenue is at 42% of budget.
- Cash operating expense is at 42.5% of budget.
- Both operating revenue and expense are tracking at 42% of budget, which is great at mid-year given current conditions, but also note that revenue exceeds expense by approximately \$230K.
- Human Resources are a little above target percentage due to expense under safety training for crane training. Nothing out of the ordinary.
- Page 6 is showing the distribution of expense between labor and operations. Labor costs are currently at 51% of total expenses with salaries making up 33% of that.

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

- Page 7 is our comparison of June, 2014 to June, 2015.
- Total operating revenue is down \$336K, or 16%, due to reduced water consumption.
- Operating expenditures are up by \$1K, or .1%. The reduced water production and reduced water purchases, along with department heads being frugal, has contributed to keeping expenses down.

- Make note here that water sales for June are down \$247K and the Drought Surcharge implemented in July's billing generated \$147K. So it appears we are generating enough revenue at this point through stage 1 surcharge to sustain operations. Drought Surcharge statistics will be reported at next month's meeting.
- Page 8 is a graphic presentation of the water consumption comparison. Units billed in acre feet were down by 461, or 25%. Total revenue per unit sold is up \$0.29, or 11.5%, total revenue per connection is down \$12.33, or 16.5%, and units billed per connection is down 7.65, or 25%.

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

- Page 9 is our comparison of revenue, year-to-date.
- Operating revenue through June, 2015 is down \$834K, or 7.8%.
- Retail water sales from all areas are down by \$681K from last year. That's shown by the combined green highlighted area. If you exclude the meter fees, we are down \$875K.
- Total revenue is down \$745K due to change in recording assessment revenue and reduced consumption.
- Operating revenue is at 42% of budget, last year was at 47% of budget.

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

- Page 11 is our comparison of expense, year-to-date.
- Cash Operating Expenses through June, 2015 are down \$1.07MM, or 11%, compared to 2014.
- Total Expenses are down \$990K, or 6%.

**Departments:**

- Pages 14 through 23 are detailed individual departmental budgets for your review.
- Directors Budget on page 14 is tracking high percentage due to members attending the recent conference.
- Finance Budget, page 19, is tracking high because of the reorganization and redistribution of budget to Customer Care and Facilities.
- Human Resources, page 21, is tracking high because of staff conferences and employee expense.

**Non-Cash Definitions:**

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

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

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

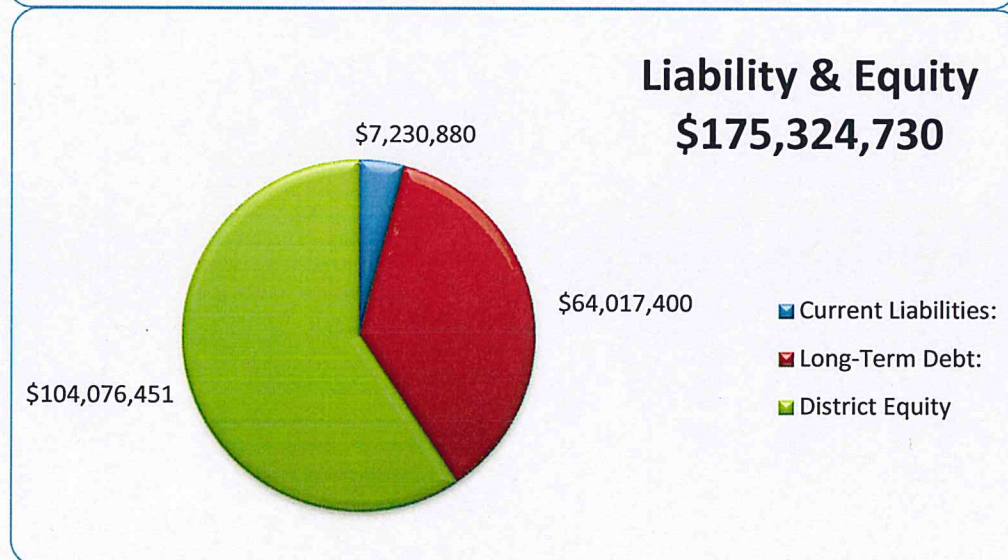
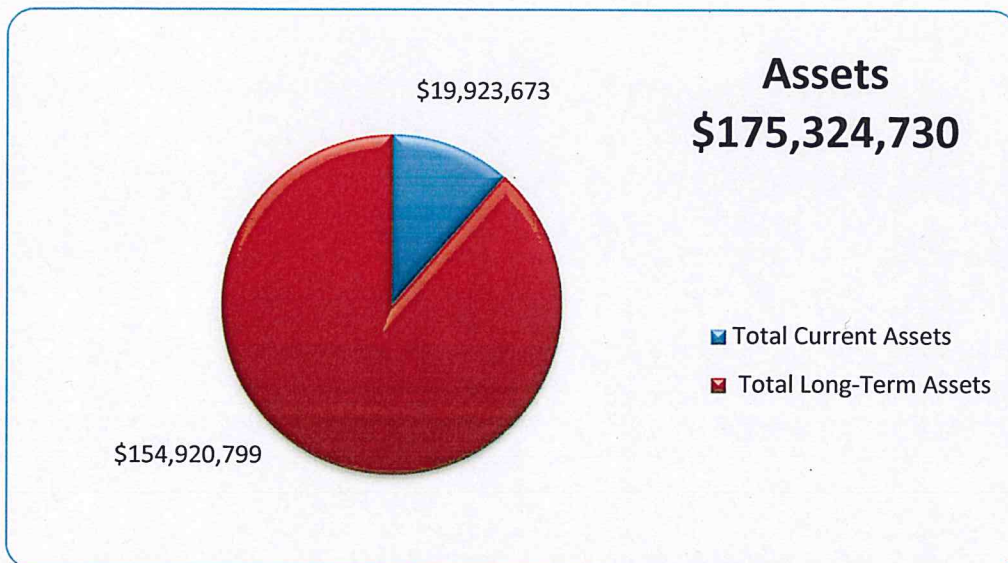
**Service Cost Construction:** The value of material, parts & supplies from inventory used to construct, repair and maintain our asset infrastructure.

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

**Palmdale Water District**  
**Balance Sheet Report**  
**For the Six Months Ending 6/30/2015**

	<u>June 2015</u>	<u>May 2015</u>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 691,550	\$ 150,910
Investments	11,612,418	12,601,244
2013A Bonds - Project Funds	2,612,693	2,831,313
	<u>\$ 14,916,661</u>	<u>\$ 15,583,468</u>
<b>Receivables:</b>		
Accounts Receivables - Water Sales	\$ 1,567,636	\$ 1,692,028
Accounts Receivables - Miscellaneous	52,404	45,424
Allowance for Uncollected Accounts	(200,199)	(200,199)
	<u>\$ 1,419,840</u>	<u>\$ 1,537,252</u>
Interest Receivable	\$ -	\$ -
Assessments Receivables	1,014,205	1,026,116
Meters, Materials and Supplies	2,473,624	2,488,332
Prepaid Expenses	99,342	124,064
<b>Total Current Assets</b>	<u><b>\$ 19,923,673</b></u>	<u><b>\$ 20,759,232</b></u>
<b>Long-Term Assets:</b>		
Property, Plant, and Equipment, net	\$ 113,103,387	\$ 113,271,275
Participation Rights in State Water Project, net	41,426,103	40,762,958
Investment in PRWA	165,420	165,420
2013A Bonds - Insurance & Surety Bond	225,889	226,555
	<u><b>\$ 154,920,799</b></u>	<u><b>\$ 154,426,208</b></u>
<b>Restricted Cash:</b>		
Rate Stabilization Fund	480,258	480,250
<b>Total Long-Term Assets &amp; Restricted Cash</b>	<u><b>\$ 155,401,057</b></u>	<u><b>\$ 154,906,458</b></u>
<b>Total Assets</b>	<u><b>\$ 175,324,730</b></u>	<u><b>\$ 175,665,690</b></u>
<b>LIABILITIES AND DISTRICT EQUITY</b>		
<b>Current Liabilities:</b>		
Current Interest Installment of Long-term Debt	\$ 548,867	\$ 365,912
Current Principal Installment of Long-term Debt	1,175,427	1,175,427
Accounts Payable and Accrued Expenses	5,506,585	5,269,652
Deferred Assessments	-	587,500
<b>Total Current Liabilities</b>	<u><b>\$ 7,230,880</b></u>	<u><b>\$ 7,398,491</b></u>
<b>Long-Term Debt:</b>		
Pension-Related Debt	\$ 1,019,485	\$ 1,019,485
OPEB Liability	10,337,002	10,169,645
2013A Water Revenue Bonds	43,447,969	43,450,220
2012 - Certificates of Participation	9,068,900	9,062,102
2011 - Capital Lease Payable	144,044	158,783
<b>Total Long-Term Liabilities</b>	<u><b>\$ 64,017,400</b></u>	<u><b>\$ 63,860,236</b></u>
<b>Total Liabilities</b>	<u><b>\$ 71,248,280</b></u>	<u><b>\$ 71,258,727</b></u>
<b>District Equity</b>		
Revenue from Operations	\$ (1,560,884)	\$ (1,230,371)
Retained Earnings	105,637,335	105,637,335
<b>Total Liabilities and District Equity</b>	<u><b>\$ 175,324,730</b></u>	<u><b>\$ 175,665,690</b></u>

## BALANCE SHEET AS OF JUNE 30, 2015



**Palmdale Water District**  
**Consolidated Profit and Loss Statement**  
**For the Six Months Ending 6/30/2015**

	Thru May	June	Year-to-Date	Adjustments	Adjusted Budget	% of Budget
<b>Operating Revenue:</b>						
Wholesale Water	\$ 3,107	\$ 7,614	\$ 10,720		\$ 225,000	4.76%
Water Sales	2,296,519	545,867	2,842,386		8,550,500	33.24%
Meter Fees	4,852,405	974,415	5,826,821		11,506,000	50.64%
Water Quality Fees	322,112	84,952	407,064		1,146,500	35.50%
Elevation Fees	129,714	35,641	165,355		525,000	31.50%
Other	479,720	96,369	576,090		1,450,000	39.73%
<b>Total Operating Revenue</b>	<b>\$ 8,083,577</b>	<b>\$ 1,744,859</b>	<b>\$ 9,828,435</b>	<b>\$ -</b>	<b>\$ 23,403,000</b>	<b>42.00%</b>
<b>Cash Operating Expenses:</b>						
Directors	\$ 56,114	\$ 12,204	\$ 68,318		\$ 118,500	57.65%
Administration	1,112,519	329,108	1,441,627		2,667,250	54.05%
Engineering*	507,052	86,651	593,703	(1,600)	1,251,150	47.45%
Facilities**	2,260,921	431,403	2,692,324	230,775	6,228,775	43.22%
Operations	970,114	167,608	1,137,722		2,624,000	43.36%
Finance**	844,505	89,919	934,424	(1,352,725)	1,598,025	58.47%
Water Conservation	112,242	19,667	131,909		284,000	46.45%
Human Resources	156,716	55,362	212,078		326,100	65.03%
Information Technology*	294,235	46,975	341,210	1,600	784,350	43.50%
Customer Care**	326,526	105,761	432,286	1,121,950	1,121,950	38.53%
Water Purchases*	884,435	53,294	937,729	(21,000)	2,379,000	39.42%
Water Purchases-Prior Year OAP	(36,045)	-	(36,045)		250,000	-14.42%
Water Recovery	(293,761)	-	(293,761)		(100,000)	293.76%
Plant Expenditures	269,129	135,593	404,723		1,146,500	35.30%
GAC Filter Media Replacement	596,045	-	596,045		1,896,000	31.44%
<b>Total Cash Operating Expenses</b>	<b>\$ 8,060,746</b>	<b>\$ 1,533,543</b>	<b>\$ 9,594,289</b>	<b>\$ (21,000)</b>	<b>\$ 22,575,600</b>	<b>42.50%</b>
<b>Non-Cash Operating Expenses:</b>						
Depreciation	\$ 2,671,582	\$ 534,975	\$ 3,206,557		\$ 6,450,000	49.71%
OPEB Accrual Expense	917,900	183,580	1,101,480		2,000,000	55.07%
Bad Debts	1,102	2,313	3,414		100,000	3.41%
Service Costs Construction	(116)	26,109	25,993		125,000	20.79%
Capitalized Construction	(495,034)	(65,546)	(560,580)		(1,000,000)	56.06%
<b>Total Non-Cash Operating Expenses</b>	<b>\$ 3,095,433</b>	<b>\$ 681,431</b>	<b>\$ 3,776,864</b>	<b>\$ -</b>	<b>\$ 7,675,000</b>	<b>49.21%</b>
<b>Net Operating Profit/(Loss)</b>	<b>\$ (3,072,603)</b>	<b>\$ (470,116)</b>	<b>\$ (3,542,719)</b>	<b>\$ 21,000</b>	<b>\$ (6,847,600)</b>	<b>51.74%</b>
<b>Non-Operating Revenues:</b>						
Assessments (Debt Service)	\$ 2,232,500	\$ 446,500	\$ 2,679,000		\$ 5,100,000	52.53%
Assessments (1%)	1,036,200	141,000	1,177,200		1,950,000	60.37%
DWR Fixed Charge Recovery	140,159	113,573	253,732		100,000	253.73%
Interest	27,574	(656)	26,918		35,000	76.91%
Capital Improvement Fees	138,702	-	138,702		50,000	277.40%
Other	11,128	63	11,191		5,000	223.81%
<b>Total Non-Operating Revenues</b>	<b>\$ 3,586,263</b>	<b>\$ 700,480</b>	<b>\$ 4,286,744</b>	<b>\$ -</b>	<b>\$ 7,240,000</b>	<b>59.21%</b>
<b>Non-Operating Expenses:</b>						
Interest on Long-Term Debt	\$ 951,254	\$ 189,297	\$ 1,140,551		\$ 2,111,000	54.03%
Amortization of SWP	864,385	172,877	1,037,262		1,679,000	61.78%
Change in Investments in PRWA	5,093	8,912	14,005		-	-
Water Conservation Programs*	71,056	42,035	113,091	21,000	221,000	51.17%
<b>Total Non-Operating Expenses</b>	<b>\$ 1,891,788</b>	<b>\$ 413,121</b>	<b>\$ 2,304,909</b>	<b>\$ 21,000</b>	<b>\$ 4,011,000</b>	<b>57.46%</b>
<b>Net Earnings</b>	<b>\$ (1,378,127)</b>	<b>\$ (182,757)</b>	<b>\$ (1,560,884)</b>	<b>\$ -</b>	<b>\$ (3,618,600)</b>	<b>43.14%</b>

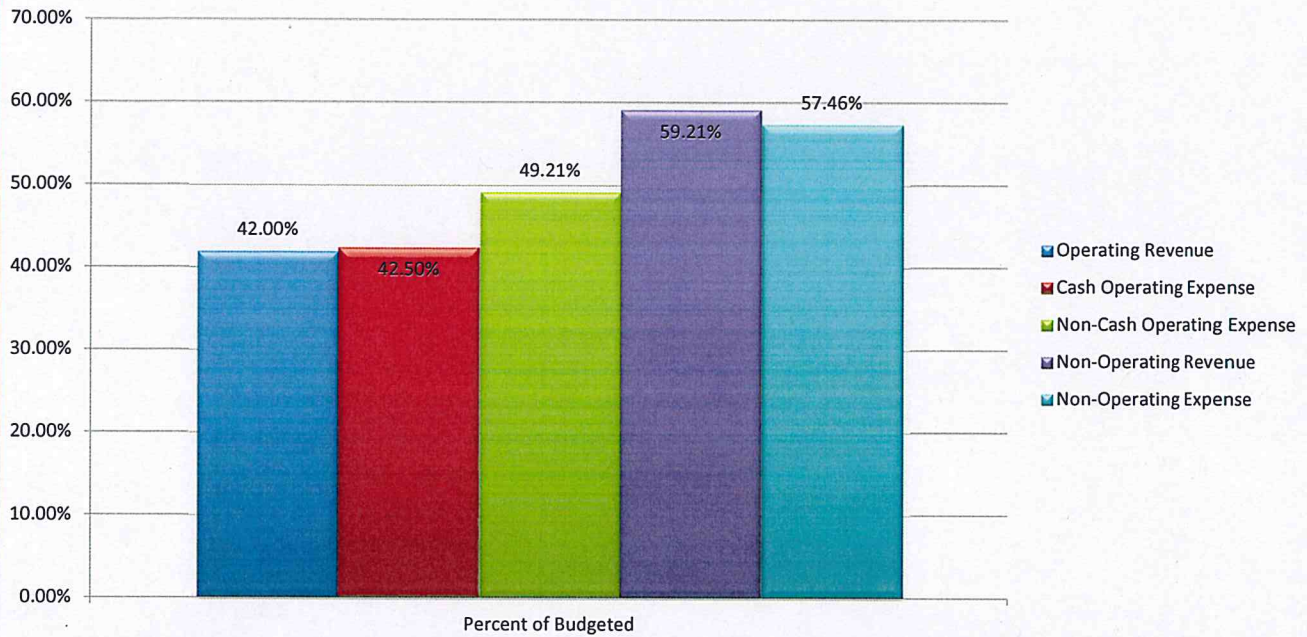
\* Budget adjustments by General Manager per Appendix A

\*\* Budget adjustment by Board action 04/08/15

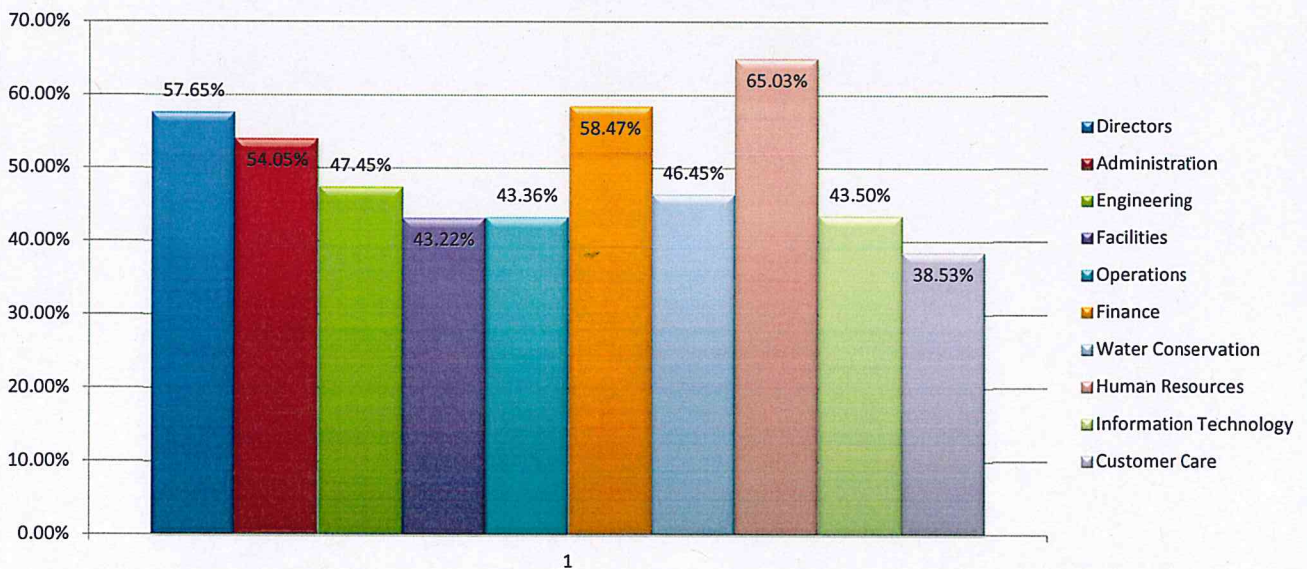
OTHER OPERATING REVENUE
-------------------------

5/8" Meter Charge(\$109)	\$70.00
Account Setup Charge(\$25)	\$1,950.00
Account Setup Charge/CC (\$35)	\$3,780.00
Credit Check(\$10)	\$10.00
Customer Request Turn On/Off(\$15)	\$15.00
Door Tag Fee(\$20)	\$41,640.00
Lock Broken or Missing(\$15)	\$30.00
Non-Compliance Fee Backflow(\$50)	\$200.00
Pulled Meter Service Charge(\$60)	\$180.00
Repair Angle Stop After Hours(\$600.00)	\$600.00
Repair Angle Stop(\$440.00)	\$880.00
Shut-Off Charge(\$30)	\$2,820.00
Standard Trip Charge(\$15)	\$120.00
Waste Water 2nd Notice(\$50.00)	-\$50.00
Late Fees	35099.57
NSF Fee	900
	<hr/>
	\$88,244.57

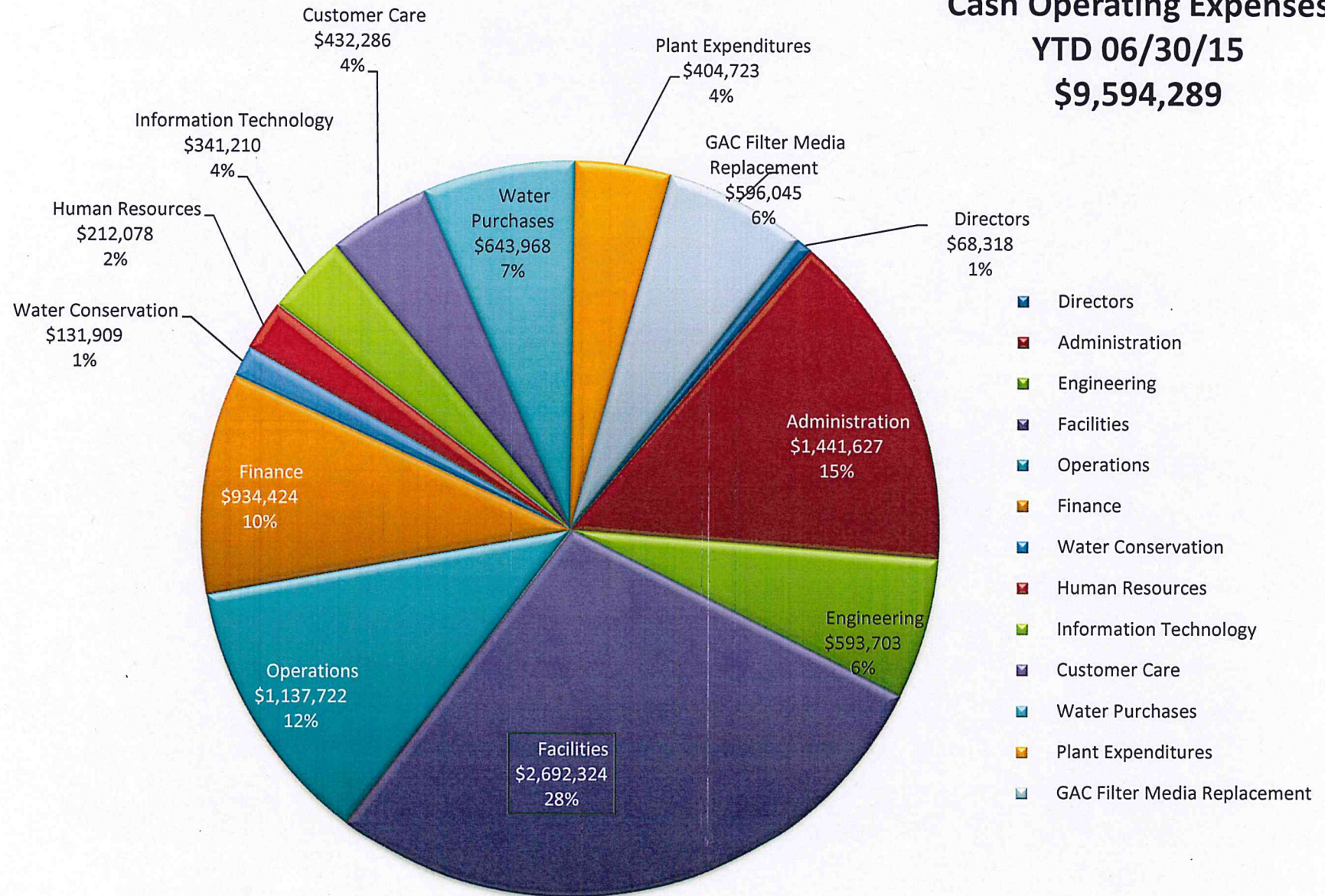
### P & L BUDGET vs. ACTUAL



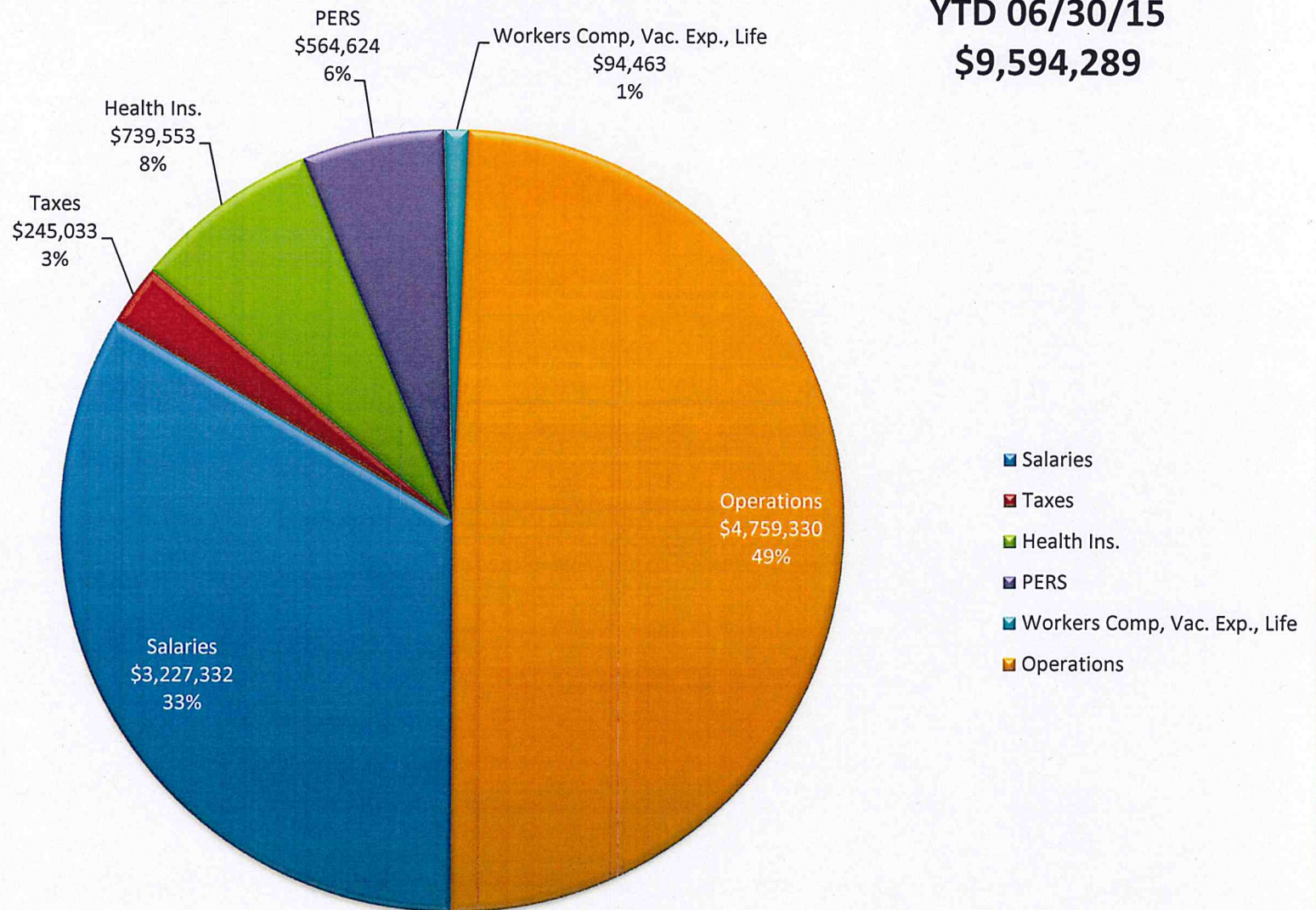
### DEPARTMENTAL - BUDGET vs. ACTUAL



## Cash Operating Expenses YTD 06/30/15 \$9,594,289



**Personnel to Operations Exp**  
**YTD 06/30/15**  
**\$9,594,289**

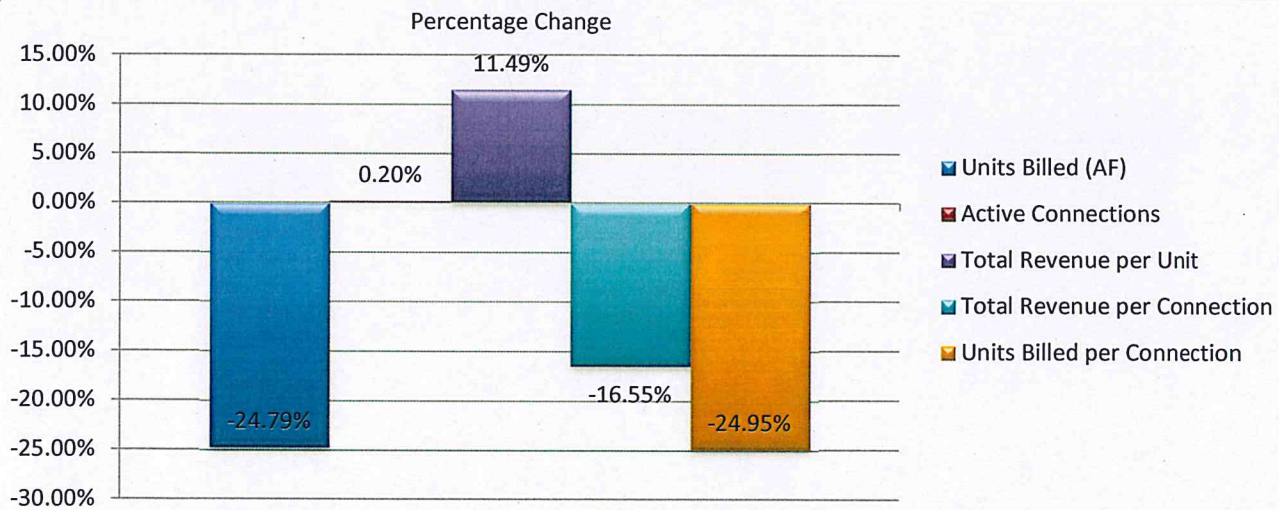
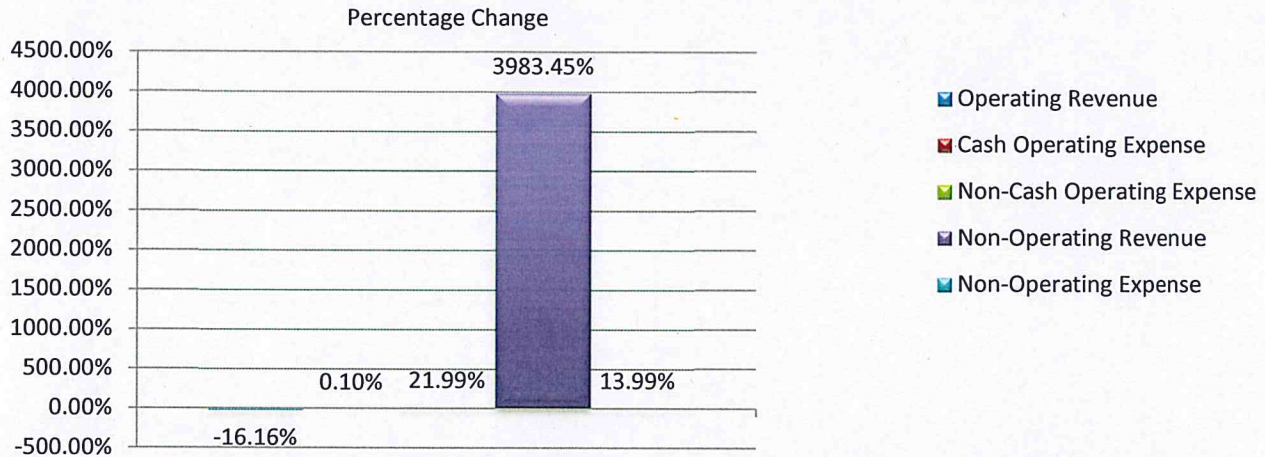


**Palmdale Water District  
Profit and Loss Statement  
Year-To-Year Comparison - June**

	2014 June	2015 June	Change	% Change		Consumption Comparison	
					Units Billed	2014	2015
<b>Operating Revenue:</b>						810,797	609,771
Wholesale Water	\$ 20,881	\$ 7,614	\$ (13,267)	-63.54%	Active	26,452	26,506
Water Sales	793,170	545,867	(247,303)	-31.18%	Vacant	917	871
Meter Fees	944,716	974,415	29,700	3.14%			
Water Quality Fees	162,490	84,952	(77,538)	-47.72%			
Elevation Fees	50,142	35,641	(14,501)	-28.92%	Rev/unit	\$ 2.57	\$ 2.86
Other	109,680	96,369	(13,310)	-12.14%	Rev/con	\$ 74.53	\$ 62.19
<b>Total Operating Revenue</b>	<b>\$ 2,081,078</b>	<b>\$ 1,744,859</b>	<b>\$ (336,219)</b>	<b>-16.16%</b>	Unit/con	30.65	23.01
<b>Cash Operating Expenses:</b>							
Directors	\$ 12,407	\$ 12,204	\$ (203)	-1.64%			
Administration	230,168	329,108	98,940	42.99%			
Engineering	81,868	86,651	4,782	5.84%			
Facilities	213,903	431,403	217,499	101.68%			
Operations	487,416	167,608	(319,807)	-65.61%			
Finance	250,562	89,919	(160,643)	-64.11%			
Water Conservation	11,634	19,667	8,033	69.05%			
Human Resources	4,458	55,362	50,904	1141.92%			
Information Technology	48,959	46,975	(1,985)	-4.05%			
Customer Care	-	105,761	105,761				
Water Purchases	122,865	53,294	(69,571)	-56.62%			
Water Purchases-Prior Year OAP	-	-	-				
Water Recovery	(34,012)	-	34,012				
Plant Expenditures	101,813	135,593	33,780	33.18%			
GAC Filter Media Replacement	-	-	-				
<b>Total Cash Operating Expenses</b>	<b>\$ 1,532,042</b>	<b>\$ 1,533,543</b>	<b>\$ 1,501</b>	<b>0.10%</b>			
<b>Non-Cash Operating Expenses:</b>							
Depreciation	\$ 546,158	\$ 534,975	\$ (11,182)	-2.05%			
OPEB Accrual Expense	166,875	183,580	16,705	10.01%			
Bad Debts	55	2,313	2,258	4090.51%			
Service Costs Construction	85	26,109	26,024	30623.85%			
Capitalized Construction	(154,555)	(65,546)	89,009	-57.59%			
<b>Total Non-Cash Operating Expenses</b>	<b>\$ 558,617</b>	<b>\$ 681,431</b>	<b>\$ 122,814</b>	<b>21.99%</b>			
<b>Net Operating Profit/(Loss)</b>	<b>\$ (9,582)</b>	<b>\$ (470,116)</b>	<b>\$ (460,534)</b>	<b>4806.29%</b>			
<b>Non-Operating Revenues:</b>							
Assessments (Debt Service)	\$ 910	\$ 446,500	\$ 445,590	48976.18%			
Assessments (1%)	6,827	141,000	134,173	1965.40%			
DWR Fixed Charge Recovery	-	113,573	113,573				
Interest	(3,206)	(656)	2,550	-79.55%			
Capital Improvement Fees	-	-	-				
Other	12,623	63	(12,560)	-99.50%			
<b>Total Non-Operating Revenues</b>	<b>\$ 17,154</b>	<b>\$ 700,480</b>	<b>\$ 683,326</b>	<b>3983.45%</b>			
<b>Non-Operating Expenses:</b>							
Interest on Long-Term Debt	\$ 193,306	\$ 189,297	\$ (4,008)	-2.07%			
Amortization of SWP	159,510	172,877	13,367	8.38%			
Change in Investments in PRWA	-	8,912	8,912				
Water Conservation Programs	9,616	42,035	32,419	337.12%			
<b>Total Non-Operating Expenses</b>	<b>\$ 362,432</b>	<b>\$ 413,121</b>	<b>\$ 50,689</b>	<b>13.99%</b>			
<b>Net Earnings</b>	<b>\$ (354,860)</b>	<b>\$ (182,757)</b>	<b>\$ 172,103</b>	<b>-48.50%</b>			

# YEAR-TO-YEAR COMPARISON

## June '14 -To - June '15



	2014	2015	Change	
Units Billed (AF)	1,861	1,400	-461	-24.79%
Active Connections	26,452	26,506	54	0.20%
Non-Active	917	871	-46	-5.02%
Total Revenue per Unit	\$2.57	\$2.86	\$0.29	11.49%
Total Revenue per Connection	\$74.53	\$62.19	-\$12.33	-16.55%
Units Billed per Connection	30.65	23.01	-7.65	-24.95%

**Palmdale Water District**  
**Revenue Analysis**  
**For the Six Months Ending 6/30/2015**  
**2015**

	Thru May	June	Year-to-Date	Adjusted Budget	% of Budget
<b>Operating Revenue:</b>					
Wholesale Water	\$ 3,107	\$ 7,614	\$ 10,720	\$ 225,000	4.76%
Water Sales	2,296,519	545,867	2,842,386	8,550,500	33.24%
Meter Fees	4,852,405	974,415	5,826,821	11,506,000	50.64%
Water Quality Fees	322,112	84,952	407,064	1,146,500	35.50%
Elevation Fees	129,714	35,641	165,355	525,000	31.50%
Other	479,720	96,369	576,090	1,450,000	39.73%
<b>Total Water Sales</b>	<b>\$ 8,083,577</b>	<b>\$ 1,744,859</b>	<b>\$ 9,828,435</b>	<b>\$ 23,403,000</b>	<b>42.00%</b>
<b>Non-Operating Revenues:</b>					
Assessments (Debt Service)	\$ 2,232,500	\$ 446,500	\$ 2,679,000	\$ 5,100,000	52.53%
Assessments (1%)	1,036,200	141,000	1,177,200	1,950,000	60.37%
DWR Fixed Charge Recovery	140,159	113,573	253,732	100,000	253.73%
Interest	27,574	(656)	26,918	35,000	76.91%
Capital Improvement Fees	138,702	-	138,702	50,000	277.40%
Other	11,128	63	11,191	5,000	223.81%
<b>Total Non-Operating Revenues</b>	<b>\$ 3,586,263</b>	<b>\$ 700,480</b>	<b>\$ 4,286,744</b>	<b>\$ 7,240,000</b>	<b>59.21%</b>
<b>Total Revenue</b>	<b>\$ 11,669,840</b>	<b>\$ 2,445,339</b>	<b>\$ 14,115,179</b>	<b>\$ 30,643,000</b>	<b>46.06%</b>

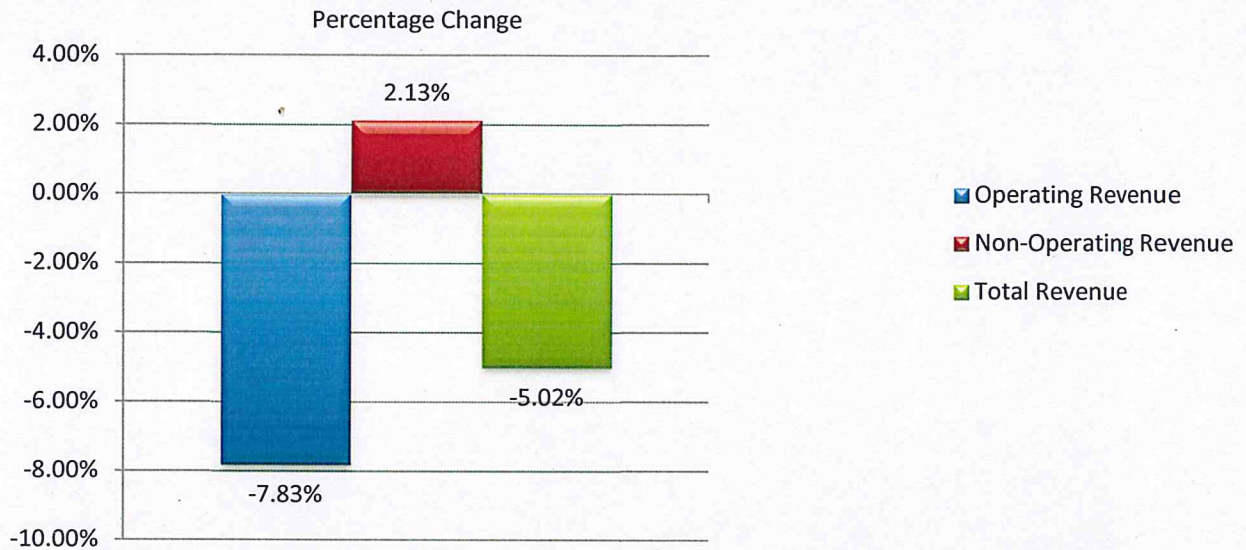
**2014 to 2015 Comparison**

	Thru May	June	Year-to-Date	% Change
	\$ (14,804)	\$ (13,267)	\$ (28,070)	-72.36%
	(325,031)	(247,303)	(572,334)	-16.76%
	164,553	29,700	194,253	3.45%
	(189,204)	(77,538)	(266,741)	-39.59%
	(21,612)	(14,501)	(36,113)	-17.92%
	(112,535)	(13,310)	(125,845)	-17.93%
	<b>\$ (498,633)</b>	<b>\$ (336,219)</b>	<b>\$ (834,852)</b>	<b>-7.83%</b>
	\$ (516,538)	\$ 445,590	\$ (70,948)	-2.58%
	(77,491)	134,173	56,682	5.06%
	6,620	113,573	120,193	
	(6,582)	2,550	(4,032)	-13.03%
	128,813	-	128,813	1302.59%
	(128,909)	(12,560)	(141,469)	-92.67%
	<b>\$ (594,087)</b>	<b>\$ 683,326</b>	<b>\$ 89,239</b>	<b>2.13%</b>
	<b>\$ (1,092,720)</b>	<b>\$ 347,107</b>	<b>\$ (745,612)</b>	<b>-5.02%</b>

	Thru May	June	Year-to-Date	Adjusted Budget	% of Budget
<b>Operating Revenue:</b>					
Wholesale Water	\$ 17,910	\$ 20,881	\$ 38,791	\$ 225,000	17.24%
Water Sales	2,621,550	793,170	3,414,720	9,053,000	37.72%
Meter Fees	4,687,852	944,716	5,632,568	11,255,000	50.05%
Water Quality Fees	511,316	162,490	673,805	1,638,000	41.14%
Elevation Fees	151,326	50,142	201,468	525,000	38.37%
Other	592,255	109,680	701,935	1,700,000	41.29%
<b>Total Water Sales</b>	<b>\$ 8,564,299</b>	<b>\$ 2,081,078</b>	<b>\$ 10,663,287</b>	<b>\$ 24,396,000</b>	<b>43.71%</b>
<b>Non-Operating Revenues:</b>					
Assessments (Debt Service)	\$ 2,749,038	\$ 910	\$ 2,749,948	\$ 4,400,000	62.50%
Assessments (1%)	1,113,692	6,827	1,120,518	1,800,000	62.25%
DWR Fixed Charge Recovery	133,539	-	133,539	100,000	133.54%
Interest	34,156	(3,206)	30,950	25,000	123.80%
Capital Improvement Fees	9,889	-	9,889	150,000	6.59%
Other	140,037	12,623	152,660	185,000	82.52%
<b>Total Non-Operating Revenues</b>	<b>\$ 4,180,350</b>	<b>\$ 17,154</b>	<b>\$ 4,197,504</b>	<b>\$ 6,660,000</b>	<b>63.03%</b>
<b>Total Revenue</b>	<b>\$ 12,744,650</b>	<b>\$ 2,098,232</b>	<b>\$ 14,860,791</b>	<b>\$ 31,056,000</b>	<b>47.85%</b>

# REVENUE COMPARISON YEAR-TO-DATE

June '14-To-June '15



**Palmdale Water District  
Operating Expense Analysis  
For the Six Months Ending 6/30/2015**

	2015					2014 to 2015 Comparison			
	Thru May	June	Year-to-Date	Adjusted Budget	% of Budget	Thru May	June	Year-to-Date	% Change
<b>Cash Operating Expenses:</b>									
Directors	\$ 56,114	\$ 12,204	\$ 68,318	\$ 118,500	57.65%	\$ 403	\$ (203)	\$ 200	0.29%
Administration	1,112,519	329,108	1,441,627	2,667,250	54.05%	(483,413)	98,940	(384,474)	-21.05%
Engineering	507,052	86,651	593,703	1,251,150	47.45%	84,365	4,782	89,148	17.67%
Facilities	2,260,921	431,403	2,692,324	6,228,775	43.22%	1,035,852	217,499	1,253,351	87.10%
Operations	970,114	167,608	1,137,722	2,624,000	43.36%	(1,121,649)	(319,807)	(1,441,456)	-55.89%
Finance	844,505	89,919	934,424	1,598,025	58.47%	(435,249)	(160,643)	(595,893)	-38.94%
Water Conservation	112,242	19,667	131,909	284,000	46.45%	56,251	8,033	64,285	95.06%
Human Resources	156,716	55,362	212,078	326,100	65.03%	53,837	50,904	104,742	97.58%
Information Technology	294,235	46,975	341,210	784,350	43.50%	(65,428)	(1,985)	(67,413)	-16.50%
Customer Care	326,526	105,761	432,286	1,121,950	38.53%	326,526	105,761	432,286	
Water Purchases	884,435	53,294	937,729	2,379,000	39.42%	47,828	(69,571)	(21,743)	-2.27%
Water Purchases-Prior Year OAP	(36,045)	-	(36,045)	250,000	-14.42%	(36,728)	-	(36,728)	
Water Recovery	(293,761)	-	(293,761)	(100,000)	293.76%	(248,096)	34,012	(214,084)	268.69%
Plant Expenditures	269,129	135,593	404,723	1,146,500	35.30%	(880,559)	33,780	(846,779)	-67.66%
GAC Filter Media Replacement	596,045	-	596,045	1,896,000	31.44%	586,874	-	586,874	
<b>Total Cash Operating Expenses</b>	<b>\$ 8,060,746</b>	<b>\$ 1,533,543</b>	<b>\$ 9,594,289</b>	<b>\$ 22,575,600</b>	<b>42.50%</b>	<b>\$ (1,079,185)</b>	<b>\$ 1,501</b>	<b>\$ (1,077,684)</b>	<b>-11.23%</b>
<b>Non-Cash Operating Expenses:</b>									
Depreciation	\$ 2,671,582	\$ 534,975	\$ 3,206,557	\$ 6,450,000	49.71%	\$ (92,208)	\$ (11,182)	\$ (103,390)	-3.12%
OPEB Accrual Expense	917,900	183,580	1,101,480	2,000,000	55.07%	83,525	16,705	100,230	10.01%
Bad Debts	1,102	2,313	3,414	100,000	3.41%	(23,447)	2,258	(21,189)	-86.12%
Service Costs Construction	(116)	26,109	25,993	125,000	20.79%	(5,904)	26,024	20,121	342.60%
Capitalized Construction	(495,034)	(65,546)	(560,580)	(1,000,000)	56.06%	(111,691)	89,009	(22,681)	4.22%
<b>Total Non-Cash Operating Expenses</b>	<b>\$ 3,095,433</b>	<b>\$ 681,431</b>	<b>\$ 3,776,864</b>	<b>\$ 7,675,000</b>	<b>49.21%</b>	<b>\$ (149,724)</b>	<b>\$ 122,814</b>	<b>\$ (26,910)</b>	<b>-0.71%</b>
<b>Non-Operating Expenses:</b>									
Interest on Long-Term Debt	\$ 951,254	\$ 189,297	\$ 1,140,551	\$ 2,111,000	54.03%	\$ (19,942)	\$ (4,008)	\$ (23,951)	-2.06%
Amortization of SWP	864,385	172,877	1,037,262	1,679,000	61.78%	66,835	13,367	80,202	8.38%
Change in Investments in PRWA	5,093	8,912	14,005	-					
Water Conservation Programs	71,056	42,035	113,091	221,000	51.17%	25,818	32,419	58,237	106.17%
<b>Total Non-Operating Expenses</b>	<b>\$ 1,891,788</b>	<b>\$ 413,121</b>	<b>\$ 2,304,909</b>	<b>\$ 4,011,000</b>	<b>57.46%</b>	<b>\$ 72,711</b>	<b>\$ 41,778</b>	<b>\$ 114,488</b>	<b>5.26%</b>
<b>Total Expenses</b>	<b>\$ 13,047,967</b>	<b>\$ 2,628,096</b>	<b>\$ 15,676,063</b>	<b>\$ 34,261,600</b>	<b>45.75%</b>	<b>\$ (1,156,198)</b>	<b>\$ 166,093</b>	<b>\$ (990,105)</b>	<b>-5.95%</b>

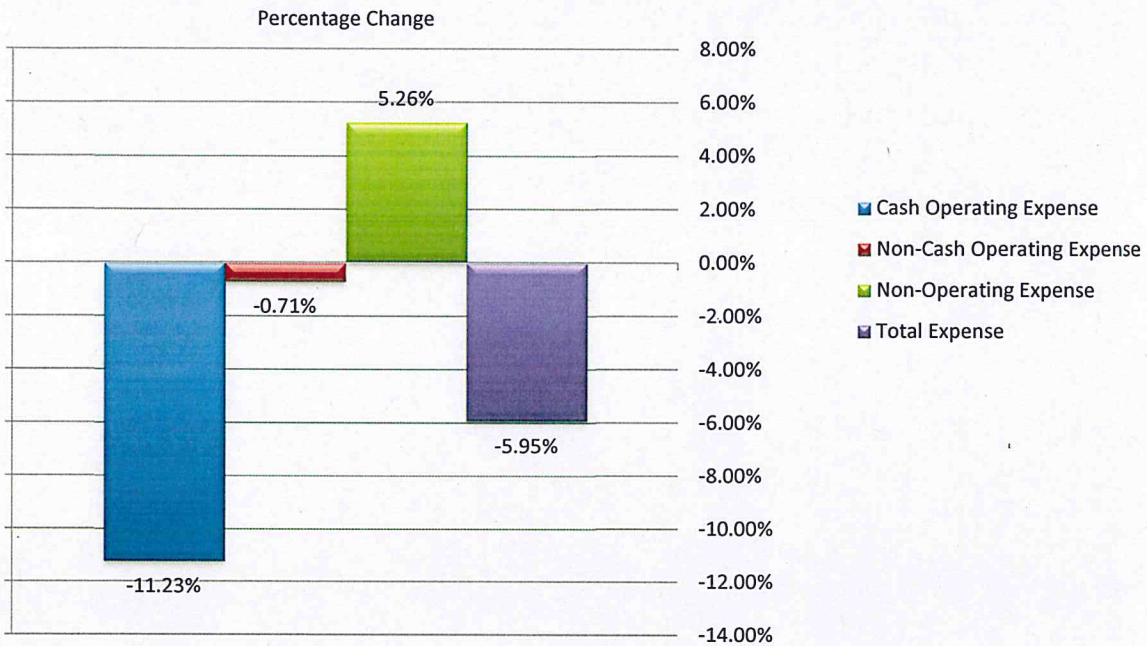
**Palmdale Water District  
Operating Expense Analysis  
For the Six Months Ending 6/30/2015**

2014 to 2015 Comparison

	2014				
	Thru May	June	Year-to-Date	Adjusted Budget	% of Budget
<b>Cash Operating Expenses:</b>					
Directors	\$ 55,711	\$ 12,407	\$ 68,118	\$ 114,500	59.49%
Administration	1,595,932	230,168	1,826,100	3,490,000	52.32%
Engineering	422,687	81,868	504,555	1,079,800	46.73%
Facilities	1,225,069	213,903	1,438,972	3,408,500	42.22%
Operations	2,091,762	487,416	2,579,178	5,453,500	47.29%
Finance	1,279,754	250,562	1,530,316	2,968,750	51.55%
Water Conservation	55,990	11,634	67,624	270,000	25.05%
Human Resources	102,878	4,458	107,336	215,300	49.85%
Information Technology	359,663	48,959	408,623	828,600	49.31%
Customer Care	-	-	-	-	
Water Purchases	836,608	122,865	959,473	2,400,000	39.98%
Water Purchases-Prior Year OAP	683	-	683	250,000	0.27%
Water Recovery	(45,665)	(34,012)	(79,677)	(100,000)	79.68%
Plant Expenditures	1,149,688	101,813	1,251,502	2,143,500	58.39%
GAC Filter Media Replacement	9,171	-	9,171	1,638,000	0.56%
<b>Total Cash Operating Expenses</b>	<b>\$ 9,139,931</b>	<b>\$ 1,532,042</b>	<b>\$ 10,671,973</b>	<b>\$ 24,160,450</b>	<b>44.17%</b>
<b>Non-Cash Operating Expenses:</b>					
Depreciation	\$ 2,763,790	\$ 546,158	\$ 3,309,947	\$ 7,350,000	45.03%
OPEB Accrual Expense	834,375	166,875	1,001,250	2,000,000	50.06%
Bad Debts	24,549	55	24,604	100,000	24.60%
Service Costs Construction	5,788	85	5,873	125,000	4.70%
Capitalized Construction	(383,344)	(154,555)	(537,899)	(1,000,000)	53.79%
<b>Total Non-Cash Operating Expenses</b>	<b>\$ 3,245,157</b>	<b>\$ 558,617</b>	<b>\$ 3,803,774</b>	<b>\$ 8,575,000</b>	<b>44.36%</b>
<b>Non-Operating Expenses:</b>					
Interest on Long-Term Debt	\$ 971,196	\$ 193,306	\$ 1,164,501	\$ 2,111,000	55.16%
Amortization of SWP	797,550	159,510	957,060	1,679,000	57.00%
Water Conservation Programs	45,238	9,616	54,854	143,000	38.36%
<b>Total Non-Operating Expenses</b>	<b>\$ 1,813,984</b>	<b>\$ 362,432</b>	<b>\$ 2,176,416</b>	<b>\$ 3,933,000</b>	<b>55.34%</b>
<b>Total Expenses</b>	<b>\$ 14,199,072</b>	<b>\$ 2,453,091</b>	<b>\$ 16,652,164</b>	<b>\$ 36,668,450</b>	<b>45.41%</b>

## EXPENSE COMPARISON YEAR-TO-DATE

June '14-To-June '15



**Palmdale Water District**  
**2015 Directors Budget**  
For the Six Months Ending Tuesday, June 30, 2015

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-01-4000-000 Directors Pay	\$ 30,000	\$ 45,000	\$ -	\$ 15,000	66.67%
Employee Benefits					
1-01-4005-000 Payroll Taxes	2,281	5,500		3,219	41.47%
1-01-4010-000 Health Insurance	28,978	58,000		29,022	49.96%
Subtotal (Benefits)	31,259	63,500	-	29,022	49.23%
Total Personnel Expenses	\$ 61,259	\$ 108,500	\$ -	\$ 44,022	56.46%
OPERATING EXPENSES:					
1-01-4050-000 Directors Travel, Seminars & Meetings	7,059	10,000		2,941	70.59%
Subtotal Operating Expenses	7,059	10,000	-	2,941	70.59%
Total O & M Expenses	\$ 68,318	\$ 118,500	\$ -	\$ 46,963	57.65%

**Palmdale Water District**  
**2015 Administration Budget**  
For the Six Months Ending Tuesday, June 30, 2015

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
<b>Personnel Budget:</b>					
1-02-4000-000 Salaries	\$ 413,483	\$ 860,500		\$ 447,017	48.05%
1-02-4000-100 Overtime	3,912	8,250		4,338	47.42%
1-02-4000-200 On-Call	37,407	67,500		30,093	55.42%
Subtotal (Salaries)	\$ 454,802	\$ 936,250	\$ -	\$ 481,448	48.58%
<b>Employee Benefits</b>					
1-02-4005-000 Payroll Taxes	\$ 31,325	\$ 66,000		34,675	47.46%
1-02-4010-000 Health Insurance	66,890	134,000		67,110	49.92%
1-02-4015-000 PERS	80,498	169,000		88,502	47.63%
1-02-4020-000 Worker's Compensation	53,440	125,000		71,560	42.75%
1-02-4025-000 Vacation Benefit Expense	37,187	35,000		(2,187)	106.25%
1-02-4030-000 Life Insurance	3,836	8,000		4,164	47.94%
Subtotal (Benefits)	\$ 273,176	\$ 537,000	\$ -	\$ 263,824	50.87%
Total Personnel Expenses	\$ 727,978	\$ 1,473,250	\$ -	\$ 745,272	49.41%
<b>OPERATING EXPENSES:</b>					
1-02-4050-100 General Manager Travel	\$ 3,217	\$ 5,000		1,783	64.34%
1-02-4060-100 General Manager Conferences & Seminars	2,195	4,000		1,805	54.88%
1-02-4080-000 Other Operating	13,221	20,000		6,779	66.10%
1-02-4110-000 Consultants	88,024	175,000		86,976	50.30%
1-02-4125-000 Insurance	149,822	285,000		135,178	52.57%
1-02-4130-000 Bank Charges	72,262	140,000		67,738	51.62%
1-02-4135-000 Groundwater Adjudication	55,614	75,000		19,386	74.15%
1-02-4140-000 Legal Services	99,995	160,000		60,005	62.50%
1-02-4150-000 Accounting Services	18,000	25,000		7,000	72.00%
1-02-4165-000 Memberships/Subscriptions	169,157	210,000		40,843	80.55%
1-02-4175-000 Permits	5,583	10,000		4,417	55.83%
1-02-4180-000 Postage	14,829	27,500		12,671	53.92%
1-02-4190-100 Public Relations - Publications	9,083	35,000		25,917	25.95%
1-02-4190-900 Public Relations - Other	-	1,000		1,000	0.00%
1-02-4200-000 Advertising	2,003	3,500		1,497	57.24%
1-02-4205-000 Office Supplies	10,645	18,000		7,355	59.14%
Subtotal Operating Expenses	\$ 713,649	\$ 1,194,000	\$ -	\$ 480,351	59.77%
Total Departmental Expenses	\$ 1,441,627	\$ 2,667,250	\$ -	\$ 1,225,623	54.05%

**Palmdale Water District  
2015 Engineering Budget  
For the Six Months Ending Tuesday, June 30, 2015**

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
<b>Personnel Budget:</b>					
1-03-4000-000 Salaries	\$ 374,907	\$ 809,000		\$ 434,093	46.34%
1-03-4000-100 Overtime	2,111	6,750		4,639	31.27%
Subtotal (Salaries)	\$ 377,017	\$ 815,750		\$ 438,733	46.22%
<b>Employee Benefits</b>					
1-03-4005-000 Payroll Taxes	29,076	61,000		31,924	47.67%
1-03-4010-000 Health Insurance	74,751	154,500		79,749	48.38%
1-03-4015-000 PERS	66,822	142,000		75,178	47.06%
Subtotal (Benefits)	\$ 170,650	\$ 357,500	\$ -	\$ 186,850	47.73%
Total Personnel Expenses	\$ 547,667	\$ 1,173,250	\$ -	\$ 625,583	46.68%
<b>OPERATING EXPENSES:</b>					
1-03-4155-000 Contracted Services	40,000	61,500		21,500	65.04%
1-03-4165-000 Memberships/Subscriptions	1,334	2,000		666	66.72%
1-03-4250-000 General Materials & Supplies	1,968	2,500		532	78.72%
1-03-8100-100 Computer Software - Maint. & Support*	2,733	13,500	(1,600)	10,767	20.24%
Subtotal Operating Expenses	\$ 46,036	\$ 79,500	\$ (1,600)	\$ 33,464	57.91%
Total Departmental Expenses	\$ 593,703	\$ 1,252,750	\$ (1,600)	\$ 659,047	47.39%

\* Budget adjustments by General Manager per Appendix A

**Palmdale Water District  
2015 Facilities Budget  
For the Six Months Ending Tuesday, June 30, 2015**

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
<b>Personnel Budget:</b>					
1-04-4000-000 Salaries	\$ 864,504	\$ 2,049,000		\$ 1,184,496	42.19%
1-04-4000-100 Overtime	32,916	65,000		32,084	50.64%
Subtotal (Salaries)	\$ 897,420	\$ 2,114,000	\$ -	\$ 1,216,580	42.45%
<b>Employee Benefits</b>					
1-04-4005-000 Payroll Taxes	69,499	157,000		87,501	44.27%
1-04-4010-000 Health Insurance	234,500	466,000		231,500	50.32%
1-04-4015-000 PERS	157,512	362,000		204,488	43.51%
Subtotal (Benefits)	\$ 461,511	\$ 985,000	\$ -	\$ 523,489	46.85%
Total Personnel Expenses	\$ 1,358,932	\$ 3,099,000	\$ -	\$ 1,740,068	43.85%
<b>OPERATING EXPENSES:</b>					
1-04-4155-000 Contracted Services	\$ 61,286	\$ 125,000		\$ 63,714	49.03%
1-04-4175-000 Permits-Dams	3,508	50,000		46,492	7.02%
1-04-4215-100 Natural Gas - Wells & Boosters	79,399	236,000		156,601	
1-04-4215-200 Natural Gas - Buildings	3,481	9,000		5,519	38.68%
1-04-4220-100 Electricity - Wells & Boosters	721,350	1,515,000		793,650	
1-04-4220-200 Electricity - Buildings	44,490	75,000		30,510	59.32%
1-04-4225-000 Maint. & Repair - Vehicles	16,932	40,000		23,068	42.33%
1-04-4230-100 Maint. & Rep. Office Building	3,912	15,000		11,088	26.08%
1-04-4235-110 Maint. & Rep. Equipment	4,372	6,500		2,128	67.27%
1-04-4235-400 Maint. & Rep. Operations - Wells	37,884	75,000		37,116	50.51%
1-04-4235-405 Maint. & Rep. Operations - Boosters	18,835	50,000		31,165	37.67%
1-04-4235-410 Maint. & Rep. Operations - Shop Bldgs	729	10,000		9,271	7.29%
1-04-4235-415 Maint. & Rep. Operations - Facilities	16,664	15,000		(1,664)	111.10%
1-04-4235-420 Maint. & Rep. Operations - Water Lines	81,925	240,000		158,075	34.14%
1-04-4235-425 Maint. & Rep. Operations - Littlerock Dam	-	15,000		15,000	0.00%
1-04-4235-430 Maint. & Rep. Operations - Palmdale Dam	580	7,500		6,920	7.73%
1-04-4235-435 Maint. & Rep. Operations - Palmdale Canal	524	10,000		9,476	5.24%
1-04-4235-440 Maint. & Rep. Operations - Large Meters**	853	-	7,870	7,017	10.84%
1-04-4235-445 Maint. & Rep. Operations - Telemetry	3,170	2,250		(920)	140.89%
1-04-4235-450 Maint. & Rep. Operations - Hypo Generators	555	12,000		11,445	4.63%
1-04-4235-455 Maint. & Rep. Operations - Heavy Equipment	21,714	35,000		13,286	62.04%
1-04-4235-460 Maint. & Rep. Operations - Storage Reservoirs	1,398	5,000		3,602	27.96%
1-04-4235-470 Maint. & Rep. Operations - Meters Exchanges**	50,162	-	211,950	161,788	23.67%
1-04-4250-100 General Supplies - Hot Tapping Program	5,549	-		(5,549)	
1-04-4270-300 Telecommunication - Other	1,761	2,750		989	64.02%
1-04-4300-200 Testing - Large Meters**	4,185	-	10,955	6,770	38.20%
1-04-4300-300 Testing - Edison Testing	-	6,000		6,000	0.00%
1-04-6000-000 Waste Disposal	7,534	25,000		17,466	30.14%
1-04-6100-100 Fuel and Lube - Vehicle	42,127	130,000		87,873	32.41%
1-04-6100-200 Fuel and Lube - Machinery	21,175	43,000		21,825	49.24%
1-04-6200-000 Uniforms	13,376	22,500		9,125	59.45%
1-04-6300-100 Supplies - General	24,634	47,500		22,866	51.86%
1-04-6300-200 Supplies - Hypo Generators	371	6,500		6,129	5.71%
1-04-6300-300 Supplies - Electrical	-	3,000		3,000	0.00%
1-04-6300-400 Supplies - Telemetry	2,733	5,000		2,267	54.65%
1-04-6300-800 Supplies - Construction Materials	18,246	35,000		16,754	52.13%
1-04-6400-000 Tools	9,625	12,000		2,375	80.21%
1-04-7000-100 Leases -Equipment	8,354	12,500		4,146	66.83%
Subtotal Operating Expenses	\$ 1,333,392	\$ 2,899,000	\$ 230,775	\$ 1,796,383	42.60%
Total Departmental Expenses	\$ 2,692,324	\$ 5,998,000	\$ 230,775	\$ 3,536,451	43.22%

\*\* Budget adjustment by Board action 04/08/15

**Palmdale Water District**  
**2015 Operation Budget**  
For the Six Months Ending Tuesday, June 30, 2015

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
<b>Personnel Budget:</b>					
1-05-4000-000 Salaries	\$ 483,916	\$ 1,104,500		\$ 620,584	43.81%
1-05-4000-100 Overtime	23,576	53,750		30,174	43.86%
Subtotal (Salaries)	\$ 507,492	\$ 1,158,250	\$ -	\$ 650,758	43.82%
<b>Employee Benefits</b>					
1-05-4005-000 Payroll Taxes	38,505	90,750		52,245	42.43%
1-05-4010-000 Health Insurance	109,804	200,000		90,196	54.90%
1-05-4015-000 PERS	88,107	203,000		114,893	43.40%
Subtotal (Benefits)	\$ 236,416	\$ 493,750	\$ -	\$ 257,334	47.88%
Total Personnel Expenses	\$ 743,907	\$ 1,652,000	\$ -	\$ 908,093	45.03%
<b>OPERATING EXPENSES:</b>					
1-05-4155-000 Contracted Services*	\$ 74,579	\$ 67,500	\$ 12,200	\$ 5,121	93.57%
1-05-4175-000 Permits	12,620	40,000		27,380	31.55%
1-05-4215-200 Natural Gas - WTP	595	3,000		2,405	19.84%
1-05-4220-200 Electricity - WTP	59,765	125,000		65,235	47.81%
1-05-4230-110 Maint. & Rep. - Office Equipment	-	500		500	0.00%
1-05-4235-110 Maint. & Rep. Operations - Equipment	7,434	11,500		4,066	64.65%
1-05-4235-410 Maint. & Rep. Operations - Shop Bldgs	720	6,000		5,280	12.00%
1-05-4235-415 Maint. & Rep. Operations - Facilities	18,695	45,000		26,305	41.55%
1-05-4235-450 Maint. & Rep. Operations - Hypo Generator	-	18,000		18,000	0.00%
1-05-4235-500 Maint. & Rep. Operations - Wind Turbine	2,975	6,000		3,025	49.58%
1-05-4236-000 Palmdale Lake Management	11,804	15,000		3,196	78.69%
1-05-6000-000 Waste Disposal	1,964	14,000		12,036	14.03%
1-05-6200-000 Uniforms	7,039	12,000		4,961	58.66%
1-05-6300-100 Supplies - General	6,644	15,000		8,356	44.29%
1-05-6300-600 Supplies - Lab	24,834	35,000		10,166	70.95%
1-05-6300-700 Outside Lab Work	42,030	64,000		21,970	65.67%
1-05-6400-000 Tools	3,237	6,500		3,263	49.80%
1-05-6500-000 Chemicals*	118,230	485,000	(12,200)	354,570	25.01%
1-05-7000-100 Leases -Equipment	651	3,000		2,349	21.69%
Subtotal Operating Expenses	\$ 393,814	\$ 972,000	\$ -	\$ 578,186	40.52%
Total Departmental Expenses	\$ 1,137,722	\$ 2,624,000	\$ -	\$ 1,486,278	43.36%

\* Budget adjustments by General Manager per Appendix A

**Palmdale Water District  
2015 Finance Budget  
For the Six Months Ending Tuesday, June 30, 2015**

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
<b>Personnel Budget:</b>					
1-06-4000-000 Salaries**	\$ 430,801	\$ 1,546,000	\$ (727,000)	\$ 388,199	52.60%
1-06-4000-100 Overtime**	3,889	19,000	(13,500)	1,611	70.71%
Subtotal (Salaries)	\$ 434,690	\$ 1,565,000	\$ (740,500)	\$ 389,810	52.72%
<b>Employee Benefits</b>					
1-06-4005-000 Payroll Taxes**	33,331	118,500	(54,000)	31,169	51.68%
1-06-4010-000 Health Insurance**	97,182	316,000	(173,000)	45,818	67.96%
1-06-4015-000 PERS**	89,380	297,000	(132,000)	75,620	54.17%
Subtotal (Benefits)	\$ 219,893	\$ 731,500	\$ (359,000)	\$ 152,607	59.03%
Total Personnel Expenses	\$ 654,583	\$ 2,296,500	\$ (1,099,500)	\$ 542,417	54.69%
<b>OPERATING EXPENSES:</b>					
1-06-4155-300 Contracted Services **	\$ 5,090	\$ 24,750	\$ (16,950)	\$ 2,710	65.26%
1-06-4155-100 Contracted Services - Infosend	105,313	205,000		99,687	51.37%
1-06-4165-000 Memberships/Subscriptions	110	500		390	22.00%
1-06-4230-110 Maintenance & Repair - Office Equipment**	-	1,000	(500)	500	0.00%
1-06-4235-440 Maint. & Rep. Operations - Large Meters**	2,129	10,000	(7,870)	1	99.97%
1-06-4235-470 Maint. & Rep. Operations - Meter Exchanges**	138,045	350,000	(211,950)	5	100.00%
1-06-4250-000 General Material & Supplies**	1,812	6,000	(1,500)	2,688	40.26%
1-06-4260-000 Business Forms**	5,026	10,000	(3,500)	1,474	77.33%
1-06-4270-100 Telecommunication - Office	8,184	12,000		3,816	68.20%
1-06-4270-200 Telecommunication - Cellular Stipend	8,865	17,000		8,135	52.15%
1-06-4300-200 Testing - Large Meter Testing**	4,044	15,000	(10,955)	1	99.98%
1-06-7000-100 Leases - Equipment	1,222	3,000		1,778	40.73%
Subtotal Operating Expenses	\$ 279,841	\$ 654,250	\$ (253,225)	\$ 121,184	69.78%
Total Departmental Expenses	\$ 934,424	\$ 2,950,750	\$ (1,352,725)	\$ 663,601	58.47%

\*\* Budget adjustment by Board action 04/08/15

**Palmdale Water District**  
**2015 Water Conservation Budget**  
For the Six Months Ending Tuesday, June 30, 2015

Personnel Budget:

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
1-07-4000-000 Salaries	\$ 80,638	\$ 175,000		\$ 94,362	46.08%
1-07-4000-100 Overtime	365	1,000		635	36.51%
Subtotal (Salaries)	\$ 81,003	\$ 176,000		\$ 94,997	46.02%

Employee Benefits

1-07-4005-000 Payroll Taxes	6,227	13,500		7,273	46.12%
1-07-4010-000 Health Insurance	20,606	38,000		17,394	54.23%
1-07-4015-000 PERS	9,380	20,000		10,620	46.90%
Subtotal (Benefits)	\$ 36,212	\$ 71,500	\$ -	\$ 35,288	50.65%

Total Personnel Expenses

\$ 117,215	\$ 247,500	\$ -	\$ 129,650	47.36%
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OPERATING EXPENSES:

1-07-4190-300 Public Relations - Landscape Workshop/Training	\$ 71	\$ 1,000		\$ 929	7.12%
1-07-4190-400 Public Relations - Contests	602	1,000		398	60.19%
1-07-4190-500 Public Relations - Education Programs	-	2,500		2,500	0.00%
1-07-4190-700 Public Relations -General Media	9,366	25,000		15,635	37.46%
1-07-4190-900 Public Relations - Other	1,312	2,000		688	65.60%
1-07-6300-100 Supplies - Misc.	3,343	5,000		1,657	66.86%
Subtotal Operating Expenses	\$ 14,694	\$ 36,500	\$ -	\$ 21,806	40.26%

Total Departmental Expenses

\$ 131,909	\$ 284,000	\$ -	\$ 151,456	46.45%
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**Palmdale Water District**  
**2015 Human Resources Budget**  
For the Six Months Ending Tuesday, June 30, 2015

YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
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Personnel Budget:

1-08-4000-000 Salaries	\$ 69,731	\$ 101,000	\$ 31,269	69.04%
Employee Benefits				
1-08-4005-000 Payroll Taxes	5,349	7,750	2,401	69.02%
1-08-4010-000 Health Insurance	10,349	18,000	7,651	57.50%
1-08-4015-000 PERS	3,194	6,500	3,306	49.15%
Subtotal (Benefits)	\$ 18,893	\$ 32,250	\$ -	\$ 13,357 58.58%
Total Personnel Expenses	\$ 88,624	\$ 133,250	\$ -	\$ 44,626 66.51%

OPERATING EXPENSES:

1-08-4050-000 Staff Travel	\$ 12,943	\$ 25,250	\$ 12,307	51.26%
1-08-4060-000 Staff Conferences & Seminars	14,146	20,500	6,354	69.00%
1-08-4070-000 Employee Expense	26,290	40,000	13,710	65.73%
1-08-4095-000 Employee Recruitment	1,353	3,000	1,647	45.10%
1-08-4100-000 Employee Retention	8,274	20,000	11,726	41.37%
1-08-4105-000 Employee Relations	2,408	3,500	1,092	68.80%
1-08-4110-000 Consultants	-	1,000	1,000	0.00%
1-08-4120-100 Training-Safety	36,692	30,000	5,000 (1,692)	104.83%
1-08-4120-200 Training-Speciality	10,380	26,000	(5,000) 10,620	49.43%
1-08-4121-000 Safety Program	200	1,000	800	20.02%
1-08-4165-000 Membership/Subscriptions	319	1,600	1,281	19.94%
1-08-4165-100 HR/Safety Publications	154	1,000	846	15.44%
1-08-6300-500 Supplies - Safety	10,295	20,000	9,705	51.47%
Subtotal Operating Expenses	\$ 123,454	\$ 192,850	\$ -	\$ 69,396 64.02%
Total Departmental Expenses	\$ 212,078	\$ 326,100	\$ -	\$ 114,022 65.03%

**Palmdale Water District**  
**2015 Information Technology Budget**  
For the Six Months Ending Tuesday, June 30, 2015

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
<b>Personnel Budget:</b>					
1-09-4000-000 Salaries	\$ 100,060	\$ 221,500		\$ 121,440	45.17%
1-09-4000-100 Overtime	2,034	2,500		466	81.35%
Subtotal (Salaries)	\$ 102,094	\$ 224,000		\$ 121,906	45.58%
<b>Employee Benefits</b>					
1-09-4005-000 Payroll Taxes	7,772	17,000		9,228	45.72%
1-09-4010-000 Health Insurance	20,146	37,500		17,354	53.72%
1-09-4015-000 PERS	20,531	44,000		23,469	46.66%
Subtotal (Benefits)	\$ 48,449	\$ 98,500	\$ -	\$ 50,051	49.19%
Total Personnel Expenses	\$ 150,543	\$ 322,500	\$ -	\$ 171,491	46.68%
<b>OPERATING EXPENSES:</b>					
1-09-4155-000 Contracted Services	\$ 20,009	\$ 125,000		\$ 104,991	16.01%
1-09-4165-000 Memberships/Subscriptions	150	1,000		850	15.00%
1-09-4270-000 Telecommunications	37,222	77,750		40,528	47.87%
1-09-8000-100 Computer Equipment - Computers	11,848	20,000		8,152	59.24%
1-09-8000-200 Computer Equipment - Laptops*	5,696	5,000	1,600	904	86.30%
1-09-8000-300 Computer Equipment - Monitors	-	2,000		2,000	0.00%
1-09-8000-500 Computer Equipment - Toner Cartridges	370	3,000		2,630	12.34%
1-09-8000-550 Computer Equipment - Telephony	-	2,500		2,500	0.00%
1-09-8000-600 Computer Equipment - Other	1,211	20,000		18,789	6.05%
1-09-8100-100 Computer Software - Maint. and Support	53,525	44,000		(9,525)	121.65%
1-09-8100-140 Computer Software - Starnik	48,575	110,000		61,425	44.16%
1-09-8100-150 Computer Software - Dynamics GP Support	3,588	36,000		32,412	9.97%
1-09-8100-200 Computer Software - Software and Upgrades	8,472	14,000		5,528	60.52%
Subtotal Operating Expenses	\$ 190,666	\$ 460,250	\$ 1,600	\$ 271,184	41.28%
Total Departmental Expenses	\$ 341,210	\$ 782,750	\$ 1,600	\$ 442,674	43.50%

\* Budget adjustments by General Manager per Appendix A

**Palmdale Water District**  
**2015 Customer Care Budget**  
For the Six Months Ending Tuesday, June 30, 2015

Personnel Budget:

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
1-10-4000-000 Salaries**	\$ 270,500	\$ -	\$ 727,000	\$ 456,500	37.21%
1-10-4000-100 Overtime**	2,583	-	13,500	10,917	19.13%
Subtotal (Salaries)	\$ 273,082	\$ -	\$ 740,500	\$ 467,418	36.88%
Employee Benefits					
1-10-4005-000 Payroll Taxes**	21,668	-	54,000	32,332	40.13%
1-10-4010-000 Health Insurance**	76,346	-	173,000	96,654	44.13%
1-10-4015-000 PERS**	49,200	-	132,000	82,800	37.27%
Subtotal (Benefits)	\$ 147,214	\$ -	\$ 359,000	\$ 211,786	41.01%
Total Personnel Expenses	\$ 420,296	\$ -	\$ 1,099,500	\$ 679,204	38.23%
OPERATING EXPENSES:					
1-10-4155-000 Contracted Services**	\$ 7,642	\$ -	\$ 16,950	\$ 9,308	45.09%
1-10-4230-110 Maintenance & Repair-Office Equipment**	-	-	500	500	0.00%
1-10-4250-000 General Material & Supplies**	2,877	-	1,500	(1,377)	191.78%
1-10-4260-000 Business Forms**	1,471	-	3,500	2,029	42.03%
Subtotal Operating Expenses	\$ 11,990	\$ -	\$ 22,450	\$ 10,460	53.41%
Total Departmental Expenses	\$ 432,286	\$ -	\$ 1,121,950	\$ 689,664	38.53%

\*\* Budget adjustment by Board action 04/08/15

Project Payment Schedule  
Updated: August 4, 2015

AGENDA ITEM NO. 4.4



= Approved for Payment  
 = 2014 Budget Carryover

Planned Expenses	2015 Budget	Payee	Approved Contract	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Committed Contracts / Projects																
Water Revenue Bond Projects	-	BV Constrution and City of Palmdale	675,386													675,386
Storage Tank Maintenance (Year 2 of 6) - RCP03	330,000	Superior Tank	330,000									330,000				
Water System Master Plan Update (WO# 14-404) - PL02	45,000	MWH	196,043	9,363		18,599	5,370	4,477		2,098	12,223	31,663	31,662			
Meter Replacement Program (Purchase 2014 Carry Over)		Inland Waterworks	788,148	416,782	314,597											
Meter Replacement Program (Purchase 2015) - RCP01	900,000	Inland Waterworks	784,447				454,752		329,695							
Meter Replacement Program (Installation) - RCP02	325,000	Bob O Construction	155,506						23,171	50,702	27,677	53,956				
Hydrologic and Energy Database - PL04	67,000	DCSE	69,730						28,500	19,160		22,070				
3-Inch Air Diaphram Pump - NE03	5,000						5,000									
Emergency Repair of Storage Tank at Well 18/19 Site	-	Superior Tank	32,500									32,500				
Brine Storage Tanks - RCP07	125,000	Evoqua	136,250						25,000			111,250				
NaOCL Generator Replacement - RCP08	150,000	D&H / Evoqua	162,855								85,892	76,963				
Dredging @ Lake Outlet Structure / Mechanical Repairs	-	Fontaine				57,115										
Lobby Schematic Design	-	Itzen	56,600		7,124		13,424	6,948				7,000	22,104			
Security Improvement Project (Feasibility/Design/Inspection)	-	Exante 360			5,000	2,000				3,868	560	4,235	5,342	5,342	5,342	
Security System Upgrades - PRO05	250,000	Siemens	259,816									50,000	100,000	75,000	34,816	
Natural Gas Engine Emissions Analyzer - NE10	15,000	Murcal	13,335			13,335										
Generator/Engine Emissions (Well No. 2A and 3A) - SF05	20,000	Murcal	19,316				19,316									
Well No. 7A Electrical Transformer - RCP10	35,000	CED	19,511				19,511									
Production Flow Meter Replacement - RCP09	25,000	Harrington	40,303										40,303			
Diesel Tamper - RE03	5,000	Dowd Supply	4,268				4,268									
HVAC at WTP - PRO10	10,000	Circulating Air	8,980							8,182						
Shop/Mechanic Truck w/ Crane and Compressor - NE05	100,000	Five Star Ford	101,599							101,599						
Fleet Lighting Improvements (Phase 1 of 3) - SF03	10,000	TBD	10,000								1,014	2,995	2,995	2,995		
Shop Tools - NE02	25,000	TBD	25,000							1,700	606	4,538	4,538	4,538	4,538	4,538
Replacement Fleet (4) 3/4 Ton Trucks		Wondries	143,751				143,751									
docSTAR Smart Automation Project		docSTAR			4,331	15,259										
Subtotal	2,442,000	---	4,033,344	426,145	331,052	106,308	665,392	11,425	406,366	187,309	127,972	727,170	206,944	87,875	44,696	679,924

Budgeted Projects																
Well No. 15 Rehabilitation - RCP13	300,000	TBD	TBD											100,000	200,000	
Well No. 30 Rehabilitation - RCP12	50,000	TBD	TBD							50,000						
2015 Urban Water Management Plan Update - PL01	40,000	TBD	TBD										10,000	10,000	10,000	10,000
2014 Water System Master Plan Update (EIR) - PL03	140,000	TBD	TBD									25,000	25,000	25,000	25,000	40,000
ARC Flash Hazard Analysis - SF01	62,000	TBD	TBD								20,000	22,000	20,000			
Palmdale Ditch Improvements - RCP05	75,000	TBD	TBD									25,000	25,000	25,000		
Parking Lot Re-Surfacing - RCP-4	100,000	TBD	TBD										100,000			
WTP Security Ssystem Upgrade - PRO04	5,000	TBD	TBD									5,000				
Sludge Pump Station Flow Meter - PRO06	4,000	TBD	TBD								4,000					
Replacement Vehicles/Fleet - RE02	135,000	TBD	TBD							35,000	35,000	35,000	30,000			
Valve Exercising Truck - NE08	100,000	TBD	TBD									100,000				
Rock Drill / Clay Spade - RE01	8,000	TBD	TBD								8,000					
Acquisition of Tax Defaulted Properties - NCC02	28,000	LA County	TBD							28,000						
Subtotal	1,047,000	---	-	-	-	-	-	-	-	113,000	67,000	212,000	210,000	160,000	235,000	50,000

Water Quality Fee Funded Projects																
GAC Replacement at WTP - F400 and Reactivated	806,500	Calgon	806,500	275,350			297,759					300,000			185,000	
GAC Replacement at WTP - AC1230CX	300,000	Evoqua	300,000					298,286								
GAC Replacement at Underground Booster Station	40,000	Evoqua	40,000									40,000				
Subtotal	1,146,500	---	1,146,500	275,350	-	-	297,759	298,286	-	-	-	340,000	-	-	185,000	-

TOTALS			Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Monthly Planned Expenses (Including Water Quality)	---	---	5,179,844	701,495	331,052	655,335	963,151	309,711	406,366	300,309	194,972	1,279,170	416,944	247,875	464,696	729,924
TOTAL Monthly 2014 Carryover Projects (Excluding Water Quality)	---	---	4,033,344	426,145	467,679	90,973										
TOTAL 2015 YTD Budgeted Expenses (Including Water Quality)	----	---			7,124	662,459	1,625,610	1,935,321	2,341,687	2,641,996	2,836,967	4,116,137	4,533,081	4,780,956	5,245,652	5,975,576

# Water Revenue Bond - Series 2013A

Updated: August 4, 2015



Project	Work Order	Description	Allocated Based on Bond	Contractual Commitment	Payout to Date	Grant Funds/Operating Budget	Uncommitted Bond \$
Spec. 1204	603-12	Ave. Q - Q-3, Division and Sumac	\$ 725,000	\$ 765,085	\$ 765,085	\$ -	\$ (40,085)
Spec. 1201	606-11	20th, Puerta, Sweetbriar, and 22nd St. E.	\$ 1,450,000	\$ 1,487,261	\$ 1,487,261	\$ -	\$ (37,261)
Spec. 1205	605-12	Frontier, 31st St. E., etc. between Ave. Q and Q-4	\$ 1,200,000	\$ 1,239,232	\$ 948,521	\$ 485,000	\$ (39,232)
Spec. 1207	607-12	10th St. E. between Ave. P and Palmdale Blvd.	\$ 1,400,000	\$ 1,255,008	\$ 1,170,315	\$ -	\$ 144,992
LRDSR	501-04	Littlerock Sediment Removal (EIR/EIS/Permits)	\$ 975,000	\$ 515,925	\$ 502,074	\$ -	\$ 459,075
LCGRRP	400-12	Littlerock Recharge and Recovery (Feasibility)	\$ 1,500,000	\$ 769,891	\$ 769,891	\$ -	\$ 730,109
UAR	TBD	Upper Amargosa Recharge (Project Capacity)	\$ 1,250,000	\$ 1,250,000	\$ 93,380	\$ 190,386	\$ -
Spec. 0905	601-09	15th St. E. between Ave. P and Ave. Q (Material)	\$ -	\$ 362,984	\$ 362,984	\$ -	\$ (362,984)
PRGRRP	501-04	Palmdale Regional Recharge and Recovery (Permits)	\$ -	\$ 1,530,000	\$ 251,714		\$ (1,530,000)
<b>Totals:</b>			\$ 8,500,000	\$ 9,175,386	\$ 6,351,225	\$ 675,386	\$ (675,386)

Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
2	Issuance Costs	Jul 8, 2013	N/A	WRB	\$ 24,815.84
3	BV Construction - Progress Payment #1	Jul 9, 2013	1	Spec. 1204	\$ 98,552.53
4	JT Eng. - Design Progress Payment	Jul 17, 2013	5187	Spec. 1207	\$ 9,108.00
5	BV Construction - Progress Payment #2	Aug 5, 2013	2	Spec. 1204	\$ 145,175.44
6	BV Construction - Progress Payment #3-4	Sep 4, 2013	3 and 4	Spec. 1204	\$ 167,790.43
7	Aspen - EIR/EIS Progress Payment	Sep 30, 2013	1116.002-01	LRDSR	\$ 18,499.60
8	BV Construction - Progress Payment #5	Sep 30, 2013	5	Spec. 1204	\$ 46,862.08
9	BV Construction - Progress Payment #6	Oct 24, 2013	6	Spec. 1204	\$ 51,052.05
10	Aspen - EIR/EIS Progress Payment	Oct 24, 2013	1116.002-02	LRDSR	\$ 8,410.32
11	BV Construction - Progress Payment #7	Nov 7, 2013	7	Spec. 1204	\$ 87,960.50
12	BV Construction - Progress Payment #8	Dec 4, 2013	8	Spec. 1204	\$ 70,650.08
13	Aspen - EIR/EIS Progress Payment	Dec 4, 2013	1116.002-03	LRDSR	\$ 11,054.97
14	Kennedy/Jenks - Progress Payment	Jan 2, 2014	78236	LCGRRP	\$ 24,066.25
14	BV Construction - Progress Payment #1	Jan 2, 2014	1	Spec. 1201	\$ 29,925.00
14	BV Construction - Progress Payment #9	Jan 2, 2014	9	Spec. 1204	\$ 58,787.84
14	Aspen - EIR/EIS Progress Payment	Jan 2, 2014	1116.002-04	LRDSR	\$ 36,178.95
14	JT Eng. - Design Progress Payment	Jan 2, 2014	5200	Spec. 1207	\$ 9,518.00
15	BV Construction - Progress Payment #2 & #3	Jan 21, 2014	2 & 3	Spec. 1201	\$ 114,095.00
16	Aspen - EIR/EIS Progress Payment	Feb 24, 2014	1116.002-05	LRDSR	\$ 4,917.47
16	BV Construction - Progress Payment #4 & #5	Feb 24, 2014	4 & 5	Spec. 1201	\$ 131,743.15
17	BV Construction - Retention Payment	Mar 3, 2014	10	Spec. 1204	\$ 38,254.26
17	Kennedy/Jenks - Progress Payment	Mar 3, 2014	79010 & 80391	LCGRRP	\$ 113,652.66
18	BV Construction - Progress Payment #6	Mar 31, 2014	6	Spec. 1201	\$ 126,834.50
18	Aspen - EIR/EIS Progress Payment	Mar 31, 2014	1116.002-06 and 07	LRDSR	\$ 17,080.04
19	Kennedy/Jenks - Progress Payment	Apr 16, 2014	78236	LCGRRP	\$ 28,228.60
19	BV Construction - Progress Payment #7	Apr 16, 2014	7	Spec. 1201	\$ 252,741.80
20	BV Construction - Progress Payment #8	May 15, 2014	8	Spec. 1201	\$ 69,825.00
20	Aspen - EIR/EIS Progress Payment	May 15, 2014	1116.002-08	LRDSR	\$ 33,388.96
20	Kennedy/Jenks - Progress Payment	May 15, 2014	82422 & 80900	LCGRRP	\$ 135,858.74
21	BV Construction - Progress Payment #9	Jun 4, 2014	9	Spec. 1201	\$ 67,260.00
21	Aspen - EIR/EIS Progress Payment	Jun 4, 2014	1116.002-09	LRDSR	\$ 31,845.93
22	BV Construction - Progress Payment #10	Jun 30, 2014	10	Spec. 1201	\$ 139,498.00
23	Kennedy/Jenks - Progress Payment	Jun 30, 2014	83735	LCGRRP	\$ 30,172.21
23	Aspen - EIR/EIS Progress Payment	Jun 30, 2014	1116.002-10	LRDSR	\$ 10,672.32
24	BV Construction - Progress Payment #11	Jul 21, 2014	11	Spec. 1201	\$ 141,217.50

Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
24	Kennedy/Jenks - Progress Payment	Jul 21, 2014	84147	LCGRRP	\$ 26,431.83
24	Aspen - EIR/EIS Progress Payment	Jul 21, 2014	1116.002-11	LRDSR	\$ 6,274.20
25	BV Construction - Progress Payment #12	Aug 19, 2014	12	Spec. 1201	\$ 84,386.60
25	Aspen - EIR/EIS Progress Payment	Aug 19, 2014	1116.002-12	LRDSR	\$ 11,115.51
26	BV Construction - Progress Payment #13	Sept 10, 2014	13	Spec. 1201	\$ 47,654.85
26	Aspen - EIR/EIS Progress Payment	Sept 10, 2014	1116.002-13	LRDSR	\$ 37,715.30
27	BV Construction - Progress Payment #14	Sept 29, 2014	14	Spec. 1201	\$ 122,741.90
27	PWD - Reimbursement	Sept 29, 2014	N/A	Spec. 0905	\$ 260,611.31
28	Cedro Construction - Progress Payment #1	Oct 14, 2014	1	Spec. 1207	\$ 310,752.41
28	City of Palmdale - Recharge Project	Oct 14, 2014	PWD-2014	UAR	\$ 38,402.47
29	Aspen - EIR/EIS Progress Payment	Oct 23, 2014	1116.002-14	LRDSR	\$ 56,223.72
29	Kennedy/Jenks - Progress Payment	Oct 23, 2014	87036	LCGRRP	\$ 80,732.32
30	BV Construction - Progress Payment #15	Nov 12, 2014	15	Spec. 1201	\$ 84,974.65
30	Aspen - Bio and Cultural Report	Nov 12, 2014	3277.001-01	Spec. 1205	\$ 10,608.08
30	Cedro Construction - Progress Payment #2	Nov 12, 2014	2	Spec. 1207	\$ 195,802.84
31	ANM Construction - Paving	Nov 17, 2014	011115-1	Spec. 0905	\$ 102,373.00
32	Aspen - Bio and Cultural Report	Nov 26, 2014	3277.001-02	Spec. 1205	\$ 1,147.81
32	Aspen - EIR/EIS Progress Payment	Nov 26, 2014	1116.002-15	LRDSR	\$ 76,161.79
33	Kennedy/Jenks - Progress Payment	Dec 29, 2014	88741	LCGRRP	\$ 71,831.14
33	BV Construction - Progress Payment #16 (Retention)	Dec 29, 2014	16 - Retention	Spec. 1201	\$ 74,363.05
33	Aspen - EIR/EIS Progress Payment	Dec 29, 2014	1116.002-16	LRDSR	\$ 6,136.99
34	Cedro Construction - Progress Payment #3	Jan 7, 2015	3	Spec. 1207	\$ 294,189.21
35	BV Construction - Progress Payment #1	Jan 26, 2015	1	Spec. 1205	\$ 152,445.08
35	Aspen - EIR/EIS Progress Payment	Jan 26, 2015	1116.002-17	LRDSR	\$ 13,105.63
36	Kennedy/Jenks - Progress Payment	Feb 2, 2015	89538	LCGRRP	\$ 78,066.17
37	BV Construction - Progress Payments #2 and #3	Feb 19, 2015	2 and 3	Spec. 1205	\$ 195,962.20
37	Aspen - EIR/EIS Progress Payment	Feb 19, 2015	1116.002-18	LRDSR	\$ 8,814.60
38	BV Construction - Progress Payment #4	Mar 9, 2015	4	Spec. 1205	\$ 123,500.00
38	Cedro Construction - Progress Payment #4	Mar 9, 2015	4	Spec. 1207	\$ 70,371.25
39	BV Construction - Progress Payment #5	Mar 31, 2015	5	Spec. 1205	\$ 144,210.00
39	Aspen - EIR/EIS Progress Payment	Mar 31, 2015	1116.002-19	LRDSR	\$ 12,057.52
39	Kennedy/Jenks - Progress Payment	Mar 31, 2015	90983	LCGRRP	\$ 134,407.47
40	Cedro Construction - Progress Payment #5	Apr 13, 2015	5	Spec. 1207	\$ 116,680.99
41	BV Construction - Progress Payment #6	Apr 27, 2015	6	Spec. 1205	\$ 125,003.43
41	Aspen - EIR/EIS Progress Payment	Apr 27, 2015	1116.002-20	LRDSR	\$ 7,540.62
42	Cedro Construction - Progress Payment #6	May 19, 2015	6	Spec. 1207	\$ 103,592.13
43	BV Construction - Progress Payment #7	Jun 8, 2015	7	Spec. 1205	\$ 72,296.90
43	Aspen - Native American Monitoring	Jun 8, 2015	3277.001-03	Spec. 1205	\$ 7,702.52
43	Aspen - EIR/EIS Progress Payment	Jun 8, 2015	1116.002-21	LRDSR	\$ 44,109.14
44	Aspen - EIR/EIS Progress Payment	Jun 23, 2015	1116.002-22	LRDSR	\$ 34,285.59
44	Cedro Construction - Progress Payment #7	Jun 23, 2015	7	Spec. 1207	\$ 60,299.73
45	BV Construction - Progress Payment #8	Jul 15, 2015	8	Spec. 1205	\$ 111,492.00
45	Kennedy/Jenks - Progress Payment	Jul 15, 2015	93555	LCGRRP	\$ 46,443.99
45	Kennedy/Jenks - Progress Payment	Jul 15, 2015	93556	PRGRRP	\$ 251,714.21
46	Aspen - EIR/EIS Progress Payment	Jul 21, 2015	1116.002-23	LRDSR	\$ 16,484.80
46	Aspen - Native American Monitoring	Jul 21, 2015	3277.001-04	Spec. 1205	\$ 4,152.75
46	City of Palmdale - Recharge Project	Jul 21, 2015	PWD-2015	UAR	\$ 54,977.18

Column8

**PALMDALE WATER DISTRICT  
BOARD MEMORANDUM**

**DATE:** August 5, 2015 **August 10, 2015**  
**TO:** Finance Committee **Committee Meeting**  
**FROM:** Michael Williams, Finance Manager/CFO  
**VIA:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** ***AGENDA ITEM NO. 4.5 – CONSIDERATION AND POSSIBLE ACTION  
ON REVISIONS TO THE PALMDALE WATER DISTRICT RATE  
ASSISTANCE PROGRAM***

---

**Recommendation:**

Staff recommends approving the revisions to the Palmdale Water District Rate Assistance Program (PWDRAP) as they relate to rules, regulations, administration, and application process.

**Alternative Options:**

The alternative is leave program as is.

**Impact of Taking No Action:**

The impact of taking no action would result in not updating the income qualification table established by California Public Utilities Commission and restricting the benefit to customers with 5/8" or 3/4" meters. The remaining recommended changes have no impact on current program.

**Background:**

The District approved the PWDRAP in September, 2014. This has been the first year of operation and implementation. Within that year of operation, staff has developed a few recommendations for improvement to the administration of the program as well as needed changes based on application of program. Attached are marked up samples of suggested changes, and this staff report will address in order of presentment.

August 5, 2015

**Rules to Applicants**

- Staff is recommending that the program also be offered to “veterans” and that the classification of “low income” be included in the rules.
- Staff recommends removing the restriction to 5/8” and 3/4” meters and replace with 1” or smaller meters.
- Staff recommends including the implementation within 60 days of approval.
- Staff recommends including the wording of “throughout the calendar year” regarding the application period.
- Staff recommends placing a cap on the fund of \$350,000. Each budget year, anticipated cell revenue would go to fund plus any roll-over from previous year to make the cap each calendar year.

**Application**

- Staff recommends adding “proof of residency is required” for members of household.
- Staff recommends requiring some proof of income.
- Staff recommends modifications to the wording regarding veterans and order of approval priority.
- Staff recommends updating the income table based on PUC CARE program.

**Affidavit**

- Staff recommends inserting the words “tenant” and “agreement” where needed.

**PWD Rules and Regulations**

- Staff recommends amending Article 8.03 (B) 3, page 29, to remove the words “low income.”

**Strategic Plan Element:**

This work is part of Strategic Element #5, Exceptional Customer Service by implementing best management practices.

**Budget:**

This item has no impact on current budget but will enhance future budgets if cap is approved.

**Supporting Documents:**

- Markups of recommended changes.

## RULES TO APPLICANTS FOR WATER RATE ASSISTANCE PROGRAM

### APPLICANT

The Palmdale Water District Rate Assistance Program (PWDRAP) is available only to residential customers, age 62 or older, veterans, and low income who receive water through a 1" or smaller 5/8" or 3/4" water meter.

An applicant for the District's Rate Assistance Program must be either the owner living in the premises or the tenant of the residence and responsible for the payment of water service provided by the District. Tenants must have on file with the District an affidavit, in the form attached hereto as "Exhibit A", signed by the property owner, assuming responsibility for payment of services for said property.

### ELIGIBILITY FOR PROGRAM

Each applicant for the PWDRAP must establish eligibility for the program annually as stated below:

**CARE Program:** Applicant must qualify and be enrolled in Southern California Edison's or Southern California Gas' California Alternative Rates for Energy (CARE) program and must provide a utility bill showing proof of such enrollment.

**Household Income:** Applicant's total gross household income cannot exceed pre-determined income requirements established by the District, based upon the approved limits set by the California Public Utilities Commission for the CARE program. Applicant must provide verification of household income with application by any means deemed acceptable by the District.

**Income Requirements.** Maximum household income requirements are based upon number of persons living in residence in relation to maximum total "gross household income" from all sources.

**Income Qualifications.** Total gross household income is all revenues, from all household members, from whatever sources derived, including but not limited to:

- Wages
- Salaries and Other Employment Compensation
- Interest
- Dividends
- Spousal Support
- Public Assistance Payments
- Social Security and Other Pensions
- Rental Income

- Income from Self-employment
- All Employment-related Non-cash Income

**Income Taxes:** Applicant may not be claimed as a dependent on another person's federal or state income tax return.

**Property Taxes:** Applicant may be required to provide a copy of their annual property tax statement, or documentation reasonably requested by the District to evidence home ownership.

**Additional Requirements:** The following requirements also apply to each applicant:

- Must reapply each time they move.
- Must reapply annually.
- Must notify the District within 30 days if they become ineligible.

## METHOD OF APPLICATION FOR PROGRAM

**Application Procedure:** Applicant must obtain from the District an application, attached hereto as "Exhibit B", for the PWDRAP. Applicant must complete the application and submit the required documentation to the District. If approved, applicant will receive the assistance on their bill, as calculated under Section "Rate Assistance", below, within 60 days of approval date, at a to-be-determined date. If the application is not approved, applicant will receive a letter from the District explaining the reason for the disapproval.

**Application Period:** Applications are accepted on a first come, first served basis, throughout the calendar year, contingent upon the availability of funds. Participation in the PWDRAP is personal to the applicant and is not transferable with the property.

## PROGRAM FUNDING

The Board of Directors will approve on an annual basis, as part of the District's budget process, the annual funding for the PWDRAP. **Funding for the PWDRAP is not derived from water rate revenue.** Approved funding, if any, will be a not-to-exceed amount of \$350,000.00 in the fund, established for a twelve (12) month period that may differ from the District's fiscal year. The annual funding approved will be prorated amongst eligible participants in an amount not-to-exceed fifty percent (50%) of the current calendar year monthly service charge.

## ASSISTANCE RATE

The District has established an assistance amount of up to fifty percent (50%) off of the monthly service charge for 1" or smaller 5/8" & 3/4" meters, for qualified households. This rate of assistance is subject to change on an annual basis as determined by the Board of Directors.

## REDUCTION; TERMINATION

The District, in its sole discretion, reserves the rights to reduce amounts available under the PWDRAP, and any assistance available under that program, in its entirety, upon at least thirty (30) days written notice to participants in the program.

# PALMDALE WATER DISTRICT

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



ROBERT E. ALVARADO  
Division 1

JOE ESTES  
Division 2

Board of Directors  
GLORIA DIZMANG  
Division 3

KATHY MAC LAREN  
Division 4

VINCENT DINO  
Division 5

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## Palmdale Water District Rate Assistance Program (PWDRAP) Application Calendar Year 2015/16

Applicant's Name: \_\_\_\_\_ Tenant ☐ Yes ☐ No

Account Holders Name: \_\_\_\_\_ Social Security # (last 4): \_\_\_\_\_

Service Address: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Account Number: \_\_\_\_\_ Phone: \_\_\_\_\_

- Number of person(s) in your household: \_\_\_\_\_ (Proof of Residency Required)
- Total Gross Annual Household Income for all person(s) in your household: \$ \_\_\_\_\_  
(This is income before deductions)
- Can anyone else claim you as a dependent on his/her Income Tax Return? ☐ Yes ☐ No
- Which utility CARE program are you currently enrolled in? Southern California Edison ☐  
(Please attach a copy of your most recent bill) Southern California Gas ☐
- Attach a copy of a government issued picture I.D.
- Attach copy of prior year tax return, ~~or~~ social security statement, wage statement, or some proof of income.
- If you are a tenant, please attach copy of rental agreement and have property owner complete the affidavit of lessee responsibility which can be obtained at District office or on the web at [www.palmdalewater.org](http://www.palmdalewater.org)

### Declaration and Self Certification Statement

I declare that the information I have provided in this application and supporting documents is true and correct. I agree to provide proof of income in a form requested by the District. I agree to inform the District if I no longer qualify to receive rate assistance. I know that if I receive any rate assistance without qualifying for it, I may be required to pay back the amount of assistance received.

Account Holder Signature: \_\_\_\_\_ Date: \_\_\_\_\_

For District Use Only:

Date Received and Initials: \_\_\_\_\_

Processed By: \_\_\_\_\_

Date Approved: \_\_\_\_\_

Date Denied: \_\_\_\_\_

Please return application and  
supporting documents to:

Palmdale Water District  
2029 E. Avenue Q  
Palmdale, CA 93550

## About PWDRAP

The Palmdale Water District is pleased to offer a Rate Assistance Program to our customers, 62 years of age or older, Veterans and low income families who meet the eligibility requirements identified below. If your household qualifies for a discount on your energy bill under the electric or gas CARE program(s), you may also qualify for rate assistance of up to fifty percent (50%) on the monthly service charge on your water bill. ~~Low income senior applications take priority; however, if funds are available we will process low income family applications.~~

To apply for PWDRAP at your residence, please fill out this application and submit the required documentation to the District. If approved, the rate assistance will become effective within sixty (60) days after the date of approval and is good for that calendar year only. If your application is not approved, you will receive a letter from the District explaining the reason for that decision. Applicants may apply any time throughout the year; however, applications will be accepted and processed in the order they are received, contingent upon the availability of funds.

If you need assistance in completing the application, or would like more information about the program, call the District at 661-947-4111, option 2, and speak to a Customer CareService Representative, or visit our office at 2029 East Avenue Q, Palmdale, CA 93550, or on the web at [www.palmdalewater.org](http://www.palmdalewater.org)

INCOME REQUIREMENTS (Effective June 1, 2014 through May 31, 2015) Source: California PUC Alternative Rates for Energy (CARE)	
Number of person(s) living in residence	Maximum total "gross household income" from all sources
1-2	\$31,8460
2	<del>\$31,460</del>
3	<del>\$3940,180,580</del>
4	<del>\$48,5007,700</del>
5	<del>\$56,8205,820</del>
6	<del>\$65,1403,940</del>
7	<del>\$73,4602,060</del>
8	<del>\$81,7800,180</del>
Each Additional Person	\$8,3120

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### What Counts as Income?

Total gross household income is all revenues, from all household members, from whatever sources derived, including but not limited to: wages, salaries and other employment-related compensation, interest, dividends, spousal and child support payments, public assistance payments, Social Security and pensions, rental income, income for self-employment, and all employment-related non-cash income.

### What are the Qualifications?

- Must complete and submit application. Applications will be accepted on a first come, first served basis contingent upon availability of funds. Low income senior applications take priority; however, if funds are available we will process veterans and low income family applications in that order.
- Must participatequalify for in the Southern California Edison or Southern California Gas CARE program.
- Total gross household income cannot exceed the amounts shown on the "Income Requirements" table.
- Must be a District residential customer and receive water through a 1" or smaller meter.5/8" or 3/4" meter.
- Must provide verification of age and household income as required by the District.
- May not be claimed as a dependent on another person's federal or state income tax return.
- If the applicant is a tenant, copy of the rental agreement must be attached to this application along with affidavit.
- May be required to provide proof of ownership by means requested by the District.
- Must reapply annually and/or each time you move.
- Must notify the District within thirty (30) days if you become ineligible.
- Assistance is nontransferable with property or applicant.



## PALMDALE WATER DISTRICT

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

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[www.palmdalewater.org](http://www.palmdalewater.org) Facebook: Palmdale-Water-District Twitter: @PalmdaleH2O

### AFFIDAVIT OF LESSEE/TENANT RESPONSIBILITY FOR WATER BILLS

I, \_\_\_\_\_, do hereby affirm and say:

1. That I am the Landlord/Owner of the property located at \_\_\_\_\_  
\_\_\_\_\_ Palmdale, CA.
2. That this property is a single residence.
3. That the water account number is: \_\_\_\_\_.
4. That the following information, as provided, is true and correct to the best of my knowledge:

Lessee/Tenant responsible for paying the water bill:

Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

5. That on \_\_\_\_\_ a lease/agreement was executed for the above described premises with said lease, requiring said lessee/tenant to be responsible for all water bills incurred during the term of the lease.
6. That the expiration of said lease/agreement is \_\_\_\_\_.

I declare under penalty of perjury under the laws of the state of California that the foregoing is true and correct. Executed this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

By Landlord/Owner:

Name: \_\_\_\_\_

Last four of social security number: \_\_\_\_\_

Mailing address: \_\_\_\_\_

Telephones: Cell: \_\_\_\_\_ Home/Office: \_\_\_\_\_

Signature: \_\_\_\_\_

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**1. Variances: (Approved 9-30-09)**

Variances to the water rate budget structure are available to qualifying consumers. Variance policies for the water rate budget structure and the variance application are attached hereto as Appendix C.1. If approved, the variance adjustment will apply to the current and the previous month's billing.

**2. Adjustments: (Approved 7-28-10)**

A courtesy adjustment is available to customers who exceed their allocation caused by extraordinary water consumption due to leaks. The application and program conditions are attached hereto as Appendix C.2.

**3. Rate Assistance Program: (Approved 8-13-14)**

A rate assistance program has been developed to assist ~~low income~~ ratepayers by offering an assistance amount up to fifty percent (50%) off of the monthly service charge to those who qualify. The program conditions and application are attached hereto as Appendix C.3

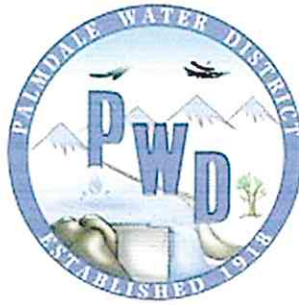
**C. Miscellaneous Charges: (Revised 3-11-09)** In order to recover the cost associated with afterhours service calls, late payments, disconnections, reconnections and other damages sustained by the District, the specified items listed below are charged to Consumers; the dollar amounts associated with each item are determined by the Board and are attached hereto as Appendix D.

**1. Non-Payment Shutoff Fee**

If a Consumer requests resumption or continuance of service after such service has been disconnected, then the non-payment which led to the disconnection shall be deemed to be evidence of non-credit worthiness and the Consumer shall be required to

**PALMDALE WATER DISTRICT**  
**Debt Service Coverage (\$000s)**

<b>Fiscal Year Ending September 30</b>	<b>Audited 2012</b>	<b>Audited 2013</b>	<b>Audited 2014</b>	<b>Apr 2014 - Mar 2015</b>	<b>May 2014 - Apr 2015</b>	<b>Jun 2014 - May 2015</b>	<b>Jul 2014 - Jun 2015</b>
<b>OPERATING REVENUES</b>	22,597	24,125	23,342	22,918	22,953	22,746	22,409
Rate Stabilization Fund		(480)					
	22,597	23,645	23,342	22,918	22,953	22,746	22,409
<b>OPERATING EXPENSES</b>							
Gross operating expenses	22,216	20,665	22,405	21,701	21,083	20,524	20,231
Overhead adjustment	(43)	(217)	(509)				
SWP Fixed operations and maint	(915)	(720)	(363)	(320)	(305)	(291)	(276)
Capital portion included above							
<b>TOTAL EXPENSES</b>	21,258	19,728	21,534	21,381	20,777	20,233	19,955
<b>NET OPERATING REVENUES</b>	1,339	3,917	1,808	1,537	2,176	2,513	2,454
<b>NON-OPERATING REVENUE</b>							
Ad valorem property taxes	1,704	2,573	2,132	2,157	1,884	1,920	2,054
Interest income	25	44	45	46	46	46	46
Capital improvement fees	1,258	245	14	125	142	142	142
Other income	843	421	306	277	347	201	315
Rate Assistance Program							
<b>TOTAL NON-OPERATING INCOME</b>	3,830	3,284	2,497	2,604	2,419	2,309	2,557
<b>NET REV AVAILABLE FOR DEBT SERVICE</b>	5,169	7,201	4,305	4,141	4,594	4,822	5,011
<b>NET DEBT SERVICE</b>							
1998 Certificates of Participation	1,507						
2004A Certificates of Participation	2,127	1,373	1,373				
2012 Issue - Bank of Nevada				1,373	1,373	1,373	1,373
2013A Water Revenue Bond		2,247	2,344	2,339	2,339	2,339	2,339
2017 Issue							
2012 Capital Lease		190	190	218	218	218	218
<b>TOTAL DEBT SERVICE</b>	3,634	3,810	3,908	3,930	3,930	3,930	3,930
<b>DEBT SERVICE COVERAGE</b>	<b>1.42</b>	<b>1.89</b>	<b>1.10</b>	<b>1.05</b>	<b>1.17</b>	<b>1.23</b>	<b>1.28</b>
<b>NET REV AVAILABLE AFTER D/S</b>	1,535	3,391	397	211	665	892	1,081



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## **Customer Information System (CIS)**

### ***Palmdale Water District***

ISSUE DATE: AUGUST 3, 2015  
PREBID CONFERENCE: AUGUST 20, 2015 @ 10:00 AM PDT  
PROPOSAL DUE DATE: SEPTEMBER 8, 2015 @ 4:00 PM PDT

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## **Procurement key dates and information**

### **Proposal Release Date**

August 3, 2015

### **Pre-Bid Conference**

August 20, 2015 @ 10:00AM

Palmdale Water District

2029 E. Avenue Q

Palmdale, CA 93550

### **Proposal Submittal Due Date**

September 8, 2015 @ 4:00PM PDT

### **To:**

Michael Williams

Chief Financial Officer

Palmdale Water District

2029 E. Avenue Q

Palmdale, CA 93550

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August 3, 2015

**SUBJECT: NOTICE OF REQUEST FOR PROPOSALS  
Customer Information System (CIS)**

Palmdale Water District (PWD / District) invites proposals from qualified firms with outstanding qualifications, experience and knowledge to provide a fully integrated, preferably Windows-based, web-enabled applications information system for a Customer Information System (CIS). The specific services requested in the Request for Proposal (RFP) are detailed in the attached Scope of Work.

It is the goal of the PWD to acquire a commercial-off-the-shelf product(s) that will be configured to provide the full range of CIS functionality, using proven state-of-the-art technology that will provide the ability to plan, control and account for the PWD's business activities and resources. The system will be the foundational piece for the District.

**Assumptions:**

- The contract resulting from this RFP (Contract) shall include a licensing agreement, a software maintenance agreement, and a service agreement for implementation, training, project management, implementation services and software installation.
- The Software Maintenance Agreement pricing shall encompass a minimum of five years with annual renewals thereafter.
- All communication concerning this RFP shall be submitted by email to "cis\_rfp@palmdalewater.org". Bidders or their representatives shall not make contact with any other employees, Directors and/or consultants of PWD, in regards to any aspect of this solicitation.
- The District's web site has been setup for disseminating information and documentation to Bidders regarding this procurement at "<http://www.palmdalewater.org/about/doing-business-with-pwd>". The RFP document, addenda, and all related announcements and documents shall be posted on this web site. All registered Bidders should access the web site to obtain key information. Bidders have the responsibility of visiting the web site frequently and keeping themselves apprised of any information relevant to the RFP requirements, timelines, addenda, meetings, and related documents.

Proposals must be received no later than **4:00PM Pacific Standard Time on September 8, 2015**. Proposals and amendments to proposals received after the date and time specified above will not be considered.

Copies of the proposals should be delivered to the District and addressed as follows:

Palmdale Water District  
2029 E. Avenue Q  
Palmdale, CA 93550  
Attention: Michael Williams

All correspondence and transmittals should be clearly marked "**PWD CIS**" and should indicate the date and time of RFP closing.

A pre-proposal conference will be held on August 20, 2015 at 10:00am in the Board Room of District's office located at 2029 E. Avenue Q, Palmdale, CA 93550.

The District will provide an opportunity for the short-listed firms to demonstrate their software in October/November 2015. All prospective Bidders should keep this period available.

Bidders must submit information that shows in detail how their proposed system complies with the District's minimum requirements. Bidders are also encouraged to submit any information that indicates how their proposed system would provide the District with features and enhancements that exceed the minimum system requirements as set forth in this RFP.

The procurement will be conducted in accordance with the District's procurement policies.

Sincerely,

Palmdale Water District

Michael Williams  
Chief Financial Officer

## **RFP Summary**

The RFP is divided into seven sections. The following describes each of the sections in the RFP.

### **Section 1 – Palmdale Water District's (PWD) Background**

Section 1 describes Palmdale Water District's (PWD/District) creation and purpose as an organization. It describes the activities the District performs. In addition, this section discusses PWD's current technical environment including hardware, software, network and staff resources. Finally, this section discusses the objectives PWD expects to be met as a result of this procurement.

### **Section 2 – RFP Requirements**

Section 2 describes the requirements for the solution provider and the software solution. The minimum requirements that the solution provider must meet to be considered for this procurement are specified. The scope of the procurement, including the system functions to be provided, is also covered in this section. Specific application, implementation, training, maintenance and support and pricing requirements are addressed as well. Users, transactional volume metrics, and business process diagrams are included for bidder reference.

### **Section 3 – RFP Guidelines**

Section 3 discusses the rules for the RFP and defines what information the bidders must include, the required response method and the RFP contact information. The anticipated schedule for the procurement is also presented.

### **Section 4 – RFP Evaluation**

Section 4 describes how PWD will evaluate the bidder's RFP responses and the process for selecting the final solution provider. Specific evaluation criteria are discussed as well as the processes for short-list selection, solution evaluation and finalist selection.

### **Section 5 – RFP Terms and Conditions**

Section 5 lists the terms and conditions that the bidders must comply with for this procurement. If the bidder takes exception to any of the terms and conditions, they must clearly state this in the transmittal letter that will accompany their RFP response.

### **Section 6 – RFP Response Requirements and Format**

Section 6 outlines how the RFP response should be formatted and organized. It lists the sections to be included in the RFP response and defines the information to be provided in each section of the RFP response. Failure of the bidder to comply with these requirements may lead to the bidder's response being considered non-responsive and excluded from further consideration. Bidders should make sure they follow the format as defined.

### **Section 7 – Appendices**

The appendices contain the functional requirement checklist, all required forms to be completed by the bidder and supplemental water rate information.

## **1 PWD Background**

PWD is providing this information so that bidders may better understand the District and this RFP.

### **Confidential Business Information**

This document contains confidential information of the PWD, and is not to be copied, reproduced, lent, disposed of, or used for any purpose other than that specified herein without the express prior written permission of PWD.

#### **1.1 PWD Overview**

PWD was formed in 1918 as a public Irrigation District under Division 11 of the California Water Code. PWD's five-member governing body, the Board of Directors, is directly elected by the voters for a fixed term of four years and is responsible for setting policy and decision-making. The District's responsible fiscal management and planning, provide the financial means to ensure reliable water system operations. The District has 100 employees and manages an operating budget of \$22,600,000 per year. The District provides water services to over 116,000 residents in Palmdale, CA.

#### **1.2 Project Overview**

PWD is seeking a complete product solution to replace its current Customer Information system. The District has been using its existing cloud based CIS for more than 2 years. Increased demand for data analysis, more automation and operational improvements dictates the need for process and system upgrades. The District's current cloud CIS can be modified/enhanced however the cost to make the system changes, and/or modifications can be pricey. Currently many processes are handled manually. The District has therefore decided to implement a new, modern enterprise based CIS that can address evolving operational demands in a cost efficient manner. The CIS will need be able to interface with the current Financial Information System (FIS) as well as any future systems the District may utilize.

#### **1.3 Technology Overview**

The Information Technology (IT) department is responsible for system maintenance, network management, systems support, providing support to all PWD system users, and updating software/hardware and monitoring District needs for new equipment. The IT Department supports the computing needs of approximately 100 employees and personal computers

The PWD's IT Department is led by the information technology manager. The IT manager manages one internal staff member that share responsibility for applications development, network management, and systems support.

PWD has established a set of standards for hardware, software, and protocols, selected from the wide array of available technologies. PWD intends to procure only products that substantially conform to these standards. The standards are generally reviewed each year, and modified to reflect changes in technology and the marketplace. PWD currently includes the following system standards:

System	Standard
Database	Microsoft SQL Server 2008 r2, 2012, 2014
Server OS	Windows 2008, 2012
Desktop OS	Windows 7
Network Hardware	Cisco, Dell
Server Hardware	Dell PowerEdge
Desktop Hardware	Dell Optiplex Desktops
Laptop Hardware	Dell Laptops, Dell Venue Tablets, Apple iPad
PDA	Dell Venue Tablets, Apple iPad
Network Protocol	TCP/IP
Office Productivity	Microsoft Office 2013
E-mail Server	Microsoft Exchange Online
E-mail Client	Outlook 2013, OWA
GIS	ESRI 10.X
SAN	Dell Compellent

### 1.3.1 Hardware

#### Server Overview

PWD has standardized on Dell server hardware. The District's experience with Dell hardware has been good and is tied to a single brand. Existing HP servers are being virtualized or replaced with Dell as they reach end of life. The District's computing environment consists of a mixture of virtual and physical servers.

- Physical servers: 7 x Dell PowerEdge servers running Windows 2003, 2008, & 2012 Enterprise and Standard Servers
  - 1 PowerEdge R610 4GB RAM Windows Server 2003 Enterprise
    - Print Server
  - 1 PowerEdge R720 64GB RAM Windows Server 2012 R2 Standard
    - Application Server
  - 1 PowerEdge R710 2GB RAM Windows Server 2007 Enterprise.
    - Application Server
  - 1 PowerEdge R510 12GB RAM Windows Web Server
    - Application Server
  - 1 PowerEdge R720 16GB RAM Windows Server 2008 R2 Standard
    - Application Server
  - 1 PowerEdge R710 24GB RAM Windows Server 2008 R2 Enterprise
    - Database Server
  - 2 HP Storage Works AIO400 4GB RAM Windows Storage Server 2003
    - File Servers
  - 3 HP Proliant DL380 G3 2GB RAM Windows Server 2003 Standard

- Domain Controller, Backup Domain Controller, Application Server
- 2 HP Proliant ML350 G4 4GB RAM Windows Server 2003 Enterprise
  - Legacy Database server and Legacy Application Server
- 1 HP Proliant ML380 G4 2GB RAM Windows Server 2003 Standard
  - File Server
- 1 HP Proliant ML360 G5 4GB RAM Windows Server 2003 Standard
  - Application Server
- Virtualization Environment
  - VMware v5.5
  - 3 Dell PowerEdge R710 ESX hosts and VCenter Server
    - 9 virtual servers
      - Database and Application Servers
  - 2 Dell Compellent iSCSI SANs – 0 Available storage

## Desktops

The District currently supports workstations and laptops with the following general specs.

- Microsoft Windows 7 Professional
- Hardware vendors
  - Dell
  - Apple
  - Toshiba
- Microsoft Office 2013

### 1.3.2 Local and Wide Area Networks

All locations have 100/1000 Ethernet LANs (Cat 6 cabling to the desktop). The District's Headquarters / Main Campus Area and Water Treatment Plant (WTP) are networked via 100 Mb (5mb CIR) fiber optic WANs. The WTP is networked to the primary LAN via multi-stranded Single Mode fiber links. Network hardware is currently Cisco switches, routers and security appliances. The District has a 10MB fiber internet connection at the main office and a 5MB fiber internet connection at the WTP provided by Time Warner Cable.

### Current CIS Overview

- Cloud based application, no on premise hardware.
- Client Workstations
  - Microsoft Windows 7 Professional, Office 2013, Internet Explorer 10 or higher
    - Dell Optiplex or higher
- Receipt printers

- Epson TM-H600XX Multifunction POS Printer with MICR Reader and Endorsement, USB connected
- Document printers
  - Kyocera Multifunction Printer, Ethernet connected
  - Kyocera Desktop Black and White Network Printer, Ethernet connected

**System Failure and Disaster Recovery:**

- The cloud vendor is currently responsible to provide resources for system failure, backup and disaster recovery.

**Other**

The District, like most other organizations, uses a unique mixture of information technology in the form of hardware, software, and communications services. The primary application software used by the District includes:

- Geographic Information System (ArcGIS 10.X)
- SCADA System for Water Distribution (ClearSCADA)
- CAD System (Microstation)
- FIS (MS Dynamics Great Plains)
- Electronic Document Management System (Eclipse)

**1.4 PWD Objectives**

The selection and implementation of a new CIS will provide PWD with the opportunity to enhance all their current business processes and improve the efficiency of these processes. The opportunity to improve the current business processes and integration of functions is the primary reason for implementing a new CIS. The CIS system will be the foundational system for the Districts overall plan. The opportunities for improving PWD business process efficiencies can be grouped into the four major classifications:

1. New and improved business functions
2. Productivity improvements
3. Integration improvements
4. New business opportunities

Each of the opportunities are identified and defined in the following tables. Table 1—New and Improved Business Functions identifies the major business process improvements that should be provided by the new system. Table 2—Productivity Improvements identifies the functional improvements that will allow PWD staff to make more efficient use of the new CIS. Table 3—Integration Improvements identifies desired integration improvements that are needed to improve efficiency and eliminate the manual transfer of data. Table 4—New Business Opportunities identifies the need for a flexible system to allow PWD to address new business opportunities

**Table 1 – New and Improved Business Functions**

<b>Opportunity</b>	<b>Description of Opportunity</b>
Customer Management	The District expects to be able to more effectively manage all information associated with customers, accounts, premises, and services. Each of these information “containers” should be independently managed but capable of many-to-many relationships (e.g. multiple services for a premise, multiple customers for an account, multiple accounts for a customer)
Premise Management	The District would like to continue to manage premises in a more consolidated fashion and combine assets on a premise for a single billing due to allocation calculations.
Rates	The District currently uses tiered rates, water budgets and evapotranspiration factors and wants to continue to do so. The District needs a system that has the ability to calculate rates on complex and varied factors. See Appendix 7.8 for further explanation of existing water rate structure and Appendix 7.9 for the excel rate model. Overall, the District would like a system that is flexible so that additional user classifications can be created to fine tune water budget allocations.

**Table 2 – Productivity Improvements**

<b>Opportunity</b>	<b>Description of Opportunity</b>
Improved Report Generation	The new CIS should provide improved and easy to use report generation and publication capabilities. The system should allow the easy development of unique or custom reports. Report data should be easily imported into other applications.
Paperless System Operation	The District would like to provide automated reporting and report distribution through the use of the Intranet or other electronic method. In addition, copies of the electronic files and reports should be available for viewing, downloading and printing. The District wants to have the ability to transition to a paperless system in the future.
Computer Generated Forms	The CIS should provide the capabilities to generate letters and other forms within the program and not as separate add-on module.
Improved Work Flow	The CIS should provide the District with workflow support. The District recognizes the need to modify some of its current workflows to make effective use of the new CIS. However, the District wants to be able to control the definition of workflows and not be forced to implement complex unnecessary workflows.
Improved Security	The new CIS must provide a good security system with the ability to control access down to the individual data field. The security system should provide easy management of user profiles that mediate system access. The security system should provide a complete auditing capability to track user activities.
Mobile	The District currently utilizes mobile technology in the field (service orders) and desires to continue to utilize mobile technology.
On-line Help	The new CIS should provide an easy to use and comprehensive on-line help system.

**Table 3 – Integration Improvements**

<b>Opportunity</b>	<b>Description of Opportunity</b>
FIS Interface	The District's current CIS and FIS systems interface through GP Dynamics Integration manager through the use of exports "csv" and "txt" files. The District is not opposed to continuing to use GP Dynamics Integration manager and utilize "csv" & "txt" files unless the new CIS is able to provide a better interface.
CMMS	The District does not have a CMMS but may acquire one in the future. The CIS must be able to integrate with a CMMS system where beneficial to the process. Possible integrations include meter management, work orders, customers and premises.
Meter Reading	Meter reading devices must be integrated. The District uses Itron MV-RS for data collection.
Integration with Other Applications	The CIS must be capable of integrating with non-CIS applications like GIS and document management system.
Bill Printing	The District outsources its bill print to Infosend. The CIS must be able to prepare print files for bills and other notices (late bill notices, final shut off notices and other collection notices).
Payment Processors	The District utilizes Infosend for website payments and Paymentus for IVR payments. Currently, the daily payment files are download as "csv" & "txt" and then upload into the CIS. The District would like a more integrated interface, if possible, so that payments can be automated to upload throughout the day. Unless new CIS is able to provide a better Web / IVR solution.

**Table 4 – New Business Opportunities**

<b>Opportunity</b>	<b>Description of Opportunity</b>
Manage New Businesses	The CIS should be able to add new companies and funds that would allow PWD to manage new business opportunities and to provide services for other agencies.
Document Management	The District desires to manage more of their documents in an electronic environment. The new Electronic Document Management System (EDMS) is Eclipse and the District wants to consolidate electronic documents. The District will require the EDMS to be integrated with the vendor's solution.
Performance Management	Like the Document Management solution, the District is interested in better performance management and would like to utilize the inherent capabilities of the proposed solution. Executive Information systems, robust query and reporting tools as part of the proposed solution would be the preferred method for managing performance.

### **1.5 Unique Business Processes**

PWD has identified the following major business processes that are important and must be maintained, although PWD is open to improvement opportunities:

**Accounting.** PWD currently utilizes full accrual, fund-based accounting to account for its operations.

**Rates.** The District will be looking for a system that has the ability to calculate rates on complex factors. The District currently utilizes 5 user classifications for determining water budget allocations. Two user classes utilize evapotranspiration factors to calculate water budget allocations. The District also uses a 6 tiered commodity rate structure. The District's rate structure also includes drought surcharge.

See Appendix 7.8 for an explanation of current rates and discussion of Compound meters and Appendix 7.9 for an excel rate model.

Overall, the District would like a system that is flexible so that additional user classifications can be created to fine tune water budgets allocations

## 2 RFP Requirements

System integration, technology, product functionality, support issues and cost are the prime drivers for replacing the current systems. The following objectives have been identified for this procurement:

- The CIS must be composed of a single set of integrated modules and/or a tightly integrated multi-vendor solution offered by a System Provider(s).
- The selected CIS software must be a commercial off the shelf (COTS) solution that has been successfully implemented in several other organizations similar in size, requirements and function.
- The use of custom software components will be permitted only when COTS solutions are not available.
- PWD prefers solutions that require no modification to base code, but are highly configurable to meet its needs.
- PWD is open to any software architecture suggested by the System Provider, but prefers a multi-tiered, web-based solution.
- PWD prefers to contract with the System Provider as the prime contractor. If the System Provider wishes to use an integration partner, the District would prefer that the integration partner be a subcontractor to the System Provider. PWD will reserve the right to accept or reject any proposed integration partners, while retaining the System Provider's solution.

### **2.1 Minimum Requirements of Bidders**

The following minimum qualifications must be met for the bidder to be considered for this procurement:

- The bidder must have the solution installed and in production in at least five organizations in the United States of similar size to PWD, with utility and/or public sector experience and minimum of 15 implementations overall in the public sector. At least 3 - 5 implementations of the solution over the past five years and at least one installation of the proposed version within the past two years.
- The solution **must run** on a Microsoft SQL Server (preferably SQL 2012) as its database management system.
- The bidder must provide a Graphical User Interface (GUI) or Browser/Portal Based User Interface (BUI) for system use, but must also allow for efficient data entry and high volume data access through keypads, hot keys, etc. without utilization of a mouse.
- The System Provider must propose a single point of contact with overall responsibility for the successful installation of the solution. A Primary Vendor contract is required with the provider of the software solution.

## 2.2 **Scope**

This procurement is for the implementation of a CIS that will meet the needs of the District. The successful System Provider's solution will address all the required elements in this RFP. The major items that are to be addressed by the System Provider in the response to the RFP for the implementation of the CIS include the following:

- CIS Software modules
- Completed Functional requirements scorecard
- Software maintenance and support
- Software upgrades
- Software licenses
- Software warranties
- Data dictionaries for all system components
- Integration Architecture
- Computing hardware infrastructure to support the CIS
  - Servers and server installation/configuration at PWD facilities
  - Workstations and workstation installation/configuration in at PWD facilities
  - Printers and other peripheral equipment
  - Network connections to PWD network
  - Other automation equipment
- Implementation Services

Each of the items listed above needs to be addressed in the RFP response. Failure to address all the items may result in the response being considered non-responsive and preclude the bidder from further consideration by PWD.

### 2.2.1 **Functional Processes**

Table 5 lists the functional processes that PWD wishes to include in the scope of this procurement. These functional processes must be included in the bidder's response at a minimum.

<b>Table 5 – CIS Features Included for the CIS Implementation</b>		
<b>Functions</b>	<b>Included in CIS Implementation</b>	<b>Notes</b>
Customer Management	Yes	This describes a resident, business or other entity. A customer should only have one record in the customer system.
Account Management	Yes	Accounts made from customers. A customer can have one or many accounts. Account data should be linked to customer data. This will ease updates and locating all accounts for a particular customer
Premise/Location Management	Yes	This is the location of the service(s) being provided. These should be permanent records in

<b>Table 5 – CIS Features Included for the CIS Implementation</b>		
<b>Functions</b>	<b>Included in CIS Implementation</b>	<b>Notes</b>
		the database that can only be deleted by authorized users. Accounts exist at locations.
Services Management	Yes	These are the individual services that are billed. i.e., Water. These should also be permanent records in the database created at each premise. Services as well should only be deleted by authorized users.
Billing Management	Yes	Preparation, calculation, printing and mailing of bills.
Financial Management	Yes	Cashiering, payments, adjustments, refunds, and accounting entries all fall under financial management.
Rates & Fees Management	Yes	All of the utility rates, as well as miscellaneous charges, fees, and surcharges, are maintained here.
Device Management	Yes	Devices include meters, backflow valves, detector check valves, transponders, registers and other utility devices. Interfaces will be required with the CMMS to efficiently manage utility devices.
Contact Management	Yes	Any and all communication with customers needs to be recorded in the system. All activities and communication with customers/accounts will be maintained in the contact system.
Service Order Management	Yes	Investigations and work activities related to customer accounts and locations will be maintained through service orders.
Credit & Collections Management	Yes	The processes for identifying, notifying, collecting and terminating service for customers who fail to pay their utility bills.
GIS Integration	Yes	Details in the CIS should be able to be viewed spatially including premises and meters.
Mobile Work Management	Yes	The District desires to continue to utilize mobile technology for field operations to manage their workload for service orders and other collections activities. Additionally the District's (after hours) on-call person accesses the CIS program via internet to review accounts, notes and creates service orders if service call is done.

CORE PRICING SHOULD INCLUDE ONLY THE REQUIRED FUNCTIONAL PROCESSES LISTED ABOVE. ANY ADDITIONAL FUNCTIONAL PROCESSES INCLUDED IN THE RESPONSE SHOULD BE CLEARLY LABELED AS OPTIONAL. ALL SUPPORT, MAINTENANCE AND PROFESSIONAL SERVICES RELATING TO THE OPTIONAL MODULES SHOULD BE LISTED AND PRICED SEPERATELY.

## 2.2.2 Users

The vision of how the various PWD staff will access and use the new CIS is presented in Table 6— User Identification. The CIS users are grouped into general categories. Each of these general categories will require different CIS capabilities, information access requirements, and training. The estimate of the number of users in each category is based on current PWD employment numbers for each department. It should also be noted that the specific functions and access requirements for each category of user will be refined during the development and implementation of the CIS.

<b>Table 6 – User Identification</b>			
<b>Category</b>	<b>Description</b>	<b>Type of Access</b>	<b>Current Numbers</b>
Core CIS Staff	The PWD staff charged with the maintenance of the CIS and the generation of bills, the collection of payments and general customer service.	The core CIS staff must have access to all of the CIS functions that they need to accomplish their job assignments. It is reasonable to assume that all the staff in this category will require simultaneous access to the CIS.	11
Meter Specialists	The Meter Specialists are responsible for all field service activities.	The Meter Reading section is responsible for meter reading, door tags and lock-off activities. They do not accept payments in the field.	8
Other District Departments	Other users who need access to the data in the CIS. These users will have limited access to system and data.	These users will need limited access to CIS functions and data. Most access will be limited to customer, meter and consumption data. They will not have any access to account specific financial data.	15
IT Support Staff	The PWD staff that provides the technical, programming and database management support for maintaining the computing and communication system.	The IT support staff will provide the system administration and database functions. This is the group that will develop any customized reports and programs for transferring data between applications	2
Management Staff	The PWD management staff	The Management staff must have access to various management reports and information. However, they will require	4

Table 6 – User Identification			
Category	Description	Type of Access	Current Numbers
	the operation of PWD.	limited access for inputting, editing, or changing CIS data. The system should provide “drill-down” capabilities with tools to assist in completing multidimensional decision analysis.	

It is anticipated that the number of system users will not grow substantially over the next 5 years. However, please specify how the District can expand the number of licensed users.

### **2.3 Application Requirements**

PWD has prepared a requirements checklist (scorecard) to be completed by the bidder. This score will form part of the basis for scoring the bidders response. The scorecard is meant to determine how much of the required functionality each bidder's product can provide. The requirements are weighted and will be scored based on the bidder's response. Bidder responses need to be accurate. Bidders who misrepresent their product capabilities will be disqualified and removed from further consideration. The entire requirements scorecard is subject to verification at any time during the procurement process. If such verification determines that a bidder misrepresented its product functionality it will be disqualified. It is therefore very important that bidder's complete the scorecard accurately as it will affect its opportunity to be considered further in this procurement. Additionally, this document will also be included as part of the final contract documents so vendors must be accurate in their responses.

#### **2.3.1 Functional Requirements**

The functional requirements scorecards are included in Appendix 7.1. The scorecard needs to be completed, in hard copy as well as electronically, and included in the RFP proposal.

#### **2.3.2 Interfaces**

The new CIS system will require interaction with other PWD core systems which will send and receive data. These interfaces may be one-way or bi-directional. Some interfaces will be interim and then permanent.

The interface requirements will identify the interfaces between the new CIS and other systems maintained by PWD. The interfaces that have been identified and will be described in the RFP are the following:

Table 7 – Interface Definition	
<u>Interface</u>	<u>Description</u>
FIS	MS Great Plains - Integration Module via “csv” & “txt files
ESRI	GIS Interface

<b>Table 7 – Interface Definition</b>	
<b><u>Interface</u></b>	<b><u>Description</u></b>
EDMS	Eclipse Interface
External Sources	Bill Print (Infosend), Payment Processors Infosend (web based API), IVR Paymentus (API), Meter Reading (Itron MVRS)
Excel and Report Writers	The system should provide a facility to export data into Microsoft Office products, Excel and Word. System query results and other data look-ups should be easily exported two Excel spreadsheets for further analysis.
Future Maintenance Management Application	While no current system exists for maintenance management, PWD may consider a CMMS System acquisition as some point in the future. Vendors should at least address their interfaces to third party maintenance management systems.

All interfaces are to be priced separately in the pricing template. The pricing template can be found in Appendix 7.4.

### **2.3.3 Software Configuration vs Customization**

PWD prefers to select a CIS that is enhanced through tailoring and configuration rather than code modification. Any custom code required to fulfill PWD's functionality must be incorporated in the system's base code line to ensure future upgradeability. Custom code modifications that are outside of this constraint will only be allowed in extreme cases and the vendor will be contractually obligated to support it for all future upgrades. Hence the standard maintenance agreement will include upgrades/certifications for all custom code.

## **2.4 System Requirements**

This section of the RFP focuses on establishing the requirements for computer hardware, systems software, database software and network configuration. Key components of this are:

- **Hardware standards:** PWD has standardized on Intel-based Dell platforms for major system applications.
- **System software standards:** PWD has standardized Windows 2012 server for all server operating systems.
- **Database standards:** The District has standardized on Microsoft SQL server 2012 for the database system.
- **Desktop Standards:** The desktop standards is Windows 7 professional.
- **Networking Standards:** The District has standardized on the TCP/IP protocol running on 100/1000 Ethernet. Further details can be found in section 1.3.2.

- **Security Standards:** The District would like the ability to utilize Microsoft's Active Directory and LDAP functionality to manage/link users. The District requires that the system be capable of providing module level, form level, function level, field-level and data level security. In addition, application security needs to extend to the database to prevent unauthorized access to data from other data access tools, such as ODBC. Users must be created in the Database either through application or Active Directory.
- **System Failure and Disaster Recovery:** The District currently utilizes Appassure backup software for all physical and virtual windows server backups. Backups are run based on the nature of the data. Critical data might be backed up every 2 hours with nightly incremental or full backups. Combinations of full and differential backups are used in our backup strategy. All backups are currently disk to disk to cloud. No tape devices will be used for backup.
- **Hardware installation requirements and environmental concerns:** The District has no requirements or restrictions.

**Hardware sizing information by module:** Section 1.3.1 lists the parameters that the bidder should use in determining the appropriate hardware to meet the District's processing needs. PWD wishes to maintain sub-second response time during normal daily operations. Response times should not degrade considerably when batch or on-line processing occurs. Hardware should be sized appropriately to maintain required response times.

**Table 7 – Staffing and Transactional Volume Statistics:**

<b>Customer Information Management</b>			
Full-time users	13	Funds	1
Part-time users	12	Number years on-line history required	All current cloud data 4 years
Number of accounts	27,374	Calls per Month	4,800
Number of Meter Reads per Month	26,957	Front Counter Activity	5,200
Average Services per account	1		
Billing Cycles per Month	12	Receipts per Month	\$1,955,000
Billing Frequency	Monthly		
Cycle Bills – High	3,493		
Cycle Bills – Low	1,834		

## **2.5 Implementation Requirements**

PWD requires that each bidder prepare in sufficient detail an Implementation Plan outlining the required tasks, estimated hours, responsibility, major deliverables, and timing. Included with this RFP in Appendix 7.3 is a template for the Implementation Plan response for roles and responsibilities. Each bidder is required to use the implementation plan template as part of their response. At a minimum, the RFP response will cover the following areas:

- Project Management
- Hardware Selection and Installation Recommendations, if any.
- Application(s) Installation (including database)
- Application set up (Tailoring, Configuration, User Set Up)
- Configuration Change Management Control
- Data Mapping and Conversion
- Interface Development
- Testing – Unit and System
- Process Changes
- Forms Changes & Design
- Reports
- Training – System and End-User
- System Acceptance Testing
- Creation of Dual systems: Live and test system (separate logins)
- Transition to full operations (cut-over)
- Post Go Live Support (3 months)
- Support through at least first 3 months major events (full billing cycles, collections and related).
- Backup and Recovery

Each implementation task should define the level of resources required, timing of resource needs and deliverables for both the system provider and for PWD.

### **2.5.1 Data Conversion**

PWD has not determined the amount of data to be converted and would like assistance from the selected vendor to determine the optimal amount of data to convert. The District is not opposed to converting the minimal amount of data to effectively go live. All efforts will be used to close out all open items prior to the cutover date. This should help reduce the complexity of data to be converted. In addition to the minimal data required for the production system conversion, the District wishes each bidder to propose separately a cost to convert historical data and place it in the new CIS. This conversion should occur after the new CIS has been installed and is operational in the test environment. Legacy data could also be extracted and stored in an off-line database for archival purposes. The District wishes each bidder to price data conversion separately for required data conversion elements and optional legacy data conversion. The District's current CIS is cloud based so four years of data will be converted. The response should describe how the bidder plans to meet this requirement and should include pricing in the pricing worksheet.

## **2.6 Training Requirements**

The vendor will be responsible for on-site training of PWD's core team in all aspects of the product and assist with set-up and configuration of the product to accommodate PWD's specific environment. The vendor must supply a price list for continued on-site training of PWD's core team in order to achieve a level of product proficiency (for pricing purposes, assume a core team of up to 12 persons). Future on-site training, schedules, and costs should also be provided in the event that training is required in the future. The pricing of these items should be included in the pricing template found in appendix 7.4

## **2.7 On-Going Support and Maintenance**

At a minimum, the proposal must include information and pricing associated with all aspects of ongoing support and maintenance activities. This proposed support must include: standard software maintenance, product help desk (at least weekdays 7:00 AM – 5:00 PM PST), product fixes, product enhancements, and regular product releases based on a defined on-going maintenance fee. If there are alternatives to this level of support please provide this detail and the corresponding pricing. The bidder should discuss its upgrade policies and upgrade history of the proposed solution. The bidder must have the ability to dial into the customer's system to diagnose and correct problems real-time. The bidder should describe the process for PWD to request future product enhancements. The bidder must disclose the on-going costs for product maintenance and upgrades for a 5 year period in the pricing response.

## **2.8 Pricing**

Pricing is an important aspect of the overall evaluation of the bidder's response. Like many public sector agencies at this time, the District is very price conscious, so please price accordingly. If your product has different versions or modules that would allow the District to save costs for less functionality, please provide these alternatives. Included in this RFP, Appendix 7.4, is a pricing template that should be used to provide the cost of the solution. Failure to use the provided pricing template may characterize the response as non-responsive and preclude the bidder from further consideration in this procurement. Please price the solution as accurately as possible as it may become the basis for the solution price. Any bidder who significantly under-bids their solution may be disqualified from this procurement. Please provide the level of detail as defined in the pricing template. For the purposes of this RFP, pricing should include all of the functionality requested and if there is alternative pricing for cost savings it should be set forth in a separate document (a second copy of the pricing worksheet can be used but must be clearly marked). Clarification will be sought for incomplete responses. If clarifications are not received by the RFP due date, they may be considered non-responsive and precluded from evaluation. All items not defined in the scope must be shown separately as optional modules or tasks, and priced separately.

PWD also requires each bidder to provide a rate schedule for each type of resource being proposed to be used to price any out-of-scope work that arises out of the implementation of the bidder's proposed solution. These rates will remain in effect for the duration of the implementation effort. Please include rate schedule in the pricing template found in Appendix 7.4.

### 3 RFP Guidelines and Schedule

#### 3.1 Guidelines

- PWD requires a Time and Materials with a Not To Exceed contract for this procurement. The bidder is expected to complete the statement of work for the negotiated price.
- PWD will hold vendor to total contract price. Phase and task cost reconciliation will not be performed.
- The response must follow the RFP Response Outline provided in Section 6.
- All forms and questionnaires should be completed using the electronic versions provided with this RFP.
- Please provide one bound paper copy of your RFP response.
- Please provide one electronic copy of your RFP response on CD-ROM utilizing Microsoft Word and Excel, version 2013 or lower.
- Please provide your completed Pricing Schedule under **separate cover** - one printed and one electronic copy. The Pricing Template is included in Appendix 7.4. If alternate pricing is submitted, please include more than one template and distinguish this document from the original. This should also come under the above referenced separate cover.
- The pre-bid conference will be held at 10:00 am on August 20, 2015 at the offices of the Palmdale Water District, 2029 E. Avenue Q, Palmdale, CA 93550. Telephone conference services will be provided. Please indicate via email to "cis\_rfp@palmdalewater.org" no later than August 19 your desire to participate. Please include your name, company and contact information.
- Your completed proposal must be received no later than **4:00 pm on September 8, 2015**, at the office of Michael Williams, Palmdale Water District, 2029 E. Avenue Q, Palmdale, CA 93550. Late bids will not be accepted.
- Please submit all questions and matters relating to this RFP via email to "cis\_rfp@palmdalewater.org". The website may be updated with vendor questions and answers periodically throughout the RFP process. Please check the website for any updates.

**3.2 Schedule: DATES TO BE UPDATED**

The District intends to adhere to the schedule below for the selection process. Dates beyond the Proposal Due date may be adjusted by the District as needed.

<b>Activity</b>	<b>Date</b>	<b>Duration (Weeks)</b>	<b>Elapsed Duration (Weeks)</b>
RFP Release Date	8/3/2015		0 Days
Questions Due/Pre-Bid Conference	8/20/2015	2	+2
Questions & Answers Published	8/27/2015	1	+3
Proposal Due	9/8/2015	2	+ 5
Short List Selection (3 Vendors)	10/5/2015	4	+ 9
Demos (Preparation and Delivery)	10/6 – 11/13/15	6	+ 15
Finalist Review/Selection	11/20 - 1/15/16	8	+ 23
Contract Negotiation and Award	1/19 - 3/14/16	8	+ 31
Anticipated Start of Work	3/21/16	2	+ 33

## 4 RFP Evaluation

### 4.1 Criteria

Bidder's proposal responses will be evaluated based on the following two major criteria:

- Functional Requirements make up 45% of total score
- Non-Functional Requirements make up 55% of total score

**Functional Requirements:** The functional requirements include:

- Requirements Scorecard
- Solution Architecture
- Scripted Scenarios

**Non-Functional Requirements:** The non-functional requirements include:

- Vendor Profile
- Implementation Plan
- Price
- Site Visits
- References

PWD will not disclose the weightings and priorities assigned to each element of the scoring.

### 4.2 Short-List Selection

PWD intends to select 2 to 3 bidders from the RFP responses to further evaluate. The short-list will be selected by evaluating the bidder's response covering the requirements scorecard, system architecture, vendor questionnaire, implementation plan, price and overall response to the RFP. Additional discovery may be performed to assist in selecting the short list bidders. The short-list bidders will be contacted in writing regarding their status as short-listed bidders. Those wishing to continue will be provided with the scripted scenarios that they will use for preparing for the demos.

### 4.3 Demonstration Scenarios and Site Visits

PWD will further evaluate bidder's solutions by utilizing scripted scenarios and site visits. Each short-listed bidder will be provided the scripted scenarios that they are to use to prepare for an on-site solution demonstration. It is anticipated that the demos will take three days. The short-listed bidders will be further evaluated on their performance during the scripted scenario demonstrations, reference checks, additional discovery and, at the option of PWD, organized site visits at bidder's customer sites. Bidders will provide PWD with a list of at least five potential customer sites and PWD intends to select no more than two sites to visit. Sites close to the District would be preferred however sites most similar to the District take precedence.

### 4.4 Finalist Selection

The finalist will be selected by compiling all of the evaluation criteria and selecting the short-listed bidder that PWD feels would make the best system provider partner. PWD may, at its discretion, select two finalists if they believe that two bidders are so close as

to consider the evaluation a draw. In this case, the two bidders will be taken through negotiation. The best-negotiated solution will become the finalist and will be contracted to provide the proposed solution.

#### **4.5 Solution Confirmation and Best and Final Offer**

Upon selection of the finalist(s), PWD and the finalist(s) may conduct a solution confirmation workshop. This workshop will enable the parties to confirm all requirements and representations in order to complete the best and final offer. This workshop may include additional demonstrations, confirmation of the requirement scorecard, or any additional items that either party requires to be confirmed. The finalist(s) will then complete their best and final offer. The selected best and final offer will form the basis for contract negotiation.

## **5 RFP Terms and Conditions**

It is important for the vendor to become familiar with each paragraph within this section, as these paragraphs will prevail in the event of any discrepancies or differences between project related or contractual documents.

### **5.1 Basis For Proposal Response**

Only information supplied by PWD in writing through the RFP contact should be used in the preparation of vendor proposal responses.

Only replies by formal addenda shall be binding. Oral and other interpretations or clarifications shall not be binding. Vendors must acknowledge all addenda by signing and including such documents in the proposal response.

### **5.2 PWD Professional Services Agreement**

The standard PWD Professional Services Agreement is attached as Appendix 7.8. The vendor is required to state any exceptions to this document.

### **5.3 Vendor Terms and Conditions**

The vendor must submit a complete set of any additional terms and conditions that they propose to have included in contract negotiations with PWD. Additionally, the vendor must submit any and all documents/agreements PWD must sign.

### **5.4 Disclosure of Proposal Response Contents**

Proposals shall be opened in a manner that avoids disclosure of the proposal content. Vendors are advised that the confidentiality of their proposals will be protected by PWD to the extent permitted by law.

### **5.5 Late Proposal Responses**

Proposals must be received at the specified location on or before the published proposal deadline date and time. Any proposal received after the time and date set for receipt of proposals will be late and, at the discretion of PWD, may not be considered.

### **5.6 Signing of Proposal Responses**

The submission and signature of a proposal response shall indicate the intention of the vendor to adhere to the provisions described in this RFP and therefore must be signed by a representative with the authority to enforce adherence.

### **5.7 Cost of Proposal**

This RFP does not commit PWD to pay any costs incurred by any vendor in preparation and/or submission of a proposal response or for procuring or contracting for the items to be furnished under the RFP. All costs directly or indirectly related to responding to this RFP (including all costs incurred in supplementary documentation) and all costs up until contract execution will be borne by the vendor.

Each vendor will be responsible for all costs incurred in preparing or responding to this RFP. The vendor agrees to bear all risks for loss, injury, or destruction of goods and materials (ordered or supplied as the result of the eventual contract) that might occur

prior to delivery to PWD. Such loss, injury, or destruction shall not release the vendor from any obligations under this RFP or any resulting contract.

#### **5.8 Conflict of Interest, Non-Collusion and Anti-Lobbying**

The bidder promises that its officers, employees or agents will not attempt to lobby or influence a vote or recommendation related to the firm's proposal response, directly or indirectly, through any contact with Board members, or Senior Management, between the release of this RFP and award of contract by PWD and that there will be no collusion and no conflict of interest.

#### **5.9 Ownership of Proposal Responses**

All documents submitted in response to this RFP shall become the property of PWD.

#### **5.10 Disqualification or Rejection of Proposal Responses**

Bidders may be disqualified for any of the following reasons:

- There is reason to believe that collusion exists among the vendors;
- The vendor is in arrears on an existing District contract or has defaulted on a previous District contract;
- The vendor lacks financial stability;
- The vendor has failed to perform under a previous or current District contract;
- The vendor has failed to adhere to one or more of the provisions established in this RFP;
- The vendor has failed to submit its proposal response in the format specified herein;
- The vendor has failed to submit its proposal response on or before the deadline established herein; or
- The vendor has failed to adhere to generally accepted ethical and professional principles during the proposal process.

#### **5.11 Right to Waive Irregularities**

Proposals shall be considered irregular if they show any omissions, alterations of form, additions, conditions not called for, or irregularities of any kind.

PWD reserves the right to waive minor irregularities and mandatory requirements provided that all proposal responses failed to meet the same mandatory requirements, and the failure to do so does not otherwise materially affect the procurement. This right is at the sole discretion of PWD.

#### **5.12 Withdrawal of Proposal Responses**

Proposals may be withdrawn by written notice received by PWD prior to the exact hour and date specified for receipt of proposal responses. A proposal response also may be withdrawn in person by a bidder or his authorized representative, provided his identity is made known and he signs a receipt for the proposal response, but only if the withdrawal is made prior to the exact hour and date set for the receipt of proposal responses.

#### **5.13 Amending of Proposal Responses**

A bidder must submit an amended proposal response before the deadline for receipt of proposal response. Such amended responses must be complete replacements of

previously submitted responses and must be clearly identified as such in the transmittal letter. PWD will not merge, collate, or assemble proposal response materials.

#### **5.14 Proposal Response Offer Firm**

Responses to this RFP, including cost, will be considered firm for one hundred and eighty (180) days after the due date for receipt of response or receipt of the last best and final offer submitted. All proposal responses must include a statement to that effect.

#### **5.15 Exceptions to RFP Specifications**

Although the specifications stated in the RFP represent PWD's anticipated needs, there may be instances where it is in PWD's interest to permit exceptions to specifications and accept alternatives.

It is extremely important that the bidder make very clear where exceptions are taken to the specifications and how the bidder will provide alternatives. Therefore, exceptions, conditions, or qualifications to the provisions of PWD's specifications must be clearly identified as such together with reasons for taking exception, and inserted into the proposal response. If the bidder does not make clear that an exception is being taken, PWD will assume the proposal response is responding to and will meet the specification as written.

Where the bidder does not agree with PWD's terms and conditions, the proposal must enumerate the specific clauses that the bidder wishes to amend or delete and suggest alternative wording. Any minimum terms that PWD will have to agree to in order to enter into a contract with the bidder and any item the bidder considers to be a "deal breaker" must be submitted with the proposal response.

#### **5.16 Consideration of Proposal Responses**

Discussions may be conducted with responsible bidders for the purpose of clarification to assure full understanding of the bidder's proposal. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing bidders. Until PWD awards the contract, it reserves the right to reject any or all proposals and waive technicalities, to re-advertise for new proposals, or to proceed with the work in any manner as may be considered in the best interest of PWD.

#### **5.17 Vendor Selection**

While the District prefers to select a finalist from the proposals submitted, PWD reserves the right to accept or reject any portion of the proposal, including but not limited to, selecting a vendor's solution and rejecting the system implementer. If this becomes necessary PWD will allow time to procure another system implementer.

#### **5.18 Termination**

PWD reserves the right to cancel this RFP at any time. PWD reserves the right to reject any or all proposals submitted in response to this RFP.

#### **5.19 Governing Law**

The Contract will be governed by the laws of the State of California.

**5.20 No Obligation**

This procurement in no manner obligates PWD to the eventual rental, lease, or purchase of any software or services offered until confirmed by an executed written contract.

**5.21 Award of Contract**

PWD reserves the right to withhold final action on the Proposal for a reasonable time, not to exceed one hundred and eighty (180) days after the date of opening proposals, and in no event will an award be made until further investigations have been made as to the responsibility of the proposed bidder. The award of the contract, if an award is made, will be to the most responsible and responsive bidder(s) whose proposal response meets the requirements and criteria set forth in the Request for Proposal. PWD reserves the right to abandon, without obligation to the bidder, any part of the project, or the entire project, at any time before the bidder begins any work authorized by PWD.

The award of the contract shall not become effective until the contract has been executed by the bidder and PWD.

**5.22 Execution of Contract**

PWD's Board of Directors shall authorize award of a contract to the successful bidder(s) and shall designate the successful bidder(s) as PWD's bidder(s). PWD will require the bidder(s) to sign the necessary documents entering into the required Contract with PWD within 10 days of receipt and to provide the necessary evidence of insurance and/or bonding as required under the contract documents.

No contract for this project may be signed by PWD without the authorization of the Board. No contract shall be binding on PWD until it has been approved and executed by the General Manager or his designee.

**5.23 Payment and Performance Bonds**

As a condition precedent to PWD's execution of a final contract, the successful bidder may be required to provide a performance bond whose penal amount equals the total installed purchase price of the hardware, software, and services under contract.

Bonding companies must be listed in the latest U.S. Treasury Department, Circular 570, and must be licensed in the State of California, and have underwriting limitation equal to or greater than a penal sum of each bond.

**5.24 Insurance**

The bidder shall maintain the following commercial insurance policies for the period of time and limits specified:

- Workers compensation and employer's liability insurance – Workers compensation in compliance with the applicable state and federal laws; employer's liability with a limit of \$1,000,000 per occurrence.
- Commercial General Liability Insurance. Commercial general liability insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for an additional insured shall not be limited to its vicarious liability.

Defense costs must be paid in addition to limits. Limits shall be no less than \$1,000,000.00 per occurrence for all covered losses and no less than \$2,000,000.00 general aggregate.

- Comprehensive automobile liability insurance – Comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than \$1,000,000.00 per accident, combined single limit. Said policy shall include coverage for owned, non-owned, leased and hired cars.
- Professional Liability or Error and Omissions Insurance. A policy of insurance in an amount not less than \$1,000,000.00 per claim with respect to loss arising from the actions of Consultant performing professional services hereunder on behalf of the District.

The selected consultants must provide the District with the required insurance certificates prior to contract signing.

### **5.25 Scope of Insurance and Special Hazard**

The insurance required under the proceeding paragraphs shall provide adequate protection for the bidder and sub-contractors, respectively, against damage claims that may arise from operations under this contract, whether such operations by the insured or by anyone directly or indirectly employed by the bidder.

### **5.26 Taxes**

Bidders will include in the proposal response all applicable local, city, state, and federal taxes. It is the bidder's obligation to state on the pricing sheets the correct percentage and total applicable tax amounts to be paid by PWD.

### **5.27 Solution Confirmation Training**

PWD may, at its discretion, send no more than five employees to attend selected training on the finalist(s) solution as part of the solution confirmation. Finalist will provide the training free of charge to PWD. PWD will incur and pay for all travel, lodging and meal costs related to the training.

## 6 RFP Response Requirements and Format

Please use the following format to structure your RFP response. **Your response should include each section detailed below in the order presented.** The detail represents the items that are to be covered in each section of your response. Failure to follow the directions or to address all items will impact the evaluation. Failure to address a significant portion of the items may classify the response as non-responsive and preclude it from further consideration. Resumes and marketing material may be included however this information must be in its own section at the back of the RFP response. All materials must fit into a *single* binder. Please supply one hard copies and one electronic copy.

### 6.1 Cover

### 6.2 Complete Table of Contents with figures and tables

### 6.3 Transmittal Letter

The transmittal letter will indicate the intention of the Bidder to adhere to the provisions described in the RFP without modification. The letter of transmittal will:

- 1) Identify the submitting organization;
- 2) Identify the person, by name and title, authorized to obligate the organization contractually;
- 3) Identify the contact person responsible for this response. Specify, phone, fax, and email address;
- 4) Explicitly indicate review and acceptance of the Terms and Conditions and identify exceptions or "deal breakers";
- 5) Acknowledge the proposal is considered firm for one hundred and eighty (180) days after the due date for receipt of proposals or receipt of the last best and final offer submitted. If partners are used, they must also guarantee their section of the proposal for 180 days;
- 6) Acknowledge completion of the Pricing Worksheet;
- 7) Signed by the person authorized to contractually obligate the organization.

### 6.4 Executive Summary

The Bidder will provide an Executive Summary that presents in brief, concise terms a summary level description of the contents of the proposal response.

In addition, the Bidder must clearly and specifically detail all exceptions to the exact requirements imposed by this RFP.

### 6.5 Bidder Qualifications

- Vendor Profile and Product History: The Vendor will provide a profile of its organization and all other companies who will be providing products or services through a subcontracting arrangement with the Vendor. The Vendor will also provide a brief history of the solution they are proposing. Vendor will complete Appendix 7.2. If more than one vendor is submitting a profile must be included for each.

- Pursuant section 2.1 of the RFP regarding minimum requirements, in addition to those items already documented and explained in Appendix 7.2, please describe how you meet the minimum requirements listed.
- Experience: Please describe your organizations experience in implementing your solution and how your solution has improved your customers operations.
- References: Please provide references for at least five organizations in the United States of similar size to PWD, with utility and/or public sector experience. At least 3 - 5 implementations of the solution over the past five years and at least one installation of the proposed version within the past two years. (Appendix 7.5)
- Vendor Conflict of Interest Form (Appendix 7.6)

**6.6 Presentation of System Overview. Please cover the following topics:**

- 1) Identify the supplied software modules, system architecture and development tools.
- 2) Other software that is required for the solution.
- 3) Identify the recommended hardware.
- 4) Describe recommended redundancy and fault tolerance guidelines.
- 5) Identify recommended operating environments: production, test, QC, etc.
- 6) Describe the application security environment.
- 7) Describe the User Interface.
- 8) Describe your future direction and plans for the software.
- 9) Describe how program exits or other external process logic is applied to the system.
- 10) Describe all pre-existing interface points.
- 11) Describe your approach to writing and managing interfaces.
- 12) Describe the required skills needed to maintain and enhance the system.
- 13) Describe your upgrade policies, frequencies and costs.
- 14) Describe software licensing. (server, user, processor based, etc)
- 15) Warranty and support.
- 16) Technical system documentation (not marketing material)
- 17) List of the report families (do not list each report but rather the family/group they belong to)

**6.7 Describe Your Project Implementation Plan**

In addition to the template provided in Appendix 7.3, please cover the following items in your response:

- 1) Project Management
- 2) Hardware Selection and Installation Recommendations
- 3) Application(s) Installation (including database)
- 4) Application set up (Tailoring, Configuration, User Set Up)
- 5) Configuration Change Management Control
- 6) Data Mapping and Conversion
- 7) Testing – Unit and System
- 8) Process Changes
- 9) Forms Changes & Design
- 10) Reports
- 11) Training – System and End-User
- 12) System Acceptance Testing
- 13) Transition to full operations (cut-over)

- 14) Creation of Dual systems: Live and test system (separate logins)
- 15) Support through major events (first 3 month's full billing, collections (current & former)).
- 16) Backup and Recovery

6.8 Description of Service Team Experience and Capabilities

- 1) Please present each team member and their role on the project.
- 2) Please provide resumes and relevant experience for each proposed team member.

6.9 On-Going Product Support and Maintenance Programs

6.10 On-Going Training Programs

6.11 Provide all legal documents and compliance reports as requested

- 1) Standard sales contract.
- 2) Software licensing agreement.
- 3) Standard support/maintenance agreement.
- 4) Performance benchmarks for the proposed hardware environment.

6.12 Completion of Scorecard

- 1) CIS System Functional Requirements Scorecard (Appendix 7.1)

6.13 Pricing Information

- 1) Use Pricing Template provided in Appendix 7.4
- 2) Signed by the person authorized to contractually obligate the organization.
- 3) Include under separate cover with RFP response.
- 4) If alternate pricing is submitted, include more than one template and distinguish this document from the original. This should also come under separate cover.

## **7 Appendices**

### **7.1 CIS System Functional Requirements Scorecard**

Included with this RFP is the MS Excel version of the functional scorecard. Please complete the MS Excel versions of the scorecards to facilitate PWD's evaluation. The Excel version of the scorecards should be submitted electronically with the RFP response. This document will be a required attachment to the final Contract so please answer accurately.

### **7.2 Vendor Profile Questionnaire**

A vendor profile questionnaire must be completed for each organization that will participate with the system provider in the implementation of the proposed solution.

### **7.3 Implementation Roles and Responsibilities Template**

Attached is a template, with some example data, which should be used to develop the implementation plan. PWD wishes to know for each implementation task, who is responsible for what activities, what staff commitment is required to complete the task and the anticipated time to complete the task. While the vendor may not be able to determine the PWD time required for completing the task, the duration of the task should be known. In preparing your response do not consider the tasks listed as the complete list of tasks for the implementation. These are the tasks that should be considered at a minimum. The level of detail, completeness and quality of the implementation plan will be weighted heavily in evaluating the vendor's responses. PWD requires each bidder to explain, in sufficient detail, the level of effort required by both PWD and the vendor in implementing the proposed solution. PWD will not hold the vendor to the individual hours specified by task. The District only wishes to understand where the bidder perceives the effort involved in completing the implementation. However, the system provider will be required to complete the agreed to scope of work for the negotiated fee.

### **7.4 Pricing Worksheet**

The pricing template is provided as a MS Excel template. Each bidder is required to use the supplied pricing template to price their solution. Each item needs to be complete. Incomplete responses may be withdrawn from further consideration. Reminder: This section must be submitted under separate cover.

### **7.5 Reference Worksheet**

Each bidder in the proposal is required to use the form to supply at least five organizations in the United States of similar size to PWD, with utility and/or public sector experience. At least 3 - 5 implementations of the solution over the past five years and at least one installation of the proposed version within the past two years.

### **7.6 Conflicts of Interest**

The Potential Conflict of Interest form is required to be completed by each organization that will participate with the system provider in the implementation of the proposed solution.

### **7.7 PWD Professional Service Agreement**

The standard PWD Professional Service Agreement should be reviewed. Exceptions to this contract must be clearly stated.

### **7.8 PWD Rate Structure**

Included in this section is a description of current water rate structure based on the type of water service account and discussion of Compound meters. The District developed the water rate structure to **encourage efficient use** of water and **discourage waste** by providing users a water budget allocation suited to their specific needs. The rate structure also includes drought factors.

### **7.9 PWD Excel Rate Model**

Included in this section is an excel file working rate model with the current water rates. The rate model also includes drought surcharge factors.



# MEMORANDUM

## *FINANCE DEPARTMENT*

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July 27, 2015

TO: Dennis LaMoreaux, General Manager  
Department Heads

FROM: Michael Williams, Finance Manager  
Dennis Hoffmeyer, Accounting Supervisor

CC: Board of Directors

SUBJECT: Time Line for 2016 Budget Process (Initial Dates)

The following time line will be used for preparing, reviewing and adopting the 2016 Annual Budget.

1. 08/06/2015 – Initial departmental budget projections for 2016 Budget year based on 2015/2016 Budget information sent out to departments. All projects shown in 2016 to be used as the basis for establishing potential priority moving forward.
2. 09/07/2015 – Finance Committee – evaluate key points for establishment of 2016 Budget and review items for consideration for inclusion moving forward.
3. 09/09/2015 – Department Heads to submit any change requests for departmental budgets as well as any supporting documentation.
4. 09/21/2015 through 09/25/2015 – Review period of initial budget projections by General Manager, Finance Manager, and Financial Advisor for establishing 2015 (Actual)/2016 (Projected) Cash Flow numbers.
5. 09/24/2015 – Initial submission of departmental project inclusion items need to be submitted.
6. 10/08/2015 – Finance to distribute 8 month, current budget reports to Department Heads with budget worksheets from second round of 2016 Budget review.
7. 10/12/2015 – Finance Committee – first full review of 2015/2016 Budget financials with updated projections.
8. 10/14/2015 (If Necessary) – Review inclusions with Engineering, Facilities and Operations Departments. Please reserve this date with your supervisors so they can attend for comment portion. Allocate two hours for the review meeting – start time 10:00 a.m. upstairs conference room.

Time Line for 2016 Budget Process (Cont.)

9. October 2015 – Facilities Committee  
(Projects, equipment, etc. proposed for the budget)
10. October 2015 – Personnel Committee  
(Staffing levels, salaries, COLA adjustments and job descriptions.)
11. 10/23/2015 – Department Accomplishments/Goals/Objectives due to Finance.
12. 10/29/2015 – Meet with General Manager, for draft review.
13. 11/09/2015 – Final review with Finance Committee before sending to the full board for review.
14. 11/11/2015 – 2016 Budget review package will be handed out to the full board the night of the board meeting.
15. 11/19/2015 (Proposed) – 2016 Budget Workshop include possible adoption.
16. 11/25/2015 – Adopt 2016 Budget if necessary.
17. 12/15/2014 – Final narrative from General Manager & Finance Manager.