



PALMDALE WATER DISTRICT
A CENTURY OF SERVICE

May 20, 2026

BOARD OF DIRECTORS

W. SCOTT KELLERMAN
Division 1

DON WILSON
Division 2

CYNTHIA SANCHEZ
Division 3

KATHY MAC LAREN-GOMEZ
Division 4

DEBBIE DINO
Division 5

DENNIS D. LaMOREAUX
General Manager

ALESHIRE & WYNDER LLP
Attorneys



**AGENDA FOR REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF THE PALMDALE WATER DISTRICT
TO BE HELD AT 2029 EAST AVENUE Q, PALMDALE**

TUESDAY, MAY 26, 2026

6:00 p.m.

NOTICE: Pursuant to Government Code Section 54953, Subdivision (b), this Regular Board Meeting will include teleconference participation by Director Sanchez from: 1117 South Marquette Avenue, Minneapolis, MN 55403.

NOTES: To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Danielle Henry at 661-947-4111 x1059 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Additionally, an interpreter will be made available to assist the public in making **comments** under Agenda Item No. 4 and any action items where public input is offered during the meeting if requested at least 48 hours before the meeting. Please call Danielle Henry at 661-947-4111 x1059 with your request. (PWD Rules and Regulations Section 4.03.1 (c))

Adicionalmente, un intérprete estará disponible para ayudar al público a hacer **comentarios** bajo la sección No. 4 en la agenda y cualquier elemento de acción donde se ofrece comentarios al público durante la reunión, siempre y cuando se solicite con 48 horas de anticipación de la junta directiva. Por favor de llamar Danielle Henry al 661-947-4111 x1059 con su solicitud. (PWD reglas y reglamentos sección 4.03.1 (c))

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 or on the District's website at: <https://www.palmdalewater.org/governance/board-activity/2026-meeting-agendas-minutes/> (Government Code Section 54957.5). Please call Danielle Henry at 661-947-4111 x1059 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 conduct 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) Pledge of Allegiance/Moment of Silence.
- 2) Roll Call.
- 3) Adoption of Agenda.
- 4) Public Comments for Non-Agenda Items.

- 5) Presentations:
 - 5.1) None at this time.
- 6) Action Items - Consent Calendar (The public shall have an opportunity to comment on any action item on the Consent Calendar as the Consent Calendar is considered collectively by the Board of Directors prior to action being taken.)
 - 6.1) Approval of Minutes of Regular Board Meeting held May 11, 2026.
 - 6.2) Payment of Bills for May 26, 2026.
- 7) Action Items - Action Calendar (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.)
 - 7.1) Consideration and Possible Action to Approve and Authorize the General Manager, or His Designee, to Execute a Second Amendment to the Contract with Weber Water Resources for the Rehabilitation of Wells 2A and 3A, Subject to Approval by General Counsel, and to Authorize Related Budget Adjustments. (\$166,000.00 – Not-to-Exceed – Non-Budgeted – Capital Project No. 26-600 – Facilities Manager Wall)
 - 7.2) Consideration and Possible Action to Approve and Authorize the General Manager, or His Designee, to Execute a Contract with Western Pacific Roofing Corporation for Roof Repair at the T-8 Booster Station, Subject to Approval by General Counsel. (\$26,000.00 – Not-to-Exceed – Budgeted – Facilities Manager Wall)
 - 7.3) Consideration and Possible Action to Approve and Authorize the General Manager, or His Designee, to Execute a Professional Services Agreement with Operational Technical Services, LLC (OTS) for Recruitment Services, Subject to Approval by General Counsel, and to Authorize Related Budget Adjustments. (\$100,000.00 – Not-to-Exceed – Non-Budgeted – Human Resources Director Garcia)
 - 7.4) Consideration and Possible Action to Approve and Authorize the General Manager, or His Designee, to Execute a Professional Services Agreement with waterTalent for Recruitment Services, Subject to Approval by General Counsel, and to Authorize Related Budget Adjustments. (\$100,000.00 – Not-to-Exceed – Non-Budgeted – Human Resources Director Garcia)
 - 7.5) Consideration and Possible Action on Authorization of the Following Conferences, Seminars, and Training Sessions for Board and Staff Attendance Within Budget Amounts Previously Approved in the 2026 Budget:
 - a) None at this time.
- 8) Information Items:
 - 8.1) Finance Reports:

- a) Status Report on Current Cash Balances and Investment Funds Report as of March 2026. (Financial Advisor Egan/Finance Committee)
 - b) Status Report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for March and the First Quarter of 2026. (Finance Manager Iguaran/Finance Committee)
 - c) Status Report on Committed Contracts Issued. (Finance Manager Iguaran/Finance Committee)
 - d) Other Financial Reports. (Finance Manager Iguaran/Finance Committee)
 - 1) Revenue Projections.
 - 2) Monthly Billing Statistics.
 - 3) Rate Assistance Program Status.
 - 4) Payment Arrangements.
- 8.2) Reports of Directors:
- a) Standing Committees; Organization Appointments; Agency Liaisons:
 - 1) Antelope Valley East Kern Water Agency (AVEK) Meeting – May 12. (Director Dino, Board Liaison/President Mac Laren-Gomez, Alt.)
 - 2) Palmdale Fin & Feather Club Meeting – May 16. (Director Wilson/Director Kellerman, Alt.)
 - 3) Outreach Committee Meeting – May 18. (Director Dino, Chair/Director Sanchez/Director Wilson, Alt.)
 - 4) Finance Committee Meeting – May 19. (Director Wilson, Chair/Director Kellerman/Director Sanchez, Alt.)
 - b) General Meeting Reports.
- 8.3) Report of General Manager.
- a) Department Activity Updates:
 - 1) Finance Department. (Finance Manager Iguaran)
 - b) May 2026 Written Report of Activities through April 2026.
- 8.4) Report of General Counsel.
- 9) Public Comments on Closed Session Agenda Matters.
- 10) Closed Session Under:
- 10.1) Government Code § 54956.9:
- a) Conference with Legal Counsel – Existing Litigation: *Southern California Gas Company v Patriot Pipeline et al. Case No. 26AVCV0066211.*

- 11) Public Report of Any Action Taken in Closed Session.
- 12) Board Members' Requests for Future Agenda Items.
- 13) Adjournment.



DENNIS D. LaMOREAUX,
General Manager

DDL/dh

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT, MAY 11, 2026:

A regular meeting of the Board of Directors of the Palmdale Water District was held Monday, May 11, 2026, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District Office. President, Kathy Mac Laren-Gomez, called the meeting to order at 6:00 p.m.

1) Pledge of Allegiance/Moment of Silence.

At the request of President Mac Laren-Gomez, Director Dino led the Pledge of Allegiance followed by a moment of silence.

2) Roll Call.

Attendance:

Kathy Mac Laren-Gomez, President
Scott Kellerman, Vice President
Don Wilson, Treasurer
Cynthia Sanchez, Secretary
Debbie Dino, Assistant Secretary

Others Present:

Dennis LaMoreaux, General Manager
Scott Rogers, Assistant General Manager
Paul Early, General Counsel
Judy Shay, Public Affairs Director
Danielle Henry, Executive Assistant
1 member of the public

3) Adoption of Agenda.

It was moved by Director Kellerman, seconded by Director Sanchez, and unanimously approved by the Board of Directors present to adopt the agenda as written.

4) Public Comments for Non-Agenda Items.

Mr. Jay Tremblay, Antelope Valley-East Kern Water Agency Board Director, conveyed that his attendance is to help keep the public informed.

5) Presentations:

5.1) None at this time.

There were no presentations.

6) Action Items - Consent Calendar: (The Public Shall Have an Opportunity to Comment on Any Action Item on the Consent Calendar as the Consent Calendar is Considered Collectively by the Board of Directors Prior to Action Being Taken.)

6.1) Approval of Minutes of Regular Board Meeting held April 27, 2026.

6.2) Payment of Bills for May 11, 2026.

President Mac Laren-Gomez announced the items included in the Consent Calendar after which it was moved by Director Dino, seconded by Director Wilson, and unanimously carried by the Board members present to approve the Consent Calendar items.

7) Action Items - Action Calendar (The Public Shall Have an Opportunity to Comment on Any Action Item as Each Item is Considered by the Board of Directors Prior to Action Being Taken.)

7.1) Consideration and Possible Action on Authorization of the Following Conferences, Seminars, and Training Sessions for Board and Staff Attendance Within Budget Amounts Previously Approved in the 2026 Budget:

a) None at this time.

There were no conferences, seminars, or training sessions to consider.

8) Information Items:

8.1) Reports of Directors:

a) Standing Committees; Organization Appointments; Agency Liaisons:

1) Antelope Valley-East Kern Water Agency (AVEK) Meeting – April 28. (Director Dino, Board Liaison/President Mac Laren-Gomez, Alt.)

Director Dino reported that on April 28, she attended the AVEK Board Meeting where their Board approved payment for the installation of power poles to reconnect the Tejon Ranch well to Southern California Edison service.

2) Palmdale Fin & Feather Club Meeting – May 2. (Director Wilson/Director Kellerman, Alt.)

Directors Kellerman and Wilson stated that they did not attend the May 2 Palmdale Fin & Feather Club Meeting.

b) General Meeting Reports of Directors.

Director Kellerman reported on his attendance at the Palmdale Water District (PWD) Regular Board Meeting on April 27, the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA) Conference on May 4 and 5, the ACWA Spring Conference on May 6 and 7, a Board Briefing on May 7, a tour of the Delta with the Delta Conveyance Authority on May 8, and the PWD Regular Board Meeting on May 11.

Director Wilson reported on his attendance at a Board Briefing on April 9, the PWD Regular Board Meeting on April 13, the Finance Committee Meeting on April 21, a Board Briefing on April 23, the PWD Regular Board Meeting on April 27, the PWD Employee Summer Event at Knott's Berry Farm on May 2, the ACWA/JPIA Conference on May 4 and 5, the ACWA Spring Conference on May 6 and 7, a Board Briefing on May 7, and the PWD Regular Board Meeting on May 11.

Director Sanchez reported on her attendance at the PWD Employee Summer Event at Knott's Berry Farm on May 2, a Board Briefing on May 8, a tour of the Delta with the Delta Conveyance Authority on May 8, and noted her completion of Sexual Harassment Training, Workplace Violence Prevention Training, and KnowBe4 Cyber Security Training on April 30.

President Mac Laren-Gomez reported on her attendance at the Watermaster Meeting on April 22, an Agenda Review Briefing on April 30, the PWD Employee Summer Event at Knott's Berry Farm on May 2, the ACWA/JPIA Conference on May 4 and 5, the ACWA Spring Conference on May 6 and 7, a Board Briefing on May 7, and a tour of the Delta with the Delta Conveyance Authority on May 8.

Director Dino reported on her attendance at the PWD Regular Board Meeting on April 27, the AVEK Board Meeting on April 28, the ACWA/JPIA Conference on May 4 and 5, the ACWA Spring Conference on May 6 and 7, a Board Briefing on May 7, a tour of the Delta with the Delta Conveyance Authority on May 8, and the PWD Regular Board Meeting on May 11.

8.2) Report of General Manager.

General Manager LaMoreaux reported that the Special District voting member election for the Local Agency Formation Commission (LAFCO) has been extended through the end of June due to a lack of quorum from submitted votes; that ACWA has issued a call for members to participate in specialized working groups to assist with next steps for its *Vision for Our Water Future* initiative introduced at the ACWA Spring Conference; and that he will convey the District's appreciation to Delta Conveyance Authority staff for providing a District Delta tour.

8.3) Report of General Counsel.

General Counsel Early provided an update on the Voting Rights Act, including how the Louisiana redistricting case may impact the California Legislature, followed by a brief discussion of race-based gerrymandering and district-based versus at-large elections.

9) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

10) Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 6:22 p.m.

Secretary



BOARD MEMORANDUM

DATE: May 26, 2026
TO: BOARD OF DIRECTORS
FROM: Facilities Manager Wall
VIA: Assistant General Manager Rogers
 General Manager LaMoreaux
RE: *CONSIDERATION AND POSSIBLE ACTION TO APPROVE AND AUTHORIZE THE GENERAL MANAGER, OR HIS DESIGNEE, TO EXECUTE A SECOND AMENDMENT TO THE CONTRACT WITH WEBER WATER RESOURCES FOR THE REHABILITATION OF WELLS 2A AND 3A, SUBJECT TO APPROVAL BY GENERAL COUNSEL, AND TO AUTHORIZE RELATED BUDGET ADJUSTMENTS. (\$166,000.00 – NOT-TO-EXCEED – NON-BUDGETED – CAPITAL PROJECT NO. 26-600 – FACILITIES MANAGER WALL)*

Recommendation:

Staff recommends that the Board approve and authorize the General Manager, or his designee, to execute a second amendment to the contract with Weber Water Resources for the installation of the pump and related equipment for Well No. 2A as part of the rehabilitation of Wells 2A and 3A, subject to approval by General Counsel, and to authorize related budget adjustments.

Alternative Options:

The alternative is to not equip Well 2A, which would render the well inoperable.

Impact of Taking No Action:

Without the required replacement components, Well 2A would remain inoperable. Equipping the well will enable the District to resume production.

Background:

Well 2A was drilled in 1968. As part of the current rehabilitation, the well was chemically cleaned, brushed, and redeveloped, which provided pump design information. Weber Water Resources also inspected the existing equipment and determined that replacement equipment is necessary to complete the rehabilitation.

Strategic Plan Initiative/Mission Statement:

This item is under Strategic Initiative No. 3 – Systems Efficiency.
 This item directly related to the District’s Mission Statement.

Budget:

Staff requests a capital budget increase in the not-to-exceed amount of \$166,000.00 for Capital Project No. 26-600.

Supporting Documents:

- Equipping Quote for Well 2A (\$163,444.00)
- Weber Water Resources Pump Data Sheet
- Proposed Second Amendment for Well 2 and 3 Rehabilitation with Weber Water Resources



1785 Container Circle
Jurupa Valley, CA 92509
Office: 909-383-5837
www.weberwaterresources.com

QUOTE

CLIENT:	Palmdale Water District	QUOTE NO:	5112601
ATTENTION:	Scott Hulsebus	PROJECT:	PWD Well #2 Re-Equipping Quote
PHONE:	661-305-9640	DATE:	3/30/2026
EMAIL:	ehulsebus@palmdale.org	FROM:	Jose Villanueva

Weber Water Resources is pleased to offer the following service for your review and consideration:

QTY	DESCRIPTION	UNIT	AMOUNT
1	Flowise 13 Stg 13MCXL Bowl 1400 GPM @ 805 TDH W/ PH 17-4 Shaft	\$43,200.00	\$43,200.00
35	700' 10" .279 Wall Column Pipe	\$1,295.00	\$45,325.00
35	700' 10X3X1 15/16 Tube and Shaft	\$1,410.00	\$49,350.00
17	10X3 BWS Centralizers	\$50.00	\$850.00
1	Head Refurbishment Blast,Line and Coat	\$1,750.00	\$1,750.00
1	New Stretch Tube and Headshaft	\$2,100.00	\$2,100.00
720'	1/4" SS Airline	\$2,750.00	\$2,750.00
35	710' 1" Sch 40 PVC	\$26.40	\$924.00
3	60' Blank PVC Suction Pipe SCH80	\$1,985.00	\$5,955.00
4	80' .125 Slotted PVC suction Pipe	\$2,235.00	\$8,940.00
1	Suction Pipe Adapter NPT x Flush	\$950.00	\$950.00
1	Strain Relief Bands W/ Turnbuckles	\$1,350.00	\$1,350.00
			\$0.00

Webers lisc # 970199

SUBTOTAL		\$163,444.00
TAX		
TOTAL		\$163,444.00

TERMS & CONDITIONS

Terms net 10 days from date of invoice

Partial invoice to be generated at 30%, 60% and final completion.

Quotation valid for 10 days

Warranty: Service is warranted against defect in labor for a period of 90 days from the date of start up. Warranty does not cover acts of god, lubrication, aggregates (sand etc.), aeration, cavitations, changes in down hole conditions, consequential damages, customer supplied or used material

Freight is FOB Jobsite

All invoices are subject to a fuel surcharge

Customer is responsible for all applicable sales tax

Invoices will be based on quantities consumed

Weber reserves the right to file 20 day preliminary lien notices on all projects

Delinquent invoices will be charged an interest rate at the highest percentage rate available by law

Sign Below to Accept Quote:

Authorized Rep

Date

Title:		PO Number:	
Client:	Palmdale Water District	Email:	
Phone Number:			

Thank you for the opportunity to be of service. Please sign, date and return with PO number and we will proceed with the project.

Best Regards,

Jose Villanueva

(C): 951-215-5481

Pump Data Sheet - FloWise

Company: WEBER
 Name: TONY
 Date: 05/07/2026

COS: 1400 GPM @ 805' TDH



Pump:

Size: FW13MCXL (stages: 13) **Dimensions:**
 Type: Vertical Turbine XL Deep Suction: 10 in
 Synch Speed: 1800 rpm Discharge: 10 in
 Dia: 9.94 in **Vertical Turbine:**
 Curve: FT6413MCXL0 Eye Area: 21 in²
 Impeller Style: Enclosed Bowl Size: 12.1 in
 Max Lateral: 2.12 in
 Thrust K Factor: 7.9 lb/ft

Fluid:

Name: Water
 SG: 1 Vapor Pressure: 0.256 psi a
 Density: 62.4 lb/ft³ Atm Pressure: 14.7 psi a
 Viscosity: 1.1 cP
 Temperature: 60 °F Margin Ratio: 1

Pump Limits:

Temperature: --- Sphere Size: 0.75 in
 Wkg Pressure: 340 psi g

Motor:

Standard: NEMA Size: 400 hp
 Enclosure: TEFC Speed: 1800 rpm
 Frame: 449T
 Sizing Criteria: Max Power on Design Curve

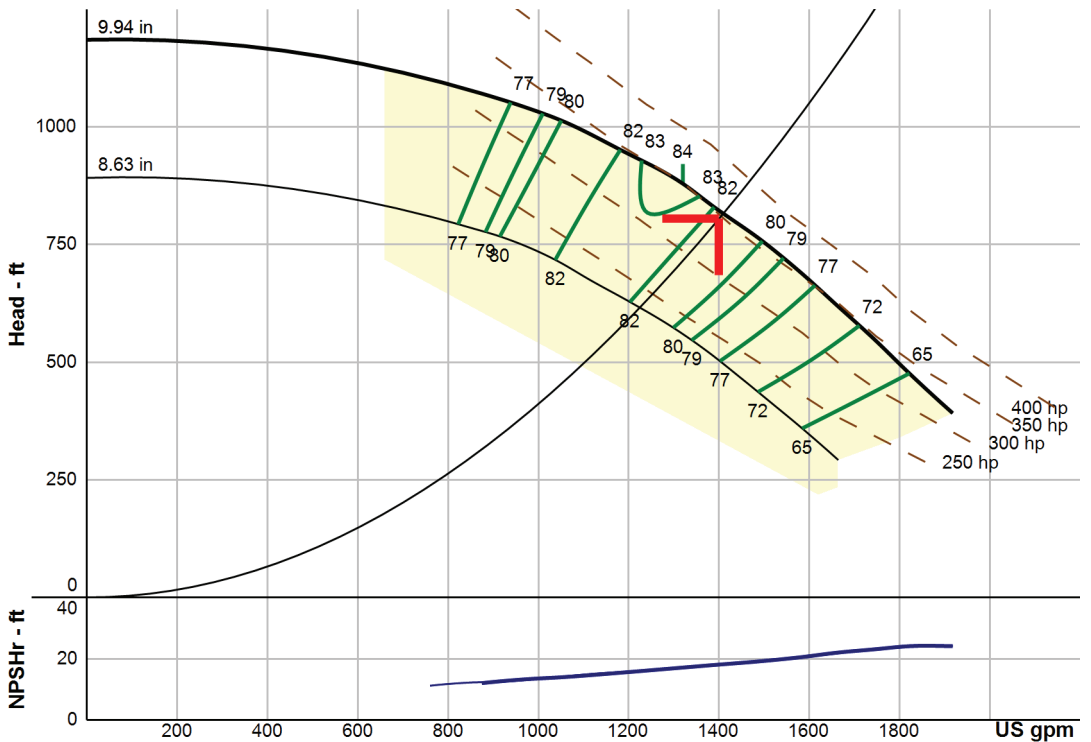
Search Criteria:

Flow: 1400 US gpm Near Miss: ---
 Head: 805 ft Static Head: 0 ft

Pump Selection Warnings:

Pump shutoff dP exceeds limit for the pump.

--- Duty Point ---	
Flow:	1410 US gpm
Head:	816 ft
Eff:	81.6%
Power:	356 hp
NPSHr:	18.2 ft
Speed:	1770 rpm
--- Design Curve ---	
Shutoff Head:	1186 ft
Shutoff dP:	513 psi
Min Flow:	--- US gpm
BEP:	84% @ 1320 US gpm
NOL Power:	358 hp @ 1496 US gpm
--- Max Curve ---	
Max Power:	358 hp @ 1496 US gpm



Performance Evaluation:

Flow	Speed	Head	Efficiency	Power	NPSHr
US gpm	rpm	ft	%	hp	ft
1680	1770	604	73.8	347	22.2
1400	1770	822	81.8	355	18.1
1120	1770	981	81.1	342	14.7
840	1770	1076	73.9	311	11.9
560	1770	---	---	---	---



CONTRACT SERVICES AMENDMENT WELL 2 AND 3 REHABILITATION

I. Amendment

This Second Amendment to that certain Contract Services Agreement dated Wednesday, February 18, 2026 is made and entered into on the Effective Date by and between the Palmdale Water District, a California public agency organized and existing under the provisions of the California Water Code ("District") and Weber Water Resources a Nevada Limited Liability Company (LLC) (herein "Contractor"). District and Contractor are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

NOW, THEREFORE, the parties hereto agree as follows:

RECITALS

WHEREAS, District and Contractor previously entered into that certain Contract Services Agreement for Well 2 and 3 Rehabilitation dated Wednesday, February 18, 2026, as amended by that certain First Amendment to Well 2 and 3 Rehabilitation Agreement dated April 15, 2026 (collectively, the "Agreement"), whereby Contractor agreed to provide services to the District as described in the Scope of Services; and

WHEREAS, District and Contractor now desire to amend the Agreement in order to provide for a modified contract sum, scope of services, schedule of compensation for the re-equipping of Well 2; and

NOW, THEREFORE, for good and adequate consideration the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

II. Scope of Services

Second Amendment Scope of Services. Article 1 of the Agreement, Services of Contractor, and Exhibit A thereto, are hereby amended to include, in their entirety, the re-equipping services for Well 2 described in "Quote No 5112601" dated March 30, 2026, and attached hereto as Exhibit "A" of the Second Amendment.

III. Contract Sum

Second Amendment Contract Sum. For the services rendered pursuant to the Second Amendment, Contractor shall be compensated in accordance with the "Schedule of Compensation, Exhibit "C" of the "Agreement for Well 2 and 3 Rehabilitation dated Wednesday, February 18, 2026, and incorporated herein by this reference, an

additional One Hundred Sixty-Six Thousand Dollars (\$166,000) ("Second Amendment Sum") with a total contract sum not-to-exceed a maximum of One Million Two Hundred One Thousand Five Hundred Dollars (\$1,201,500).

IV. Schedule of Compensation

Second Amendment Schedule of Compensation. For the services rendered pursuant to the Second Amendment and the Agreement, Contractor shall perform all tasks until completion for One Hundred Sixty-Three Thousand Four Hundred Forty-Four Dollars (\$163,444) at the following rates as shown in Exhibit A, attached hereto ("Second Amendment Schedule of Compensation").

V. Continuing Effect of Agreement

Except as expressly amended by this Second Amendment, all other terms, conditions, and obligations of the Agreement shall remain in full force and effect. From and after the date of this Second Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement, as amended by this Second Amendment.

VI. Authority

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provision of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year entered by the District ("Effective Date").

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

CONTRACTOR: Weber Water Resources CA LLC., a Nevada limited liability company

DISTRICT: Palmdale Water District, a California public agency

SIGNATURE

Tim Plath

FULL NAME

DATE SIGNED

President

TITLE

SIGNATURE

Martin L. Weber

FULL NAME

DATE SIGNED

CEO/Manager

TITLE

SIGNATURE

Dennis D. LaMoreaux

FULL NAME

DATE SIGNED

General Manager

TITLE

Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: **1)** Chairman of the Board, President or any Vice President; **and 2)** Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer.

Exhibits List

A - Palmdale Well 2 Equipping Quote No 5112601 dated March 30, 2026

Exhibit A

Palmdale Well 2 Equipping Quote No 5112601
dated March 30, 2026



1785 Container Circle
Jurupa Valley, CA 92509
Office: 909-383-5837
www.weberwaterresources.com

QUOTE

CLIENT:	Palmdale Water District	QUOTE NO:	5112601
ATTENTION:	Scott Hulsebus	PROJECT:	PWD Well #2 Re-Equipping Quote
PHONE:	661-305-9640	DATE:	3/30/2026
EMAIL:	ehulsebus@palmdale.org	FROM:	Jose Villanueva

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1	New Stretch Tube and Headshaft	\$2,100.00	\$2,100.00
720'	1/4" SS Airline	\$2,750.00	\$2,750.00
35	710' 1" Sch 40 PVC	\$26.40	\$924.00
3	60' Blank PVC Suction Pipe SCH80	\$1,985.00	\$5,955.00
4	80' .125 Slotted PVC suction Pipe	\$2,235.00	\$8,940.00
1	Suction Pipe Adapter NPT x Flush	\$950.00	\$950.00
1	Strain Relief Bands W/ Turnbuckles	\$1,350.00	\$1,350.00
			\$0.00

Webers lisc # 970199

SUBTOTAL		\$163,444.00
TAX		
TOTAL		\$163,444.00

TERMS & CONDITIONS

Terms net 10 days from date of invoice

Partial invoice to be generated at 30%, 60% and final completion.

Quotation valid for 10 days

Warranty: Service is warranted against defect in labor for a period of 90 days from the date of start up. Warranty does not cover acts of god, lubrication, aggregates (sand etc.), aeration, cavitations, changes in down hole conditions, consequential damages, customer supplied or used material

Freight is FOB Jobsite

All invoices are subject to a fuel surcharge

Customer is responsible for all applicable sales tax

Invoices will be based on quantities consumed

Weber reserves the right to file 20 day preliminary lien notices on all projects

Delinquent invoices will be charged an interest rate at the highest percentage rate available by law

Sign Below to Accept Quote:

Authorized Rep		Date	
Title:		PO Number:	
Client:	Palmdale Water District	Email:	
Phone Number:			

Thank you for the opportunity to be of service. Please sign, date and return with PO number and we will proceed with the project.

Best Regards,

Jose Villanueva

(C): 951-215-5481



BOARD MEMORANDUM

DATE: May 26, 2026
TO: BOARD OF DIRECTORS
FROM: Facilities Manager Wall
VIA: General Manager LaMoreaux
 Assistant General Manager Rogers
RE: *CONSIDERATION AND POSSIBLE ACTION TO APPROVE AND AUTHORIZE THE GENERAL MANAGER, OR HIS DESIGNEE, TO EXECUTE A CONTRACT WITH WESTERN PACIFIC ROOFING CORPORATION FOR ROOF REPAIR AT THE T-8 BOOSTER STATION, SUBJECT TO APPROVAL BY GENERAL COUNSEL. (\$26,000.00 – NOT-TO-EXCEED – BUDGETED – FACILITIES MANAGER WALL)*

Recommendation:

Staff recommends that the Board approve and authorize the General Manager, or his designee, to enter into a contract with Western Pacific Roofing Corporation for roof repairs at the T-8 Booster Station, subject to approval by General Counsel, in an amount not-to-exceed \$26,000.00.

Alternative Options:

The Board can choose not to approve the repair of the damaged roof.

Impact of Taking No Action:

The roof will continue to deteriorate and not protect the assets.

Strategic Plan Initiative/Mission Statement:

This item is under Strategic Initiatives No. 3 – Systems Efficiency

Background:

T-8 is a booster pump station equipped with three pumps that supply water to the distribution system. Over time, the District has performed temporary patchwork repairs to address the deteriorating roof. The roof has now reached a condition that requires permanent repair or replacement of failing materials. The District solicited bids from four roofing vendors; however, only two submitted quotes. The remaining two vendors were not registered with the Department of Industrial Relations and were not interested in obtaining registration, and therefore did not submit bids. Staff selected Western Pacific Roofing Corporation based on its competitive quote and relevant experience.

Budget:

This work is budgeted under GL Account 1-04-4235-405 in the not-to-exceed amount of \$26,000.

Supporting Documents:

- Quote - Western Pacific Roofing Corporation \$23,400.00
- Quote - AV Roofing and Construction, Inc. \$27,000.00
- Contract Services Agreement for Roof Repair with Western Pacific Roofing Corporation



May 5, 2026

Mr. Lance Brough
Palmdale Water District
2029 East Avenue Q
Palmdale, CA 93550

Via Email
lbrough@palmdalewater.org

Subject: Proposal for New Underlayment
4228 East Avenue T-8
Palmdale, CA 93552

Dear Mr. Brough:

Thank you for the opportunity to prepare our proposal for roofing at the above referenced property.

Western Pacific Roofing Corp (Contractor) submits the following for your consideration:

GENERAL CONDITIONS:

- A. The attached General Terms & Conditions of this standard construction contract shall form a part of these specifications with the same force and effect as though repeated herein.
- B. The Contractor shall furnish all labor, materials, equipment, contractor's licenses and insurance certifications to perform all operations as specified below. The Contractor shall provide labor and material customarily included in work of the same nature to give a quality, complete job.
- C. If unexpected conditions are encountered during the work, and the conditions adversely affect the cost or progress of the work, the Contractor will notify the Owner immediately, and the Contractor and Owner will negotiate a written change-order to resolve the unexpected condition. Unforeseen or unexpected conditions are those not visually noticeable.
- D. The Contractor shall occupy, use, and permit others to use the premises only for the purpose of completing the work to be performed under this contract with the Owner. The Contractor shall not authorize or permit any other person to use said premises for any purpose whatsoever. Western Pacific Roofing is to be given all reasonable set-up and staging areas during the duration of the work.

- E. Contractor's scope of work shall not include the identification, detection, abatement, encapsulation or removal of asbestos or similar hazardous substances, including mold, mildew and/or infestation of rodents. If Contractor encounters any such products, materials or conditions in the course of performing its work, or if such hazardous materials are encountered by any other firm performing work at the jobsite and Contractor determines that such materials present a hazard to its employees, Contractor shall have the right to discontinue its work and remove its employees from the jobsite until such products or materials, and anything hazardous connected therewith, are located and abated, encapsulated or removed, or it is determined that no hazard exists (as the case may require), and Contractor shall receive an extension of time to complete its work hereunder and compensation for delays encountered as a result of such situation and correction. With the possible existence of mold, mildew and/or rodents being present before, during or after our work, Contractor's scope of work shall not include the identification, detection or the removal of mold, mildew and/or rodents. Western Pacific Roofing shall not be responsible for entrapment of rodents while performing the scope of work. Owner agrees to hold Contractor harmless and shall indemnify Contractor harmless for any mold, mildew and/or rodent related claims in the future.
- F. If a dispute shall arise between Contractor and Owner with respect to any matters or questions arising out of or relating to this agreement/contract or the breach thereof, such dispute shall be decided by arbitration administered by and in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association or through such arbitration procedures as the parties may agree. This agreement/contract shall be specifically enforceable under the prevailing arbitration law. The award rendered by the arbitrators shall be final, and judgment may be entered upon it in any Court having jurisdiction thereof.
- G. Should suit be brought to enforce or interpret any part of this agreement/contract, the "prevailing party" shall be entitled to recover, as an element of costs of suit and not as damages, reasonable attorneys' fees to be fixed by the Court. The "prevailing party" shall be entitled to recover its costs of suit, regardless of whether such suit proceeds to final judgment.

INSURANCE:

Western Pacific Roofing Corp. shall secure, pay the premium for and keep in force during our work under this Agreement, the following insurance: Workers Compensation per California statutory limits; General Liability including property damage and bodily injury.



SCOPE OF WORK:

1. Remove existing tile and stack on roof to reinstall.
2. Remove existing underlayment and dispose.
3. Inspect wood decking for damage. If damage is found, Western Pacific will replace damage at a time and material plus 20 percent cost.
4. Install one layer of Titanium FR self-adhered underlayment over wood decking and secure.
5. Install anti-ponding foam at eaves and secure with nails.
6. Install new 1x2 wood battens and secure with nails.
7. Reinstall tile and secure with nails.
8. Install new mortar at hip and ridge areas.
9. Reinstall trim tile and secure with nails.
10. Install three new curb mounted skylights and secure with screws.
11. Remove all roof related debris upon completion of work.

EXCLUSIONS:

Excludes permits and replacement of damaged plywood. Permits can be pulled at your request and billed at cost. Should damaged plywood be identified, a cost will be provided and agreed to prior to making any repairs.

CONTRACT PRICE:

The total cost for all labor, material, supervision, insurance, taxes, is:

Twenty Three Thousand Four Hundred Dollars

\$23,400.00

Price includes Prevailing Wage Rates

PAYMENT TERMS:

A 15% mobilization billing will be sent at project start. Progress billings will be sent monthly. The balance of the contract amount will be billed upon completion of work. Payments are to be made within 30 days of invoice date. No retention is to be held.

Palmdale Water District
May 5, 2026
Page 4

ESCALATION CLAUSE:

It is understood and agreed upon that should our material costs increase over the span of the completion for this project, our contract price will be increased to reflect the price increase. If this occurs we will submit documented price increases from our suppliers and a change order increase to the contract will be prepared and submitted verifying the price change. There shall be no additional markup for overhead or profit on the increased cost, except as otherwise indicated.

WARRANTY:

Furnish Western Pacific five year warranty.

NOTICE TO OWNER

Contractors are required by law to be licensed and regulated by the Contractor State License Board. Any questions concerning a contract may be referred to the Registrar, Contractor State License Board, P.O. Box 26000, Sacramento, California 95826 or call 1-800-321-CSLB or www.CSLB.CA.GOV for more information.

ACKNOWLEDGMENT: Owner acknowledges that he has read and received a legible copy of this agreement including all terms and standard provisions before any work is performed and that he has read and received a legible copy of every other document that Owner has signed during this negotiation. I/we hereby acknowledge under the penalty of perjury that I/we am/are the legal owners and am/are authorized to sign this contract as an agent of the legal owner.

ACCEPTANCE: The above prices, specifications and conditions are satisfactory and are hereby accepted. Western Pacific Roofing is authorized to do the work as specified. Payment terms are outlined above. Owner has the right to require contractor to have a performance and payment bond at owner's expense.

The price quoted has been structured to reflect standards we assume are mutually desired: quality installation, service reliability and long term performance. The price may be subject to change 15 days from the date of this proposal.

If you are in accordance with the conditions herein, please execute the agreement below, including the attached General Terms & Conditions, and return both copies to this office. We will, in turn, sign them and return one copy to you. Thank you for your cooperation in expediting this contract for your roofing needs.





WESTERN PACIFIC ROOFING CORP.
Contractor's License No. 235717

Proposal Reference: Palmdale Water District **Proposal Date:** May 5, 2026
Job Location: 4228 East Avenue T 8, Palmdale, CA 93552

Acceptance of the proposal referred to above will result in an agreement between Western Pacific Roofing Corp (WPRC) and the party listed on the proposal Palmdale Water District (Buyer) on the terms stated in the proposal and in the General Terms and Conditions stated herein. These General Terms and Conditions are hereby made a part of the attached proposal and are further to be considered a part of the proposal. In consideration of the performance of the agreement, including timely payments thereunder by Buyer, the parties agree as follows:

GENERAL TERMS & CONDITIONS

1. WPRC will comply with all applicable California Contractor's License Board regulations covering the work to be done.
2. WPRC will furnish sufficient labor and materials to complete construction in accordance with the specifications referred to in the contract, unless prevented from doing so by cause(s) beyond its control, such as untimely weather, etc.
3. The Buyer and/or Owner is responsible and liable for the weight load capacity of the roof components, including but not limited to, the deck or surface and supporting structures over which the roof is installed, whether attached or unattached, and assumes all consequences involving the structural integrity of the roof components on all contracts for roofing services. Buyer also warrants any and all tanks, steam systems, automatic sprinkler systems, motors, interior ceiling foil or plumbing attached will withstand the usual weight, heat or vibration caused by the workmen, materials or equipment used thereon by WPRC. Buyer agrees to indemnify, defend and hold WPRC harmless from any and all claims involving WPRC's work which are related to Buyer's obligation as set forth in this paragraph.
4. Our scope of work will/may require the lifting and resetting of roof-mounted heating, ventilating and air-conditioning equipment (HVAC) in the reroofing procedures. Due to the existing condition of some units, it is possible that once the equipment is reset and reconnected, it may no longer operate properly. It is understood the maintenance and repair of the equipment is the sole responsibility of the Buyer. The undersigned does hereby indemnify and hold harmless WPRC against any and all damage to the HVAC equipment, except in the case of the sole negligence of the Contractor.
5. This proposal and agreement is subject to acceptance by the Buyer within fifteen days of the date stated above. No carpentry, painting, masonry or any work other than that specified herein is contemplated in this proposal. No oral commitments for additional work, material or other items have been made by representatives of WPRC.
6. This proposal and agreement when signed by the Buyer and the authorized representative of WPRC shall become a contract under the laws of the state where the work is to be done and will thereby be a binding contract upon both WPRC and the Buyer. This proposal and contract shall be the entire agreement between the parties, notwithstanding any previous communications or negotiations, whether oral or written, and there being no covenants or agreements, inducements, guarantees, warranties or considerations, other than as set out herein. It is agreed that any changes in this proposal and contract must be approved in writing by WPRC at its office address shown in this document.

GENERAL CONDITIONS - *Continued*

7. Any additional or extra work ordered or requested by Buyer or extra trips caused by work not being ready to do at one time, shall constitute extra charges to the contact price.
8. Any payment due WPRC shall in no way be contingent upon the acceptance of work done by others over which WPRC has no control.
9. If Buyer fails to pay timely any moneys due hereunder, said Buyer shall be liable to WPRC for interest thereon at the rate of one and one-half percent per month from the date said moneys become due, until paid. In the event that any moneys due become due and payable under this agreement and are collected through probate, bankruptcy or other judicial proceedings by an attorney, or in the event it becomes necessary to employ an attorney to aid in the collection of any moneys due WPRC, then the Buyer agrees and promises to pay to or on behalf of WPRC the attorney's fees and litigation expenses incurred by WPRC in connection with the Buyer's failure to make payment when due.
10. The failure of the Buyer to make any payment to WPRC when due shall, in addition to all other rights, constitutes a material breach of contract and shall entitle WPRC to suspend all work and shipments until payment is made.
11. At the time WPRC completes its work the Buyer shall have the opportunity to inspect such work. If the Buyer believes such work is incomplete or unsatisfactory in some manner, the Buyer shall inform WPRC at that time. Otherwise, such work shall be deemed accepted. No formal or written acceptance need be issued by the Buyer to inspect the work within five days of completion and shall automatically constitute acceptance.
12. WPRC is not responsible for cracks to driveways or sidewalks due to access to the residence/building. Cracks or loose nails in sheetrock ceilings caused by normal roofing operations are not the responsibility of WPRC. Care will be taken to minimize this potential problem.
13. WARNING: Reroofing operations are at times noisy and may cause some unavoidable vibrations. You may want to check around your home/building to make sure any of your valuables which may possibly become dislodged from walls, shelves or ceilings are removed during this roofing operation.
14. Because ponding and standing of water are caused by factors such as inadequate drainage, deflection and insufficient slope which are beyond the control of the roofing contractor, WPRC will not be responsible for ponding or standing of water on the roof. If said Buyer listed above should require an additional estimate to help the possible problem, WPRC will furnish the costs upon the Buyer's request.
15. These general conditions may not be modified or changed except in writing, signed by an authorized officer of the WPRC.

Buyer's Signature: _____ Date: _____





WESTERN PACIFIC
Roofing Corporation

PERMIT REQUEST FORM
Complete All Highlighted Areas

Estimator: _____ Assessor Parcel Number: _____

Project or Building Name: _____

Project Address: _____

Project City: _____ Zip Code: _____

Major Cross Streets: _____

Project is located in the Incorporated part of what City? _____

Or project is located in Unincorporated part of what County? _____

Building Owner Name: _____

Building Owner Address: _____

Building Owner City: _____ Zip Code: _____

Contact Phone: _____

How many square feet: _____ Valuation: \$ _____ (Material & Labor only)

Are house & garage attached: Yes No.

Are We Roofing A Detached Garage? Yes No. Or check if there is no garage

How many stories: 1 2 3 Year Building Was Constructed: _____

Circle what type of building: Residential Commercial Apartment

Is existing roof system(s) being removed?: _____

How many layers of roof systems are on building?: _____

What is being removed: _____

What is being installed: _____

Owner or Authorized Agent:

If you would like Western Pacific to pull the required building permit on your behalf and be billed separately at our costs, in addition to the contract price, please authorize by signing where indicated.

Please pull permit on my behalf:

Approved by and title:

Date:



WESTERN PACIFIC
Roofing Corporation

Contractor Comparison Checklist

To Our Valued Customers:

Your roof is a major investment and you will rely on it to protect your property for many years to come. The qualities you expect from your roofing company include the best service, workmanship, safety, product reliability, experience and longevity. *Western Pacific Roofing has A Company History You Can Trust.* Your roof and your roof warranty is only as good as the company behind it. Will the company that installed your roof and issued your warranty *be here tomorrow? And most importantly, will they be here in 5, 10 or 15 years? According to the Census Bureau, 63.6% of construction startups FAIL within five years.* This "Checklist" will help you determine who is actually the "qualified contractor" for your project when also considering the cost.

	Western Pacific Roofing	Contractor A	Contractor B
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California State License Number	#235717		
C39-Roofing / B-General Construction RMO/Date	Johnny Lee Zamrzla 1994		
Year Company Founded/Incorporated	1949 / May 7, 1965		
Combined Yrs. Management Experience	300 + Years		
Combined Yrs. Production Experience	500 + Years		
Full-Time Employees	100 +		
General/Excess Liability Insurance	5 Million A+ Rated		
Workman's Compensation Insurance Experience Modification	Statutory Benefits A+ Rated 0.67 EMR		
Bonding Surety/Yrs With Same Company	40 Years		
Recent Major Bonded Project	2.1 Million		
Bonding Capacity	3.5 Million/6.5 Aggregate		
Payment & Performance Bond	Upon Request		
Established Banking Relationship	26 Years		

- Western Pacific Roofing recognized and awarded for excellence as a professional roofing contractor.
- Our company is family owned and operated.
- We own all our office buildings, warehouses and yard locations.
- All equipment and vehicles are owned (debt free) and operated by our own companies.
- Founding Member of RoofConnect, a national roofing service company that provides leak and maintenance services 24/7 from over 120 locations nationwide.
- Approved applicator of every major manufacturer of roofing and waterproofing products.
- Reputation for quality roofing service, expert workmanship and a proven safety record that is second to none.
- Serving the roofing industry for over 70 years with proven financial strength.
- Western Pacific continues to provide the very best in experienced roofing throughout California & Arizona.

**WESTERN PACIFIC ROOFING IS STILL
 THE BEST CHOICE FOR ALL YOUR ROOFING NEEDS.**

2229 East Avenue Q · Palmdale, CA 93550 · (661) 273-1336 · Fax (661) 273-8839 www.westpacroof.com ·
 Contractors License No. 235717 · E-mail: wprc@westpacroof.com



CSLB LICENSE #804868

To: Palmdale Water District **Telephone:** 661-236-2289 **Date:** 4/8/2026

Email address: lbrough@palmdalewater.org

Job Name: Well Site

Job Address: 4228 East Avenue T-8, Palmdale CA 93552

We agree to furnish all labor, material, and equipment, Compensation, Public Liability and Property Damage Insurance using the following specifications:

Complete Tile Roof Relay on Entire Structure

The following outlines the scope of work, materials, and service guarantee for the complete tile roof relay on the entire structure. All tasks will be performed in accordance with industry standards and manufacturer specifications.

Scope of Work

- All existing roof tiles will be removed from the entire roof area. Tiles will be set aside for reinstallation.
- A new ice and water shield self-adhered underlayment membrane will be installed over the entire roof area.
- Edge metal and bird stop flashing will be furnished and installed at the eaves.
- New wood battens will be furnished and installed throughout the roof area according to manufacturer specifications.
- Roof tiles will be re-installed across the entire roof area. New tiles will match the existing tiles as closely as possible. All installations will adhere to manufacturer specifications.
- All three existing skylights will be removed and replaced with new Kingspan skylights. The new skylights will match the originals as closely as possible.
- All pipe penetration flashings will be painted to match the roof color as closely as possible.
- The job site will be cleaned of all roof-related debris, and the debris will be hauled away.

Pricing and Payment

For the sum of \$27,000.00 payable upon completion. *(Price includes all prevailing wages- DIR #1000014706)*

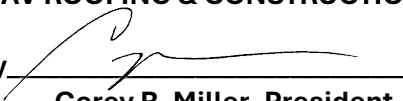
Service Guarantee

Upon completion of the project, a ten (10) year service guarantee will be issued.

Additional Information

All removal and replacement of deteriorated plywood decking, shiplap, and fascia boards are included in the price.

AV ROOFING & CONSTRUCTION, INC.

By 
Corey R. Miller, President

Notes: In keeping with industry standards

1. This guarantee does not cover damage to roof due to any cause beyond our control including, but not limited to fire, lightning, windstorm, falling onto roof, installation of antennas or other equipment, traffic on roof, structural fault, or settlement, cracking or other failure of the roof deck, walls, or foundation of the building on which this roof is applied.

2. Should it become necessary for the roofing contractor to remove and /or reinstall any antennas, cooling or heating appliances or other equipment, whether an additional charge is made for such work, customer understands that Antelope Valley Roofing and Construction Inc. does not assume any responsibility for the performance of said equipment.

3. Antelope Valley Roofing and Construction Inc. does not assume any responsibility for corrections of the existing code violations or for the repair of any existing defects unless specified in the estimate or proposal.

4. The proposal is subject to verification by the field survey installer prior to commencement of work.

When this agreement is signed by both parties involved, this agreement becomes a contract. If this contract is acceptable, the party responsible please sign both copies- keep one for your own records and return one copy to AV Roofing and Construction Inc. Cost of the court and reasonable attorneys' fee to be paid by administrator or owner signing contract if it becomes necessary to sue for payment. A monthly service charge of 1-1/2% (18 per cent per year) on delinquent accounts.

Accepted by: _____ **Date:** _____



CONTRACT SERVICES AGREEMENT

Palmdale Water District

ROOF REPAIR

I. Palmdale Water District

THIS CONTRACT SERVICES AGREEMENT (herein "Agreement") is made and entered into on the effective date set forth, by and between the PALMDALE WATER DISTRICT, a California public agency organized and existing under the provisions of the California Water Code ("District") and Western Pacific Roofing Corporation, a California Corporation (herein "Contractor"). District and Contractor are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, the District requires professional services for a roof repair; and

WHEREAS, the Contractor has demonstrated expertise in roof installation and repair as a full-service roof contractor and is qualified to provide the roof repair required by District; and

WHEREAS, the District and Contractor desire to enter into a contract for the provision of professional roof repair services for the new underlayment installation to the roof located at 4228 East Avenue T-8, Palmdale, CA, as delineated in the Scope of Services attached hereto as Exhibit A (collectively, the "Services"), subject to the terms and conditions of this Agreement.

II. Services of Contractor

A. SCOPE OF SERVICES

In compliance with all of the terms and conditions of this Agreement, the Contractor shall perform the work or services set forth in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by reference. Contractor warrants that it has the experience and ability to perform all work and services required hereunder and that it shall diligently perform such work and services in a professional and satisfactory manner.

B. COMPLIANCE WITH LAW

All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the District and any Federal, State or local governmental agency of competent jurisdiction.

C. CALIFORNIA LABOR LAW

If the Scope of Services includes any “public work” or “maintenance work,” as those terms are defined in California Labor Code section 1720 et seq. and California Code of Regulations, Title 8, Section 16000 et seq., and if the total compensation is \$1,000 or more, Contractor shall pay prevailing wages for such work and comply with the requirements in California Labor Code section 1770 et seq. and 1810 et seq., and all other applicable laws.

D. LICENSES, PERMITS, FEES AND ASSESSMENTS

Contractor shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the services required by the Agreement.

E. SPECIAL REQUIREMENTS

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the “Special Requirements” attached hereto as Exhibit “B” and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit “B” and any other provisions of this Agreement, the provisions of Exhibit “B” shall govern.

III. Compensation

F. CONTRACT SUM

For the services rendered pursuant to this Agreement, Contractor shall be compensated in accordance with the “Schedule of Compensation” attached hereto as Exhibit “C” and incorporated herein by this reference, but not exceeding the maximum contract amount of Twenty-Six Thousand Dollars (\$26,000) (“Contract Sum”).

G. INVOICES

Each month Contractor shall furnish to the District an original invoice for all work performed and expenses incurred during the preceding month in a form approved by the District’s Director of Finance. By submitting an invoice for payment under this Agreement, Contractor is certifying compliance with all provisions of the Agreement. The invoice shall contain all information specified in Exhibit “C”, and shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Contractor shall not invoice the District for any duplicate services performed by more than one person.

District shall independently review each invoice submitted by the Contractor to determine whether the work performed, and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Contractor which are disputed by the District, District will use its best efforts to cause Contractor to be paid within forty-five (45) calendar days of receipt of Contractor’s correct and undisputed invoice; however, Contractor acknowledges and agrees that due to the District’s warrant run procedures, the District cannot guarantee that payment will occur within this time period. In the

event any charges or expenses are disputed by the District, the original invoice shall be returned by District to Contractor for correction and resubmission. Review and payment by the District of any invoice provided by the Contractor shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

H. ADDITIONAL SERVICES

District shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Contract Sum for the actual cost of the extra work, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of up to ten percent (10%) of the Contract Sum but not exceeding a total contract amount of Five Thousand Dollars (\$5,000) or in the time to perform of up to ninety (90) calendar days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the Board of Directors. No claim for an increase in the Contract Sum or time for performance shall be valid unless the procedures established in this Section are followed.

IV. Performance Schedule

Time is of the essence in the performance of this Agreement.

I. SCHEDULE OF PERFORMANCE

Contractor shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Contractor, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding thirty (30) calendar days cumulatively.

J. FORCE MAJEURE

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the District, if the Contractor shall within ten (10) calendar days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Contractor be entitled to recover damages against the District for any delay in the performance of this Agreement, however caused, Contractor's sole remedy being extension of the Agreement pursuant to this Section.

K. TERM

Unless earlier terminated in accordance with section Enforcement of Agreement and Termination of this Agreement, shall continue in full force and effect until completion of the services but not exceeding August 30, 2026 from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D").

V. Coordination of Work

L. REPRESENTATIVE OF CONTRACTOR

Johnny Lee Zamrzla, President, is hereby designated as being the representative of Contractor authorized to act on its behalf with respect to the work and services specified herein and make all decisions in connection therewith. All personnel of Contractor and any authorized agents shall be under the exclusive direction of the representative of Contractor. Contractor shall utilize only competent personnel to perform services pursuant to this Agreement. Contractor shall make every reasonable effort to maintain the stability and continuity of Contractor's staff and subcontractors, and shall keep the District informed of any changes.

M. CONTRACT OFFICER

Wendell Wall, Facilities Manager [or such person as may be designated by the General Manager] is hereby designated as being the representative the District authorized to act in its behalf with respect to the work and services specified herein and to make all decisions in connection therewith ("Contract Officer").

N. PROHIBITION AGAINST SUBCONTRACTING OR ASSIGNMENT

Contractor shall not contract with any entity to perform in whole or in part the work or services required hereunder without the express written approval of the District. Neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of District. Any such prohibited assignment or transfer shall be void.

O. INDEPENDENT CONTRACTOR

Neither the District nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth. Contractor shall perform all services required herein as an independent contractor of the District with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of the District, or that it is a member of a joint enterprise with the District.

VI. Insurance and Indemnification

Without limiting Contractor's indemnification of District, and prior to commencement of any services under this Agreement, Contractor shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to District.

P. GENERAL LIABILITY INSURANCE

Contractor shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Q. AUTOMOBILE LIABILITY INSURANCE

Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Contractor arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

R. WORKERS' COMPENSATION INSURANCE

Contractor shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

S. SUBCONTRACTORS

Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

T. ADDITIONAL INSURANCE

Policies of such other insurance, as may be required in the Special Requirements in Exhibit "B".

U. PROOF OF INSURANCE

Contractor shall provide certificates of insurance to the District as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by the District's General Manager prior to commencement of performance. Current certification of insurance shall be kept on file with District at all times during the term of this Agreement. District reserves the right to require complete, certified copies of all required insurance policies, at any time.

V. DURATION OF COVERAGE

Contractor shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Contractor, its agents, representatives, employees or subcontractors.

W. PRIMARY/NONCONTRIBUTING

Coverage provided by Contractor shall be primary and any insurance or self-insurance procured or maintained by District shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the District before the District's own insurance or self-insurance shall be called upon to protect it as a named insured.

X. DISTRICT'S RIGHTS OF ENFORCEMENT

In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, the District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by the District will be promptly reimbursed by Contractor or District will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, the District may cancel this Agreement.

Y. ACCEPTABLE INSURERS

All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or that is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the General Manager.

Z. WAIVER OF SUBROGATION

All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against District, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against the District, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

AA. ENFORCEMENT OF CONTRACT PROVISIONS (NON-ESTOPPEL)

Contractor acknowledges and agrees that any actual or alleged failure on the part of the District to inform Contractor of non-compliance with any requirement imposes no additional obligations on the District nor does it waive any rights hereunder.

BB. REQUIREMENTS NOT LIMITING

Requirements of specific coverage features or limits contained in this section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Contractor maintains higher limits than the minimums shown above, the District requires and shall be entitled to coverage for the higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the District.

CC. NOTICE OF CANCELLATION

Contractor agrees to oblige its insurance agent or broker and insurers to provide to the District with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

DD. ADDITIONAL INSURED STATUS

General liability policies shall provide or be endorsed to provide that District and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

EE. PROHIBITION OF UNDISCLOSED COVERAGE LIMITATIONS

None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to the District and approved of in writing.

FF. SEPARATION OF INSUREDS

A severability of interests provision must apply for all additional insureds ensuring that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

GG. PASS THROUGH CLAUSE

Contractor agrees to ensure that its subcontractors, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Contractor, provide the same minimum insurance coverage and endorsements required of Contractor. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contractor agrees that upon request, all agreements with Contractors, subcontractors, and others engaged in the project will be submitted to the District for review.

HH. AGENCY'S RIGHT TO REVISE SPECIFICATIONS

The District reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Contractor ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Contractor, the District and Contractor may renegotiate Contractor's compensation.

II. SELF-INSURED RETENTIONS

Any self-insured retentions must be declared to and approved by the District. District reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the District.

JJ. TIMELY NOTICE OF CLAIMS

Contractor shall give the District prompt and timely notice of claims made or suits instituted that arise out of or result from Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

KK. ADDITIONAL INSURANCE

Contractor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

LL. INDEMNIFICATION

To the full extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the District, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Contractor, its officers, employees, agents, subcontractors, invitees, or any individual or entity for which Contractor is legally liable ("indemnitors"), or arising from Contractor's or indemnitors' reckless or willful misconduct, or arising from Contractor's or indemnitors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, except claims or liabilities occurring as a result of District's sole negligence or willful acts or omissions. The indemnity obligation shall be binding on successors and assigns of Contractor and shall survive termination of this Agreement.

VII. Records, Reports, and Release of Information

MM. RECORDS

Contractor shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to District and services performed hereunder (the "books and records"), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services and shall keep such records for a period of three years following completion of the services hereunder. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of the District, including the right to inspect, copy, audit and make records and transcripts from such records.

NN. REPORTS

Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement or as the Contract Officer shall require.

OO. CONFIDENTIALITY AND RELEASE OF INFORMATION

(a) All information gained or work product produced by Contractor in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Contractor. Contractor shall not release or disclose any such information or work product to persons or entities other than the District without prior written authorization from the Contract Officer.

(b) Contractor shall not, without prior written authorization from the Contract Officer or unless requested by the General Counsel, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided Contractor gives the District notice of such court order or subpoena.

(c) If Contractor provides any information or work product in violation of this Agreement, then the District shall have the right to reimbursement and indemnity from Contractor for any damages, costs and fees, including attorney’s fees, caused by or incurred as a result of Contractor’s conduct.

(d) Contractor shall promptly notify the District should Contractor be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. The District retains the right, but has no obligation, to represent Contractor or be present at any deposition, hearing or similar proceeding. Contractor agrees to cooperate fully with the District and to provide the District with the opportunity to review any response to discovery requests provided by Contractor.

PP. OWNERSHIP OF DOCUMENTS

All studies, surveys, data, notes, computer files, reports, records, drawings, specifications, maps, designs, photographs, documents and other materials (the “documents and materials”) prepared by Contractor in the performance of this Agreement shall be the property of the District and shall be delivered to the District upon request of the Contract Officer or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by the District of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Moreover, Contractor with respect to any documents and materials that may qualify as “works made for hire” as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed “works made for hire” for the District.

VIII. Enforcement of Agreement and Termination

QQ. CALIFORNIA LAW

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or

matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

RR. DISPUTES; DEFAULT

In the event that Contractor is in default under the terms of this Agreement, the District shall not have any obligation or duty to continue compensating Contractor for any work performed after the date of default. Instead, the District may give notice to Contractor of the default and the reasons for the default. The notice shall include the timeframe in which Contractor may cure the default. This timeframe is presumptively thirty (30) calendar days, but may be extended, if circumstances warrant. During the period of time that Contractor is in default, the District shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. If Contractor does not cure the default, the District may take necessary steps to terminate this Agreement under this Article.

SS. LEGAL ACTION

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Contractor shall file a statutory claim pursuant to Government Code Sections 905 et. seq. and 910 et. seq., in order to pursue any legal action under this Agreement.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

TT. TERMINATION PRIOR TO EXPIRATION OF TERM

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The District reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) calendar days' written notice to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Contractor reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) calendar days' written notice to District, except that where termination is due to the fault of the District, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder, but not exceeding the compensation provided therefore in the Schedule of Compensation Exhibit "C". In the event of termination without cause pursuant to this Section, the terminating

party need not provide the non-terminating party with the opportunity to cure pursuant to subsection DISPUTES; DEFAULTS of the Enforcement of Agreement and Termination section.

UU. TERMINATION FOR DEFAULT OF CONTRACTOR

If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, District may, after compliance with the provisions of subsection DISPUTES; DEFAULTS of the Enforcement of Agreement and Termination section, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the District shall use reasonable efforts to mitigate such damages), and District may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the District as previously stated.

IX. Miscellaneous

VV. COVENANT AGAINST DISCRIMINATION

Contractor covenants that, by and for itself, its heirs, executors, assigns and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry, or other protected class in the performance of this Agreement. Contractor shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry, or other protected class.

WW. NON-LIABILITY OF DISTRICT OFFICERS AND EMPLOYEES

No officer or employee of the District shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the District or for any amount, which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

XX. NOTICE

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the District, to the General Manager and to the attention of the Contract Officer (with her/his name and District title), Palmdale Water District, 2029 E. Ave Q, Palmdale, CA 93550 and in the case of the Contractor, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

YY. INTEGRATION; AMENDMENT

It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

ZZ. SEVERABILITY

In the event that part of this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

AAA. WAIVER

No delay or omission in the exercise of any right or remedy by non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

BBB. ATTORNEYS' FEES

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which any be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees, whether or not the matter proceeds to judgment.

CCC. INTERPRETATION

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

DDD. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

EEE. WARRANTY & REPRESENTATION OF NON-COLLUSION

No official, officer, or employee of the District has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of District participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The

determination of “financial interest” shall be consistent with State law and shall not include interests found to be “remote” or “noninterests” pursuant to Government Code Sections 1091 or 1091.5. Contractor warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any District official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Contractor further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any District official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Contractor is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

FFF. CORPORATE AUTHORITY

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

By signing this agreement, I acknowledge and am aware of the provisions of Labor Code §3700 requiring every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the Work of this contract.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year entered by the District ("Effective Date").

CONTRACTOR: Western Pacific Roofing Corp, a California corporation

DISTRICT: Palmdale Water District, a California public agency

SIGNATURE

Johnny Lee Zamrzla

FULL NAME

DATE SIGNED

President

TITLE

SIGNATURE

Debra Hall

FULL NAME

DATE SIGNED

Controller

TITLE

SIGNATURE

Scott L. Rogers

FULL NAME

DATE SIGNED

Assistant General Manager

TITLE

Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer.

NOTE: Contractor shall furnish, to the satisfaction of Owner's Attorney, verification that the persons signing this Agreement as Contractor or on behalf of the Contractor have authority and legal authorization to bind the Contractor.

Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint is filed within three years of the

date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

Exhibits List

A - Scope_of_Services

B - Special_Requirements

C - Schedule_of_Compensation

D - Schedule_of_Performance

Exhibit A

Scope_of_Services

SCOPE OF SERVICES

I. Contractor shall perform all roof repair services timely to the booster pump station located at 4228 East Avenue T-8, Palmdale, CA in accordance with the following:

Background:

T8 is a booster pump station with three pumps that supply water to the distribution system. The District has performed temporary patchwork on the deteriorating roofing over time. The roofing now requires permanent repairs or replacement of the failing materials.

TASK	DESCRIPTION
Service A	Remove existing tile and stack on roof to reinstall.
Service B	Remove existing underlayment and dispose.
Service C	Remove existing 2x4 at eaves and dispose
Service D	Inspect wood decking for damage. If damage is found, Contractor will replace damage at a time and material plus twenty percent (20%) cost.
Service E	Install one (1) layer of Titanium FR self-adhered underlayment over wood decking and secure.
Service F	Install new edge metal and bird stop at eaves and secure with nails
Service G	Install new 1x2 wood battens and secure with nails.
Service H	Reinstall tile and secure with nails.
Service I	Install new mortar at hip and ridge areas.
Service J	Reinstall trim tiles and secure with nails.
Service K	Install three (3) new curb-mounted skylights and secure with screws.
Service L	Remove and dispose of all roof-related debris upon completion of work.

EXCLUSIONS:

Excludes permits and replacement of damaged plywood. Permits can be pulled at the District's request and billed at cost. Should damaged plywood be identified, a cost will be provided and agreed to prior to making any repairs.

WARRANTY: Five (5) year warranty.

SCOPE OF SERVICES

II. In addition to the requirements of subsection REPORTS of the Records, Reports, and Release of Information section, during performance of the Services, Contractor will keep the District appraised of the status of performance by delivering the following reports:

III. All work product is subject to review and acceptance by the District, and must be revised by the Contractor without additional charge to the District until found satisfactory and accepted by District.

Exhibit B
Special_Requirements

SPECIAL REQUIREMENTS

(Superseding Contract Boilerplate)

Intentionally Left Blank

Exhibit C

Schedule_of_Compensation

SCHEDULE OF COMPENSATION

I. Contractor shall perform the Services listed in Exhibit A, for a total cost for all labor, material, supervision, insurance, and taxes for Twenty-Three Thousand Four Hundred Dollars (\$23,400). Total cost includes prevailing wage rates.

- A Fifteen percent (15%) mobilization billing will be sent at project start. Progress billings will be sent monthly. The balance of the contract amount will be billed upon completion of work.
- **EXCLUSIONS:**
The total cost excludes permits and replacement of damaged plywood. Permits can be pulled at the District's request and billed at cost. Should damaged plywood be identified, a cost will be provided and agreed to prior to making any repairs.

II. Within the budgeted amounts for each Service, and with the approval of the Contract Officer, funds may be shifted from one Service subbudget to another so long as the Contract Sum is not exceeded per subsection CONTRACT SUM of the Compensation section, unless Additional Services are approved per subsection ADDITIONAL SERVICES of the Compensation section.

III. The District will compensate the Contractor for the Services performed upon submission of a valid invoice. Each invoice is to include:

- A. Line items for all work performed, and properly agreed to charges to the Services.
- B. Line items for all approved subcontractor labor, supplies, equipment, materials, and properly charged to the Services.
- C. Invoice number and due date
- D. Site location where work was performed

IV. The total compensation for the Services shall not exceed the Contract Sum as provided in subsection CONTRACT SUM of the Compensation section of this Agreement.

Exhibit D

Schedule_of_Performance

SCHEDULE OF PERFORMANCE

I. Contractor shall perform all services within five (5) to ten (10) working days.

II. The Contract Officer may approve extensions for performance of the services in accordance with subsection SCHEDULE OF PERFORMANCE of the Performance Schedule section.



BOARD MEMORANDUM

DATE: May 26, 2026
TO: BOARD OF DIRECTORS
FROM: Human Resources Director Garcia
VIA: General Manager LaMoreaux
RE: *CONSIDERATION AND POSSIBLE ACTION TO APPROVE AND AUTHORIZE THE GENERAL MANAGER, OR HIS DESIGNEE, TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH OPERATIONAL TECHNICAL SERVICES, LLC (OTS) FOR RECRUITMENT SERVICES, SUBJECT TO APPROVAL BY GENERAL COUNSEL, AND TO AUTHORIZE RELATED BUDGET ADJUSTMENTS. (\$100,000.00 – NOT-TO-EXCEED – NON-BUDGETED – HUMAN RESOURCES DIRECTOR GARCIA)*

Recommendation:

Staff recommends that the Board approve and authorize the General Manager, or his designee, to execute a contract with Operational Technical Services, LLC (OTS) for recruitment services, subject to approval by General Counsel.

Alternative Options:

Alternative options include not approving the contract and continuing recruitment efforts using existing internal resources; delaying action to allow staff to return with additional proposals or a revised procurement approach; or seeking services from another recruitment firm at a later date. These alternatives may result in delays in filling critical vacancies and could impact continuity of operations.

Impact of Taking No Action:

If no action is taken, the District may experience delays in recruiting and filling positions, particularly for specialized or hard-to-fill roles or when urgent staffing needs arise. Prolonged vacancies could negatively impact operational efficiency, increase the workload on existing staff, and reduce the District's ability to maintain service levels and respond effectively to workforce needs.

Background:

OTS is a staffing and recruiting firm specializing in utility, public works, engineering, and other technical positions, with experience providing direct-hire, temporary, and specialty recruitment support. The District has previously utilized OTS for temporary assignments and is seeking to establish a contract for future recruitment needs as they arise.

Strategic Plan Initiative/Mission Statement:

This item is under Strategic Initiative No. 2-Organizational Excellence and directly relates to the District's Mission statement.

Budget:

The proposed contract amount shall not exceed \$100,000. This item is not included in the adopted budget; however, associated costs are anticipated to be offset by the department utilizing the services, as well as by salary savings resulting from vacant positions within that department.

Supporting Documents:

- Drafted Professional Services Agreement with Operational Technical Services, LLC



Operational Technical Services, LLC
Professional Services Agreement

This Professional Services Agreement (“Agreement”) is entered into on this 12th day of May 2026, (the “Effective Date”), by and between Operational Technical Services, LLC also known as OTS, a California limited liability company OTS with offices at 10250 Constellation Blvd, Ste 2300 Los Angeles, CA 90067, and Palmdale Water District (“Client”) with offices located at 2029 East Avenue, Palmdale, CA 93550, United States.

RECITALS

WHEREAS OTS is in the business of providing specialty technical staffing services to accommodate public and private utilities with Temporary, Temporary-to-Hire, and Emergency on-Call Water and Wastewater Professionals who are experienced in wastewater treatment, water treatment, collections, water distribution, maintenance, regulatory compliance, and laboratory compliance.

WHEREAS Client desires to retain OTS to utilize the specialty technical staffing services provided by OTS and Temporary Employees, as defined below.

NOW, THEREFORE, in consideration of the parties’ mutual covenants, conditions and promises contained herein, the parties hereto agree as follows:

1. DESCRIPTION OF SERVICES

- 1.1. OTS agrees to provide Client with specialty technical staffing services as may be assigned from time to time, in writing by the Client. Personnel provided by OTS shall be referenced in this Agreement in the singular as “Temporary Employee” or in the plural as “Temporary Employees.” Each such assignment shall be made in the form of a written Task Order. Each such Task Order shall include, but not be limited to, a description of the nature and scope of services to be performed by OTS Temporary Employee, the services fee schedule, the location of Premises where services will be performed, the name and title of direct supervisor provided by Client responsible for supervising the OTS Temporary Employee, and the expected duration of the services.
- 1.2. Unless otherwise agreed, all services performed by a Temporary Employee shall be performed at Client’s business Premises, as set forth in a future Task Order. Client will not change the scope of services in the Task Order without prior written approval of OTS. Client will not reassign or relocate a Temporary Employee without prior approval of OTS. Client agrees to assume all liability for any third-party claim arising after any reassignment, change in Task Order or relocation of any Temporary Employee without OTS’s prior written approval.
- 1.3. OTS agrees to provide Client with any other services provided by OTS and OTS affiliates through Task Orders to facilitate all duties needed to aid operations for Client’s facilities and equipment (including all maintenance, engineering, construction, housing, and training).



2. COMPENSATION

- 2.1. In consideration for the services to be performed by OTS, Client agrees to pay OTS as provided for in each Task Order. Each Task Order shall specify a Fee Schedule for the hourly rate of OTS services performed by Temporary Employee, which is set forth on an exhibit to be attached to each Task Order issued to Client. The hourly rate shall be based upon, but be not limited to, the nature of work to be performed, the risk level of such work, the technical skill level required of Temporary Employee, the level of responsibility of such work, and the duration of the Task Order.
- 2.2. OTS shall not be compensated for any services rendered nor reimbursed for any expenses incurred in excess of those authorized in any Task Order unless approved in advance by Client in writing.
- 2.3. Total compensation under this agreement shall not exceed the sum of \$100,000.00. This amount may be amended by mutual agreement of the parties in writing.

3. TERM AND TERMINATION

- 3.1. This Agreement shall commence as of the date set forth above and shall continue in full force and effect for two (2) years following the Effective Date (the “Initial Term”) unless earlier terminated as provided herein.
- 3.2. Either party may terminate this Agreement at any time for any reason or no reason, by giving thirty (30) days’ notice in writing to the other party.
- 3.3. In the event that this Agreement is terminated prior to conclusion of the Initial Term, all fees, costs and reimbursements owed, due, accrued, or earned as provided in this Agreement remain owed, due, accrued, or earned and shall be paid within ten days after termination. Further, all provisions in the Agreement regarding Proprietary Software, Non-Solicitation, Confidentiality, Work Product and Indemnification shall continue in full force and effect through the period of the Initial Term.
- 3.4. In the event of a declared Federal or State emergency, where the OTS Temporary Employee on assignment with Client is determined to possess skills critical to the response to said disaster response, either natural or manmade, OTS reserves the right to remove Temporary Employee from Client site to redeploy to the emergency scenario.

4. PREQUALIFICATION OF TEMPORARY EMPLOYEES

- 4.1. OTS shall complete the following verifications for all Temporary Employees: I-9 verification; Confirmation of specified professional certifications; Confirmation of professional references
- 4.2. OTS may also complete any other screening as it deems necessary to determine the qualifications and suitability of the Temporary Employees. Professional reference checks for Temporary Employees shall be based solely upon application information provided by the Temporary Employees. OTS shall be entitled to rely upon any and all information received from Temporary

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Employees and their references with respect to such Temporary Employees.

- 4.3. OTS shall arrange for third party verifications which will include a criminal background check from all counties, states, and federal territories where the applicant has lived in the past 7 years. These third-party verifications also search all names the applicant has identified to OTS as having been used in the past. OTS will also request and review a driving record in the states where the applicant has indicated a license has been issued for the 7 years prior to application. Each potential Temporary Employee must submit to a full 10 panel drug test which includes Amphetamines, Cocaine, Marijuana, Opiate, Phencyclidine PCP, Barbiturates, Benzodiazepine, Methadone, Propoxyphene, and Methaqualone. OTS may revise its verification and testing procedures as it determines appropriate.
- 4.4. Except as specifically provided herein or mutually agreed upon between Client and OTS, OTS shall not provide or conduct any other background, reference or qualification checks or testing.

5. COMPENSATION OF TEMPORARY EMPLOYEES

- 5.1. OTS shall be responsible for the compensation of its Temporary Employees, including payment of wages, applicable federal, state, and local taxes, and the payment of any required insurance (FUTA, SDI, Unemployment Insurance). OTS shall be solely responsible for any insurance premium payments for Workers' Compensation, disability, or other insurance, which is imposed upon OTS and required as a consequence of OTS's employment of Temporary Employees under this Agreement. OTS agrees to hold Client harmless from all applicable federal, state, and local taxes relating to income tax withholding, unemployment taxes, FUTA, SDI, and state unemployment insurance imposed upon OTS for wages paid by OTS to Temporary Employees.

6. SUPERVISION OF TEMPORARY EMPLOYEES

- 6.1. Client agrees to provide direct supervision and training to Temporary Employees at all such times that the Temporary Employees are at Client's business Premises. Client further agrees that Temporary Employees shall not be permitted, without express advance written approval by an officer of OTS, while on Client's business Premises or providing services to Client, to (a) engage in travel or otherwise operate a motor vehicle or any motorized equipment on behalf of Client, (b) handle cash or negotiable instruments, (c) be permitted unsupervised or uncontrolled access to confidential or proprietary information, (d) be permitted unsupervised access to or control of the Client's Premises, (e) remove any property of Client from Client's business Premises, (f) consume any alcohol, or (g) consume drugs, unless advance written authorization is provided by a physician, while the Temporary Employees are on assignment to Client.
- 6.2. In the event written approval is granted by OTS for item (a) the operation of a Client motor vehicle or motorized equipment in support of the execution of the scope of services, Client shall provide copies of current motor vehicle or motorized equipment maintenance logs, registration, and proof of insurance for any motor vehicle or motorized equipment that Temporary Employee is charged with operating in the execution of the scope of the services. Client shall provide written authority to Temporary Employee certifying that Temporary Employee is authorized by Client to operate any motor vehicle or motorized equipment for the duration of the assignment.

- 6.3. Client shall not pay Temporary Employees other than through its payments to OTS under this

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Agreement or advance any funds to them.

7. WORK ENVIRONMENT FOR TEMPORARY EMPLOYEES; EQUAL OPPORTUNITY

- 7.1. Client agrees to comply with all applicable laws and ordinances relating to work site health and safety, and agrees to provide Temporary Employees a safe and healthful workplace, notices and training required by the Hazardous Communications Standard established by the Occupational Safety and Health Administration (“OSHA”), Title VII of the Civil Rights Act of 1964, and any other law applicable to employees. Client agrees that it shall always have in place during the term of this Agreement an ongoing safety program in compliance with all applicable state and federal laws. If Client has operations in states with Heat Illness Prevention Standards, Client must comply with such laws and regulations.
- 7.2. Client agrees to indemnify, defend and hold harmless OTS for claims, damages or penalties arising out of violations of the Occupational Safety and Health Act of 1970, or any similar state law and any and all regulations, rules or orders adopted thereunder with respect to workplaces owned, leased or supervised by Client, and/or to which OTS employees are assigned.
- 7.3. In the event of an accident, medical treatment, serious illness or injury, or death involving a OTS employee assigned to Client, Client shall notify OTS immediately. For any serious injury, illness or death, of a OTS employee occurring in a place of employment or in connection with a Temporary Employee, Client shall report immediately, by telephone or fax, to the nearest OSHA office and shall make the report on behalf of both OTS and Client. Client shall provide to OSHA all information required by applicable law, as well as OTS’s name, address, phone number and contact person, and the OTS employee’s name. Client shall notify OTS concurrently with or, if that is not possible, immediately after the report has been made.
- 7.4. OTS is an equal opportunity employer and actively supports federal, state and local laws prohibiting discrimination in employment practices because of race, color, religion, sex, age, handicap, marital status, Vietnam Era and/or special disabled veteran status, national origin, sexual orientation, or any other classification protected by law, and OTS further complies with any and all other federal, state and local employment laws and regulations (including those pertaining to family and medical leave and other fair employment practices), including but not limited to the Equal Opportunity Clause in 41 C.F.R. Section 60-1.4 (all of the foregoing being collectively referred to as the “Employment Obligations”). Client hereby agrees to comply with all of the Employment Obligations.

8. TERMINATION OF TEMPORARY EMPLOYEE JOB ASSIGNMENT OR REASSIGNMENT OF TEMPORARY EMPLOYEE BY OTS

- 8.1. Client acknowledges that OTS has the sole and exclusive right to terminate the assignment of any Temporary Employee, or to reassign any Temporary Employee to other positions including positions with other clients of OTS. Client may notify OTS at any time of Client’s request that any Temporary Employee with whom Client is not satisfied be removed from a particular assignment or from performing services at Client altogether.

9. OTS AS INDEPENDENT CONTRACTOR

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- 9.1. OTS shall be considered for all purposes to be an independent contractor of Client and nothing in this Agreement shall be construed to create a partnership, employment relationship, joint venture, or enterprise between OTS, and Temporary Employees, and Client.

10. COMPLIANCE WITH LAW

- 10.1. Client agrees to comply with all applicable local, state, and federal laws, rules, regulations, and orders. Without limiting the foregoing, Client will comply with all applicable laws, federal and state, pertaining to labor and employment, including but not limited to Title VII of the 1964 Civil Rights Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Fair Labor Standards Act, the Immigration Reform and Control Act, all applicable Civil Rights laws, Wage and Hour laws, and any other labor law or regulation where the Client does business, including, but not limited to all laws governing acts of sexual harassment, retaliation, or discrimination in the workplace. OTS shall incur no liability with regard to any alleged violation of laws by Client.

11. UNAUTHORIZED CONVERSION OF TEMPORARY EMPLOYEE BY CLIENT; NON-SOLICITATION

- 11.1. Client understands that Temporary Employees are assigned to Client to render temporary services, and absent agreement to the contrary, are not assigned to become employees of Client. Client acknowledges that considerable expense is incurred by OTS to advertise, recruit, evaluate, train, screen, and provide appropriate quality controls relative to Temporary Employees.
- 11.2. Accordingly, Client will not, without the prior written consent of OTS, which may be granted or withheld in OTS's sole discretion, solicit a Temporary Employee for employment other than through OTS, interfere with the employment relationship between OTS and Temporary Employees, or directly or indirectly cause a Temporary Employee to transfer to another temporary staffing service.
- 11.3. If Client, either directly or indirectly, including through any company or entity within Client's control or a company affiliated with Client, hires a Temporary Employee of OTS as an employee, consultant, independent contractor of Client, or utilizes the Temporary Employee's services through another temporary or outsourcing service during such Temporary Employee's employment by OTS or an affiliate of OTS, or within twelve (12) months after termination of this person's temporary assignment by OTS at Client, Client agrees to pay OTS a direct hire fee stipulated by the parties to be set forth in an Exhibit A Fee Schedule which is attached to the end of this agreement or, in the case of a direct placement of a full-time hire, a fee equal to twenty-five percent (25%) of the employee's annualized wage or salary.

12. PRICING, INVOICING AND PAYMENT

- 12.1. OTS shall invoice Client weekly following the Client approval of Temporary Employee's approved hours and charges of work completed and agreed upon other direct charges. Client agrees to pay such invoices net thirty (30) days of receipt of invoice. Any invoice that is not paid in full within thirty (30) days after the invoice due date will bear default interest of the lesser of one and one-half percent (1.5%) per month or the highest amount allowed by law. Client shall pay any such default charges and any costs incurred by OTS in collecting its fees and costs.

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- 12.2. Rates and fees under this Agreement may be increased upon written notice to include any increase or addition of any government-imposed taxes, fees or costs, including costs incurred in complying with applicable laws, rules and regulations, imposed after the Effective Date.
- 12.3. In addition to the payment provisions set forth in the applicable Task Order, OTS shall be entitled to reimbursement from Client for Other Direct Costs (ODCs) which may include meal per diem's, hotel, automobile rental, gas, and airfare by Temporary Employees whose residence is more than forty (40) miles from Client Business Premises.

13. PROPRIETARY SOFTWARE

- 13.1. To satisfy Client's Temporary Employee requirements, data and invoices may be generated using OTS's proprietary or licensed software to which Client and Temporary Employees may have access. Client agrees that OTS software, including its data formats and any other related information pertaining to the software and its functions, shall remain the exclusive property of OTS or licensor, and shall not be duplicated, copied or disclosed, or utilized for any other purpose.

14. INSURANCE

- 14.1. OTS shall provide all pertinent and necessary insurance at its own cost and expense, which shall include:
- 14.1.1. Workers' Compensation insurance as prescribed by the law of the state(s) in which the work is performed.
 - 14.1.2. Employer's Liability insurance with limits of at least \$1,000,000 for each occurrence, \$1,000,000 Disease – Policy limit, and \$1,000,000 Disease - Each employee; and
 - 14.1.3. Commercial General Liability insurance with total limits of at least \$1,000,000 Per Occurrence / \$2,000,000 Aggregate.
 - 14.1.4. Contractors Pollution Liability with at least \$5,000,000 Per Occurrence
 - 14.1.5. Excess Liability insurance with at least \$4,000,000 Per Occurrence / \$4,000,000 Aggregate. This policy is written as follow form basis.
 - 14.1.6. Commercial Auto Policy - Hired Auto Only and Non-Owned Autos with combined single limit each accident \$1,000,000.00
 - 14.1.7. Employment Practice Liability Insurance with limits of \$5,000,000 per occurrence.
- 14.2. Client shall agree to list OTS under their General Liability Policy as a named insured prior to any Temporary Employee working at a Client site.

15. CONFIDENTIALITY

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- 15.1. During the performance of this Agreement, it may be necessary for the parties to provide confidential or proprietary information to one another. The parties agree that such information will be held in strict confidence by the receiving party and will not be disclosed by the receiving party to any third party or used by the receiving party for its own purposes, except to the extent that such disclosure or use is necessary in the performance by the receiving party of its obligations under this Agreement. No information shall be subject to protection of this section if such information is:
- 15.1.1. or becomes publicly available other than through a breach of this Agreement by the party seeking to disclose the information.
 - 15.1.2. proven to be already known to or rightfully in the possession of a party or its personnel at the time of disclosure.
 - 15.1.3. or becomes known or developed by the receiving party independently of the confidential and/or proprietary information of the other party; or
 - 15.1.4. released in response to a subpoena, court order or other legal process, including pursuant to the California Public Records Act, provided that the party receiving the subpoena or subject to court order or other legal process shall notify the other party and provide such party with an opportunity to seek a protective order preventing disclosure of such information, and in any event, the party subject to such subpoena, court order or other legal process shall disclose only such information as is necessary to comply therewith.
- 15.2. Neither party shall be liable, however, for inadvertent or accidental disclosure of such information if such disclosure occurs despite the exercise of the same degree of care as such party normally takes to preserve and safeguard its own proprietary information. The receiving party upon the request of the disclosing party will return all writings or documents that contain information subject to the protections of this subsection.

16. WORK PRODUCT

- 16.1. OTS agrees that all inventions, innovations or improvements, including copyright in any product, software, reports, surveys, marketing, promotional and collateral material prepared by the Temporary Employee assigned to the Client pursuant to the terms of this Agreement shall be the exclusive property of the Client. OTS acknowledges and agrees that the work product shall be considered a work made for hire within the meaning of the patent and copyright laws of the United States and that Client is entitled, as author thereof, to the copyright and all rights therein, including, but not limited to the right to make such changes therein and such uses thereof, as it may determine in its sole and absolute discretion; provided, that under no circumstances shall a Temporary Employee be considered an employee of Client.

17. PERSONAL INFORMATION

- 17.1. This Agreement is made on the basis that each party is entitled to assume that the other has complied and will continue to comply with its obligations arising from data protection and privacy laws in force from time to time to the extent applicable to this Agreement and the scope

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of services detailed in the Task Order. The parties acknowledge that any use or processing by OTS of Personal Information, which is defined as "any information relating to an identified or identifiable individual that is subject to applicable data protection, privacy or other similar laws, including but not limited to the Health Insurance Portability and Accountability Act of 1996" shall be done solely on behalf of Client and for Client's purposes and OTS shall deal with such Personal Information only in accordance with such reasonable instructions as Client may from time to time provide or as reasonably necessary for the purpose of providing the services contemplated hereby. OTS shall take such technical and organizational measures as it has determined appropriate to guard against unauthorized or unlawful processing of Personal Information and against accidental loss or destruction of, or damage to, Personal Information in accordance with applicable law.

18. INDEMNIFICATION

- 18.1. OTS shall defend, indemnify and hold harmless Client and its subsidiaries and related entities, and all of their respective officers, directors, shareholders, employees, agents and representatives (collectively, "**Client Parties**") from and against any and all liabilities, losses, claims, injuries, suits, judgments, expenses, fines, interest or penalties (collectively, "**Losses**") to the extent caused by OTS's failure to comply with the terms of this Agreement or negligence or willful misconduct of OTS, for Losses arising from the usual and customary business of OTS .
- 18.2. Client shall defend, indemnify and hold harmless OTS and its subsidiaries and related entities, and all of their respective officers, directors, shareholders, employees, agents, and representatives (collectively, "OTS Parties") from and against any and all Losses to the extent caused by Client's failure to comply with the terms of this Agreement or negligence or willful misconduct of Client, for Losses arising from the usual and customary business of Client. Despite anything to the contrary in this Agreement, Client shall indemnify, defend and hold harmless OTS Parties from and against any and all Losses arising out of claims that any member of Client Parties, under the control of Client, sexually harassed or in any way discriminated against any Temporary Employee.
- 18.3. To the maximum extent permitted by applicable law, no member of Client Parties or OTS Parties shall have any liability for any indirect, consequential, special or incidental damages, damages for loss of profits or revenues, whether in an action in contract or tort, even if such party has been advised of the possibility of such damages, unless such party has engaged in willful misconduct or the damages arise from a third party claim for which a party is entitled to indemnification in this Agreement.

19. AUDIT RIGHTS

- 19.1. Client shall have the right to audit timekeeping and billing records maintained by OTS for services provided to Client, upon reasonable notice to OTS. Such audit shall be performed at the corporate headquarters of OTS located in Los Angeles, California.

20. ARBITRATION

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20.1. Any claim of breach or non-compliance with any provision of this Agreement and all claims, in law or equity, arising out of this Agreement, shall be resolved by binding arbitration before Judicial Arbitration and Mediation Service before one arbitrator, to be conducted at its office located in Los Angeles, California. Arbitration shall be commenced by written demand of either party to the other, with a copy of the written demand being sent to Judicial Arbitration and Mediation Service, identifying the issue to be arbitrated and the claim of the party. If any party who is required to sign the petition to arbitrate refuses or fails to sign said petition, any of the remaining parties may petition alone for arbitration of the dispute before a single arbitrator with Judicial Arbitration and Mediation Service or may petition the appropriate judicial tribunal for an Order Compelling Arbitration. The parties shall jointly select an arbitrator from the list of arbitrators provided by Judicial Arbitration and Mediation Service. If the parties are unable to select an arbitrator from the Judicial Arbitration and Mediation Service list of available arbitrators, within ten (10) business days, the arbitrator shall be appointed by Judicial Arbitration and Mediation Service. Arbitration hearing shall take place on a date and time selected by the parties, or, in the event that the parties cannot agree, on the date and time selected by the arbitrator. Discovery shall be permitted as authorized by the arbitrator. The successful or prevailing party shall be entitled to recover reasonable attorneys' fees and other costs incurred in that arbitration proceeding, in addition to any other relief to which it or they may be entitled. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

21. OTHER TERMS

21.1. This Agreement, its interpretation and all work performed under this Agreement, shall be governed by the laws of the State of California. Any arbitration concerning this Agreement, or the parties' rights or obligations pursuant hereto shall be instituted in the County of Los Angeles, California. The parties hereby waive any rights they may have to a change of venue.

21.2. OTS reserves the right to enter into one or more contracts with one or more third party providers to provide Temporary Employees at any time.

21.3. This Agreement may not be assigned by either party without the express written consent of the other party.

21.4. Neither party will be responsible for any failure or delay in performing any of its obligations under this Agreement or any Task Order due to causes beyond its reasonable control, and such obligations will be suspended for the period during which a fire, flood, war, natural disaster, earthquake, other acts of God, riots, new laws which prevent the carrying out of the Services, or the results of terrorist activity prevent the affected party from performing its obligations under this Agreement or any Task Order. A party affected by a force majeure event shall promptly notify the other party by the quickest means available, explaining the nature and expected duration thereof, and shall act diligently to remedy the interruption or delay if it is reasonably capable of being remedied.

21.5. Neither this Agreement nor any Task Order is intended to confer any rights or benefit on any third party.

21.6. Each party represents and warrants that the individual executing this Agreement on its behalf
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is duly authorized to so execute this Agreement, and this Agreement, when executed and delivered by such party, shall constitute the valid and binding agreement of such party, enforceable in accordance with its terms. In the event that any provision of this Agreement shall be unenforceable or inoperative as a matter of law, the remaining provisions shall remain in full force and effect.

- 21.7. This Agreement is subject to amendment only by the written agreement of all the parties hereto. Any amendment or modification of this Agreement shall be dated, and where any conflict arises between the provisions incorporated in earlier documents, the most recent provisions shall be controlling.
- 21.8. Multiple copies of this Agreement may be executed, each of which shall be deemed to be an original. An electronic copy of this entire Agreement, including the signature page(s), shall be deemed an original.
- 21.9. This Agreement supersedes any and all other agreements, either oral or written, between the parties hereto with respect to the subject matter hereof. It contains all the covenants, conditions and agreements between the parties with respect to the subject matter. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promises not contained herein shall be valid or binding. Any oral representations or modifications concerning this Agreement shall be of no force or effect, excepting a subsequent modification in writing signed by the parties to the Agreement.
- 21.10. The captions of paragraphs of this Agreement are for reference only and are not to be construed in any way as part of this Agreement.
- 21.11. A waiver of the breach of any covenant, condition, or promise of this Agreement shall not be deemed a waiver of any succeeding breach of the same or any other covenant, condition, or promise of this Agreement. No waiver shall be deemed to have been given, unless given in writing and in compliance with the “Notices” paragraph herein below recited.
- 21.12. In the event that any party herein commences any legal or equitable action or other proceeding, including without limitation, arbitration, an action for declaratory relief or any other form of relief, or to enforce, interpret, reform, rescind, or in any other manner affect the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys’ fees which may be set by the arbitrator or in a separate action brought for that purpose, in addition to any other relief to which the party may be entitled.
- 21.13. All representations and warranties made herein shall survive the execution of this Agreement.
- 21.14. All notices under this Agreement shall be in writing and shall be delivered personally, or by registered or certified mail, return receipt requested, postage prepaid, or sent by Federal Express or other recognized overnight courier service, and addressed to the party to be notified at their address set forth below. All notices and other communications required or permitted under this Agreement shall be deemed given when delivered personally, or one (1) day after being deposited with Federal Express or other recognized overnight courier service, or five (5) days

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after being deposited in the United States mail, postage prepaid and addressed as follows, or to such other address as each party may designate in writing:

<u>For Operational Technical Services, LLC</u>	<u>For Client: Palmdale Water District</u>
Name:	Name:
Title:	Title:
Address:	Address:
Email:	Email:
Phone:	Phone:
Fax:	Fax:

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

Operational Technical Services, LLC

Client Name: Palmdale Water District

For Operational Technical Services, LLC:

For Client: Palmdale Water District

 Printed Name

 Title

 Signature

 Date

 Printed Name

 Title

 Signature

 Date

EXHIBIT A

**TEMP TO HIRE CONVERSION FEE SCHEDULE
 CONVERSION POLICY**

The Client shall not hire or otherwise engage any Temporary Employee assigned by OTS as a permanent
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OPERATIONAL
— TECHNICAL SERVICES —
INTEGRATED UTILITY SYSTEMS RESOURCE

employee prior to the completion of one thousand (1,000) hours of straight-time work (excluding overtime and on call time after actual hours worked) (approximately twenty-five [25] weeks of full-time service) without compensating OTS as provided herein.

If the Client converts a Temporary Employee before the completion of 1,000 straight-time hours, the Client shall pay OTS the difference between the actual hours worked and 1,000 hours, calculated at the agreed straight-time hourly bill rate, together with a conversion fee equal to twenty-five percent (25%) of the Employee's first year annualized salary.

If the Client converts a Temporary Employee after the completion of 1,000 hours but before reaching 1,600 hours of straight-time work, the Client shall pay OTS a conversion fee in accordance with the fee schedule set forth below.

If the Client converts a Temporary Employee after the completion of 1,600 or more hours of straight-time work, no conversion fee shall apply.

The Client shall provide OTS with a copy of the Employee's signed Offer Letter within ten (10) calendar days of acceptance, regardless of whether a conversion fee applies.

Number of Hours on Operational Technical Services Payroll	Percent (%) of Employee's Annual Salary
1,000 Hours	25%
1001 – 1250 Hours	20%
1251 – 1400 Hours	15%
1401+ 1600 Hours	10%
1601+ Hours	No Fee



BOARD MEMORANDUM

DATE: May 26, 2026
TO: BOARD OF DIRECTORS
FROM: Human Resources Director Garcia
VIA: General Manager LaMoreaux
RE: ***CONSIDERATION AND POSSIBLE ACTION TO APPROVE AND AUTHORIZE THE GENERAL MANAGER, OR HIS DESIGNEE, TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH waterTALENT FOR RECRUITMENT SERVICES, SUBJECT TO APPROVAL BY GENERAL COUNSEL, AND TO AUTHORIZE RELATED BUDGET ADJUSTMENTS. (\$100,000.00 – NOT-TO-EXCEED – NON-BUDGETED – HUMAN RESOURCES DIRECTOR GARCIA)***

Recommendation:

Staff recommends that the Board approve and authorize the General Manager, or his designee, to execute a Professional Services Agreement with waterTalent for recruitment services, subject to approval by General Counsel.

Alternative Options:

Alternative options include not approving the agreement and continuing recruitment efforts using existing internal resources; delaying action to allow staff to return with additional proposals or a revised procurement approach; or seeking services from another recruitment firm at a later date. These alternatives may result in delays in filling critical vacancies and could impact continuity of operations.

Impact of Taking No Action:

If no action is taken, the District may experience delays in recruiting and filling positions, particularly for specialized or hard-to-fill roles or when urgent staffing needs arise. Prolonged vacancies could negatively impact operational efficiency, increase the workload on existing staff, and reduce the District's ability to maintain service levels and respond effectively to workforce demands.

Background:

waterTalent is a staffing and recruiting firm that provides licensed water and wastewater operations professionals to utilities and public agencies, including support for temporary and interim staffing needs. Staff has identified a need for supplemental recruitment services to support workforce continuity and address specialized or short-notice staffing demands. The District has previously utilized waterTalent's services and seeks to establish a contract to support future recruitment needs as they arise.

Strategic Plan Initiative/Mission Statement:

This item is under Strategic Initiative No. 2-Organizational Excellence and directly relates to the District's Mission statement.

Budget:

The proposed contract amount is not-to-exceed \$100,000. This item is not currently included in the adopted budget; however, associated costs are expected to be offset by the department utilizing the services, as well as by salary savings generated from vacant positions within that department.

Supporting Documents:

- Drafted Professional Services Agreement with waterTalent

waterTALENT
Professional Services Agreement

This Professional Services Agreement (“Agreement”) is entered into on CLICK TO ENTER DATE (the “Effective Date”), by and between waterTALENT, LLC, a California limited liability company (“waterTALENT”), with offices at 15233 Ventura Blvd. Suite 615, Sherman Oaks, CA 91403 and Palmdale Water District (“Client”) with offices located at 2029 East Avenue, Palmdale, CA 93550, United States.

RECITALS

WHEREAS, waterTALENT is in the business of providing specialty technical staffing services to accommodate utilities and industries with temporary and temporary-to-hire operators who are experienced in waste water treatment, water treatment, and water distribution.

WHEREAS, Client desires to retain waterTALENT to utilize the specialty technical staffing services provided by waterTALENT and Temporary Employees, as defined below.

NOW, THEREFORE, in consideration of the parties’ mutual covenants, conditions and promises contained herein, the parties hereto agree as follows:

1. DESCRIPTION OF SERVICES

- 1.1. waterTALENT agrees to provide Client with specialty technical staffing services as may be assigned from time to time, in writing by the Client. Personnel provided by waterTALENT shall be referenced in this Agreement in the singular as “Temporary Employee” or in the plural as “Temporary Employees.” Each such assignment shall be made in the form of a written Task Order. Each such Task Order shall include, but not be limited to, a description of the nature and scope of services to be performed by waterTALENT Temporary Employee, the services fee schedule, the location of Premises where services will be performed, the name and title of direct supervisor provided by Client responsible for supervising the waterTALENT Temporary Employee, and the expected duration of the services.
- 1.2. Unless otherwise agreed, all services performed by a Temporary Employee shall be performed at Client’s business Premises, as set forth in a future Task Order. Client will not change the scope of services in the Task Order without prior written approval of waterTALENT. Client will not reassign or relocate a Temporary Employee without prior approval of waterTALENT. Client agrees to assume all liability for any third party claim arising after any reassignment, change in Task Order or relocation of any Temporary Employee without waterTALENT’s prior written approval.

2. COMPENSATION

- 2.1. In consideration for the services to be performed by waterTALENT, Client agrees to pay waterTALENT as provided for in each Task Order. Each Task Order shall specify a Fee Schedule for the hourly rate of waterTALENT services performed by Temporary Employee, which is set forth on an exhibit to be attached to each Task Order issued to Client. The hourly rate shall be based upon, but be not limited to, the nature of work to be performed, the risk level of such work, the technical skill level required of Temporary Employee, the level of responsibility of such work, and the duration of the Task Order.

- 2.2. waterTALENT shall not be compensated for any services rendered nor reimbursed for any expenses incurred in excess of those authorized in any Task Order unless approved in advance by Client in writing.
- 2.3. Total compensation under this agreement shall not exceed the sum of \$100,000.00. This amount may be amended by mutual agreement of the parties in writing.

3. TERM AND TERMINATION

- 3.1. This Agreement shall commence as of the date set forth above, and shall continue in full force and effect for two (2) years following the Effective Date (the "Initial Term") unless earlier terminated as provided herein.
- 3.2. Either party may terminate this Agreement at any time for any reason or no reason, by giving thirty (30) days' notice in writing to the other party.
- 3.3. In the event that this Agreement is terminated prior to conclusion of the Initial Term, all fees, costs and reimbursements owed, due, accrued, or earned as provided in this Agreement remain owed, due, accrued, or earned and shall be paid within ten days after termination. Further, any and all provisions in the Agreement regarding Proprietary Software, Non-Solicitation, Confidentiality, Work Product and Indemnification shall continue in full force and effect through the period of the Initial Term.
- 3.4. In the event of a declared Federal or State emergency, where the waterTALENT Temporary Employee on assignment with Client is determined to possess skills critical to the response to said disaster response, either natural or manmade, waterTALENT reserves the right to remove Temporary Employee from Client site to redeploy to the emergency scenario.

4. PREQUALIFICATION OF TEMPORARY EMPLOYEES

- 4.1. waterTALENT shall complete the following verifications for all Temporary Employees: I-9 verification; Confirmation of specified professional certifications; Confirmation of professional references
- 4.2. waterTALENT may also complete any other screening as it deems necessary to determine the qualifications and suitability of the Temporary Employees. Professional reference checks for Temporary Employees shall be based solely upon application information provided by the Temporary Employees. waterTALENT shall be entitled to rely upon any and all information received from Temporary Employees and their references with respect to such Temporary Employees.
- 4.3. waterTALENT shall arrange for third party verifications which will include a criminal background check from all counties, states and federal territories where the applicant has lived in the past 7 years. These third party verifications also search all names the applicant has identified to waterTALENT as having been used in the past. waterTALENT will also request and review a driving record in the states where the applicant has indicated a license has been issued for the 7 years prior to application. Each potential Temporary Employee must submit to a full 10 panel drug test which includes Amphetamines, Cocaine, Marijuana, Opiate, Phencyclidine PCP, Barbiturates, Benzodiazepine, Methadone, Propoxyphene, and Methaqualone. waterTALENT may revise its verification and testing procedures as it determines appropriate.

- 4.4. Except as specifically provided herein or mutually agreed upon between Client and waterTALENT, waterTALENT shall not provide or conduct any other background, reference or qualification checks or testing.

5. COMPENSATION OF TEMPORARY EMPLOYEES

- 5.1. waterTALENT shall be responsible for the compensation of its Temporary Employees, including payment of wages, applicable federal, state and local taxes, and the payment of any required insurance (FUTA, SDI, Unemployment Insurance). waterTALENT shall be solely responsible for any insurance premium payments for Workers' Compensation, disability, or other insurance, which is imposed upon waterTALENT and required as a consequence of waterTALENT's employment of Temporary Employees under this Agreement. waterTALENT agrees to hold Client harmless from all applicable federal, state and local taxes relating to income tax withholding, unemployment taxes, FUTA, SDI, and state unemployment insurance imposed upon waterTALENT for wages paid by waterTALENT to Temporary Employees.

6. SUPERVISION OF TEMPORARY EMPLOYEES

- 6.1. waterTALENT agrees to provide supervision and the necessary general training and basic PPE for its employees to ensure the delivery of the agreed upon services as outlined in each task order. Client agrees to provide orientation and site-specific information in order for Temporary Employee to safely and properly carry out their assigned scope of services. Client agrees that Temporary Employees shall not be permitted, without express advance written approval by an officer of waterTALENT, while on Client's business Premises or providing services to Client, to (a) engage in travel or otherwise operate a motor vehicle or any motorized equipment on behalf of Client, (b) handle cash or negotiable instruments, (c) be permitted unsupervised or uncontrolled access to confidential or proprietary information, (d) be permitted unsupervised access to or control of the Client's Premises, (e) remove any property of Client from Client's business Premises, (f) consume any alcohol, or (g) consume drugs, unless advance written authorization is provided by a physician, while the Temporary Employees are on assignment to Client.
- 6.2. In the event written approval is granted by waterTALENT for item (a) the operation of a Client motor vehicle or motorized equipment in support of the execution of the scope of services, Client shall provide copies of current motor vehicle or motorized equipment maintenance logs, registration, and proof of insurance for any motor vehicle or motorized equipment that Temporary Employee is charged with operating in the execution of the scope of the services. Client shall provide written authority to Temporary Employee certifying that Temporary Employee is authorized by Client to operate any motor vehicle or motorized equipment for the duration of the assignment.
- 6.3. Client shall not pay Temporary Employees other than through its payments to waterTALENT under this Agreement, or advance any funds to them.

7. WORK ENVIRONMENT FOR TEMPORARY EMPLOYEES; EQUAL OPPORTUNITY

- 7.1. Client agrees to comply with all applicable laws and ordinances relating to work site health and safety, and agrees to provide Temporary Employees a safe and healthful workplace, notices and training required by the Hazardous Communications Standard established by the Occupational Safety and Health Administration ("OSHA"), California Fair Employment and Housing Act,

Title VII, and any other law applicable to employees. Client agrees that it shall have in place at all times during the term of this Agreement an ongoing safety program in compliance with all applicable state and federal laws. In particular, California employers with any outdoor places of employment must comply with the Heat Illness Prevention Standard - Title 8 California Code of Regulations (T8 CCR) Section 3395.

- 7.2. Client agrees to indemnify, defend and hold harmless waterTALENT for claims, damages or penalties arising out of its violations of the Occupational Safety and Health Act of 1970, or any similar state law and any and all regulations, rules or orders adopted thereunder with respect to workplaces owned, leased or supervised by Client, and/or to which waterTALENT employees are assigned.
- 7.3. In the event of an accident, medical treatment, serious illness or injury, or death involving a waterTALENT employee assigned to Client, Client shall notify waterTALENT immediately. For any serious injury, illness or death, of a waterTALENT employee occurring in a place of employment or in connection with a Temporary Employee, Client shall report immediately, by telephone or fax, to the nearest OSHA office and shall make the report on behalf of both waterTALENT and Client. Client shall provide to OSHA all information required by applicable law, as well as waterTALENT's name, address, phone number and contact person, and the waterTALENT employee's name. Client shall notify waterTALENT concurrently with or, if that is not possible, immediately after the report has been made.
- 7.4. waterTALENT is an equal opportunity employer and actively supports federal, state and local laws prohibiting discrimination in employment practices because of race, color, religion, sex, age, handicap, marital status, Vietnam Era and/or special disabled veteran status, national origin, sexual orientation, or any other classification protected by law, and waterTALENT further complies with any and all other federal, state and local employment laws and regulations (including those pertaining to family and medical leave and other fair employment practices), including but not limited to the Equal Opportunity Clause in 41 C.F.R. Section 60-1.4 (all of the foregoing being collectively referred to as the "Employment Obligations"). Client hereby agrees to comply with all of the Employment Obligations.

8. TERMINATION OF TEMPORARY EMPLOYEE JOB ASSIGNMENT OR REASSIGNMENT OF TEMPORARY EMPLOYEE BY WATERTALENT

- 8.1. Client acknowledges that waterTALENT has the sole and exclusive right to terminate the assignment of any Temporary Employee, or to reassign any Temporary Employee to other positions including positions with other clients of waterTALENT. Client may notify waterTALENT at any time of Client's request that any Temporary Employee with whom Client is not satisfied be removed from a particular assignment or from performing services at Client altogether.

9. WATERTALENT AS INDEPENDENT CONTRACTOR

- 9.1. waterTALENT shall be considered for all purposes to be an independent contractor of Client and nothing in this Agreement shall be construed to create a partnership, employment relationship, joint venture or enterprise between waterTALENT, and Temporary Employees, and Client.

10. PROPRIETARY SOFTWARE

10.1. To satisfy Client's Temporary Employee requirements, data and invoices may be generated using waterTALENT's proprietary or licensed software to which Client and Temporary Employees may have access. Client agrees that waterTALENT software, including its data formats and any other related information pertaining to the software and its functions, shall remain the exclusive property of waterTALENT or licensor, and shall not be duplicated, copied or disclosed, or utilized for any other purpose.

11. PRICING, INVOICING AND PAYMENT

11.1. waterTALENT shall invoice Client weekly following the Client approval of Temporary Employee's approved hours and charges of work completed and agreed upon other direct charges. Client agrees to pay such invoices net thirty (30) days of receipt of invoice. Any invoice that is not paid in full within thirty (30) days after the invoice due date will bear default interest of the lesser of one and one-half percent (1.5%) per month or the highest amount allowed by law. Client shall pay any such default charges and any costs incurred by waterTALENT in collecting its fees and costs.

11.2. Rates and fees under this Agreement may be increased upon written notice to include any increase or addition of any government imposed taxes, fees or costs, including costs incurred in complying with applicable laws, rules and regulations, imposed after the Effective Date.

11.3. In addition to the payment provisions set forth in the applicable Task Order, waterTALENT shall be entitled to reimbursement from Client for Other Direct Costs (ODC's) which may include meal per diems, housing, personal car mileage or car rental, airfare, etc by Temporary Employees whose residence is more than forty (40) miles from Client Business Premises. Since ODC's are determined and calculated on a per-assignment and per Temporary Employee basis, such ODC's shall be labeled in each individual Task Order under "Included Services" and will be factored into the standard hourly bill rate.

11.4. Client's payment method (Please check a box).

Check

ACH Wires

12. COMPLIANCE WITH LAW

12.1. Client agrees to comply with all applicable local, state and federal laws, rules, regulations and orders. Without limiting the foregoing, Client will comply with all applicable laws, federal and state, pertaining to labor and employment, including but not limited to Title VII of the 1964 Civil Rights Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Fair Labor Standards Act, the Immigration Reform and Control Act, the California Fair Employment and Housing Act, the California Labor Code and California Industrial Welfare Orders, and all laws governing acts of sexual harassment or discrimination in the workplace. waterTALENT shall incur no liability with regard to any alleged violation of laws by Client.

13. UNAUTHORIZED CONVERSION OF TEMPORARY EMPLOYEE BY CLIENT; NON-SOLICITATION

13.1. Client understands that Temporary Employees are assigned to Client to render temporary services, and absent agreement to the contrary, are not assigned to become employees of Client. Client acknowledges that considerable expense is incurred by waterTALENT to advertise,

recruit, evaluate, train, screen, and provide appropriate quality controls relative to Temporary Employees.

13.2. Accordingly, Client will not, without the prior written consent of waterTALENT, which may be granted or withheld in waterTALENT's sole discretion, solicit a Temporary Employee for employment other than through waterTALENT, interfere with the employment relationship between waterTALENT and Temporary Employees, or directly or indirectly cause a Temporary Employee to transfer to another temporary staffing service.

13.3. If Client, either directly or indirectly, including through any company or entity within Client's control or a company affiliated with Client, hires a Temporary Employee of waterTALENT as an employee, consultant, independent contractor of Client, or utilizes the Temporary Employee's services through another temporary or outsourcing service during such Temporary Employee's employment by waterTALENT or an affiliate of waterTALENT, or within twelve (12) months after conclusion of this person's temporary assignment by waterTALENT at Client, Client agrees to pay waterTALENT a direct hire/conversion fee stipulated by the parties to be set forth in a Fee Schedule to be amended to this agreement or, in the case of a direct placement or temp-to-hire conversion, a fee equal to twenty-five percent (25%) of the employee's annualized wage or salary offered to Temporary Employee by Client. If the offer to Temporary Employee is not considered full-time, the conversion fee shall be calculated by the average amount of hours worked on a weekly basis then annualized on a schedule for a 12-month/52-week period.

14. INSURANCE

14.1. waterTALENT shall provide all pertinent and necessary insurance at its own cost and expense, which shall include:

14.1.1. \$1,000,000 Workers' Compensation insurance as prescribed by the law of the state(s) in which the work is performed (CA);

14.1.2. Professional Liability insurance with limits of at least \$5,000,000 Per Occurrence / \$5,000,000 Aggregate; and

14.1.3. Contractor's Pollution Liability insurance with limits of \$5,000,000 Per Occurrence / \$5,000,000 Aggregate; and

14.1.4. Commercial General Liability insurance with limits of at least \$5,000,000 Per Occurrence / \$5,000,000 Aggregate; and

14.1.5. Commercial Auto Liability insurance for hired and non-owned Autos of \$1,000,000 Per Accident; and

14.1.6. Commercial Umbrella Liability/Excess Liability of \$1,000,000 Per Occurrence / \$1,000,000 Aggregate (Professional, Pollution, General, & Auto Liability).

14.1.7. Cyber Liability insurance with a limit of \$1,000,000;

14.2. Client shall agree to list waterTALENT, LLC under their General Liability Policy as a named insured prior to any Temporary Employee working at a Client site.

14.3. The above Insurance coverages are considered unencumbered. This entails each set of limitations as set forth above shall apply to each individual Temporary Employee's deployment and shall not be combined or shared with another Temporary Employee's deployment.

15. CONFIDENTIALITY

15.1. During the performance of this Agreement, it may be necessary for the parties to provide confidential or proprietary information to one another. The parties agree that such information will be held in strict confidence by the receiving party and will not be disclosed by the receiving party to any third party, or used by the receiving party for its own purposes, except to the extent that such disclosure or use is necessary in the performance by the receiving party of its obligations under this Agreement. No information shall be subject to protection of this section if such information is:

15.1.1. or becomes publicly available other than through a breach of this Agreement by the party seeking to disclose the information;

15.1.2. proven to be already known to or rightfully in the possession of a party or its personnel at the time of disclosure;

15.1.3. or becomes known or developed by the receiving party independently of the confidential and/or proprietary information of the other party; or

15.1.4. released in response to a subpoena, court order or other legal process, including pursuant to the California Public Records Act, provided that the party receiving the subpoena or subject to court order or other legal process shall notify the other party and provide such party with an opportunity to seek a protective order preventing disclosure of such information, and in any event, the party subject to such subpoena, court order or other legal process shall disclose only such information as is necessary to comply therewith.

15.2. Neither party shall be liable, however, for inadvertent or accidental disclosure of such information if such disclosure occurs despite the exercise of the same degree of care as such party normally takes to preserve and safeguard its own proprietary information. The receiving party upon the request of the disclosing party will return all writings or documents that contain information subject to the protections of this subsection.

16. WORK PRODUCT

16.1. waterTALENT agrees that all inventions, innovations or improvements, including copyright in any product, software, reports, surveys, marketing, promotional and collateral material prepared by the Temporary Employee assigned to the Client pursuant to the terms of this Agreement shall be the exclusive property of the Client. waterTALENT acknowledges and agrees that the work product shall be considered a work made for hire within the meaning of the patent and copyright laws of the United States and that Client is entitled, as author thereof, to the copyright and all rights therein, including, but not limited to the right to make such changes therein and such uses thereof, as it may determine in its sole and absolute discretion; provided, that under no circumstances shall a Temporary Employee be considered an employee of Client.

17. PERSONAL INFORMATION

17.1. This Agreement is made on the basis that each party is entitled to assume that the other has complied and will continue to comply with its obligations arising from data protection and privacy laws in force from time to time to the extent applicable to this Agreement and the scope of services detailed in the Task Order. The parties acknowledge that any use or processing by waterTALENT of Personal Information, which is defined as "any information relating to an identified or identifiable individual that is subject to applicable data protection, privacy or other similar laws, including but not limited to the Health Insurance Portability and Accountability Act of 1996" shall be done solely on behalf of Client and for Client's purposes and waterTALENT shall deal with such Personal Information only in accordance with such reasonable instructions as Client may from time to time provide or as reasonably necessary for the purpose of providing the services contemplated hereby. waterTALENT shall take such technical and organizational measures as it has determined appropriate to guard against unauthorized or unlawful processing of Personal Information and against accidental loss or destruction of, or damage to, Personal Information in accordance with applicable law.

18. INDEMNIFICATION

18.1. waterTALENT shall defend, indemnify and hold harmless Client and its subsidiaries and related entities, and all of their respective officers, directors, shareholders, employees, agents and representatives (collectively, "**Client Parties**") from and against any and all liabilities, losses, claims, injuries, suits, judgments, expenses, fines, interest or penalties (collectively, "**Losses**") to the extent caused by waterTALENT's failure to comply with the terms of this Agreement or negligence or willful misconduct of waterTALENT, for Losses arising from the usual and customary business of waterTALENT .

18.2. Client shall defend, indemnify and hold harmless waterTALENT and its subsidiaries and related entities, and all of their respective officers, directors, shareholders, employees, agents, and representatives (collectively, "**waterTALENT Parties**") from and against any and all Losses to the extent caused by Client's failure to comply with the terms of this Agreement or negligence or willful misconduct of Client, for Losses arising from the usual and customary business of Client. Despite anything to the contrary in this Agreement, Client shall indemnify, defend and hold harmless waterTALENT Parties from and against any and all Losses arising out of claims that any member of Client Parties, under the control of Client, sexually harassed or in any way discriminated against any Temporary Employee.

18.3. To the maximum extent permitted by applicable law, no member of Client Parties or waterTALENT Parties shall have any liability for any indirect, consequential, special or incidental damages, damages for loss of profits or revenues, whether in an action in contract or tort, even if such party has been advised of the possibility of such damages, unless such party has engaged in willful misconduct or the damages arise from a third party claim for which a party is entitled to indemnification in this Agreement.

19. AUDIT RIGHTS

19.1. Client shall have the right to audit timekeeping and billing records maintained by waterTALENT for services provided to Client, upon reasonable notice to waterTALENT. Such audit shall be performed at the corporate headquarters of waterTALENT located in Los Angeles, California.

20. ARBITRATION

20.1. Any claim of breach or non-compliance with any provision of this Agreement and all claims, in law or equity, arising out of this Agreement, shall be resolved by binding arbitration before Judicial Arbitration and Mediation Service before one arbitrator, to be conducted at its office located in Los Angeles, California. Arbitration shall be commenced by written demand of either party to the other, with a copy of the written demand being sent to Judicial Arbitration and Mediation Service, identifying the issue to be arbitrated and the claim of the party. If any party who is required to sign the petition to arbitrate refuses or fails to sign said petition, any of the remaining parties may petition alone for arbitration of the dispute before a single arbitrator with Judicial Arbitration and Mediation Service or may petition the appropriate judicial tribunal for an Order Compelling Arbitration. The parties shall jointly select an arbitrator from the list of arbitrators provided by Judicial Arbitration and Mediation Service. If the parties are unable to select an arbitrator from the Judicial Arbitration and Mediation Service list of available arbitrators, within ten (10) business days, the arbitrator shall be appointed by Judicial Arbitration and Mediation Service. Arbitration hearing shall take place on a date and time selected by the parties, or, in the event that the parties cannot agree, on the date and time selected by the arbitrator. Discovery shall be permitted as authorized by the arbitrator. The successful or prevailing party shall be entitled to recover reasonable attorneys' fees and other costs incurred in that arbitration proceeding, in addition to any other relief to which it or they may be entitled. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

21. OTHER TERMS

- 21.1. This Agreement, its interpretation and all work performed under this Agreement, shall be governed by the laws of the State of California. Any arbitration concerning this Agreement, or the parties' rights or obligations pursuant hereto shall be instituted in the County of Los Angeles, California. The parties hereby waive any rights they may have to a change of venue.
- 21.2. waterTALENT reserves the right to enter into one or more contracts with one or more third party providers to provide Temporary Employees at any time.
- 21.3. This Agreement may not be assigned by either party without the express written consent of the other party.
- 21.4. Neither party will be responsible for any failure or delay in performing any of its obligations under this Agreement or any Task Order due to causes beyond its reasonable control, and such obligations will be suspended for the period during which a fire, flood, war, natural disaster, earthquake, other acts of God, riots, new laws which prevent the carrying out of the Services, or the results of terrorist activity prevent the affected party from performing its obligations under this Agreement or any Task Order. A party affected by a force majeure event shall promptly notify the other party by the quickest means available, explaining the nature and expected duration thereof, and shall act diligently to remedy the interruption or delay if it is reasonably capable of being remedied.
- 21.5. Neither this Agreement nor any Task Order is intended to confer any rights or benefit on any third party.
- 21.6. Each party represents and warrants that the individual executing this Agreement on its behalf is duly authorized to so execute this Agreement, and this Agreement, when executed and delivered by such party, shall constitute the valid and binding agreement of such party, enforceable in accordance with its terms. In the event that any provision of this Agreement shall

be unenforceable or inoperative as a matter of law, the remaining provisions shall remain in full force and effect.

- 21.7. This Agreement is subject to amendment only by the written agreement of all of the parties hereto. Any amendment or modification of this Agreement shall be dated, and where any conflict arises between the provisions incorporated in earlier documents, the most recent provisions shall be controlling.
- 21.8. Multiple copies of this Agreement may be executed, each of which shall be deemed to be an original. An electronic copy of this entire Agreement, including the signature page(s), shall be deemed an original.
- 21.9. This Agreement supersedes any and all other agreements, either oral or written, between the parties hereto with respect to the subject matter hereof. It contains all of the covenants, conditions and agreements between the parties with respect to the subject matter. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promises not contained herein shall be valid or binding. Any oral representations or modifications concerning this Agreement shall be of no force or effect, excepting a subsequent modification in writing signed by the parties to the Agreement.
- 21.10. The captions of paragraphs of this Agreement are for reference only and are not to be construed in any way as part of this Agreement.
- 21.11. A waiver of the breach of any covenant, condition, or promise of this Agreement shall not be deemed a waiver of any succeeding breach of the same or any other covenant, condition, or promise of this Agreement. No waiver shall be deemed to have been given, unless given in writing and in compliance with the “Notices” paragraph herein below recited.
- 21.12. In the event that any party herein commences any legal or equitable action or other proceeding, including without limitation, arbitration, an action for declaratory relief or any other form of relief, or to enforce, interpret, reform, rescind, or in any other manner affect the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys’ fees which may be set by the arbitrator or in a separate action brought for that purpose, in addition to any other relief to which the party may be entitled.
- 21.13. All representations and warranties made herein shall survive the execution of this Agreement.
- 21.14. All notices under this Agreement shall be in writing and shall be delivered personally, or by registered or certified mail, return receipt requested, postage prepaid, or sent by Federal Express or other recognized overnight courier service, and addressed to the party to be notified at their address set forth below. All notices and other communications required or permitted under this Agreement shall be deemed given when delivered personally, or one (1) day after being deposited with Federal Express or other recognized overnight courier service, or five (5) days after being deposited in the United States mail, postage prepaid and addressed as follows, or to such other address as each party may designate in writing:

For waterTALENT:	For Client:
------------------	-------------

Name:	Name: CLICK TO ENTER CLIENT NAME
Title:	Title: CLICK TO ENTER TITLE
Address:	Address: CLICK TO ENTER ADDRESS
Email:	Email: CLICK TO ENTER EMAIL
Phone:	Phone: CLICK TO ENTER PHONE
Fax:	Fax: CLICK TO ENTER FAX

DRAFT

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

waterTALENT, LLC

For waterTALENT:

Printed Name

Title

Signature

Date

CLICK TO ENTER CLIENT NAME

For Client:

CLICK TO ENTER NAME

Printed Name

CLICK TO ENTER TITLE

Title

Signature

CLICK TO ENTER DATE

Date

DRAFT



BOARD MEMORANDUM

DATE: May 26, 2026
TO: **BOARD OF DIRECTORS**
FROM: Financial Advisor Egan
VIA: Finance Manager/CFO Iguaran
General Manager LaMoreaux
RE: ***STATUS REPORT ON CURRENT CASH BALANCES AND INVESTMENT FUNDS
REPORT AS OF MARCH 2026. (FINANCIAL ADVISOR EGAN)***

Attached are the Cash Notes and the Investment Funds Report as of March 2026. These reports will be reviewed in detail at the Board Meeting.

2026				Taxes Received		
February to March 2026				2026	2025	
acct 11469				jan	1,509,272	815,681
Balance	3/31/2026	3,889,853.54		feb	435,019	349,085
Balance	2/28/2026	3,686,143.33		mar	28,450	22,409
Increase		203,710.21		apr		2,499,315
				may		916,848
One month activity				jun		29,335
Interest/Mkt value received		9,381.36		jul		73,822
Transfer to Hazen & Sawyer		(256,126.09)		aug		224,379
Payment to Garney Holding		(2,867,199.78)		sep		5,042
Transfer to WM Lyles Co		(1,110,189.97)		oct		
payment to Stantec Consulting		(291,486.35)		nov		210,931
Transfer from 11432		5,552,245.32		dec		4,033,845
EPA Treasury		1,401,736.32			1,972,741	9,180,694
John Deere		(496,355.00)				
Transfer to Webster Bank		(57,434.59)				
Transfer to Western Alliance		(146,591.69)				
Transfer to BNY Mellon		(258,771.89)				
Transfer to BNY Mellon		(471,100.00)				
Transfer to BNY Mellon		(492,037.50)				
Transfer to BNY Mellon		(149,862.50)		Bond total		
Transfer to BNY Mellon		(190,946.99)		(1,766,745.16)		
Taxes received		28,449.56				
Increase		203,710.21				
Acct 11475						
Balance	3/31/2026	3,352,936.84				
Balance	2/28/2026	3,344,493.44				
Increase		8,443.40				
				all accounts		
				FACE		10,287,000
				Value		10,188,026
				Future earnings		98,974
Interest/Mkt value received		8,443.40				
Increase		8,443.40				
				Interest Earned		
Laif	12/31/25 balance	14,358.55		Int/Mkt	2026	2025
	Jan Qtrly Int	151.82		Jan	37,365.81	57,375.13
		14,510.37		Feb	39,694.42	60,018.67
				Mar	43,170.55	66,657.96
				Apr		57,188.36
				May		53,634.74
Acct 11432				Jun		81,154.30
Balance	3/31/2026	6,449,737.46		Jul		66,098.38
Balance	2/28/2026	6,485,062.99		Aug		92,271.30
Decrease		(35,325.53)		Sep		73,493.89
One month activity				Oct		57,632.15
John Deere Capital		496,355.00		Nov		49,969.76
Transfer to 11469.		(5,552,245.32)		Dec		51,351.41
Transfer from CBB		5,000,000.00				
Interest/Mkt value received		20,564.79				766,846.05
Decrease		(35,325.53)				
Acct 24016.						
Balance	3/31/2026	2,150,436.22				
Balance	2/28/2026	2,145,655.22				
Increase		4,781.00				
One month activity						
Interest/Mkt value received		4,781.00				
Increase		4,781.00				

2024			
FIRST Quarter 2026 Major account Activity			
acct 11469			
Balance	3/31/2026	3,889,853.54	
Balance	12/31/2025	4,772,776.36	
Decrease		(882,922.82)	
Three months activity			
Taxes received		1,972,813.07	
Interest/Mkt value received		16,035.68	
Transfer from 11432		7,338,077.47	
Transfer to MBX		(1,500,000.00)	
Transfer from 11475		5,410.11	
John Deere		(496,355.00)	
Transfer to Webster Bank		(57,434.59)	
Transfer to Western Alliance		(146,591.69)	
Transfer to BNY Mellon		(258,771.89)	
Transfer to BNY Mellon		(471,100.00)	
Transfer to BNY Mellon		(492,037.50)	
Transfer to BNY Mellon		(149,862.50)	Loan pay
Transfer to BNY Mellon		(190,946.99)	(1,766,745.16)
Transfer to WM Lyles Co		(1,110,189.97)	
Transfer to Hazen and Sawyer		(283,102.17)	
Payment to Garney Holding		(6,169,116.82)	
payment to Stantec Consulting		(291,486.35)	
EPA Treasury		1,401,736.32	
Decrease		(882,922.82)	
Acct 11475			
Balance	3/31/2026	3,352,936.84	
Balance	12/31/2025	3,331,597.77	
Increase		21,339.07	
Three months activity			
Interest/Mkt value received		21,339.07	
Increase		21,339.07	
Acct 11432			
Balance	3/31/2026	6,449,737.46	
Balance	12/31/2025	8,231,987.42	
Decrease		(1,782,249.96)	
Three months activity			
Transfer to 11469		(7,338,077.47)	
Transfer from CBB		5,000,000.00	
John Deere capital		496,355.00	
Interest/Mkt value received		59,472.51	
Decrease		(1,782,249.96)	
Acct 24016.			
Balance	3/31/2026	2,150,436.22	
Balance	12/31/2025	2,136,614.63	
Increase		13,821.59	
Three months activity			
Interest/Mkt value received		13,821.59	
Increase		13,821.59	

**PALMDALE WATER DISTRICT
INVESTMENT FUNDS REPORT
March 31, 2026**

		<u>March 2026</u>	<u>February 2026</u>
CASH			
1-00-0103-100	Citizens - Checking	3,113,764.83	7,324,986.75
1-00-0103-200	Citizens - Refund	11,728.74	18,060.04
1-00-0103-300	Citizens - Merchant	184,449.90	101,956.48
	Bank Total	3,309,943.47	7,445,003.27
1-00-0110-000	PETTY CASH	300.00	300.00
1-00-0115-000	CASH ON HAND	5,400.00	5,400.00
	TOTAL CASH	3,315,643.47	7,450,703.27

INVESTMENTS							
1-00-0135-000	Local Agency Investment Fund			Acct. Total	14,510.37	14,510.37	
1-00-0120-000	UBS Money Market Account General (SS 11469)						
	Cash				97.05	0.00	
	UBS Select Government Preferred Fund current yield 3.57%				3,889,756.49	2,699,879.82	
*	UBS Insured Sweep .1					986,263.51	
	Accrued interest				0.00	0.00	
					3,889,853.54	3,686,143.33	
US Government Securities							
	CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value
						0.00	0.00
					-	0.00	0.00
Certificates of Deposit							
		Issuer	Maturity Date	Rate	Face Value		
					-	0.00	0.00
						3,889,853.54	3,686,143.33

1-00-1110-000	UBS Money Market Account Capital (SS 11475)						
	UBS Select Government Preferred Fund current yield 3.55%					844.50	
	UBS Insured Sweep					0.00	5.54
	Cash					1,656,208.74	
	Accrued interest					6,093.04	23,267.85
						1,663,146.28	23,273.39
US Government Securities							
	CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value
	91282CBQ3	US Treasury Note	2/28/2026	0.500			640,000.00
	91282CBT7	US Treasury Note	3/31/2026	0.75			1,646,106.00
	91282CCw9	US Treasury Note	8/31/2026	0.75	543,000	536,331.96	535,316.55
					543,000	536,331.96	2,821,422.55
Certificates of Depo							
		Issuer	Maturity Date	Rate	Face Value	Market Value	Market Value
		Bank Of America	03/06/26	4.25			250,015.00
		First Bank chicago	09/17/26	3.70	250,000	249,712.50	249,782.50
		Bank of China	09/25/26	3.80	250,000	249,912.50	
		Southstate Bank	10/01/26	3.80	154,000	153,946.10	
		Goldman Sachs	12/10/26	3.80	250,000	249,892.50	
		Freedom First fed	12/28/2026	3.85	250,000	249,995.00	
					1,154,000	1,153,458.60	499,797.50
					Acct. Total	3,352,936.84	3,344,493.44

1-00-0125-000	UBS Access Account General (SS 11432)						
	Cash					8,750.01	
	UBS Select Government Preferred Fund yield 3.63%						62.64
	UBS Insured Sweep						

					5,867.45	35,150.35
					14,617.46	35,212.99
US Government Securities						
CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value
	John Deere Capital Corp	9/14/2026	2.25	500,000	496,095.00	
9128286F2	US Treasury Note	2/28/2026	2.50			1,000,000.00
91282CBq3	US Treasury Note	2/28/2026	0.50			1,000,000.00
91282CCf6	US Treasury Note	5/31/2026	0.75	1,000,000	994,960.00	992,720.00
91282CCW9	US Treasury Note	8/31/2026	0.75	4,500,000	4,444,740.00	2,957,550.00
91282CLP4	US Treasury Note	9/30/2026	3.50	500,000	499,325.00	499,580.00
				6,500,000.00	6,435,120.00	6,449,850.00
				Acct. Total	6,449,737.46	6,485,062.99
				Total Managed Accounts	13,707,038.21	13,530,210.13

1-00-1121-000 UBS Rate Stabilization Fund (SS 24016) - District Restricted

Cash						
UBS Select Government Preferred Fund yield 3.57%					71,754.77	71,512.98
UBS Bank Insured Sweep					5,050.09	24.98
Accrued interest					10,516.26	12,380.06
					87,321.12	83,918.02

CUSIP #	Issuer	Maturity	Rate	PAR		
91282CBW0	US Treasury Note	4/30/2026	0.75	590,000	588,607.60	587,097.20
3130ALKW3	FHLB Bond	3/22/2027	1.02	500,000	487,280.00	487,300.00
313ALKTO	FHLB Bond	3/25/2027	1.00	500,000	487,125.00	487,105.00
				1,590,000	1,563,012.60	1,561,502.20

ificates of Deposit

				Face Value		
CFG BK MD		4/30/2026	4.25	250,000	250,067.50	250,100.00
Wings Finl Credit MN US		5/7/2026	4.15	250,000	250,035.00	250,135.00
				500,000.00	500,102.50	500,235.00
				Acct. Total	2,150,436.22	2,145,655.22

GRAND TOTAL CASH AND INVESTMENTS	19,173,117.90	23,126,568.62
Increase (Decrease) in Funds	(3,953,450.72)	



BOARD MEMORANDUM

DATE: May 26, 2026
TO: BOARD OF DIRECTORS
FROM: Finance Manager/CFO Iguaran
VIA: General Manager LaMoreaux
RE: *STATUS REPORT ON FINANCIAL STATEMENTS, REVENUE, AND EXPENSE AND DEPARTMENTAL BUDGET REPORTS FOR MARCH AND THE FIRST QUARTER OF 2026. (FINANCE MANAGER IGUARAN/FINANCE COMMITTEE)*

Discussion:

Presented here are the Balance Sheet and Profit and Loss Statement for the period ending March 31, 2026.

This represents the third month and first quarter of the District's 2026 Budget and Fiscal Year.

The financial statements are unaudited, and the amounts presented may change as the District continues to record accruals for revenues and expenses and finalize account reconciliations.

Balance Sheet:

Balance Sheet – The balance sheet as of March 31, 2026. Including expected balances for 2025; however, these remain subject to final audit adjustments and reconciliation.

The Balance Sheet shows total assets and liabilities as of the end of the period.

❖ Assets

- Cash: The ending balance totaled \$18,876,385, compared to March of last year at \$20,053,858 and prior month at \$21,786,864.
- Receivables: Outstanding receivables were \$15,732,607, consisting of \$3,222,482 from water customers and \$6,917,495 in grant funds related to the Palmdale Ditch Conversion project. These grant funds were received in April.
- The \$15M balance is about \$7M more than this time last year due to the significant grant receivable.
- Other Assets, such as inventory and prepaid expenses totaled \$7.8M, which is consistent with the prior month and prior year.

❖ Non-Current Assets

- Restricted Cash balances decreased to \$8,469,741 as contract liabilities continue to be reduced for capital projects associated with the 2023A and 2024A bond issuances.
- A significant increase in the balance sheet is also our Capital Assets no Depreciated, and that is any capital project that is currently under construction.

- ❖ Bringing the total assets as of March 31, 2026 to \$296,586,538 a \$23M dollar positive variance from last year in March, when our asset balance was \$272,849,208 mostly due to our investments in capital construction in the past year.

- ❖ Liabilities
 - Total Current Liabilities as of March 31, were \$9,557,501, which included a decrease in Accounts Payable from the month prior, meaning much of the balance in the books as of February was paid in March.
 - Deposits such as customer and construction deposits remained consistent from prior month and prior year.
 - Accrued Interest Payable – Debt Service was paid in March; therefore, a journal entry will be needed to book balances from Accrued Interest to “Non-Current Liabilities.”

- ❖ Retained Earnings
 - The District’s retained earnings as of March totaled \$151,168,909, compared to \$122,837,382 from March of the prior year.

Income Statement:

Income Statement – The Income Statement shows revenues and expenses through the year related to budget. This report helps track performance against revenue projections and supports monitoring expenses to ensure they remain within budget.

- ❖ The first view of the Income Statement shows the District’s year-to-date transactions. Total Program Revenue through March was \$9,574,596, or 21.7% of the budget. Program Expenses were \$7,767,891 or 21.08% of the expenditure budget.
- ❖ Net Operating Income remained positive at \$150,076.
- ❖ Net income, including non-operating revenues and expenses, was also positive for March at \$284,362.

In the Income Variance sheet, we will go over the details compared to last year.

- ❖ Operating Income
 - Revenues
 - Operating Income: Operating Revenue through March totaled \$9,574,596, compared to \$8,697,014 from Q1 of 2025.
 - There was a consistent jump in all revenues, other than Wholesale Water. This year, we saw a reduction in revenue from the wholesale water being provided to LCID.
 - Expenses
 - Operating expenses: Operating expenses through March were \$7,767,891 compared to \$7,354,140 from Q1 of 2025, this represents an

increase of \$413,751. Even though the expenses saw a 5.6% increase, the revenue generated was 10.1% more than Q1 last year.

- ❖ A small variance can be seen on “OPEB P&L” pending our OPEB actuarial report.

- ❖ Non-Operating Income
 - Non-operating revenues consisted of taxes totaling \$1,972,813 for the quarter and capital improvement fees of \$2,311,450.
 - Interest decreased from Q1 of last year, but on track to supersede budgeted amounts.
 - Any grant reimbursements received this month were accrued back to 2025 in accordance with accrual accounting.

- ❖ Net Income: Total net income for the quarter was \$5,449,227.

Department Indicators

The graphical representation shows several departments appearing “over budget” through March. However, when compared to their full-year budgets, the departments remain within their total authorized budget amounts.

Based on historical actuals, the baseline for March is 22.67% of budgeted expenses. The following departments were trending above:

- **Directors (2.55% over)**
- **Administration (3.58% over)**
- **Finance (.41% over)**
- **Water Conservation (1.85% over)**
- **Information Technology (5.97% over):** Computer Software and Software Maintenance and Services is heavily impacting the IT budget. Finance is meeting with department to estimate budget needs through end of the year and may ask the Board for approval to transfer from under-utilized budget lines.
- **Customer Care (1.6% over)**

Definitions:

Accruals: recognition of financial activity based on timing of economic activity rather than cash movement. (earned vs paid)

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

Balance Sheet Variance

PWD (Palmdale Water District)
 Last Closed Period: Mar FY_2026
 in currency
 in Whole Dollars

	Ending Balances		Variance vs. PY		Ending Balances		Variance vs. PM	
	Mar '26 Actual	Mar '25 PY Actual	\$ Var	% Var	Mar '26 Actual	Feb '26 PM Actual	\$ Var	% Var
Current Assets								
[+] Cash & Equivalents	18,876,385	20,053,858	(1,177,473)	-5.9%	18,876,385	21,786,864	(2,910,479)	-13.4%
[+] Receivables	15,732,607	8,671,275	7,061,332	81.4%	15,732,607	17,800,176	(2,067,569)	-11.6%
[+] Inventory	1,673,716	1,980,509	(306,793)	-15.5%	1,673,716	1,664,293	9,423	0.6%
[+] Prepaid Expenses	555,382	498,097	57,285	11.5%	555,382	598,473	(43,092)	-7.2%
Total Current Assets	36,838,091	31,203,739	5,634,351	18.1%	36,838,091	41,849,807	(5,011,717)	-12.0%
Non Current Assets								
[+] Restricted Cash	8,469,741	23,418,249	(14,948,508)	-63.8%	8,469,741	8,451,086	18,654	0.2%
[+] Lease Receivables	140,441	140,441	-	0.0%	140,441	140,441	-	0.0%
[+] Investment	2,255,347	2,255,347	-	0.0%	2,255,347	2,255,347	-	0.0%
[+] Right-To-Use Assets	405,701	405,701	-	0.0%	405,701	405,701	-	0.0%
[+] Capital Assets not Depreciated	68,704,957	43,913,398	24,791,558	56.5%	68,704,957	66,800,948	1,904,008	2.9%
[+] Capital Assets Depreciated	171,545,750	163,266,020	8,279,730	5.1%	171,545,750	171,644,100	(98,350)	-0.1%
Total Non Current Assets	251,521,936	233,399,156	18,122,780	7.8%	251,521,936	249,697,623	1,824,313	0.7%
Deferred Outflows of Resources								
1400-000 (DOR - Contributions Pension)	1,033,933	1,033,933	-	0.0%	1,033,933	1,033,933	-	0.0%
1400-001 (DOR - Pension Related)	2,798,294	2,798,294	-	0.0%	2,798,294	2,798,294	-	0.0%
1400-010 (DOR - OPEB Contributions)	556,021	556,021	-	0.0%	556,021	556,021	-	0.0%
1400-011 (DOR - OPEB Related)	2,729,464	2,729,464	-	0.0%	2,729,464	2,729,464	-	0.0%
2501-400 (2023A Bonds - Loss of Defeasance)	1,108,800	1,128,600	(19,800)	-1.8%	1,108,800	1,108,800	-	0.0%
Total Deferred Outflows of Resources	8,226,512	8,246,312	(19,800)	-0.2%	8,226,512	8,226,512	-	0.0%
Total Assets	296,586,538	272,849,208	23,737,331	8.7%	296,586,538	299,773,942	(3,187,404)	-1.1%
Current Liabilities								
[+] Accounts Payable & Accrued Exp	2,162,642	4,653,227	(2,490,585)	-53.5%	2,162,642	5,265,588	(3,102,946)	-58.9%
[+] Customer Deposits	3,002,284	3,017,521	(15,237)	-0.5%	3,002,284	2,987,087	15,197	0.5%
[+] Construction Deposits	1,849,695	1,756,783	92,912	5.3%	1,849,695	1,849,695	-	0.0%
Current Compensated Absences	423,420	405,037	18,382	4.5%	423,420	418,090	5,329	1.3%
[+] Accrued Interest Payable	(1,823,197)	26,069	(1,849,265)	-7093.8%	(1,823,197)	(56,451)	(1,766,745)	-3129.7%
[+] Long-term liabilities - due in one year	3,942,657	4,422,079	(479,423)	-10.8%	3,942,657	3,942,657	-	0.0%
[+] Payables	-	-	-	0.0%	-	-	-	0.0%
Total Current Liabilities	9,557,501	14,280,717	(4,723,216)	-33.1%	9,557,501	14,406,665	(4,849,165)	-33.7%
Non-Current Liabilities								
Non Current Compensated Absences	1,270,259	1,215,112	55,146	4.5%	1,270,259	1,254,271	15,987	1.3%
[+] Lease Payable	256,512	256,512	-	0.0%	256,512	256,512	-	0.0%
[+] Current Portion of Capital Lease Payable	1,010,223	1,010,223	-	0.0%	1,010,223	1,010,223	-	0.0%
[+] Bond Premiums and Discount	2,625,337	2,676,464	(51,128)	-1.9%	2,625,337	2,625,337	-	0.0%
[+] Long term Portion of Bond Payable	92,645,506	94,144,139	(1,498,633)	-1.6%	92,645,506	91,243,770	1,401,736	1.5%
[+] Other Non Current Liabilities	29,424,667	28,729,324	695,343	2.4%	29,424,667	29,464,991	(40,325)	-0.1%
Total Non-Current Liabilities	127,232,503	128,031,774	(799,271)	-0.6%	127,232,503	125,855,104	1,377,399	1.1%
Deferred Inflows of Resources								
2300-000 (Deferred Assessments)	3,328,290	2,400,000	928,290	38.7%	3,328,290	3,328,290	-	0.0%
2065-001 (DIR - Pension Related)	273,549	273,549	-	0.0%	273,549	273,549	-	0.0%
2065-010 (DIR - OPEB Related)	4,795,498	4,795,498	-	0.0%	4,795,498	4,795,498	-	0.0%
2065-011 (DIR - Leases)	230,288	230,288	-	0.0%	230,288	230,288	-	0.0%
Total Deferred Inflows of Resources	8,627,625	7,699,335	928,290	12.1%	8,627,625	8,627,625	-	0.0%
Total Liabilities	145,417,629	150,011,826	(4,594,197)	-3.1%	145,417,629	148,889,395	(3,471,766)	-2.3%
Equity								
[+] Retained Earnings	151,168,909	122,837,382	28,331,527	23.1%	151,168,909	150,884,548	284,362	0.2%
Total Equity	151,168,909	122,837,382	28,331,527	23.1%	151,168,909	150,884,548	284,362	0.2%
Total Liabilities Equity	296,586,538	272,849,208	23,737,331	8.7%	296,586,538	299,773,942	(3,187,404)	-1.1%

Income Statement

Last Closed Period: Mar FY_2026

PWD (Palmdale Water District)

in Whole Dollars

		2024	2025	Jan '26	Feb '26	Mar '26	2026	2026	% of exec.
		Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget
Program Revenue									
[+] Wholesale water	All Departments	273,056	558,357	-	-	9,698	9,698	355,000	2.7%
[+] Water Sales	All Departments	12,956,621	15,593,742	1,004,790	857,782	930,072	2,792,644	17,316,021	16.1%
[+] Meter Fees	All Departments	20,340,155	22,621,382	2,083,338	2,081,013	2,083,105	6,247,457	24,840,957	25.1%
[+] Water Quality Fees	All Departments	416,112	344,662	25,944	21,973	24,051	71,967	250,000	28.8%
[+] Elevation Fees	All Departments	382,474	316,305	24,838	21,566	23,228	69,632	250,000	27.9%
[+] Other Service Charges	All Departments	1,237,352	1,538,848	108,727	156,269	118,203	383,199	1,108,300	34.6%
[+] Drought Surcharge	All Departments	41	-	-	-	-	-	-	0.0%
Total Program Revenue		35,605,811	40,973,297	3,247,637	3,138,603	3,188,357	9,574,596	44,120,278	21.70%
Total Revenue		35,605,811	40,973,297	3,247,637	3,138,603	3,188,357	9,574,596	44,120,278	21.70%
Operating Expenses									
[+] Operating Expenses	01 (Directors)	169,544	163,540	12,569	20,054	16,691	49,315	195,500	25.2%
[+] Operating Expenses	02 (Administration)	5,763,853	5,862,359	634,194	514,947	527,437	1,676,578	6,373,024	26.3%
[+] Operating Expenses	03 (Engineering)	1,964,943	2,100,166	198,174	157,225	164,686	520,085	2,298,059	22.6%
[+] Operating Expenses	04 (Facilities)	7,571,777	7,397,528	680,207	631,060	697,163	2,008,431	9,084,762	22.1%
[+] Operating Expenses	05 (Operations)	5,124,140	4,942,207	346,685	301,878	418,297	1,066,860	5,518,929	19.3%
[+] Operating Expenses	06 (Finance)	2,043,371	1,946,040	171,841	161,173	166,494	499,508	2,164,237	23.1%
[+] Operating Expenses	07 (Water Conservation)	287,595	355,716	37,045	26,345	25,626	89,016	363,015	24.5%
[+] Operating Expenses	08 (Human Resources)	748,518	766,108	62,429	58,561	61,652	182,642	828,257	22.1%
[+] Operating Expenses	09 (Information Technology)	2,240,149	2,358,839	329,790	214,911	278,342	823,043	2,381,400	34.6%
[+] Operating Expenses	10 (Customer Care)	1,960,613	1,971,254	190,053	153,940	141,429	485,422	1,999,956	24.3%
[+] Source of Supply	All Departments	1,886,457	3,718,804	62,282	29,487	(468)	91,301	3,150,000	2.9%
[+] Plant Expenditures	All Departments	145,951	214,799	-	-	-	-	250,000	0.0%
[+] Sediment Removal Project	All Departments	54,349	139,450	5,121	-	-	5,121	1,500,000	0.3%
[+] GAC Filter Media Replacement	All Departments	668,000	563,424	-	(0)	270,570	270,570	750,000	36.1%
Total Operating Expenses		30,629,258	32,500,233	2,730,391	2,269,581	2,767,919	7,767,891	36,857,139	21.08%
Net Cash Operating Profit/(Loss)		4,976,553	8,473,064	517,246	869,022	420,438	1,806,705	7,263,139	24.9%
Cash Operating Margin %		14.0%	20.7%	15.9%	27.7%	13.2%	18.9%	16.5%	114.6%
Non-Cash Operating Expense									
[+] Depreciation	All Departments	5,748,358	5,822,055	468,348	468,348	468,348	1,405,044	5,700,000	24.6%
[+] OPEB P&L	All Departments	434,362	1,532,521	-	-	-	-	1,600,000	0.0%
[+] Bad Debts	All Departments	42,061	85,369	(2,721)	(829)	(5,036)	(8,586)	80,000	-10.7%
[+] Service Cost Construction	All Departments	294,903	(204,733)	32,788	16,279	30,050	79,117	540,000	14.7%
[+] Capitalized Construction	All Departments	(1,565,775)	(2,362,102)	(187,535)	(160,818)	(223,000)	(571,353)	(1,600,000)	-35.7%
Total Non-Cash Operating Expense		4,953,909	4,873,110	310,881	322,980	270,362	904,222	6,320,000	14.3%
Operating (Loss) Income		22,644	3,599,954	206,365	546,041	150,076	902,483	943,139	95.7%
Operating Margin %		0.1%	8.8%	6.4%	17.4%	4.7%	9.4%	2.1%	440.9%
Non Operating Revenues									
[+] Assessments - Debt Service	All Departments	7,268,052	6,220,950	753,112	291,346	12,799	1,057,258	7,000,000	15.1%
[+] Assessments - 1% Ad Valorem	All Departments	4,508,584	3,977,149	756,160	143,745	15,650	915,555	3,412,980	26.8%
[+] DWR Fixed Charge Recovery	All Departments	443,653	425,798	-	-	28,784	28,784	250,000	11.5%
[+] Interest	All Departments	987,740	1,422,343	24,753	60,699	62,100	147,552	250,000	59.0%
[+] Capital Improvement Fees (CIF)	All Departments	209,462	2,676,331	-	2,311,450	-	2,311,450	600,000	385.2%
[+] State Water Project - Table A Water Sale	All Departments	1,662,500	1,800,000	-	-	-	-	1,000,000	0.0%
[+] State & Federal Grants	All Departments	2,078,941	11,644,416	-	-	-	-	2,500,000	0.0%
[+] Other Non-Operating Revenue	All Departments	1,440,786	277,733	9,290	66,145	20,428	95,864	238,423	40.2%
Total Non Operating Revenues		18,599,717	28,444,721	1,543,315	2,873,385	139,762	4,556,462	15,251,403	29.88%
[+] Interest Long Term Debt	All Departments	3,307,446	2,627,224	-	-	-	-	3,143,117	0.0%
[+] Deferred Charges - Cost Issuance	All Departments	292,810	-	-	-	-	-	-	0.0%
[+] Amortization of SWP	All Departments	4,985,344	3,738,972	-	-	-	-	4,838,220	0.0%
[+] Water Conservation Programs	All Departments	66,667	82,608	4,242	-	5,476	9,718	100,000	9.7%
PRWA	00 (General)	(6,930)	20,918	-	-	-	-	20,000	0.0%
		8,645,337	6,469,722	4,242	-	5,476	9,718	8,101,337	0.1%
Net Income		-	25,574,952	1,745,438	3,419,427	284,362	10,134,991	8,093,205	125.2%
NIBT %		0.0%	62.4%	53.7%	108.9%	8.9%	105.9%	18.3%	577.1%

Income Statement Variance

Last Closed Period: Mar FY_2026

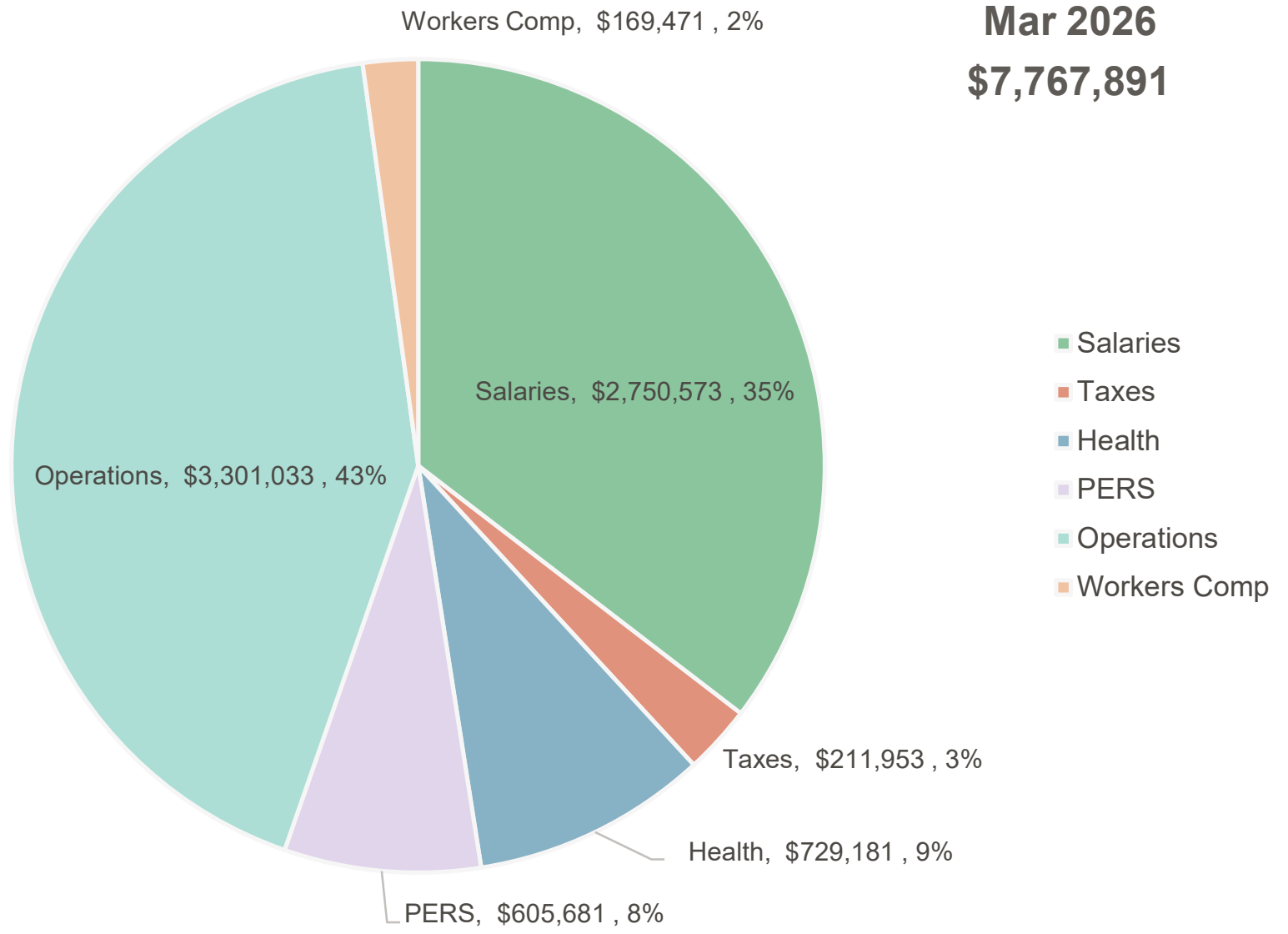
PWD (Palmdale Water District)

in Whole Dollars

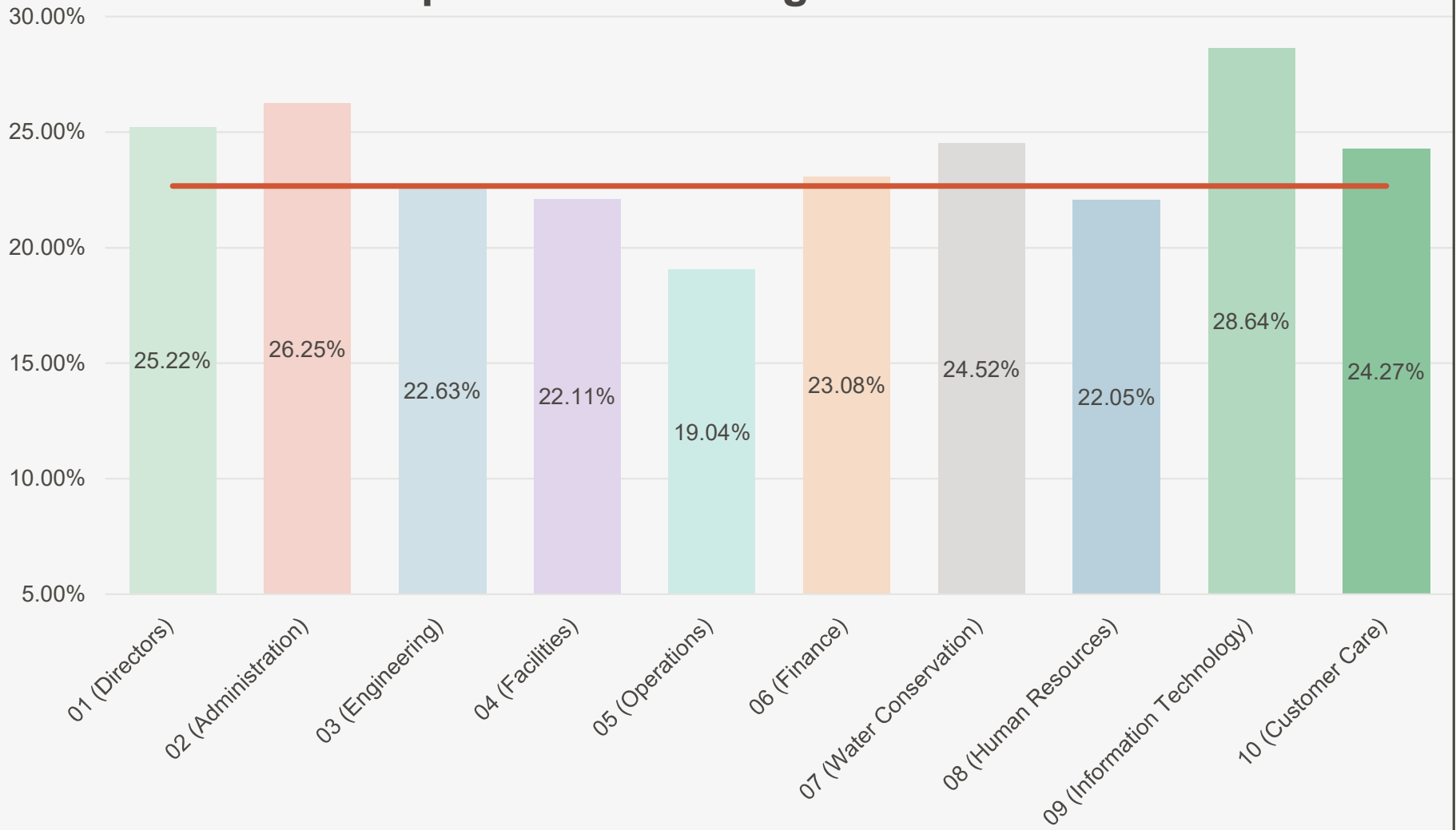
		Q1 - Quarter to Date		Variance vs. PY		Original Budget	Revised Budget	% of Executed Budget
		Mar '26 Actual	Mar '25 PY Actual	\$ Var	% Var			
Program Revenue								
[+] Wholesale water	All Departments	9,698	52,040	(42,342)	-81.4%	355,000	355,000	2.7%
[+] Water Sales	All Departments	2,792,644	2,524,074	268,570	10.6%	17,316,021	17,316,021	16.1%
[+] Meter Fees	All Departments	6,247,457	5,666,297	581,160	10.3%	24,840,957	24,840,957	25.1%
[+] Water Quality Fees	All Departments	71,967	60,715	11,252	18.5%	250,000	250,000	28.8%
[+] Elevation Fees	All Departments	69,632	48,833	20,799	42.6%	250,000	250,000	27.9%
[+] Other Service Charges	All Departments	383,199	345,055	38,144	11.1%	1,108,300	1,108,300	34.6%
Total Program Revenue		9,574,596	8,697,014	877,583	10.1%	44,120,278	44,120,278	21.7%
Operating Expenses								
[+] Operating Expenses	00 (General)	-	18,077	(18,077)	-100.0%	210,000	210,000	0.0%
[+] Operating Expenses	01 (Directors)	49,315	35,606	13,708	38.5%	195,500	195,500	25.2%
[+] Operating Expenses	02 (Administration)	1,676,578	1,380,778	295,800	21.4%	6,373,024	6,388,024	26.2%
[+] Operating Expenses	03 (Engineering)	520,085	535,187	(15,102)	-2.8%	2,298,059	2,298,059	22.6%
[+] Operating Expenses	04 (Facilities)	2,008,431	1,746,676	261,755	15.0%	9,084,762	9,084,762	22.1%
[+] Operating Expenses	05 (Operations)	1,066,860	1,124,278	(57,418)	-5.1%	5,518,929	5,603,929	19.0%
[+] Operating Expenses	06 (Finance)	499,508	486,851	12,657	2.6%	2,164,237	2,164,237	23.1%
[+] Operating Expenses	07 (Water Conservation)	89,016	86,614	2,402	2.8%	363,015	363,015	24.5%
[+] Operating Expenses	08 (Human Resources)	182,642	180,728	1,915	1.1%	828,257	828,257	22.1%
[+] Operating Expenses	09 (Information Technology)	823,043	604,067	218,976	36.3%	2,381,400	2,874,065	28.6%
[+] Operating Expenses	10 (Customer Care)	485,422	505,996	(20,574)	-4.1%	1,999,956	1,999,956	24.3%
[+] Source of Supply	All Departments	91,301	580,314	(489,013)	-84.3%	3,150,000	3,150,000	2.9%
[+] Plant Expenditures	All Departments	-	64,661	(64,661)	-100.0%	250,000	250,000	0.0%
[+] Sediment Removal Project	All Departments	5,121	4,308	813	18.9%	1,500,000	1,500,000	0.3%
[+] GAC Filter Media Replacement	All Departments	270,570	-	270,570	0.0%	750,000	750,000	36.1%
Total Operating Expenses		7,767,891	7,354,140	413,751	5.6%	37,067,139	37,659,804	20.6%
Net Cash Operating Profit/(Loss)		1,806,705	1,342,874	463,832	34.5%	7,053,139	6,460,474	28.0%
Operating Margin %		18.9%	15.4%	3.4%	22.2%	16.0%	14.6%	128.9%
Non-Cash Operating Expense								
[+] Depreciation	All Departments	1,405,044	1,444,548	(39,504)	-2.7%	5,700,000	5,700,000	24.6%
[+] OPEB P&L	All Departments	-	383,130	(383,130)	-100.0%	1,600,000	1,600,000	0.0%
[+] Bad Debts	All Departments	(8,586)	29,225	(37,812)	-129.4%	80,000	80,000	-10.7%
[+] Service Cost Construction	All Departments	79,117	68,078	11,039	16.2%	540,000	540,000	14.7%
[+] Capitalized Construction	All Departments	(571,353)	(535,027)	(36,326)	-6.8%	(1,600,000)	(1,600,000)	-35.7%
Total Non-Cash Operating Expense		904,222	1,389,955	(485,732)	-34.9%	6,320,000	6,320,000	14.3%
Operating (Loss) Income		902,483	(47,081)	949,564	2016.9%	733,139	140,474	642.5%
Operating Margin %		9.4%	-0.5%	10.0%	-1841.2%	1.7%	0.3%	2960.5%
Non Operating Revenues								
[+] Assessments - Debt Service	All Departments	1,057,258	1,609,920	(552,662)	-34.3%	7,000,000	7,000,000	15.1%
[+] Assessments - 1% Ad Valorem	All Departments	915,555	1,199,248	(283,692)	-23.7%	3,412,980	3,412,980	26.8%
[+] DWR Fixed Charge Recovery	All Departments	28,784	-	28,784	0.0%	250,000	250,000	11.5%
[+] Interest	All Departments	147,552	377,217	(229,665)	-60.9%	250,000	250,000	59.0%
[+] Capital Improvement Fees (CIF)	All Departments	2,311,450	1,501,674	809,775	53.9%	600,000	600,000	385.2%
[+] State Water Project - Table A Water Sale	All Departments	-	-	-	0.0%	1,000,000	1,000,000	0.0%
[+] State & Federal Grants	All Departments	-	116,920	(116,920)	-100.0%	2,500,000	2,500,000	0.0%
[+] Other Non-Operating Revenue	All Departments	95,864	91,589	4,275	4.7%	238,423	238,423	40.2%
Total Non Operating Revenues		4,556,462	4,896,567	(340,105)	-6.9%	15,251,403	15,251,403	29.9%
Non Operating Expenses Excl. PRWA								
[+] Interest Long Term Debt	All Departments	-	896,743	(896,743)	-100.0%	3,143,117	3,143,117	0.0%
[+] Amortization of SWP	All Departments	-	1,246,322	(1,246,322)	-100.0%	4,838,220	4,838,220	0.0%
[+] Water Conservation Programs	All Departments	9,718	13,770	(4,051)	-29.4%	100,000	100,000	9.7%
Total Non Operating Expenses Excl. PRWA		9,718	2,156,835	(2,147,117)	-99.5%	8,081,337	8,081,337	0.1%
Net Income		5,449,227	2,692,652	2,756,575	102.4%	7,903,205	7,310,540	74.5%
NIBT %		56.9%	31.0%	26.0%	83.8%	17.9%	16.6%	343.5%

Personnel vs Operational Expenses

Mar 2026
\$7,767,891



Departmental - Budget vs. Actual



Departmental Reporting

01 (Directors)

Last Closed Month: Mar - 2026

in Whole Dollars

	Mar '26 Actual	Original Budget	Revised Budget	% Used
Personnel				
[+] Payroll	-	155,000	155,000	0.0%
[+] Payroll Benefits	2,126	40,500	40,500	5.3%
Total Personnel	2,126	195,500	195,500	1.1%
Directors				
[+] xxxx-008 Director Mac Laren-Gomez	14,604	-	-	0.0%
[+] xxxx-012 Director Wilson	7,855	-	-	0.0%
[+] xxxx-014 Director Kellerman	6,963	-	-	0.0%
[+] xxxx-015 Director Sanchez	5,690	-	-	0.0%
[+] xxxx-016 Director D. Dino	12,077	-	-	0.0%
Total Directors	47,188	-	-	0.0%
Total Department Expenses	49,315	195,500	195,500	25.2%

Departmental Reporting

02 (Administration)

Last Closed Month: Mar - 2026

in Whole Dollars

	Mar '26 Actual	Original Budget	Revised Budget	% Used
Personnel				
[+] Payroll	413,810	1,775,517	1,775,517	23.3%
[+] Payroll Benefits	145,517	468,983	468,983	31.0%
Total Personnel	559,327	2,244,500	2,244,500	24.9%
Operational Expenses				
[+] Computer Software	-	148	148	0.0%
[+] Groundwater Adjudication	30,826	76,500	76,500	40.3%
[+] Others	84,709	347,700	347,700	24.4%
[+] Permits	1,400	10,000	10,000	14.0%
[+] Public Affairs	4,538	13,658	13,658	33.2%
[+] Public Relations	11,067	75,000	75,000	14.8%
Total Operational Expenses	132,541	523,006	523,006	25.3%
Total Department Expenses	691,867	2,767,506	2,767,506	25.0%
District Administration				
District-Wide Salaries & Benefits				
5070-001 (Salaries-On-Call/Stand By Time)	19,411	95,000	120,000	16.2%
5070-002 (PERS-Unfunded Liability)	343,807	1,546,820	1,546,820	22.2%
5070-003 (Worker's Compensation)	76,397	350,308	350,308	21.8%
5070-004 (Vacation Benefit Expense)	91,379	95,000	95,000	96.2%
5070-005 (Life Insurance/EAP)	1,695	7,390	7,390	22.9%
Total District-Wide Salaries & Benefits	532,689	2,094,518	2,119,518	25.1%
District-Wide Operating Expenses				
5070-006 (Other Operating)	10,444	57,000	57,000	18.3%
5070-007 (Consultants)	109,977	500,000	490,000	22.4%
5070-008 (Insurance)	186,199	550,000	550,000	33.9%
5070-010 (Legal Services)	54,642	181,000	181,000	30.2%
5070-011 (Memberships)	90,760	165,000	165,000	55.0%
5070-012 (Elections)	-	58,000	58,000	0.0%
Total District-Wide Operating Expenses	452,022	1,511,000	1,501,000	30.1%
Total Department Expenses	984,711	3,605,518	3,620,518	27.2%

Departmental Reporting

03 (Engineering)

Last Closed Month: Mar - 2026

in Whole Dollars

	Mar '26 Actual	Original Budget	Revised Budget	% Used
Personnel				
[+] Payroll	356,186	1,656,844	1,656,844	21.5%
[+] Payroll Benefits	160,153	568,995	568,995	28.1%
Total Personnel	516,339	2,225,839	2,225,839	23.2%
Operational Expenses				
[+] Computer Software	-	17,500	17,500	0.0%
[+] Contracted Services	-	5,000	5,000	0.0%
[+] Others	3,085	38,720	38,720	8.0%
[+] Supplies	661	11,000	11,000	6.0%
Total Operational Expenses	3,746	72,220	72,220	5.2%
Total Department Expenses	520,085	2,298,059	2,298,059	22.6%

Departmental Reporting

04 (Facilities)

Last Closed Month: Mar - 2026

in Whole Dollars

	Mar '26 Actual	Original Budget	Revised Budget	% Used
Personnel				
[+] Payroll	623,179	2,852,230	2,852,230	21.8%
[+] Payroll Benefits	300,633	1,040,746	1,040,746	28.9%
Total Personnel	923,811	3,892,976	3,892,976	23.7%
Operational Expenses				
[+] Contracted Services	47,664	322,322	322,322	14.8%
[+] Electricity	412,287	2,657,594	2,657,594	15.5%
[+] Lease Expense	55,169	239,603	239,603	23.0%
[+] Mtce & Rep Operations	288,817	1,081,577	1,081,577	26.7%
[+] Natural Gas	107,452	296,716	296,716	36.2%
[+] Others	116,001	327,474	327,474	35.4%
[+] Permits	19,362	75,000	75,000	25.8%
[+] Supplies	24,093	96,500	96,500	25.0%
[+] Testing	-	51,000	51,000	0.0%
[+] Tools	13,777	44,000	44,000	31.3%
Total Operational Expenses	1,084,620	5,191,786	5,191,786	20.9%
Total Department Expenses	2,008,431	9,084,762	9,084,762	22.1%

Departmental Reporting

05 (Operations)

Last Closed Month: Mar - 2026

in Whole Dollars

	Mar '26 Actual	Original Budget	Revised Budget	% Used
Personnel				
[+] Payroll	387,290	1,660,193	1,660,193	23.3%
[+] Payroll Benefits	166,751	585,892	585,892	28.5%
Total Personnel	554,042	2,246,085	2,246,085	24.7%
Operational Expenses				
[+] Contracted Services	11,362	146,444	146,444	7.8%
[+] Electricity	111,572	614,334	614,334	18.2%
[+] Mtce & Rep Operations	58,777	142,687	227,687	25.8%
[+] Natural Gas	444	3,235	3,235	13.7%
[+] Others	295,327	2,129,835	2,129,835	13.9%
[+] Permits	7,795	109,065	109,065	7.1%
[+] Supplies	25,187	120,598	120,598	20.9%
[+] Tools	2,354	6,646	6,646	35.4%
Total Operational Expenses	512,819	3,272,844	3,357,844	15.3%
Total Department Expenses	1,066,860	5,518,929	5,603,929	19.0%

Departmental Reporting

06 (Finance)

Last Closed Month: Mar - 2026

in Whole Dollars

	Mar '26 Actual	Original Budget	Revised Budget	% Used
Personnel				
[+] Payroll	276,094	1,241,211	1,241,211	22.2%
[+] Payroll Benefits	116,472	442,626	442,626	26.3%
Total Personnel	392,566	1,683,837	1,683,837	23.3%
Operational Expenses				
[+] Contracted Services	92,020	339,050	339,050	27.1%
[+] Lease Expense	726	3,000	3,000	24.2%
[+] Others	4,031	8,058	8,058	50.0%
[+] Supplies	10	-	-	0.0%
[+] Telecommunication	10,156	130,292	130,292	7.8%
Total Operational Expenses	106,942	480,400	480,400	22.3%
Total Department Expenses	499,508	2,164,237	2,164,237	23.1%

Departmental Reporting

07 (Water Conservation)

Last Closed Month: Mar - 2026

in Whole Dollars

	Mar '26 Actual	Original Budget	Revised Budget	% Used
Personnel				
[+] Payroll	56,606	231,366	231,366	24.5%
[+] Payroll Benefits	25,173	106,249	106,249	23.7%
Total Personnel	81,778	337,615	337,615	24.2%
Operational Expenses				
[+] Others	-	3,795	3,795	0.0%
[+] Public Relations	7,237	12,257	12,257	59.0%
[+] Supplies	-	9,348	9,348	0.0%
Total Operational Expenses	7,237	25,400	25,400	28.5%
Total Department Expenses	89,016	363,015	363,015	24.5%

Departmental Reporting

08 (Human Resources)

Last Closed Month: Mar - 2026

in Whole Dollars

	Mar '26 Actual	Original Budget	Revised Budget	% Used
Personnel				
[+] Payroll	103,458	463,948	463,948	22.3%
[+] Payroll Benefits	40,637	139,722	139,722	29.1%
Total Personnel	144,095	603,670	603,670	23.9%
Operational Expenses				
[+] Employee Expense	22,350	136,587	136,587	16.4%
[+] HR/Safety	308	2,078	2,078	14.8%
[+] Others	5,786	10,500	10,500	55.1%
[+] Supplies	6,910	45,035	45,035	15.3%
[+] Training	3,192	30,387	30,387	10.5%
Total Operational Expenses	38,547	224,587	224,587	17.2%
Total Department Expenses	182,642	828,257	828,257	22.1%

Departmental Reporting

09 (Information Technology)

Last Closed Month: Mar - 2026

in Whole Dollars

	Mar '26 Actual	Original Budget	Revised Budget	% Used
Personnel				
[+] Payroll	190,587	854,428	854,428	22.3%
[+] Payroll Benefits	84,381	289,673	289,673	29.1%
Total Personnel	274,968	1,144,101	1,144,101	24.0%
Operational Expenses				
[+] Cloud Services	35,205	258,509	258,509	13.6%
[+] Computer Equipment	31,317	95,000	95,000	33.0%
[+] Computer Software	164,050	40,000	40,000	410.1%
[+] Contracted Services	40,960	148,913	148,913	27.5%
[+] Lease Expense	9,938	58,000	58,000	17.1%
[+] Mtce & Rep Operations	-	1,000	1,000	0.0%
[+] Others	1,276	13,160	13,160	9.7%
[+] Software M&S	222,692	465,804	958,469	23.2%
[+] Supplies	345	5,000	5,000	6.9%
[+] Telecommunication	42,290	151,913	151,913	27.8%
Total Operational Expenses	548,075	1,237,299	1,729,964	31.7%
Total Department Expenses	823,043	2,381,400	2,874,065	28.6%

Departmental Reporting

10 (Customer Care)

Last Closed Month: Mar - 2026

in Whole Dollars

	Mar '26 Actual	Original Budget	Revised Budget	% Used
Personnel				
[+] Payroll	323,953	1,413,110	1,413,110	22.9%
[+] Payroll Benefits	158,246	508,612	508,612	31.1%
Total Personnel	482,199	1,921,722	1,921,722	25.1%
Operational Expenses				
[+] Contracted Services	2,976	66,324	66,324	4.5%
[+] Others	-	6,716	6,716	0.0%
[+] Supplies	247	5,194	5,194	4.8%
Total Operational Expenses	3,223	78,234	78,234	4.1%
Total Department Expenses	485,422	1,999,956	1,999,956	24.3%

Water Revenue Bond - Series 2024A

Project	Project #	Description	Bond Funds Issues	Contractual Commitment	Actual Costs (Project to date)	Contract Remaining
		2024A WRB Issue - Construction Funds	\$ 22,000,000		\$ -	\$ -
PRWAP-MGMT	20-65x	Palmdale Regional Water Augmentation Program (Stantec)	-	5,553,642	2,878,448	2,675,194
		Original Contract Amt: The original contract was paid through the Series 2021A WRB Funds, A1: \$2,038,690, A2: \$3,541,952				
PRWAP-Prop		Property Purchase - APN 3022-011-002 (Production Facility)	-	456,466	456,466	-
PWAV-Demo	20-656	Pure Water AV - Demonstration Facility (W.M. Lyles)	-	13,467,763	13,467,763	(0)
		Original Contract Amt: \$24,750,983, A1: \$9,324, A2: \$11,886.79, A3: \$13,998, A5: \$23,726, A6: \$1,476, A7: \$(7,145), A9: \$11,323, A10: \$49,689, A11: \$9,085, A14: \$10,927, A15: \$151,534, A16: \$12,028, A17: \$16,439, A20: \$(1,701), A21: \$10,193				
PWAV-MCC	20-656	Pure Water AV - Motor Control Center (Royal Industrial)	-	309,493	279,921	29,572
			-		-	-
			-		-	-
			-		-	-
PWD		Design, Engineering and Other Preconstruction Costs	-	220,763	220,763	-
WRB		Bond Issuance Costs	260,951	260,951	260,951	-
ISS		Issuance Funds	(15,261)	(15,261)	(15,261)	
Totals:			\$ 22,000,000	\$ 20,008,127	\$ 17,303,361	\$ 2,704,766
Interest Earnings			\$ 857,634			

2024A Water Revenue Bonds - Unallocated & Non-Committed Bond Funds:	\$ 1,991,873
2024A Water Revenue Bonds - Remaining Funds to payout:	\$ 2,704,766
Remaining Bonds Funds:	\$ 5,554,273

Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
	Interest Earnings	Mar 31, 2026		INT	15,403.02
26	W.M. Lyles	Feb 6, 2026	PP-015	PWAV-Demo	1,891,348.56
25	Stantec Consulting Services, Inc.	Dec 16, 2025	2493668	PRWAP-MGMT	143,807.25
25	W.M. Lyles	Dec 16, 2025	PP-014	PWAV-Demo	1,015,312.07
24	Stantec Consulting Services, Inc.	Nov 19, 2025	2473136	PRWAP-MGMT	154,628.77
24	Stantec Consulting Services, Inc.	Nov 19, 2025	2462616	PRWAP-MGMT	129,061.80
24	W.M. Lyles	Nov 19, 2025	PP-013	PWAV-Demo	1,492,238.62
	Interest Earnings	Feb 28, 2026		INT	21,975.45
	Interest Earnings	Jan 31, 2026		INT	24,415.55
	Interest Earnings	Dec 31, 2025		INT	29,816.94
	Interest Earnings	Nov 30, 2025		INT	34,884.62
	Interest Earnings	Oct 8, 2025		INT	38,726.84
23	W.M. Lyles	Oct 8, 2025	PP-012	PWAV-Demo	870,389.51
	Interest Earnings	Sep 30, 2025		INT	45,374.16
22	W.M. Lyles	Sep 29, 2025	PP-011	PWAV-Demo	426,436.73
22	Stantec Consulting Services, Inc.	Sep 29, 2025	2442753	PRWAP-MGMT	267,070.98
	Interest Earnings	Aug 31, 2025		INT	50,314.82
21	W.M. Lyles	Aug 21, 2025	PP-010	PWAV-Demo	1,547,262.12
21	Stantec Consulting Services, Inc.	Aug 21, 2025	2431220	PRWAP-MGMT	194,403.62
	Interest Earnings	Jul 31, 2025		INT	50,105.34
20	W.M. Lyles	Jul 31, 2025	PP-009	PWAV-Demo	938,634.10
20	Stantec Consulting Services, Inc.	Jul 31, 2025	2418199	PRWAP-MGMT	141,431.52

Water Revenue Bond - Series 2024A

Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
	Interest Earnings	Jun 30, 2025		INT	53,985.51
19	W.M. Lyles	Jun 25, 2025	PP-008	PWAV-Demo	403,715.97
19	Stantec Consulting Services, Inc.	Jun 25, 2025	2403905	PRWAP-MGMT	104,000.05
	Interest Earnings	May 30, 2025		INT	54,047.69
18	W.M. Lyles	May 28, 2025	PP-007	PWAV-Demo	433,539.10
18	Stantec Consulting Services, Inc.	May 28, 2025	2390656	PRWAP-MGMT	249,808.06
	Interest Earnings	Apr 30, 2025		INT	59,549.49
17	Stantec Consulting Services, Inc.	Apr 24, 2025	2371740	PRWAP-MGMT	129,868.51
17	Stantec Consulting Services, Inc.	Apr 24, 2025	2375949	PRWAP-MGMT	73,922.19
16	Royal Industrial Solutions	Apr 10, 2025	8870-1031858	PWAV-MCC	43,903.80
16	Royal Industrial Solutions	Apr 10, 2025	8870-1032042	PWAV-MCC	236,017.58
15	W.M. Lyles	Apr 10, 2025	PP-006	PWAV-Demo	513,120.94
	Interest Earnings	Mar 31, 2025		INT	56,883.27
14	W.M. Lyles	Mar 20, 2025	PP-005	PWAV-Demo	789,410.96
13	W.M. Lyles	Mar 1, 2025	PP-004	PWAV-Demo	691,108.38
	Interest Earnings	Feb 28, 2025		INT	66,088.17
12	Stantec Consulting Services, Inc.	Feb 5, 2025	2345138	PRWAP-MGMT	170,657.39
	Interest Earnings	Jan 31, 2025		INT	70,078.34
11	W.M. Lyles	Jan 23, 2025	PP-003	PWAV-Demo	760,462.73
11	Stantec Consulting Services, Inc.	Jan 23, 2025	2333623	PRWAP-MGMT	83,036.59
	Interest Earnings	Dec 31, 2024		INT	75,110.22
10	W.M. Lyles	Dec 11, 2024	PP-002	PWAV-Demo	655,823.90
10	Stantec Consulting Services, Inc.	Dec 11, 2024	2318905	PRWAP-MGMT	115,026.28
	Interest Earnings	Nov 30, 2024		INT	81,727.27
9	W.M. Lyles	Nov 27, 2024	PP-001	PWAV-Demo	1,038,959.59
8	Stantec Consulting Services, Inc.	Nov 7, 2024	2303718	PRWAP-MGMT	102,177.66
8	Stantec Consulting Services, Inc.	Nov 7, 2024	2300447	PRWAP-MGMT	79,961.12
	Interest Earnings	Oct 31, 2024		INT	29,147.24
7	Stantec Consulting Services, Inc.	Sep 17, 2024	2271777	PRWAP-MGMT	64,683.52
6	Stantec Consulting Services, Inc.	Aug 8, 2024	2263693	PRWAP-MGMT	103,599.15
5	Stantec Consulting Services, Inc.	Jul 17, 2024	2255640	PRWAP-MGMT	55,655.74
4	Commonwealth Land Title Company	Jun 27, 2024	09176888-CG	PRWAP-Prop	456,466.00
3	Stantec Consulting Services, Inc.	Jun 25, 2024	2246517	PRWAP-MGMT	126,100.03
2	Stantec Consulting Services, Inc.	May 16, 2024	2227944	PRWAP-MGMT	141,403.49
1	Stantec Consulting Services, Inc.	May 1, 2024	2219113	PRWAP-MGMT	248,143.88
1	Palmdale Water District	May 1, 2024	N/A	PWD	220,762.60

Water Revenue Bond - Series 2023A

Project	Project #	Description	Bond Funds Issues	Contractual Commitment	Actual Costs (Project to date)	Contract Remaining
		2023A WRB Issue - Construction Funds	\$ 13,520,000		\$ -	\$ -
3M-Power	20-610	3M Booster Station -Power Plan Design (P2S)	-	130,317	13,589	116,728
3M-Const	20-610	3M Booster Station Replacement Project (Metro Builders)	-	6,645,182	4,927,867	1,717,315
		Original Contract Amt: \$5,794,042, A2: \$657,606.48, A3: \$35,753.33, A4: \$4,393.50, A5: \$13,829.98, A6: \$39,509.67, A7: \$5,713.76, A8: \$2,684.93, A9: \$9,485.26, A10: \$24,253.66, A11: \$662.81, A12: \$24,880.28				
3M-Review	20-610	3M Booster Station Replacement Project (Hazen & Sawyer)	-	41,890	43,518	(1,628)
3M-Mgmt	20-610	3M Booster Station - Project Inspection (Ardurra Group)	-	345,818	25,661	320,157
W36-Design	20-622	Well 36 - Design & Construction (Hazen and Sawyer)	-	815,133	184,831	630,302
		Original Contract Amt: \$612,656, A1: \$34,180, A2: \$45,140, A3: \$27,265, A5: \$95,892				
W36-Equip	20-622	Well 36 - Equipping (Caliagua, Inc)	-	4,321,512	4,202,462	119,050
		Original Contract Amt: \$4,258,230, A1: \$42,980, A2: \$4,984, A3: \$12,029, A4: \$1,541, A5: \$1,748				
Q-Recycled	22-605	Avenue Q Recycled Water Pipeline (American Pipeline Svcs)	-	2,196,744	2,196,744	-
		Original Contract Amt: \$2,094,670, A1: \$1,575, A2: \$1,410, A3: \$10,037.67, A4: \$9,753.53, A5: \$9,753.53, A7: \$2,192.45, A8: \$5,250, A9: \$1,880.94, A10: \$974.25, A12: 80,747.27, A13: \$(6,562.70)				
WRB		Bond Issuance Costs	327,759	327,759	327,759	-
ISS		Issuance Funds	(13,329)	(13,329)	(13,329)	
Totals:			\$ 13,520,000	\$ 14,496,595	\$ 11,594,671	\$ 2,785,197

2024A Water Revenue Bonds - Unallocated & Non-Committed Bond Funds:	\$ (976,595)
2023A Water Revenue Bonds - Remaining Funds to payout:	\$ 2,901,925
Remaining Bonds Funds:	\$ 1,925,329

Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
45	Pacific Premier Bank	Feb 26, 2026	PB15-RET	W36-Equip	1,940.00
45	Caliaqua, Inc	Feb 26, 2026	PB15	W36-Equip	36,860.00
45	Hazen and Sawyer - Design Engineers	Feb 26, 2026	20182-000-56	W36-Design	2,910.00
45	Metro Builders & Engineers Group	Feb 26, 2026	PP#29	3M-Const	192,626.61
44	Hazen and Sawyer - Design Engineers	Feb 6, 2026	20182-000-55	W36-Design	1,185.00
44	Hazen and Sawyer - Design Engineers	Feb 6, 2026	20182-000-54	W36-Design	1,502.00
44	Metro Builders & Engineers Group	Feb 6, 2026	PP#28	3M-Const	309,385.01
43	Hazen and Sawyer - Design Engineers	Dec 16, 2025	20182-000-52	W36-Design	1,997.50
43	Hazen and Sawyer - Design Engineers	Dec 16, 2025	20182-000-53	W36-Design	4,429.50
43	Pacific Premier Bank	Dec 16, 2025	PB14-RET	W36-Equip	4,562.50
43	Caliaqua, Inc	Dec 16, 2025	PB14	W36-Equip	86,687.50
43	Metro Builders & Engineers Group	Dec 16, 2025	PP#27	3M-Const	155,422.09
42	Metro Builders & Engineers Group	Nov 19, 2025	PP#26	3M-Const	433,897.85
42	Caliaqua, Inc	Nov 19, 2025	PB13	W36-Equip	346,037.03
42	Pacific Premier Bank	Nov 19, 2025	PB13-RET	W36-Equip	18,212.48
41	Hazen and Sawyer - Design Engineers	Oct 29, 2025	20182-000-49	W36-Design	4,010.00

Water Revenue Bond - Series 2023A

Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
41	Hazen and Sawyer - Design Engineers	Oct 29, 2025	20182-000-51	W36-Design	325.00
41	Metro Builders & Engineers Group	Oct 29, 2025	PP#25	3M-Const	155,830.35
39	American Pipeline Services	Oct 8, 2025	PWD-RET	Q-Recycled	105,098.60
39	Hazen and Sawyer - Design Engineers	Oct 8, 2025	20182-000-50	W36-Design	14,402.00
40	Pacific Premier Bank	Oct 8, 2025	PB12-RET	W36-Equip	5,407.50
40	Caliaqua, Inc	Oct 8, 2025	PB12	W36-Equip	102,742.50
38	Pacific Premier Bank	Oct 3, 2025	PB11-RET	W36-Equip	3,614.15
37	Metro Builders & Engineers Group	Sep 29, 2025	PP#24	3M-Const	140,502.59
37	Caliaqua, Inc	Sep 29, 2025	PB11	W36-Equip	68,668.85
	Hazen and Sawyer - Design Engineers	Aug 26, 2025		W36-Design	
36	Metro Builders & Engineers Group	Aug 21, 2025	PP#23	3M-Const	166,063.80
36	Caliaqua, Inc	Aug 21, 2025	PB10	W36-Equip	216,077.02
36	Pacific Premier Bank	Aug 21, 2025	PB10-RET	W36-Equip	11,372.48
35	Metro Builders & Engineers Group	Jul 31, 2025	PP#22	3M-Const	69,065.00
35	Hazen and Sawyer - Design Engineers	Jul 31, 2025	20182-000-48	W36-Design	3,152.50
35	American Pipeline Services	Jul 31, 2025	PWD11	Q-Recycled	117,048.54
35	Caliaqua, Inc	Jul 31, 2025	PB09	W36-Equip	298,571.70
35	Pacific Premier Bank	Jul 31, 2025	PB09-RET	W36-Equip	15,714.30
34	Metro Builders & Engineers Group	Jun 25, 2025	PP#21	3M-Const	206,981.25
34	American Pipeline Services	Jun 25, 2025	PWD10	Q-Recycled	190,207.54
34	Caliaqua, Inc	Jun 25, 2025	PB08	W36-Equip	625,337.50
34	Pacific Premier Bank	Jun 25, 2025	PB08-RET	W36-Equip	32,912.50
33	Metro Builders & Engineers Group	May 28, 2025	PP#20	3M-Const	116,406.14
33	Hazen and Sawyer - Design Engineers	May 28, 2025	20182-000-47	W36-Design	11,655.00
33	Caliaqua, Inc	May 28, 2025	PB07	W36-Equip	269,144.50
33	Pacific Premier Bank	May 28, 2025	PB07-RET	W36-Equip	14,165.50
32	Hazen and Sawyer - Design Engineers	Apr 24, 2025	20182-000-46	W36-Design	1,640.00
32	Ardurra Group, Inc.	Apr 24, 2025	163291	3M-Mgmt	800.00
31	Caliaqua, Inc	Apr 10, 2025	PB06	W36-Equip	422,826.48
31	Pacific Premier Bank	Apr 10, 2025	PB06-RET	W36-Equip	22,254.02
31	Metro Builders & Engineers Group	Apr 10, 2025	PP#19	3M-Const	7,671.56
30	Metro Builders & Engineers Group	Mar 20, 2025	PP#18	3M-Const	69,456.37
30	Hazen and Sawyer - Design Engineers	Mar 20, 2025	20182-000-45	W36-Design	5,025.00
30	Hazen and Sawyer - Design Engineers	Mar 20, 2025	20182-000-44	W36-Design	14,790.00
30	Ardurra Group, Inc.	Mar 20, 2025	162230	3M-Mgmt	800.00
30	Ardurra Group, Inc.	Mar 20, 2025	161202	3M-Mgmt	800.00
30	American Pipeline Services	Mar 20, 2025	PWD09	Q-Recycled	3,389.12
30	Caliaqua, Inc	Mar 20, 2025	PB05	W36-Equip	337,483.70
30	Pacific Premier Bank	Mar 20, 2025	PB05-RET	W36-Equip	17,762.30
29	Metro Builders & Engineers Group	Mar 6, 2025	PP#17	3M-Const	131,750.79
29	American Pipeline Services	Mar 6, 2025	PWD08	Q-Recycled	470,233.16
28	Caliaqua, Inc	Mar 1, 2025	PB04	W36-Equip	148,865.00
28	Pacific Premier Bank	Mar 1, 2025	PB04-RET	W36-Equip	7,835.00
27	Metro Builders & Engineers Group	Feb 5, 2025	PP#16	3M-Const	380,088.44
26	American Pipeline Services	Jan 23, 2025	PWD07	Q-Recycled	345,651.79
25	Metro Builders & Engineers Group	Dec 18, 2024	PP#15	3M-Const	204,367.20
25	American Pipeline Services	Dec 18, 2024	PWD06	Q-Recycled	432,778.91
24	Hazen and Sawyer - Design Engineers	Dec 11, 2024	20182-000-43	W36-Design	5,172.54
24	Hazen and Sawyer - Design Engineers	Dec 11, 2024	20182-000-42	W36-Design	22,104.00
24	Caliaqua, Inc	Dec 11, 2024	PB03	W36-Equip	373,547.12
24	Pacific Premier Bank	Dec 11, 2024	PB03-RET	W36-Equip	19,660.37
24	Caliaqua, Inc	Dec 11, 2024	PB02	W36-Equip	163,875.00
24	Pacific Premier Bank	Dec 11, 2024	PB02-RET	W36-Equip	8,625.00

Water Revenue Bond - Series 2023A

Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
23	Metro Builders & Engineers Group	Nov 27, 2024	PP#14	3M-Const	370,190.20
23	Hazen and Sawyer - Design Engineers	Nov 27, 2024	20182-000-41	W36-Design	24,305.00
23	Hazen and Sawyer - Design Engineers	Nov 27, 2024	20182-000-40	W36-Design	17,747.50
23	Ardurra Group, Inc.	Nov 27, 2024	156285	3M-Mgmt	624.00
23	American Pipeline Services	Nov 27, 2024	PWD05	Q-Recycled	319,906.71
22	Metro Builders & Engineers Group	Oct 24, 2024	PP#13	3M-Const	190,601.65
22	Metro Builders & Engineers Group	Oct 24, 2024	PP#12	3M-Const	142,920.57
22	American Pipeline Services	Oct 24, 2024	PWD04	Q-Recycled	97,019.77
21	Hazen and Sawyer - Design Engineers	Sep 17, 2024	20182-000-39	W36-Design	11,307.50
21	American Pipeline Services	Sep 17, 2024	PWD03	Q-Recycled	34,935.30
21	Caliaqua, Inc	Sep 17, 2024	PB01	W36-Equip	495,615.00
21	Pacific Premier Bank	Sep 17, 2024	PB01-RET	W36-Equip	26,085.00
20	Ardurra Group, Inc.	Aug 22, 2024	152509	3M-Mgmt	3,371.25
20	American Pipeline Services	Aug 22, 2024	PWD02	Q-Recycled	31,724.50
19	Hazen and Sawyer - Design Engineers	Aug 8, 2024	20182-000-38	W36-Design	495.00
19	Metro Builders & Engineers Group	Aug 8, 2024	PP#11	3M-Const	550,302.42
18	P2S, Inc.	Jul 25, 2024	SIN043484	3M-Power	1,170.00
18	P2S, Inc.	Jul 25, 2024	SIN045244	3M-Power	699.75
18	Ardurra Group, Inc.	Jul 25, 2024	150829	3M-Mgmt	3,985.00
18	American Pipeline Services	Jul 25, 2024	PWD01	Q-Recycled	48,750.00
17	Hazen and Sawyer - Design Engineers	Jul 17, 2024	20182-006-5	3M-Review	4,722.50
16	Metro Builders & Engineers Group	Jul 11, 2024	PP#10	3M-Const	83,426.83
16	Hazen and Sawyer - Design Engineers	Jul 11, 2024	20182-000-37	W36-Design	1,180.00
16	Ardurra Group, Inc.	Jul 11, 2024	150060	3M-Mgmt	15,280.75
15	Hazen and Sawyer - Design Engineers	Jun 11, 2024	20182-000-36	W36-Design	695.00
15	Metro Builders & Engineers Group	Jun 11, 2024	PP#9	3M-Const	392,311.72
15	P2S, Inc.	Jun 11, 2024	SIN044000	3M-Power	260.50
14	Metro Builders & Engineers Group	May 23, 2024	PP#8	3M-Const	39,608.07
13	Hazen and Sawyer - Design Engineers	May 16, 2024	20182-007-1	3M-Review	5,812.50
13	Hazen and Sawyer - Design Engineers	May 16, 2024	20182-000-35	W36-Design	2,310.00
13	Hazen and Sawyer - Design Engineers	May 16, 2024	20182-006-4	3M-Review	7,845.00
12	Metro Builders & Engineers Group	May 1, 2024	PP#7	3M-Const	100,781.11
11	P2S, Inc.	Apr 25, 2024	SIN042663	3M-Power	608.00
11	Hazen and Sawyer - Design Engineers	Apr 25, 2024	20182-000-33	W36-Design	27,061.00
11	Hazen and Sawyer - Design Engineers	Apr 25, 2024	20182-000-34	W36-Design	5,429.50
10	P2S, Inc.	Apr 2, 2024	SIN042054	3M-Power	585.00
10	Metro Builders & Engineers Group	Apr 2, 2024	PP#6	3M-Const	17,243.49
10	Hazen and Sawyer - Design Engineers	Apr 2, 2024	20182-006-3	3M-Review	6,200.00
9	Hazen and Sawyer - Design Engineers	Feb 22, 2024	20182-006-2	3M-Review	15,390.00
9	Hazen and Sawyer - Design Engineers	Feb 22, 2024	20182-006-1	3M-Review	3,547.50
9	Metro Builders & Engineers Group	Feb 22, 2024	PP#5	3M-Const	13,680.99
8	P2S, Inc.	Feb 5, 2024	SIN040720	3M-Power	1,725.50
6	Metro Builders & Engineers Group	Jan 22, 2024	PP#4	3M-Const	50,781.25
5	Metro Builders & Engineers Group	Jan 9, 2024	PP#3	3M-Const	33,299.48
4	P2S, Inc.	Dec 7, 2023	SIN039934	3M-Power	1,305.25
4	Metro Builders & Engineers Group	Dec 7, 2023	PP#2	3M-Const	25,461.98
3	P2S, Inc.	Nov 13, 2023	SIN039156	3M-Power	2,568.75
2	Metro Builders & Engineers Group	Oct 30, 2023	PP#1	3M-Const	177,741.91
1	P2S, Inc.	Oct 19, 2023	SIN038546	3M-Power	4,666.25



BOARD MEMORANDUM

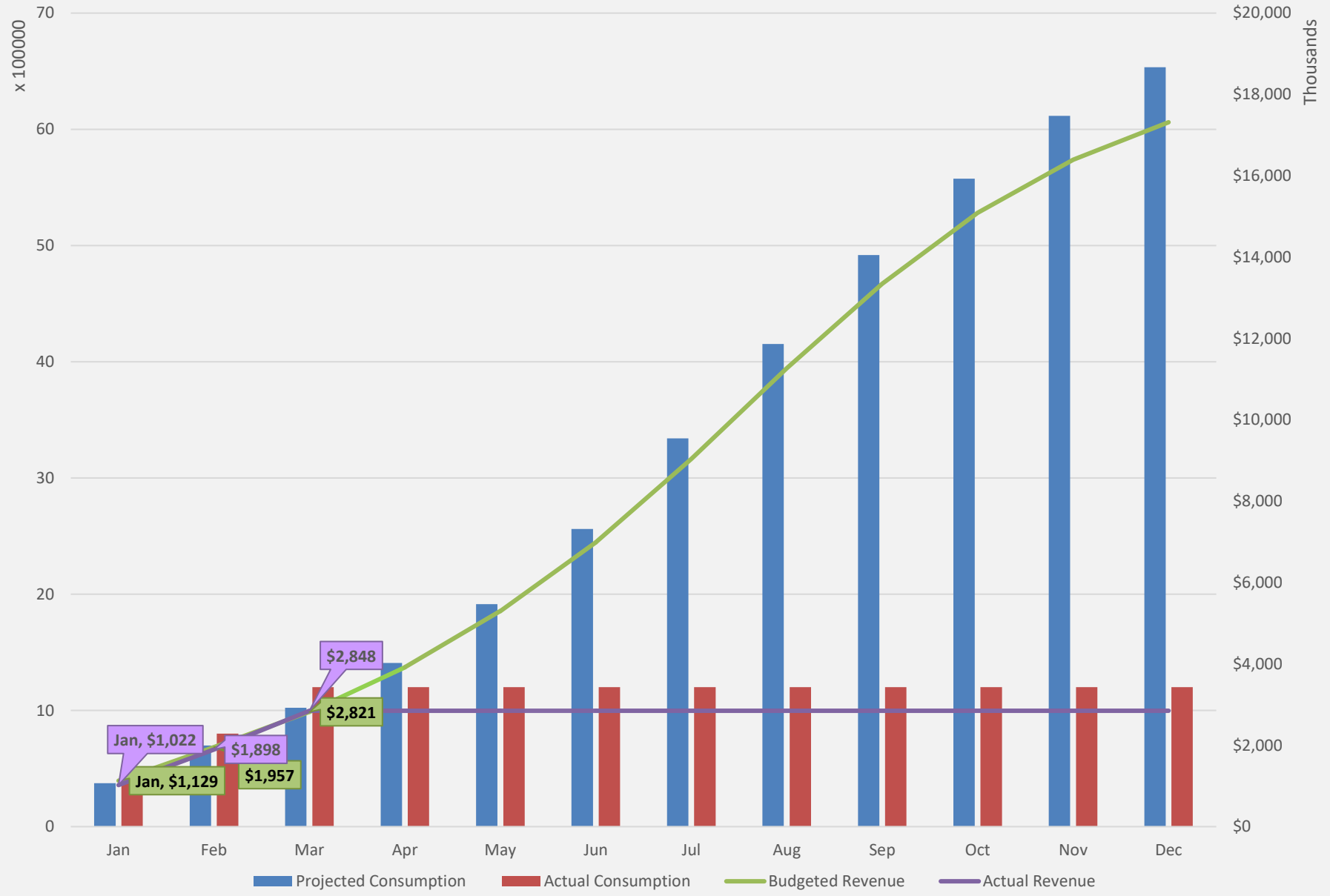
DATE: May 26, 2026
TO: **BOARD OF DIRECTORS**
FROM: Finance Manager/CFO Iguaran
VIA: General Manager LaMoreaux
RE: ***REPORTS. (FINANCE MANAGER IGUARAN/FINANCE COMMITTEE)***

DISCUSSION:

Presented here are financial-related items for your review.

1. 2026 Revenue Projections (attachment):
 - a. In March, consumption units billed were 921 AF.
 - b. In March total amounts billed were \$3,158,014, with water usage alone being \$929,023. Total water usage billed through March was \$2,848,243, which is very close to our budgeted projections of \$2,821,238.
2. Monthly Billing Statistics (attachment):
 - a. In March, we sent out 27,105 bills, 6,967 late fee notices, processed 2,978 shut-off notices, and conducted 245 shutoffs and locks.
3. Rate Assistance Program (attachment):
 - a. As of March, we had 632 customers enrolled in the Rate Assistance Program, each receiving a monthly \$25.00 discount on their bill. Based on the revenue generated from our cell tower leases, the maximum number of customers we can assist this year is 634.
4. Payment Arrangements (attachment):
 - a. We currently have 12 active payment arrangements totaling \$18,170.51 for amounts ranging from \$91-\$9,900. Customers have paid \$13,549.36 and what is outstanding is \$4,621.15.

2026 Revenue Projections Based on 15,000 AF

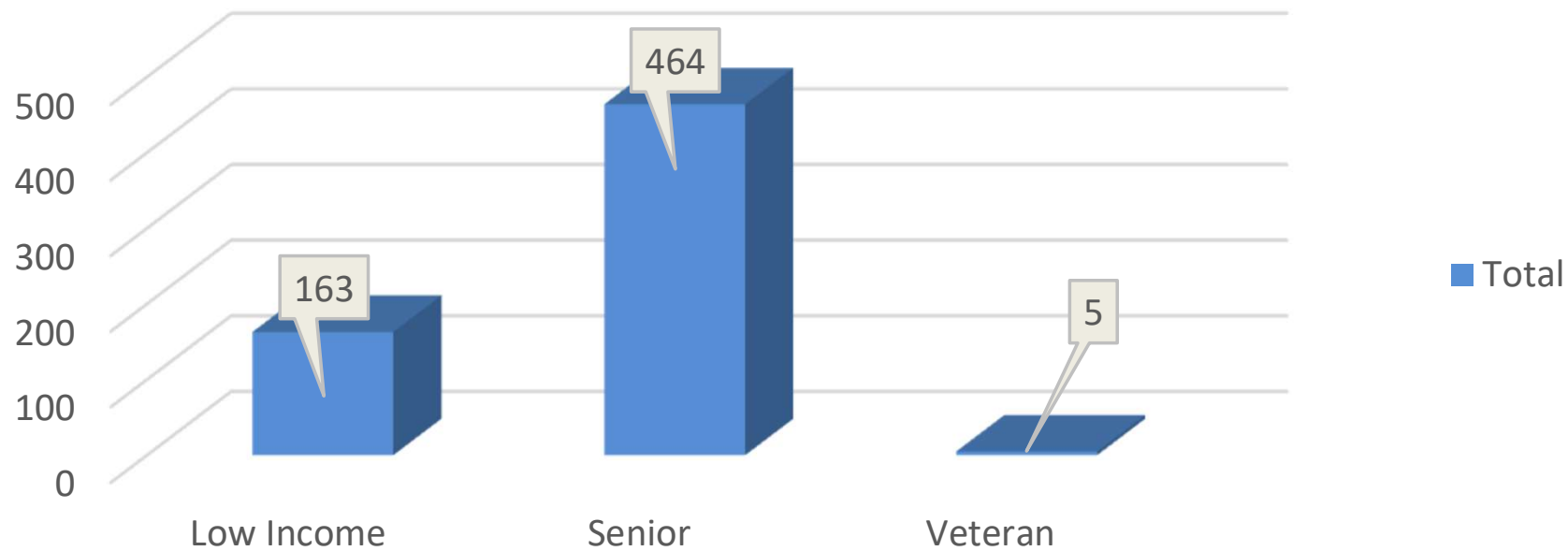


**Palmdale Water District
Monthly Billing Statistics**

Month	Bills	LF Notice	Shut Notice	Off & Lock (M)	Based on Bills Issued			Based on Late Notices		Based on Shut Notice
	(A)	(B)	(C)	(D)	B / A	C / A	D / A	C / B	D / B	D / C
12/22/2018	26632	6485	2401	423	24.4%	9.0%	1.6%	37.0%	6.5%	17.62%
12/29/2019	26699	6565	2456	326	24.6%	9.2%	1.2%	37.4%	5.0%	13.27%
12/17/2020	26808	6038			22.5%					
12/2/2021	26893	6579			24.5%					
12/31/2022	26975	6504	2417	11	24.1%	9.0%	0.0%	37.2%	0.2%	0.46%
12/31/2023	27075	7832	2850	145	28.9%	10.5%	0.5%	36.4%	1.9%	5.09%
12/31/2024	27103	7413	3272	117	27.4%	12.1%	0.4%	44.1%	1.6%	3.58%
12/31/2025	27106	7486	3151	124	27.6%	11.6%	0.5%	42.09%	1.7%	3.94%
1/31/2026	27122	7827	3391	194	28.9%	12.5%	0.7%	43.32%	2.5%	5.72%
2/28/2026	27113	7324	3090	158	27.0%	11.4%	0.6%	0.421900601	2.2%	5.11%
3/31/2026	27105	6967	2978	245	25.7%	11.0%	0.9%	0.427443663	3.5%	8.23%

Count of Customer Id

Rate Assistance Program



Class Code

as of 3/31/2026

Open Payment Arrangements

Customer Id: %

Arrangement #	Arranged Amount	Amount Paid	Remaining Balance
5345	\$1,367.39	\$1,139.50	\$227.89
5346	\$1,419.05	\$1,319.05	\$100.00
5360	\$3,230.63	\$2,153.76	\$1,076.87
5362	\$9,900.65	\$7,920.52	\$1,980.13
5377	\$404.30	\$202.16	\$202.14
5380	\$557.91	\$371.94	\$185.97
5383	\$226.52	\$155.00	\$71.52
5385	\$143.57	\$0.00	\$143.57
5388	\$188.66	\$0.00	\$188.66
5391	\$200.00	\$0.00	\$200.00
5393	\$440.00	\$220.00	\$220.00
5395	\$91.83	\$67.43	\$24.40
Total:	\$18,170.51	\$13,549.36	\$4,621.15

MINUTES OF MEETING OF THE OUTREACH COMMITTEE OF THE PALMDALE WATER DISTRICT, FEBRUARY 5, 2026

A meeting of the Outreach Committee of the Palmdale Water District was held Thursday, February 5, 2026, at 2029 East Avenue Q, Palmdale, CA 93550. Chair Dino called the meeting to order at 10:30 a.m.

1) Roll Call.

Attendance:

Committee:
Debbie Dino, Chair
Cynthia Sanchez,
Committee Member

Others Present:

Dennis LaMoreaux, General Manager
Scott Rogers, Assistant General Manager
Judy Shay, Public Affairs Director
Claudia Bolanos, Resource and Analytics Director
Don Wilson, Committee Member Alternate
Danielle Henry, Executive Assistant
Trisha Guerrero, Management Analyst

2) Adoption of Agenda.

It was moved by Committee Member Sanchez, seconded by Chair Dino, and unanimously carried by all members of the Committee present at the meeting to adopt the agenda, as written.

3) Public Comments for Non-Agenda Items.

There were no public comments for non-agenda items.

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 November 3, 2025.

It was moved by Committee Member Sanchez, seconded by Chair Dino, and unanimously carried by all members of the Committee present at the meeting to approve the minutes of the Outreach Committee meeting held November 3, 2025, as written.

4.2) Consideration and Possible Action to Approve and Authorize the General Manager to Enter into a Contract with Race Ready LLC to Provide the Set Up and Assistance for the Inaugural PWD 5K Run/Walk. (\$12,500.00 – Not-to-Exceed – Budgeted – Budget Item No. 1-02-4190-700 – Public Affairs Director Shay)

Public Affairs Director Shay provided an overview of the proposed H2GO 5K Run/Walk with Race Ready LLC to be held on June 13 at Lake Palmdale, and after a brief discussion of services provided by Race Ready LLC, the registration cost, and public participation, it was

moved by Chair Dino and seconded by Committee Member Sanchez to approve a contract with Race Ready LLC to provide the set up and assistance for the Inaugural PWD 5K Run/Walk in the not-to-exceed amount of \$12,500.00.

4.3) Discussion of 2025 Outreach Activities. (Public Affairs Director Shay)

a) Outreach Report.

Public Affairs Director Shay provided an overview of the written Outreach Report for events through January 28, highlighting press releases, print publications, customer outreach, social media activity, community participation, and a staff meeting with Congressman Whitesides office regarding the Water Resources Development Act.

b) Upcoming Events/2025 Plans.

She then stated that upcoming events include the ACWA Legislative Symposium on February 11, the District-hosted Valentine's-themed Blood Drive on February 12, Let's Talk H2O! Making Conservation a Way of Life on March 11, the 8th Annual Water Ambassadors Academy in April, the inaugural PWD 5K Run/Walk on June 13, two Junior Water Ambassadors Academies in the Fall and District sponsorship of the AV ALTA Soccer Club for the 2026 season.

1) 2025 Christmas Parade Float Wrap-Up.

She then provided a brief overview of expenses related to the District's participation in the 2025 AV Chamber of Commerce Christmas Parade, which received the "Most Creative" award for its Hope and Renewal themed float, after which Director Dino commented that the District's investment made a positive impact in the community.

5) Reports.

5.1) Water-Use Efficiency Activities. (Resource and Analytics Director Bolanos)

Resource and Analytics Director Bolanos provided an update on the Water-Use Efficiency (WUE) Department activities, including the completion of the annual water audit, submittal of the District's Making Conservation a California Way of Life Urban Water Use Objective Report, school outreach presentations and teacher surveys, the 2026 Earth Day Poster Contest, an upcoming Urban Water-Use Objective Workshop, the 2025 Urban Water Management Plan update, and Project WET staff trainings.

6) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

7) Date of Next Committee Meeting.

There was no date set for the next Outreach Committee meeting.

8) Adjournment.

There being no further business to come before the Outreach Committee, the meeting was adjourned at 10:51 a.m.


Chair

**MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT,
APRIL 21, 2026:**

A meeting of the Finance Committee of the Palmdale Water District was held Tuesday, April 21, 2026, at 2029 East Avenue Q, Palmdale, CA 93550. Chair Wilson called the meeting to order at 1:32 p.m.

1) Roll Call.

Attendance:

Committee:
Don Wilson, Chair
Scott Kellerman,
Committee Member

Others Present:

Dennis LaMoreaux, General Manager
Scott Rogers, Assistant General Manager
Viridiana Iguaran, Finance Manager
Bob Egan, Financial Advisor
Debbie Dino, Board Member
Sarah Hernandez, Accounting Supervisor
Danielle Henry, Executive Assistant
Jessica Vasquez, Management Analyst
0 members of the public

2) Adoption of Agenda.

It was moved by Committee Member Kellerman, seconded by Chair Wilson, and unanimously carried by the members of the Committee present to adopt the agenda, as written.

3) Public Comments for Non-Agenda Items.

There were no public comments for non-agenda items.

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 March 17, 2026.

It was moved by Committee Member Kellerman, seconded by Chair Wilson, and unanimously carried by the members of the Committee present to approve the minutes of the Finance Committee meeting held March 17, 2026, as written.

4.2) Discussion and Overview of Current Cash Balances and Investment Funds Report as of February 2026. (Financial Advisor Egan)

Financial Advisor Egan provided an overview of the cash balances and Investment Funds Report through February 2026, including account transfers, scheduled payments, interest and

market values, assessments received, and capital improvement fees received, followed by a brief discussion of interest and investments.

4.3) Discussion and Overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for February 2026. (Finance Manager Iguaran)

Finance Manager Iguaran presented a detailed review of the unaudited Balance Sheet, Income Statement, and Departmental Reports for the period ending February 2026, covering assets and liabilities, retained earnings, operating and non-operating revenues, non-cash expenses, and personnel and operational costs, and noted the additional report information reflecting original budgets and Board-approved budget increases and then stated that staff expects adjustments to non-operating revenue, including grants, due to timing of posted expenses; that the District received significant capital improvement fee revenue during the period; that water sales increased by approximately \$114,000 compared to February 2025 but were lower than the prior month; that total operating revenue through February is below the pace needed to meet the District's 2026 revenue target; that operating expenses are trending low; and that a few departments appear over budget due to upfront contract services, outreach efforts, personnel costs, and the front-loading of Health Spending Accounts (HSA), but all departments remain within their approved annual budgets, followed by a brief discussion of future HSA disbursement.

4.4) Discussion and Overview of Committed Contracts Issued. (Finance Manager Iguaran)

Finance Manager Iguaran stated that the report column titles were updated slightly from the prior month to improve transparency and provided an overview of the committed and uncommitted 2023A and 2024A Water Revenue Bond funds followed by discussion regarding the grant funding and the Palmdale Recycled Water Authority (PRWA) reimbursement received for the Recycled Water Pipeline project and the June deadline for expending the remaining 2023A Bond funds.

5.1) Finance Manager Iguaran:

a) Revenue Projections.

Finance Manager Iguaran reported that based on selling 15,000 AF of water, 2026 revenue is slightly below projections by approximately \$58,000 as of February 28.

b) Monthly Billing Statistics.

She then reported on the February billing activity, including the number of billings, late fee notices, shut-off notices, and shutoffs and locks.

5.2) Financial Advisor Egan:

a) Debt Service Coverage Status.

Financial Advisor Egan reported that the updated Debt Service Coverage report provided for March 2025 to February 2026 is 5.15 and remains very healthy.

5.3) Other.

There were no other reports.

6) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

7) Date of Next Committee Meeting.

It was determined that the next regular Finance Committee Meeting will be held on May 19, 2026 at 1:30 p.m.

8) Adjournment.

There being no further business to come before the Finance Committee, the meeting was adjourned at 2:06 p.m.



Chair



BOARD MEMORANDUM

DATE: May 26, 2026
TO: BOARD OF DIRECTORS
FROM: General Manager LaMoreaux
RE: *REPORT OF GENERAL MANAGER.*

The following is the May 2026 report to the Board of activities through April 2026. It is organized to follow the District's 2022 Strategic Plan approved in October 2022 and composed of six strategic initiatives. The initiatives follow for reference. It is intended to provide a general framework to update the month's activities.

PWD 2022 STRATEGIC PLAN SUMMARY



Water Resource Reliability: *Resilience, Development, Partnership*

Support and participate with local agencies in the development of projects and policies that improve water reliability

Maximize state and federal funding opportunities for Pure Water AV

Support projects and initiatives that increase the resilience of the State Water Project

Develop water storage options for State Water Project supplies and improve groundwater capture capabilities

Strengthen stakeholder relationships and implement Littlerock Dam and Reservoir Sediment Removal Project



Organizational Excellence: *Train, Perform, Reward*

Offer competitive compensation and benefits package for employee recruitment and retention

Focus Succession Planning Program on ensuring an overlap of training for key positions

Continue providing transparency to our ratepayers through training for the ongoing achievement of the Districts of Distinction certification

Encourage cohesiveness, transparency, and integrity within the staff through Codes of Conduct and increased accountability

Ensure employees are trained on the Strategic Plan and the District's Values of Diversity, Integrity, Teamwork, and Passion

Improve safety for Directors, employees, and customers

Develop career paths at the District for interns and pursue state and federal funding for intern programs

Cultivate a positive culture and increase employee engagement



Systems Efficiency: *Independence, Technology, Research*

- Explore energy independence and evaluate the feasibility of energy options, including wind and solar
- Incorporate more energy efficient technologies into the District's infrastructure
- Research state-of-the-art treatment techniques to enhance systems efficiency
- Re-evaluate Lake Palmdale bypass pipeline and pursue funding options
- Improve Palmdale Ditch to reduce water loss



Financial Health and Stability: *Strength, Consistency, Balance*

- Pursue grant funding for District projects and operations
- Maintain the five-year financial plan adopted as part of the 2019 Water Rate Study, including the five-year Capital Improvement Plan
- Conduct and adopt a 2024 five-year Water Rate Plan
- Build adequate reserve levels and achieve high-level bond rating
- Seek potential revenue sources from vacant District properties
- Monitor finances, operations, and projects affected by emergencies
- Digitize and document departmental workflows



Regional Leadership: *Engage, Lead, Progress*

- Continue to provide opportunities and information for local businesses and agencies to contract with the District
- Continue to collaborate with neighboring water agencies and move to include more agencies throughout and outside of the Antelope Valley through Greater Antelope Valley Mutual Response Agreements and emergency response exercises
- Develop working relationships and mutually beneficial projects with other water agencies in the District's region
- Develop strategies, alliances, and funding to make Littlerock Dam and Reservoir recreational again
- Continue Memorandum of Understanding with United Water Conservation District to combine political forces to obtain grant funding and research other joint cooperative regional efforts
- Continue representation on larger regional organizations such as the California Special Districts Association (CSDA) and the Association of California Water Agencies (ACWA) and assist with the growth and influence of the Special Districts Association of North Los Angeles County, a CSDA local chapter



Customer Care, Advocacy and Outreach: *Promote, Educate, Support*

Enhance customers' experience through communication and feedback

Expand and market additional payment options

Continue to increase public awareness of current programs and services through traditional and new media platforms

Engage elected officials and the public on the importance of local and state water reliability issues

Complete conversion to an Advanced Metering Infrastructure (AMI) to increase customers' knowledge of water use and promote customer self-help portal

Continue to increase public awareness of the on-going drought and the importance of conservation efforts

Publicize, engage, and educate the community about Pure Water AV

Overview

This report also includes charts that show the effects of the District's efforts in several areas. They are organized within each strategic initiative and include status of the State Water Resources Control Board's (SWRCB) current and former long-term conservation orders, the District's total per capita water use trends, State Water Project resources status, 2025 actual water production and customer use graph, mainline leaks, and the water loss trends for both 12- and 24-month running averages.



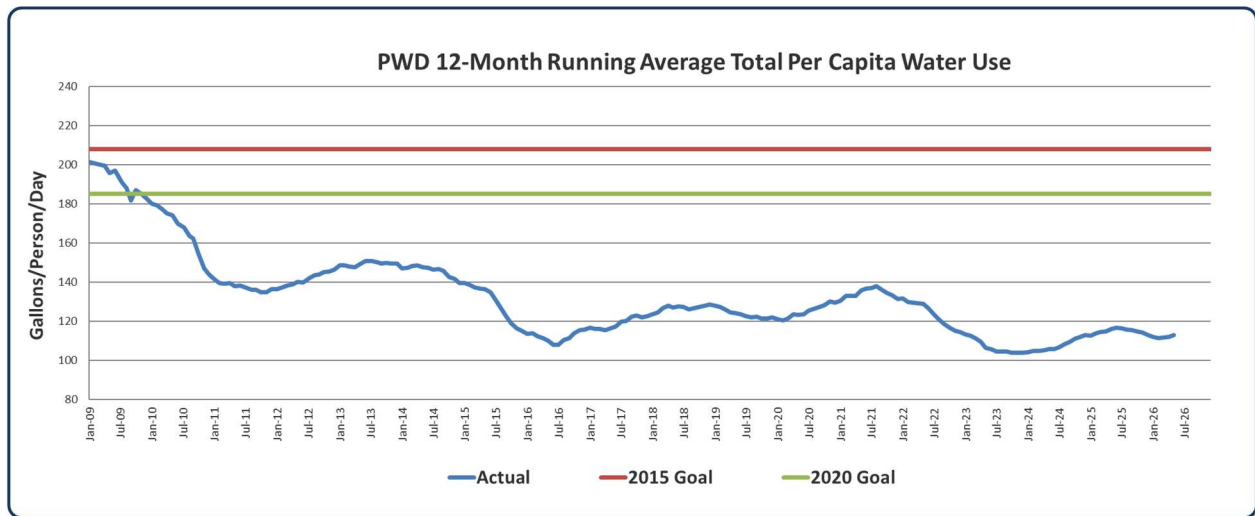
Water Resource Reliability *Resilience, Development, Partnership*

This initiative includes conservation efforts, water supply projects, and water planning. Recent highlights are as follows:

Overall Water Use Goals and Compliance

The 2020 Urban Water Management Plan (UWMP) was adopted by the District in June 2021. This report still uses the 20 x 2020 requirements. The "Making Conservation a Way of Life" regulations that sets agency water budgets were approved on July 3, 2024. The District's use of a water budget-based rate structure is helpful in complying with the new regulations. The first two annual reports were completed under the new regulations. They show the District is below the water budget determined by these regulations for the period of July 2023 through June 2025. This is good news even though the regulations are not enforceable until 2027.

The District’s compliance with the former 20 x 2020 law is evident from the chart titled “PWD 12-Month Running Average Total Per Capita Water Use:”



The District’s customers have cut their water use by **51.1%** from the baseline number of 231 re-established in the 2020 Urban Water Management Plan and met all 20 x 2020 Goals by early 2010. The current Metered-GPCD, gallons per capita per day, is now 113 showing our customers continued reduced usage. The 2025 UWMP will be presented to the Board in June and will include regulatory updates.

Water Supply Information

The District’s 2026 water supply summary in acre-feet (AF) is as follows:

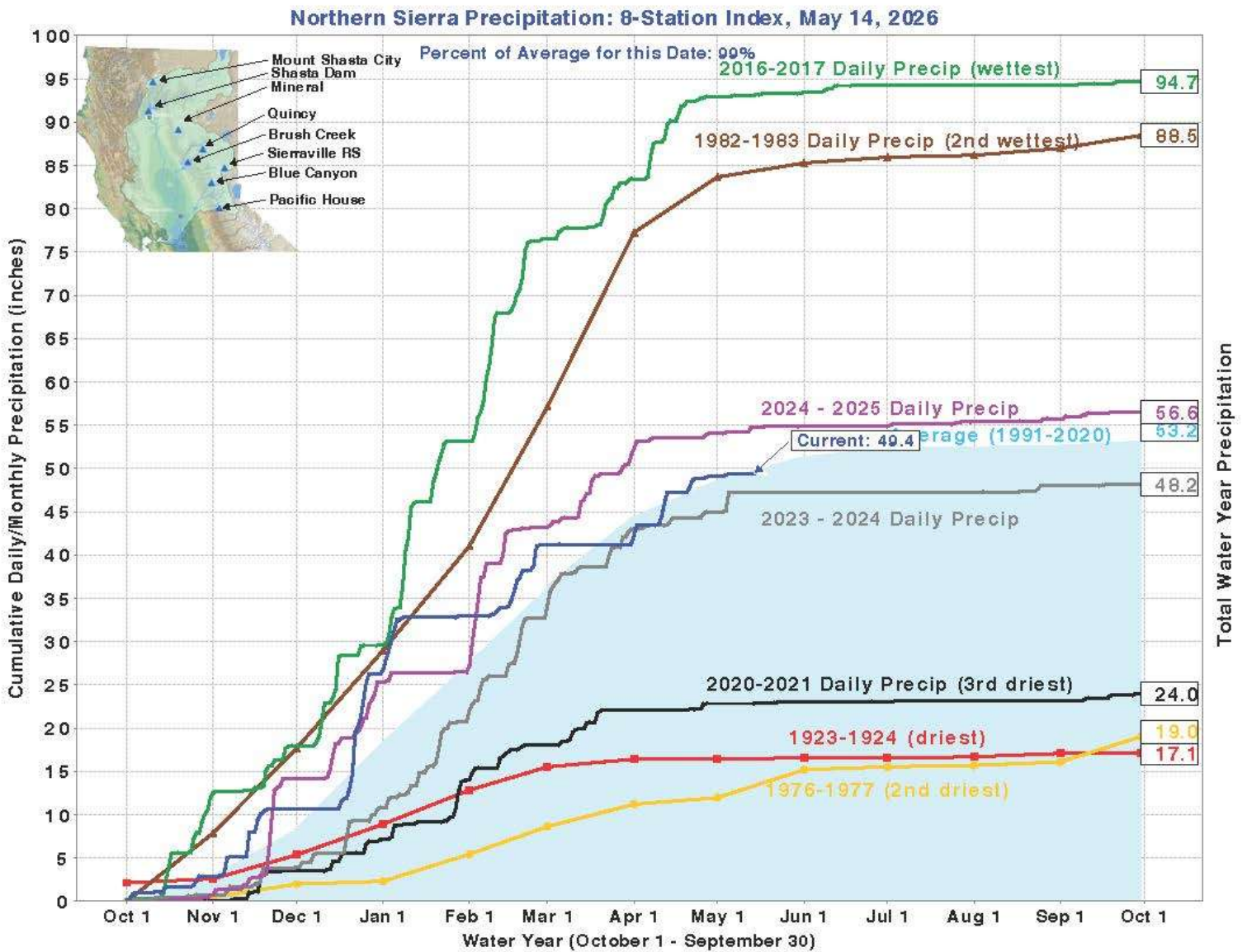
Surface Water	Littlerock Reservoir:	2,800
	2026 SWP (45%):	15,120 (Includes Butte and LCID)
	2025 SWP Carry Over:	<u>3,417</u>
	Subtotal:	21,337 AF
Groundwater	Native:	2,919.63
	Unused Federal Rights:	1,436.14
	Imported Water Return Flow:	1,557.62
	Carry Over:	<u>14,121.67</u>
	Subtotal:	20,035.06 AF
Banked Surface Water:		12,927.62 AF
	Total:	54,299.68 AF

These resources adequately cover the 2026 anticipated raw water demand of 16,500 AF. It also opens the potential of exercising the exchange agreement with Westside Water Authority. The District also plans to carry over approximately 6,000 AF of SWP water into 2027.

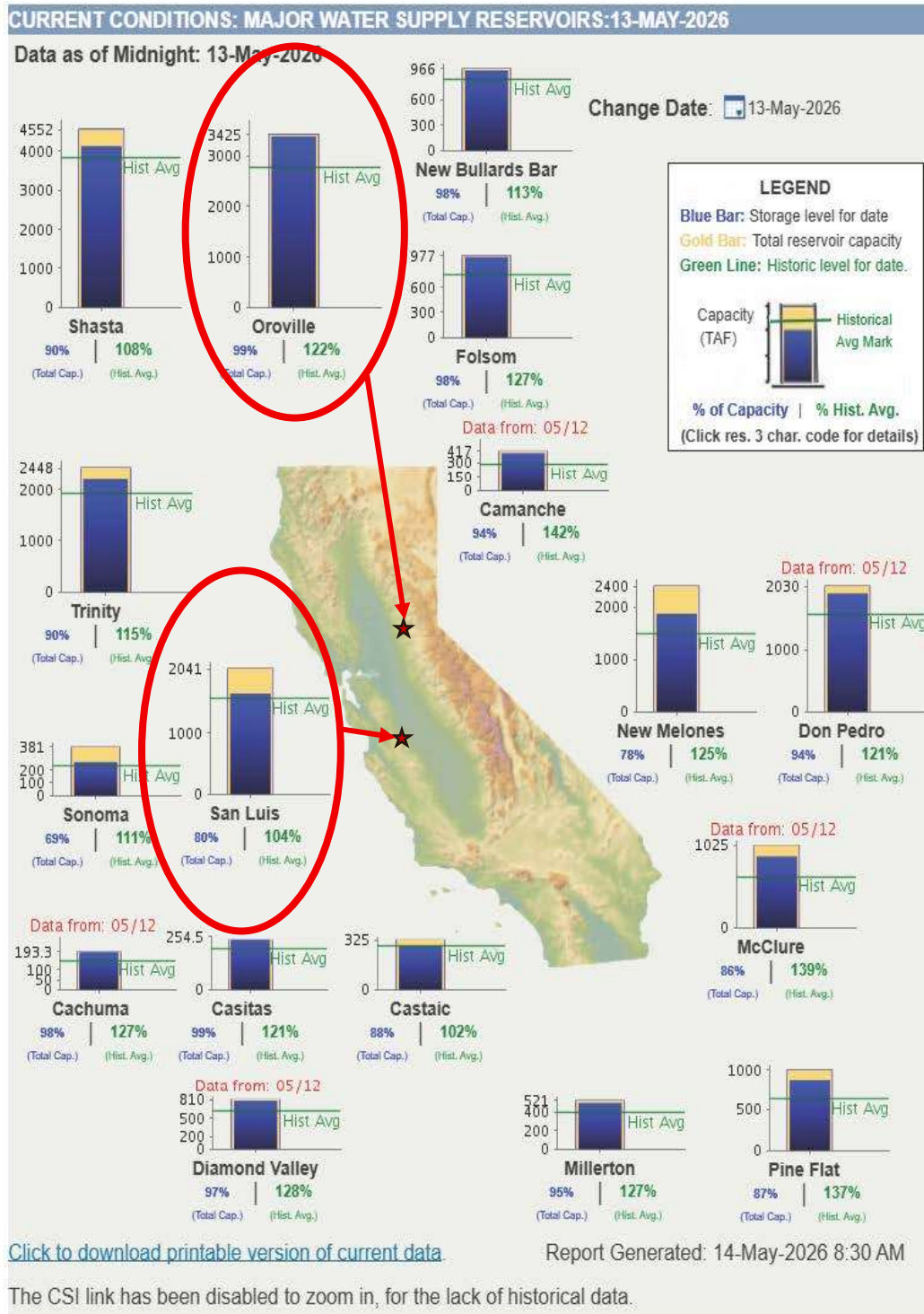
State Water Status

The next few charts show the status of precipitation, reservoir water storage, drought status, and snowpack status. Precipitation in the area that contributes to the State Water Project for the 2025-2026 Water Year (October through September) is currently 99% of the average for this date and 93% of the full water year average.

The May 14, 2026 Northern Sierra precipitation is as follows:



The May 14, 2026 reservoir summary is as follows. The two most important reservoirs to the District are Oroville and San Luis. Oroville stores SWP supplies north of the Delta and San Luis stores them south of the Delta.



The December 2025 storms eliminated drought in California. However, unusually warm and dry weather in March and April has parts of California moving into slight drought. The change between March and May as shown on the following U.S. Drought Monitor illustrations dated March 10, 2026 and May 12, 2026:

**U.S. Drought Monitor
 California**



May 12, 2026
 (Released Thursday, May 14, 2026)
 Valid 8 a.m. EDT

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	39.74	60.26	6.46	0.00	0.00	0.00
Last Week 05-05-2026	39.74	60.26	5.69	0.00	0.00	0.00
3 Months Ago 02-10-2026	69.30	0.70	0.00	0.00	0.00	0.00
Start of Calendar Year 01-01-2026	100.00	0.00	0.00	0.00	0.00	0.00
Start of Water Year 09-30-2025	26.78	73.22	38.52	18.61	1.25	0.00
One Year Ago 05-13-2025	41.86	58.14	39.81	24.73	7.11	0.10

Intensity:
 None (White) D2 Severe Drought (Orange)
 D0 Abnormally Dry (Yellow) D3 Extreme Drought (Red)
 D1 Moderate Drought (Light Orange) D4 Exceptional Drought (Dark Red)

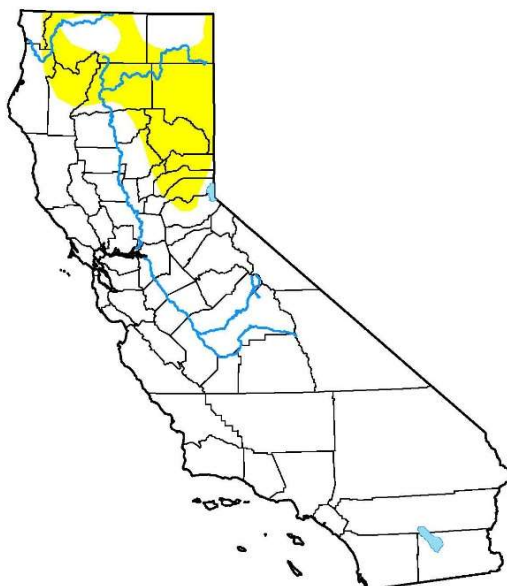
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Author:
 Rocky Bilotta
 NCEI/NOAA



droughtmonitor.unl.edu

**U.S. Drought Monitor
 California**



March 10, 2026
 (Released Thursday, Mar. 12, 2026)
 Valid 8 a.m. EDT

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	85.84	14.16	0.00	0.00	0.00	0.00
Last Week 03-03-2026	100.00	0.00	0.00	0.00	0.00	0.00
3 Months Ago 12-09-2025	91.10	8.90	0.00	0.00	0.00	0.00
Start of Calendar Year 01-01-2026	100.00	0.00	0.00	0.00	0.00	0.00
Start of Water Year 09-30-2025	26.78	73.22	38.52	18.61	1.25	0.00
One Year Ago 03-11-2025	41.78	58.22	41.58	24.83	14.75	0.73

Intensity:
 None (White) D2 Severe Drought (Orange)
 D0 Abnormally Dry (Yellow) D3 Extreme Drought (Red)
 D1 Moderate Drought (Light Orange) D4 Exceptional Drought (Dark Red)

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Author:
 Brad Pugh
 CPC/NOAA



droughtmonitor.unl.edu

The following illustrates the poor condition of the state's snowpack as of May 13, 2026.



CURRENT REGIONAL SNOWPACK FROM AUTOMATED SNOW SENSORS

% of April 1 Average / % of Normal for This Date



NORTH	
Data as of May 13, 2026	
Number of Stations Reporting	32
Average snow water equivalent (Inches)	0.7
Percent of April 1 Average (%)	3
Percent of normal for this date (%)	6

CENTRAL	
Data as of May 13, 2026	
Number of Stations Reporting	54
Average snow water equivalent (Inches)	2.1
Percent of April 1 Average (%)	8
Percent of normal for this date (%)	14

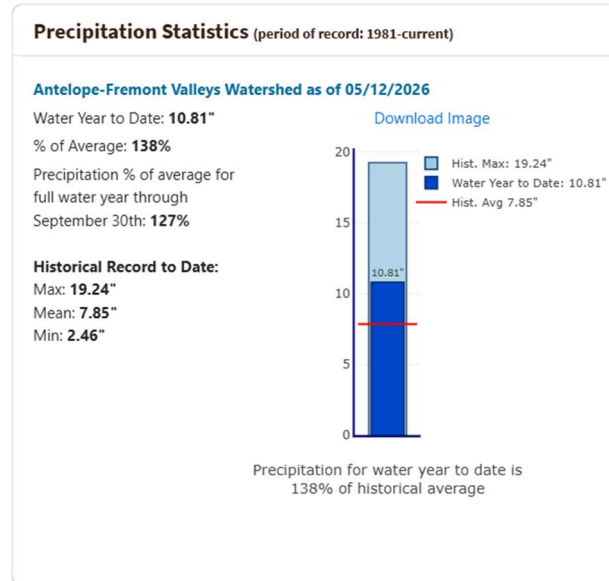
SOUTH	
Data as of May 13, 2026	
Number of Stations Reporting	25
Average snow water equivalent (Inches)	3.0
Percent of April 1 Average (%)	13
Percent of normal for this date (%)	25

STATE	
Data as of May 13, 2026	
Number of Stations Reporting	111
Average snow water equivalent (Inches)	1.8
Percent of April 1 Average (%)	7
Percent of normal for this date (%)	13

Statewide Average: 7% / 13%

Data as of May 13, 2026

The following rainfall information for the Antelope Valley and Fremont Valley, California City-Randsburg area, shows this water year is above average by 127% for the full water year. This is largely due to the December 2025 storms.



2026 and Historical Water Use Information

- The following tables and graphs show the actual and projected monthly water consumption and production for 2026. The shape of the projected production and consumption graph are based on an average of the prior five years of actual monthly information. The two following tables show how the prior five years are used to project the monthly production and consumption for 2026 based on a budget amount of 15,000 AF of consumption. The warmer weather in March has pushed the actual consumption and production to 13% and 14% respectively above projected for this point in the year.

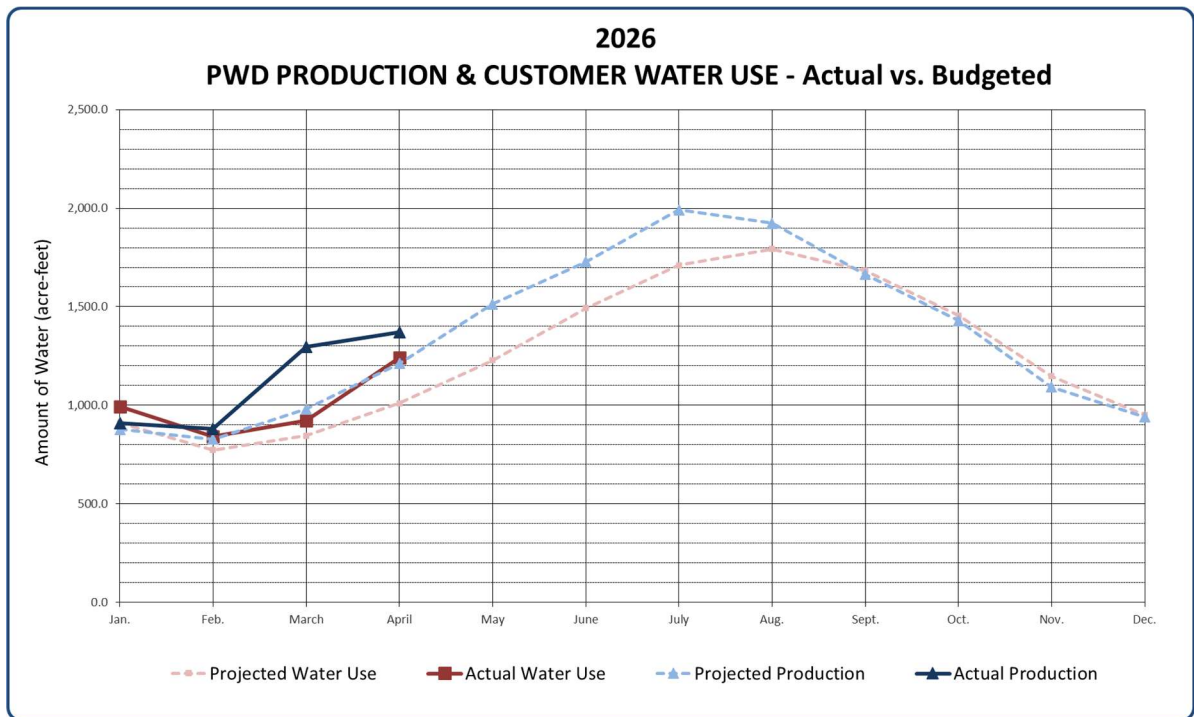
Water Consumption Projections and Actuals

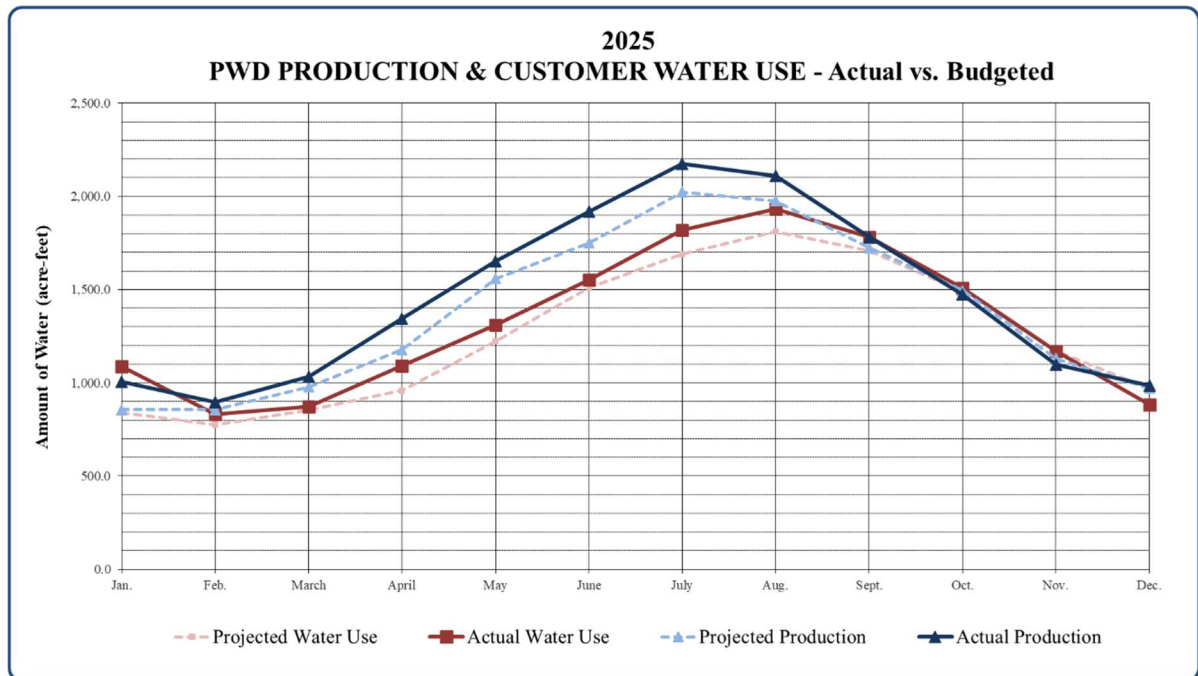
Month	Five-Year Aver.	Budgeted 2026	Actual 2026	Difference
	Consumption	Consumption	Consumption	(Act. - Pred.)
	(ac.-ft.)	(ac.-ft.)	(ac.-ft.)	(ac.-ft.)
Jan.	975.9	910.7	993.4	82.7
Feb.	828.0	772.8	841.3	68.5
March	905.5	845.0	921.8	76.7
April	1,082.8	1,010.5	1,240.1	229.6
May	1,316.4	1,228.5		
June	1,599.2	1,492.5		
July	1,833.0	1,710.7		
Aug.	1,920.6	1,792.4		
Sept.	1,803.3	1,682.9		
Oct.	1,560.1	1,456.0		
Nov.	1,228.8	1,146.8		
Dec.	1,018.9	950.9		
	16,073	3,539	3,996.6	457.6
	16,073	15,000		12.9%

Water Production Projections and Actuals

Month	Five-Year Aver.	Projected 2026	Actual 2026	Difference
	Production	Production	Production	(Act. - Pred.)
	(ac.-ft.)	(ac.-ft.)	(ac.-ft.)	(ac.-ft.)
Jan.	954.1	878.2	909.1	30.9
Feb.	899.7	828.1	881.6	53.5
March	1,066.1	981.2	1,297.3	316.1
April	1,316.2	1,211.4	1,371.3	159.9
May	1,644.9	1,513.9		
June	1,877.8	1,728.4		
July	2,163.5	1,991.3		
Aug.	2,090.2	1,923.8		
Sept.	1,807.2	1,663.4		
Oct.	1,553.7	1,430.0		
Nov.	1,186.6	1,092.2		
Dec.	1,022.6	941.2		
	17,583	3,899	4,459.3	560.4
	17,583	16,500		14.4%

- The following graphs show the actual and projected monthly water consumption and production for 2026 and 2025. The prior tables are used to generate these graphs. The effect of warm weather in March on water use is easily seen.





Other Items

▪ **Littlerock Sediment Removal Project**

The Project consists of three phases. The Grade Control Structure is Phase 1 and was completed in January 2020. Phase II is the removal of 1.2 million cubic yards (CY) of sediment from the reservoir. Approximately 58,000 cubic yards of sediment were removed in 2022 using a single year California Fish and Wildlife permit. Staff continues to work with Aspen Environmental to secure all the necessary permits for multi-year sediment removal. No sediment removal is anticipated in 2026 due to the amount of water in the Reservoir.

▪ **Palmdale Ditch Conversion Project**

Palmdale Ditch was originally built in the 1880’s by our predecessor water company. It moves water from Littlerock Reservoir to Lake Palmdale by gravity and is about eight miles long. The District obtained a \$17.6 million grant from the Department of Water Resources and a \$5 million grant from the Bureau of Reclamation to convert the Ditch to a pipeline. This will allow the District to move more water and significantly reduce losses. The work must be completed in 2026 to comply with grant requirements.

The Board approved the contract for constructing the first section of the project. Approximately \$13M is available for construction after completing the design, environmental studies, and mitigation measures. This will complete the diversion structure at Lake Palmdale and the Ditch from the railroad to about 2,400’ short of crossing the California Aqueduct. Another grant application was approved by the Board that could extend the construction to

near 40th Street East and Barrel Springs Road. The current work is expected to be completed mid-summer and will allow the use of water from Littlerock Reservoir.

- **Pure Water AV Project**

The Pure Water AV Project purifies tertiary recycled water for a reliable potable water supply through advanced water treatment and groundwater augmentation. Los Angeles County Sanitation Districts, District 20 (LACSD) supports the Project because it puts tertiary recycled water to a higher beneficial use, satisfying LACSD's goals for use of the water. LACSD currently uses agricultural leasing and use to dispose of the recycled water.

A unique feature of the Demonstration Facility will be a partnership with Capture6. Capture6 will also have a demonstration project within the building. They will treat the brine to capture carbon from the atmosphere. It will also test the ability to return water back to the purification process and increase its yield.

The program management firm assisting the District is Stantec. Current activities include management of the construction contract with W. M. Lyles for the Demonstration Facility, refining the funding strategy for the full-sized Project, conducting a competitive process for the full-sized design and construction team, and working on potential grants.

- **Delta Conveyance Project**

The Delta Conveyance Project (DCP) Final EIR for the Project was completed in December 2023 naming the Bethany Alternative as the project moving forward. DWR began the permitting processes in 2025 through the State Water Resources Control Board for a change in point of diversion and the Delta Stewardship Council for consistency with the Delta Plan. These processes are expected to be completed in the next two years.

The current cost estimate is \$20.12 billion with a benefit/cost ratio of 2.20. Continued participation in funding the District's share on planning and engineering in 2026 and 2027 was approved by the Board on November 12, 2024. An updated cost estimate will be completed in 2027 to serve as a basis for public water agencies to make a decision on implementing the project.



This initiative includes efforts to restructure staff duties and activities to more efficiently provide service to our customers. The recent highlights are as follows:

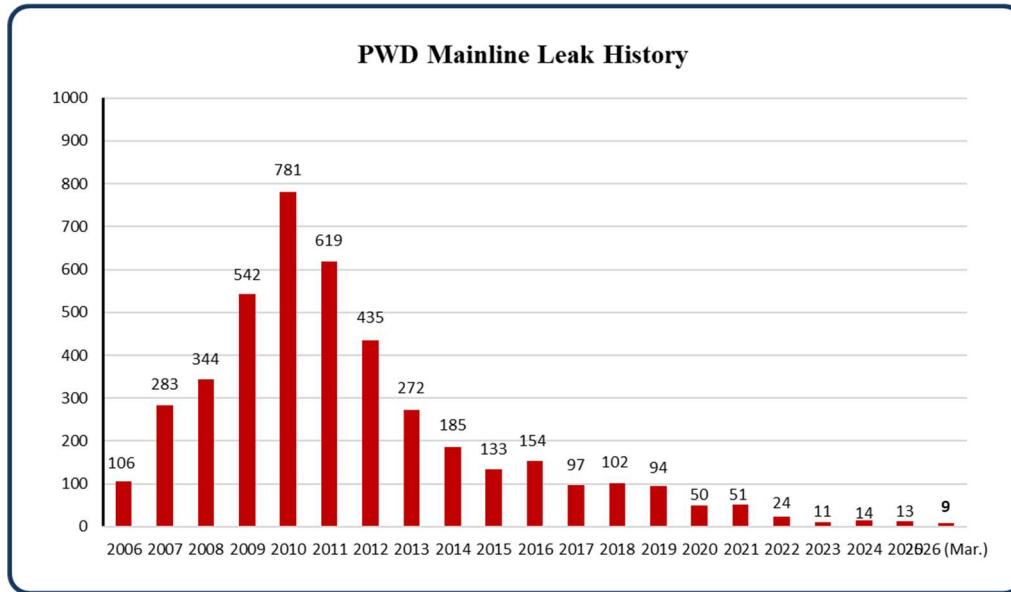
- The District has continued to find ways for internships and training opportunities for college and high school students who are interested in the water industry. A proposed budget will be included in the draft 2027 Budget to fund this effort.
- A salary survey was finalized and its recommendations were approved by the Board of Directors at the December 15, 2025 Board meeting along with updated certification and education requirements for job positions.
- Staff also completed a second round of salary structure changes. One involves the bandwidth or difference between the first and last step for each position's salary range. The Board approved expanding the salary ranges from nine steps to twelve steps in April. Additionally, the on-call and standby per diems were increased and Sections 1 through 2.13 of the Employee Handbook were updated.
- The District's Risk and Resiliency Plan and Emergency Response Plan were successfully updated in 2025. The Emergency Response plans for Littlerock and Harold (Palmdale) Dams will be updated in 2026.
- The 2026 Strategic Plan Update process will begin after the Water Ambassador Academy (WAA) program is completed in April. It will involve Board, staff, and WAA graduate workshops.



Systems Efficiency *Independence, Technology, Research*

This initiative largely focuses on the state of the District's infrastructure. The recent highlights are as follows:

- The effects of the District's past efforts in replacing failing water mains can be seen in the reduced number of mainline leaks. This is illustrated in the following chart titled "PWD Mainline Leak History." 2025 ended with 13 mainline leaks. There were nine mainline leaks and 15 service line leaks through March 2026.



- The positive effect of both water main and water meter replacement programs has resulted in the 24-month running average for water loss being 10% or less over the last ten years. The Unaccounted-for Water in 2025 was 6.75% using the state’s required method. This is an indication of a healthy water distribution system.
- The District approved two solar PV projects to provide energy for wells, the Clearwell booster, and the Leslie O. Carter Water Treatment Plant in December 2022. One will be located north of the maintenance yard and will provide power for a set of wells. The other will be located between Avenue S and Avenue R-8 on the west side of the railroad tracks. It will provide power for the Clearwell booster and Leslie O. Carter Water Treatment Plant. Both of these facilities are currently under construction and are nearing activation.
- The Resources and Facilities Committee and Board approved contracts in 2023 to address improvements needed for the 6 Million Gallon (6M) tank used as the Clearwell for treated water from the Leslie O. Carter Water Treatment Plant. Tank Industry Consultants (TIC) was hired by the District a few years ago to inspect the District’s tanks, including the 6M.

Staff has completed some of TIC’s recommendations. Other recommendations will be addressed when possible until the 6M can be taken out of service. This will be possible after the new 2950’ booster station at the 3M tank is completed and the 3M can be used as the Clearwell. The 2950’ Booster station’s completion is estimated for July 2026. The 6M project construction documents will then be circulated for bids. Work is anticipated to begin in late fall this year. Meanwhile, staff is ensuring the 6M is operating safely.



- The District was working on two software implementations in 2025 that were canceled. Finance and HR staff investigated more complete software packages and the Board approved using Workday. The implementation will begin shortly. It will be done in two phases. The first phase will include core financial and HR modules and is expected to be completed within twelve months.
- The District is seeking assistance from the State's SAFER Program to provide water service to the Alpine Springs Mobile Home Park on Sierra Highway. It has stopped using its well due to poor water quality, has several health violations, and now relies on hauled water. This will be considered a consolidation as the Alpine Springs MHP is currently a separate public water system.

A grant agreement is now in place to fund water hauling until the connection to the District is approved by the State, constructed, and operational. A grant has also been approved by the State to fund the construction of the water system improvements needed to serve the mobile home park. The design work is approximately 60% complete.

- The District is also beginning to work with Joshua Acres Mutual Water Company (Joshua). Joshua has requested to be served by the District. A legal review of the process has been done and a draft plan with estimates of the cost to bring the Joshua water system up to the District's standards has been prepared and shared with Joshua. An assessment district will likely be needed to fund the improvements. More input will be needed from the residents to proceed.



Regional Leadership *Engage, Lead, Progress*

This initiative includes efforts to involve the community, be involved in regional activities, and be a resource for other agencies in the area. The recent highlights are as follows:

- The PRWA Board consists of two Palmdale City Councilmembers, two PWD Board Members, and a currently vacant public director position. The Avenue Q pipeline is very likely to be the last purple pipe installed due to the shift towards Pure Water AV. SOAR High School was added as a recycled water customer from that pipeline. Another project on 30th Street East, Together California, will be added soon.

The PRWA is currently discussing its accomplishments and any outstanding goals for the purpose of deciding whether it should continue or be disbanded. The joint exercise of powers agreement that formed PRWA anticipated a future disbanding and sets the framework for it.

- The District and other members of the Public Water Agencies Group (PWAG) share the services of an Emergency Preparedness Coordinator. This approach also helped the District successfully comply with the America’s Water Infrastructure Act (AWIA) of 2018 and respond to the COVID-19 event. It has also been critical in developing mutual aid agreements, universal mobile generator connections, and updating the Emergency Response Plan.

- **United Water Conservation District Memorandum of Understanding**

The District and United Water Conservation District (United) approved a memorandum of understanding (MOU) to work cooperatively on projects where our interests overlap. These include internships and cooperation with community colleges, combined recreational funding for Piru and Littlerock Reservoir recreational improvements, and assistance and funding of advanced treatment of recycled or brackish water for potable use projects.

Additional coordination will also be focused on both agencies’ advanced water treatment projects. The United project will treat brackish groundwater for potable use by the military. The PWD project, Pure Water AV, will treat tertiary water for potable use by our customers.

- **Littlerock Reservoir Recreation Area (Area)**

The San Gabriel Mountains National Monument in the Angeles National Forest started a process in March 2025 by issuing a Request for Economic Interest (RFEI) for rehabilitating and operating the Area. The District did not receive a copy of this request until summer. The City of Palmdale and a private company submitted proposals. The District prepared and submitted a response to the RFEI to clean up and operate the Area in October 2025. The Response allows for partnership(s) with other entities to successfully open and run the Area.



Customer Care, Advocacy, and Outreach *Promote, Educate, Support*

This initiative includes efforts to better serve our customers. The recent highlights are as follows:

- Applications for 2026 were accepted beginning in November 2025. The Rate Assistance Program reached its capacity in February 2026. Staff continually monitors the Program for openings. Two major cell tower leases now have significant extensions. These will fund the program into the future.
- Customer Care is now managing the District’s water meter replacement program with the assistance of the Facilities, Finance, and IT Departments. The 2026 meter replacement program was approved by the Board for consideration at the February 23, 2026 regular meeting.

- Changes are underway to reduce the number of vendors used for electronic customer payments. The transition is planned to be completed in June 2026.
- Staff successfully conducted virtual coffee meetings with Directors and their constituents, online “Let’s Talk H2O” meetings, issued regular internal and public newsletters, coordinated drive-through giveaways for customers, an in-person customer appreciation day, monitored and maintained the District’s social media, and assisted with efficient water use information. In-person public and school workshops have also been held.
- The “PWD Water Ambassador Academy” (WAA) was successfully held in April 2026. The graduates will work with former graduates for input into the 2026 Strategic Plan.
- Two Junior Water Ambassadors Academy will be scheduled this fall for two consecutive days at the Leslie O. Carter Treatment Plant (WTP). This one-day academy includes presentations on District functions and water careers, hands-on demonstrations, and a tour of the WTP.
- Staff is working on the first PWD public event at Lake Palmdale. It is a 5K run/walk scheduled for June 13, 2026. Sponsors have committed over \$20,000 toward the event. Any funds remaining after paying the event’s expenses will be used for the benefit of the District’s customers.