

Employee Spotlight:
Michael Williams, CFO/Finance Manager

Most of the time, Palmdale Water District Chief Financial Officer/ Finance Manager Michael Williams operates away from the limelight. He is happy crunching numbers and reporting to the Board of Directors with the balanced sheets.



But once every five years, Mike takes center stage in planning PWD's Rate Study, which is a months-long process that involves complicated number calculations to determine water rates needed for balanced budgets the following five years. This is a Rate Study year, and Mike has been busy working with consultant RDN on the process.

"A Rate Study is critical to the financial health of a water district," Mike said. "It is a comprehensive look at the costs of new projects, infrastructure maintenance, staffing and everything else needed to keep the agency operating, and how to meet that budget over a five-year period."

The 2019 Rate Study is Mike's third since he started with PWD 13 years ago. Previously, he worked for 20 years for the city of Maywood where he started as an accountant in 1986 and worked his way up to Assistant City Manager/Finance Director. In the 1990s, Mike also was the Maywood City Treasurer. He gave up the elected position in 1991 when he moved his family to Lancaster, where he still lives.

A graduate of Regis University in Colorado, Mike has a Bachelor of Science in Finance. When he was spending three of his periods in wood-making class his senior year of high school, finance was the furthest thing from his mind. But his plans to become a cabinet maker changed when he began working in the office of his father's used car business.

"I have been in public finance for 30 years," he said. "For me, working in public service is very rewarding. I consider myself the 'watchdog.' It is important to me that things are open and honest, that the public has trust and that I am part of that trust."

As CFO, Mike oversees a staff of six who are tasked with accounting, billing, collections, payroll, bond financing, capital asset management and the annual budget.

"Mike is very knowledgeable about public finance and keeps us financially transparent," said General Manager Dennis D. LaMoreaux. "We are fortunate to have him."

Although one would expect that cabinet-making would be one of his hobbies, it is not. Mike, who has two adult children and two granddaughters, enjoys riding his Harley-Davidson motorcycle and dancing salsa.

2019 RATE STUDY FAQs

1. Why is PWD conducting a 2019 Rate Study?

PWD's 2019 Rate Study will determine the new water rates for customers for the years 2020-2024. Every five years, PWD goes through the process of looking at the costs of maintaining its infrastructure, new projects, water imports, staffing and anything else related to the District's financial needs. Those figures are used to determine water rates needed for each year to ensure a balanced budget.

2. Why does PWD use a "water budget tiered" rate structure?

A water budget structure allows customers to know what an efficient allocation of water is from month to month. The allocation is based on the specific characteristics of each household. This rate design has been proven by university studies to be more fair and transparent to customers, and shows the charges for the actual costs to purchase, pump, treat and deliver water.

3. How is my water budget, or allocation, determined?

Each customer's allocation is based on the number of people in the residence, the size of the irrigable outdoor landscape, weather, and efficiency standards for indoor and outdoor use adopted by the state of California. Customers can request water allocation variances for additional residents, medical needs, horses, etc.

4. How can I get more information about the 2019 Rate Study?

PWD will be holding community workshops later this summer to share more information and answer questions before a public hearing in the fall. Customers may also send an email to ratestudy@palmdalewater.org with questions.

Take the Online Customer Survey

As PWD starts its 2019 Rate Study, which will determine the water rates for years 2020-2024, we kindly ask for your assistance with our customer survey. Thank you.

Please go online and take the survey:
English – <https://seam.ly/b5ZDAUSj>
Spanish – <https://seam.ly/duO9wP4H>



Welcome Back, Director Gloria Dizmang!



Board Director Gloria Dizmang has returned to familiar territory at PWD. She is once again representing Division 3, which she first served from 2011-2015. After the seat was left vacant in March following former Director Marco Henriquez's resignation, the Board unanimously appointed her to fill the position. Director Dizmang has spent her entire career in education and continues to be an adjunct professor for Antelope Valley College. Her term will expire in 2020.



CA State Water Project

California's State Water Project: A Robust Water Grid Driving California's Economic Growth and Quality of Life

California wouldn't be the same without the State Water Project, or SWP, a large, interconnected water delivery network that consistently supplies water to vast regions of the state – supplying much of Northern California, the San Joaquin Valley, San Francisco Bay Area, Central Coast and Southern California with high-quality water.

The importance of the SWP cannot be understated. As the largest state-built water delivery and power generating infrastructure in the nation, the SWP is top among California's most important assets and must be maintained for future generations. Without the SWP, many communities across the state would

suffer water shortages and extreme economic losses.

Despite the system's significance, it has become easy to forget the momentous work being done behind the scenes every day to keep California's taps flowing. In the same way we should not take our interstate highway, railway, or telecommunication systems for granted, we must not underestimate the important management and operation efforts in place to make the SWP possible for California homes, farms and businesses.

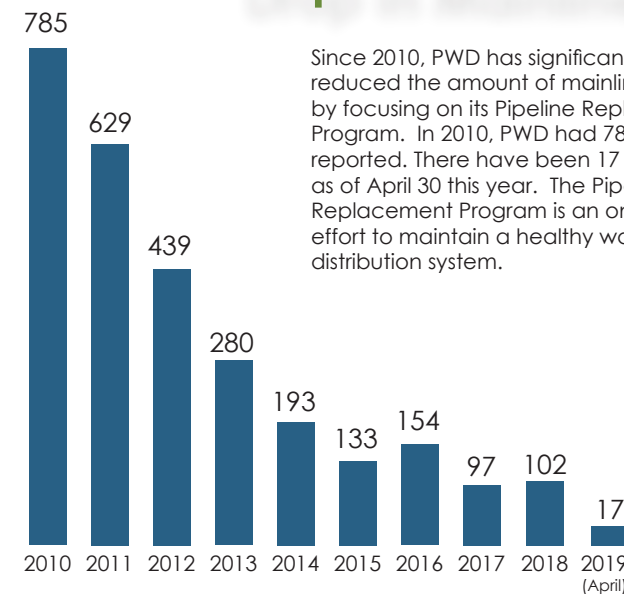
Find out more: @SWC_CAWater or <https://swc.org/the-state-water-project>

Percentage of SWP Water Received by Region:

Southern California 30%
High Desert 30%
Low Desert 48%



Infrastructure Upkeep Credited for 97.8% Drop in Mainline Leaks



Since 2010, PWD has significantly reduced the amount of mainline leaks by focusing on its Pipeline Replacement Program. In 2010, PWD had 785 leaks reported. There have been 17 leaks as of April 30 this year. The Pipeline Replacement Program is an ongoing effort to maintain a healthy water distribution system.



Camares Road Mainline Replacement

The replacement of about 1,300 linear feet of pipeline on Camares Drive between Lakeview Drive and Barrel Springs Road is near completion. The area's infrastructure dated back to the 1950s and had numerous leaks. New ductile iron pipes were installed.

Mapping (Continued from page 1)

PWD serves about 26,000 accounts with more than 115,000 people within its 45-square-mile boundary, mostly in east Palmdale. Last month, the Board of Directors unanimously approved up to \$31,500 for Eagle Aerial's services.

"This enables us to obtain the most

accurate parcel level data for approximately \$1.25 per account," said PWD CFO/Finance Manager Michael Williams. "It is definitely cost effective."

According to Eagle Aerial, it uses GIS-based remote sensing analysis and expert manual air photo interpretation to determine the irrigated areas for individual parcels. PWD will receive the

results as both a dataset and a visually mapped dataset.

"This process inserts science into the PWD (water) allocation process to insure fairness for residential customers," said Wayne Tate, co-founder of Eagle Aerial, which has been conducting aerial mapping since 2013.