



LCWD
Lebec County Water District

PACKET

January 9, 2018

FOR PUBLIC VIEW ONLY

(Please do not remove from office)

Lebec County Water District.

Monthly Distribution Report

December 2017

By: Mike Hightower, Jr.

Well Reports:

State Well

	December	November	Difference	Uranium	Fluoride	Nitrate
Static Level	135'8"	135'6"	-2"	pCi/L 18	mg/L 1.9	24 mg/L
Drawdown	136'11"	136'9"	-2"		Date: Dec 2017	
GPM	230 Gpm	230 Gpm	0		Bacteriological:	
Total Gallons	2,315,337	2,757,726	-442,389		Absent	

Lebec Well

	December	November	Difference	Uranium	Fluoride	Nitrate
Static Level	94'3"	94'	-3"	pCi/L 12	mg/L 1.3	21 mg/L
Drawdown	105'3"	105'	-3"		Date: Dec 2017	
GPM	210 Gpm	210 Gpm	0		Bacteriological:	
Total Gallons	1,038,007	1,314,445	-276,438		Absent	

Chimney Canyon Well

	December	November	Difference	Uranium	Fluoride	Nitrate
Static Level	179'4"	179'2"	-2	pCi/L 23	mg/L 2.1	mg/L 26
Drawdown	207'5"	207'3"	-2		Date: Dec 2017	
GPM	107 Gpm	107 Gpm	0		Bacteriological:	
Total Gallons	1,035,980	1,086,627	-50,647		Absent	

	December	November	Difference
Water Pumped	4,389,324 Gal	5,158,798 Gal	-769,474 Gal
Water Sold	3,400,894 Gal	4,229,506 Gal	-828,612 Gal
Water Loss	988,430 Gal	929,292 Gal	22% 2017

Cuddy Creek Well - Non-Potable

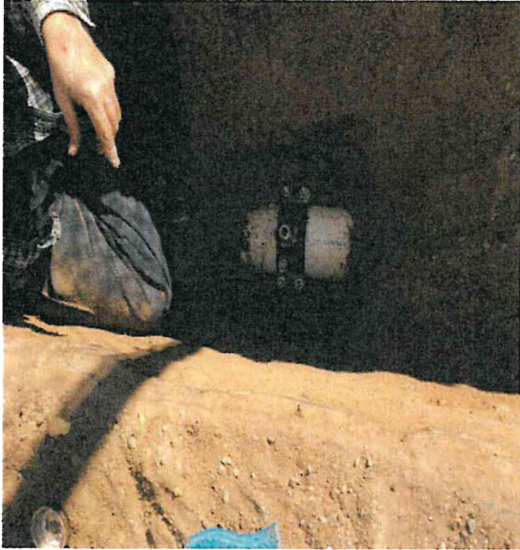
	December	November	Difference	Uranium	Fluoride	Nitrate
Static Level	177 Feet	177 Feet	0		mg/Ln/a	mg/Ln/a
Drawdown	188 Feet	188 Feet	0		Date: Dec 2017	
Total Gallons	0 Gal	0 Gal	0			

System Information:

1. All monthly bacteriological samples returned an absence for coliform bacteria for the month of December 2017.
2. There were two water leaks for the month of December. The first leak was due to a faulty OCV valve located at the Phillips tanks. It is unclear how many days this overflow of the tank has occurred. I was on vacation and upon returning Tuesday the first of January I was informed by our shift operator of this situation. Operators are operating the Phillips booster manually until the repairs can be made.
3. A second leak was reported on December 21, 2017, a ladder had been blown over due to it not being secured with a lock and chain, our shift operator had forgotten to lock this ladder up after our system inspection the prior week. A pressure gauge had been broken off when the ladder struck it. It was repaired by isolating the booster, and replacing the broken nipple. It has been determined that the ladders are liability in the first place and all ladders will be stored at our c-train yard instead of being stored at booster, and tank locations.
4. Mapping has proved to more difficult than I had anticipated. I am currently working on the paper maps, as requested by board at last months board meeting. I will provide an update to these hard copies hopefully at next months meeting. We do have some hard copies available upon request.
5. The customer service connection was performed without a problem, operators used a six-inch saddle to $\frac{3}{4}$ " galvanized piping. Operators installed a new curb-stop, meter, a one-way check valve, and then installed a new meter box. **"Please see attached pictures"**
6. With water loss being very high over the last three months, I would ask the board to entertain the idea of installing meters on our three boosters. By installing these meters it will help operators to isolate where the potential water loss is occurring, and help keep track of actual water pumped by our booster pumps. Price is per meter at \$1450.00, and 2 would need to be purchased, LCWD already has one in stock.

All other systems are functioning as they should, Thank You!

Pictures of the hot tap on 638 Canyon Drive



Proposed meter needed on the Booster pumps



SANTANA'S PUMPING ~ PLUMBING
P.O. BOX 1270, LEBEC, CA 93243
(661) 248-6627 (800) 559-4786
FAX (661) 248-5563
License # 873981

LOCATION: LEBEC ROAD

JANUARY 3, 2018

BID TO REPLACE 680 FEET OF WATER LINE WITH 6" C900 CL 200. SAWCUTT ASPHALT DRIVEWAY AS NECESSARY. REMOVE ASPHALT, HAUL AWAY TO DISPOSAL SITE AND REPLACE WHAT IS REMOVED. A SMALL PAVER WALL WILL BE REMOVED AND PUT BACK. THE EXISTING FIRE HYDRANT WILL BE REINSTALLED BUT THE UNDERGROUND FITTINGS AND SHUT OFF VALVE WILL BE NEW. THIS BID INCLUDES ALL LABOR AND MATERIALS.

NO ENGINEERING.

NO COMPACTION TEST.

CUSTOMER RESPONSIBLE TO SHUT OFF WATER AND NOTIFY CUSTOMERS.

CUSTOMER RESPONSIBLE FOR KERN COUNTY ENCROCHMENT PERMIT.

PRICE: \$30,100.00

ANY ADDITIONAL LINEAL FEET: \$35.00/ FOOT

RESPECTFULLY SUBMITTED BY:  DATE: 1/3/18

ACCEPTED BY: _____ DATE: _____

NOTE: S.P.P. MAY WITHDRAW BID IF NOT ACCEPTED WITHIN 30 DAYS.

Google Maps

Map of repair on Lebec Rd, Estimate is Attached





Product/Service

OCTAVE® Ultrasonic Water Measurement System

Source: Master Meter, Inc.

Now available in sizes 2" to 12", the Octave Ultrasonic Meter offers highly advanced, all-digital technology and achieves precise measurement without any moving parts to ensure optimum revenue.

With a dynamic flow range starting as low as 1/16 GPM, this unique meter solution is a perfect replacement for any mechanical compound, fire service, or turbine meter. Commonly 20% of the utility installed meter base generates 80% of the utility's revenue. The Octave focuses advanced metering science where the real revenue exists — within the C&I meter assets.



Powerful intel such as Flow Direction, Empty Pipe Alerts, Leak Alarms, Battery Level, and a Rate of Flow are standard.

Benefits & Features

- **Ultra Precise Leak Registration** — As low as 1/16 GPM low flow sensitivity on meter sizes up to 4".
- **Construction Material Options** - 316 Stainless Steel Body Construction OR Epoxy-Coated Ductile Iron.
- **Universal Communication Protocol (Encoder, Pulse or 4-20 mA)** — Connects to any AMR/AMI system.
- **FM Approved** — The perfect Fire Service meter - open design ensures maximum water delivery.
- **NSF Approved** — Complies with all safe drinking water requirements.
- **Lifetime Accuracy / Lifetime Revenue** — No moving parts means more revenue. longer.
- **Minimal Installation Requirements** — No required strainer. Minimal piping considerations.
- **Minimal Head Loss** - Decrease poor pressure complaints from customers and reduces pumping costs for the utility.

8:42 AM

01/04/18

LEBEC COUNTY WATER DISTRICT
Reconciliation Summary
1040 - Grant Checking Account, Period Ending 12/31/2017

	Dec 31, 17
Beginning Balance	5,268.08
Cleared Transactions	
Checks and Payments - 1 it...	-5,243.08
Deposits and Credits - 1 item	8,095.21
	<u>2,852.13</u>
Total Cleared Transactions	2,852.13
Cleared Balance	<u><u>8,120.21</u></u>
Register Balance as of 12/31/2017	8,120.21
Ending Balance	8,120.21

8:41 AM

01/04/18

LEBEC COUNTY WATER DISTRICT
Reconciliation Summary
1080 - Savings, Period Ending 12/31/2017

	Dec 31, 17
Beginning Balance	625,120.47
Cleared Transactions	
Deposits and Credits - 1 item	10.45
Total Cleared Transactions	10.45
Cleared Balance	625,130.92
Register Balance as of 12/31/2017	625,130.92
Ending Balance	625,130.92

9:17 AM

01/04/18

LEBEC COUNTY WATER DISTRICT
Reconciliation Summary
1020 - Lebec Co Water Dist. - Checking, Period Ending 12/31/2017

	Dec 31, 17
Beginning Balance	53,516.18
Cleared Transactions	
Checks and Payments - 39 ite...	-35,600.14
Deposits and Credits - 24 items	55,611.25
Total Cleared Transactions	20,011.11
Cleared Balance	<u>73,527.29</u>
Uncleared Transactions	
Checks and Payments - 19 ite...	-7,931.00
Total Uncleared Transactions	-7,931.00
Register Balance as of 12/31/2017	<u>65,596.29</u>
New Transactions	
Checks and Payments - 6 items	-6,605.90
Total New Transactions	-6,605.90
Ending Balance	<u>58,990.39</u>

8:42 AM

01/04/18

LEBEC COUNTY WATER DISTRICT

Reconciliation Detail

1040 - Grant Checking Account, Period Ending 12/31/2017

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						5,268.08
Cleared Transactions						
Checks and Payments - 1 item						
Bill Pmt -Check	11/10/2017	126	Provost & Prichar...	X	-5,243.08	-5,243.08
Total Checks and Payments					-5,243.08	-5,243.08
Deposits and Credits - 1 item						
Deposit	12/31/2017			X	8,095.21	8,095.21
Total Deposits and Credits					8,095.21	8,095.21
Total Cleared Transactions					2,852.13	2,852.13
Cleared Balance					2,852.13	8,120.21
Register Balance as of 12/31/2017					2,852.13	8,120.21
Ending Balance					2,852.13	8,120.21

8:41 AM

01/04/18

LEBEC COUNTY WATER DISTRICT
Reconciliation Detail
1080 · Savings, Period Ending 12/31/2017

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						625,120.47
Cleared Transactions						
Deposits and Credits - 1 item						
Deposit	12/31/2017			X	10.45	10.45
Total Deposits and Credits					10.45	10.45
Total Cleared Transactions					10.45	10.45
Cleared Balance					10.45	625,130.92
Register Balance as of 12/31/2017					10.45	625,130.92
Ending Balance					10.45	625,130.92

LEBEC COUNTY WATER DISTRICT

Reconciliation Detail

1020 · Lebec Co Water Dist. - Checking, Period Ending 12/31/2017

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						53,516.18
Cleared Transactions						
Checks and Payments - 39 items						
Check	11/20/2017	8204	Kern County Sher...	X	-465.55	-465.55
Paycheck	11/20/2017	8219	Michael D Highto...	X	-457.25	-922.80
Bill Pmt -Check	11/20/2017	8206	Martin, Willard	X	-100.00	-1,022.80
Bill Pmt -Check	11/20/2017	8212	Radusch, Carl	X	-100.00	-1,122.80
Bill Pmt -Check	11/30/2017	8238	Mayer Hoffman M...	X	-7,500.00	-8,622.80
Bill Pmt -Check	11/30/2017	8236	Dirt Works Engin...	X	-4,900.00	-13,522.80
Bill Pmt -Check	11/30/2017	8235	Ca Bank-Visa	X	-2,124.96	-15,647.76
Bill Pmt -Check	11/30/2017	8222	Blue Shield	X	-1,356.54	-17,004.30
Bill Pmt -Check	11/30/2017	8224	SCE 2-03-200-81...	X	-691.53	-17,695.83
Bill Pmt -Check	11/30/2017	8241	State Compensat...	X	-579.00	-18,274.83
Bill Pmt -Check	11/30/2017	8239	Pilot Travel Cent...	X	-291.08	-18,565.91
Bill Pmt -Check	11/30/2017	8233	At&T Office	X	-175.63	-18,741.54
Bill Pmt -Check	11/30/2017	8232	3D Imaging Syste...	X	-123.67	-18,865.21
Bill Pmt -Check	11/30/2017	8221	AUS Aramark	X	-110.18	-18,975.39
Bill Pmt -Check	11/30/2017	8242	Verizon Wireless	X	-106.50	-19,081.89
Bill Pmt -Check	11/30/2017	8226	Wells Fargo Bank	X	-96.53	-19,178.42
Bill Pmt -Check	11/30/2017	8225	STREAMLINE	X	-75.00	-19,253.42
Bill Pmt -Check	11/30/2017	8227	West Coast Truc...	X	-45.00	-19,298.42
Bill Pmt -Check	11/30/2017	8240	Price Disposal	X	-42.33	-19,340.75
Bill Pmt -Check	11/30/2017	8237	Gas Company	X	-23.40	-19,364.15
Bill Pmt -Check	11/30/2017	8223	Pitney Bowes/Re...	X	-14.06	-19,378.21
Bill Pmt -Check	11/30/2017	8234	BC Laboratories	X	-7.50	-19,385.71
Liability Check	12/04/2017	E-pay	EFTPS	X	-1,672.90	-21,058.61
Paycheck	12/04/2017	8229	Jessica Carroll	X	-1,531.21	-22,589.82
Paycheck	12/04/2017	8230	Michael D Highto...	X	-1,446.27	-24,036.09
Paycheck	12/04/2017	8228	Jeffrey G Bryan	X	-1,275.24	-25,311.33
Check	12/04/2017	8231	Kern County Sher...	X	-482.09	-25,793.42
Liability Check	12/04/2017	E-pay	EDD	X	-266.27	-26,059.69
Bill Pmt -Check	12/06/2017	8243	CSDA	X	-1,558.00	-27,617.69
Bill Pmt -Check	12/06/2017	8244	Lewis & Associates	X	-450.00	-28,067.69
Liability Check	12/18/2017	E-pay	EFTPS	X	-1,653.10	-29,720.79
Paycheck	12/18/2017	8246	Jessica Carroll	X	-1,595.57	-31,316.36
Paycheck	12/18/2017	8247	Michael D Highto...	X	-1,465.81	-32,782.17
Paycheck	12/18/2017	8245	Jeffrey G Bryan	X	-1,121.49	-33,903.66
Liability Check	12/18/2017	E-pay	EDD	X	-259.68	-34,163.34
Bill Pmt -Check	12/21/2017	8253	Blue Shield	X	-1,356.54	-35,519.88
Bill Pmt -Check	12/21/2017	8263	SCE 2-36-538-21...	X	-49.26	-35,569.14
Check	12/29/2017		QuickBooks Payr...	X	-6.00	-35,575.14
Check	12/31/2017			X	-25.00	-35,600.14
Total Checks and Payments					-35,600.14	-35,600.14
Deposits and Credits - 24 items						
Deposit	12/06/2017			X	605.00	605.00
Deposit	12/06/2017			X	7,365.31	7,970.31
Deposit	12/11/2017			X	163.28	8,133.59
Deposit	12/11/2017			X	497.74	8,631.33
Deposit	12/11/2017			X	3,869.81	12,501.14
Deposit	12/11/2017			X	7,341.15	19,842.29
Deposit	12/11/2017			X	15,573.70	35,415.99
Deposit	12/20/2017			X	165.02	35,581.01
Deposit	12/20/2017			X	1,430.31	37,011.32
Deposit	12/20/2017			X	13,933.16	50,944.48
Deposit	12/29/2017			X	6.01	50,950.49
Deposit	12/29/2017			X	40.00	50,990.49
Deposit	12/29/2017			X	40.00	51,030.49
Deposit	12/29/2017			X	40.01	51,070.50
Deposit	12/29/2017			X	60.02	51,130.52
Deposit	12/29/2017			X	90.78	51,221.30
Deposit	12/29/2017			X	100.00	51,321.30
Deposit	12/29/2017			X	160.04	51,481.34
Deposit	12/29/2017			X	174.02	51,655.36
Deposit	12/29/2017			X	179.50	51,834.86
Deposit	12/29/2017			X	192.79	52,027.65
Deposit	12/29/2017			X	531.34	52,558.99

LEBEC COUNTY WATER DISTRICT

Reconciliation Detail

1020 - Lebec Co Water Dist. - Checking, Period Ending 12/31/2017

Type	Date	Num	Name	Clr	Amount	Balance
Deposit	12/29/2017			X	712.88	53,271.87
Deposit	12/29/2017			X	2,339.38	55,611.25
Total Deposits and Credits					55,611.25	55,611.25
Total Cleared Transactions					20,011.11	20,011.11
Cleared Balance					20,011.11	73,527.29
Uncleared Transactions						
Checks and Payments - 19 items						
Bill Pmt -Check	11/20/2017	8215	Stern, Samuel		-100.00	-100.00
Liability Check	12/18/2017	8248	Wells Fargo IRA		-551.91	-651.91
Check	12/18/2017	8249	Kern County Sher...		-488.60	-1,140.51
Bill Pmt -Check	12/21/2017	8262	Santana's Pumping		-2,645.00	-3,785.51
Bill Pmt -Check	12/21/2017	8257	PGE5159		-1,744.40	-5,529.91
Bill Pmt -Check	12/21/2017	8266	Wainright Emilie		-800.00	-6,329.91
Bill Pmt -Check	12/21/2017	8259	PGE8279		-557.34	-6,887.25
Bill Pmt -Check	12/21/2017	8264	State Water Res...		-167.00	-7,054.25
Bill Pmt -Check	12/21/2017	8251	Anthem Blue Cross		-153.60	-7,207.85
Bill Pmt -Check	12/21/2017	8260	Pitney Bowes Pur...		-132.46	-7,340.31
Bill Pmt -Check	12/21/2017	8261	Radusch, Carl		-100.00	-7,440.31
Bill Pmt -Check	12/21/2017	8265	Stern, Samuel		-100.00	-7,540.31
Bill Pmt -Check	12/21/2017	8255	Mailis, Patricia E		-100.00	-7,640.31
Bill Pmt -Check	12/21/2017	8267	Wells Fargo Bank		-96.53	-7,736.84
Bill Pmt -Check	12/21/2017	8252	AT&T Uverse		-80.00	-7,816.84
Bill Pmt -Check	12/21/2017	8254	Hometown Publis...		-39.60	-7,856.44
Bill Pmt -Check	12/21/2017	8250	Ability Answering ...		-30.00	-7,886.44
Bill Pmt -Check	12/21/2017	8256	PGE4923		-24.85	-7,911.29
Bill Pmt -Check	12/21/2017	8258	PGE5230		-19.71	-7,931.00
Total Checks and Payments					-7,931.00	-7,931.00
Total Uncleared Transactions					-7,931.00	-7,931.00
Register Balance as of 12/31/2017					12,080.11	65,596.29
New Transactions						
Checks and Payments - 6 items						
Liability Check	01/02/2018	E-pay	EFTPS		-1,632.20	-1,632.20
Paycheck	01/02/2018	8269	Jessica Carroll		-1,619.86	-3,252.06
Paycheck	01/02/2018	8270	Michael D Hight...		-1,336.33	-4,588.39
Paycheck	01/02/2018	8268	Jeffrey G Bryan		-1,323.10	-5,911.49
Check	01/02/2018	8271	Kern County Sher...		-445.44	-6,356.93
Liability Check	01/02/2018	E-pay	EDD		-248.97	-6,605.90
Total Checks and Payments					-6,605.90	-6,605.90
Total New Transactions					-6,605.90	-6,605.90
Ending Balance					5,474.21	58,990.39

LEBEC COUNTY WATER DISTRICT

Profit & Loss YTD Comparison

01/04/18

Accrual Basis

December 2017

	Dec 17	Jul - Dec 17
Ordinary Income/Expense		
Income		
4000 • Operating Revenue		
4010 • Commercial	18,840.77	121,415.90
4040 • Residential	10,682.73	80,419.04
4060 • Rent Income	712.88	4,237.80
4070 • Meter Install	5,000.00	5,000.00
4100 • Kern Co Tax Income	17,802.97	23,686.92
4120 • Surplus Water	551.25	6,556.46
4130 • Will Serve	132.24	793.44
4140 • Late Charges & Customer Charg...	1,907.84	9,644.42
Total 4000 • Operating Revenue	55,630.68	251,753.98
Total Income	55,630.68	251,753.98
Expense		
6010 • Advertising	39.60	171.60
6020 • Auto Expense		
6022 • Gas	303.49	2,177.11
6028 • Repairs		
6028.1 • GMC	0.00	194.71
6028.2 • DODGE	0.00	80.00
6028.3 • BACKHOE	0.00	1,635.64
Total 6028 • Repairs	0.00	1,910.35
6030 • Service		
6030.1 • Dodge Service	0.00	166.86
6030.2 • Gmc Service	0.00	166.86
Total 6030 • Service	0.00	333.72
Total 6020 • Auto Expense	303.49	4,421.18
6040 • Bank Service Charge	18.99	183.99
6050 • Compensation of Board	300.00	2,400.00
6060 • Contracted Maintenance Services	0.00	1,965.68
6065 • Depreciation	4,547.00	27,619.23
6070 • Dues & Subscriptions	1,558.00	1,618.00
6075 • Education	0.00	1,020.60
6090 • Equipment Rental	96.53	593.24
6095 • Fees and Permits	1,961.00	2,211.00
6110 • Insurance		
6113 • Medical Insurance	1,510.14	10,570.98
6115 • Business Insurance	732.08	4,392.48
6120 • Workers Compensation Insurance	579.00	4,451.63
Total 6110 • Insurance	2,821.22	19,415.09
6130 • Maintenance		
6135 • Maintenance Services	0.00	197.00
6140 • Maintenance Supplies	1,175.30	6,233.69
Total 6130 • Maintenance	1,175.30	6,430.69
6145 • Meals & Entertainment	0.00	120.00

LEBEC COUNTY WATER DISTRICT

Profit & Loss YTD Comparison

December 2017

	Dec 17	Jul - Dec 17
6155 • Office Expense		
6160 • Computer	75.00	282.96
6170 • Answering Service	30.00	190.35
6175 • Office Repair	0.00	704.74
6185 • Supplies	0.00	728.22
Total 6155 • Office Expense	105.00	1,906.27
6205 • Outside Services	2,969.00	17,910.00
6215 • Payroll - Gross Wages	12,846.64	78,223.75
6235 • Payroll Service Fees	6.00	432.00
6245 • Postage	132.46	887.55
6250 • Professional Fees		
6255 • Accounting / Bookkeeping	450.00	2,800.00
6260 • Audit	0.00	7,500.00
6270 • Legal	0.00	346.00
Total 6250 • Professional Fees	450.00	10,646.00
6290 • Rent	800.00	5,600.00
6300 • Repairs & Maintenance		
6301 • Repairs		
6301.2 • Backhoe	0.00	23.12
Total 6301 • Repairs	0.00	23.12
6302 • Maintenance		
6302.2 • Backhoe	0.00	46.55
Total 6302 • Maintenance	0.00	46.55
Total 6300 • Repairs & Maintenance	0.00	69.67
6310 • Software System	0.00	612.97
6315 • Taxes		
6320 • Payroll Taxes	963.50	6,531.50
6325 • Property Tax	0.00	125.45
Total 6315 • Taxes	963.50	6,656.95
6340 • Telephone	358.00	2,193.84
6342 • Tools	0.00	32.15
6345 • Travel	0.00	107.00
6352 • Uniforms	110.18	806.96
6355 • Utilities - Office		
6360 • Electric	49.26	337.55
6365 • Gas	85.12	124.85
6370 • Trash	0.00	211.65
Total 6355 • Utilities - Office	134.38	674.05
6375 • Utilities - Pumps		
6380 • Electric	2,997.35	19,696.87
Total 6375 • Utilities - Pumps	2,997.35	19,696.87

11:28 AM

01/04/18

Accrual Basis

LEBEC COUNTY WATER DISTRICT

Profit & Loss YTD Comparison

December 2017

	Dec 17	Jul - Dec 17
6390 • Water Test	125.00	3,255.00
Total Expense	34,818.64	217,881.33
Net Ordinary Income	20,812.04	33,872.65
Other Income/Expense		
Other Income		
9000 • Interest Income	10.45	29.23
9015 • Grant Income	8,095.21	10,648.74
Total Other Income	8,105.66	10,677.97
Other Expense		
9016 • Grant Expense	8,095.21	10,677.69
Total Other Expense	8,095.21	10,677.69
Net Other Income	10.45	0.28
Net Income	20,822.49	33,872.93

LEBEC COUNTY WATER DISTRICT

01/04/18

Balance Sheet

Accrual Basis

As of December 31, 2017

	Dec 31, 17
ASSETS	
Current Assets	
Checking/Savings	
1011 - Customer Change Petty Ca	300.00
1020 - Lebec Co Water Dist. - Checki...	65,596.29
1040 - Grant Checking Account	8,120.21
1080 - Savings	
1081 - Emergency Fund Reserve	120,000.00
1080 - Savings - Other	505,130.92
Total 1080 - Savings	625,130.92
Total Checking/Savings	699,147.42
Accounts Receivable	
1200 - Accounts Receivable	42,380.27
Total Accounts Receivable	42,380.27
Other Current Assets	
1260 - Bad Debt Loss A/R	-231.55
1360 - Prepaid Insurance	4,392.52
Total Other Current Assets	4,160.97
Total Current Assets	745,688.66
Fixed Assets	
1290 - Grants Receivable	14,038.00
1400 - Fixed Assets	
1410 - Land	15,521.00
1430 - Office Equipment	4,352.00
1440 - RVS Software	2,800.00
1450 - 2011 Dodge Truck	36,179.75
1460 - 2012 Chevy Truck	17,544.00
1470 - Soft Start Well	7,975.00
1480 - Used Welder	2,600.00
1490 - 02 Backhoe	28,782.00
1495 - Generator	8,225.00
1500 - Other Equipment	8,250.00
1530 - Inventory	84,485.59
1590 - Lebec Well Motor Pump	10,109.35
1600 - Pumps & Wells	154,313.40
1610 - Tanks	306,208.72
1615 - Tank Ladders	6,972.00
1620 - Transmission & Distribution	636,423.00
1630 - Tools	2,220.73
1690 - Accumulated Depreciation	-843,631.56
Total 1400 - Fixed Assets	489,329.98
1601 - Chimney Cyn Pump Motor	10,982.70
1602 - Pump Equipment	36,932.00
1631 - Portable Pump	1,864.00
Total Fixed Assets	553,146.68

LEBEC COUNTY WATER DISTRICT

01/04/18

Balance Sheet

Accrual Basis

As of December 31, 2017

	Dec 31, 17
Other Assets	
1800 · Deposits	1,000.00
Total Other Assets	1,000.00
TOTAL ASSETS	1,299,835.34
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 · Accounts Payable	13,595.35
Total Accounts Payable	13,595.35
Other Current Liabilities	
2030 · Surplus Water Deposits	60.00
2110 · Direct Deposit Liabilities	288.24
2300 · Payroll Liabilities	
2310 · Federal Withholding	-0.11
2320 · FICA	-0.45
2330 · State Withholding	0.41
2350 · SUTA	0.07
2360 · SDI	-0.14
2300 · Payroll Liabilities - Other	-0.15
Total 2300 · Payroll Liabilities	-0.37
Total Other Current Liabilities	347.87
Total Current Liabilities	13,943.22
Total Liabilities	13,943.22
Equity	
3290 · Fund Balance -Net Assets	797,919.12
3300 · Retained Earnings	417,982.07
3310 · Prior Period Adjustment	36,118.00
Net Income	33,872.93
Total Equity	1,285,892.12
TOTAL LIABILITIES & EQUITY	1,299,835.34

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Accrual Basis

LEBEC COUNTY WATER DISTRICT

Profit & Loss Prev Year Comparison

December 2017

Ordinary Income/Expense	Dec 17	Dec 16	\$ Change	% Change
Income				
4000 • Operating Revenue				
4010 • Commercial	18,840.77	16,564.04	2,276.73	13.8%
4040 • Residential	10,682.73	10,379.29	303.44	2.9%
4060 • Rent Income	712.88	692.11	20.77	3.0%
4070 • Meter Install	5,000.00	0.00	5,000.00	100.0%
4100 • Kern Co Tax Income	17,802.97	7,059.46	10,743.51	152.2%
4120 • Surplus Water	551.25	451.25	100.00	22.2%
4130 • Will Serve	132.24	121.22	11.02	9.1%
4140 • Late Charges & Customer Charg...	1,907.84	948.19	959.65	101.2%
Total 4000 • Operating Revenue	55,630.68	36,215.56	19,415.12	53.6%
Total Income	55,630.68	36,215.56	19,415.12	53.6%
Expense				
6010 • Advertising	39.60	0.00	39.60	100.0%
6020 • Auto Expense				
6022 • Gas	303.49	313.82	-10.33	-3.3%
6028 • Repairs				
6028.2 • DODGE	0.00	386.40	-386.40	-100.0%
Total 6028 • Repairs	0.00	386.40	-386.40	-100.0%
Total 6020 • Auto Expense	303.49	700.22	-396.73	-56.7%
6040 • Bank Service Charge	18.99	25.00	-6.01	-24.0%
6050 • Compensation of Board	300.00	300.00	0.00	0.0%
6065 • Depreciation	4,547.00	5,777.00	-1,230.00	-21.3%
6070 • Dues & Subscriptions	1,558.00	0.00	1,558.00	100.0%
6075 • Education	0.00	-575.00	575.00	100.0%
6090 • Equipment Rental	96.53	96.75	-0.22	-0.2%
6095 • Fees and Permits	1,961.00	0.00	1,961.00	100.0%
6110 • Insurance				
6113 • Medical Insurance	1,510.14	1,456.43	53.71	3.7%
6115 • Business Insurance	732.08	663.86	68.22	10.3%
6120 • Workers Compensation Insurance	579.00	664.25	-85.25	-12.8%

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Accrual Basis

LEBEC COUNTY WATER DISTRICT

Profit & Loss Prev Year Comparison

December 2017

	Dec 17	Dec 16	\$ Change	% Change
Total 6110 • Insurance	2,821.22	2,784.54	36.68	1.3%
6130 • Maintenance				
6140 • Maintenance Supplies	1,175.30	661.70	513.60	77.6%
Total 6130 • Maintenance	1,175.30	661.70	513.60	77.6%
6155 • Office Expense				
6160 • Computer	75.00	45.00	30.00	66.7%
6170 • Answering Service	30.00	33.45	-3.45	-10.3%
6175 • Office Repair	0.00	120.28	-120.28	-100.0%
6185 • Supplies	0.00	94.10	-94.10	-100.0%
Total 6155 • Office Expense	105.00	292.83	-187.83	-64.1%
6205 • Outside Services				
6215 • Payroll - Gross Wages	2,969.00	0.00	2,969.00	100.0%
	12,846.64	35,393.05	-22,546.41	-63.7%
6235 • Payroll Service Fees				
6245 • Postage	6.00	6.00	0.00	0.0%
6250 • Professional Fees	132.46	-11.13	143.59	1,290.1%
6255 • Accounting / Bookkeeping	450.00	450.00	0.00	0.0%
6260 • Audit	0.00	3,000.00	-3,000.00	-100.0%
Total 6250 • Professional Fees	450.00	3,450.00	-3,000.00	-87.0%
6290 • Rent				
6300 • Repairs & Maintenance	800.00	800.00	0.00	0.0%
6303 • System Maint and Repairs	0.00	523.24	-523.24	-100.0%
Total 6300 • Repairs & Maintenance	0.00	523.24	-523.24	-100.0%
6315 • Taxes				
6320 • Payroll Taxes	963.50	3,118.33	-2,154.83	-69.1%
Total 6315 • Taxes	963.50	3,118.33	-2,154.83	-69.1%
6340 • Telephone				
6352 • Uniforms	358.00	356.71	1.29	0.4%
6355 • Utilities - Office	110.18	81.02	29.16	36.0%
6360 • Electric	49.26	90.40	-41.14	-45.5%

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Accrual Basis

LEBEC COUNTY WATER DISTRICT

Profit & Loss Prev Year Comparison

December 2017

	Dec 17	Dec 16	\$ Change	% Change
6365 • Gas	85.12	91.57	-6.45	-7.0%
6370 • Trash	0.00	42.33	-42.33	-100.0%
Total 6355 • Utilities - Office	134.38	224.30	-89.92	-40.1%
6375 • Utilities - Pumps				
6380 • Electric	2,997.35	5,251.40	-2,254.05	-42.9%
Total 6375 • Utilities - Pumps	2,997.35	5,251.40	-2,254.05	-42.9%
6390 • Water Test	125.00	62.50	62.50	100.0%
Total Expense	34,818.64	59,318.46	-24,499.82	-41.3%
Net Ordinary Income	20,812.04	-23,102.90	43,914.94	190.1%
Other Income/Expense				
Other Income				
9000 • Interest Income	10.45	13.86	-3.41	-24.6%
9005 • Other Income	0.00	19,900.00	-19,900.00	-100.0%
9015 • Grant Income	8,095.21	20,056.63	-11,961.42	-59.6%
Total Other Income	8,105.66	39,970.49	-31,864.83	-79.7%
Other Expense				
9016 • Grant Expense	8,095.21	20,061.13	-11,965.92	-59.7%
Total Other Expense	8,095.21	20,061.13	-11,965.92	-59.7%
Net Other Income	10.45	19,909.36	-19,898.91	-100.0%
Net Income	20,822.49	-3,193.54	24,016.03	752.0%

LEBEC COUNTY WATER DISTRICT

Profit & Loss Prev Year Comparison

July through December 2017

	Jul - Dec 17	Jul - Dec 16	\$ Change	% Change
Ordinary Income/Expense				
Income				
4000 • Operating Revenue				
4010 • Commercial	121,415.90	113,828.64	7,587.26	6.7%
4040 • Residential	80,419.04	82,211.73	-1,792.69	-2.2%
4060 • Rent Income	4,237.80	4,114.36	123.44	3.0%
4070 • Meter Install	5,000.00	0.00	5,000.00	100.0%
4100 • Kern Co Tax Income	23,686.92	10,928.92	12,758.00	116.7%
4120 • Surplus Water	6,556.46	27,510.00	-20,953.54	-76.2%
4130 • Will Serve	793.44	804.46	-11.02	-1.4%
4140 • Late Charges & Customer Chg...	9,644.42	7,098.44	2,545.98	35.9%
Total 4000 • Operating Revenue	251,753.98	246,496.55	5,257.43	2.1%
Total Income	251,753.98	246,496.55	5,257.43	2.1%
Expense				
6010 • Advertising	171.60	172.50	-0.90	-0.5%
6020 • Auto Expense				
6022 • Gas	2,177.11	2,387.66	-210.55	-8.8%
6028 • Repairs				
6028.1 • GMC	194.71	1,790.58	-1,595.87	-89.1%
6028.2 • DODGE	80.00	1,551.68	-1,471.68	-94.8%
6028.3 • BACKHOE	1,635.64	0.00	1,635.64	100.0%
Total 6028 • Repairs	1,910.35	3,342.26	-1,431.91	-42.8%
6030 • Service				
6030.1 • Dodge Service	166.86	398.62	-231.76	-58.1%
6030.2 • Gmc Service	166.86	316.86	-150.00	-47.3%
Total 6030 • Service	333.72	715.48	-381.76	-53.4%
Total 6020 • Auto Expense	4,421.18	6,445.40	-2,024.22	-31.4%
6040 • Bank Service Charge	183.99	192.00	-8.01	-4.2%
6050 • Compensation of Board	2,400.00	1,800.00	600.00	33.3%
6060 • Contracted Maintenance Services	1,965.68	0.00	1,965.68	100.0%
6065 • Depreciation	27,619.23	34,662.00	-7,042.77	-20.3%
6070 • Dues & Subscriptions	1,618.00	1,507.00	111.00	7.4%

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Accrual Basis

LEBEC COUNTY WATER DISTRICT

Profit & Loss Prev Year Comparison

July through December 2017

	Jul - Dec 17	Jul - Dec 16	\$ Change	% Change
6075 • Education	1,020.60	0.00	1,020.60	100.0%
6085 • Engineering	0.00	5,061.80	-5,061.80	-100.0%
6090 • Equipment Rental	593.24	803.51	-210.27	-26.2%
6095 • Fees and Permits	2,211.00	560.00	1,651.00	294.8%
6110 • Insurance				
6113 • Medical Insurance	10,570.98	10,195.01	375.97	3.7%
6115 • Business Insurance	4,392.48	5,312.54	-920.06	-17.3%
6120 • Workers Compensation Insurance	4,451.63	5,984.61	-1,532.98	-25.6%
Total 6110 • Insurance	19,415.09	21,492.16	-2,077.07	-9.7%
6130 • Maintenance				
6135 • Maintenance Services	197.00	14,408.05	-14,211.05	-98.6%
6140 • Maintenance Supplies	6,233.69	9,072.86	-2,839.17	-31.3%
Total 6130 • Maintenance	6,430.69	23,480.91	-17,050.22	-72.6%
6145 • Meals & Entertainment				
6155 • Office Expense	120.00	153.00	-33.00	-21.6%
6160 • Computer	282.96	361.94	-78.98	-21.8%
6170 • Answering Service	190.35	227.05	-36.70	-16.2%
6175 • Office Repair	704.74	873.52	-168.78	-19.3%
6185 • Supplies	728.22	907.32	-179.10	-19.7%
Total 6155 • Office Expense	1,906.27	2,369.83	-463.56	-19.6%
6205 • Outside Services	17,910.00	794.00	17,116.00	2,155.7%
6215 • Payroll - Gross Wages	78,223.75	100,530.79	-22,307.04	-22.2%
6235 • Payroll Service Fees	432.00	34.00	398.00	1,170.6%
6245 • Postage	887.55	640.17	247.38	38.6%
6250 • Professional Fees				
6255 • Accounting / Bookkeeping	2,800.00	2,800.00	0.00	0.0%
6260 • Audit	7,500.00	11,000.00	-3,500.00	-31.8%
6265 • Consultants	0.00	225.00	-225.00	-100.0%
6270 • Legal	346.00	-775.58	1,121.58	144.6%
Total 6250 • Professional Fees	10,646.00	13,249.42	-2,603.42	-19.7%
6290 • Rent				
6300 • Repairs & Maintenance	5,600.00	5,600.00	0.00	0.0%

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Accrual Basis

LEBEC COUNTY WATER DISTRICT

Profit & Loss Prev Year Comparison

July through December 2017

	Jul - Dec 17	Jul - Dec 16	\$ Change	% Change
6301 - Repairs				
6301.2 - Backhoe	23.12	0.00	23.12	100.0%
6301 - Repairs - Other	0.00	706.17	-706.17	-100.0%
Total 6301 - Repairs	23.12	706.17	-683.05	-96.7%
6302 - Maintenance				
6302.2 - Backhoe	46.55	0.00	46.55	100.0%
Total 6302 - Maintenance	46.55	0.00	46.55	100.0%
6303 - System Maint and Repairs				
6303 - System Maint and Repairs	0.00	3,437.39	-3,437.39	-100.0%
Total 6300 - Repairs & Maintenance	69.67	4,143.56	-4,073.89	-98.3%
6310 - Software System				
6315 - Taxes	612.97	1,031.99	-419.02	-40.6%
6320 - Payroll Taxes	6,531.50	8,327.12	-1,795.62	-21.6%
6325 - Property Tax	125.45	99.62	25.83	25.9%
Total 6315 - Taxes	6,656.95	8,426.74	-1,769.79	-21.0%
6340 - Telephone				
6342 - Tools	2,193.84	2,231.34	-37.50	-1.7%
6345 - Travel	32.15	434.65	-402.50	-92.6%
6352 - Uniforms	107.00	1,025.20	-918.20	-89.6%
6355 - Utilities - Office	806.96	526.63	280.33	53.2%
6360 - Electric	337.55	348.13	-10.58	-3.0%
6365 - Gas	124.85	114.94	9.91	8.6%
6370 - Trash	211.65	253.98	-42.33	-16.7%
Total 6355 - Utilities - Office	674.05	717.05	-43.00	-6.0%
6375 - Utilities - Pumps				
6380 - Electric	19,696.87	24,643.44	-4,946.57	-20.1%
Total 6375 - Utilities - Pumps	19,696.87	24,643.44	-4,946.57	-20.1%
6390 - Water Test				
6390 - Water Test	3,255.00	1,760.00	1,495.00	84.9%
Total Expense	217,881.33	264,489.09	-46,607.76	-17.6%

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Accrual Basis

LEBEC COUNTY WATER DISTRICT

Profit & Loss Prev Year Comparison

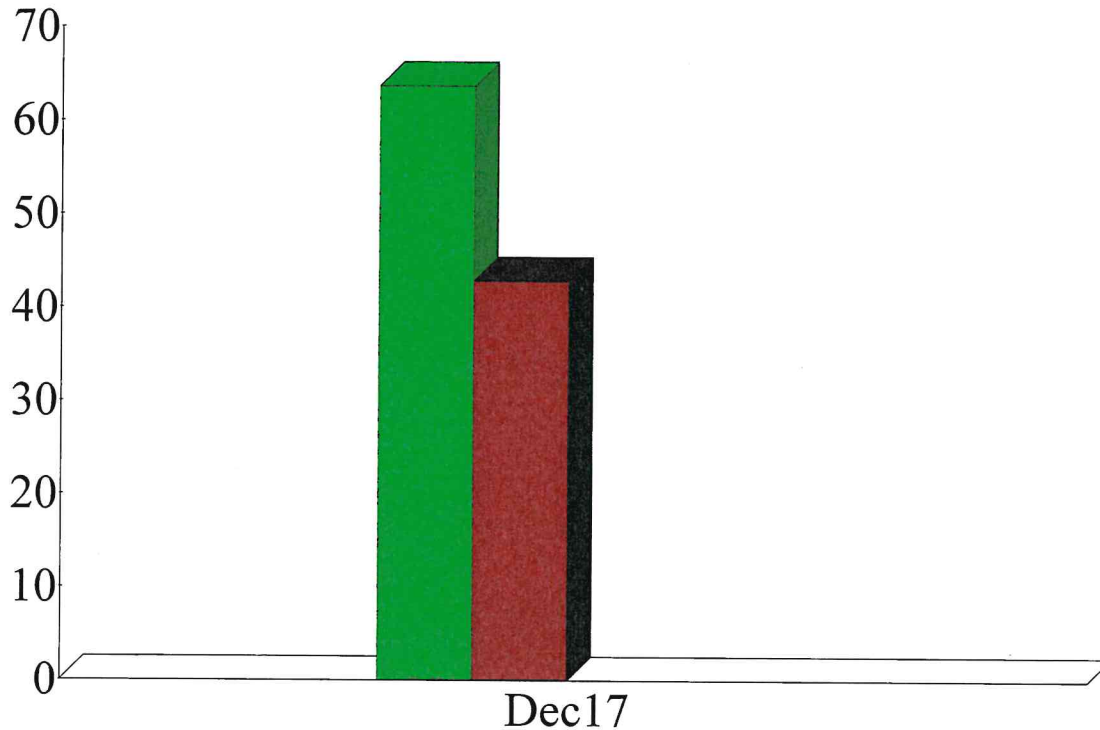
July through December 2017

	Jul - Dec 17	Jul - Dec 16	\$ Change	% Change
Net Ordinary Income	33,872.65	-17,992.54	51,865.19	288.3%
Other Income/Expense				
Other Income				
9000 - Interest Income	29.23	27.72	1.51	5.5%
9005 - Other Income	0.00	19,900.00	-19,900.00	-100.0%
9015 - Grant Income	10,648.74	35,405.82	-24,757.08	-69.9%
Total Other Income	10,677.97	55,333.54	-44,655.57	-80.7%
Other Expense				
9016 - Grant Expense	10,677.69	21,399.88	-10,722.19	-50.1%
Total Other Expense	10,677.69	21,399.88	-10,722.19	-50.1%
Net Other Income	0.28	33,933.66	-33,933.38	-100.0%
Net Income	33,872.93	15,941.12	17,931.81	112.5%

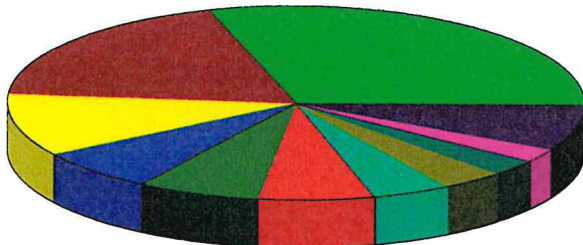
Income and Expense by Month December 2017



\$ in 1,000's



Expense Summary December 2017



6215 · Payroll - Gross	29.94%
9016 · Grant Expense	18.86
6065 · Depreciation	10.60
6375 · Utilities - Pumps	6.98
6205 · Outside Services	6.92
6110 · Insurance	6.57
6095 · Fees and Permits	4.57
6070 · Dues & Subscriptio	3.63
6130 · Maintenance	2.74
6315 · Taxes	2.25
Other	6.94
Total	\$42,913.85

By Account

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LEBEC COUNTY WATER DISTRICT

A/P Aging Detail

As of January 4, 2018

Name	Memo	Open Balance
Current		
AUS Aramark	6352 uniforms	55.09
AUS Aramark	6352 uniforms	55.09
At&T Office	6340 office phones	171.50
BC Laboratories	6390 water testing	125.00
Core & Main	6140 raingear, epoxy saddles	1,175.30
Pilot Travel Cente...	6022 gas for chevy miles 1242, ...	303.49
Gas Company	6365 office 6365- Acct# 046016...	85.12
SCE 2-03-200-8187	6380 pump power	651.05
State Compensati...	6120 workers comp insurance	579.00
STREAMLINE	6160 website maint	75.00
Verizon Wireless	6340 cell phones	106.50
State Water Reso...	6095 license fee	1,794.00
West Coast Truck ...	6205 office help	324.00
Provost & Prichar...	9016 SDWSRF Grant Claim 16	7,518.22
Lebec County Wat...	9016 SDWSRF Grant Reimburse...	15.99
CS & Associates I...	claim #16	561.00
Stern, Samuel	Regular Meeting 11-14-17	100.00
Radusch,Carl	Regular Meeting 11-14-17	100.00
Maillis, Patricia E	Regular meeting 11-14-17	100.00
AT&T Uverse		80.00
Ability Answering ...		30.00
Anthem Blue Cross	6113	153.60
Blue Shield		1,356.54
SCE 2-36-538-2134	6360 office electric	49.26
Hometown Publis...	6010	39.60
PGE4923	6380 Ridge Route Pump	24.85
PGE8279	6380 Lebec Well Pump Electrici...	557.34
PGE5230	6380 Landfill Rd Booster Electr...	19.71
PGE5159	6380 State Well Pump Electrici...	1,744.40
Pitney Bowes Pur...		132.46
Santana's Pumping	Landfill & Lebec Road Repair	2,645.00
Wainright Emilie		800.00
State Water Reso...	Enforcement Activities	167.00
Wells Fargo Bank		96.53
CSDA	6070 annual dues	1,558.00
Lewis & Associates	6255 bookkeeping	450.00

TAL

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**JOINT POWERS AGREEMENT
FOR FORMATION OF A GROUNDWATER SUSTAINABILITY AGENCY FOR THE
CASTAC LAKE VALLEY GROUNDWATER BASIN
UNDER THE
SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

THIS JOINT POWERS AGREEMENT (JPA) is made and effective as of _____, 2017, by and between **Tejon-Castac Water District (TCWD)**, **Lebec County Water District (LCWD)**, and the **County of Kern (County)**, each a “Party” and collectively the “Parties,” with reference to the following facts:

A. In 2014, the State of California enacted the Sustainable Groundwater Management Act (Water Code Sections 10720 et seq.), referred to in this JPA as the “SGMA” or “Act,” as subsequently amended, pursuant to which certain public agencies may become or participate in a “Groundwater Sustainability Agency” (GSA) and adopt a “Groundwater Sustainability Plan” (GSP) in order to manage groundwater in underlying groundwater basins. The Act defines “basin” as a basin or subbasin identified and defined in California Department of Water Resources (DWR) Bulletin 118.

B. The Castac Lake Valley Groundwater Basin (Basin No 5-29) has been designated very low priority pursuant to SGMA. The Legislature encourages and authorizes but does not require basins designated as very low priority to be managed pursuant to SGMA (Water Code section 10720.7) Very low priority basins are not subject to Chapter 11 of SGMA providing for “State Intervention” in certain circumstances. Accordingly, the Parties voluntarily create the GSA as hereinafter provided.

C. TCWD, LCWD and the County are the agencies qualified to be a GSA under the Act for the Castac Lake Valley Groundwater Basin, and collectively encompass the entire Basin. The map attached hereto as Exhibit A designates the boundaries of the Castac Lake Valley Groundwater Basin, and the boundaries of TCWD, and LCWD are shown on said map, along with that portion of Kern County that is not within the boundaries of one of the other Parties.

D. Lands within the Castac Lake Valley Groundwater Basin that have been developed to uses that utilize any significant groundwater are located within TCWD, and LCWD. The Castac Lake Valley Groundwater Basin lands which are not located within these districts but which are within the County, are believed to utilize small or de minimis quantities of groundwater.

E. The Parties wish to provide a framework to form a GSA and to voluntarily implement SGMA in the Castac Lake Valley Groundwater Basin, such that the implementation is through local control and management and is implemented effectively, efficiently, fairly and at a reasonable cost.

F. As authorized by the Joint Exercise of Powers Act (Government Code Section 6500 et seq.), the parties are entering into this JPA to form a GSA, share certain costs, and other matters provided for herein, but are not currently creating a separate entity or authority.

THEREFORE, in consideration of the mutual promises set forth below and to implement the goals described above, the Parties agree as follows:

1. Formation of the Castac Lake Valley Groundwater Basin GSA. The purpose of this JPA is to form a GSA for the Castac Lake Valley Groundwater Basin and to facilitate a cooperative and ongoing working relationship between the Parties that will allow them to explore, study, evaluate, develop and implement mutually beneficial approaches and strategies for development and implementation of a GSP for the Castac Lake Valley Groundwater Basin. By execution of this JPA, the Parties collectively determine and elect to be the GSA for the Castac Lake Valley Groundwater Basin (“Castac Basin GSA”), subject to the procedures provided for in the Act. It is presumed that this Castac Basin GSA will be the sole GSA for the Castac Lake Valley Groundwater Basin. By entering into this JPA, the Parties are not currently creating a separate entity or joint powers authority.

2. Development of a Groundwater Sustainability Plan. The GSP for the Basin (“Castac Basin GSP”) will be prepared by the Castac Basin GSA. The TCWD will coordinate efforts of the Parties and be the point of contact with DWR, as defined by the Act, to meet and cooperatively develop the Castac Basin GSP. In developing the Castac Basin GSP, the Castac Basin GSA shall consider all beneficial uses and users of groundwater in the Basin, including the interests listed at Section §10723.2 of the Act.

3. GSA Governing Body. There is hereby established a GSA Committee for the Castac Basin GSA, which shall be subject to the following:

a. TCWD and LCWD (“Voting Parties”) will be represented by -person(s) designated by the respective entities, with TCWD and LCWD each having two Committee members. The County shall be a non-voting member of the GSA Committee and will be represented by a designated person. Each Party may appoint one or more alternate GSA Committee members.

b. The GSA Committee may adopt resolutions, bylaws and policies to provide further details for conducting its affairs consistent with this JPA and applicable law and amend the same from time to time. Meetings of the GSA Committee shall be called, noticed and conducted subject to the provisions of the Ralph M. Brown Act (California Government Code Sections 54950 et seq.)

c. A quorum of the GSA Committee to transact business shall be three GSA Committee members representing Voting Parties. In order to pass any proposition or resolution, an affirmative vote of a majority of the GSA Committee members representing Voting Parties present and voting will be required, provided that to adopt or make any amendment to the GSP, the unanimous consent of the Voting Parties shall be required.

d. The composition, voting procedures and powers of the GSA Committee shall be reviewed and reaffirmed or modified as part of the process to adopt a GSP, including determining, if any of the Parties deems appropriate, forming a joint powers authority as a separate entity to submit and/or implement the GSP.

4. Powers/Development of GSP.

(a) Under the conditions and with the exceptions set forth in the Agreement, the Castac Basin GSA shall have all the powers that a GSA is authorized to exercise as provided by the Act, including, but not limited to, developing a GSP that is consistent with the Act and DWR's regulations. *[Removed - "and imposing fees to pay for GSA and GSP activities"]*

(b) The Castac Basin GSA shall not have the power to control, limit or empower a Party's rights and authorities over its own surface water supplies, facilities, operations, water management, water supply projects and financial affairs. As provided in Water Code Section 10720.5 of the Act, the Castac Basin GSA and all of its Parties confirm that groundwater management under this Castac Basin GSA shall not modify rights or priorities to use or store groundwater consistent with Section 2 of Article X of the California Constitution and that any groundwater management plan adopted by the Castac Basin GSA shall not determine or alter surface water rights or groundwater rights under common law or any other provision of law that determines or grants surface water rights.

5. Matters Related to County Powers.

(a) If the County is requested by the Castac Basin GSA to use the County's police powers for a specific GSA purpose, then the Castac Basin GSA shall indemnify *and defend,* the County against any liability for such exercise of its police powers. *Added*

(b) The Parties agree that nothing in a GSP or any actions taken by this Castac Basin GSA will modify, limit or preempt the County's police powers, including, but not limited to, its land use authority. The County shall not designate or zone a specific project with the expectation that this GSA will provide a larger water allotment than that which is determined by any GSP allotment and policies, if there were such allotments. Likewise, the Castac Basin GSA will not restrict the use of groundwater within its boundaries to a specific use.

(c) In accordance with the terms and conditions of this JPA, the Castac Basin GSA will manage the areas of the Castac Basin Valley Groundwater Basin that are not within the boundaries of TCWD, and LCWD.

(d) Consistent with Water Code Section 10726.4(b), well permitting (which is presently codified in Kern County's Code of Ordinances at Section 14.08) is under the County's jurisdiction. The Castac Basin GSA shall not issue permits for the construction, modification, and/or abandonment of groundwater wells except as authorized by the County. The Castac Basin GSA will not transform, or trigger the transformation of, the well-permitting process from a ministerial function (which does not trigger CEQA) to a discretionary function (which may trigger CEQA) without prior consultation with the County. If the Castac Basin GSA causes CEQA to be triggered with respect to any particular well permitting application within the Castac Basin GSA, then the Castac Basin GSA shall indemnify and defend, the County against any liability, costs and attorney's fees.

(e) Water transfers within the Basin will be considered as part of the Castac Basin GSP development. In the event the adopted GSP includes extraction allocations pursuant to Water Code

section 10726.4, the GSP will include conditions under which those allocations will be transferrable within the Basin without materially adversely affecting others, including, but not limited to, providing that any such transfer does not materially harm any Party to this Agreement, any portion of the Basin, degrade water quality, or materially harm any other groundwater user within the Basin. The Parties acknowledge that material harm is difficult to determine objectively in advance and agree to work to include a hydrologic review process for any transfers that are authorized in the GSP. Notwithstanding the foregoing, the respective Parties reserve all applicable rights they have with respect to preserving water supplies within their boundaries.

(f) The Castac Basin GSA will ensure that any additional local agencies have a continuous opportunity to participate in the preparation, review and adoption of the Castac Basin GSP. The term “participate” in this context means access to all non-privileged drafts, reports, technical information and other materials and communications, and an ability to actively engage in all open meetings related to the preparation, review and adoption of the Castac Basin GSP. With respect to the County, as an Additional Entity and signatory to this JPA, its opportunities for participation and review are more than members of the general public and the County will be afforded access to all documents, drafts, reports, technical information and other materials and communications of the GSA.

(g) The Castac Basin GSA will actively work with the County to preserve and protect available water supplies. Before adopting any GSP covering the Castac Basin GSA's jurisdiction or agreeing to the coordination of the GSP with other GSPs, the Castac Basin GSA shall consider the mitigation measures adopted in the County's certified Final Oil and Gas Environmental Impact Report (SCH# 2013081079), which was adopted by the Kern County Board of Supervisors on November 9, 2015, to address the creation of any GSP practices related to the implementation of SGMA and the Oil and Gas permitting.

6. Costs. Each Party shall bear its own costs incurred with respect to activities under this JPA to participate on the GSA Committee and its proceedings and related matters. Costs incurred to retain consultants to assist with development of the Castac Basin GSP and perform related studies as approved by the GSA Committee and to implement the Castac Basin GSP shall be borne by TCWD.

The Parties may consider levying a charge pursuant to the Act, or other legal authority. Certain costs for special projects may be funded under separate agreements among the benefited Parties.

7. Staff. Each Party shall designate a principal contact person, if other than the designated GSA Committee members, and other appropriate staff members and consultants to participate on such Party's behalf in activities undertaken pursuant to this JPA. The TCWD shall be responsible for coordinating meetings and other activities under this JPA with the GSA Committee and principal contact persons for the other Parties. Informal staff meetings may occur as needed.

8. Ongoing Cooperation. The Parties acknowledge that activities under this JPA will require the frequent interaction between them in order to pursue opportunities and resolve issues that arise. The Parties shall work cooperatively and in good faith.

9. Notices. Any formal notice or other formal communication given under the terms of this JPA shall be in writing and shall be given personally, by facsimile, by electronic mail (email), or by certified mail, postage prepaid and return receipt requested. Any notice shall be delivered or addressed to the Parties at the addressees' facsimile numbers or email addresses set forth below under each signature and at such other address, facsimile number or email address as shall be designated by notice in writing in accordance with the terms of this JPA. The date of receipt of the notice shall be the date of actual personal service, confirmed facsimile transmission or email, or three days after the postmark on certified mail.

10. Entire Agreement/Amendments/Counterparts. This JPA incorporates the entire and exclusive agreement of the Parties with respect to the matters described herein and supersedes all prior negotiations and agreements (written, oral, or otherwise) related thereto. This JPA may be amended only in a writing executed by all of the Parties. This JPA may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11. Termination/Withdrawal.

(a) This JPA shall remain in effect unless terminated by the unanimous consent of the Voting Parties.

(b) Upon 60 days written notice, any of the Parties may withdraw from this JPA and the JPA shall remain in effect for the remaining Parties. A withdrawing Party shall be liable for expenses incurred through the effective date of the withdrawal (that is 60 days after the written notice, unless a later date is specified in the notice) and for its share of any contractual obligations incurred by the Castac Basin GSA while the withdrawing Party was a party to this JPA, however, as provided a paragraph 6, the County is not participating in GSP development costs. Upon withdrawal as a Party, whether occurring before or after June 30, 2017, it is contemplated the withdrawing Party may concurrently become (or designate) a GSA for the lands within its boundaries, so that such lands of the withdrawing Party would continue to be subject to a GSA, and if applicable a GSP and the powers of such withdrawing Party within its boundaries would not be limited by this JPA. In such event this GSA and its remaining Parties (i) shall not object to or interfere with the lands in the withdrawing Parties' boundaries being in a GSA, as designated by such withdrawing Party, (ii) shall facilitate such transition to the extent necessary, and (iii) this GSA shall withdraw from managing the Basin as a GSA (if it has already elected to be a GSA) for that portion of the Basin within the boundaries of the withdrawing Party and so notify DWR. In such event, the withdrawing Party shall reconcile and reach agreement with any other Party with respect to overlapping boundaries of the Parties to determine which GSA the respective overlapping lands will be within.

12. Assignment. No rights or duties of any of the Parties under this JPA may be assigned or delegated without the express prior written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties without such written consent shall be null and void.

13. Indemnification. No Party, nor any officer, director, employee or agent of a Party, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by another Party under or in connection with this JPA. The Parties further agree, pursuant to California Government Code Section 895.4, that each party shall fully indemnify and hold

harmless each other Party and its officers, directors, employees and agents from and against any claims, damages, losses, judgments, liabilities, expenses, and other cost, including litigation costs and attorney fees, arising out of, resulting from, or in connection with any action taken or omitted to be taken by such Party under this JPA. Notwithstanding the foregoing, the Voting Parties agree to fully indemnify and hold harmless the County and its officers, directors, employees and agents from and against any claims, damages, losses, judgments, liabilities, expenses or other costs, including litigation costs and attorney fees, arising out of, resulting from, or in connection with any action taken or omitted to be taken by the GSA, except to the extent directly caused by the County, or its officers, directors, employees or agents, negligence or wrongful acts, [provided that the forgoing exception shall not apply to any claim that the COUNTY was negligent in entering into this Agreement, providing oversight of the GSA, the actions of GSA or the Voting Parties.]

Added

IN WITNESS WHEREOF, the Parties have executed this JPA as of the date first above written.

Tejon-Castac Water District

By: _____

Address: _____

Email _____

Facsimile _____

Lebec County Water District

By: _____

Address: _____

Email _____

Facsimile _____

County of Kern

By: _____

Address: _____

Email _____

Facsimile _____