



LCWD
Lebec County Water District

PACKET

June 12, 2017

FOR PUBLIC VIEW ONLY

(Please do not remove from office)

MINUTES
LEBEC COUNTY WATER DISTRICT
SPECIAL MEETING OF THE BOARD OF DIRECTORS
WEDNESDAY 17, 2017
3:30PM

CALL THE MEETING TO ORDER/ROLL CALL/MOMENT OF SILENCE/FLAG SALUTE

MEETING BEGAN AT 3:32PM

5 Directors present (BH, BT, SS, WM, CR)

1. PUBLIC PRESENTATIONS:

PLEASE LIMIT ANY PRESENTATIONS OR ANNOUNCEMENTS TO THREE (3) MINUTES PER PERSON. THIS PORTION OF THE MEETING IS RESERVED FOR PERSONS TO ADDRESS THE BOARD OF DIRECTORS ON ANY MATTER NOT ON THE AGENDA, BUT UNDER THE JURISDICTION OF THE BOARD. BOARD MEMBERS MAY RESPOND BRIEFLY TO STATEMENTS MADE OR QUESTIONS POSED. THEY MAY ASK A QUESTION FOR CLARIFICATION MAKE A REFERRAL TO STAFF FOR FACTUAL INFORMATION OR REQUEST STAFF TO REPORT BACK TO THE BOARD AT A LATER MEETING. ALSO, THE BOARD MAY TAKE ACTION TO DIRECT STAFF TO PLACE A MATTER OF BUSINESS ON A FUTURE AGENDA.

2. UNFINISHED BUSINESS

- a. TEJON-CASTAC WATER DISTRICT GSA- DISCUSSION AND APPROPRIATE ACTION (REQUESTED BY PRESIDENT MARTIN)

The Board discussed changes to draft Joint Powers Agreement presented by Tejon-Castac Water District

Sec/Treasurer Stern made a MOTION to adjourn.

V.P. Hopper SECONDED the Motion.

Yea: 5(BH, BT, SS, WM, CR)

Nay: 0

Abstain: 0

Board concurs and Motion passes.

MEETING WAS ADJOURNED AT 5:12pm

Director Tucker made a **MOTION** to go ahead with placing liens on two delinquent accounts.

V.P Hopper SECONDED the Motion.

Yea: 5(BH, WM, SS, CR, BT) Nay: 0 Abstain: 0
Board concurs and Motion passes

Director Tucker made a **MOTION** to approve re-establishing a credit card for General Managers use with a credit limit of \$2500.

Sec/Treasurer Stern SECONDED the Motion.

Yea: 5(BH, WM, SS, CR, BT) Nay: 0 Abstain: 0
Board concurs and Motion passes

8. CLOSED SESSION: Gov't code 54954.2

- a. ANNOUNCE TO MOVE TO CLOSED SESSION-Gov't code 54957.7(a)
- b. EMPLOYEE EVALUATION-DISCUSSION AND APPROPRIATE ACTION – Gov't code 4464
- c. CONVENE TO OPEN SESSION-Gov't code 54957.7

Director Tucker made a **MOTION** to move to closed session.

Sec/treasurer Stern SECONDED the Motion.

Yea: 5(BH, WM, SS, CR, BT) Nay: 0 Abstain: 0
Board concurs and Motion passes

Director Tucker made a **MOTION** to move to open session.

Sec/treasurer Stern SECONDED the Motion.

Yea: 5(BH, WM, SS, CR, BT) Nay: 0 Abstain: 0
Board concurs and Motion passes

There is nothing to report from closed session.

10. BOARD/STAFF PROPOSED AGENDA ITEMS

11. ANNOUNCE DATE/TIME OF THE NEXT MEETING

June 12, 2017 6pm at District Office

12. ADJOURNMENT

Director Tucker made a **MOTION** to adjourn.

V.P. Hopper SECONDED the Motion.

Yea: 5(BH, WM, CR, SS, BT) Nay: 0 Abstain: 0
Board concurs and Motion passes

MEETING WAS ADJOURNED AT 8:16PM

LEBEC COUNTY WATER DISTRICT
Reconciliation Summary
1040 · Grant Checking Account, Period Ending 05/31/2017

	<u>May 31, 17</u>
Beginning Balance	4,788.44
Cleared Transactions	
Checks and Payments - 1 it...	<u>-4,763.44</u>
Total Cleared Transactions	<u>-4,763.44</u>
Cleared Balance	<u>25.00</u>
Register Balance as of 05/31/2017	25.00
Ending Balance	25.00

LEBEC COUNTY WATER DISTRICT
Reconciliation Summary
1020 · Lebec Co Water Dist. - Checking, Period Ending 05/31/2017

	May 31, 17
Beginning Balance	71,529.00
Cleared Transactions	
Checks and Payments - 50 ite...	-32,752.92
Deposits and Credits - 31 items	50,551.88
Total Cleared Transactions	17,798.96
Cleared Balance	<u>89,327.96</u>
Uncleared Transactions	
Checks and Payments - 18 ite...	-3,391.67
Total Uncleared Transactions	-3,391.67
Register Balance as of 05/31/2017	<u>85,936.29</u>
New Transactions	
Checks and Payments - 7 items	-8,058.28
Total New Transactions	-8,058.28
Ending Balance	<u>77,878.01</u>

LEBEC COUNTY WATER DISTRICT

Reconciliation Detail

1020 - Lebec Co Water Dist. - Checking, Period Ending 05/31/2017

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						71,529.00
Cleared Transactions						
Checks and Payments - 50 items						
Check	04/10/2017	7863	Kern County Sher...	X	-502.04	-502.04
Bill Pmt -Check	04/13/2017	7867	Martin, Willard	X	-100.00	-602.04
Check	04/24/2017	7886	Kern County Sher...	X	-486.75	-1,088.79
Bill Pmt -Check	04/30/2017	7896	Santana's Pumping	X	-4,220.00	-5,308.79
Bill Pmt -Check	04/30/2017	7899	State Water Res...	X	-1,788.00	-7,096.79
Bill Pmt -Check	04/30/2017	7898	State Compensat...	X	-664.25	-7,761.04
Bill Pmt -Check	04/30/2017	7893	HD Supply Water...	X	-651.86	-8,412.90
Bill Pmt -Check	04/30/2017	7897	SCE 2-03-200-81...	X	-393.34	-8,806.24
Bill Pmt -Check	04/30/2017	7890	BC Laboratories	X	-377.50	-9,183.74
Bill Pmt -Check	04/30/2017	7895	Pilot Travel Cent...	X	-324.37	-9,508.11
Bill Pmt -Check	04/30/2017	7894	Jonathan Barnes	X	-275.00	-9,783.11
Bill Pmt -Check	04/30/2017	7887	3D Imaging Syste...	X	-120.79	-9,903.90
Bill Pmt -Check	04/30/2017	7900	Verizon Wireless	X	-106.22	-10,010.12
Bill Pmt -Check	04/30/2017	7901	Wells Fargo Bank	X	-96.53	-10,106.65
Bill Pmt -Check	04/30/2017	7888	At&T Office	X	-92.19	-10,198.84
Bill Pmt -Check	04/30/2017	7889	AUS Aramark	X	-81.02	-10,279.86
Bill Pmt -Check	04/30/2017	7892	Gas Company	X	-26.55	-10,306.41
Bill Pmt -Check	04/30/2017	7891	Cash	X	-11.00	-10,317.41
Liability Check	05/08/2017	E-pay	EFTPS	X	-1,814.38	-12,131.79
Paycheck	05/08/2017	7903	Jessica Carroll	X	-1,581.72	-13,713.51
Paycheck	05/08/2017	7904	Michael D Hight...	X	-1,527.00	-15,240.51
Paycheck	05/08/2017	7902	Jeffrey G Bryan	X	-1,346.04	-16,586.55
Liability Check	05/08/2017	7905	Wells Fargo Bank	X	-566.04	-17,152.59
Check	05/08/2017	7906	Kern County Sher...	X	-509.00	-17,661.59
Liability Check	05/08/2017	E-pay	EDD	X	-300.42	-17,962.01
Bill Pmt -Check	05/10/2017	7909	Ca Bank-Visa	X	-1,327.37	-19,289.38
Bill Pmt -Check	05/10/2017	7910	Law Offices of Da...	X	-417.36	-19,706.74
Bill Pmt -Check	05/12/2017	7915	PGE5159	X	-1,684.96	-21,391.70
Bill Pmt -Check	05/12/2017	7917	PGE8279	X	-716.90	-22,108.60
Bill Pmt -Check	05/12/2017	7913	Lewis & Associates	X	-450.00	-22,558.60
Bill Pmt -Check	05/12/2017	7921	West Coast Truc...	X	-378.00	-22,936.60
Bill Pmt -Check	05/12/2017	7912	California Rural ...	X	-192.00	-23,128.60
Bill Pmt -Check	05/12/2017	7920	USPS	X	-116.00	-23,244.60
Bill Pmt -Check	05/12/2017	7914	PGE4923	X	-55.96	-23,300.56
Bill Pmt -Check	05/12/2017	7919	SCE 2-36-538-21...	X	-43.44	-23,344.00
Bill Pmt -Check	05/12/2017	7918	Price Disposal	X	-42.33	-23,386.33
Bill Pmt -Check	05/12/2017	7911	Ability Answering ...	X	-30.00	-23,416.33
Bill Pmt -Check	05/12/2017	7916	PGE5230	X	-21.03	-23,437.36
Bill Pmt -Check	05/17/2017	7923	Radusch,Carl	X	-200.00	-23,637.36
Bill Pmt -Check	05/17/2017	7922	Martin, Willard	X	-200.00	-23,837.36
Bill Pmt -Check	05/17/2017	7925	Tucker, Brett	X	-200.00	-24,037.36
Liability Check	05/22/2017	E-pay	EFTPS	X	-1,948.18	-25,985.54
Paycheck	05/22/2017	7928	Michael D Hight...	X	-1,711.18	-27,696.72
Paycheck	05/22/2017	7927	Jessica Carroll	X	-1,677.27	-29,373.99
Paycheck	05/22/2017	7926	Jeffrey G Bryan	X	-1,184.80	-30,558.79
Liability Check	05/22/2017	E-pay	EDD	X	-337.15	-30,895.94
Bill Pmt -Check	05/26/2017	7931	Blue Shield	X	-1,356.54	-32,252.48
Bill Pmt -Check	05/26/2017	7933	McMor Chlorinati...	X	-308.10	-32,560.58
Check	05/31/2017		NSF	X	-167.34	-32,727.92
Check	05/31/2017			X	-25.00	-32,752.92
Total Checks and Payments					-32,752.92	-32,752.92

LEBEC COUNTY WATER DISTRICT
Reconciliation Detail
1040 · Grant Checking Account, Period Ending 05/31/2017

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						4,788.44
Cleared Transactions						
Checks and Payments - 1 item						
Bill Pmt -Check	04/13/2017	119	Provost & Prichar...	X	-4,763.44	-4,763.44
Total Checks and Payments					-4,763.44	-4,763.44
Total Cleared Transactions					-4,763.44	-4,763.44
Cleared Balance					-4,763.44	25.00
Register Balance as of 05/31/2017					-4,763.44	25.00
Ending Balance					-4,763.44	25.00

LEBEC COUNTY WATER DISTRICT

Reconciliation Detail

1020 - Lebec Co Water Dist. - Checking, Period Ending 05/31/2017

Type	Date	Num	Name	Clr	Amount	Balance
Deposits and Credits - 31 items						
Deposit	05/02/2017			X	218.00	218.00
Deposit	05/02/2017			X	6,358.97	6,576.97
Deposit	05/02/2017			X	11,097.19	17,674.16
Deposit	05/08/2017			X	44.01	17,718.17
Deposit	05/08/2017			X	60.02	17,778.19
Deposit	05/08/2017			X	103.72	17,881.91
Deposit	05/08/2017			X	300.02	18,181.93
Deposit	05/08/2017			X	346.28	18,528.21
Deposit	05/08/2017			X	1,751.08	20,279.29
Deposit	05/10/2017			X	2,802.09	23,081.38
Deposit	05/16/2017			X	176.58	23,257.96
Deposit	05/16/2017			X	6,667.86	29,925.82
Deposit	05/19/2017			X	148.78	30,074.60
Deposit	05/19/2017			X	876.75	30,951.35
Deposit	05/19/2017			X	5,584.29	36,535.64
Deposit	05/22/2017			X	40.01	36,575.65
Deposit	05/22/2017			X	42.84	36,618.49
Deposit	05/22/2017			X	50.73	36,669.22
Deposit	05/22/2017			X	60.00	36,729.22
Deposit	05/22/2017			X	76.01	36,805.23
Deposit	05/22/2017			X	88.01	36,893.24
Deposit	05/22/2017			X	98.61	36,991.85
Deposit	05/22/2017			X	4,804.36	41,796.21
Deposit	05/23/2017			X	100.00	41,896.21
Deposit	05/23/2017			X	124.02	42,020.23
Deposit	05/26/2017			X	236.48	42,256.71
Deposit	05/26/2017			X	1,005.29	43,262.00
Deposit	05/31/2017			X	138.00	43,400.00
Deposit	05/31/2017			X	164.00	43,564.00
Deposit	05/31/2017			X	692.11	44,256.11
Deposit	05/31/2017			X	6,295.77	50,551.88
Total Deposits and Credits					50,551.88	50,551.88
Total Cleared Transactions					17,798.96	17,798.96
Cleared Balance					17,798.96	89,327.96
Uncleared Transactions						
Checks and Payments - 18 items						
Bill Pmt -Check	03/21/2017	7835	Stern, Samuel		-100.00	-100.00
Bill Pmt -Check	04/13/2017	7876	Stern, Samuel		-100.00	-200.00
Bill Pmt -Check	05/17/2017	7924	Stern, Samuel		-200.00	-400.00
Check	05/22/2017	7929	Kern County Sher...		-570.39	-970.39
Bill Pmt -Check	05/26/2017	7934	Wainright Emilie		-800.00	-1,770.39
Bill Pmt -Check	05/26/2017	7935	West Coast Truc...		-126.00	-1,896.39
Bill Pmt -Check	05/26/2017	7930	AT&T Uverse		-70.00	-1,966.39
Bill Pmt -Check	05/26/2017	7932	Crown Trophy		-45.83	-2,012.22
Bill Pmt -Check	05/31/2017	7949	SCE 2-03-200-81...		-291.84	-2,304.06
Bill Pmt -Check	05/31/2017	7947	PowerTech Electr...		-285.00	-2,589.06
Bill Pmt -Check	05/31/2017	7946	Pilot Travel Cent...		-263.28	-2,852.34
Bill Pmt -Check	05/31/2017	7942	At&T Office		-164.58	-3,016.92
Bill Pmt -Check	05/31/2017	7941	3D Imaging Syste...		-112.05	-3,128.97
Bill Pmt -Check	05/31/2017	7950	Verizon Wireless		-106.22	-3,235.19
Bill Pmt -Check	05/31/2017	7943	AUS Aramark		-81.02	-3,316.21
Bill Pmt -Check	05/31/2017	7948	Price Disposal		-12.33	-3,328.54
Bill Pmt -Check	05/31/2017	7944	Casn		-20.75	-3,349.29
Bill Pmt -Check	05/31/2017	7945	Gas Company		-12.38	-3,391.67
Total Checks and Payments					-3,391.67	-3,391.67
Total Uncleared Transactions					-3,391.67	-3,391.67
Register Balance as of 05/31/2017					14,407.29	85,936.29

LEBEC COUNTY WATER DISTRICT

Reconciliation Detail

1020 · Lebec Co Water Dist. - Checking, Period Ending 05/31/2017

Type	Date	Num	Name	Clr	Amount	Balance
New Transactions						
Checks and Payments - 7 items						
Liability Check	06/05/2017	E-pay	EFTPS		-1,966.90	-1,966.90
Paycheck	06/05/2017	7938	Michael D Highto...		-1,633.65	-3,600.55
Paycheck	06/05/2017	7937	Jessica Carroll		-1,578.98	-5,179.53
Paycheck	06/05/2017	7936	Jeffrey G Bryan		-1,418.45	-6,597.98
Liability Check	06/05/2017	7939	Wells Fargo Bank		-575.11	-7,173.09
Check	06/05/2017	7940	Kern County Sher...		-544.55	-7,717.64
Liability Check	06/05/2017	E-pay	EDD		-340.64	-8,058.28
Total Checks and Payments					-8,058.28	-8,058.28
Total New Transactions					-8,058.28	-8,058.28
Ending Balance					6,349.01	77,878.01

LEBEC COUNTY WATER DISTRICT

Profit & Loss YTD Comparison

06/08/17

Accrual Basis

May 2017

	May 17	Jul '16 - May 17
Ordinary Income/Expense		
Income		
4000 · Operating Revenue		
4010 · Commercial	21,306.01	204,851.33
4040 · Residential	14,290.93	138,870.24
4060 · Rent Income	0.00	6,882.80
4100 · Kern Co Tax Income	12,666.05	40,596.87
4120 · Surplus Water	2,372.86	34,920.00
4130 · Will Serve	132.24	1,443.62
4140 · Late Charges & Customer Charg...	993.03	8,942.88
Total 4000 · Operating Revenue	51,761.12	436,507.74
Total Income	51,761.12	436,507.74
Expense		
6010 · Advertising	0.00	172.50
6020 · Auto Expense		
6022 · Gas	263.28	4,067.24
6028 · Repairs		
6028.1 · GMC	56.86	2,682.45
6028.2 · DODGE	165.94	4,723.84
6028.3 · BACKHOE	175.28	1,370.73
Total 6028 · Repairs	398.08	8,777.02
6030 · Service		
6030.1 · Dodge Service	0.00	565.48
6030.2 · Gmc Service	0.00	483.72
Total 6030 · Service	0.00	1,049.20
Total 6020 · Auto Expense	661.36	13,893.46
6040 · Bank Service Charge	13.00	300.00
6050 · Compensation of Board	800.00	4,500.00
6065 · Depreciation	5,777.00	63,547.00
6070 · Dues & Subscriptions	192.00	1,699.00
6075 · Education	29.85	29.85
6085 · Engineering	0.00	5,061.80
6090 · Equipment Rental	276.72	1,530.54
6095 · Fees and Permits	0.00	2,759.20
6110 · Insurance		
6113 · Medical Insurance	1,356.54	17,342.62
6115 · Business Insurance	0.00	7,967.98
6120 · Workers Compensation Insurance	664.25	9,305.86
Total 6110 · Insurance	2,020.79	34,616.46
6130 · Maintenance		
6135 · Maintenance Services	285.00	15,563.05
6140 · Maintenance Supplies	689.99	14,221.09
Total 6130 · Maintenance	974.99	29,784.14
6145 · Meals & Entertainment	0.00	153.00
6155 · Office Expense		

LEBEC COUNTY WATER DISTRICT

Profit & Loss YTD Comparison

06/08/17

Accrual Basis

May 2017

	May 17	Jul '16 - May 17
6160 · Computer	0.00	361.94
6170 · Answering Service	70.73	456.24
6175 · Office Repair	112.05	1,496.11
6180 · Signage	45.83	45.83
6185 · Supplies	258.14	2,035.28
Total 6155 · Office Expense	486.75	4,395.40
6205 · Outside Services	504.00	8,804.00
6215 · Payroll - Gross Wages	14,030.36	176,467.04
6235 · Payroll Service Fees	0.00	154.37
6245 · Postage	693.84	2,317.03
6250 · Professional Fees		
6255 · Accounting / Bookkeeping	450.00	5,325.00
6260 · Audit	0.00	13,325.00
6270 · Legal	69.00	3,112.69
Total 6250 · Professional Fees	519.00	21,762.69
6290 · Rent	800.00	9,600.00
6300 · Repairs & Maintenance		
6301 · Repairs		
6301.2 · Backhoe	0.00	30.01
6301 · Repairs - Other	0.00	706.17
Total 6301 · Repairs	0.00	736.18
6303 · System Maint and Repairs	0.00	4,133.71
Total 6300 · Repairs & Maintenance	0.00	4,869.89
6310 · Software System	23.88	1,097.81
6315 · Taxes		
6320 · Payroll Taxes	1,052.28	15,324.34
6325 · Property Tax	0.00	99.62
Total 6315 · Taxes	1,052.28	15,423.96
6340 · Telephone	340.80	4,371.56
6342 · Tools	64.29	498.94
6345 · Travel	0.00	1,025.20
6352 · Uniforms	81.02	972.24
6355 · Utilities - Office		
6360 · Electric	43.44	524.91
6365 · Gas	12.38	415.00
6370 · Trash	84.66	465.62
Total 6355 · Utilities - Office	140.48	1,405.54
6375 · Utilities - Pumps		
6380 · Electric	2,770.69	34,848.24
Total 6375 · Utilities - Pumps	2,770.69	34,848.24
6390 · Water Test	62.50	2,765.00

LEBEC COUNTY WATER DISTRICT
Profit & Loss YTD Comparison

06/08/17

Accrual Basis

May 2017

	May 17	Jul '16 - May 17
Total Expense	32,315.60	448,825.86
Net Ordinary Income	19,445.52	-12,318.12
Other Income/Expense		
Other Income		
9000 · Interest Income	0.00	41.28
9005 · Other Income	0.00	19,900.00
9015 · Grant Income	0.00	58,799.60
Total Other Income	0.00	78,740.88
Other Expense		
9016 · Grant Expense	0.00	45,048.26
Total Other Expense	0.00	45,048.26
Net Other Income	0.00	33,692.62
Net Income	19,445.52	21,374.50

LEBEC COUNTY WATER DISTRICT

Profit & Loss Prev Year Comparison

May 2017

Ordinary Income/Expense	May 17	May 16	\$ Change	% Change
Income				
4000 · Operating Revenue	21,306.01	15,820.15	5,485.86	34.7%
4010 · Commercial	14,290.93	10,890.51	3,400.42	31.2%
4040 · Residential	12,666.05	12,125.88	540.17	4.5%
4100 · Kern Co Tax Income	2,372.86	1,255.80	1,117.06	89.0%
4120 · Surplus Water	132.24	147.00	-14.76	-10.0%
4130 · Will Serve	993.03	1,025.55	-32.52	-3.2%
4140 · Late Charges & Customer Charg...				
Total 4000 · Operating Revenue	51,761.12	41,264.89	10,496.23	25.4%
Expense				
6010 · Advertising	0.00	92.97	-92.97	-100.0%
6020 · Auto Expense				
6022 · Gas	263.28	327.28	-64.00	-19.6%
6028 · Repairs				
6028.1 · GMC	56.86	871.62	-814.76	-93.5%
6028.2 · DODGE	165.94	83.43	82.51	98.9%
6028.3 · BACKHOE	175.28	130.93	44.35	33.9%
Total 6028 · Repairs	398.08	1,085.98	-687.90	-63.3%
Total 6020 · Auto Expense	661.36	1,413.26	-751.90	-53.2%
6040 · Bank Service Charge	13.00	25.00	-12.00	-48.0%
6050 · Compensation of Board	800.00	300.00	500.00	166.7%
6065 · Depreciation	5,777.00	4,952.08	824.92	16.7%
6070 · Dues & Subscriptions	192.00	0.00	192.00	100.0%
6075 · Education	29.85	0.00	29.85	100.0%
6090 · Equipment Rental	276.72	96.75	179.97	186.0%
6110 · Insurance				
6113 · Medical Insurance	1,356.54	1,456.43	-99.89	-6.9%
6120 · Workers Compensation Insurance	664.25	458.99	205.26	44.7%
Total 6110 · Insurance	2,020.79	1,915.42	105.37	5.5%
6130 · Maintenance				

LEBEC COUNTY WATER DISTRICT

Profit & Loss Prev Year Comparison

May 2017

	May 17	May 16	\$ Change	% Change
6135 · Maintenance Services	285.00	82.00	203.00	247.6%
6140 · Maintenance Supplies	689.99	1,032.67	-342.68	-33.2%
Total 6130 · Maintenance	974.99	1,114.67	-139.68	-12.5%
6155 · Office Expense				
6170 · Answering Service	70.73	64.92	5.81	9.0%
6175 · Office Repair	112.05	153.87	-41.82	-27.2%
6180 · Signage	45.83	101.17	-55.34	-54.7%
6185 · Supplies	258.14	993.89	-735.75	-74.0%
Total 6155 · Office Expense	486.75	1,313.85	-827.10	-63.0%
6205 · Outside Services	504.00	0.00	504.00	100.0%
6215 · Payroll - Gross Wages	14,030.36	12,611.39	1,418.97	11.3%
6245 · Postage	693.84	68.28	625.56	916.2%
6250 · Professional Fees	450.00	450.00	0.00	0.0%
6255 · Accounting / Bookkeeping	69.00	0.00	69.00	100.0%
6270 · Legal				
Total 6250 · Professional Fees	519.00	450.00	69.00	15.3%
6290 · Rent	800.00	800.00	0.00	0.0%
6300 · Repairs & Maintenance				
6303 · System Maint and Repairs	0.00	195.59	-195.59	-100.0%
Total 6300 · Repairs & Maintenance	0.00	195.59	-195.59	-100.0%
6310 · Software System	23.88	159.30	-135.42	-85.0%
6315 · Taxes				
6320 · Payroll Taxes	1,052.28	964.77	87.51	9.1%
Total 6315 · Taxes	1,052.28	964.77	87.51	9.1%
6340 · Telephone	340.80	369.35	-28.55	-7.7%
6342 · Tools	64.29	1,185.94	-1,121.65	-94.6%
6352 · Uniforms	81.02	226.41	-145.39	-64.2%
6355 · Utilities - Office				
6360 · Electric	43.44	106.72	-63.28	-59.3%
6365 · Gas	12.38	4.66	7.72	165.7%

10:58 AM

06/08/17

Accrual Basis

LEBEC COUNTY WATER DISTRICT Profit & Loss Prev Year Comparison

May 2017

	May 17	May 16	\$ Change	% Change
6370 · Trash	84.66	42.33	42.33	100.0%
Total 6355 · Utilities - Office	140.48	153.71	-13.23	-8.6%
6375 · Utilities - Pumps				
6380 · Electric	2,770.69	2,853.46	-82.77	-2.9%
Total 6375 · Utilities - Pumps	2,770.69	2,853.46	-82.77	-2.9%
6390 · Water Test	62.50	332.50	-270.00	-81.2%
Total Expense	32,315.60	31,594.70	720.90	2.3%
Net Ordinary Income	19,445.52	9,670.19	9,775.33	101.1%
Net Income	19,445.52	9,670.19	9,775.33	101.1%

LEBEC COUNTY WATER DISTRICT Profit & Loss Prev Year Comparison

July 2016 through May 2017

	Jul '16 - May...	Jul '15 - May...	\$ Change	% Change
rdinary Income/Expense				
Income				
4000 · Operating Revenue	204,851.33	178,244.24	26,607.09	14.9%
4010 · Commercial	0.00	928.00	-928.00	-100.0%
4030 · Other-Copies	138,870.24	123,051.87	15,818.37	12.9%
4040 · Residential	6,882.80	6,682.32	200.48	3.0%
4060 · Rent Income	40,596.87	37,625.98	2,970.89	7.9%
4100 · Kern Co Tax Income	34,920.00	23,989.05	10,930.95	45.6%
4120 · Surplus Water	1,443.62	1,575.00	-131.38	-8.3%
4130 · Will Serve	8,942.88	10,973.51	-2,030.63	-18.5%
4140 · Late Charges & Customer Charg...				
Total 4000 · Operating Revenue	436,507.74	383,069.97	53,437.77	14.0%
Total Income	436,507.74	383,069.97	53,437.77	14.0%
Expense				
6010 · Advertising	172.50	421.77	-249.27	-59.1%
6020 · Auto Expense				
6022 · Gas	4,067.24	3,094.20	973.04	31.5%
6028 · Repairs				
6028.1 · GMC	2,682.45	1,494.27	1,188.18	79.5%
6028.2 · DODGE	4,723.84	1,295.01	3,428.83	264.8%
6028.3 · BACKHOE	1,370.73	849.02	521.71	61.5%
Total 6028 · Repairs	8,777.02	3,638.30	5,138.72	141.2%
6030 · Service				
6030.1 · Dodge Service	565.48	484.96	80.52	16.6%
6030.2 · Gmc Service	483.72	271.57	212.15	78.1%
Total 6030 · Service	1,049.20	756.53	292.67	38.7%
Total 6020 · Auto Expense	13,893.46	7,489.03	6,404.43	85.5%
6040 · Bank Service Charge	300.00	315.00	-15.00	-4.8%
6050 · Compensation of Board	4,500.00	3,300.00	1,200.00	36.4%
6065 · Depreciation	63,547.00	54,472.88	9,074.12	16.7%
6070 · Dues & Subscriptions	1,699.00	1,539.00	160.00	10.4%
6075 · Education	29.85	537.86	-508.01	-94.5%

LEBEC COUNTY WATER DISTRICT

Profit & Loss Prev Year Comparison

July 2016 through May 2017

	Jul '16 - May...	Jul '15 - May...	\$ Change	% Change
6085 · Engineering	5,061.80	1,312.50	3,749.30	285.7%
6090 · Equipment Rental	1,530.54	1,302.93	227.61	17.5%
6095 · Fees and Permits	2,759.20	2,581.89	177.31	6.9%
6110 · Insurance				
6112 · Insurance - AFLAC	0.00	0.00	0.00	0.0%
6113 · Medical Insurance	17,342.62	3,839.38	13,503.24	351.7%
6115 · Business Insurance	7,967.98	9,988.68	-2,020.70	-20.2%
6120 · Workers Compensation Insurance	9,305.86	4,299.18	5,006.68	116.5%
Total 6110 · Insurance	34,616.46	18,127.24	16,489.22	91.0%
6130 · Maintenance				
6135 · Maintenance Services	15,563.05	5,999.08	9,563.97	159.4%
6140 · Maintenance Supplies	14,221.09	21,108.20	-6,887.11	-32.6%
Total 6130 · Maintenance	29,784.14	27,107.28	2,676.86	9.9%
6145 · Meals & Entertainment				
6155 · Office Expense	153.00	120.00	33.00	27.5%
6160 · Computer	361.94	1,172.90	-810.96	-69.1%
6170 · Answering Service	456.24	449.94	6.30	1.4%
6175 · Office Repair	1,496.11	1,424.19	71.92	5.1%
6180 · Signage	45.83	128.93	-83.10	-64.5%
6185 · Supplies	2,035.28	2,518.97	-483.69	-19.2%
Total 6155 · Office Expense	4,395.40	5,694.93	-1,299.53	-22.8%
6205 · Outside Services	8,804.00	0.00	8,804.00	100.0%
6215 · Payroll - Gross Wages	176,467.04	133,227.66	43,239.38	32.5%
6233 · Employee Drug Testing Fees	0.00	30.00	-30.00	-100.0%
6235 · Payroll Service Fees	154.37	155.04	-0.67	-0.4%
6245 · Postage	2,317.03	2,674.56	-357.53	-13.4%
6250 · Professional Fees				
6255 · Accounting / Bookkeeping	5,325.00	5,080.00	245.00	4.8%
6260 · Audit	13,325.00	11,000.00	2,325.00	21.1%
6270 · Legal	3,112.69	8,157.65	-5,044.96	-61.8%
Total 6250 · Professional Fees	21,762.69	24,237.65	-2,474.96	-10.2%
6290 · Rent	9,600.00	8,800.00	800.00	9.1%

LEBEC COUNTY WATER DISTRICT Profit & Loss Prev Year Comparison

July 2016 through May 2017

	Jul '16 - May...	Jul '15 - May...	\$ Change	% Change
6300 · Repairs & Maintenance				
6301 · Repairs	30.01	0.00	30.01	100.0%
6301.2 · Backhoe	706.17	0.00	706.17	100.0%
6301 · Repairs · Other				
Total 6301 · Repairs	736.18	0.00	736.18	100.0%
6302 · Maintenance				
6302.2 · Backhoe	0.00	128.52	-128.52	-100.0%
Total 6302 · Maintenance	0.00	128.52	-128.52	-100.0%
6303 · System Maint and Repairs	4,133.71	3,687.30	446.41	12.1%
Total 6300 · Repairs & Maintenance	4,869.89	3,815.82	1,054.07	27.6%
6310 · Software System				
6315 · Taxes	1,097.81	1,171.30	-73.49	-6.3%
6320 · Payroll Taxes	15,324.34	12,171.25	3,153.09	25.9%
6325 · Property Tax	99.62	100.07	-0.45	-0.5%
Total 6315 · Taxes	15,423.96	12,271.32	3,152.64	25.7%
6340 · Telephone	4,371.56	4,329.30	42.26	1.0%
6342 · Tools	498.94	1,520.19	-1,021.25	-67.2%
6345 · Travel	1,025.20	466.90	558.30	119.6%
6352 · Uniforms	972.24	2,785.57	-1,813.33	-65.1%
6355 · Utilities - Office				
6360 · Electric	524.91	701.46	-176.55	-25.2%
6365 · Gas	415.00	361.18	53.82	14.9%
6370 · Trash	465.63	465.63	0.00	0.0%
Total 6355 · Utilities - Office	1,405.54	1,528.27	-122.73	-8.0%
6375 · Utilities - Pumps				
6380 · Electric	34,848.24	33,943.75	904.49	2.7%
Total 6375 · Utilities - Pumps	34,848.24	33,943.75	904.49	2.7%
6390 · Water Test	2,765.00	2,328.75	436.25	18.7%

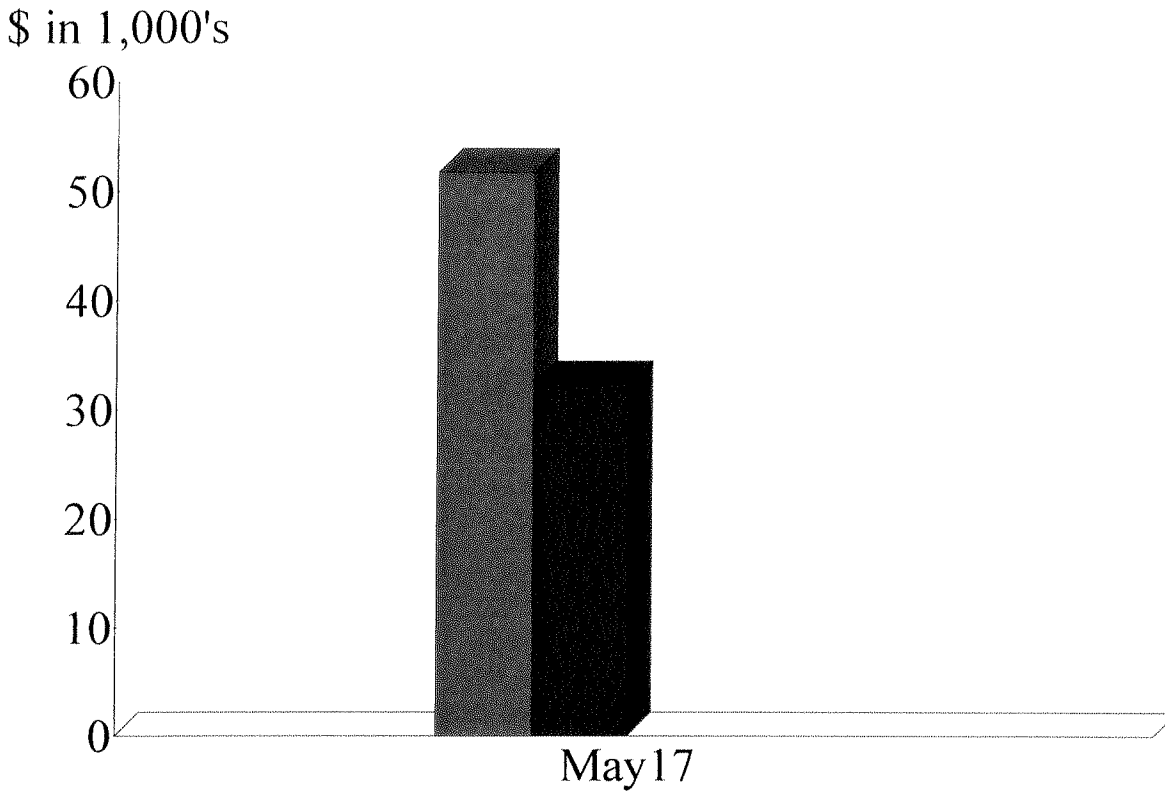
LEBEC COUNTY WATER DISTRICT
Profit & Loss Prev Year Comparison

July 2016 through May 2017

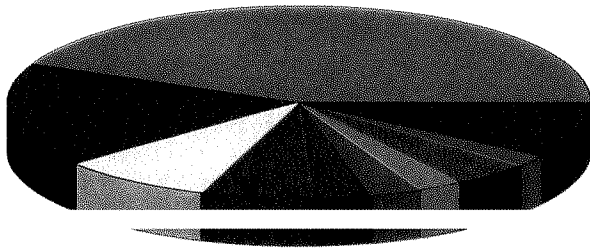
	Jul '16 - May...	Jul '15 - May...	\$ Change	% Change
Total Expense	448,825.86	357,608.39	91,217.47	25.5%
Net Ordinary Income	-12,318.12	25,461.58	-37,779.70	-148.4%
Other Income/Expense				
Other Income				
9000 - Interest Income	41.28	34.06	7.22	21.2%
9005 - Other Income	19,900.00	0.00	19,900.00	100.0%
9015 - Grant Income	58,799.60	13,068.13	45,731.47	350.0%
Total Other Income	78,740.88	13,102.19	65,638.69	501.0%
Other Expense				
9016 - Grant Expense	45,048.26	17,452.37	27,595.89	158.1%
Total Other Expense	45,048.26	17,452.37	27,595.89	158.1%
Net Other Income	33,692.62	-4,350.18	38,042.80	874.5%
Net Income	21,374.50	21,111.40	263.10	1.3%

Income and Expense by Month May 2017

Income
 Expense



Expense Summary May 2017



6215 · Payroll - Gross	43.42%
6065 · Depreciation	17.88
6375 · Utilities - Pumps	8.57
6110 · Insurance	6.25
6315 · Taxes	3.26
6130 · Maintenance	3.02
6050 · Compensation of B	2.48
6290 · Rent	2.48
6245 · Postage	2.15
6020 · Auto Expense	2.05
Other	2.16
Total	\$32,315.60

By Account

LEBEC COUNTY WATER DISTRICT

06/08/17

Balance Sheet

Accrual Basis

As of May 31, 2017

	<u>May 31, 17</u>
ASSETS	
Current Assets	
Checking/Savings	
1011 - Customer Change Petty Ca	300.00
1020 - Lebec Co Water Dist. - Checki...	85,936.29
1040 - Grant Checking Account	25.00
1080 - Savings	
1081 - Emergency Fund Reserve	120,000.00
1080 - Savings - Other	430,107.98
Total 1080 - Savings	550,107.98
Total Checking/Savings	636,369.27
Accounts Receivable	
1200 - Accounts Receivable	40,507.95
Total Accounts Receivable	40,507.95
Other Current Assets	
1260 - Bad Debt Loss A/R	-231.55
Total Other Current Assets	-231.55
Total Current Assets	676,645.67
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	73,918.09
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
Total 1400 - Fixed Assets	497,398.71
1601 - Chimney Cyn Pump Motor	10,982.70
1602 - Pump Equipment	36,932.00
1631 - Portable Pump	1,864.00
Total Fixed Assets	561,215.41
Other Assets	

LEBEC COUNTY WATER DISTRICT

06/08/17

Balance Sheet

Accrual Basis

As of May 31, 2017

	May 31, 17
1800 · Deposits	1,000.00
Total Other Assets	1,000.00
TOTAL ASSETS	1,238,861.08
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 · Accounts Payable	2,826.42
Total Accounts Payable	2,826.42
Other Current Liabilities	
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	574.96
Total 2300 · Payroll Liabilities	574.74
Total Other Current Liabilities	862.98
Total Current Liabilities	3,689.40
Total Liabilities	3,689.40
Equity	
3290 · Fund Balance -Net Assets	797,919.12
3300 · Retained Earnings	379,760.06
3310 · Prior Period Adjustment	36,118.00
Net Income	21,374.50
Total Equity	1,235,171.68
TOTAL LIABILITIES & EQUITY	1,238,861.08

A/P Aging Detail

As of June 8, 2017

Name	Memo	Open Balance
Current		
Ability A...	6170 answering service	40.73
BC Labor...	6390 water test	62.50
Ca Bank...	credit card payment	1,471.20
HD Suppl...	6140 stock of used couplings	307.89
Law Offi...	6270 teleconference fee	69.00
Pitney B...	6245/6090 supplies and machin...	114.32
State Co...	6120 workers comp insurance	664.25
Wells Far...	6090 copier lease	96.53
3D Imagi...		112.05
AUS Ara...		40.51
AUS Ara...		40.51
At&T Offi...		164.58
Cash		20.75
Pilot Tra...		263.28
PowerTe...		285.00
Price Dis...	TRASH SERVICE 6370	42.33
Gas Com...	6365 office 6365- Acct# 046016...	12.38
SCE 2-03...		291.84
Verizon ...		106.22
AT&T Uv...		70.00
Blue Shield		1,356.54
Crown Tr...		45.83
McMor C...		308.10
Wainrigh...		800.00
West Co...	Office Work 5-23-17	126.00
Martin, ...	Regular Meeting 5-15-17 & Spe...	200.00
Tucker, ...	Regular Meeting 5-15-17 & Spe...	200.00
Stern, Sa...	Regular Meeting 5-15-17 & Spe...	200.00
Radusch,...	Regular Meeting 5-15-17 & Spe...	200.00
Ability A...		30.00
Californi...	annual membership dues 6070	192.00
Lewis & ...	April 2017	450.00
PGE5159	6380 State Well Pump Electrici...	1,684.96
PGE8279	6380 Lebec Well Pump Electrici...	716.90
PGE4923	6380	55.96
PGE5230	6380 Landfill Rd Booster Electr...	00.00
USPS	Post Office Box Annual fee	116.00
Price Dis...	TRASH SERVICE 6370	42.33
SCE 2-36...	6360 Office 2-36-538-2134	43.44
West Co...		378.00

TOTAL

11442.96

Lebec County Water District.

Monthly Distribution Report

May 2017

By: Mike Hightower, Jr.

Well Reports:

State Well

	May	April	Difference	Uranium	Fluoride	Nitrate
Static Level	135'	134'5"	-7"	pCi/L 19	mg/L 1.8	24 mg/L
Drawdown	136'8"	135'8"	-7"		Date: May 2017	
GPM	230 Gpm	230 Gpm			Bacteriological:	
Total Gallons	2,236,557	2,120,535	+116,022		Absent	

Lebec Well

	May	April	Difference	Uranium	Fluoride	Nitrate
Static Level	92'5"	92'5"	0	pCi/L 13	mg/L 1.3	22 mg/L
Drawdown	106'3"	106'3"	0		Date: May 2017	
GPM	210 Gpm	210 Gpm			Bacteriological:	
Total Gallons	1,928,366	1,207,616	+720,750		Absent	

Chimney Canyon Well

	May	April	Difference	Uranium	Fluoride	Nitrate
Static Level	180'5"	181'2"	-9	pCi/L 25	mg/L 2.1	26 mg/L
Drawdown	210'1"	209'4"	-9		Date: May 2017	
GPM	107 Gpm	107 Gpm			Bacteriological:	
Total Gallons	1,927,640	1,347,507	+580,133		Absent	

	May	April	Difference
Water Pumped	6,092,563 Gal	4,675,688 Gal	+1,416,875 Gal
Water Sold	5,400,964 Gal	3,580,982 Gal	+1,819,982 Gal
Water Loss	691,594 Gal	1,094,706 GL	11% May 2017

CITY OF LEBEC WELL

	May	April	Difference	Fluoride	Nitrate
Static Level	177 Feet	177 Feet	0	mg/L	mg/L
Drawdown	188 Feet	188 Feet	0	Date: May 2017	
Total Gallons	0Gal	0Gal	0		

System Information:

1. All monthly bacteriological samples returned an absence for coliform bacteria for the month of May 2017.
2. No Water Leaks were reported for the month of May 2017.
3. A leak detection survey was performed June 7th and 8th. This survey went very well we tested, all ends of the system including key crossings, and intersections. No leaks were detected. Tim Healy “leak detection specialist” from California Rural Water Association will be preparing a detailed report with suggestions of various improvements and assistance programs available to help combat Lebec County Water District water losses. However, if there’s any indication with regards to this month’s water loss at 11 percent, it leans towards line main breaks, and cracks are the main culprits of high water losses.
4. Lebec County Water District has been issued a citation for noncompliance for Disinfection Byproduct Monitoring for the year of 2016. The citation is the result of myself taking last year’s samples at the wrong location. I have updated Lebec County Water District’s sample sighting plan to prevent this type of mistake from happening again in the future.
5. 2016 Consumer Confidence Report has been completed distributed to the customers, and filed with the State Water Resources Control Board.
6. A new motor saver has been installed at well #3, also a new capacitor has been installed on the Mesa Booster due to a faulty leaking old one. Operators have been cleaning up the electrical wiring within the various panels throughout the system. Operators have continued finishing weed abatements at Lebec County Water’s various locations.

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

**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 having two Committee members and LCWD one Committee member. 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 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 two 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 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 the County against liability for such exercise of its police powers.

(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 more 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 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 designate its principal contact person and other staff members and consultants to participate on 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 an 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, judgements, 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.

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 _____



Legend

-  Lebec County Water District
-  Tejon-Castac Water District
-  Castac Basin
-  Kern County

Abbreviations

GSA = Groundwater Sustainability Agency

Notes

1. All locations are approximate.

Sources

1. Castac Lake Valley Groundwater Basin, Bulletin 118.
2. Basemap is ESRI's ArcGIS Online world topographic map, obtained 24 April 2017.
3. Tejon-Castac Water District service area obtained from Tejon-Castac Water District.
4. Lebec County Water District service area obtained from Lebec County Water District on 16 March 2017.

Erler & Kalinowski, Inc.

GSA-Eligible Entities
within the Castac Basin

Tejon-Castac Water District
Kern County, CA
April 2017
EKI B60065.00
Exhibit A

