

# Board Meeting Agenda

Russ Baggerly, Director  
Mary Bergen, Director  
Bill Hicks, Director

Pete Kaiser, Director  
James Word, Director

## CASITAS MUNICIPAL WATER DISTRICT

June 10, 2015

3:00 P.M.

1055 Ventura Avenue  
Oak View, CA 93022

Right to be heard: Members of the public have a right to address the Board directly on any item of interest to the public which is within the subject matter jurisdiction of the Board. The request to be heard should be made immediately before the Board's consideration of the item. No action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subdivision (b) of ¶54954.2 of the Government Code and except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under section 54954.3 of the Government Code.

1. Public Comments (items not on the agenda – three minute limit).
2. General Manager comments.
3. Board of Director comments.
4. Board of Director Verbal Reports on Meetings Attended.
5. Consent Agenda
  - a. Minutes of May 27, 2015 Meeting.
  - b. Minutes of the June 2, 2015 Special Meeting.
  - c. Resolution authorizing the execution of an agreement with Ernst and Young for Audit Services for the State Water Project.
  - d. Recommend approval of a Purchase Order to ITT Goulds Pumps in the amount of \$59,365 to complete necessary pump and motor repairs for unite #4 at Avenue 1 Pump Plant.

RECOMMENDED ACTION: Adopt Consent Agenda

6. Bills

7. Recommend approval of Leak Relief to Sterling Hathaway in the amount of \$2,444.09.

RECOMMENDED ACTION: Motion approving recommendation

8. Recommend authorizing the General Manager to sign the Assistance Agreement for Open Space Management with the Bureau of Reclamation.

RECOMMENDED ACTION: Motion approving recommendation

9. Recommend approval of the revised Water Efficiency and Allocation Program.

RECOMMENDED ACTION: Motion approving recommendation

10. Update on the Groundwater Sustainability Agency.

11. Information Items:

- a. Lake Casitas Recreation Report for April 2015.
- b. Water Resources Committee Minutes.
- c. Finance Committee Minutes.
- d. Recreation Committee Minutes.
- e. Water Consumption Report.
- f. CFD No. 2013-1 (Ojai) Monthly Cost Analysis.
- g. Investment Report.

12. Closed Session

- a. Conference with Legal Counsel -- Existing Litigation (Subdivision (a) of Section 54956.9, Government Code). Name of Case: Golden State Water Company v. Casitas Municipal Water District. Case Number: 56-2013-00433986-CU-WM-VTA.
- b. Conference with Legal Counsel -- Existing Litigation (Subdivision (a) of Section 54956.9, Government Code). Name of Case: Native Electrical Construction, Inc. v. Casitas Municipal Water District. Case Number: 56-2014-00457255-CU-BC-VTA.
- c. Conference with Legal Counsel -- Existing Litigation (Subdivision (a) of Section 54956.9, Government Code). Name of Case: Santa Barbara Channelkeeper v. State Water Resources Control Board, et al. Case Number: CPF-14-513875. Cross Complaint filed by City of San Buenaventura v. Casitas Municipal Water District, et al.
- d. Conference with Legal Counsel -- Anticipated Litigation  
Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9, Government Code. (number of potential cases: one)

- e. Public Employee Performance Evaluation (Govt. Code Sec. 54957)  
Title: General Manager
- 13. Discussion and possible recommendation for approval of modification to the General Manager's compensation.
- 14. Adjournment

If you require special accommodations for attendance at or participation in this meeting, please notify our office 24 hours in advance at (805) 649-2251, ext. 113. (Govt. Code Section 54954.1 and 54954.2(a)).

Minutes of the Casitas Municipal Water District  
Board Meeting Held  
May 27, 2015

A meeting of the Board of Directors was held May 27, 2015 at the District office in Oak View, California. The meeting was called to order at 3:00 p.m. Directors Bergen, Kaiser, Baggerly, Word and Hicks were present. Also present were Steve Wickstrum, General Manager, Rebekah Vieira, Clerk of the Board, and Attorney, John Mathews. There were one staff member and four members of the public in attendance. President Bergen led the group in the flag salute.

1. Public Comments (items not on the agenda – three minute limit).

None

2. General Manager comments.

Mr. Wickstrum informed the board that he has applied for the in lieu conservation standard based on the water supply of Lake Casitas. Last week there was a leak on the upper rincon main and we may be looking at some pipe replacement and considering a relocation of a pressure regulator.

3. Board of Director comments.

Director Hicks commented on the nice article in the paper regarding the fisherman with cancer and tournaments.

4. Board of Director Verbal Reports on Meetings Attended.

Director Hicks reported his attendance at the water issues meeting where the county watershed protection district gave a presentation and mentioned that all their meters are connected and could be read at once. Director Hicks then mentioned the AWA meeting and that San Diego has invested \$2 billion dollars in toilet to tap.

5. Consent Agenda

ADOPTED

- a. Minutes of May 12, 2015 Special Meeting.
- b. Minutes of May 13, 2015 Meeting.

The consent agenda was offered by Director Baggerly, seconded by Director Hicks and adopted by the following roll call vote:

AYES:	Directors:	Hicks, Word, Baggerly, Kaiser, Bergen
NOES:	Directors:	None
ABSENT:	Directors:	None

6. Bills

APPROVED

On the motion of Director Hicks, seconded by Director Kaiser, the bills were approved by the following roll call vote:

AYES:	Directors:	Hicks, Word, Baggerly, Kaiser, Bergen
NOES:	Directors:	None
ABSENT:	Directors:	None

7. Initial review of the Draft 2015 Water Efficiency and Allocation Program.

Mr. Wickstrum presented the draft Water Efficiency and Allocation Program explaining that the program was created in 1992 but needed modification to bring it up to date. Additionally, many aspects of the 1992 plan were never implemented. We identified our demand stages by lake elevation or storage to be reflected in the revised plan. We have different methods of assigning allocations and consolidated them and took care of customers in an equitable fashion and use allocation as a tool for water use. There will be a conservation penalty charge for usage that exceeds allocation. With resale agencies we considered that for many of them their need for our water is temporary in nature. Water allocations have been established for individual customers and particularly for Ag. The target allocations were set to not exceed safe yield. The timing of events and determination of allocations and the stage we are at should be done annually in the month of April as we are finished with our wet season. We know what we can tell our customers and begin implementation on July 1<sup>st</sup>, so it is on a fiscal year.

Mr. Wickstrum thanked Bert Rapp for his suggestions and recommended changes. We want to develop an MOU with our resale agencies to include that we are sending the same messages to our customers.

Director Hicks questioned what is done if there is a granny unit. Mr. Wickstrum explained that we start with ten units as essential use for the residential property. If there is an additional need, they can request an adjustment. Director Baggerly added it has to be a legal second dwelling. Mr. Wickstrum explained that ten units at 55 gallons per capita day will take care of about five people.

Director Kaiser pointed out a typo on table 5. He also asked about having definitions for essential and non-essential use. Mr. Wickstrum explained that he decided not to have definitions. Director Kaiser added it could be defined in the section in which it is addressed.

President Bergen questioned the allocation letter stating it was from acreage in 1989 and this document says it is based on 1992. Mr. Wickstrum explained that everything was based on 80% of 1989 water usage. In 1992, there was a declaration of the board to not allow expansion after March of 1992. We hope we can look at it with folks to make sure we take care of those folks that had crop damage due to the freeze.

President Bergen suggested a need for clarification on page 12 for multi-units as it seemed unclear.

Bert Rapp with Ventura River requested a provision for board approval and setting a policy for MOU's with your resale agencies. He added we are dependent on rain and groundwater levels. Less rain, lower groundwater and the more Casitas water we need. This year we are going in territory we have never been before, and are not sure how much Casitas water we may need this year. With the MOU, we hope that in stages 2-4 our GM would negotiate an MOU based on groundwater levels of May 1st and balancing with the stages of the lake and start prior to the fiscal year with what is needed. If this year if we ended up with a 4 inch rain year we might be 90% reliant upon Casitas water, same with Meiners Oaks. We would be bankrupt paying penalties for going over our allocation. Hopeful with a negotiated MOU we would know that and you would have to allow customer to exceed allocation. If you were at Stage 3 and we had a rain year, we would not use the allocation. Negotiating the MOU by May 1<sup>st</sup> gives our board the ability to plan for the fiscal year with the objective that our customers would have the same emphasis on conservation as yours and same exposure to financial penalties if they exceed conservation goals. You would need the authority in your program to exceed the allocation. Director Baggerly asked if the numbers could be established annually rather than negotiate an MOU each year. Mr. Rapp thought that would be fine.

Director Baggerly added that when I was elected in 2004, this is one of the things that I sunk my teeth into. This General Manager has done a lot of work on this and so has his staff. It was not easy and was very time consuming. It is very satisfying to see it before us today. Thank you. President Bergen added it is a good document, structurally sound, sensible and well written. Mr. Wickstrum thanked the board for their input and explained that we have had to change course many times because of things that have occurred over the years.

On the motion of Director Baggerly, seconded by Director Kaiser, the Water Efficiency and Allocation Program will be modified as suggested and return to the next board meeting for adoption, this was approved by the following roll call vote:

AYES:	Directors:	Hicks, Word, Baggerly, Kaiser, Bergen
NOES:	Directors:	None
ABSENT:	Directors:	None

8. Information Items: APPROVED

a. Investment Report.

Director Hicks questioned why we are keeping \$2 million dollars in COVI. Ms. Collin explained that we like to have cash available for emergency purposes.

On the motion of Director Word, seconded by Director Baggerly, the Information items were approved for filing by the following roll call vote:

AYES:	Directors:	Hicks, Word, Baggerly, Kaiser, Bergen
NOES:	Directors:	None

ABSENT: Directors: None

President Bergen moved the meeting to closed session at 3:51 p.m.

9. Closed Session

- a. Conference with Legal Counsel -- Existing Litigation (Subdivision (a) of Section 54956.9, Government Code). Name of Case: Golden State Water Company v. Casitas Municipal Water District. Case Number: 56-2013-00433986-CU-WM-VTA.
- b. Conference with Legal Counsel -- Existing Litigation (Subdivision (a) of Section 54956.9, Government Code). Name of Case: Native Electrical Construction, Inc. v. Casitas Municipal Water District. Case Number: 56-2014-00457255-CU-BC-VTA.
- c. Conference with Legal Counsel – Existing Litigation (Subdivision (a) of Section 54956.9, Government Code). Name of Case: Santa Barbara Channelkeeper v. State Water Resources Control Board, et al. Case Number: CPF-14-513875. Cross Complaint filed by City of San Buenaventura v. Casitas Municipal Water District, et al.
- d. Conference with Legal Counsel -- Anticipated Litigation  
Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9, Government Code. (number of potential cases: one)

President Bergen moved the meeting back into open session at 4:50 p.m. with Mr. Mathews stating that for closed session item a, Golden State Water Company has filed with the state supreme court. The board was provided with an update on items b and c and no action was taken. On item d, no action was taken.

10. Adjournment

President Bergen adjourned the meeting at 4:51 p.m.

---

Russ Baggerly, Secretary

Minutes of the Casitas Municipal Water District  
Special Board Meeting Held  
June 2, 2015

A special meeting of the Board of Directors was held June 2, 2015 at the District office in Oak View, California. The meeting was called to order at 9:30 a.m. Directors Bergen, Kaiser, Baggerly, Word and Hicks were present. Also present was Attorney, John Mathews. There were no staff members and no members of the public in attendance. President Bergen led the group in the flag salute.

1. Public Comments (items not on the agenda – three minute limit).

None

President Bergen moved the meeting to closed session at 9:32 a.m.

2. Closed Session

- a. Public Employee Performance Evaluation (Govt. Code Sec. 54957)  
Title: General Manager

President Bergen moved the meeting back into open session at 10:44 a.m. with Mr. Mathews stating there was no action taken.

3. Adjournment

President Bergen adjourned the meeting at 10:45 a.m.

---

Russ Baggerly, Secretary



CASITAS MUNICIPAL WATER DISTRICT  
Inter-Office Memorandum

DATE: June 5, 2015  
TO: Board of Directors  
FROM: General Manager, Steve Wickstrum  
Re: Statement of Work for Audit Services – Ernst & Young, LLP - State Water Project

**RECOMMENDATION:**

It is recommended that the Board of Directors adopt the resolution to authorize and direct the President of the Board to sign the Statement of Work (SOW) for audit services to be conducted by Ernst & Young, LLP, in association with the Ventura County interest in the State Water Contractors and the State Water Project.

**BACKGROUND:**

The Casitas Municipal Water District, under 1970 agreement with the Ventura County Watershed Protection District, administers the contract for a portion of the Ventura County interest in the State Water Project. Each year, the State Water Contractors defines a SOW and distributes the fees for the auditing services among the State Water Contractors. Casitas has been provided the SOW contract for FY 2015-2016 from Ernst & Young, LLP, for consideration of signing. The statement of work has been reviewed by staff and appears to be consistent with past years, or is acceptable to staff where otherwise modified.

Consistent with prior years of signing and being separate from the requirements of the California Department of Water Resources, the District is the appropriate signee for the scope of work.

If there are any other questions in this regard, please do not hesitate to ask me.

Attachments:

Statement of Work 2015-2016 – Ernst & Young, LLP

CASITAS MUNICIPAL WATER DISTRICT

A RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT BETWEEN  
CASITAS MUNICIPAL WATER DISTRICT AND ERNST AND YOUNG FOR  
AUDIT SERVICES FOR THE STATE WATER PROJECT

WHEREAS, the State Water Contractors annually require audit services from an independent auditor; and

WHEREAS, the State Water Contractors has required that the audit firm of Ernst and Young perform these services; and

WHEREAS, the cost of these services is pro-rated between the various users who have entitlements to the State Water; and

WHEREAS, these costs are shared between the three agencies of United Water Conservation District, the City of Ventura and Casitas; and

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors hereby authorized and directs the President of the Board to sign the audit agreement for Casitas approving Exhibits A and B only at a cost not to exceed \$6,229.

ADOPTED this 10<sup>th</sup> day of June, 2015.

---

Mary Bergen, President  
Casitas Municipal Water District

ATTEST:

---

Russ Baggerly, Secretary  
Casitas Municipal Water District



Ernst & Young LLP  
Sacramento Office  
Suite 300  
2901 Douglas Boulevard  
Roseville, CA 95661

Tel: +1 916 218 1900  
Fax: +1 916 218 1999  
ey.com

May 29, 2015

Mr. Steven Wickstrum  
Casitas Municipal Water District  
General Manager  
1055 Ventura Ave.  
Oak View, California 93022-9622

Dear Mr. Wickstrum:

In coordination with the Independent Audit Association (IAA), we have developed the Statement of Work (SOW) for the 2015-2016 Procedures to be performed related to the 2016 Statement of Charges. This SOW is pursuant to the Master Services Agreement (MSA) by and between EY and Casitas Municipal Water District dated July 27, 2012, which describes the annual approval process of each SOW performed under the MSA.

Enclosed are two copies of our SOW, one for your records and another to be signed and returned to EY in the self-addressed, stamped return envelope provided. We have also enclosed your copy of the support letter from Tamara Baptista, IAA Secretary, recommending the approval of the SOW by Casitas Municipal Water District.

If you have any questions about the enclosed SOW, please feel free to call me at (916) 218-1960.

Very truly yours,

Joe Pirnik  
Executive Director

Enclosures



**MEMORANDUM**

Date: April 29, 2015  
To: Members of the Independent Audit Association (IAA)  
From: Tamara Baptista, IAA Secretary  
Subject: Ernst and Young 2015/2016 State Water Project Professional Services Contract – Recommended Approval and Execution

Enclosed is the 2015/2016 Statement of Work (SOW) which includes the State Water Project procedures to be performed in relation to the Department of Water Resources' (DWR) Statement of Charges. In 2012, IAA Members approved the Master Services Agreement (MSA) with Ernst and Young which spans a period of 5 years, although, may be extended if mutually agreed upon. This is the fourth year of the MSA.

Each year the IAA coordinates with Ernst and Young to develop a SOW for professional services to be provided in that year per the MSA. The SOW is included by reference in the MSA, but it does not constitute an amendment to the MSA. To provide a more efficient annual approval process only the SOW will be addressed for approval each year.

The Exhibit B budget limit is only billed by Ernst and Young if additional work is reviewed and approved by the IAA and remains at \$50,000. Exhibit C allows individual IAA Members to request Ernst and Young to undertake additional services beyond those included in Exhibit A of the SOW.

The IAA team has reviewed Ernst and Young's proposed procedures and recommends that IAA Members approve and execute the 2015/2016 SOW. If you have any questions, please contact me at (925) 454-5011 or [tbaptista@zone7water.com](mailto:tbaptista@zone7water.com).

Sincerely,

*Tamara Baptista*

Tamara Baptista  
Zone 7 Water Agency

CC: Joe Pirnik, EY



Building a better  
working world

## Statement of Work

This Statement of Work with the attached Exhibits, dated May 29, 2015 (this SOW) is made by Ernst & Young LLP (“we” or “EY”) and Casitas Municipal Water District on behalf of itself (“you” or “Client”), pursuant to the Master Services Agreement, dated July 27, 2012 (MSA), between EY and Casitas Municipal Water District (the Agency).

The additional terms and conditions of this SOW shall apply only to the Services covered by this SOW and not to Services covered by any other Statement of Work pursuant to the MSA. Capitalized terms used, but not otherwise defined, in this SOW shall have the meanings in the MSA, and references in the Agreement to “you” or “Client” shall be deemed references to you.

### Scope of services

This SOW sets forth the terms and conditions on which EY will perform certain professional services as described in Exhibit A (the Services) for Agency, a member of the State Water Contractors Independent Audit Association (IAA), for the twelve months ending June 30, 2016. With the exception of paragraph 25 of the MSA, which is replaced in its entirety by the following:

Unless prohibited by applicable law, we may provide Client Information to other EY Firms (which are listed at [www.ey.com](http://www.ey.com)) and EY Persons, as well as external third parties providing services on our or their behalf, who may collect, use, transfer, store or otherwise process (collectively, “Process”) it in various jurisdictions in which they operate in order to facilitate performance of the Services, to comply with regulatory requirements, to check conflicts, to provide financial accounting and other administrative support services or for quality and risk management purposes. We shall be responsible to you for maintaining the confidentiality of Client Information, regardless of where or by whom such information is processed on our behalf.

Any changes to the above scope of work will be agreed upon in writing and signed by both parties and will amend this original SOW.

The Services are advisory in nature and will not constitute an audit performed in accordance with Generally Accepted Accounting Principles. EY will perform the Services in accordance with the Statement of Standards for Consulting Services (CS100) of the American Institute for Certified Public Accountants (AICPA). As part of your review of the terms of this Agreement, please refer to the enclosed letter from Ms. Tamara Baptista of the IAA Audit Contract Negotiating Committee dated April 29, 2015.

### Your specific obligations

You will not, and you will not permit others to, quote or refer to the Reports, any portion, summary or abstract thereof, or to EY or any other EY Firm, in any document filed or distributed in connection with (i) a purchase or sale of securities to which the United States or state securities laws (Securities Laws) are applicable, or (ii)



Building a better  
working world

periodic reporting obligations under Securities Laws. You will not contend that any provisions of Securities Laws could invalidate any provision of this agreement.

We also draw your attention to the reservations set out in paragraph 5 of the General Terms and Conditions of the MSA, as well as your management responsibilities under paragraph 6, your obligations under paragraphs 11 and 12, and your representation, as of the date hereof, under paragraph 26 thereof.

### **Specific additional terms and conditions**

The Services are advisory in nature. EY will not render an assurance report or opinion under the Agreement, nor will the Services constitute an audit, review, examination, or other form of attestation as those terms are defined by the American Institute of Certified Public Accountants. None of the Services or any Reports will constitute any legal opinion or advice. We will not conduct a review to detect fraud or illegal acts.

Notwithstanding anything to the contrary in the Agreement or this SOW, we do not assume any responsibility for any third-party products, programs or services, their performance or compliance with your specifications or otherwise.

We will base any comments or recommendations as to the functional or technical capabilities of any products in use or being considered by you solely on information provided by your vendors, directly or through you. We are not responsible for the completeness or accuracy of any such information or for confirming any of it.

Where our written consent under the MSA is required for you to disclose to a third party any of our Reports (other than Tax Advice), we will also require that third party to execute a letter substantially in the form of Exhibit D to this SOW. To the extent the Agency is permitted to disclose any written Report as set forth herein, it shall disclose such Report only in the original, complete and unaltered form provided by EY, with all restrictive legends and other agreements intact.

Unless prohibited by applicable law, we may provide Client Information to other EY firms, EY Persons and external third parties, who may collect, use, transfer, store or otherwise process such information in various jurisdictions in which they operate in order to provide support services to any EY Firm and/or assist in the performance of the Services.

After the Services under this SOW have been completed, we may disclose or present to prospective clients, or otherwise in our marketing materials, that we have performed the Services for you, and we may use your name solely for that purpose, in accordance with applicable professional obligations. In addition, we may use your name, trademark, service mark and logo as reasonably necessary to perform the Services and in correspondence, including proposals, from us to you.

You shall not, while we are performing the Services hereunder and for a period of 12 months after they are completed, solicit for employment, or hire, any EY personnel involved in the performance of the Services, provided, that you may generally advertise available positions and hire EY personnel who either respond to



Building a better  
working world

such advertisements or who come to you on their own initiative without direct or indirect encouragement from you.

The Agency shall, among other responsibilities with respect to the Services, (i) make all management decisions and perform all management functions, including applying independent business judgment to EY work products, making implementation decisions and determining further courses of action in connection with any Services; (ii) assign a competent employee within senior management to make all management decisions with respect to the Services, oversee the Services and evaluate their adequacy and results; and (iii) accept responsibility for the implementation of the results or recommendations contained in the Reports or otherwise in connection with the Services. The Agency hereby confirms that management of the Agency accepts responsibility for the sufficiency of the Services. In performing the Services neither EY nor EY's partners or employees will act as an employee of the Agency.

The Agency represents and warrants to EY that the Agency's execution and delivery of this Agreement has been authorized by all requisite corporate or other applicable entity action and the person signing this Agreement is expressly authorized to execute it on behalf of, and to bind, the Agency.

The performance of the Services and the parties' obligations in connection therewith are subject to the additional terms and conditions set forth in the MSA.

It is understood that the Agency is not bound by our findings in any controversy or disagreement between the Agency and the Department of Water Resources should the Agency disagree with our findings.

We would also request that, if any IAA member discovers discrepancies in billings or other financial statements relative to their State Water Project costs, in addition to your working with the Department to correct the error, please notify EY for potential future inclusion as part of their procedures related to all IAA members.

### **Fees and billing**

The General Terms and Conditions of the Agreement address our fees and expenses generally.

The total fees for these Services to be rendered to the Agency, as well as an allocation of the total fees for each member agency of the IAA, appear in Exhibits A and B attached (no procedures or fees have been allocated to Exhibit B in this contract). Our total fees pursuant to Exhibit A to be charged to all members of the IAA entering into agreements with us shall not exceed \$466,000 for the twelve months ending June 30, 2016. This agreement will not be effective unless, in addition to the Agency, a sufficient number of other IAA agencies enter into agreements with us for such Services whose combined allocated fee would represent not less than 80% of \$466,000 based on the 100% participation fee allocation (see column 2 at A-4). If all agencies who are presently participating in the Services rendered by our firm enter into agreements with us for this twelve-month period, the maximum fees for our Services to your Agency will not exceed \$5,625 for Exhibit A. However, if not all of the participating agencies enter into agreements with us for services during the twelve-month period ending June 30, 2016, the maximum fees to your Agency will vary between the above-mentioned amount and



Building a better  
working world

\$7,031, which represents the maximum fees should sufficient agencies enter into agreements with us with a combined allocated fee of not less than 80%, as stated above.

In addition to the maximum fees under Exhibit A, maximum fees under Exhibit B shall not exceed a total of \$50,000 or \$604 for the Agency unless agreed to by the IAA. As noted above, no procedures have been allocated to Exhibit B. Prior to any expenditures under Exhibit B, said work must be specifically requested in writing in advance of any work being performed. Areas of potential focus for Exhibit B projects could include procedures agreed to by EY and the IAA in advance related to one or more of the items identified in Exhibit A. In prior years Exhibit B special projects have included projects such as assessing implementation and billing issues relating to the new SAP-based Cost Allocation and Repayment Analysis System (CARA), and studies to evaluate a pay-as-you-go system for funding conservation related operating costs incurred by the Department.

We have also included Exhibit C as part of this contract, which provides the opportunity for individual Contractors to enter into separate agreements for additional services with EY. There are currently no fees related to Exhibit C included herein.

The results of our procedures will include a presentation of our findings, observations and recommendations to be held in Sacramento, California for any interested Contractors. Any presentations requested at individual Contractor locations will be negotiated with the individual Contractor under Exhibit C and will be paid for by that Contractor.

Invoices for time and expenses will be billed monthly and are due upon receipt.





Building a better  
working world

In witness whereof, the parties have executed this SOW as of the date set forth above.

**Casitas Municipal Water District**

**Ernst & Young, LLP**

**Representative**

**Representative**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Printed Name**

Joe Pirnik

\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Title**

Executive Director

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Address**

Ernst & Young LLP  
Suite 300  
2901 Douglas Boulevard  
Roseville, CA 95661

\_\_\_\_\_  
**Address**

\_\_\_\_\_  
**Date**

May 29, 2015

\_\_\_\_\_  
**Date**

## EXHIBIT A

### I. SCOPE OF ENGAGEMENT

A-1 EY will work with the IAA, the State Water Contractors (SWC) Audit/Finance Committee, and any subcommittees thereof, and the Department of Water Resources (the Department) during the twelve months ending June 30, 2016 relating to matters currently being discussed between the SWC and the Department.

EY's Services to be rendered as described in this Exhibit shall be determined by the IAA at its discretion. These Services shall include:

1. Completion of the 2015/2016 procedures as outlined further below
2. Participation in all meetings of the SWC Audit/Finance Committee, which is a basic forum for communications between the State Water Project Contractors and the Department's staff on financial and accounting matters.
3. Cooperation with any subcommittees of the IAA assigned to study and resolve specific problem areas.
4. Review of reports and other documents prepared by the Department and disseminated at these meetings.
5. Provide an annual report setting forth the findings, comments, and recommendations related to our Services.

#### **Report definitions**

The assessment of Risk of Future Occurrence, included in the findings summary tables in the report, provides the IAA with a meaningful measurement of the likelihood of similar findings in subsequent years if this issue is not addressed by the appropriate parties. This assessment of Risk of Future Occurrence is based on knowledge obtained during discussions with Department of Water Resources personnel and performance of procedures under this Exhibit A. Below are the definitions used in the report of findings and recommendations for the twelve months ending June 30, 2016 and we concur with these definitions.

Risk of Future Occurrence:

- A. High – it is highly likely (or probable) that the error or process failure will be repeated
- B. Medium – it is more likely than not that the error or process failure will be repeated
- C. Low – it is possible that the error or process failure will be repeated

During the twelve months ending June 30, 2016, the Services will include the following procedures.

## 2015/2016 Procedures

The procedures for the fiscal year ended June 30, 2016 were designed using estimated budgeted hours of 3,000. We will perform all procedures included in items 1-6 below. We will perform the procedures in items 7-8 if time permits. As a part of these procedures, we will regularly meet with the IAA to discuss the progress under this engagement. We will also submit the Report to each agency setting forth the findings, observations, and recommendations related to our Services.

The following items represent the risks, risk factors, and procedures requested and determined by the Independent Audit Association (IAA) for the State Water Contractors (the Contractors) to be performed for the 2016 Statement of Charges (SOC) engagement:

### Primary Procedures (Items 1-6)

#### 1. Alpha Allocation Cycles

*Risk:*

- Incorrect Contractor charged and/or incorrect allocation of costs between Contractors.

*Risk Factors:*

- Potential for outdated alpha allocation cycles and/or project activities have changed.
- Project Managers possible lack of understanding of alpha allocation cycle when choosing how project costs will be allocated.
- Lack of communication between Project Managers and SWPAO.
- Current changes/updates that are being made by the Department.

*Areas of Focus:*

- Examine all cost centers from SAP to determine which cost centers represent alpha cost centers.
- Select alpha cost centers with the largest total annual costs for testing.
- Review costs being posted to selected alpha cost centers for reasonableness based on activities charged to the alpha cost center through examination of invoices posted and discussions with the project managers, as necessary.
- Review the current year alpha standardization activity performed by the Department.

## 2. Delta Water Charge

*Risk:*

- Costs or credits in the Delta Water Charge may be inappropriate, incomplete or miscalculated.

*Risk Factors:*

- Calculation of the Delta Water Charge is a manual process.
- Reclassifications that occur can lead to double counting of costs.
- Charge represents large portion of costs.
- Charges highly impacted by future estimates which are subjective and judgmental.
- Misallocation of costs/credits between the Delta Water Charge and the Variable OMP&R.

*Areas of Focus:*

- Recalculate the Delta Water Charge used in the Statement of Charges.
- For prior year actual costs included in the calculation, compare costs in SAP to the Department's calculation and investigate variances over \$100K.
- Obtain an understanding of future estimates included in the calculation and perform appropriate procedures to test the reasonableness of such estimates.
- Test the Hyatt-Thermalito credit to the Delta Water Charge to ensure it is appropriate.

### 3. System Power Costs – Variable Transportation

*Risk:*

- Incorrect Contractor charged and/or incorrect allocation of costs between Contractors.

*Risk Factors:*

- Calculation of power allocation factors is a manual process.
- Contractors' total water deliveries, which are the basis of power usage, are preliminary amounts.
- Invoices are improperly allocated to system power costs.
- Lack of controls in reconciling information to SAP.
- Prior/current year costs are not "settled" until current/subsequent year(s).

*Areas of Focus:*

- Vouch power costs and power revenues from SAP greater than \$500K and test the appropriate classification of costs.
- Reconcile the 2014 PALPOC to UCABS (SAP). Recalculate appropriate inputs to the 2014 PALPOC (e.g., VORG credits, direct-to-plant transmission, etc.).
- Recalculate the 2014 calendar year power allocation factors used in UCABS (SAP) to allocate net power costs.
- Recalculate the billed amounts for the transportation variable cost components for 2014 for the five Contractors selected (to be provided by the IAA).

#### 4. Statement of Charges (SOC) Testing

*Risk:*

- Incorrect amounts billed to Contractors for each component by the Department.

*Risk Factor:*

- Statement of Charges do not reflect amounts billed by the Department causing incorrect billings during the charge year.

*Areas of Focus:*

- Determine that all SOC amounts are internally consistent and agree to the Bulletin 132-15 for five Contractors selected for testing (to be provided by the IAA).
- Agree the debt service amounts in the SOC Attachments to the appropriate debt service schedule.
- Test the BDCP charges added to the Contractors' minimum components.
- Comparison of the current year SOC Attachments to the prior year SOC Attachments.
- Reasonableness of manual adjustments.
- Testing appropriateness of actual costs charged to various areas of the project.
- Test factors for distributing reach capital and minimum costs amount Contractors.

#### 5. Debt Service Procedures

*Risk:*

- Incorrect bond debt service charged to the Contractors.

*Risk Factor:*

- Amount billed could be different than amount due for principal and interest.
- WSRB Surcharge calculation is a manual process.

*Areas of Focus:*

- Reconcile any new bond offerings to the Debt Service Schedules
- Review the reconciliation of bond debt service costs
- Obtain the 2015 WSRB rebill and 2016 WSRB calculations and review that calculations were performed in accordance with the agreed upon method between the Contractors and the Department.

## 6. Transportation Minimum Future Estimates

*Risk:*

- Incorrect amounts charged to Contractors for transportation minimum costs based on estimates.

*Risk Factor:*

- Budgeted amounts may differ materially from the costs actually charged.
- Estimated amounts may not reflect updates of State Water Project facility changes.

*Areas of Focus:*

- Gain an understanding from the Department of the new process for calculating the transportation minimum future estimates.
- Obtain support for the transportation minimum future estimates and reconcile support to the SOC.
- Recalculate the transportation minimum component using the future estimates tested.
- Test the future estimates by agreeing the estimates to supporting schedules, budgets, etc.
- Obtain support for any extraordinary projects included in the future estimates and assess their appropriateness.
- Understand the Department's method for incorporating identified variances in prior period's budget vs. actual costs into the current year estimates.

**Other Procedures (Items 7-8)**

These procedures will only be performed as time permits after completion of items 1-6 above and consideration of the estimated 3,000 hour time budget.

**7. New and Changed Master Data**

*Risk:*

- Incorrect allocation of costs (based on functional area selected).
- Incorrect recovery of costs (recovery determines Statement of Charges component).
- Incorrect funding source is used (capital fund versus operating funds).

*Risk Factors:*

- Lack of review by SWPAO
- Potential impact (initial setup of master data determines posting of costs in future periods).
- Project Managers' possible lack of understanding of allocation cycle when allocating costs.
- Lack of communication between Project Manager and SWPAO.

*Areas of Focus:*

- Use SAP to determine functional areas created and changed in the current year.
- Determine how costs are being allocated among and recovered from Contractors.
- Based on activities being performed and the analysis of costs posted to Internal Orders or Work Breakdown Structures, determine if functional area, recovery, and funding are appropriate.



## 8. Rate Management Credits:

*Risk:*

- Rate Management Credits are improperly calculated based on the revenue and expenditure data in the funds available for rate management credits statement prepared by the Department.

*Risk Factor:*

- Calculation of Rate Management Credits is a manual process.
- Lack of review and approval of calculation
- Outdated information used to calculate credits due to the Contractors.

*Areas of Focus:*

- Obtain the rate management allocation schedule used for the 2015 Statement of Charges Rebill and review the allocation methodology for sample selected.
- Obtain the most recent funds available data schedule for the rate management credits and perform detailed testing of a sample of the largest amounts.
- Compare the figures selected for testing to the future forecasts, and investigate any significant differences.

**II. FEES FOR EY SERVICES**

- A-2. Total fees for Exhibit A services performed by EY will not exceed \$466,000 (or 3,000 hours), including reasonable and necessary out-of-pocket expenses, which represent an estimated 3,000 hours to be incurred.

**III. ALLOCATION OF FEES**

- A-3. The maximum aggregate fee set forth in paragraph A-2 shall be apportioned among the agencies named in paragraph A-4 based on a basis consistent with prior years.

**IV. MAXIMUM AGGREGATE FEE FOR EACH AGENCY**

A-4. The portion of the maximum aggregate fee set forth in paragraph A-2 applicable to each agency in conformity with the methodology set forth in paragraph A-3 is shown below:

<u>Agency</u>	<u>Maximum fee for each agency, provided all agencies listed below enter into agreements with EY</u>	<u>Maximum fee for each agency, provided 80% of agencies listed below enter into agreements with EY</u>	<u>Percent of total</u>
Alameda County Flood Control and Water Conservation District, Zone No. 7	\$ 22,673	\$ 28,341	4.9%
Alameda County Water District	11,813	14,766	2.5
Antelope Valley-East Kern Water Agency	40,738	50,923	8.7
Casitas Municipal Water District	5,625	7,031	1.2
Castaic Lake Water Agency	26,775	33,469	5.7
Central Coast Water Authority	12,793	15,991	2.7
City of Yuba City	2,700	3,375	0.6
Coachella Valley Water District	38,911	48,639	8.4
County of Kings	2,617	3,270	0.6
Crestline-Lake Arrowhead Water Agency	1,631	2,038	0.4
Desert Water Agency	15,680	19,600	3.4
Dudley Ridge Water District	12,755	15,944	2.7
Empire West Side Irrigation District	844	1,055	0.2
Kern County Water Agency	116,500	145,625	25.0
Littlerock Creek Irrigation District	647	809	0.1
Mojave Water Agency	24,131	30,164	5.2
Napa County Flood Control and Water Conservation District	8,163	10,204	1.8
Palmdale Water District	5,991	7,489	1.3
San Bernardino Valley Municipal Water District	28,857	36,071	6.2
San Gabriel Valley Municipal Water District	8,100	10,125	1.7
San Geronio Pass Water Agency	4,866	6,083	1.0
San Luis Obispo County Flood Control and Water Conservation District	7,031	8,789	1.5
Santa Clara Valley Water District	28,125	35,156	6.0
Solano County Water Agency	13,432	16,790	2.9
Tulare Lake Basin Water Storage District	<u>24,602</u>	30,753	<u>5.3</u>
Total	<u>\$ 466,000</u>		<u>100%</u>

**V. PAYMENT SCHEDULE**

This is the payment schedule for the Agency.

<u>August 1, 2015 Billing</u>	<u>September 1, 2015 Billing</u>	<u>October 1, 2015 Billing</u>	<u>November 1, 2015 Billing</u>	<u>December 1, 2015 Billing</u>	<u>Total Billing</u>
\$1,688	\$1,125	\$1,125	\$1,125	\$562	\$5,625

## EXHIBIT B

**I. OTHER CONSULTING SERVICES**

EY shall, during the twelve months ending June 30, 2016, perform other services if requested by the IAA. No such work shall be performed unless specifically authorized by the IAA in writing. Areas of potential focus for Exhibit B projects could include in depth procedures agreed to by EY and the IAA in advance related to one or more of the items identified in Exhibit A.

Total fees for such other consulting services shall 1) be agreed to prior to commencement of work, 2) be allocated among the agencies based on the same procedures included in the Exhibit A allocation, and 3) shall not exceed \$50,000, which represents an estimated 325 hours to be incurred, unless agreed to by the IAA, for the year ended June 30, 2016. Any part of the \$50,000 which is unused shall not be billed.

<u>Agency</u>	<u>Maximum fee for each agency, provided all agencies listed below enter into agreements with EY</u>	<u>Percent of total</u>
Alameda County Flood Control and Water Conservation District, Zone No.7	\$ 2,433	4.9%
Alameda County Water District	1,267	2.5
Antelope Valley-East Kern Water Agency	4,371	8.7
Casitas Municipal Water District	604	1.2
Castaic Lake Water Agency	2,873	5.7
Central Coast Water Authority	1,373	2.7
City of Yuba City	290	0.6
Coachella Valley Water District	4,175	8.4
County of Kings	281	0.6
Crestline-Lake Arrowhead Water Agency	175	0.4
Desert Water Agency	1,681	3.4
Dudley Ridge Water District	1,369	2.7
Empire West Side Irrigation District	91	0.2
Kern County Water Agency	12,500	25.0
Littlerock Creek Irrigation District	69	0.1
Mojave Water Agency	2,589	5.2
Napa County Flood Control and Water Conservation District	876	1.8
Palmdale Water District	643	1.3
San Bernardino Valley Municipal Water District	3,096	6.2
San Gabriel Valley Municipal Water District	869	1.7
San Geronio Pass Water Agency	522	1.0
San Luis Obispo County Flood Control and Water Conservation District	754	1.5
Santa Clara Valley Water District	3,018	6.0
Solano County Water Agency	1,441	2.9
Tulare Lake Basin Water Storage District	<u>2,640</u>	<u>5.3</u>
Total	<u>\$ 50,000</u>	<u>100%</u>

**EXHIBIT C**

**I. INDIVIDUAL CONTRACTOR AGREEMENTS**

EY may, during the twelve months ending June 30, 2016, perform other consulting services as requested by individual Contractors. These services will be performed and billed separately from the services outlined in Exhibits A and B.

The terms and conditions of any procedures performed under Exhibit C, including payment terms, will be outlined in a separate Statement of Work (SOW). These services, which will be agreed to by EY and the requesting Contractor in advance, will be documented in the example SOW attached to herein as Exhibit C-1. An Exhibit C-1 statement of work will be made available to any Contractor upon request. All other provisions of the Contractor's signed contract with EY for the twelve months ending June 30, 2016 will continue to be in effect.

Total fees for such other consulting services shall be agreed to with the individual Contractor prior to commencement of work. The fees for services provided under Exhibit C will be outside of those referenced in Exhibits A and B, and will be paid for directly by the requesting Contractor.

## EXHIBIT C-1

### Statement of Work

This Statement of Work with the attached Exhibit, dated May 29, 2015 (this SOW) is made by Ernst & Young LLP (“we” or “EY”) and Casitas Municipal Water District on behalf of itself (“you” or “Client”), pursuant to the Agreement, dated May 29, 2015 (the Agreement), between EY and Casitas Municipal Water District (the Agency).

Except as otherwise set forth in this SOW, this SOW incorporates by reference, and is deemed to be a part of, the Agreement. The additional terms and conditions of this SOW shall apply only to the Services covered by this SOW and not to Services covered by any other Statement of Work pursuant to the Master Services Agreement (MSA) by and between EY and the Agency dated July 27, 2012. Capitalized terms used, but not otherwise defined, in this SOW shall have the meanings in the MSA, and references in the Agreement to “you” or “Client” shall be deemed references to you.

#### Scope of services

This SOW sets forth the terms and conditions on which EY will perform certain professional services as described [INSERT DEFINITION OF SERVICES] (the Services) for Agency, a member of the State Water Contractors Independent Audit Association (IAA), for the twelve months ending June 30, 2016. With the exception of paragraph 25 of the MSA, which is replaced in its entirety by the following:

Unless prohibited by applicable law, we may provide Client Information to other EY Firms (which are listed at [www.ey.com](http://www.ey.com)) and EY Persons, as well as external third parties providing services on our or their behalf, who may collect, use, transfer, store or otherwise process (collectively, “Process”) it in various jurisdictions in which they operate in order to facilitate performance of the Services, to comply with regulatory requirements, to check conflicts, to provide financial accounting and other administrative support services or for quality and risk management purposes. We shall be responsible to you for maintaining the confidentiality of Client Information, regardless of where or by whom such information is processed on our behalf.

Any changes to the above scope of work will be agreed upon in writing and signed by both parties and will amend this original SOW.

The Services are advisory in nature and will not constitute an audit performed in accordance with Generally Accepted Accounting Principles. EY will perform the Services in accordance with the Statement of Standards for Consulting Services (CS100) of the American Institute for Certified Public Accountants (AICPA).

**Your specific obligations**

You will not, and you will not permit others to, quote or refer to the Reports, any portion, summary or abstract thereof, or to EY or any other EY Firm, in any document filed or distributed in connection with (i) a purchase or sale of securities to which the United States or state securities laws (Securities Laws) are applicable, or (ii) periodic reporting obligations under Securities Laws. You will not contend that any provisions of Securities Laws could invalidate any provision of this agreement.

We also draw your attention to the reservations set out in paragraph 5 of the General Terms and Conditions of the MSA, as well as your management responsibilities under paragraph 6, your obligations under paragraphs 11 and 12, and your representation, as of the date hereof, under paragraph 26 thereof.

**Specific additional terms and conditions**

The Services are advisory in nature. EY will not render an assurance report or opinion under the Agreement, nor will the Services constitute an audit, review, examination, or other form of attestation as those terms are defined by the American Institute of Certified Public Accountants. None of the Services or any Reports will constitute any legal opinion or advice. We will not conduct a review to detect fraud or illegal acts.

Notwithstanding anything to the contrary in the Agreement or this SOW, we do not assume any responsibility for any third-party products, programs or services, their performance or compliance with your specifications or otherwise.

We will base any comments or recommendations as to the functional or technical capabilities of any products in use or being considered by you solely on information provided by your vendors, directly or through you. We are not responsible for the completeness or accuracy of any such information or for confirming any of it.

Where our written consent under the MSA is required for you to disclose to a third party any of our Reports (other than Tax Advice), we will also require that third party to execute a letter substantially in the form of Exhibit D to the Agreement. To the extent the Agency is permitted to disclose any written Report as set forth herein, it shall disclose such Report only in the original, complete and unaltered form provided by EY, with all restrictive legends and other agreements intact.

Unless prohibited by applicable law, we may provide Client Information to other EY firms, EY Persons and external third parties, who may collect, use, transfer, store or otherwise process such information in various jurisdictions in which they operate in order to provide support services to any EY Firm and/or assist in the performance of the Services.



After the Services under this SOW have been completed, we may disclose or present to prospective clients, or otherwise in our marketing materials, that we have performed the Services for you, and we may use your name solely for that purpose, in accordance with applicable professional obligations. In addition, we may use your name, trademark, service mark and logo as reasonably necessary to perform the Services and in correspondence, including proposals, from us to you.

You shall not, while we are performing the Services hereunder and for a period of 12 months after they are completed, solicit for employment, or hire, any EY personnel involved in the performance of the Services, provided, that you may generally advertise available positions and hire EY personnel who either respond to such advertisements or who come to you on their own initiative without direct or indirect encouragement from you.

The Agency shall, among other responsibilities with respect to the Services, (i) make all management decisions and perform all management functions, including applying independent business judgment to EY work products, making implementation decisions and determining further courses of action in connection with any Services; (ii) assign a competent employee within senior management to make all management decisions with respect to the Services, oversee the Services and evaluate their adequacy and results; and (iii) accept responsibility for the implementation of the results or recommendations contained in the Reports or otherwise in connection with the Services. The Agency hereby confirms that management of the Agency accepts responsibility for the sufficiency of the Services. In performing the Services neither EY nor EY's partners or employees will act as an employee of the Agency.

The Agency represents and warrants to EY that the Agency's execution and delivery of this Agreement has been authorized by all requisite corporate or other applicable entity action and the person signing this Agreement is expressly authorized to execute it on behalf of, and to bind, the Agency.

The performance of the Services and the parties' obligations in connection therewith are subject to the additional terms and conditions set forth in the MSA.

It is understood that the Agency is not bound by our findings in any controversy or disagreement between the Agency and the Department of Water Resources should the Agency disagree with our findings.

We would also request that, if any IAA member discovers discrepancies in billings or other financial statements relative to their State Water Project costs, in addition to your working with the Department to correct the error, please notify EY for potential future inclusion as part of their procedures related to all IAA members.

### Project deliverables

The matrix below lists the specific deliverables and related timelines that EY will provide to **(insert Contractor)**.

Deliverable	Timeline	Comments

### Additional responsibilities

EY will provide **(insert Contractor)** with a timeline/schedule related to all project deliverables prior to the start of work on the project.

EY will notify **(insert Contractor)** in writing of any incremental changes to the original project estimate.

Production of all elements described in the "Project deliverables" section of this SOW is to be included in the cost breakdown under the "Pricing and payment terms" section below, agreed upon by **(insert Contractor)** and EY for this project.

### Fees and billing

Below is a summary of the current cost estimates for this SOW. Due to the complexities and variable nature of this project, actual costs could vary from these estimates. In the event costs are expected to exceed the estimate, EY will contact **(insert Contractor)** before performing any additional work.

---



---



---



---



---

Out-of-pocket expenses incurred during this contract are not included in the above SOW estimated cost. Expenses include such items as travel, meals, accommodations, and other administrative expenses based on actual amounts incurred.

Invoices for time and expenses will be billed monthly and are due upon receipt.

**IN WITNESS WHEREOF**, the parties hereto have executed this SOW as of the day and year written below.

**Casitas Municipal Water District**

**Ernst & Young, LLP**

**Representative**

**Representative**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Address**

\_\_\_\_\_  
**Address**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Date**

## EXHIBIT D

## FORM OF ACCESS LETTER

[Letterhead of EY]

[Addressee (e.g., third party seeking access to EY Report)]

[Month XX, 20XX]

[Street Address]

[City, State Zip]

Dear [ ] :

[Client] (the "Client") has informed Ernst & Young LLP ("EY") that it wishes to disclose to [party seeking access] (the "Recipient") EY's [describe report(s)], dated [ ], relating to [describe subject] (the "Report(s)"). EY has not placed any limitations on the Client's ability to disclose any contents of the Report relating to the tax aspects or structure of any transaction proposed by the Client.

EY performed Services only for the Client. EY did not undertake the Services on behalf of, or to serve the needs of, the Recipient or any other third party. As part of such services, EY did not audit the Client's financial statements, subsequent to the date(s) of the Report(s).

EY prepared the Report(s) solely for the Client. The Report(s) address[ es] only the issues identified by the Client, and [ is/are] based solely on information obtained by EY using the procedures specified by the Client or otherwise provided by or on behalf of the Client. The Report(s) [ is/are] subject to many limitations and [ do/does] not provide any form of assurance with respect to any of the information referred to therein. The Recipient understands and accepts the scope and limitations of the Report(s).

Except (1) where compelled by legal process (of which the Recipient will immediately notify EY and tender to EY, if it so elects, the defense thereof), (2) with respect to any contents of the Report relating to the tax treatment and tax structure of the proposed transaction (including any facts that may be relevant to understanding the proposed tax treatment of the proposed transaction), or (3) with EY's prior written consent, the Recipient will not, circulate, quote, disclose or distribute any of the Report(s) or any information contained therein, or any summary or abstract thereof, or make any reference thereto or to EY, to anyone other than the Recipient's directors, officers or employees or legal advisors who, in each case, need to know its contents in order to \_\_\_\_\_, and who have agreed to be bound by the terms and conditions of this agreement to the same extent as the Recipient.

The Recipient further agrees that it will not, and will not permit others to, quote or refer to the Report, any portion, summary or abstract thereof, or to EY, in any document filed or distributed in connection with (a) a purchase or sale of securities to which the United States or state securities laws ("Securities Laws") are applicable or (b) periodic reporting obligations under Securities Laws. The Recipient will not contend that any provisions of Securities Laws could invalidate any provision of this agreement.

In further consideration of EY allowing the Recipient access to the Report(s) and the information contained therein, the Recipient agrees that:

1. It does not acquire any rights against EY, and EY does not assume any duties or obligations to the Recipient or otherwise, as a result of such access.
2. It will not rely on the Report(s) or any portion thereof and will make no claim that it has done so.
3. It will make no claim against EY, its partners, employees or affiliates, or other members of the global Ernst & Young network (collectively, the "EY Parties" that relates in any way to the Report(s), any information contained therein, or the Recipient's access to the Report(s).
4. To the fullest extent permitted by applicable law, it will indemnify, defend and hold harmless the EY Parties from and against any claim or expense, including reasonable attorneys' fees, suffered or incurred by any EY Party relating to any breach by the Recipient of any of its representations or agreements contained herein or the use or disclosure of the Report(s) or any portion thereof by anyone who received it directly or indirectly from or at the request of the Recipient.

Very truly yours,

Ernst & Young LLP

Accepted by:

[Addressee]

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

---

---

**CASITAS MUNICIPAL WATER DISTRICT  
INTEROFFICE MEMORANDUM**

---

---

**TO: GENERAL MANAGER**

**FROM: E & M SUPERVISOR**

**SUBJECT: RE-BOWELING UNIT 4 AT AVE 1 PUMP PLANT**

**DATE: MAY 13, 2015**

---

**Recommendation**

Authorize General Manager to sign a Purchase Order Contract with ITT Goulds Pumps for the amount of \$59,365.00 to complete necessary pump and motor repair for Unit # 4 at Ave 1 Pump Plant.

**Discussion**

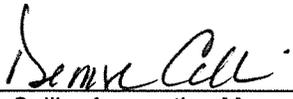
Currently Lake Casitas continues to drop in elevation. The elevation drop reduces inlet pressure at this plant. In anticipation of lowering lake levels additional pump stages and installation materials were recently purchased from the original manufacture. Casitas has solicited this project from four firms, two declined due to current workloads or test facilities and the fourth was non-respondent. The work includes adding the pump stage and performing maintenance on the entire pump. The RFQ that best meets the needs for Casitas to continue operations with Unit # 4 at Ave 1 Pump plant is above the budgeted number. The RFQ lists a price of \$59,365.00; an additional \$16,909.00 is requested from reserves to complete this project which is vital for future operations at this facility.

**CASITAS MUNICIPAL WATER DISTRICT**  
**Payable Fund Check Authorization**  
**Checks Dated 5/27/15-6/2/15**  
**Presented to the Board of Directors For Approval June 10, 2015**

Check	Payee			Description	Amount
000572	Payables Fund Account	#	9759651478	Accounts Payable Batch 052815	\$107,945.04
000573	Payables Fund Account	#	9759651478	Accounts Payable Batch 060215	\$407,380.75
					\$515,325.79
000574	Payroll Fund Account	#	9469730919	Estimated Payroll 6/25/15	\$140,000.00
					\$140,000.00
				Total	\$655,325.79

Publication of check register is in compliance with Section 53065.6 of the Government Code which requires the District to disclose reimbursements to employees and/or directors.

The above numbered checks, 000572-000574 have been duly audited is hereby certified as correct.

   
 \_\_\_\_\_  
 Denise Collin, Accounting Manager

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Signature





CERTIFICATION

Payroll disbursements for the pay period ending 05/23/15  
Pay Date of 05/28/15  
have been duly audited and are  
hereby certified as correct.

Signed: Denise Collin 5/24/15  
Denise Collin

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

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

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

6/03/2015 2:21 PM  
 VENDOR SET: 01 Casitas Municipal Water D  
 BANK: \* ALL BANKS  
 DATE RANGE: 5/27/2015 THRU 6/02/2015

A/P HISTORY CHECK REPORT

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
C-CHECK	VOID CHECK	V	6/02/2015			020904		
C-CHECK	VOID CHECK	V	6/02/2015			020905		

\* \* T O T A L S \* \*

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	0	0.00	0.00	0.00
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	2			
VOID DEBITS		0.00		
VOID CREDITS		0.00	0.00	

TOTAL ERRORS: 0

VENDOR SET: 01	BANK:	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			2	0.00	0.00	0.00
BANK:	TOTALS:		2	0.00	0.00	0.00

6/03/2015 2:21 PM  
 VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 5/27/2015 THRU 6/02/2015

A/P HISTORY CHECK REPORT

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00021	AWA OF VENTURA COUNTY CCWUC Luncheon Program	R	5/27/2015	325.00		020836		325.00
00021	AWA OF VENTURA COUNTY Waterwise Breakfast 5/21/15	R	5/27/2015	50.00		020837		50.00
02041	Custom Mailing Solutions, Inc Postage for Drought Mailer	R	5/27/2015	840.00		020838		840.00
09621	DEPARTMENT OF FISH & GAME Streambed Alteration Agreement	R	5/27/2015	3,070.25		020839		3,070.25
00596	HOME DEPOT No Touch Sink Faucets, LCRA	R	5/27/2015	331.96		020840		331.96
00215	SOUTHERN CALIFORNIA EDISON Acct#2157697889	R	5/27/2015	3,260.08		020841		
	I-052315a Acct#2312811532	R	5/27/2015	55.97		020841		
	I-052315b Acct#2266156405	R	5/27/2015	100.81		020841		3,416.86
01569	ERNEST UNDERHAY Astronomy Nights	R	5/27/2015	600.00		020842		600.00
00124	ICMA RETIREMENT TRUST - 457 457 CATCH UP	R	5/27/2015	521.74		020843		
	I-DCI201505260967 DEFERRED COMP FLAT	R	5/27/2015	2,540.22		020843		
	I-DI%201505260967 DEFERRED COMP PERCENT	R	5/27/2015	89.81		020843		3,151.77
01960	Moringa Community PAYROLL CONTRIBUTIONS	R	5/27/2015	16.75		020844		16.75
00985	NATIONWIDE RETIREMENT SOLUTION 457 CATCH UP	R	5/27/2015	864.53		020845		
	I-DCN201505260967 DEFERRED COMP FLAT	R	5/27/2015	4,077.85		020845		
	I-DN%201505260967 DEFERRED COMP PERCENT	R	5/27/2015	304.10		020845		5,246.48
00180	S.E.I.U. - LOCAL 721 SEIU 721 COPE	R	5/27/2015	12.00		020846		
	I-UND201505260967 UNION DUES	R	5/27/2015	693.75		020846		705.75
01400	STATE DISBURSEMENT UNIT Payroll Deduction 10-D000121	R	5/27/2015	818.57		020847		818.57

6/03/2015 2:21 PM  
 VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 5/27/2015 THRU 6/02/2015

A/P HISTORY CHECK REPORT

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00230	UNITED WAY							
I-UWY201505260967	PAYROLL CONTRIBUTIONS	R	5/27/2015	60.00		020848		60.00
02587	A&M LAWNMOWER SHOP							
I-40659	Sthil Brushcutter for Dist Mnt	R	6/02/2015	1,049.20		020849		1,049.20
00695	AAA SERVICES CO.							
I-2707	Boat Flushing Assembly, Quagga	R	6/02/2015	322.86		020850		322.86
01325	Aflac Worldwide Headquarters							
I-041654	Supplemental Insurance 5/15	R	6/02/2015	3,048.26		020851		3,048.26
01707	AIRGAS SPECIALTY PRODUCTS							
I-131385967	Ammonium Hydroxide for TP	R	6/02/2015	2,788.00		020852		2,788.00
00010	AIRGAS USA LLC							
I-9038399810	Welding Rod for Pipelines	R	6/02/2015	196.13		020853		
I-9038936511	Safety Glasses, Masks, PL	R	6/02/2015	83.23		020853		279.36
00011	ALERT COMMUNICATIONS							
I-150500847101	Call Center 6/15	R	6/02/2015	223.02		020854		223.02
01336	AMERICAN LIFE GUARD PRODUCTS LL							
C-41422a	Accrue Use Tax	R	6/02/2015	76.28CR		020855		
D-41422a	Accrue Use Tax	R	6/02/2015	76.28		020855		
I-41422	Lifeguard Uniforms, Waterpark	R	6/02/2015	1,093.28		020855		1,093.28
00417	APPLIED INDUSTRIAL TECHNOLOGY							
I-7005227478	Seal Kit for Ave #2 Unit 1	R	6/02/2015	43.33		020856		43.33
00014	AQUA-FLO SUPPLY							
I-756091	PVC Pipe for Pipelines	R	6/02/2015	70.67		020857		
I-764400	Pressure Regulator for Maint	R	6/02/2015	104.06		020857		
I-765747	Wilkins Repair Kit, Maint	R	6/02/2015	157.23		020857		
I-769149	Teflon Paste, PVC for WP	R	6/02/2015	22.10		020857		
I-775035	Drain Pipe for Canal, Dst Mnt	R	6/02/2015	610.85		020857		964.91
01703	ARNOLD LAROCHELLE MATTHEWS							
I-44224	Matter #5088015 4/15	R	6/02/2015	2,376.26		020858		
I-44225	Matter #5088001 4/15	R	6/02/2015	4,455.00		020858		
I-44226	Matter #5088009 4/15	R	6/02/2015	1,884.96		020858		
I-44227	Matter #5088012 4/15	R	6/02/2015	192.00		020858		
I-44228	Matter #5088014 4/15	R	6/02/2015	4,969.00		020858		13,877.22

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
01666	AT & T							
I-000006575352	Local, Regional, Long Distance	R	6/02/2015	1,192.59		020859		
I-000006611189	T-1 Lines, C602222128777	R	6/02/2015	917.20		020859		2,109.79
00020	AVENUE HARDWARE, INC							
I-59499	Tire Gages, Hinge for DM	R	6/02/2015	75.31		020860		75.31
00030	B&R TOOL AND SUPPLY CO							
I-1900866689	Tubing Cutter for Pipelines	R	6/02/2015	138.39		020861		138.39
01153	RUSS BAGGERLY							
I-Apr 15	Reimburse Mileage 4/15	R	6/02/2015	54.63		020862		
I-May 15	Reimburse Mileage 5/15	R	6/02/2015	36.80		020862		91.43
00679	BAKERSFIELD PIPE & SUPPLY INC							
I-S2131056001	Flanges for Pipelines	R	6/02/2015	34.51		020863		
I-S2167522001	Fittings, Tubing for Rincon PP	R	6/02/2015	158.83		020863		
I-S2167666001	Weld Neck for 3M Reservoir	R	6/02/2015	118.22		020863		311.56
02059	Berkadia G							
I-051815	Mira Monte Loan P & I	R	6/02/2015	18,012.50		020864		18,012.50
	Loan #01-025000-1							
01616	FRED BRENEMAN							
I-060215	5/24/15-6/6/15	R	6/02/2015	391.00		020865		391.00
00463	Cal-Coast Machinery							
C-251365	Rental Returned	R	6/02/2015	915.30CR		020866		
I-249352	Tractor Rental, Dist Maint	R	6/02/2015	1,830.60		020866		915.30
00055	CASITAS BOAT RENTALS							
I-Apr 15 Cafe Passes	Reimburse Cafe Passes	R	6/02/2015	1,687.49		020867		1,687.49
00055	CASITAS BOAT RENTALS							
I-Apr 15 Gas	Gas for Boats at LCRA	R	6/02/2015	951.19		020868		951.19
02339	Clark Engineering Construction							
I-15039	Filter #8 Manifold Repair TP	R	6/02/2015	805.50		020869		
I-15040	Filter #8 Manifold Repair TP	R	6/02/2015	1,146.50		020869		
I-15041	Filter #8 Manifold Repair TP	R	6/02/2015	2,126.00		020869		
I-15042	Filter #8 Manifold Repair TP	R	6/02/2015	1,612.50		020869		
I-15043	Filter #8 Manifold Repair TP	R	6/02/2015	1,617.34		020869		
I-15044	Filter #8 Manifold Repair TP	R	6/02/2015	1,380.30		020869		
I-15045	Filter #8 Manifold Repair TP	R	6/02/2015	1,131.44		020869		
I-15046	Filter #8 Manifold Repair TP	R	6/02/2015	1,839.23		020869		11,658.81

6/03/2015 2:21 PM  
 VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 5/27/2015 THRU 6/02/2015

A/P HISTORY CHECK REPORT

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00059	COASTAL PIPCO I-S1861408001 Pipe Fittings for TP Filter	R	6/02/2015	120.79		020870		120.79
00062	CONSOLIDATED ELECTRICAL I-9009715347 Fluorescent Tubes, Park Store	R	6/02/2015	967.50		020871		967.50
01525	CPS HR CONSULTING I-INV348854 Proj#E3586-Safety Officer	R	6/02/2015	4,500.00		020872		4,500.00
02214	CS-amsco I-10196 Apco Check Valve for PP	R	6/02/2015	3,317.53		020873		3,317.53
02142	Cummins-Allison Corp. I-1241577 Svc Contract, Cash Counter	R	6/02/2015	351.13		020874		351.13
01001	CUSTOM PRINTING I-133523 Live Scan Forms, LCRA	R	6/02/2015	145.80		020875		145.80
02034	D.K. Mechanical I-3058 Service Water Truck #89	R	6/02/2015	912.23		020876		912.23
01764	DataProse, LLC I-DP1501006 UB Billing Monthlys Only 0429	R	6/02/2015	580.80		020877		580.80
00081	DELTA LIQUID ENERGY I-305403 Propane for Showers I-305404 Propane for Shop I-305405 Propane for Office	R R R	6/02/2015 6/02/2015 6/02/2015	118.06 91.61 68.03		020878 020878 020878		277.70
00085	DON'S INDUSTRIAL SUPPLIES, INC I-357078 Adapter for LCRA Maint	R	6/02/2015	5.23		020879		5.23
00086	E.J. Harrison & Sons Inc I-3673 Acct#1C00053370 I-3697 Acct#1C00054230 I-3698 Acct#1C00054240	R R R	6/02/2015 6/02/2015 6/02/2015	114.55 1,504.00 139.60		020880 020880 020880		1,758.15
00095	FAMCON PIPE & SUPPLY I-168128 Hydrant Repair for Pipelines I-168292 Parts for Pipeline Leak Repair I-168564 Gasket for Warehouse I-168678 Gaskets for Filter #8 at TP I-168699 Vakves & Fittings for 3M Res I-168932 Couplings to Repair Upper Rinc I-168962 Meter Parts, Warehouse Stock I-169102 Flex Couplings for 3M Res Rprs	R R R R R R R R	6/02/2015 6/02/2015 6/02/2015 6/02/2015 6/02/2015 6/02/2015 6/02/2015 6/02/2015	103.20 555.78 21.50 80.63 3,907.63 516.00 2,461.21 8,546.25		020881 020881 020881 020881 020881 020881 020881 020881		16,192.20

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00013	FERGUSON ENTERPRISES INC #1083							
I-1978098	Waterless Urinal Cartridges	R	6/02/2015	214.95		020882		214.95
00101	FISHER SCIENTIFIC							
I-2001537	Buffer Solution for Lab	R	6/02/2015	125.75		020883		
I-2123874	Lab Testing Supplies	R	6/02/2015	130.11		020883		
I-2309450	Conductivity Standard for Lab	R	6/02/2015	65.79		020883		321.65
00104	FRED'S TIRE MAN							
I-82416	2 Tires for JD Mower	R	6/02/2015	143.89		020884		
I-82561	Windshield Wipers for #31	R	6/02/2015	32.09		020884		175.98
00106	FRONTIER PAINT							
C-F0203165	Credit Inv #F0203127	R	6/02/2015	93.72CR		020885		
C-F0203171	Credit Inv #F0203127	R	6/02/2015	521.76CR		020885		
I-F0203127	Paint Supplies for Waterpark	R	6/02/2015	721.17		020885		
I-F0204079	Epoxy for LCRA Fountain	R	6/02/2015	196.36		020885		302.05
00485	FRUIT GROWERS SUPPLY COMPANY							
I-91667561	Safety Items for Dist Maint	R	6/02/2015	104.41		020886		104.41
00216	THE GAS COMPANY							
I-052915	Acct#00801443003	R	6/02/2015	316.84		020887		
I-052915a	Acct#18231433006	R	6/02/2015	44.88		020887		361.72
00115	GRAINGER, INC							
I-9729366279	Infrared Thermometer, Quagga	R	6/02/2015	121.44		020888		121.44
00746	GREEN THUMB INTERNATIONAL							
I-479934	Plants for Waterpark	R	6/02/2015	22.98		020889		22.98
02217	Greg Rents							
I-26477	Cement for Waterpark Repairs	R	6/02/2015	146.19		020890		
I-26746	Vibe Plate, Waterpark Repairs	R	6/02/2015	94.06		020890		240.25
00121	HACH COMPANY							
I-9384638	Sample Cells for Lab Testing	R	6/02/2015	46.37		020891		46.37
01186	GERARDO M HERRERA							
I-052715	Course Reimbursment	R	6/02/2015	219.70		020892		219.70
00122	BILL HICKS							
I-Mar & Apr 15	Reimburse Mileage 3/15, 4/15	R	6/02/2015	119.03		020893		119.03





6/03/2015 2:21 PM  
 VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 5/27/2015 THRU 6/02/2015

A/P HISTORY CHECK REPORT

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
I-666120	Rodent Traps for Pump Plants	R	6/02/2015	23.32		020903		
I-666139	Paint Supplies for Pump Plants	R	6/02/2015	37.74		020903		
I-666230	Paint, Elec Tape for Waterpark	R	6/02/2015	20.08		020903		
I-666272	Paint for Pump Plants	R	6/02/2015	9.57		020903		
I-666320	Toilet Seats for LCRA	R	6/02/2015	58.65		020903		
I-666714	Paint for Waterpark	R	6/02/2015	29.16		020903		
I-666773	Paint Supplies for Waterpark	R	6/02/2015	24.63		020903		
I-667118	Paint, Tool Box for PP	R	6/02/2015	23.83		020903		
I-667200	Bolts & Screws for LCRA Maint	R	6/02/2015	27.35		020903		1,070.71
00158	NEWARK ELECTRONICS							
I-26569137	Fluke Clamp Meter for PP	R	6/02/2015	217.64		020906		217.64
00163	OFFICE DEPOT							
I-772538596001	Office Supplies	R	6/02/2015	167.52		020907		
I-772538888001	Office Supplies	R	6/02/2015	37.57		020907		205.09
00912	OJAI BUSINESS CENTER, INC							
I-10335	Night Fishing Calendars	R	6/02/2015	84.93		020908		84.93
00165	OJAI LUMBER CO, INC							
I-1505721145	Lumber, Working Hands, PL	R	6/02/2015	10.76		020909		
I-1505722026	Post Caps for Waterpark	R	6/02/2015	10.21		020909		20.97
02758	Ojai Quarterly							
I-4631	Summer Conservation Ad	R	6/02/2015	300.00		020910		300.00
00383	ON DUTY UNIFORMS & EQUIPMENT							
I-132104	PSO Uniforms	R	6/02/2015	119.31		020911		119.31
00823	POLYDYNE, INC.							
I-963713	Polymer for Treatment Plant	R	6/02/2015	13,783.00		020912		13,783.00
00627	PORT SUPPLY							
I-3190	Rain Gear for Pipelines	R	6/02/2015	261.18		020913		261.18
00184	POWERSTRIDE BATTERY CO, INC							
I-V588779	Batteries for Fisheries Equip	R	6/02/2015	86.30		020914		86.30
01439	PRECISION POWER EQUIPMENT							
I-2779	Filters,String for Weedwackers	R	6/02/2015	109.98		020915		
I-2784	Small Equip Repairs, Maint	R	6/02/2015	151.97		020915		261.95

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00523	IRANDELL EQUIPMENT COMPANY INC I-43815 Keys for Spray Rig #267	R	6/02/2015	34.77		020916		34.77
00313	ROCK LONG'S AUTOMOTIVE I-14852 Service Eq#42, Pipeline Truck I-14959 Spark Plugs, Fuel Filter #13	R R	6/02/2015 6/02/2015	196.38 539.74		020917 020917		736.12
01109	SALVADOR LOERA TRANSPORTATION I-12065 Base for Main Yard Stock I-12117 Sand for Main Yard Stock	R R	6/02/2015 6/02/2015	486.24 367.96		020918 020918		854.20
02756	SC Fuels I-0053621IN Gas for Main Yard	R	6/02/2015	3,962.23		020919		3,962.23
00211	SECORP INDUSTRIES I-I0039972 Rescue Team Services, TP	R	6/02/2015	4,101.42		020920		4,101.42
01944	Luke Soholt I-052715 Course Reimbursement	R	6/02/2015	299.30		020921		299.30
00215	SOUTHERN CALIFORNIA EDISON I-053015 Acct#2210507034 I-060215 Acct#2210503702 I-060215a Acct#2269631768	R R R	6/02/2015 6/02/2015 6/02/2015	12,490.60 5,369.32 24.17		020922 020922 020922		17,884.09
10100	SPECIALTY MARINE, INC I-12582 Service #219 Rogue Boat	R	6/02/2015	495.51		020923		495.51
00048	STATE OF CALIFORNIA I-060115 State Water Plan Payment	R	6/02/2015	191,094.00		020924		191,094.00
02703	Sunbelt Rentals I-52029959001 Excavator Rental, Pipelines I-52484268002 Excavator Rental, Pipelines	R R	6/02/2015 6/02/2015	462.98 625.66		020925 020925		1,088.64
01147	SUPERIOR GATE SYSTEMS I-3379 Service Lower Gate, Dist Ofc	R	6/02/2015	100.00		020926		100.00
02057	Swank Motion Pictures, Inc. I-RG2051109 Rent The Little Rascals Movie	R	6/02/2015	351.00		020927		351.00
00221	SWISHER HYGIENE I-6H01721199 LCRA Restroom Cleaning I-6H01721200 LCRA Restroom Cleaning I-6H01721201 LCRA Restroom Cleaning	R R R	6/02/2015 6/02/2015 6/02/2015	180.60 199.95 720.00		020928 020928 020928		1,100.55

6/03/2015 2:21 PM  
 VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 5/27/2015 THRU 6/02/2015

A/P HISTORY CHECK REPORT

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00498	BRIAN TAYLOR							
I-052715	D4 Cert & Renewal	R	6/02/2015	405.00		020929		405.00
01173	TOICO INDUSTRIES, INC.							
C-0144368INa	Accrue Use Tax	R	6/02/2015	29.63CR		020930		
D-0144368INa	Accrue Use Tax	R	6/02/2015	29.63		020930		
I-0144368IN	Pumper Scent for #88, Pump Trk	R	6/02/2015	444.50		020930		444.50
01512	TRENCH SHORING COMPANY							
I-10346260001	Traffic Plate Rental,Pipelines	R	6/02/2015	360.00		020931		360.00
01662	TYLER TECHNOLOGIES, INC.							
I-025124759	UB Online Monthly Fees	R	6/02/2015	153.00		020932		153.00
00234	UNITED WATER CONSERVATION							
I-060215	State Water Plan Payment	R	6/02/2015	21,258.25		020933		
I-060215a	State Water Plan Payment	R	6/02/2015	245.25		020933		21,503.50
01967	Robert Vasquez							
I-052915	Course Reimbursement	R	6/02/2015	302.00		020934		302.00
02760	Los Angeles Truck Centers LLC							
I-13588	Check Front End Tires, #87	R	6/02/2015	124.04		020935		124.04
00247	County of Ventura							
I-051515	Encroachment Permit	R	6/02/2015	245.00		020936		245.00
00774	Ventura County Sheriff's Offic							
I-1515259	Security at LCRA, 4/4 & 4/5	R	6/02/2015	4,323.53		020937		4,323.53
00254	VENTURA LOCKSMITHS							
I-14079	Keys Made for LCRA	R	6/02/2015	25.26		020938		25.26
00257	VENTURA RIVER WATER DISTRICT							
I-053115	Acct#0537500A	R	6/02/2015	71.02		020939		
I-053115a	Acct#0350100A	R	6/02/2015	14.70		020939		85.72
00949	CITY OF VENTURA							
I-060215	State Water Plan Payment	R	6/02/2015	42,516.50		020940		
I-060215a	State Water Plan Payment	R	6/02/2015	490.50		020940		43,007.00
01516	VISTA FORD OF OXNARD							
I-327167	Hood Struts for Eq#11, DM	R	6/02/2015	59.09		020941		59.09

6/03/2015 2:21 PM  
 VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 5/27/2015 THRU 6/02/2015

A/P HISTORY CHECK REPORT

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00530	WESTERN OUTDOOR PUBLICATIONS							
I-N119014	LCRA Ad	R	6/02/2015	811.00		020942		811.00
00330	WHITE CAP CONSTRUCTION SUPPLY							
C-10003414402	Core Drill Bit Returned	R	6/02/2015	214.67CR		020943		
I-10003408108	Safety Gear for Pipeline Crew	R	6/02/2015	376.71		020943		
I-10003409721	Core Drill Bit, Tube for WP	R	6/02/2015	253.50		020943		
I-10003421091	Sealant for Waterpark Repair	R	6/02/2015	255.16		020943		
I-10003445601	Hard Hats, Tyvek Suits, O&M CS	R	6/02/2015	122.83		020943		
I-10003502757	Faceshields, Hammer Handle, PL	R	6/02/2015	180.04		020943		973.57
1	Jamie Selby							
I-000201505280968	UB Refund	R	6/02/2015	35.63		020944		35.63
1	Alta Community Inv.							
I-000201505280969	UB Refund	R	6/02/2015	36.01		020945		36.01
1	Gilbert V Esquivel							
I-000201505280972	UB Refund	R	6/02/2015	49.68		020946		49.68
1	W.C. Schiernbeck							
I-000201505280970	UB Refund	R	6/02/2015	20.11		020947		20.11
1	Virginia Trevino							
I-000201505280971	UB Refund	R	6/02/2015	44.70		020948		44.70
00128	INTERNAL REVENUE SERVICE							
I-T1 201505260967	Federal Withholding	D	5/28/2015	25,281.76		052851		
I-T3 201505260967	FICA Withholding	D	5/28/2015	25,662.84		052851		
I-T4 201505260967	Medicare Withholding	D	5/28/2015	6,001.66		052851		56,946.26
00049	STATE OF CALIFORNIA							
I-T2 201505260967	State Withholding	D	5/28/2015	8,266.45		052852		8,266.45
00187	CALPERS							
I-PBB201505260967	PERS BUY BACK	D	5/28/2015	66.87		052853		
I-PEB201505260967	PEBRA EMPLOYEES PORTION	D	5/28/2015	1,413.31		052853		
I-PER201505260967	PERS EMPLOYEE PORTION	D	5/28/2015	9,523.63		052853		
I-PRB201505260967	PEBRA EMPLOYER PORTION	D	5/28/2015	1,413.31		052853		
I-PRR201505260967	PERS EMPLOYER PORTION	D	5/28/2015	11,681.82		052853		24,098.94

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 5/27/2015 THRU 6/02/2015

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
-------------	------	--------	------------	----------------	----------	----------	--------------	--------------

\* \* T O T A L S \* \*

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	111	426,014.14	0.00	426,014.14
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	3	89,311.65	0.00	89,311.65
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0	VOID DEBITS	0.00	
		VOID CREDITS	0.00	
			0.00	0.00

TOTAL ERRORS: 0

VENDOR SET: 01	BANK: AP	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			114	515,325.79	0.00	515,325.79
BANK: AP		TOTALS:	114	515,325.79	0.00	515,325.79
REPORT TOTALS:			116	515,325.79	0.00	515,325.79

**Casitas Municipal Water District**  
**Reimbursement Disclosure Report (1)**  
**Fiscal Year 2014/15**  
**July 1, 2014-May 31, 2015**

<u>Date paid</u>	<u>Board of Director/ Employee</u>	<u>Description</u>	<u>Amount Paid</u>
7/1/2014	Denise Collin	Car Rental CSDA Leadership Summit 6/22/14-6/24/14	\$ 246.96
7/1/2014	Denise Collin	Lodging CSDA Leadership Summit 6/22/14-6/24/14	\$ 423.14
7/1/2014	Denise Collin	Airfare CSDA Leadership Summit 6/22/14-6/24/14	\$ 367.50
7/1/2014	Eric Grabowski	Safety Boots	\$ 127.93
7/1/2014	Tim Lawson	Safety Boots	\$ 170.00
7/16/2014	RJ Faddis	Lodging for RJ Faddis & Mitch Tull, Quagga Training 5/27/14-5/29/14	\$ 596.20
7/16/2014	Scott Lewis	Airfare CMWD 6/15/14-6/20/14	\$ 448.00
7/16/2014	Scott Lewis	Lodging CMWD 6/15/14-6/20/14	\$ 408.75
7/16/2014	Scott Lewis	Car Rental CMWD 6/15/14-6/20/14	\$ 320.65
7/16/2014	Denise Collin	Advance for Calpers Forum 10/27/14-10/29/14	\$ 565.77
7/24/2014	Brian Taylor	Wood Chips for Damage Repair from Matilija Conduit Leak	\$ 216.00
8/12/2014	Neil Cole	Water Education Seminar	\$ 130.00
8/12/2014	Ron Yost	Damtender House Property Tax Bill	\$ 548.37
9/3/2014	Scott Lewis	Airfare to CMWD 8/17/14-8/23/14	\$ 305.20
9/3/2014	Scott Lewis	Lodging CMWD 8/17/14-8/23/14	\$ 408.75
9/3/2014	Scott Lewis	Car Rental CMWD 8/17/14-8/23/14	\$ 327.95
9/3/2014	Scott Lewis	Car Rental for Patrol Boat Inspection (for LCRA) in Medford	\$ 105.52
9/17/2014	RJ Faddis	Advance for Travel-Watercraft Inspector Training	\$ 688.20
9/17/2014	Mitch Tull	Advance for Travel-Watercraft Inspector Training	\$ 600.57
9/24/2014	David Pope	Safety Boots	\$ 160.18
9/24/2014	Robert Vasquez	Safety Boots	\$ 170.00
10/8/2014	Scott MacDonald	Safety Boots	\$ 170.00
10/15/2014	Scott Lewis	Office Chair for Fisheries Manager	\$ 279.99
10/15/2014	John Parlee	Safety Boots	\$ 170.00
10/30/2014	Joel Cox	Safety Boots	\$ 170.00
10/30/2014	Lisa Kolar	Advanced Pest Control Course	\$ 250.00
10/30/2014	Lisa Kolar	Qualified Applicator Certificate Exams	\$ 100.00
10/30/2014	Luke Sohlt	D4 Exam	\$ 130.00
11/4/2014	Tim Lawson	Lodging at Landscape Expo 10/28-10/30, Tim Lawson, Curtis Orozco, Ivan Lopez	\$ 1,001.28
11/4/2014	Denise Collin	Round Trip Personal Vehicle Mileage Calpers Forum	\$ 165.82
11/4/2014	Gerardo Herrera	D4 & Exam Certification	\$ 200.00
11/4/2014	Scott MacDonald	D4 Exam	\$ 130.00
11/13/2014	Luke Sohlt	Manage for Success Course	\$ 114.68
11/18/2014	RJ Faddis	Lodging 9/29-10/2 Watercraft Inspector Training, RJ Faddis & Mitch Tull	\$ 251.50
11/18/2014	Susan McMahon	Lodging Nalms Conference 11/11-11/13	\$ 433.44
11/25/2014	Scott Lewis	Airfare to CMWD 10/26/14-11/7/14	\$ 293.20
11/25/2014	Brian Taylor	Safety Boots	\$ 170.00
11/25/2014	Rebekah Vieira	Roundtrip to CalPelra Personal Vehicle Mileage	\$ 304.64
12/3/2014	Tracy Medeiros	Roundtrip to Rockwell Automation Fair	\$ 122.64
12/3/2014	John Parlee	Roundtrip to Rockwell Automation Fair	\$ 100.80
12/3/2014	Steve Wickstrum	PE License Renewal	\$ 115.00
12/11/2014	Ronald Merckling	Roundtrip to ACWA Conference	\$ 140.00
12/11/2014	Ronald Merckling	Lodging at ACWA Conference 12/2/14-12/5/14	\$ 728.52
12/17/2014	Willis Hand	Safety Boots	\$ 130.46
12/17/2014	Bill Hicks	Roundtrip to ACWA Conference	\$ 211.68
12/17/2014	Bill Hicks	Lodging at ACWA Conference 12/2/14-12/5/14	\$ 971.36
12/17/2014	Scott Lewis	Lodging CMWD 10/26/14-11/7/14	\$ 916.67
12/17/2014	Scott Lewis	Car Rental CMWD 10/26/14-11/7/14	\$ 440.15
12/17/2014	Robert Vasquez	Safety Boots	\$ 170.00
12/30/2014	Gerardo Herrera	Safety Boots	\$ 170.00

**Casitas Municipal Water District  
 Reimbursement Disclosure Report (1)  
 Fiscal Year 2014/15  
 July 1, 2014-May 31, 2015**

1/6/2015	Michael Moler	Relocation Expense	\$ 5,000.00
1/8/2015	Ron Yost	Safety Boots	\$ 160.18
1/15/2015	Eric Behrendt	Safety Boots	\$ 170.00
1/15/2015	Ken Grinnell	Water Systems Math Course	\$ 176.00
1/15/2015	Scott Lewis	Office Supplies from Staples	\$ 200.94
1/15/2015	Scott Lewis	Fall Term Tuition	\$ 1,761.57
1/22/2015	Willis Hand	D4 Certification Renewal	\$ 105.00
2/17/2015	Eric Grabowski	Qualified Applicator License	\$ 120.00
2/24/2015	Luke Soholt	D4 Certification	\$ 105.00
3/3/2015	Carol Belser	Lodging AOAP Conference 2/17/14	\$ 223.88
3/3/2015	Carol Belser	Registration AOAP 2/17/14	\$ 135.00
3/3/2015	Carol Belser	Roundtrip to AOAP Conference	\$ 225.40
3/3/2015	Luke Soholt	Safety Boots	\$ 170.00
3/12/2015	Scott Lewis	Airfare to CMWD 2/20/15-2/28/15	\$ 279.20
3/12/2015	Scott Lewis	Lodging CMWD 2/20/15-2/28/15	\$ 704.80
3/12/2015	Scott Lewis	Car Rental CMWD 2/20/15-2/28/15	\$ 422.19
3/26/2015	Ivan Lopez	Safety Boots	\$ 145.11
4/8/2015	Neil Cole	AWWA Conference June 7-10 Registration Fees	\$ 795.00
4/15/2015	Scott Lewis	Airfare to CMWD 4/13/15-4/17/15	\$ 309.20
4/15/2015	Scott Lewis	Winter Term Tuition	\$ 1,238.43
4/22/2015	Michael Gibson	Lodging at Fisheries Conference 4/8/15-4/10/15	\$ 202.78
4/22/2015	Michael Gibson	2 Waders & 3 Wading Boots for Field Work	\$ 519.07
5/6/2015	Vincent Godinez	Safety Boots	\$ 170.00
5/6/2015	Willis Hand	Dinner for Crew during Casitas Dam Shutdown	\$ 130.00
5/6/2015	Brian Taylor	Dinner for Crew during Rincon Main Break Overtime	\$ 101.06
5/13/2015	Scott Lewis	Lodging to CMWD 4/13/15-4/17/15	\$ 283.40
5/13/2015	Scott Lewis	Car Rental CMWD 4/13/15-4/17/15	\$ 260.72
5/13/2015	Suzi Taylor	Ink for Waterpark Admissions	\$ 107.38
5/20/2015	Carol Belser	Registration CPO Course 4/13/15	\$ 225.00
5/20/2015	Carol Belser	Lodging CPO Course 4/12/15-4/13/15	\$ 433.98
5/20/2015	Carol Belser	Round Trip to CPO Course	\$ 225.40
5/20/2015	David Pope	Safety Boots	\$ 170.00

Note:

1) Reimbursement Disclosure Report prepared pursuant to California Government Code 53065.5

CASITAS MUNICIPAL WATER DISTRICT  
Inter-Office Memorandum

DATE: May 15, 2015  
TO: Board of Directors  
FROM: Denise Collin - Accounting Manager  
Re: Leak Relief Request – Sterling Hathaway  
11013 Creek Road  
Account Number: 24-34096-05

**RECOMMENDATION:**

Approve Leak Relief Request of: \$2,444.09

**BACKGROUND AND OVERVIEW:**

03/10/2015 – Ms. Hathaway was notified on March 10, 2015 of high usage. There was no visible evidence of a leak. A contractor was hired to find the leak immediately. The leak was found in the irrigation system about 18 inches underground at a three way coupling fifteen feet away from the carport and has been repaired.

All criteria for Leak Relief are met for the amount of \$2,444.09.



---

---

**CASITAS MUNICIPAL WATER DISTRICT  
MEMORANDUM**

---

---

**TO:** Board of Directors  
**FROM:** Steve Wickstrum, General Manager  
**SUBJECT:** Assistance Agreement – Bureau of Reclamation – Lake Casitas Open Space Management  
**DATE:** June 3, 2015

---

**RECOMMENDATION:**

It is recommended that the Board of Directors authorize the General Manager to sign the Assistance Agreement for Open Space Management.

**BACKGROUND:**

In 1978, the District signed an interim agreement with the Bureau of Reclamation for the management of the Ventura River Open Space, or what is otherwise referred to as the “Casitas Reservoir Open Space”. These lands were acquired by the Bureau during the 1970’s as an extension of the Ventura River Project lands, with the specific intention to further protect the water quality of Lake Casitas. The District cooperated with the Bureau under the terms of the management agreement to deter trespass and perform as the local land manager on behalf of the Bureau, including the contract administration to remove structures and perform annual weed abatement. In the late 1990’s, changes in Bureau staffing, budget appropriations and philosophy led to the Bureau assuming a more active role in the watershed management. The Interim Agreement has never been formally changed or cancelled by either the Bureau or District. The Bureau continues today with the US Forest Service law enforcement support for Bureau lands and has recently issued a contract for the replacement of two miles of fencing along Santa Ana Road and State Highway 150.

In 2011, the District executed a management agreement for the recreation facilities at Lake Casitas. During the development of the Recreation Agreement, the Bureau and District had decided to keep the management of the two areas under separate management agreements. The District has stated its interest in also managing the Casitas Reservoir Open Space lands.

**DISCUSSION:**

The Bureau has recently approached District staff to seek local assistance and cooperation through a grant funded agreement. The Bureau has requested a five (5) year management agreement for fence repair and security patrols in the Casitas Reservoir Open Space, and that there be a cost sharing for District provided services, materials, and equipment. The attached Assistance Agreement provides the authority, purpose, objectives, responsibilities budget, and contractual requirements and conditions. The primary objectives of the agreement are (1) repair and maintenance of fencing to protect the lands from public intrusion, and (2) security patrol to provide a presence that would deter trespass, dumping, and poaching occurrences.

The agreement requires for a 50 percent cost-share for costs incurred. Most of the costs are related to District personnel time and equipment that would be applied toward the security patrol objective. At this time, the Bureau has appropriated \$49,755 for these two objectives. The district match cost will be \$50,000 over the five year term of the agreement.

It should also be noted that I have discussed with Bureau staff (Sheryl Carter) the desire to create a long-term management agreement for the Casitas Reservoir Open Space lands that would replace the Interim Agreement. Bureau is working on a draft agreement to accomplish this objective.

If you have any questions in this regard, please discuss your questions with me.

**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION  
ASSISTANCE AGREEMENT**

1A. AGREEMENT NUMBER R15AP00018		1B. MOD NUMBER		2. TYPE OF AGREEMENT <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> COOPERATIVE AGREEMENT		3. CLASS OF RECIPIENT Special District Government			
4. ISSUING OFFICE U.S. Department of the Interior Bureau of Reclamation Mid-Pacific Region 2800 Cottage Way, Room E-1815 Sacramento, California 95825-1898 DUNS: 098865801/EIN: 841024566				5. RECIPIENT Casitas Municipal Water District 1055 Ventura Avenue Oak View, California 93022 Phone: (805) 649-2251 x112					
				EIN #:		956004993		County: Ventura	
				DUNS #:		072927973		Congress. Dist: 24	
6. GRANTS MANAGEMENT SPECIALIST Beverly S. Breen, MP-3828 U.S. Department of the Interior Bureau of Reclamation Mid-Pacific Region 2800 Cottage Way, Room E-1815 Sacramento, California 95825-1898 Phone: (916) 978-5146 Email: bbreen@usbr.gov				7. RECIPIENT PROJECT MANAGER Steve Wickstrum, General Manager Casitas Municipal Water District 1055 Ventura Avenue Oak View, California 93022 Phone: (805) 649-2251 x112 Email: swickstrum@casitaswater.com					
8. GRANTS OFFICER TECHNICAL REPRESENTATIVE Jason Kirby, SCCAO Bureau of Reclamation South Central California Area Office 1243 N Street Fresno, California 93721-1813 Phone: (559) 487-5409 Email: jkirby@usbr.gov				9A. INITIAL AGREEMENT EFFECTIVE DATE: Upon Signature		9B. MODIFICATION EFFECTIVE DATE: See Block 17a			
				10. COMPLETION DATE <p align="center">December 31, 2019</p>					
11A. PROGRAM STATUTORY AUTHORITY PL 89-72, as amended (16 USC 460L-15, Section 3(b)(1), Section 3(c)(1) .						11B. CFDA Number 15.524			
12. FUNDING INFORMATION		<u>RECIPIENT/OTHER</u>		<u>RECLAMATION</u>		13. REQUISITION NUMBER 20067652			
Total Estimated Amount of Agreement		\$50,708.00		\$49,755.00		14A. ACCOUNTING AND APPROPRIATION DATA Functional Area: R07670000.000000 Fund Center: RR02112000 WBS: RX.07674999.4000000			
This Obligation		\$0.00		\$30,000.00					
Previous Obligation		\$0.00		\$0.00					
Total Obligation		\$50,708.00		\$30,000.00					
Cost-Share %		50%		50%					
						14B. TREASURY ACCOUNT FUNDING SYMBOL 15XR0680A2			
15. PROJECT TITLE Open Space Management									
16a. Acceptance of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the above-named recipient  BY: _____  DATE: _____				17a. Award of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the United States of America, Department of the Interior, Bureau of Reclamation  BY: _____  DATE: _____					
16b. NAME, TITLE, AND TELEPHONE NUMBER OF SIGNER  <input type="checkbox"/> Additional signatures are attached				17b. NAME OF GRANTS OFFICER <p align="center">Beverly S. Breen</p>					

## TABLE OF CONTENTS

I. OVERVIEW AND SCHEDULE .....	3
1. AUTHORITY .....	3
2. PUBLIC PURPOSE OF SUPPORT OR STIMULATION .....	3
3. BACKGROUND AND OBJECTIVES .....	5
4. PERIOD OF PERFORMANCE AND FUNDS AVAILABILITY .....	6
5. SCOPE OF WORK AND MILESTONES .....	6
6. RESPONSIBILITY OF THE PARTIES .....	7
7. BUDGET .....	7
8. KEY PERSONNEL .....	11
9. REPORTING REQUIREMENTS AND DISTRIBUTION.....	13
10. REGULATORY COMPLIANCE .....	16
II. RECLAMATION STANDARD TERMS AND CONDITIONS - STATES, LOCAL GOVERNMENTS, AND FEDERALLY RECOGNIZED INDIAN TRIBAL GOVERNMENTS .....	17
1. REGULATIONS.....	17
2. PAYMENT .....	17
3. PROCUREMENT STANDARDS (2 CFR§200.317 through §200.326) .....	21
4. EQUIPMENT (2 CFR §200.313) .....	30
5. SUPPLIES (2 CFR §200.314) .....	32
6. INSPECTION .....	33
7. AUDIT REQUIREMENTS (2 CFR Subpart F §200.501) .....	33
8. REMEDIES FOR NONCOMPLIANCE (2 CFR §200.338).....	34
9. TERMINATION (2 CFR §200.339).....	35
10. DEBARMENT AND SUSPENSION (2 CFR §1400) .....	35
11. DRUG-FREE WORKPLACE (2 CFR §182 and §1401) .....	36
12. ASSURANCES AND CERTIFICATIONS INCORPORATED BY REFERENCE .....	36
13. COVENANT AGAINST CONTINGENT FEES .....	36
14. TRAFFICKING VICTIMS PROTECTION ACT OF 2000 (2 CFR §175.15) .....	37
15. NEW RESTRICTIONS ON LOBBYING (43 CFR §18).....	39
16. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970 (URA) (42 USC § 4601 <i>et seq.</i> ) .....	39
17. CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER REQUIREMENTS (2 CFR 25, APPENDIX A).....	40
18. PROHIBITION ON TEXT MESSAGING AND USING ELECTRONIC EQUIPMENT SUPPLIED BY THE GOVERNMENT WHILE DRIVING.....	42
19. REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (2 CFR 170 APPENDIX A).....	42
20. RECIPIENT EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013).....	45

**Grant Agreement  
Between  
Bureau of Reclamation  
And  
Casitas Municipal Water District  
For  
Open Space Management**

**I. OVERVIEW AND SCHEDULE**

**1. AUTHORITY**

This Grant Agreement (Agreement) is entered into between the United States of America, acting through the Department of the Interior, Bureau of Reclamation, hereinafter referred to as “Reclamation,” and Casitas Municipal Water District, hereinafter referred to as the “Recipient” or “Grantee,” pursuant to Public Law 89-72, as amended (16 USC 460L-15, Section 3(c)(1). The following section, provided in full text, authorizes Reclamation to award this financial assistance agreement:

P.L. 89-72, Federal Water Project Recreation Act, July 9, 1965. Section 1, Section 3(b)(1) and Section 3(c)(1).

Sec. 1. Congressional policy—It is the policy of the Congress and the intent of this Act that (a) in investigating and planning any Federal navigation, flood control, reclamation, hydroelectric, or multiple-purpose water resource project, full consideration shall be given to the opportunities, if any, which the project affords for outdoor recreation and for fish and wildlife enhancement and that, wherever any such project can reasonably serve either or both of these purposes consistently with the provisions of this Act, it shall be constructed, operated, and maintained accordingly: (b) planning with respect to the development of the recreation potential of any such project shall be based on the coordination of the recreational use of the project area with the use of existing and planned Federal, State, or local public recreation developments; and (c) project construction agencies shall encourage non-Federal public bodies to administer project land and water areas for recreation and fish and wildlife enhancement purposes and operate, maintain, and replace facilities provided for those purposes unless such areas or facilities are included or proposed for inclusion within a national recreation area, or are appropriate for administration by a Federal agency as a part of the national forest system, as part of the public lands classified for retention in Federal ownership, or in connection with an authorized Federal program for the conservation and development of fish and wildlife  
and

Sec. 3 (b) (1) If non-Federal public-bodies execute an agreement after initial operation of the project (which agreement shall provide that the non-federal public bodies will administer project land and water areas for recreation or fish and wildlife enhancement or both pursuant to the plan for the development of the project approved by the head of the agency having administrative jurisdiction over it and will bear not less than one-half the costs of lands, facilities, and project

modifications provided for recreation, and will bear one-quarter of such costs for fish and wildlife enhancement, and not less than one-half the costs of planning studies, and the costs of operation, maintenance, and replacement attributable thereto) the remainder of the costs of lands, facilities, and project modifications provided pursuant to this paragraph shall be non-reimbursable.

and

Sec. 3(c) (1) Any recreation facility constructed under this Act may be expanded or modified if (A) the facility is inadequate to meet recreational demand: and

(B) a non-Federal public body executes an agreement which provides that such public body-

(i) will administer the expanded or modified facilities pursuant to a plan for development for the project that is approved by the agency with administrative jurisdiction over the project; and

(ii) will bear not less than one-half of the planning and capital costs of such expansion or modification and no less than one-half of the costs of the operation, maintenance, and replacement attributable to the expansion of the facility.

(2) The Federal share of the cost of expanding or modifying a recreational facility described in paragraph (1) may not exceed 50 percent of the total cost of expanding or modifying the facility.

16 USC 460l(b) Preservation of recreation and fish and wildlife enhancement potential...and preference to uses promoting and not detracting from such potential

Notwithstanding the absence of an indication of intent as specified in section 460l-13(a) of this title, lands may be provided in connection with project construction to preserve the recreation and fish and wildlife enhancement potential of the project.

- (1) If non-Federal public bodies execute an agreement after initial operation of the project (which agreement shall provide that the non-Federal public bodies will administer project land and water areas for recreation or fish and wildlife enhancement or both pursuant to the plan for the development of the project approved by the head of the agency having administrative jurisdiction over it and will bear not less than one-half the costs of lands, facilities, and project modifications provided for recreation, and will bear one-quarter of such costs for fish and wildlife enhancement, and not less than one-half the costs of planning studies, and the costs of operation, maintenance, and replacement attributable thereto) the remainder of the costs of lands, facilities, and project modifications provided pursuant to this paragraph shall be non-reimbursable. Such agreement and subsequent development, however, shall not be the basis for any reallocation of joint costs of the project to recreation or fish and wildlife enhancement.

16 USC 460l(c) Expansion or modification of existing facilities

- (1) Any recreation facility constructed under this part may be expanded or modified if –
  - (A) The facility is inadequate to meet recreational demands; and
  - (B) A non-Federal public body executes an agreement which provides that such public body –
    - (i) Will administer the expanded or modified facilities pursuant to a plan for

- development for the project that is approved by the agency with administrative jurisdiction over the project; and
- (ii) Will bear not less than one-half of the planning and capital costs of such expansion or modification and not less than one-half of the costs of the operation, maintenance, and replacement attributable to the expansion of the facility.

16 USC 590a(1) To conduct surveys, investigations, and research relating to the character of soil erosion and the preventative measures needed, to publish the results of any such surveys, investigations, or research, to disseminate information concerning such methods, and to conduct demonstrational projects in areas subject to erosion by wind or water;

16 USC 590a(2) To carry out preventative measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land; and

16 USC 590a(3) To cooperate or enter into agreements with, or to furnish financial assistance or other aid to, any agency, governmental or otherwise, or any person, subject to such conditions as he may deem necessary, for the purposes of this chapter.

## **2. PUBLIC PURPOSE OF SUPPORT OR STIMULATION**

This financial assistance agreement will continue over the next 5 years to fund activities considered highly important to the integrity of Casitas Lake as a drinking water lake, (no body contact allowed within the reservoir). It is in the public interest to protect the quality of the water stored in Lake Casitas. Reclamation has acquired certain lands (Open Space) to protect the quality of water in Lake Casitas and for other watershed protection issues. The management agreements in place between Reclamation and Casitas identify areas that need to be maintained and wherever possible, in the natural state of the area.

## **3. BACKGROUND AND OBJECTIVES**

The financial assistance agreement will continue over the next 5 years to fund activities considered highly important to the integrity of Casitas Lake as a drinking water lake, (no body contact allowed within the reservoir). Reclamation has acquired certain lands (Open Space) to protect the quality of water in Lake Casitas and for other watershed protection issues. The management agreements in place between Reclamation and Casitas identify areas that need to be maintained and wherever possible, in the natural state of the area.

Objective 1. Fence Repair and Improvements: There are approximately 13 miles of 4-strand barb-wire fence that surrounds the Open Space lands at Lake Casitas. The fence lines are constantly damaged by falling tree limbs, high winds, vehicle accidents, vandalism and wear on the wire. While Reclamation is responsible for the security fence and its integrity and maintenance, repairs are sometimes required due to vandalism and require wire, stakes, and hand tools. To protect the lands from public intrusion and keep the integrity of the fence lines in

place, repairs and improvements need to be made as required on a yearly basis. Reclamation and Casitas Water District will work together to see that these fence lines are kept in good condition.

Objective 2. Security Patrol: Reclamation has an existing contract ( R11PG20245), for Open Space protection with US Forest Service. This proposed agreement with Casitas Municipal Water District will augment that protection by providing occasional Park Officer patrols through the area to create a presence and deter dumping, poaching, and trespass issues and the reduction of vandalism in the area. This time and work will coordinate closely with the US Forest Service.

#### **4. PERIOD OF PERFORMANCE AND FUNDS AVAILABILITY**

This Agreement becomes effective on the date shown in Block 17a of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. The Agreement shall remain in effect until the date shown in Block 10 of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. The period of performance for this Agreement may only be modified through written modification of the Agreement by a Reclamation Grants Officer (GO).

No legal liability on the part of the Government for any payment may arise until funds are made available, in writing, to the Recipient by the Grants Officer. The total estimated amount of federal funding for this agreement is \$49,755.00, of which the initial amount of federal funds available is limited to \$30,000.00 as indicated by “this obligation” within Block 12 of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. Subject to the availability of Congressional appropriations, subsequent funds will be made available for payment through written modifications to this agreement by a Reclamation Grants Officer.

#### **5. SCOPE OF WORK AND MILESTONES**

Task 1. Fence Repair and Improvements – Approximately 13 miles of 4-strand barb-wire fence will be repaired/replaced as needed. The repair/replacement will protect the lands from public intrusion and keep the integrity of the fence lines in place, repairs and improvements need to be made as required on a yearly basis.

Task 2. Security Patrol- The recipient will augment that protection by providing occasional Park Officer patrols through the area to deter the general public from trespassing onto Federal lands and assist Forest Service in reduction of vandalism in the area.

Milestone / Task / Activity	Planned Start Date	Planned Completion Date
Fence Repair & Improvements	Execution – End of 2015	Annual Maintenance through performance term date
Security Patrol	Execution – End of 2015	Annual Maintenance through performance term date

## 6. RESPONSIBILITY OF THE PARTIES

### 6.1 Recipient Responsibilities

**6.1.1** The Recipient shall carry out the Scope of Work (SOW) in accordance with the terms and conditions stated herein. The Recipient shall adhere to Federal, state, and local laws, regulations, and codes, as applicable, and shall obtain all required approvals and permits. If the SOW contains construction activities, the Recipient is responsible for construction inspection, oversight, and acceptance. If applicable, the Recipient shall also coordinate and obtain approvals from site owners and operators.

### 6.2 Reclamation Responsibilities

**6.2.1** Reclamation will monitor and provide Federal oversight of activities performed under this Agreement. Monitoring and oversight includes review and approval of financial status and performance reports, payment requests, and any other deliverables identified as part of the SOW. Additional monitoring activities may include site visits, conference calls, and other on-site and off-site monitoring activities. At the Recipient's request, Reclamation may also provide technical assistance to the Recipient in support of the SOW and objectives of this Agreement.

## 7. BUDGET

**7.1 Budget Estimate.** The following is the estimated budget for this Agreement. As Federal financial assistance agreements are cost-reimbursable, the budget provided is for estimation purposes only. Final costs incurred under the budget categories listed may be either higher or lower than the estimated costs. All costs incurred by the Recipient under this agreement must be in accordance with any pre-award clarifications conducted between the Recipient and Reclamation, as well as with the terms and conditions of this agreement. Final determination of the allowability, allocability, or reasonableness of costs incurred under this agreement is the responsibility of the Grants Officer. Recipients are encouraged to direct any questions regarding allowability, allocability or reasonableness of costs to the Grants Officer for review prior to incurrence of the costs in question.

BUDGET ITEM DESCRIPTION	COMPUTATION			RECIPIENT FUNDING	RECLAMATION FUNDING	TOTAL COST
	\$/Unit	Units	Quantity			
<b>1. SALARIES AND WAGES</b> --Position title x hourly wage/salary x est. hours for assisted activity. Describe this information for each position.						
<b>Full-time staff</b>						
Park Manager	\$65.38	hours	120		\$7,845.60	\$7,846
Park Service Officer	\$39.20	hours	650	\$25,480		\$25,480
Admin Assistant	\$34.85	hours	120		\$4,182	\$4,182
Maintenance Workers	\$14.68	hours	648	\$9,513		\$9,513
Associate Park Officer	\$16.79	hours	936	\$15,715		\$15,715



Total, Salaries and wages				\$50,708	\$12,028	\$62,736
<b>2. FRINGE BENEFITS</b>						
FICA-5.5% - SUI -2.8%	40%				\$25,094	\$25,094
PERS -15.3% - MEDI- 1.5%						
SS- 6.2% -Vacation -8.7%						
Total, Fringe benefits				\$0	\$25,094	\$25,094
<b>3. TRAVEL</b>						
Miscellaneous miles-Open Space Ranger Vehicle	\$0.55	miles	2424		\$1,333	\$1,333
Total, Travel				\$0	\$1,333	\$1,333
<b>4. EQUIPMENT—( Do not list contractor supplied equipment here.)</b>						
F-150 Pickup	\$0.55	miles	300		\$165.00	\$165
John Deere Backhoe	\$220.00	day	24		\$5,280.00	\$5,280
F-2500 Maintenance truck	\$110.00	day	24		\$2,640.00	\$2,640
chainsaws- 2	\$350.00	each	2		\$700.00	\$700
Total, Equipment				\$0	\$8,785	\$8,785
<b>5. SUPPLIES/MATERIALS--Describe all major types of supplies/materials, unit price, # of units, etc., to be used on this assisted activity.</b>						
Fence wire-4pt barbed wire-12.5ga	\$78.00	roll	5		\$390	\$390
Fence stakes-T-posts @ 6', 1.33 ga	\$6.50	each	250		\$1,625	\$1,625
Misc hand tools	\$100.00	per yr.	5		\$500.00	\$500
Total, Supplies/Materials				\$0.00	\$2,515	\$2,515.00
<b>6. CONTRACTUAL/ CONSTRUCTION</b>						
						\$0
Total, Contractual/Construction				\$0	\$0	\$0
<b>7. ENVIRONMENTAL and REGULATORY COMPLIANCE COSTS – Reference cost incurred by Reclamation or the applicant in complying with environmental regulations applicable to this Program, which include NEPA, ESA, NHPA etc.</b>						
Total, Environmental/Regulatory						
<b>8. OTHER –List any other cost elements necessary for your project; such as extra reporting, or contingencies in a construction contract.</b>						
Total, Other costs						
<b>TOTAL DIRECT COSTS</b>						
<b>9. INDIRECT COSTS - What is the percentage rate% . If you do not have a Federally-approved Indirect Cost Rate Agreement or if unapproved rates are used - Explain Why.</b>						
				\$0		\$0
<b>TOTAL PROJECT/ACTIVITY COSTS</b>				\$50,708	\$49,755	\$100,463

FUNDING SOURCES	% TOTAL PROJECT COST	TOTAL COST BY SOURCE
-----------------	----------------------	----------------------

RECIPIENT FUNDING	50%	\$50,708.00
OTHER NON-FEDERAL FUNDING (SPECIFY SOURCE)		\$0.00
RECLAMATION FUNDING	50%	\$49,755.00
OTHER FEDERAL FUNDING (SPECIFY SOURCE)		\$
<b>TOTALS</b>		<b>\$100,463.00</b>

## 7.2 Cost Sharing Requirement

At least 50% non-Federal cost-share is required for costs incurred under this Agreement. If pre-award costs are authorized, reimbursement of these costs is limited to federal cost share percentage identified in this agreement.

The Federal share of allowable costs shall not be expended in advance of the Recipient's non-Federal share. It is expected that expenditure of Federal and non-Federal funds based upon the cost share percentage above shall occur concurrently. If a bona fide need arises which requires the expenditure of Federal funds in advance of the Recipient share, then the Recipient must request written approval from the Grants Officer prior to the expenditure. Recipient's may expand their agreed upon share of costs in advance of the expenditure of Federal funds without prior written approval.

## 7.3 Pre-Award Incurrence of Costs

The Recipient is not authorized to incur costs prior to the award of this Agreement. Costs incurred prior to the award of this agreement are not allowable.

## 7.4 Allowable Costs (2 CFR Subpart E §200.400 through §200.475)

Costs incurred for the performance of this Agreement must be allowable, allocable to the project, and reasonable. The following regulations, codified within the Code of Federal Regulations (CFR), governs the allowability of costs for Federal financial assistance:

2 CFR Subpart E, "Cost Principles"

Expenditures for the performance of this Agreement must conform to the requirements within this CFR. The Recipient must maintain sufficient documentation to support these expenditures. Questions on the allowability of costs should be directed to the GO responsible for this Agreement.

The Recipient shall not incur costs or obligate funds for any purpose pertaining to operation of the program or activities beyond the expiration date stated in the Agreement. The only costs which are authorized for a period of up to 90 days following the project performance period are those strictly associated with closeout activities for preparation of the final reports.

## 7.5 Revision of Budget and Program Plans (2 CFR §200.308)

### **Use this section for non-construction awards**

In accordance with 2 CFR §200.308(c)-(e) the recipient must request prior written approval for any of the following changes:

- a) A change in the approved scope of work or associated tasks, even if there is no associated budget revisions.
- b) Change in key personnel specified in section 8 “Key Personnel” of this agreement.
- c) Changes in the approved cost-sharing or matching outlined within this agreement in section 7.2 “Cost Share requirements”
- d) Inclusion of pre-award costs or reimbursement for pre-award costs which are not included in the initially approved budget and included in section 7.3 “Pre-Award Incurrence of Costs” of this agreement.
- e) Extensions to the Completion Date outlined in block 10 of the coversheet (form 7-2279) of this agreement.
- f) The transfer of funds between direct cost categories, functions, and activities for which the expected transfer amount is to exceed 10 percent of the total approved budget.

### **Use this section for construction awards**

In accordance with 2 CFR §200.308(g) the recipient must request prior written approval for any of the following changes:

- a) A change in the approved scope of work or associated tasks, even if there is no associated budget revisions.
- b) Revisions which require additional Federal funds to complete the project.
- c) Revisions which involve specific costs for which prior written approval requirements may be imposed consistent with OMB cost principles listed in 2 CFR 200 Subpart E “Cost Principles”.

## **7.6 Modifications**

Any changes to this Agreement shall be made by means of a written modification. Reclamation may make changes to the Agreement by means of a unilateral modification to address administrative matters, such as changes in address, no-cost time extensions, or the addition of previously agreed upon funding. Additionally, a unilateral modification may be utilized by Reclamation if it should become necessary to suspend or terminate the Agreement in accordance with 2 CFR §200.338.

All other changes shall be made by means of a bilateral modification to the Agreement. No oral statement made by any person, or written statement by any person other than the GO, shall be allowed in any manner or degree to modify or otherwise effect the terms of the Agreement.

All requests for modification of the Agreement shall be made in writing, provide a full description of the reason for the request, and be sent to the attention of the GO. Any request for project extension shall be made at least 45 days prior to the expiration date of the Agreement or the expiration date of any extension period that may have been previously granted. Any determination to extend the period of performance or to provide follow-on funding for continuation of a project is solely at the discretion of Reclamation.

## **8. KEY PERSONNEL**

### **8.1 Recipient's Key Personnel**

The Recipient's Project Manager for this Agreement shall be:

Carol Belser, Park Services Manager  
Lake Casitas Recreation Area  
11311 Santa Ana Road  
Ventura, California 93001  
805-649-2233 x 111  
cbelser@casitaswater.com

Steve Wickstrum (signatory to agreement)  
General Manager  
Casitas Municipal Water District  
1055 Ventura Avenue  
Oak View, California 93022  
Phone: (805) 649-2251 x112  
Email: swickstrum@casitaswater.com

### **8.2 Reclamation's Key Personnel**

#### **8.2.1 Grants Officer (GO):**

Beverly S. Breen, MP-3828  
U.S. Department of the Interior  
Bureau of Reclamation  
Mid-Pacific Region  
2800 Cottage Way, Room E-1815  
Sacramento, California 95825-1898  
Phone: (916) 978-5146  
Email: bbreen@usbr.gov

(a) The GO is the only official with legal delegated authority to represent Reclamation. The GO's responsibilities include, but are not limited to, the following:

- (1) Formally obligate Reclamation to expend funds or change the funding level of the Agreement;
- (2) Approve through formal modification changes in the scope of work and/or budget;
- (3) Approve through formal modification any increase or decrease in the period of performance of the Agreement;
- (4) Approve through formal modification changes in any of the expressed terms, conditions, or specifications of the Agreement;
- (5) Be responsible for the overall administration, management, and other non-programmatic aspects of the Agreement including, but not limited to, interpretation of financial assistance statutes, regulations, circulars, policies, and terms of the Agreement;
- (6) Where applicable, ensures that Reclamation complies with the administrative requirements required by statutes, regulations, circulars, policies, and terms of the Agreement.

### **8.2.2 Grants Officer Technical Representative (GOTR):**

Jason Kirby, SCCAO  
Bureau of Reclamation  
South Central California Area Office  
1243 N Street  
Fresno, California 93721-1813  
Phone: (559) 487-5409  
Email: jkirby@usbr.gov

- (a) The GOTR's authority is limited to technical and programmatic aspects of the Agreement. The GOTR's responsibilities include, but are not limited to, the following:
  - (1) Assist the Recipient, as necessary, in interpreting and carrying out the scope of work in the Agreement;
  - (2) Review, and where required, approve Recipient reports and submittals as required by the Agreement;
  - (3) Where applicable, monitor the Recipient to ensure compliance with the technical requirements of the Agreement;
  - (4) Where applicable, ensure that Reclamation complies with the technical requirements of the Agreement;
- (b) The GOTR does not have the authority to and may not issue any technical assistance which:

- (1) Constitutes an assignment of additional work outside the scope of work of the Agreement;
- (2) In any manner causes an increase or decrease in the total estimated cost or the time required for performance; or
- (3) Changes any of the expressed terms, conditions, or specifications of the Agreement.

**8.2.3 Grants Management Specialist.** The Grants Management Specialist is the primary administrative point of contact for this agreement and should be contacted regarding issues related to the day-to-day management of the agreement. Requests for approval regarding the terms and conditions of the agreement, including but not limited to modifications and prior approval, may only be granted, in writing, by a Reclamation Grants Officer. Please note that for some agreements, the Grants Officer and the Grants Management Specialist may be the same individual.

Beverly S. Breen, MP-3828  
U.S. Department of the Interior  
Bureau of Reclamation  
Mid-Pacific Region  
2800 Cottage Way, Room E-1815  
Sacramento, California 95825-1898  
Phone: (916) 978-5146  
Email: [bbreen@usbr.gov](mailto:bbreen@usbr.gov)

## **9. REPORTING REQUIREMENTS AND DISTRIBUTION**

**9.1 Noncompliance.** Failure to comply with the reporting requirements contained in this Agreement may be considered a material noncompliance with the terms and conditions of the award. Noncompliance may result in withholding of payments pending receipt of required reports, denying both the use of funds and matching credit for all or part of the cost of the activity or action not in compliance, whole or partial suspension or termination of the Agreement, recovery of funds paid under the Agreement, withholding of future awards, or other legal remedies in accordance with 2 CFR §200.338.

**9.2 Financial Reports.** Financial Status Reports shall be submitted by means of the SF-425 and shall be submitted according to the Report Frequency and Distribution schedule below. All financial reports shall be signed by an Authorized Certifying Official for the Recipient's organization.

### **9.3 Monitoring and reporting program performance (2 CFR §200.328)**

(a) Monitoring by the non-Federal entity. The non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and

performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. See also §200.331 Requirements for pass-through entities.

(b) Non-construction performance reports. The Federal awarding agency must use standard, OMB-approved data elements for collection of performance information (including performance progress reports, Research Performance Progress Report, or such future collections as may be approved by OMB and listed on the OMB Web site).

(1) The non-Federal entity must submit performance reports at the interval required by the Federal awarding agency or pass-through entity to best inform improvements in program outcomes and productivity. Intervals must be no less frequent than annually nor more frequent than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes. Annual reports must be due 90 calendar days after the reporting period; quarterly or semiannual reports must be due 30 calendar days after the reporting period. Alternatively, the Federal awarding agency or pass-through entity may require annual reports before the anniversary dates of multiple year Federal awards. The final performance report will be due 90 calendar days after the period of performance end date. If a justified request is submitted by a non-Federal entity, the Federal agency may extend the due date for any performance report.

(2) The non-Federal entity must submit performance reports using OMB-approved governmentwide standard information collections when providing performance information. As appropriate in accordance with above mentioned information collections, these reports will contain, for each Federal award, brief information on the following unless other collections are approved by OMB:

(i) A comparison of actual accomplishments to the objectives of the Federal award established for the period. Where the accomplishments of the Federal award can be quantified, a computation of the cost (for example, related to units of accomplishment) may be required if that information will be useful. Where performance trend data and analysis would be informative to the Federal awarding agency program, the Federal awarding agency should include this as a performance reporting requirement.

(ii) The reasons why established goals were not met, if appropriate.

(iii) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

(c) Construction performance reports. For the most part, onsite technical inspections and certified percentage of completion data are relied on heavily by Federal awarding agencies and pass-through entities to monitor progress under Federal awards and subawards for construction. The Federal awarding agency may require additional performance reports only when considered necessary.

(d) Significant developments. Events may occur between the scheduled performance reporting dates that have significant impact upon the supported activity. In such cases, the non-Federal entity must inform the Federal awarding agency or pass-through entity as soon as the following types of conditions become known:

(1) Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

(2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.

Reclamation requires Performance reporting for all financial assistance awards, both Construction and non-Construction. Performance reports for Construction agreements shall meet the same minimum requirements outlined in 2 CFR §200.328(b)(2) above.

**9.4 Report Frequency and Distribution.** The following table sets forth the reporting requirements for this Agreement. Please note the first report due date listed for each type of report.

Required Reports	Interim Reports	Final Report
<b>Performance Report</b>		
Format	No specific format required. See content requirements within Section 9.3 (2 CFR §200.328) above.	Summary of activities completed during the entire period of performance is required. See content requirements within Section 9.3 (2 CFR §200.328) above.
Reporting Frequency	Semi-Annual	Final Report due upon completion of Agreement's period of performance
Reporting Period	<b>For Semi-Annual Reporting:</b> October 1 through March 31 and April 1 through September 30.	Entire period of performance
Due Date*	<b>Semi-Annual Reporting:</b> Within 30 days after the end of the Reporting Period.	Within 90 days after the completion date of the Agreement
First Report Due Date	The first performance report is due for reporting period ending September 30, 2015	N/A
Submit to:	Grants Management Specialist	Grants Management Specialist
<b>Federal Financial Report</b>		
Format	SF-425 (all sections must be completed)	SF-425(all sections must be completed)
Reporting Frequency	Semi-Annual	Final Report due upon completion



		of Agreement's period of performance
Reporting Period	<b>For Semi-Annual Reporting:</b> October 1 through March 31 and April 1 through September 30.	Entire period of performance
Due Date*	<b>Semi-Annual Reporting:</b> Within 30 days after the end of the Reporting Period.	Within 90 days after the completion date of the Agreement
First Report Due Date	The first Federal financial report is due for reporting period ending September 30, 2015	N/A
Submit to:	Grants Management Specialist	Grants Management Specialist

\* If the completion date is prior to the end of the next reporting period, then no interim report is due for that period. Instead, the Recipient is required only to submit the final financial and performance reports, which will cover the entire period of performance including the last abbreviated reporting period.

## 10. REGULATORY COMPLIANCE

The Recipient agrees to comply or assist Reclamation with all regulatory compliance requirements and all applicable state, Federal, and local environmental and cultural and paleontological resource protection laws and regulations as applicable to this project. These may include, but are not limited to, the National Environmental Policy Act (NEPA), including the Council on Environmental Quality and Department of the Interior regulations implementing NEPA, the Clean Water Act, the Endangered Species Act, consultation with potentially affected Tribes, and consultation with the State Historic Preservation Office.

Certain environmental and other associated compliance are Federal responsibilities, and will occur as appropriate. Reclamation will identify the need for and will complete any appropriate environmental compliance requirements, as identified above, pertinent to Reclamation pursuant to activities specific to this assisted activity. Environmental and other associated compliance shall be completed prior to the start of this project. As such, notwithstanding any other provision of this Agreement, Reclamation shall not provide any funds to the Recipient for Agreement purposes, and the Recipient shall not begin implementation of the assisted activity described in this Agreement, until Reclamation provides written notice to the Recipient that all applicable environmental and regulatory compliance analyses and clearances have been completed and that the Recipient may begin implementation of the assisted activity. If the Recipient begins project activities that require environmental and other regulatory compliance approval, such as construction activities, prior to receipt of written notice from Reclamation that all such clearances have been obtained, then Reclamation reserves the right to unilaterally terminate this agreement for cause.

## **II. RECLAMATION STANDARD TERMS AND CONDITIONS - STATES, LOCAL GOVERNMENTS, AND FEDERALLY RECOGNIZED INDIAN TRIBAL GOVERNMENTS**

### **1. REGULATIONS**

The regulations at 2 CFR Subtitle A, Chapter II, Part 200 “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”, are hereby incorporated by reference as though set forth in full text. Failure of a Recipient to comply with any applicable regulation or circular may be the basis for withholding payments for proper charges made by the Recipient and/or for termination of support.

### **2. PAYMENT**

#### **2.1 Payment. (2 CFR §200.305 )**

(a) For states, payments are governed by Treasury-State CMIA agreements and default procedures codified at 31 CFR Part 205 “Rules and Procedures for Efficient Federal-State Funds Transfers” and TFM 4A-2000 Overall Disbursing Rules for All Federal Agencies.

(b) For non-Federal entities other than states, payments methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity whether the payment is made by electronic funds transfer, or issuance or redemption of checks, warrants, or payment by other means. See also §200.302 Financial management paragraph (b)(6). Except as noted elsewhere in this part, Federal agencies must require recipients to use only OMB-approved standard governmentwide information collection requests to request payment.

(1) The non-Federal entity must be paid in advance, provided it maintains or demonstrates the willingness to maintain both written procedures that minimize the time elapsing between the transfer of funds and disbursement by the non-Federal entity, and financial management systems that meet the standards for fund control and accountability as established in this part. Advance payments to a non-Federal entity must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the non-Federal entity in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the non-Federal entity for direct program or project costs and the proportionate share of any allowable indirect costs. The non-Federal entity must make timely payment to contractors in accordance with the contract provisions.

(2) Whenever possible, advance payments must be consolidated to cover anticipated cash needs for all Federal awards made by the Federal awarding agency to the recipient.

(i) Advance payment mechanisms include, but are not limited to, Treasury check and electronic funds transfer and must comply with applicable guidance in 31 CFR part 208.

(ii) Non-Federal entities must be authorized to submit requests for advance payments and reimbursements at least monthly when electronic fund transfers are not used, and as often as they like when electronic transfers are used, in accordance with the provisions of the Electronic Fund Transfer Act (15 U.S.C. 1693-1693r).

(3) Reimbursement is the preferred method when the requirements in paragraph (b) cannot be met, when the Federal awarding agency sets a specific condition per §200.207 Specific conditions, or when the non-Federal entity requests payment by reimbursement. This method may be used on any Federal award for construction, or if the major portion of the construction project is accomplished through private market financing or Federal loans, and the Federal award constitutes a minor portion of the project. When the reimbursement method is used, the Federal awarding agency or pass-through entity must make payment within 30 calendar days after receipt of the billing, unless the Federal awarding agency or pass-through entity reasonably believes the request to be improper.

(4) If the non-Federal entity cannot meet the criteria for advance payments and the Federal awarding agency or pass-through entity has determined that reimbursement is not feasible because the non-Federal entity lacks sufficient working capital, the Federal awarding agency or pass-through entity may provide cash on a working capital advance basis. Under this procedure, the Federal awarding agency or pass-through entity must advance cash payments to the non-Federal entity to cover its estimated disbursement needs for an initial period generally geared to the non-Federal entity's disbursing cycle. Thereafter, the Federal awarding agency or pass-through entity must reimburse the non-Federal entity for its actual cash disbursements. Use of the working capital advance method of payment requires that the pass-through entity provide timely advance payments to any subrecipients in order to meet the subrecipient's actual cash disbursements. The working capital advance method of payment must not be used by the pass-through entity if the reason for using this method is the unwillingness or inability of the pass-through entity to provide timely advance payments to the subrecipient to meet the subrecipient's actual cash disbursements.

(5) Use of resources before requesting cash advance payments. To the extent available, the non-Federal entity must disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments.

(6) Unless otherwise required by Federal statutes, payments for allowable costs by non-Federal entities must not be withheld at any time during the period of performance unless the conditions of §§200.207 Specific conditions, Subpart D—Post Federal Award Requirements of this part, 200.338 Remedies for Noncompliance, or one or more of the following applies:

(i) The non-Federal entity has failed to comply with the project objectives, Federal statutes, regulations, or the terms and conditions of the Federal award.

(ii) The non-Federal entity is delinquent in a debt to the United States as defined in OMB Guidance A-129, "Policies for Federal Credit Programs and Non-Tax Receivables." Under such conditions, the Federal awarding agency or pass-through entity may, upon reasonable notice, inform the non-Federal entity that payments must not be made for obligations incurred after a specified date until the conditions are corrected or the indebtedness to the Federal Government is liquidated.

(iii) A payment withheld for failure to comply with Federal award conditions, but without suspension of the Federal award, must be released to the non-Federal entity upon subsequent compliance. When a Federal award is suspended, payment adjustments will be made in accordance with §200.342 Effects of suspension and termination.

(iv) A payment must not be made to a non-Federal entity for amounts that are withheld by the non-Federal entity from payment to contractors to assure satisfactory completion of work. A payment must be made when the non-Federal entity actually disburses the withheld funds to the contractors or to escrow accounts established to assure satisfactory completion of work.

(7) Standards governing the use of banks and other institutions as depositories of advance payments under Federal awards are as follows.

(i) The Federal awarding agency and pass-through entity must not require separate depository accounts for funds provided to a non-Federal entity or establish any eligibility requirements for depositories for funds provided to the non-Federal entity. However, the non-Federal entity must be able to account for the receipt, obligation and expenditure of funds.

(ii) Advance payments of Federal funds must be deposited and maintained in insured accounts whenever possible.

(8) The non-Federal entity must maintain advance payments of Federal awards in interest-bearing accounts, unless the following apply.

(i) The non-Federal entity receives less than \$120,000 in Federal awards per year.

(ii) The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on Federal cash balances.

(iii) The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.

(iv) A foreign government or banking system prohibits or precludes interest bearing accounts.

(9) Interest earned amounts up to \$500 per year may be retained by the non-Federal entity for administrative expense. Any additional interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services Payment Management System (PMS) through an electronic medium using either Automated Clearing House (ACH) network or a Fedwire Funds Service payment. Remittances must include pertinent information of the payee and nature of payment in the memo area (often referred to as “addenda records” by Financial Institutions) as that will assist in the timely posting of interested earned on federal funds. Pertinent details include the Payee Account Number (PAN) if the payment originated from PMS, or Agency information if the payment originated from ASAP, NSF or another federal agency payment system. The remittance must be submitted as follows:

(i) For ACH Returns:

Routing Number: 051036706

Account number: 303000

Bank Name and Location: Credit Gateway—ACH Receiver St. Paul, MN

(ii) For Fedwire Returns\*:

Routing Number: 021030004

Account number: 75010501

Bank Name and Location: Federal Reserve Bank Treas NYC/Funds Transfer  
Division New York, NY

(\* Please note organization initiating payment is likely to incur a charge from your Financial Institution for this type of payment)

(iii) For International ACH Returns:

Beneficiary Account: Federal Reserve Bank of New York/ITS (FRBNY/ITS)

Bank: Citibank N.A. (New York)

Swift Code: CITIUS33

Account Number: 36838868

Bank Address: 388 Greenwich Street, New York, NY 10013 USA

Payment Details (Line 70): Agency

Name (abbreviated when possible) and ALC Agency POC: Michelle Haney,  
(301) 492-5065

(iv) For recipients that do not have electronic remittance capability, please make check\*\* payable to: “The Department of Health and Human Services.”

Mail Check to Treasury approved lockbox:

HHS Program Support Center, P.O. Box 530231, Atlanta, GA 30353-0231

(\*\* Please allow 4-6 weeks for processing of a payment by check to be applied to the appropriate PMS account)

(v) Any additional information/instructions may be found on the PMS Web site at <http://www.dpm.psc.gov/>.

## **2.2 Payment Method**

Recipients must utilize the Department of Treasury Automated Standard Application for Payments (ASAP) payment system to request advance or reimbursement payments. ASAP is a Recipient-initiated payment and information system designed to provide a single point of contact for the request and delivery of Federal funds. ASAP is the only allowable method for request and receipt of payment. Recipient procedures must minimize the time elapsing between the drawdown of Federal funds and the disbursement for agreement purposes.

Recipients must complete enrollment in ASAP for all active financial assistance agreements with Reclamation. ASAP enrollment is specific to each Agency and Bureau; meaning, if a Recipient organization has an existing ASAP account with another Federal agency or Department of the Interior bureau, but not with Reclamation, then the Recipient must initiate and complete enrollment in ASAP under Reclamation's Agency Location Code (1425) through submission of an enrollment form found at [www.usbr.gov/mso/aamd/asap.html](http://www.usbr.gov/mso/aamd/asap.html). For information regarding ASAP enrollment, please visit [www.usbr.gov/mso/aamd/asap.html](http://www.usbr.gov/mso/aamd/asap.html), or contact the Reclamation ASAP Help Desk [BOR\\_ASAP\\_Enroll@usbr.gov](mailto:BOR_ASAP_Enroll@usbr.gov). Further information regarding ASAP may be obtained from the ASAP website at <http://www.fms.treas.gov/asap>.

In accordance with 2 CFR 25.200(b)(2) the Recipient shall "Maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by an agency". If the Recipient allows their SAM registration to lapse, the Recipient's accounts within ASAP will be automatically suspended by Reclamation until such time as the Recipient renews their SAM registration.

## **3. PROCUREMENT STANDARDS (2 CFR§200.317 through §200.326)**

### **§200.317 Procurements by states.**

When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with §200.322 Procurement of recovered materials and ensure that every purchase order or other contract includes any clauses required by section §200.326 Contract provisions. All other non-Federal entities, including subrecipients of a state, will follow §§200.318 General procurement standards through 200.326 Contract provisions.

### **§200.318 General procurement standards.**

(a) The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.

(b) Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(c)

(1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

(2) If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

(d) The non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(e) To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal Government, the non-Federal entity is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.

(f) The non-Federal entity is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(g) The non-Federal entity is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(h) The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also §200.212 Suspension and debarment.

(i) The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(j)

(1) The non-Federal entity may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to a non-Federal entity is the sum of:

(i) The actual cost of materials; and

(ii) Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

(2) Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the non-Federal entity awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

(k) The non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

### **§200.319 Competition.**

(a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:



- (1) Placing unreasonable requirements on firms in order for them to qualify to do business;
- (2) Requiring unnecessary experience and excessive bonding;
- (3) Noncompetitive pricing practices between firms or between affiliated companies;
- (4) Noncompetitive contracts to consultants that are on retainer contracts;
- (5) Organizational conflicts of interest;
- (6) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- (7) Any arbitrary action in the procurement process.

(b) The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(c) The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:

- (1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
- (2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(d) The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources

to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

**§200.320 Methods of procurement to be followed.**

The non-Federal entity must use one of the following methods of procurement.

(a) Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (§200.67 Micro-purchase). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.

(1) In order for sealed bidding to be feasible, the following conditions should be present:

(i) A complete, adequate, and realistic specification or purchase description is available;

(ii) Two or more responsible bidders are willing and able to compete effectively for the business; and

(iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(2) If sealed bids are used, the following requirements apply:

(i) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for state, local, and tribal governments, the invitation for bids must be publically advertised;

(ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;

(iii) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;

(iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(v) Any or all bids may be rejected if there is a sound documented reason.

(d) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(1) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;

(2) Proposals must be solicited from an adequate number of qualified sources;

(3) The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;

(4) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(5) The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(e) [Reserved]

(f) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- (1) The item is available only from a single source;
- (2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- (3) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
- (4) After solicitation of a number of sources, competition is determined inadequate.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

**§200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.**

(a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

(b) Affirmative steps must include:

- (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

**§200.322 Procurement of recovered materials.**

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring

only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

**§200.323 Contract cost and price.**

- (a) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.
- (b) The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.
- (c) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.
- (d) The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

**§200.324 Federal awarding agency or pass-through entity review.**

- (a) The non-Federal entity must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the non-Federal entity desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(b) The non-Federal entity must make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:

- (1) The non-Federal entity's procurement procedures or operation fails to comply with the procurement standards in this part;
- (2) The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;
- (3) The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a "brand name" product;
- (4) The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or
- (5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.

(c) The non-Federal entity is exempt from the pre-procurement review in paragraph (b) of this section if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this part.

- (1) The non-Federal entity may request that its procurement system be reviewed by the Federal awarding agency or pass-through entity to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding, and third party contracts are awarded on a regular basis;
- (2) The non-Federal entity may self-certify its procurement system. Such self-certification must not limit the Federal awarding agency's right to survey the system. Under a self-certification procedure, the Federal awarding agency may rely on written assurances from the non-Federal entity that it is complying with these standards. The non-Federal entity must cite specific policies, procedures, regulations, or standards as being in compliance with these requirements and have its system available for review.

### **§200.325 Bonding requirements.**

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

(a) A bid guarantee from each bidder equivalent to five percent of the bid price. The “bid guarantee” must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

(b) A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(c) A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

#### **§200.326 Contract provisions.**

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

#### **4. EQUIPMENT (2 CFR §200.313)**

See also §200.439 Equipment and other capital expenditures.

(a) Title. Subject to the obligations and conditions set forth in this section, title to equipment acquired under a Federal award will vest upon acquisition in the non-Federal entity. Unless a statute specifically authorizes the Federal agency to vest title in the non-Federal entity without further obligation to the Federal Government, and the Federal agency elects to do so, the title must be a conditional title. Title must vest in the non-Federal entity subject to the following conditions:

(1) Use the equipment for the authorized purposes of the project during the period of performance, or until the property is no longer needed for the purposes of the project.

(2) Not encumber the property without approval of the Federal awarding agency or pass-through entity.

(3) Use and dispose of the property in accordance with paragraphs (b), (c) and (e) of this section.

(b) A state must use, manage and dispose of equipment acquired under a Federal award by the state in accordance with state laws and procedures. Other non-Federal entities must follow paragraphs (c) through (e) of this section.

(c) Use.

(1) Equipment must be used by the non-Federal entity in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be

supported by the Federal award, and the non-Federal entity must not encumber the property without prior approval of the Federal awarding agency. When no longer needed for the original program or project, the equipment may be used in other activities supported by the Federal awarding agency, in the following order of priority:

(i) Activities under a Federal award from the Federal awarding agency which funded the original program or project, then

(ii) Activities under Federal awards from other Federal awarding agencies. This includes consolidated equipment for information technology systems.

(2) During the time that equipment is used on the project or program for which it was acquired, the non-Federal entity must also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by Federal awarding agency that financed the equipment and second preference must be given to programs or projects under Federal awards from other Federal awarding agencies. Use for non-federally-funded programs or projects is also permissible. User fees should be considered if appropriate.

(3) Notwithstanding the encouragement in §200.307 Program income to earn program income, the non-Federal entity must not use equipment acquired with the Federal award to provide services for a fee that is less than private companies charge for equivalent services unless specifically authorized by Federal statute for as long as the Federal Government retains an interest in the equipment.

(4) When acquiring replacement equipment, the non-Federal entity may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

(d) Management requirements. Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:

(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

(2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.



(3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.

(4) Adequate maintenance procedures must be developed to keep the property in good condition.

(5) If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

(e) Disposition. When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions, the non-Federal entity must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. Disposition of the equipment will be made as follows, in accordance with Federal awarding agency disposition instructions:

(1) Items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.

(2) Except as provided in §200.312 Federally-owned and exempt property, paragraph (b), or if the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per-unit fair-market value in excess of \$5,000 may be retained by the non-Federal entity or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the non-Federal entity to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.

(3) The non-Federal entity may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the non-Federal entity must be entitled to compensation for its attributable percentage of the current fair market value of the property.

(4) In cases where a non-Federal entity fails to take appropriate disposition actions, the Federal awarding agency may direct the non-Federal entity to take disposition actions.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75884, Dec. 19, 2014]

## **5. SUPPLIES (2 CFR §200.314)**

See also §200.453 Materials and supplies costs, including costs of computing devices.

(a) Title to supplies will vest in the non-Federal entity upon acquisition. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other Federal award, the non-Federal entity must retain the supplies for use on other activities or sell them, but must, in either case, compensate the Federal Government for its share. The amount of compensation must be computed in the same manner as for equipment. See §200.313 Equipment, paragraph (e)(2) for the calculation methodology.

(b) As long as the Federal Government retains an interest in the supplies, the non-Federal entity must not use supplies acquired under a Federal award to provide services to other organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute.

## **6. INSPECTION**

Reclamation has the right to inspect and evaluate the work performed or being performed under this Agreement, and the premises where the work is being performed, at all reasonable times and in a manner that will not unduly delay the work. If Reclamation performs inspection or evaluation on the premises of the Recipient or a sub-Recipient, the Recipient shall furnish and shall require sub-recipients to furnish all reasonable facilities and assistance for the safe and convenient performance of these duties.

## **7. AUDIT REQUIREMENTS (2 CFR Subpart F §200.501)**

(a) Audit required. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of this part.

(b) Single audit. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted in accordance with §200.514 Scope of audit except when it elects to have a program-specific audit conducted in accordance with paragraph (c) of this section.

(c) Program-specific audit election. When an auditee expends Federal awards under only one Federal program (excluding R&D) and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted in accordance with §200.507 Program-specific audits. A program-specific audit may not be elected for R&D unless all of the Federal awards expended were received from the same Federal agency, or the same Federal agency and the same pass-through entity, and that Federal agency, or pass-through entity in the case of a subrecipient, approves in advance a program-specific audit.

(d) Exemption when Federal awards expended are less than \$750,000. A non-Federal entity that expends less than \$750,000 during the non-Federal entity's fiscal year in Federal awards is exempt from Federal audit requirements for that year, except as noted in §200.503 Relation to other audit requirements, but records must be available for review or audit by appropriate

officials of the Federal agency, pass-through entity, and Government Accountability Office (GAO).

(e) Federally Funded Research and Development Centers (FFRDC). Management of an auditee that owns or operates a FFRDC may elect to treat the FFRDC as a separate entity for purposes of this part.

(f) Subrecipients and Contractors. An auditee may simultaneously be a recipient, a subrecipient, and a contractor. Federal awards expended as a recipient or a subrecipient are subject to audit under this part. The payments received for goods or services provided as a contractor are not Federal awards. Section §200.330 Subrecipient and contractor determinations sets forth the considerations in determining whether payments constitute a Federal award or a payment for goods or services provided as a contractor.

(g) Compliance responsibility for contractors. In most cases, the auditee's compliance responsibility for contractors is only to ensure that the procurement, receipt, and payment for goods and services comply with Federal statutes, regulations, and the terms and conditions of Federal awards. Federal award compliance requirements normally do not pass through to contractors. However, the auditee is responsible for ensuring compliance for procurement transactions which are structured such that the contractor is responsible for program compliance or the contractor's records must be reviewed to determine program compliance. Also, when these procurement transactions relate to a major program, the scope of the audit must include determining whether these transactions are in compliance with Federal statutes, regulations, and the terms and conditions of Federal awards.

(h) For-profit subrecipient. Since this part does not apply to for-profit subrecipients, the pass-through entity is responsible for establishing requirements, as necessary, to ensure compliance by for-profit subrecipients. The agreement with the for-profit subrecipient must describe applicable compliance requirements and the for-profit subrecipient's compliance responsibility. Methods to ensure compliance for Federal awards made to for-profit subrecipients may include pre-award audits, monitoring during the agreement, and post-award audits. See also §200.331 Requirements for pass-through entities.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75887, Dec. 19, 2014]

## **8. REMEDIES FOR NONCOMPLIANCE (2 CFR §200.338)**

### **§200.338 Remedies for noncompliance.**

If a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in §200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- (c) Wholly or partly suspend or terminate the Federal award.
- (d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
- (e) Withhold further Federal awards for the project or program.
- (f) Take other remedies that may be legally available.

**9. TERMINATION (2 CFR §200.339)**

- (a) The Federal award may be terminated in whole or in part as follows:

- (1) By the Federal awarding agency or pass-through entity, if a non-Federal entity fails to comply with the terms and conditions of a Federal award;
- (2) By the Federal awarding agency or pass-through entity for cause;
- (3) By the Federal awarding agency or pass-through entity with the consent of the non-Federal entity, in which case the two parties must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated; or
- (4) By the non-Federal entity upon sending to the Federal awarding agency or pass-through entity written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if the Federal awarding agency or pass-through entity determines in the case of partial termination that the reduced or modified portion of the Federal award or subaward will not accomplish the purposes for which the Federal award was made, the Federal awarding agency or pass-through entity may terminate the Federal award in its entirety.

- (b) When a Federal award is terminated or partially terminated, both the Federal awarding agency or pass-through entity and the non-Federal entity remain responsible for compliance with the requirements in §§200.343 Closeout and 200.344 Post-closeout adjustments and continuing responsibilities.

**10. DEBARMENT AND SUSPENSION (2 CFR §1400)**

The Department of the Interior regulations at 2 CFR 1400—Governmentwide Debarment and Suspension (Nonprocurement), which adopt the common rule for the governmentwide system of debarment and suspension for nonprocurement activities, are hereby incorporated by reference and made a part of this Agreement. By entering into this grant or cooperative Agreement with the Bureau of Reclamation, the Recipient agrees to comply with 2 CFR 1400, Subpart C, and agrees to include a similar term or condition in all lower-tier covered transactions. These regulations are available at <http://www.gpoaccess.gov/ecfr/>.

### **11. DRUG-FREE WORKPLACE (2 CFR §182 and §1401)**

The Department of the Interior regulations at 2 CFR 1401—Governmentwide Requirements for Drug-Free Workplace (Financial Assistance), which adopt the portion of the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq, as amended) applicable to grants and cooperative agreements, are hereby incorporated by reference and made a part of this agreement. By entering into this grant or cooperative agreement with the Bureau of Reclamation, the Recipient agrees to comply with 2 CFR 182.

### **12. ASSURANCES AND CERTIFICATIONS INCORPORATED BY REFERENCE**

The provisions of the Assurances, SF 424B or SF 424D as applicable, executed by the Recipient in connection with this Agreement shall apply with full force and effect to this Agreement. All anti-discrimination and equal opportunity statutes, regulations, and Executive Orders that apply to the expenditure of funds under Federal contracts, grants, and cooperative Agreements, loans, and other forms of Federal assistance. The Recipient shall comply with Title VI or the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and any program-specific statutes with anti-discrimination requirements. The Recipient shall comply with civil rights laws including, but not limited to, the Fair Housing Act, the Fair Credit Reporting Act, the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Equal Educational Opportunities Act, the Age Discrimination in Employment Act, and the Uniform Relocation Act.

Such Assurances also include, but are not limited to, the promise to comply with all applicable Federal statutes and orders relating to nondiscrimination in employment, assistance, and housing; the Hatch Act; Federal wage and hour laws and regulations and work place safety standards; Federal environmental laws and regulations and the Endangered Species Act; and Federal protection of rivers and waterways and historic and archeological preservation.

### **13. COVENANT AGAINST CONTINGENT FEES**

The Recipient warrants that no person or agency has been employed or retained to solicit or secure this Agreement upon an Agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide offices established and maintained by the Recipient for the purpose of securing Agreements or business. For breach or violation of this warranty, the Government shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement amount, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

#### **14. TRAFFICKING VICTIMS PROTECTION ACT OF 2000 (2 CFR §175.15)**

Trafficking in persons.

(a) *Provisions applicable to a recipient that is a private entity.*

(1) You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not

(i) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;

(ii) Procure a commercial sex act during the period of time that the award is in effect; or

(iii) Use forced labor in the performance of the award or subawards under the award.

(2) We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity —

(i) Is determined to have violated a prohibition in paragraph a.1 of this award term; or

(ii) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either:

(A) Associated with performance under this award; or

(B) Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 CFR part 1400.

(b) *Provision applicable to a recipient other than a private entity.* We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—

(1) Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or

(2) Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either:

(i) Associated with performance under this award; or

(ii) Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 *CFR part 1400*.

(c) *Provisions applicable to any recipient.*

(1) You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.

(2) Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:

(i) Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and

(ii) Is in addition to all other remedies for noncompliance that are available to us under this award.

(3) You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

(d) *Definitions.* For purposes of this award term:

(1) “Employee” means either:

(i) An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or

(ii) Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

(2) “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

(3) “Private entity”:

(i) Means any entity other than a state, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

(ii) Includes:

(A) A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

(B) A for-profit organization.

(4) “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

## **15. NEW RESTRICTIONS ON LOBBYING (43 CFR §18)**

The Recipient agrees to comply with 43 CFR 18, New Restrictions on Lobbying, including the following certification:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying” in accordance with its instructions.

(c) The Recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

## **16. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970 (URA) (42 USC § 4601 *et seq.*)**

(a) The Uniform Relocation Assistance Act (URA), 42 U.S.C. § 4601 *et seq.*, as amended, requires certain assurances for Reclamation funded land acquisition projects conducted by a Recipient that cause the displacement of persons, businesses, or farm operations. Because Reclamation funds only support acquisition of property or interests in property from willing



sellers, it is not anticipated that Reclamation funds will result in any “displaced persons,” as defined under the URA.

(b) However, if Reclamation funds are used for the acquisition of real property that results in displacement, the URA requires Recipients to ensure that reasonable relocation payments and other remedies will be provided to any displaced person. Further, when acquiring real property, Recipients must be guided, to the greatest extent practicable, by the land acquisition policies in 42 U.S.C. § 4651.

(c) Exemptions to the URA and 49 CFR Part 24

(1) The URA provides for an exemption to the appraisal, review and certification rules for those land acquisitions classified as “voluntary transactions.” Such “voluntary transactions” are classified as those that do not involve an exercise of eminent domain authority on behalf of a Recipient, and must meet the conditions specified at 49 CFR § 24.101(b)(1)(i)-(iv).

(2) For any land acquisition undertaken by a Recipient that receives Reclamation funds, but does not have authority to acquire the real property by eminent domain, to be exempt from the requirements of 49 CFR Part 24 the Recipient must:

- (i) provide written notification to the owner that it will not acquire the property in the event negotiations fail to result in an amicable agreement, and;
- (ii) inform the owner in writing of what it believes to be the market value of the property

(d) Review of Land Acquisition Appraisals. Reclamation reserves the right to review any land appraisal whether or not such review is required under the URA or 49 CFR § 24.104. Such reviews may be conducted by the Department of the Interior’s Appraisal Services Directorate or a Reclamation authorized designee. When Reclamation determines that a review of the original appraisal is necessary, Reclamation will notify the Recipient and provide an estimated completion date of the initial appraisal review.

## **17. CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER REQUIREMENTS (2 CFR 25, APPENDIX A)**

*The Central Contractor Registration (CCR) has been migrated to the System for Award Management (SAM). Recipients must continue to comply with the CCR requirements below by maintaining current registration within [www.SAM.gov](http://www.SAM.gov).*

### **A. Requirement for Central Contractor Registration (CCR)**

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

*B. Requirement for Data Universal Numbering System (DUNS) Numbers*

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (*see* definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

*C. Definitions*

For purposes of this award term:

1. *Central Contractor Registration (CCR)* means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at <http://www.ccr.gov>).
2. *Data Universal Numbering System (DUNS) number* means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).
3. *Entity*, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
  - a. A Governmental organization, which is a state, local government, or Indian Tribe;
  - b. A foreign public entity;
  - c. A domestic or foreign nonprofit organization;
  - d. A domestic or foreign for-profit organization; and
  - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
4. *Subaward*:
  - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
  - b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, *see* Sec. 11.210 of the attachment to OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations”).
  - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

5. *Subrecipient* means an entity that:
  - a. Receives a subaward from you under this award; and
  - b. Is accountable to you for the use of the Federal funds provided by the subaward.

## **18. PROHIBITION ON TEXT MESSAGING AND USING ELECTRONIC EQUIPMENT SUPPLIED BY THE GOVERNMENT WHILE DRIVING**

Executive Order 13513, *Federal Leadership On Reducing Text Messaging While Driving*, was signed by President Barack Obama on October 1, 2009 (ref: <http://edocket.access.gpo.gov/2009/pdf/E9-24203.pdf>). This Executive Order introduces a Federal Government-wide prohibition on the use of text messaging while driving on official business or while using Government-supplied equipment. Additional guidance enforcing the ban will be issued at a later date. In the meantime, please adopt and enforce policies that immediately ban text messaging while driving company-owned or rented vehicles, government-owned or leased vehicles, or while driving privately owned vehicles when on official government business or when performing any work for or on behalf of the government.

## **19. REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (2 CFR 170 APPENDIX A)**

### **I. Reporting Subawards and Executive Compensation.**

#### **a. Reporting of first-tier subawards.**

1. *Applicability.* Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

2. *Where and when to report.*

- i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.
- ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. *What to report.* You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

#### **b. Reporting Total Compensation of Recipient Executives.**

1. *Applicability and what to report.* You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if—

- i. the total Federal funding authorized to date under this award is \$25,000 or more;
- ii. in the preceding fiscal year, you received—
  - (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial

assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. *Where and when to report.* You must report executive total compensation described in paragraph b.1. of this award term:

i. As part of your registration profile at <http://www.ccr.gov>.

ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. *Reporting of Total Compensation of Subrecipient Executives.*

1. *Applicability and what to report.* Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if—

i. in the subrecipient's preceding fiscal year, the subrecipient received—  
(A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. *Where and when to report.* You must report subrecipient executive total compensation described in paragraph c.1. of this award term:

i. To the recipient.

ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (*i.e.*, between October 1 and 31), you

must report any required compensation information of the subrecipient by November 30 of that year.

d. *Exemptions*

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

- i. Subawards,  
and
- ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. *Definitions.* For purposes of this award term:

1. *Entity* means all of the following, as defined in 2 CFR part 25:

- i. A Governmental organization, which is a State, local government, or Indian tribe;
- ii. A foreign public entity;
- iii. A domestic or foreign nonprofit organization;
- iv. A domestic or foreign for-profit organization;
- v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. *Executive* means officers, managing partners, or any other employees in management positions.

3. *Subaward*:

- i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
- ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. \_\_ .210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").
- iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. *Subrecipient* means an entity that:

- i. Receives a subaward from you (the recipient) under this award; and
- ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. *Total compensation* means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

- i. *Salary and bonus.*
- ii. *Awards of stock, stock options, and stock appreciation rights.* Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
- iii. *Earnings for services under non-equity incentive plans.* This does not include group life, health, hospitalization or medical reimbursement plans

that do not discriminate in favor of executives, and are available generally to all salaried employees.

iv. *Change in pension value.* This is the change in present value of defined benefit and actuarial pension plans.

v. *Above-market earnings on deferred compensation which is not tax-qualified.*

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

## **20. RECIPIENT EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)**

(a) This award and employees working on this financial assistance agreement will be subject to the whistleblower rights and remedies in the pilot program on Award Recipient employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub.L. 112-239).

(b) The Award Recipient shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C 4712.

(c) The Award Recipient shall insert the substance of this clause, including this paragraph (c), in all subawards or subcontracts over the simplified acquisition threshold. 48 CFR § 52.203-17 (as referenced in 48 CFR § 3.908-9).

---

---

CASITAS MUNICIPAL WATER DISTRICT  
MEMORANDUM

---

---

**TO:** BOARD OF DIRECTORS  
**FROM:** STEVE WICKSTRUM, GENERAL MANAGER  
**SUBJECT:** REVISED DRAFT WATER ALLOCATION AND EFFICIENCY PROGRAM  
**DATE:** JUNE 5, 2015

---

**RECOMMENDATION:**

It is recommended that the Board of Directors adopt the revised Water Efficiency and Allocation Program.

**BACKGROUND:**

The District adopted a Water Efficiency and Allocation Program (WEAP-1992) by Ordinance No. 92-7. At that time the District was concerned that the customer water demands on Lake Casitas were exceeding the Lake Casitas supply. The goal of the WEAP-1992 was to establish an allocation program to ensure the management of supplies and demands. The WEAP-1992 established stages of action with accompanying rate schedules, excessive use charges, conservation classifications, aggregated agricultural allocation, reserve allocations, water banking criteria, and requirements for water determined to be exported out of the Casitas boundaries. Many, if not most of the elements that were established in the WEAP-1992 were not implemented by the District or customers.

Since 1992, the issues that warrant the need to revise the WEAP-1992 are related to the development of the Casitas Urban Water Management Plan, Prop 218 and 26, the difficulties in implementation the billing equation in the billing software, and now the District is faced with the demands of the State to reduce water use 32 percent in light of the current statewide drought. In April 2015, the Board declared that a Stage 2 condition exists for Lake Casitas, which would move the mandatory adherence to reduce water demands to levels that are below the 80% of 1989 in district water consumption from Lake Casitas.

**DISCUSSION:**

The key areas of revision to the WEAP are as follows:

- The deletion of the clauses that provide for Water Banking, Reserve Allocations, Conservation Service, Discounts, Excessive Water Use Charges, Tiers, and the Billing Equation;
- The method of assignment for individual allocations for each classification;
- Individual allocations assignment for agricultural classification customers;

- Adding the assignment of allocation for multi-family residential classification;
- Providing the opportunity to develop memorandum of understandings with resale agencies, where applicable, to pre-determine allocation assignments annually and coordinate demand reduction measures and penalties in an equitable manner;
- Including the setting of reservoir levels for implementing stages for the WEAP, as defined by the Board in 2007;
- Setting certain demand management measures and actions that may be applied by the Board of Directors based on storage level in Lake Casitas; and
- Establishing separation between the water rates that are based on cost of service from that of a conservation penalty for water use in excess of an individual allocation, in a manner that is compliant with Prop 218 and Prop 26 requirements.

The WEAP has been reviewed by the Water Resources Committee on May 26, 2015, and by the Board during the May 28, 2015 regular meeting. The constructive comments received from the Board and public on May 28<sup>th</sup> have been incorporated into the current draft WEAP.

If there any questions in this regard, please do not hesitate to ask me.



## **WATER EFFICIENCY AND ALLOCATION PROGRAM**

### **Casitas Municipal Water District**

**2015**

#### **SECTION 1: INTRODUCTION**

In 1992 the Casitas Municipal Water District (Casitas) adopted a series of ordinances, resolutions, and a Water Efficiency and Allocation Program (WEAP) in response to the increasing water demands and declining water storage in Lake Casitas experienced during the 1987-1991 drought period. The collective work in 1992 set the starting point for a system of water allocation assignments and demand response criteria that are based on the level of water storage in Lake Casitas. Since 1992, there has been a significant outreach by Casitas to raise the public's awareness on the importance to conserve local water supplies, changes in the water supply and demand, regulatory compliance directives pursuant to the Endangered Species Act (ESA), and system outage events that temporarily activated Casitas' emergency response plan. All of these factors, including the responses and experiences of the current drought, are considered in the update of the Water Efficiency and Allocation Program.

##### **1.1 Purpose and Principles of the Plan.**

The purpose of this update of the WEAP is to provide guidance on water supply and demand strategies that (1) conserve the water supply of the Ventura River Project, Lake Casitas and other water resources that are in the direct control of Casitas, for the greatest public benefit, (2) mitigate the effects of a water shortage on public health and safety and economic activity, (3) allocate water use so that a reliable and sustainable supply of water will be available for the most essential purposes under all water storage conditions of Lake Casitas, and (4) adapt to changing conditions of water supply demand and constraints.

The WEAP describes the water demand reduction strategies and measures to address future water shortage conditions, promote water conservation and the efficient use of water, and the application of a conservation penalty to customers who waste water.

##### **1.2 Relationship between this Document, Water Codes, and Other Plans.**

This WEAP shall be guided by State regulations and planning requirements as provided by the California Water Code that provides Casitas with broad powers to implement and enforce regulations and restrictions for managing a water shortage (§71640-71644), to implement water conservation programs (§375--378), to implement allocation-based conservation water pricing (§370-374), and to declare a water shortage emergency (§350-359).

As required by Water Code Section 10632, this WEAP shall be integrated as a part of the Casitas Urban Water Management Plan (UWMP), as amended or updated every five years. The Casitas 2010 UWMP has been accepted and approved by the State Department of Water Resources. The UWMP provides an in-depth description of the Casitas water system, water resources and demands, and water supply reliability. For the purposes of integration and lessening the conflicts due to the replication of

information, the WEAP shall rely on the updates of the Water Code Sections provided in the attached Appendices and UWMP, as amended or updated every five years.

## **SECTION 2: WATER SUPPLY AND DEMAND CONDITIONS**

### **2.1 Water Supply.**

The water supply for Casitas is derived from (1) the watersheds that flow directly and indirectly by diversion from the Ventura River of water during wet years to carryover storage in Lake Casitas for use during dry years, and (2) groundwater to the extent that Casitas has its own groundwater supply. The watersheds of the Ventura River region are subject to an extreme variation in the weather patterns, ranging from multiple years of drought to sometimes significant wet year events that are associated with El Nino conditions that add to the uncertainty of available local water supplies.

#### **2.1.1 Surface Water.**

The primary goal of Casitas is to provide a safe and reliable water supply. Due to the uncertainty of weather conditions that provide water to the local watersheds, a safe yield modeling has been implemented to provide guidance on water supply availability. The safe yield modeling criteria for the Casitas surface water supply provides a theoretical rate of decline in available water supply during a critical drought period, that if given a specific annual extraction rate from storage, that would reduce Lake Casitas to an exhausted minimum pool.

The sizing of Lake Casitas storage volume and the determination of the annual safe yield of water from Lake Casitas was originally determined by the Bureau of Reclamation in 1954, based on the hydrologic modeling for the critical drought period that started in 1919 and continued through 1936. The storage volume of the off stream reservoir, Lake Casitas, was set to be 254,000 acre-feet and the annual safe yield was determined to be 28,000 acre-feet. In 2004, Casitas recalculated the annual safe yield of Lake Casitas for the drought period of 1944 to 1965 based on newer knowledge of the diminished value of Matilija Reservoir and its impending removal, and the change in Robles Diversion operations resulting from the 2003 Biological Opinion established by the National Marine Fisheries Service pursuant to the federal Endangered Species Act. The recalculated annual safe yield of Lake Casitas was determined to be 20,840 acre-feet per year.

The safe yield trend for the 1944-1965 critical drought period is illustrated in Figure 1, with the assumption that the critical drought period begins with a full reservoir. The modeling applies the hydrology, river diversions operations, and lake evaporation for the period (1944-1965) that contribute to the Lake Casitas storage. The safe yield is a constant extraction rate from lake storage that contribute to the decline in Lake Casitas storage during the critical drought period, taking lake storage from full capacity to a minimum pool condition. Based on the safe yield model with a continuous and steady extraction rate, or safe yield, of water at 20,840 acre-feet each year, Lake Casitas would decline from full storage to minimum pool in approximately twenty years.

Also included in Figure 1 is the Recovery Period of Lake Casitas, which illustrates the actual filling rate experienced at Lake Casitas during the 1959 to 1978 period. The recovery of the Lake Casitas volume during the Recovery Period that is illustrated in Figure 1 cannot be assumed as the normal or common sequence given the variability of the rainfall amounts in the Ventura River watershed, constraints, and other influences to Lake Casitas inflow and storage. Casitas may experience elevated water supply risks that could be associated with a delay in the start of the recovery period

while at minimum pool in Lake Casitas, or there could be a condition where the critical drought period begins with a partially recovered storage level in Lake Casitas.

The availability of the Lake Casitas supply can be influenced or impacted by long-term droughts, changes to lake water quality, and/or changes to diversion and storage conditions. The safe yield of Lake Casitas and annual water availability may need to be reconsidered in the future as a result of changing conditions or new information that differs from the present conditions.

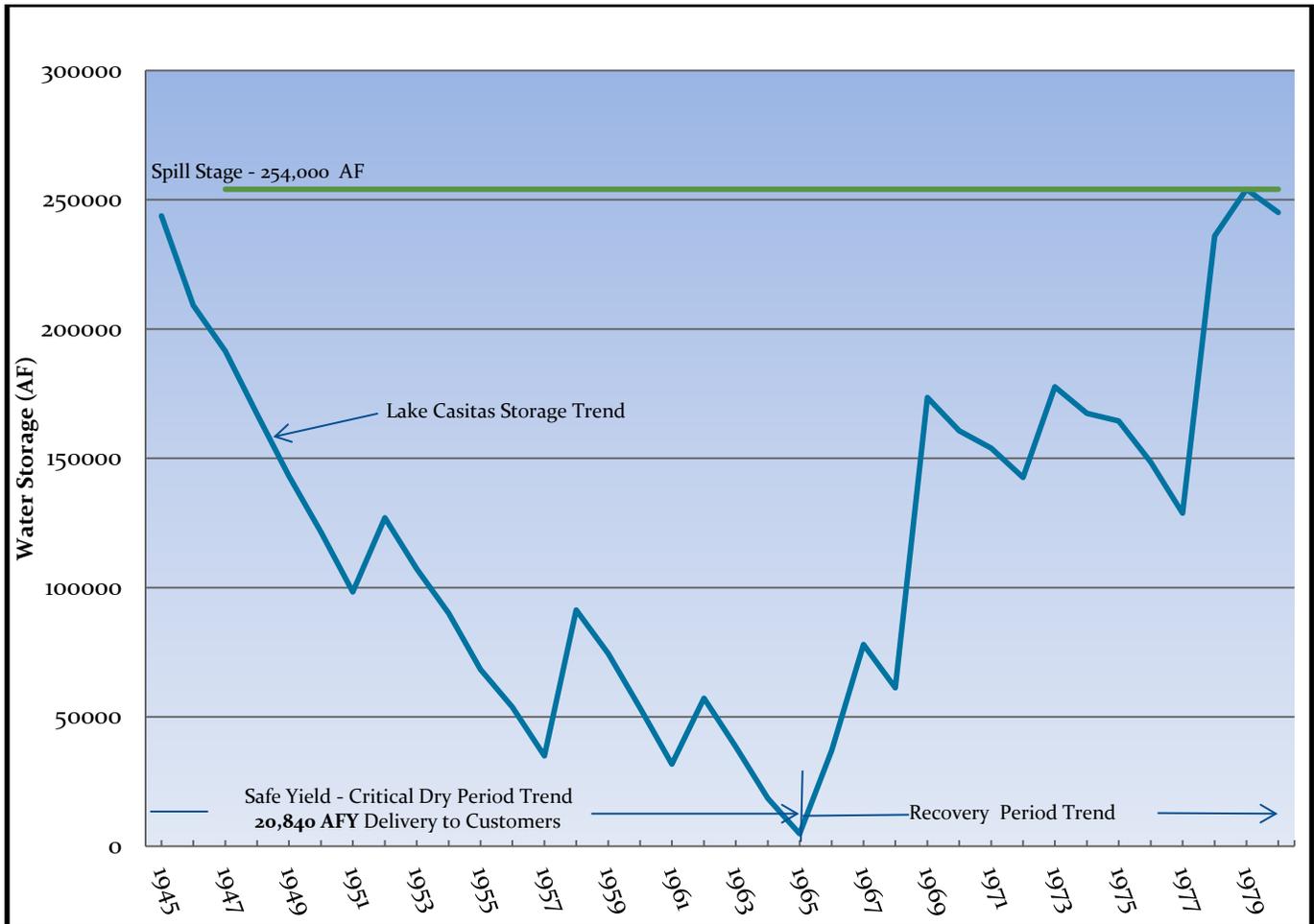


Figure 1 – Lake Casitas Safe Yield Storage and Recovery Period Trends

### 2.1.2 Groundwater.

Within Casitas' district boundaries, there are several local groundwater basins that are primary and critical sources of water supply for other local water purveyors (public, mutual and private), individual residential use and agriculture. During extended periods of drought with several years of less than average rainfall (20-inches) the local groundwater basins can become depleted due to pumping, natural drainage and evapotranspiration. The Lake Casitas surface water supply serves as a back-up water supply to the groundwater supply during times of extended drought.

Table 1 – Groundwater Basins of the Ventura River Watershed

Groundwater Basin	Acres	Max. Capacity (AF)	Approx. Safe Yield (AF/Yr.)
Upper Ojai	2,840	5,681	Unavailable
Ojai Valley	6,471	85,000	5,026
Upper Ventura River	9,360	35,118	9,482
Lower Ventura River	6,090	8,743	2,130

Source: Ventura River Watershed Council

The groundwater basins have demonstrated an ability to recharge rapidly in any one year with sufficient rainfall events, upon which time groundwater becomes the preferred source for those with well pumping access to the groundwater basins.

## 2.2 Water Demand.

The Casitas Board of Directors has established that the average long-term demand upon Lake Casitas must not exceed the annual safe yield of Lake Casitas supply. As a result of the 1987-1991, multi-year drought that resulted in water demands exceeding the annual safe yield, Casitas implemented specific actions in 1992 to limit water demands. The actions included the declaration of a voluntary twenty percent reduction in water demand, the assignment of water allocations based on 80 percent of FY1989-90 water usage that reflects a reduction in demand that comports more closely to safe yield of the Lake Casitas Supply, the implementation of water conservation measures to assist water users in adapting to less water consumption, and the limiting of new water service connections and expansions of agricultural plantings. Table 2 provides a comparison of classification water use, from prior to the action being taken by Casitas, to the level of water use during the recent drought. The FY 1989-90 water demand is recognized as being a high extreme water demand year at the end of the four year drought period.

Table 2 – Water Use Comparison by Customer Classification

Classification	No. of Service Connections		Water Demand – Lake Casitas (AF)		
	FY 1989-90	FY 2013-14	FY 1989-90	FY 2012-13	FY 2013-14
Residential	2424	2700	1603	1678	1738
Business	93	108	821	663	724
Industrial	12	9	155	23	22
Other	33	41	530	244	255
Resale Gravity	8	8	7724	4642	5614
Resale Pumped	15	15	1027	551	1182
Irrigation	253	251	11706	7978	9385
Interdepartmental	21	21	343	120	119
Temporary			11	13	55
Total	2,859	3,153	23,909	15,899	19,094

The local groundwater resources of the Ojai Valley and Ventura River provide on average 7,385 acre-feet per year (Daniel B. Stephens, 2010) to municipal, residential and agricultural pumpers. During multiple dry years, the groundwater basins become depleted and groundwater demands are met by supplementing groundwater supply from the Lake Casitas supply. In most cases, groundwater pumpers have a water service connection to Casitas as a backup supply of water. During any year or multiple dry year sequence of less than average rainfall, Casitas can anticipate that a portion of the 7,385 acre-feet of groundwater demand may be supplemented by the Lake Casitas supply. When

groundwater basins are restored by rainfall events, groundwater pumpers convert back to the less expensive groundwater supply. The demand shifts are illustrated in Table 2 and Figure 2 for various classifications of water consumers. The FY 1989-90 and FY 2013-14 water demands occurred at the end of a three-year drought sequence.

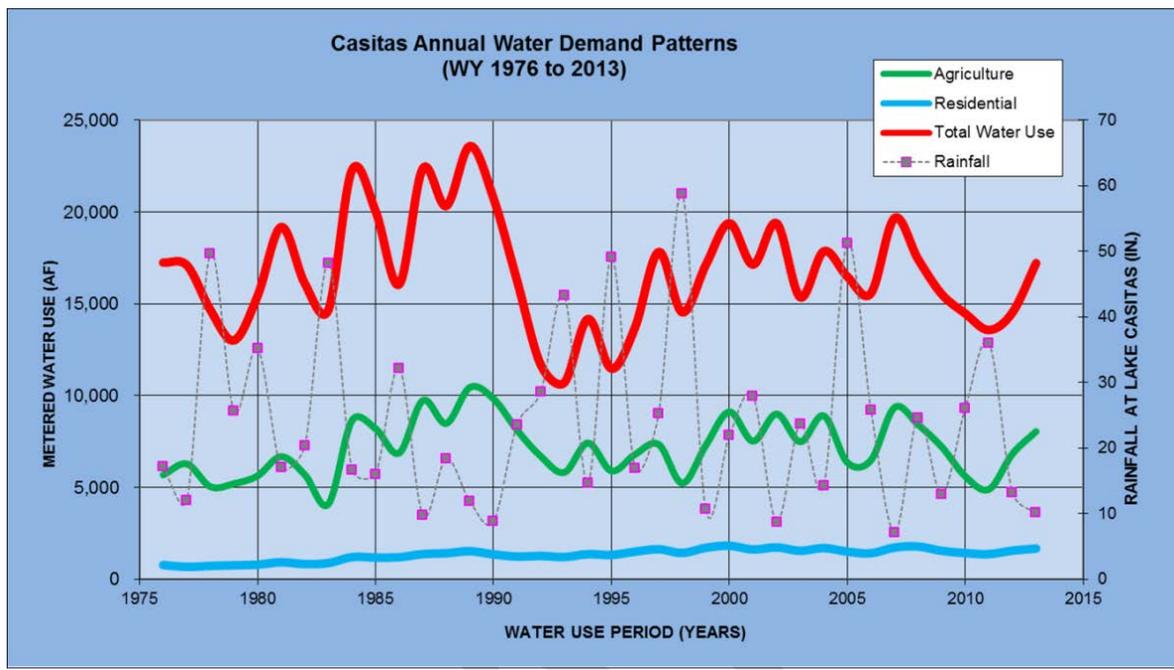


Figure 2 – Casitas Annual Demand Patterns

### 2.3 Priorities of Water Use.

Casitas recognizes the following priorities for potable water:

- 1) Public safety, health and sanitation;
- 2) Economic sustainability; and
- 3) Quality of life for the district’s customers.

Within each of the customer classifications there may be water uses that are considered non-essential to public health and sanitation and may have no significant impact to the economic productivity of the western Ventura County. The non-essential water uses may be asked at any time to be curtailed during times of extreme water shortages.

Casitas recognizes that the agricultural crops in western Ventura County are primarily tree orchards that require a substantial period of time before becoming productive, and if fallowed will experience several years of non-production. To maintain water supplies into the future that will meet the local water demands, Casitas and the public may be faced with additional decisions on water use reductions that may impact the agricultural classification.

## **SECTION 3: WATER SHORTAGE EMERGENCY ACTIONS**

### **3.1 Urban Water Contingency Analysis.**

Water Code 10632 requires that the agency’s Urban Water Management Plan provide an urban water shortage contingency analysis that includes specific elements that are within the authority of the

urban water supplier. The required water shortage analysis is performed in the Casitas 2010 Urban Water Management Plan, and is further supported by this WEAP and the Casitas Emergency Response Plan, as amended.

### **3.2 Water Shortage Emergencies.**

Water Code §350-359 provides that the governing body of a distributor of a public water supply may declare a water shortage emergency condition to prevail within the service area whenever it finds and determines that the ordinary demands cannot be satisfied without depleting water supplies to the extent that there would be insufficient water for human consumption. When deemed as a water shortage emergency in accordance with Water Code 350, Casitas shall follow the procedures provided by the Water Code in the implementation of the water shortage declaration and actions.

The State of California, through its authority under the Water Code and Government Code, may declare a water shortage emergency and require curtailment of water use that is above and beyond the requirements of the Casitas WEAP. Customers of Casitas must respond and comply with the orders of the State in a timely manner. A failure to comply may cause the State to impose fines and penalties that will be redistributed to the customers of Casitas in a manner determined by the Casitas Board of Directors.

### **3.3 Water Shortage Contingency Plan.**

The District has prepared a Water Shortage Contingency Plan (Resolution 92-11), and further defined in the Casitas Urban Water Management Plan, that addresses emergencies under short-term, catastrophic events, and long-term water shortages that may occur as a result of a prolonged drought.

A water shortage emergency may be determined to exist in the event of a short-term interruption of water supply or as a result of long-term diminishment of the Lake Casitas water supply. A short-term interruption of water supply can be the result of earthquakes, regional power outages, landslides, or other major and minor events that impact Casitas water facilities or supply. These events are more often a short term interruption of water supplies until the water system can be restored to the customers. A long-term or district-wide condition may be the result of drought conditions or a reduction in local water supplies that will require long-term water supply-demand management.

The Casitas response to a short-term interruption of water supply may cause the implementation of the Casitas Emergency Action Plan that is structured under the State's Standardized Emergency Management System (SEMS), in coordination with federal, state and county emergency response planning that provides the framework for an organized response to catastrophic events.

### **3.4 Water Waste Prohibitions on Certain Uses.**

Water Code § 71640 provides the District the authority to restrict the use of district water during any emergency caused by drought, or other threatened or existing water shortage, and the district may prohibit the wastage of district water or the use of district water during such periods for any purpose other than household uses or such other restricted uses as the district determines to be necessary. The District may also prohibit use of district water during such periods for specific uses which it finds to be nonessential.

## **SECTION 4: STRATEGY FOR MANAGED WATER SUPPLY AND DEMAND**

### **4.1 Strategy Principles.**

The communities and rural agricultural areas of western Ventura County recognize that there is a reliance on limited local groundwater and surface water supply to serve all of the beneficial uses within the District, and there is a local responsibility required to sustain those supplies during extended drought periods. The continuous implementation of water conservation education and measures (Best Management Practices) has had a significant influence on the beneficial use and sustainability of local water supplies. Ongoing water conservation efforts can ease the impact on normal activities during drought periods, but may not completely eliminate the need for reductions in water use during periods when Lake Casitas water supplies are severely impacted by extended drought. The main mechanism to respond to water supply conditions is to rely on informed customers working in partnership with Casitas to limit water use to no more than the assigned water allocation and support the water use limitations with appropriate conservation penalties for water use in excess of the assigned, or adjusted, allocation.

To address the water shortage risk that may occur during an extended drought, the Casitas Board established in the Casitas Urban Water Management Plan of 1995 a series of five storage levels of Lake Casitas at which the Board could take actions to restrict the annual water extractions from Lake Casitas. The safe yield trend and the five stages of restrictive actions are illustrated in Figure 3.

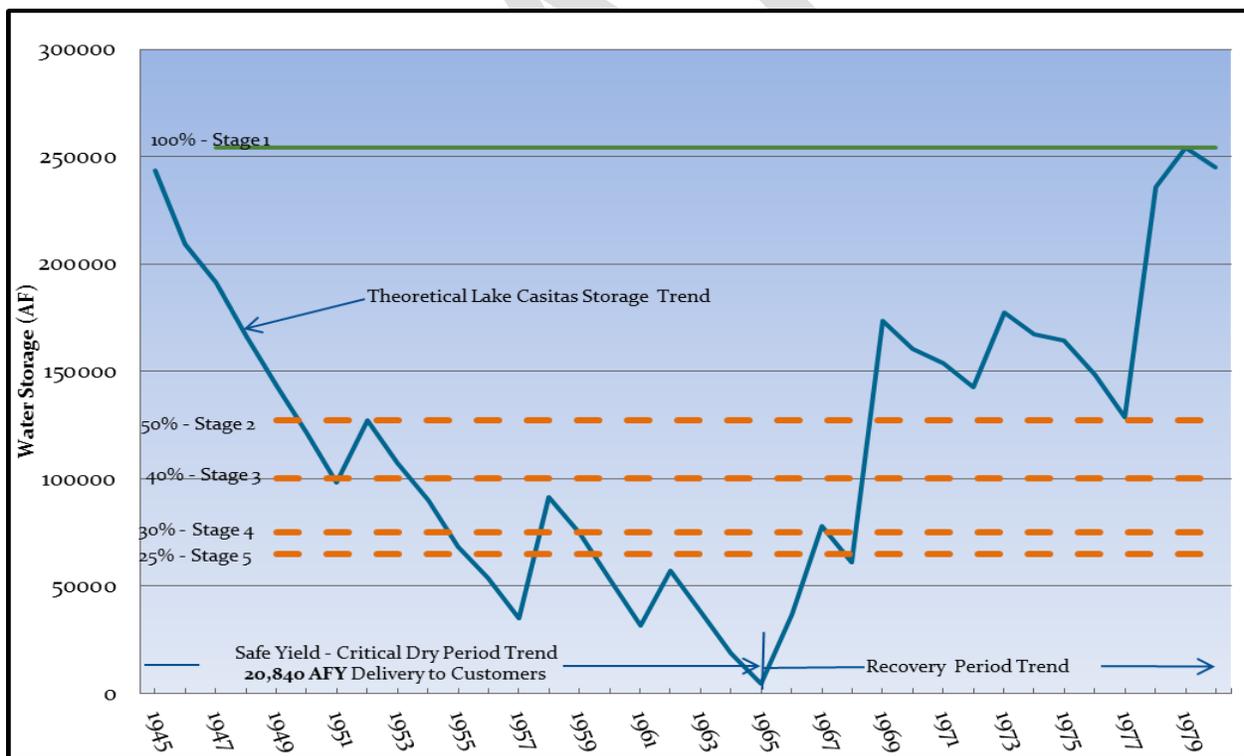


Figure 3 – Lake Casitas Safe Yield Storage Trend and Stages for Demand Reduction

### **4.2 Water Allocation Principles.**

Each and every water service provided by Casitas is metered and a basic water use allocation is established for each customer account that provides a reasonable amount of water for the customer's

needs and property characteristics (WC § 372). The following principles are to be followed for the Casitas water allocations:

- 1) Each Casitas water service shall be assigned either a monthly water allocation in the terms of Units or an annual water allocation in terms of Units and Acre-feet.
- 2) Allocation shall not mean an entitlement or imply water rights in favor of the customer.
- 3) The assignment of allocations shall be based on reasonable and necessary water use, the application of water conservation practices and standards, and other relevant factors associated with water use during Stage 1 conditions at Lake Casitas.
- 4) The Casitas Board of Directors reserve the right to make individual allocation assignments and to change water allocations at any time within each classification based on the changes to the availability of water stored in Lake Casitas, changes in water use that appears to compromise the reliability of the Lake Casitas water supply, and changes in water conservation practices and standards.
- 5) Water allocations provided by Casitas are assigned to property or water purveyors and are not transferrable from one property or water purveyor to another.
- 6) Casitas' water allocations shall not be sold, exported, bartered or traded by or between Casitas' customers.
- 7) Casitas water allocated shall not be transported from the property or by any agency served to any other property or agency without prior written agreement with Casitas.

#### **4.3 Allocation Assignments to Water Service Classifications.**

Casitas has established the definitions of water customer classifications as provided by the Casitas Rates and Regulations for Water Service and has made specific allocation assignments to each and every water account by either (1) written agreement, or (2) the application of historical water use data, or (3) the application of documented water use standards. Where deemed necessary by Casitas, Casitas may perform site specific water use audits and survey to determine the appropriate level of allocation to be assigned to any one service connection or customer. Water allocations may change by action of the Casitas Board of Directors based on the Lake Casitas storage level or trend, water use trends, and the performance by customer classification in meeting water consumption reduction goals.

The following subsections describe the method used to assign the water allocation for each classification of water service at **Stage 1** condition:

##### **Business**

- 1) Water allocation shall be specified as an **annual** allocation based on a fiscal year (July 1<sup>st</sup> to June 30<sup>th</sup>).
- 2) Allocation assigned by recorded agreement; or
- 3) Where not defined by recorded agreement, the lesser of the historical water consumption recorded for either the 80% of the 1989-90 water use or the Fiscal Year 2012-13 water use.

##### **Fire**



There is no water allocation for the Fire classification. This water use is for emergency only, and not a part of a continuing annual water use.

### **Industrial**

- 1) Water allocation shall be specified as an **annual** allocation based on a fiscal year (July 1<sup>st</sup> to June 30<sup>th</sup>).
- 2) Allocation assigned by recorded agreement; or
- 3) Where not defined by recorded agreement, the lesser of historical water consumption recorded for either the 80% of the 1989-90 water use or the Fiscal Year 2012-13 water use.

### **Interdepartmental**

- 1) Water allocation shall be specified as an annual allocation based on a fiscal year (July 1<sup>st</sup> to June 30<sup>th</sup>).
- 2) The **annual** allocations for individual Interdepartmental classification services shall be based on the Fiscal Year 2012-13 water use.

### **Irrigation (Commercial Agriculture)**

- 1) Water allocation shall be specified as an **annual** allocation based on a fiscal year (July 1<sup>st</sup> to June 30<sup>th</sup>).
- 2) Qualifying acreage for each Irrigation account shall be limited to acreage that can be identified as under irrigation prior to March 1, 1992. There will be no allocation for irrigation acreage that has been expanded after March 1, 1992, except as otherwise approved in written and recorded agreement between Casitas and the property owner. Casitas' records and mapping will be the standard for the identification of lands in irrigation prior to March 1, 1992.
- 3) Allocation assignments to lands served by multiple meter services shall consider the proportion of the allocation that each meter is intended to serve. The aggregation of meter readings and allocations from multiple meters shall not be allowed.
- 4) The Stage 1 water allocation assigned to each Irrigation water account is the greater volume of either (1) the water use recorded at each meter service during fiscal year 2012-13 or (2) eighty (80) percent of recorded water volume metered to the account in fiscal year 1989-90, neither of which shall exceed a water volume of 3 acre-feet per acre applied to the qualifying acreage.
- 5) The residential water use for Agricultural/Domestic classification that is directly associated with the Irrigation shall be considered as Irrigation for purpose of allocation assignments and meeting the demand reduction requirements for Irrigation.

### **Multi-Family Residential**

- 1) Stage 1 water allocations are assigned to each existing Multi-Family Residential account by either a recorded agreement or based on the standards set in 1992 by Casitas.
- 2) The Multi-Family Residential water allocation for each account shall be distributed by either a monthly or bi-monthly scheduling of the allocation.
- 3) A part of the Multi-Family Residential allocation is provided for health and sanitation and shall be set at **84 units per year per dwelling**, distributed evenly each month as 7 units per month for each dwelling.
- 4) The essential water use portion of the allocation is not subject to adjustment by the Staged Demand Reduction Program, unless otherwise deemed by the Board to be a necessity during extreme water supply conditions or during emergencies.

- 5) The part of the Multi-Family Residential allocation that is in excess of the essential allocation shall be specified as a monthly allocation and distributed proportionally to reflect varying seasonal water use, as follows:

Month	July	August	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
% of Total Annual Allocation	.17	.17	.12	.05	.05	.05	.02	.02	.02	.10	.10	.12

The part of the Multi-Family Residential allocation that is in excess of the essential allocation is subject to adjustment by the Staged Demand Reduction Program.

- 6) Where not previously assigned a residential allocation, a residential allocation shall be based on the following:
- a. The essential health and sanitation portion of the residential allocation shall be set at **84 units per year per year per dwelling**, and be constant for each month of the year;
  - b. Non-essential portion of the annual residential allocation shall be based on a maximum limit of 1.99 acres (86,684 square feet) of irrigated landscape area and set as follows:
    - i. For the first 5,000 square feet of landscape area, 15 gallons per square foot;
    - ii. For the next 10,000 square feet of landscape area, 10 gallons per square foot
    - iii. For the next increment up to 71,684 square feet of landscape area, 3 gallons per square foot;

**Other**

- 1) Water allocation shall be specified as an **annual** allocation based on a fiscal year (July 1<sup>st</sup> to June 30<sup>th</sup>).
- 2) Allocation assigned by recorded agreement; or
- 3) Where not defined by recorded agreement, the lesser of historical water consumption of either the 80% of the 1989-90 water use or the Fiscal Year 2012-13 water use.

**Resale**

- 1) Water allocation shall be specified as an **annual** allocation based on a fiscal year (July 1<sup>st</sup> to June 30<sup>th</sup>).
- 2) The Stage 1 allocation for each individual Resale customer shall be mutually agreed to by each water agency and Casitas, be incorporated into a memorandum of understanding (MOU), and assigned to provide water to supplement the Resale agency’s primary source of water supply. An annual adjustment to the allocation assignment may be a condition of the MOU.
- 3) An objective of a MOU is to achieve parity between the Resale agency customers and Casitas customers in applying similar overall water use restrictions and financial penalties in each Stage.
- 4) The Resale agency shall determine the reliability of its water sources and ensure that the annual water requirements from Casitas do not exceed their annual water allocation from Casitas.
- 5) The allocation assignment from Casitas shall not be used by the Resale agency for growth within the Resale service area, unless additional allocation for growth is authorized by written agreement with Casitas.
- 6) The Resale agency shall implement water conservation measures in accordance with the State’s or California Urban Water Conservation Council’s Best Management Practices, responsibly maintain water system metering and pipeline systems to reduce water losses, and when necessary or when asked to do so, implement water demand reduction measures similar

to or more restrictive than those imposed by Casitas to assure the continued availability of water for health and safety purposes.

**Residential**

- 1) Stage 1 water allocations are assigned to each existing Residential account by either a recorded agreement or based on the standards set in 1992 by Casitas.
- 2) The Residential water allocation for each account shall be distributed by either a monthly or bi-monthly scheduling of the allocation.
- 3) A part of the Residential Allocation is provided for health and sanitation and shall be set at **120 units per year**, distributed evenly each month as 10 units per month for each dwelling.
- 4) The essential water use portion of the allocation is not subject to adjustment by the Staged Demand Reduction Program, unless otherwise deemed by the Board to be a necessity during extreme water supply conditions or during emergencies.
- 5) The part of the Residential Allocation that is in excess of the essential allocation shall be specified as a monthly allocation and distributed proportionally to reflect varying seasonal water use, as follows:

Month	July	August	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
% of Total Annual Allocation	.17	.17	.13	.05	.05	.05	.02	.02	.02	.10	.10	.12

The part of the Residential Allocation that is in excess of the essential allocation is subject to adjustment by the Staged Demand Reduction Program.

- 6) Where not previously assigned a residential allocation, a residential allocation shall be based on the following:
  - a. The essential health and sanitation portion of the residential allocation shall be set at **120 units per year**, and be constant for each month of the year;
  - b. Non-essential portion of the annual residential allocation shall be based on actual irrigated landscape area of the parcel with a maximum limit to 1.99 acres (86,684 square feet) of irrigated landscape area and set as follows:
    - i. For the first 5,000 square feet of irrigated landscape area, 15 gallons per square foot;
    - ii. For the next 10,000 square feet of irrigated landscape area, 10 gallons per square foot
    - iii. For the next increment up to 71,684 square feet of irrigated landscape area, 3 gallons per square foot;

**Temporary**

- 1) There is no water allocation assigned for the Temporary classification. Temporary water service is not property related on a permanent basis.
- 2) Temporary water use is limited for a short-term of six months or less, for such purposes as construction projects, or short-term water supply emergencies, or temporary backup water to non-metered agricultural parcels.
- 3) Temporary meters that are issued to serve supplemental commercial irrigation shall be temporarily allocated water based on the allocation assignment provided at the time of the application for the Temporary service based on the same water use standards as provided for the Irrigation classification, and reduced by Stage conditions,. The allocation does not extend beyond the period of the temporary water service application of six (6) months, unless the Casitas Board of Directors approves a limited continuance of the temporary service.

#### **4.4 Allocation Adjustments.**

A Casitas customer may request the reconsideration of their initial assigned Stage 1 water allocation within 60 days of the adoption of the WEAP where the request does not include a consideration for either an expansion in the area of use or new construction. The customer shall submit a water allocation adjustment application in order to have their request considered by the General Manager of the District. The information contained on the application may be subject to an audit and, if necessary, additional documentation may be required in order to substantiate the requested adjustment.

Adjustments to water allocations that have been assigned through a recorded Water Service Agreement between the property owner, or prior property owner, and Casitas must proceed through an amendatory agreement, will be subject to the capital facility charges for the amount of water provided as the allocation adjustment, and subject to the availability of water allocations.

Adjustments to water allocations will not be granted in amounts that exceed 80 percent of the FY 1989-90 metered usage of water by the meter service account without prior Board approval.

#### **4.5 Standards for a Water Allocation Adjustment.**

Water allocation adjustments may be considered by Casitas during initiation of the WEAP that appropriately assigns a Stage 1 allocation, to ensure that the needs of the water customer are reasonably balanced against the purpose of this Plan.

Water allocations may be considered for adjustment for:

- a. Correction of irrigable area square footage;
- b. Correction of number of dwelling units (Multi-family accounts only);
- c. Exemption granted for a licensed in-home childcare or elderly care facility;

Water allocations will not be adjusted to accommodate:

- a. Pools, ponds, spas, or hot tubs;
- b. In-home businesses or hobbies that use an increased amount of water;
- c. Gardens and orchards;
- d. Homeowner's Association requirements for turf areas in excess of that water allocation specified by Casitas for a Residential classification;
- e. Where an allocation has been assigned through a recorded agreement.

Agricultural Irrigation Allocation Adjustment Standards:

- a. Limited to acreage planted in commercial agricultural production prior to March 1, 1992. Casitas shall also consider the assignment of an appropriate allocation to lands that are verified as being in a crop rotation status, or temporarily in a fallowed state, having been in a planted status prior to March 1, 1992.
- b. Comparative (same crop type and average use of various parcels) crop usage in FY2012-13 for full irrigation, not to exceed 3 AF/AC/YR, which is located within a 1-mile circumference of the parcel seeking the appeal for a change in water allocation.

#### **4.6 Appeals Process.**

Customers that are denied an adjustment of water allocation may request a review of the request by submitting a written appeal to the Casitas Water Resources Manager stating the nature of the appeal. The appeal shall be reviewed by the Casitas Water Resources Manager and a recommendation shall be reported to the General Manager. The decision of the General Manager shall be reported to the customer in written form. If the customer is not satisfied with the General Manager's decision, the customer must request within 10 days that the appeal be placed on the agenda of the Casitas Board of Directors. The determination by the Board of Directors shall be final.

#### **4.7 Availability of Allocations.**

The determination of supplies being available for issuance of new allocations of water shall be made upon staff recommendation at a regular Board of Directors meeting. The determination that water is or is not available shall be within the determination of the Board of Directors. The determination that a supply is available shall be based upon more detailed information about existing supplies, the availability of new supplies, new water supply projects, or contracts or proposed contracts for additional supplies where, in the opinion of the Board of Directors, the supply of water is definite enough to provide the assurance to the County of Ventura that there is a forty year supply.

#### **4.8 Allocation for New or Expanded Water Uses.**

A customer may request a change to a water allocation assignment for the purposes of obtaining new or expanded use of water that is associated with a new building permit, new or existing conditional use permit, or agricultural irrigation acreage expansion. The approval of an addition or change to the water allocation for new and/or expanded water allocation is subject to Casitas' discretion on the limits of available water allocation and subject to the charges for new and/or expanded water allocation.

When the Board of Directors determine that additional new water supplies are available, either from the safe yield of the existing CMWD project supply or additional new supplies, supplies shall be allocated in accordance with the following criteria:

- a) No single property owner or applicant for the given type of service (municipal, industrial or agricultural) shall receive a new water allocation greater than 10 percent of the total new available supply or the minimum standard residential allocation, whichever is greater. If the applicant's allocation requirements are not fully met, the applicant may maintain a position of priority until more water is available.
- b) All applicants seeking an allocation shall provide Casitas with a detailed description of the project, the use of water for which the water is sought, and information on peak flow and annual water requirements. Casitas shall determine meter size and amount of allocation based upon reasonable and necessary needs and Casitas' Rates and Regulations.
- c) The amount of water to be allocated shall be at Casitas' sole discretion. The assignment of an allocation shall be limited to the availability of water from the Lake Casitas safe yield, and be based on current water demand factors as adopted by the District and as amended. The amount of water required for the project may be calculated and submitted for the

consideration of Casitas by a civil engineer, registered in the State of California, representing the project proponent.

## **SECTION 5: STAGED DEMAND REDUCTION IMPLEMENTATION**

### **5.1 Staged Demand Reduction Principles.**

The primary source of water that is available to the Casitas Municipal Water District is the amount of water stored behind Casitas Dam, forming Lake Casitas. The quantity of water stored in Lake Casitas is dependent upon the local hydrology, watershed conditions, diversions from the Ventura River, and the outflow from lake evaporation and water deliveries to beneficial uses. There may be times during which Casitas must consider implementing staged water demand reductions to ensure a sustainable water supply and prevent a complete depletion of water supply in Lake Casitas.

The District has assigned five stages of water storage in Lake Casitas that serve as a guidance to triggering the implementation of water use reduction goals and measures. The overarching goals of the Staged Demand Reduction Program are:

- 1) conserving the water supply for the greatest priority and public benefit; and
- 2) mitigating the effects of a water shortage on public health, safety, and economic activity.

### **5.2 Water Resource Conditions and Actions.**

The General Manager shall report to the Board of Directors each year (*April*) with an assessment of the current water storage in Lake Casitas and local groundwater basins, current water use trends, predicted weather conditions, and an evaluation of current water use reduction goals. The time of the reporting can be each April, as the rainfall season is ending and water resources can be evaluated at the maximum for the year, or as Lake Casitas storage reaches a change in Stage action level. The Board of Directors may, at their sole discretion, declare that a Stage condition of water supply in Lake Casitas exists and implement the appropriate demand reduction goals and measures in response to current and/or predicted water availability conditions. Casitas shall make such determinations public and follow with appropriate and timely notification of all customers. Casitas has established the implementation of various Stages of action based on the amount of water in storage in Lake Casitas, as shown in Table 3. An action to declare and implement a Stage may be by either an action by Casitas Board of Directors based on unanticipated changing lake supply conditions or by the following schedule in Table 4.

Table 3 – Stage Conditions

Stage	Stage Title	Lake Casitas Storage - %	Lake Casitas Storage Action Level (acre-feet)
1	Water Conservation	100% - 50%	254,000 to 127,000
2	Water Shortage Warning	50% - 40%	127,000 to 100,000
3	Water Shortage Eminent	40% - 30%	100,000 to 75,000
4	Severe Water Shortage	30% - 25%	75,000 to 65,000
5	Critical Water Shortage	25% - 0%	65,000 to 3,000

Table 4 - Stage Action Schedule

<b>Target Dates</b>	<b>Action</b>
June - April	Monitor water demands, rainfall, reservoir level trend, groundwater trends, and diversion and runoff amounts.
Early April	Staff presents water status report and a recommendation to the Casitas Board of Directors. Publish a notice of a public hearing if changes are recommended.
Late April	Casitas Board of Directors formally declares a Stage, and/or water shortage emergency, adopts recommendations for demand reduction actions.
May	Customer Notification of change in Stage, allocation, and conservation surcharge.
June	Stage demand reduction actions are effective and are implemented.

**5.3 Demand Reduction Goals and Measures.**

The demand reduction goals and measures begin with Stage 1, where reasonable and appropriate water allocation assignments are made to each Casitas service connection and the end water users are implementing the Best Management Practices that conform to State requirements for water conservation and water use efficiency measures. Upon determination of a Stage 2 condition and continuing through Stage 5 conditions, the primary actions to achieve the demand reduction goal is the adjustment of allocations that were made available for each classification during Stage 1 by a reduction of the allocation during the duration of the declared Stage condition.

**5.4 Stage Adjustments to Allocations.**

The five stages of storage in Lake Casitas and the initial guideline for water allocation adjustments for each classification at each Stage are presented in Table 5. Upon recommendation of the General Manager and approval of the Board of Directors at the onset of a specific Stage, the District shall apply appropriate demand reduction factors to the allocations for each customer classification, as deemed necessary. The Board of Directors retain the sole discretion to make allocation changes as a result of declaring a change in Stage, or during any Stage, that are more or less severe than that provided in Table 5. Examples of applying this discretion may include, but not be limited to, the change in any water resource conditions or the demand reduction goals are not being attained by the customer classification.

Table 5 – Staged Water Demand Reductions for Water Classifications

<b>Demand Reduction Stage</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Volume Range of Lake Casitas	254,000 to 127,000	127,000 to 100,000	100,000 to 75,000	75,000 to 65,000	65,000 to 3,000
% Lake Storage	100% - 50%	50% - 40%	40% - 30%	30% - 25%	25% - 0%
Water Use Reduction Response Goal	20%	20%	30%	40%	50%
Residential & Multi-Family Residential Essential Use Non-essential Use	0% 20%	0% 20%	0% 50%	0% 80%	0% 100%
Business	20%	20%	30%	40%	50%
Industrial	20%	20%	30%	40%	50%
Other	20%	20%	30%	40%	50%
Resale	20%	20%	30%	40%	50%
Irrigation	20%	20%	30%	40%	50%
Interdepartmental	20%	20%	30%	40%	50%

Note: Initial Stage 1 Allocations include a 20% reduction from the 1989-90 demands.

Essential Use Allocations will remain the same and not adjusted, except as otherwise determined by the Board to be a necessity to preserve water supply during extreme conditions. The measures to achieve the demand reduction goal may be selected from a menu of options as provided in Table 6, or should water supply conditions become worse than anticipated the Casitas Board may adopt more stringent requirements as deemed necessary.

### **5.5 Customer Notification.**

The customers of each and every classification shall be notified in a timely and appropriate manner of any and all actions to declare and implement Demand Reduction Stage. The methods of communication to the customer shall be through direct mailings, public meetings, and billing information that provides the customer the comparison of water use with allocation.

### **5.6 Water Rates and Conservation Penalty.**

The Casitas Board of Directors shall annually consider the setting or adjustment of water rates that reflect the cost of water service, consistent with State law. Casitas has implemented a four tier inclining rate structure for the Residential and Multi-family Residential classifications that represents the proportional cost of service that is attributable to the parcel that is served water.



The Casitas Board of Directors shall annually set the Conservation Penalty for each classification that will be applied to each individual customer billing for each unit of water that is in excess of the customer's allocation, or the adjusted allocation pursuant to a change in Stage. The Conservation Penalty is a regulatory fee that is imposed to curtail the potential for adverse effects of excessive water consumption. Upon determination of a change in Stage, or at such time the Board deems that the customer response does not appear to attain the desired demand reduction goals, the Board may consider the modification of the Conservation Penalty. Revenues recovered from the Conservation Penalty will supplement Casitas' water conservation costs and provide revenue for water shortage related projects.

Implementing changes to the WEAP will require utility billing system software changes to incorporate the Stage allocations as directed by the Board, as well as including the water use information and Conservation Penalty into the normal billing process.

### **5.7 Appeals for Exception to Staged Adjustments of Allocation.**

A Casitas customer may request consideration of an exception to the staged adjustments of allocation based on the following findings being present:

- 1) The Staged adjustment would cause a condition affecting the health, sanitation, fire protection, or safety of the applicant or the public;
- 2) Strict application of the allotment provisions imposes a severe or undue hardship on a particular business, or renders it infeasible for a business or class of business to remain in operation;
- 3) Hospitals and health care facilities using industry best management practices are eligible for an exception;
- 4) The business has already implemented environmental sustainability measures reducing water consumption to the maximum extent possible.

An exception must be presented to the District in writing with supporting documentation or substantial evidence demonstrating the need for an exemption. The exemption application will be reviewed, approved or denied, by the Casitas Water Resources Manager. Customers that are denied an exemption may request a review of the request by submitting a written appeal to the Casitas Water Resources Manager stating the nature of the appeal. The appeal shall be reviewed by the Casitas Water Resources Manager and a recommendation shall be reported to the General Manager. The decision of the General Manager shall be reported to the customer in written form. If the customer is not satisfied with the General Manager's decision, the customer must request within 10 days that the appeal be placed on the agenda of the Casitas Board of Directors. The determination by the Board of Directors shall be final.

## **SECTION 6: EXPORT OF CASITAS WATER**

Water Code Section 71611 authorizes Casitas to sell water under its control for use only within the jurisdictional boundaries of the Casitas Municipal Water District. The unauthorized export and use of Casitas water beyond the Casitas district boundaries can have significant negative impacts on the Casitas water supply reliability, and therefore shall be prohibited unless specifically authorized in writing by the Casitas Board of Directors. All customers receiving Casitas water into water conveyance systems which cross Casitas boundaries shall meet the following requirements as a condition of service:

- 1) Customers shall submit to Casitas a certified report on the last day of each month that demonstrates that no Casitas water was transported or used outside Casitas boundaries during the prior month without written approval by Casitas.
- 2) Customer shall install and maintain approved metering devices and shall be required to account for all Casitas water delivered in the customer's system.
- 3) In the event Casitas water is exported during any month, the customer shall be billed for exported water at five (5) times the Casitas rate for the Temporary Service classification.
- 4) In the event the customer fails to comply with the conditions of service stated in the above (1) and/or (2), all water purchased in excess of the allocation shall be considered exported water and shall be billed in accordance with the foregoing.
- 5) This Section, Export of Casitas Water, is in effect at all times.
- 6) The exceptions to the export are during a declaration by the Board of Directors of surplus water, and limited to the surplus water or exchange agreement between the Board of Directors and other party.

Continuing or reoccurring violations of this section by any Casitas customer may result in the restriction or disconnection of water service to the customer.

DRAFT

Table 6 – Stage Actions and Water Demand Reduction Measures

<b>Water Shortage Condition</b>	<b>Key Casitas Communications and Actions</b>	<b>Customer Demand Reduction Measures</b>	<b>Penalties And Rates</b>
<p><b>Stage 1</b></p> <p>Supply Range 100% - 50%</p> <p>Demand Reduction <b>0%</b></p> <p><b>(80% of 1989 use)</b></p>	<ul style="list-style-type: none"> <li>• Initiate public information and advertising campaign.</li> <li>• Publicize ways to reduce water consumption.</li> <li>• Coordinate conservation actions with other water purveyors and cities.</li> <li>• Perform water audits and promote water efficient use/conversions.</li> <li>• Conduct water workshops.</li> <li>• Temporary staffing for public inquiries, as needed.</li> </ul>	<ul style="list-style-type: none"> <li>• Water conservation practices requested of all customer classifications.</li> <li>• Adhere to Water Waste Prohibition Ordinance.</li> <li>• Adhere to assigned water allocation or less.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider and implement Conservation Penalty for water use in excess of allocation.</li> <li>• Consider rates for revenue stabilization and cost of service.</li> </ul>
<p><b>Stage 2</b></p> <p>Supply Range 50% - 40%</p> <p>Demand Reduction From Stage 1 Allocation <b>20%</b></p>	<ul style="list-style-type: none"> <li>• Declare Stage 2</li> <li>• Implement demand reductions for each customer classification.</li> <li>• Intensify public information campaign.</li> <li>• Optimize existing water resources.</li> <li>• Intensify leak detection.</li> <li>• Develop appeals staffing.</li> <li>• Consult with major customers to develop conservation plans and water use audits.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue all Stage 1 measures.</li> <li>• Landscape watering restricted to two (2) watering days per week.</li> <li>• Require water audits for large water users; implement recommendations of the water audits.</li> <li>• Businesses display “save water” signage.</li> <li>• Increase public information.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider and implement Conservation Penalty for water use in excess of allocation – response to reduced allocation.</li> <li>• Consider rates for revenue stabilization and cost of service.</li> </ul>
<p><b>Stage 3</b></p> <p>Supply Range 40% - 30%</p> <p>Demand Reduction From Stage 1 Allocation <b>30%</b></p>	<ul style="list-style-type: none"> <li>• Declare Stage 3</li> <li>• Implement demand reductions for each customer classification.</li> <li>• Expand and intensify public information campaign.</li> <li>• Provide regular briefings, publish monthly consumption report.</li> <li>• Hire additional temporary staff in customer service, conservation, and water distribution. Water waste enforcement.</li> <li>• Moratorium on new service connections.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue with Stage 1 and 2 measures.</li> <li>• Reduced water allocations.</li> <li>• Landscape watering restricted to one (1) watering day per week.</li> <li>• No landscape changes unless xeriscape.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider and implement Conservation Penalty for water use in excess of allocation – response to reduced allocation.</li> <li>• Consider rates for revenue stabilization and cost of service.</li> </ul>
<p><b>Stage 4</b></p> <p>Supply Range 30% - 25%</p> <p>Demand Reduction From Stage 1 Allocation <b>40%</b></p>	<ul style="list-style-type: none"> <li>• Declare Stage 4</li> <li>• Implement demand reductions for each customer classification.</li> <li>• Continue to provide regular media briefings.</li> <li>• Scale up appeals</li> <li>• Open drought information center.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue with Stage 1 through 3 measures.</li> <li>• Reduced water allocations.</li> <li>• Landscape watering restricted to one (1) watering day per week.</li> <li>• Implement restrictive Irrigation delivery schedule.</li> <li>• Minimal water for large landscapes.</li> <li>• Consider prohibition of filling swimming pools and fountains.</li> <li>• Implement restrictive Irrigation delivery schedule and quantities greater than 60%.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider and implement Conservation Penalty for water use in excess of allocation – response to reduced allocation.</li> <li>• Consider rates for revenue stabilization and cost of service.</li> </ul>
<p><b>Stage 5</b></p> <p>Supply Range 25% - 0%</p> <p>Demand Reduction From Stage 1 Allocation <b>50%</b></p>	<ul style="list-style-type: none"> <li>• Declare Stage 5</li> <li>• Implement demand reductions for each customer classification.</li> <li>• Minimize outdoor water use and non-essential uses.</li> <li>• Implement aggressive public outreach and education program.</li> <li>• Implement crisis communications plan.</li> <li>• Coordinate with State and local agencies to address enforcement challenges.</li> <li>• Water Shortage Emergency declaration to be considered.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue with Stage 1 through 4 measures.</li> <li>• Reduced water allocations.</li> <li>• Rescind Temporary meters issued.</li> <li>• No turf irrigation.</li> <li>• Implement restrictive Irrigation delivery schedule and quantities greater than 50%.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider and implement Conservation Penalty for water use in excess of allocation – response to reduced allocation.</li> <li>• Consider rates for revenue stabilization and cost of service.</li> </ul>

DRAFT

CASITAS MUNICIPAL WATER DISTRICT

ORDINANCE NO. \_\_\_\_\_

A ORDINANCE ADOPTING AND IMPLEMENTING A  
WATER EFFICIENCY AND ALLOCATION PROGRAM  
FOR ALL CASITAS CUSTOMERS

WHEREAS, in 1989 Casitas evaluated the concern that the water demands within the Casitas boundaries may be exceeding supplies; and

WHEREAS, in 1990, Casitas concluded that the long-term demand upon Lake Casitas shall not exceed the safe yield of Lake Casitas and other Casitas sources of water supply ; and

WHEREAS, in 1992, Casitas restricted the expansion of water service for all classifications of water service until additional water supplies had been identified and made available to allocate to Casitas customers; and

WHEREAS, in 1992, Casitas adopted Ordinance 92-7, the Water Efficiency and Allocation Program (WEAP) which was implemented in the Casitas Rates and Regulations for Water Service for all Casitas customers; and

WHEREAS, in 2004, Casitas evaluated the safe yield of the Ventura River Project under the changed conditions imposed by the 2003 Biological Opinion, pursuant to the Federal Endangered Species Act, for the operations of the Robles Diversion and the inclusion of the change in water supply with the eventual removal of Matilija Dam, concluding that the safe yield of the Ventura River Project is significantly reduced as a result of these changing conditions and that alternative demand reduction measures may be required to balance long-term water supplies and water demands while meeting the needs of the environment; and

WHEREAS, in 2005, Casitas prepared and adopted the 2005 Urban Water Management Plan and established various water storage levels in Lake Casitas as the action triggers for the allocation program set forth in the WEAP; and

WHEREAS, in 2006, Casitas implemented operational measures at the Robles Diversion and Fish Passage Facility to comply with the 2003 Biological Opinion for the restoration of the endangered steelhead trout in the Ventura River, and that the implementation of said operational measures lessened the quantities of water that could be diverted to and stored in Lake Casitas for beneficial uses, and thereby reducing the safe yield of the Ventura River Project; and

WHEREAS, in 2009, the State of California enacted the Urban Water Management Planning Act (SB7X X) that legislated requirements for long-term water resources planning to ensure adequate water supplies to meet existing and future demands for water; and

WHEREAS, Article X, Section 2 of the California Constitution declares that the general welfare requires that water resources be put to beneficial use, that waste or unreasonable use or unreasonable method of use of water be prevented and that conservation of water be fully exercised with a view to the reasonable and beneficial use thereof; and

WHEREAS, California Water Code, Section 375, authorizes a water supplier to adopt and enforce a comprehensive water conservation program to reduce water consumption and conserve water supplies; and

WHEREAS, the application of water allocations, water conservation measures and progressive restrictions on water use set forth herein are intended to provide to the water consumer an effective and immediately available means of conserving water in a manner that is essential to ensure a reliable and sustainable minimum supply of water for the public health, safety, and welfare and to preserve valuable limited water supply, avoid depleting water storage to an unacceptably low level, and thereby lessen the possibility of experiencing severe critical water shortages if dry conditions continue or worsen; and

WHEREAS, California Water Code, Section 71611, provides that a district may sell water under its control, without preference, to cities, other public corporations and agencies, and persons, within the district for use within the district.

WHEREAS, Casitas has reviewed Ordinance No. 92-7 in light of current conditions and has determined that Ordinance 92-7 be superseded by this Ordinance;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Casitas Municipal Water District as follows:

1. Ordinance No. 92-7 is hereby superseded by this Ordinance;
2. The 2015 Water Efficiency and Allocation Program is hereby adopted:
3. The General Manager is hereby directed to implement the procedures, rules and regulations to carry out the components of the 2015 Water Efficiency and Allocation Program.

ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
President, Casitas Municipal Water District

ATTEST:

\_\_\_\_\_  
Secretary, Casitas Municipal Water District

CASITAS MUNICIPAL WATER DISTRICT  
LAKE CASITAS RECREATION AREA

DATE: May 25, 2015  
 TO: Recreation Committee  
 FROM: Carol Belser, Park Services Manager  
 SUBJECT: Recreation Area Monthly Report for April 2015

Visitation Numbers

The following is a comparison of visitations\* for April 2015:

	April 2015	April 2014	March 2015
Visitor Days	48,768	60,368	27,300
Camps	5,137	4,375	3,392
Cars	12,192	15,092	6,825
Boats	350	361	352
Kayaks & Canoes	7	5	9

Fiscal Year to Date Visitation	
2013/2014	474,180
2014/2015	462,580
% Change	-2.446

\*The formulas for calculating the above attendance figures derived from the daily cash reports are as follows:

**Visitor Days** = Daily vehicles + 30 minute passes X 3 + café passes + attendance at special events + annual vehicle decals + replacement decals + campsites occupied + extra vehicles X 4

**Camps** = Campsites occupied + extra vehicles

**Cars** = Daily vehicles + 30 minute passes X 3 + café passes + attendance at special events + annual vehicle decals + replacement decals + campsites occupied + extra vehicles

**Boats** = Daily boats + overnight boats + annual decals + replacement decals

**Kayaks & Canoes** = Daily kayaks and canoes + overnight kayaks and canoes + annual kayaks and canoes

Boating

There were four cables sold for new inspections, five vessels were re-inspected and a total of 693 vessels were retagged. Five vessels failed the first inspection in April 2015.

Operations

The California Department of Fish and Wildlife planted 1400 pounds of rainbow trout on April 10 and 1100 pounds on April 24. It is anticipated that Lake Casitas will receive additional trout plants when the water temperature is cooler in November or December. The front gate improvement project continued and RNT Consulting Inc. continued to work on Casitas' Invasive Species Vulnerability Assessment and Control and Management Plan. The US Forest Service Sundowners Crew cut some hand lines for fire mitigation in the Recreation Area connecting a dozer path to Highway 150. The Park Services Manager attended a quagga workshop organized by the Department of Fish and Wildlife at United Water Conversation District. The third annual Carp Rodeo was held on April 12 with seven participates. Lake Casitas was selected as a venue for a shoreline cleanup hosted by the Ojai Valley Green Coalition April 18.

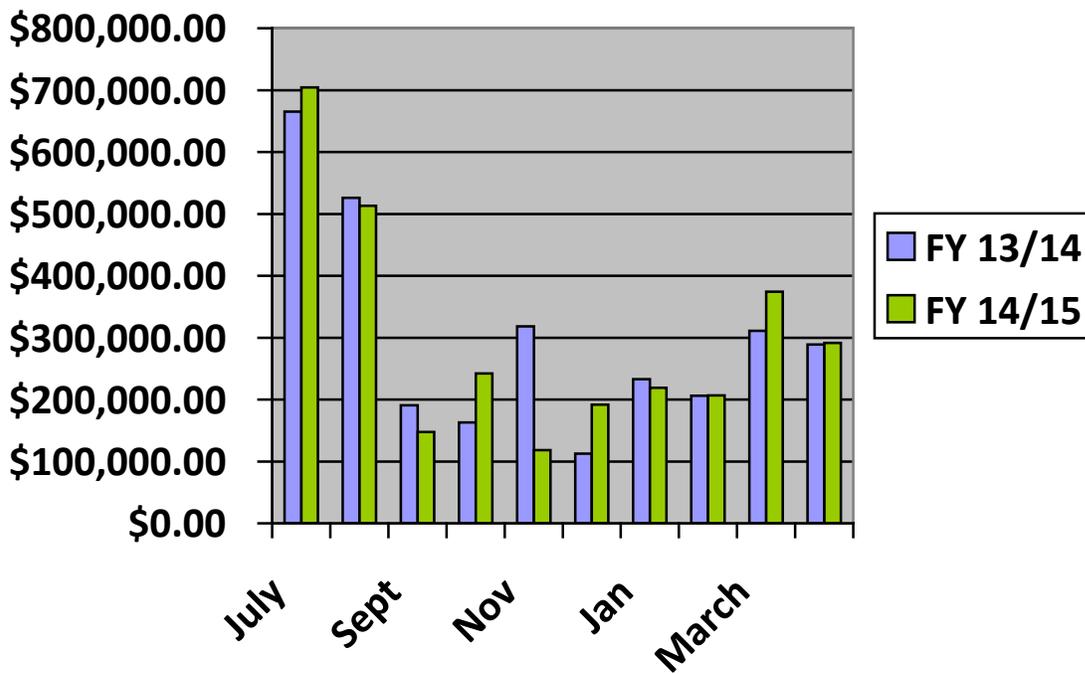
Incidents

Incidents in the Recreation Area for the month of April 2015 that include assistance from outside services: a dog bite, under the influence resulting in an eviction, physical fight resulting in an arrest for violation of restraining order.

Revenue Reporting

The unaudited figures below illustrate all Lake Casitas Recreation Area's revenue collected in the respective month (operations, concessions, Water Adventure, etc.) per the District's Financial Summary generated by the Finance Manager.

LCRA TOTAL REVENUE





**CASITAS MUNICIPAL WATER DISTRICT**

**MINUTES**  
**Water Resources Committee**

DATE: June 1, 2015  
TO: Board of Directors  
FROM: General Manager, Steve Wickstrum  
Re: Water Resources Committee Meeting of May 26, 2015, 2:00 PM

**RECOMMENDATION:**

It is recommended that the Board of Directors receive and file this report.

**BACKGROUND AND OVERVIEW:**

1. **Roll Call.**  
Director Bill Hicks and Director Russ Baggerly  
General Manager, Steve Wickstrum  
Resources Manager, Ron Merckling
2. **Public comments.** None.
3. **Board Comments.** None
4. **Manager Comments.**  
Ron Merckling reported that the County of Ventura is in the process of revising its computer software that develops the reservoir reports shown on the Casitas website. The reservoir storage data is inoperative until the County finishes its software modification.
5. **Discussion regarding the Draft 2015 Water Efficiency and Allocation Program.**  
The Committee reviewed and commented on the contents of the draft Water Efficiency and Allocation Program. It was reported that staff have mailed information to the agricultural customers, noticing of the allocation quantities and seeking questions from the customers. The draft WEAP has been posted for further Board comment during the May 28<sup>th</sup> regular meeting.
6. **Discussion regarding the State Water Resources Control Board Actions.**  
The Committee discussed the State Board's emergency water conservation regulations. The Committee was informed that the General Manager had submitted a letter and email submittal to have Casitas be considered for an in-lieu water conservation standard. Section 865 (c) (2) provides for a consideration of 4 percent conservation standard for an agency that has a minimum of a four-year supply and does not rely on groundwater or imported water from outside of the hydrologic region.

The Committee discussed the State's requirements for the subtraction of agricultural water sales from the total water production considered under the conservation standard. Staff will review and consider the requirement to develop an Agricultural Water Management Plan.

**CASITAS MUNICIPAL WATER DISTRICT**

**MINUTES**  
**Finance Committee**

DATE: June 1, 2015  
TO: Board of Directors  
FROM: General Manager, Steve Wickstrum  
Re: Finance Committee Meeting of May 28, 2015, at 0930 hours, Special Meeting

**RECOMMENDATION:**

It is recommended that the Board of Directors receive and file this report.

**BACKGROUND AND OVERVIEW:**

1. **Roll Call.**  
Director Peter Kaiser and Director Jim Word  
General Manager, Steve Wickstrum  
Accounting Manager, Denise Collin
2. **Public comments.** None.
3. **Board/Management comments.**  
The General Manager informed the Committee of the need to fund regular maintenance of Pump No. 4 at the Ventura Avenue No.1 Pump Plant. Staff has received a bid to perform the maintenance work. The cost to add a stage to the pump unit and perform normal maintenance on the bearings and motor is \$59,365. This cost exceeds current budget of \$47,680. This item will be brought to the Board for consideration of approving the purchase order.
4. **Review of the Financial Statement for April 2015.**  
The Committee reviewed the progress of budget expenditures. Director Kaiser and Director Word commented on the Recreation Operations high overtime costs during the current period, and for the current fiscal year. Denise Collin informed that all taxes have been received for FY 2014-15, which is 101 percent of budget.
5. **Review of the Water Consumption for April 2015.**  
The Committee reviewed the water consumption numbers for the current fiscal year through April 2015. The committee noted that water sales to date are approximately 2,000 acre-feet lower than 2014 (July-May) water sales.
6. **Request for leak relief from Sterling Hathaway in the amount of \$2,444.09.**  
The Committee considered the request for leak relief and will move the request to the Board.
7. **Review of the status of benefitted property charges.**  
Denise Collin presented the current status of the benefitted property charges (BPC). There are six remaining customers with a collective balance of slightly more than \$5,000 that will be paid over the remaining term of the various BPCs. Staff may offer letters to customers to pay off the BPC charges. Further discuss with counsel will be sought by staff.
8. **Discussion on the status of the rate study.**  
Raftelis Financial Consultants are preparing the initial rate study dashboard for staff review. The Committee discussed the meetings to review the model with Raftelis and the schedule for the rate adjustments.

**CASITAS MUNICIPAL WATER DISTRICT**

**MINUTES**  
**Recreation Committee**

DATE: June 1, 2015  
TO: Board of Directors  
FROM: General Manager, Steve Wickstrum  
Re: Committee Meeting of June 1, 2015

**RECOMMENDATION:**

It is recommended that the Board of Directors receive and file this report.

**BACKGROUND AND OVERVIEW:**

1. **Roll Call.**  
Director Bill Hicks and Director Russ Baggerly  
General Manager, Steve Wickstrum  
Park Services Manager, Carol Belser  
Park Services Officer IV, Suzi Taylor  
  
Public: Dee Bennett
2. **Public comments.**  
Dee Bennett reported that the girls rowing team have qualified for the Nationals event and will be competing in Sarasota Florida.  
  
PSO VI Taylor reported that the Ojai Montessori School received a grant for drought related activities.
3. **Board/Management comments.**  
None.
4. **Discussion regarding the status of the Martinelli Study.**  
PSM Belser informed the Committee that the Martinelli study is proceeding. The study is looking at staff work requirements and will result in a decision-making process for the Board. The report is likely to be completed by early June.
5. **WIT II Training of Park Services Officers.**  
PSM Belser reported that two additional Park Services Officers have been trained to inspect and decontaminate boats. The training was provided at Lake Piru. PSM Belser expressed gratitude to Lake Piru staff for the invitation to train.
6. **Thermal Decontamination Policy/Procedures for Emergency Vessels, Lake Treatment and Public Agency Access.**  
PSM Belser presented a new policies and procedures for boat decontamination that is to be limited to urgent access by the District. Such urgent access include, but not limited to, boat for algaecide application, District contractor boats, and Department of Fish and Wildlife boats where a quarantine period would severely impact a work schedule or task. This policy does not provide for the decontamination of public vessels. The policy for public vessels will remain the same. Staff is to follow up with the District's expert consultant to determine the water temperature requirements that are to be in the policy.

7. **Status of Front gate project.**  
PSM Belser reported that the project will be turned over to Casitas on June 19<sup>th</sup>. The contractor has a few remaining tasks to complete, including a slurry seal of the asphalt in the project area. Staff is hopeful to have the gates fully operational by July 1<sup>st</sup>. The gates were operational during the Memorial Day weekend, with good results in moving visitors into the park.
8. **Status of the California Division of Boating and Waterways Launch Ramp #`1 Extension.**  
PSM Belser informed the Committee that the State has delayed approval of the ramp project due to staffing changes. Casitas staff is continuing to call and ask for approval of the project. There is some question in a possible lessening of the ramp width. Staff provided additional information to the State to support a same ramp width design.
9. **Review of April Recreation Reports.**  
PSM Belser presented the report to the Committee. PSM Belser stated that while day use is trending downward, camping continues to be strong. The final report will be provided as information in the next Board agenda.
10. **Review of Incidents and Comments.**  
PSO IV Taylor summarized the incidents occurring at the LCRA that will appear in summary form in the Recreation Report. In summary, there were 449 customer contacts in April, 30 citations issued, 2 evictions, 1 arrest by federal law enforcement, and 13 assists from outside agencies. Staff made approximately 27 leash violations corrected that were mostly related to morning walkers along the road to the event area.



**Consumption Report**

**Water Sales FY 2014-2015 (Acre-Feet)**

Classification	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Month to Date	
													2014 / 2015	2013 / 2014
													Total	Total
AD Ag-Domestic	391	706	398	712	355	368	59	109	127	413	365		4003.12	4697
AG Ag	341	518	432	550	374	234	67	83	99	347	233		3277.76	3599
C Commercial	91	99	93	79	43	29	9	11	16	26	42		538	640
DI Interdepartmental	18	3	22	4	10	37	6	4	2	5	12		123	115
F fire	0	0	0	0	0	0	0	0	0	0	0		0	1
I Industrial	1	6	1	3	2	3	2	2	0	3	2		25	18
OT Other	27	34	24	24	16	10	3	6	3	7	12		166	232
R Residential	212	132	224	116	180	86	99	51	82	63	127		1372	1634
RS - P Resale Pumped	68	174	157	178	104	97	29	15	13	27	35		897	1120
RS - G Resale Gravity	548	608	615	647	419	322	158	202	346	515	452		4832	5276
TE Temporary	2	6	6	4	3	1	0	0	0	4	3		29	53
<b>Total</b>	1699	2286	1972	2,317	1506	1187	432	483	688	1410	1283	0	<b>15,263</b>	<b>17,383</b>
<b>Total 2013/2014</b>	2014	1910	2301	2122	1951	1437	1145	1713	1022	765	1003	1710	<b>N/A</b>	<b>19093</b>

**Casitas Municipal Water District**  
**CFD No. 2013-1 (Ojai) - Monthly Cost Analysis**  
**2014/2015**



05/06/2015

	<b>Services &amp; Suplies</b>	<b>Legal Fees</b>	<b>Labor Expense</b>	<b>Other Services</b>	<b>Total Expenses</b>
<b>2011 / 2012</b>	<b>-289.50</b>	<b>42,560.00</b>	<b>11,098.37</b>	<b>0.00</b>	<b>53,368.87</b>
<b>2012 / 2013</b>	<b>831.82</b>	<b>223,462.77</b>	<b>14,836.68</b>	<b>0.00</b>	<b>239,131.27</b>
<b>2013 / 2014</b>	<b>29.89</b>	<b>91,878.06</b>	<b>3,835.65</b>	<b>0.00</b>	<b>95,743.60</b>
July	0.00	0.00	0.00	0.00	0.00
August	0.00	840.00	0.00	0.00	840.00
September	0.00	96.00	0.00	0.00	96.00
October	0.00	22,258.61	0.00	0.00	22,258.61
November	0.00	696.00	0.00	0.00	696.00
December	0.00	2,134.00	0.00	0.00	2,134.00
January	0.00	510.00	0.00	0.00	510.00
Feburary	0.00	2,894.00	0.00	0.00	2,894.00
March	0.00	4,140.09	0.00	0.00	4,140.09
April	0.00	7,076.16	0.00	0.00	7,076.16
May	0.00	0.00	0.00	0.00	0.00
June	0.00	0.00	0.00	0.00	0.00
<b>Total Cost YTD</b>	<b>0.00</b>	<b>40,644.86</b>	<b>0.00</b>	<b>0.00</b>	<b>40,644.86</b>
<b>Total Project Cost</b>	<b>572.21</b>	<b>398,545.69</b>	<b>29,770.70</b>	<b>0.00</b>	<b>428,888.60</b>

**CASITAS MUNICIPAL WATER DISTRICT  
TREASURER'S MONTHLY REPORT OF INVESTMENTS  
06/04/15**

Type of Invest	Institution	CUSIP	Date of Maturity	Adjusted Cost	Current Mkt Value	Rate of Interest	Date of Deposit	% of Portfolio	Days to Maturity
*TB	Federal Home Loan Bank	313379EE5	06/14/2019	\$1,376,493	\$1,354,185	1.625%	10/03/2012	7.10%	1450
*TB	Federal Home Loan Bank	313379RN1	12/27/2024	\$978,364	\$989,657	2.840%	06/18/2014	5.19%	3443
*TB	Federal Home Loan Bank	3133802D8	11/23/2022	\$1,477,575	\$1,472,511	2.400%	11/19/2014	7.72%	2689
*TB	Federal Home Loan Bank	313380A98	08/14/2024	\$126,966	\$128,259	2.500%	07/03/2014	0.67%	3310
*TB	Federal Home Loan Bank	313380S73	10/11/2022	\$699,720	\$686,574	2.430%	08/11/2014	3.60%	2647
*TB	Federal Home Loan Bank	313381ST3	01/17/2023	\$250,346	\$248,100	1.500%	09/08/2014	1.30%	2743
*TB	Federal Home Loan Bank	313381TA3	01/17/2023	\$277,619	\$273,506	2.240%	09/08/2014	1.43%	2743
*TB	Federal Farm CR Bank	3133EAZM3	07/24/2023	\$1,658,682	\$1,670,099	2.380%	09/16/2014	8.76%	2930
	Federal Farm CR Bank	3133EED31	04/28/2025	\$2,990,748	\$2,919,444	2.800%	06/02/2015	15.31%	3564
*TB	Federal Home Loan Bank	3133XFKF2	06/11/2021	\$693,342	\$670,382	5.625%	01/16/2013	3.52%	2167
*TB	Federal Home Loan Bank	3133XWNB10	06/12/2015	\$700,121	\$700,406	2.875%	07/01/2010	3.67%	8
*TB	Federal Home Loan Bank	3133XWNB10	06/12/2015	\$708,998	\$714,546	4.750%	07/01/2010	3.75%	8
*TB	Federal Home Loan Bank	3134G34R8	07/23/2021	\$513,841	\$505,729	2.000%	12/02/2014	2.65%	2209
*TB	Federal Home Loan MTG Corp	3134G43A4	10/30/2024	\$849,441	\$844,794	2.500%	07/03/2014	4.43%	3386
*TB	Federal Home Loan MTG Corp	3135G0ES80	11/15/2016	\$687,308	\$690,971	1.375%	03/12/2012	3.62%	521
*TB	Federal National Assn	3136G0K67	04/09/2021	\$192,000	\$189,383	2.000%	12/02/2014	0.99%	2105
*TB	Federal Home Loan MTG Corp	3137EABA60	11/17/2017	\$1,090,131	\$1,100,810	5.125%	01/03/2012	5.77%	883
*TB	Federal Home Loan MTG Corp	3137EADB2	01/13/2022	\$680,348	\$670,806	2.375%	09/08/2014	3.52%	2379
*TB	US Treasury Inflation Index NTS	912828JE10	07/15/2018	\$1,142,758	\$1,160,148	1.375%	07/06/2010	6.08%	1121
*TB	US Treasury Notes	912828LZ10	01/15/2020	\$1,127,580	\$1,163,547	2.125%	07/01/2010	6.10%	1661
*TB	US Treasury Bond	912828WE6	11/15/2023	\$769,379	\$793,389	2.750%	12/13/2013	4.16%	3041

Accrued Interest

\$119,375

**Total in Gov't Sec. (11-00-1055-00&1065)**

**\$18,991,758**

**\$19,066,620**

**89.73%**

**Total Certificates of Deposit: (11.13506)**

**\$0**

**\$0**

**0.00%**

\*\* LAIF as of: (11-00-1050-00)

N/A

**\$447**

**\$447**

0.26%

Estimated

**0.00%**

\*\*\* COVI as of: (11-00-1060-00)

N/A

**\$2,182,966**

**\$2,182,966**

0.34%

Estimated

**10.27%**

**TOTAL FUNDS INVESTED**

**\$21,175,171**

**\$21,250,032**

**100.00%**

Total Funds Invested last report

\$18,183,045

\$18,377,479

Total Funds Invested 1 Yr. Ago

\$18,128,906

\$18,374,214

\*\*\*\* CASH IN BANK (11-00-1000-00) EST.

**\$2,806,394**

**\$2,806,394**

CASH IN Western Asset Money Market

**\$2,510**

**\$2,510**

0.01%

**TOTAL CASH & INVESTMENTS**

**\$23,984,075**

**\$24,058,936**

TOTAL CASH & INVESTMENTS 1 YR AGO

\$23,036,779

\$23,282,087

\*CD CD - Certificate of Deposit

\*TB TB - Federal Treasury Bonds or Bills

\*\* Local Agency Investment Fund

\*\*\* County of Ventura Investment Fund

Estimated interest rate, actual not due at present time.

\*\*\*\* Cash in bank

No investments were made pursuant to subdivision (i) of Section 53601, Section 53601.1 and subdivision (i) Section 53635 of the Government Code.

All investments were made in accordance with the Treasurer's annual statement of investment policy.