

Casitas Municipal Water District

FINANCE COMMITTEE

Kaiser/Word

Casitas District Office

1055 Ventura Ave.

Oak View, CA 93022

February 15, 2019

10:00 a.m.

AGENDA

1. Roll call
2. Public comments
3. Board/Management comments
4. Request by Sam Chang for relief of the Conservation Penalty totaling \$345.00.
5. Request by Richard Hodges for relief of the Conservation Penalty totaling \$805.00.
6. Request by Stephanie Beas for relief of the Conservation Penalty totaling \$255.00.
7. Review of the Financial Statements for December, 2018.
8. Review of the December, 2018 Consumption Report.
9. Review and discussion on the monthly CFD 2013-1 Report.
10. Surplus sale of District Assets.
11. Discussion regarding opening a Custodial Account with U.S. Bank.
12. Consideration of Upper Ventura River Groundwater Agency funding request.
13. Discussion regarding Casitas-Ventura State Water Project Interconnection Preliminary Design.
14. Engineering services to support Ventura-Santa Barbara Counties Intertie Project for hazard Mitigation Grant Program.

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.

If you require special accommodations for attendance at or participation in this meeting, please notify our office in advance (805) 649-2251 ext. 113. (Govt. Code Section 65954.1 and 54954.2(a). Please be advised that members of the Board of Directors of Casitas who are not members of this standing committee may attend the committee meeting referred to above only in the capacity of observers, and may not otherwise take part in the meeting. (Govt. Code Sections 54952.2(c)(6).

**CASITAS MUNICIPAL WATER DISTRICT
MEMORANDUM**

TO: BOARD OF DIRECTORS
FROM: DENISE COLLIN – ACCOUNTING MANAGER / TREASURER
SUBJECT: OVER ALLOCATION PENALTY – SAM CHANG \$ 345.00
DATE: 02/05/2019
RECOMMENDATION:

Approve Request due to a natural disaster.

BACKGROUND AND OVERVIEW:

Mr. Chang discovered a main line water leak in October 2018. The pipe was over 3 feet deep, water was seen on the surface but Mr. Chang states he does not know how long the leak existed before it could be seen. It was determined there was an earthquake during October 2017 which would have damaged the piping.

Mr. Chang had the leak repaired in October but requests to waive the conservation penalty of \$345.00.

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Dec 21, 2018

4872 Casitas Pass Rd.
Ventura, CA 93001
(805) 340-6349

Casitas Municipal Water
1055 Ventura Ave.
Oak View, CA 93022-9622

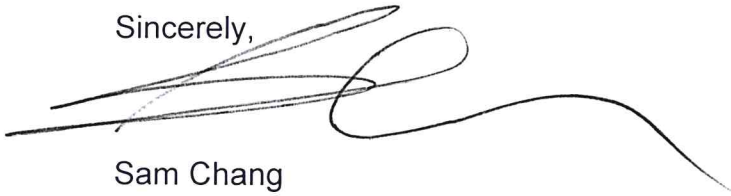
DEC 27 2018

Attn: Board Of Directors

In the month of Oct 2018, I discovered and repaired a main water leak. The earth had shifted and had broken a 2" pipe. The pipe was located at least 3 feet deep so the break had to open up large enough before water could be seen at the surface.

I don't know how long the leak continued before it was noticeable at the surface but it seem like it leaked out quite a bit of water as shown on my water bill for the month of Oct. I would like to request for assistance and help on the water bill cost. It a \$730.39 bill. It's over \$500 more than what my typical water bill. Your assistance would be greatly appreciated.

Sincerely,


A handwritten signature in black ink, appearing to read 'Sam Chang', with a long horizontal flourish extending to the right.

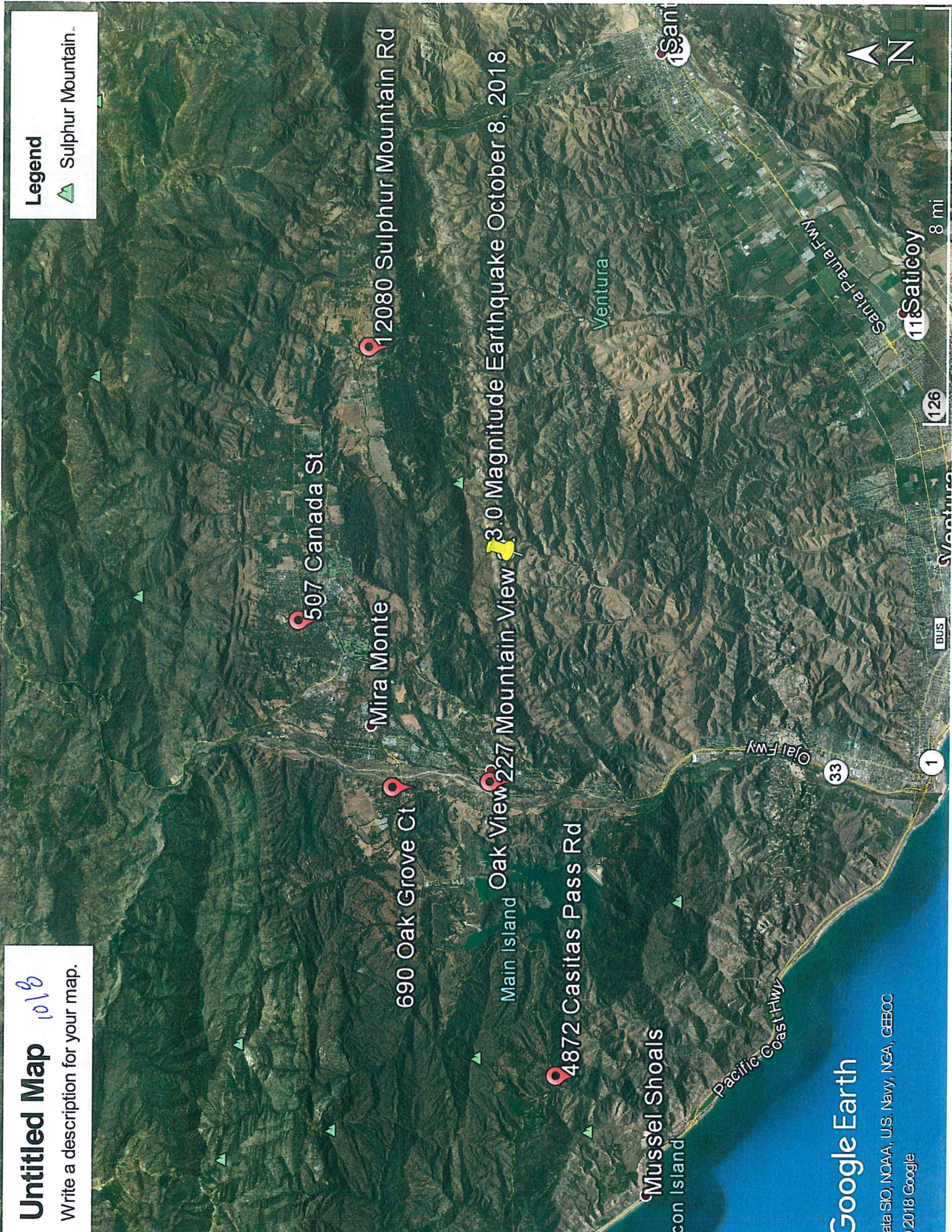
Sam Chang

Untitled Map 10/8

Write a description for your map.

Legend

 Sulphur Mountain



Google Earth

Data SIO, NOAA, U.S. Navy, NGA, GEBCO
© 2018 Google

Enter an address, city & state or zip code



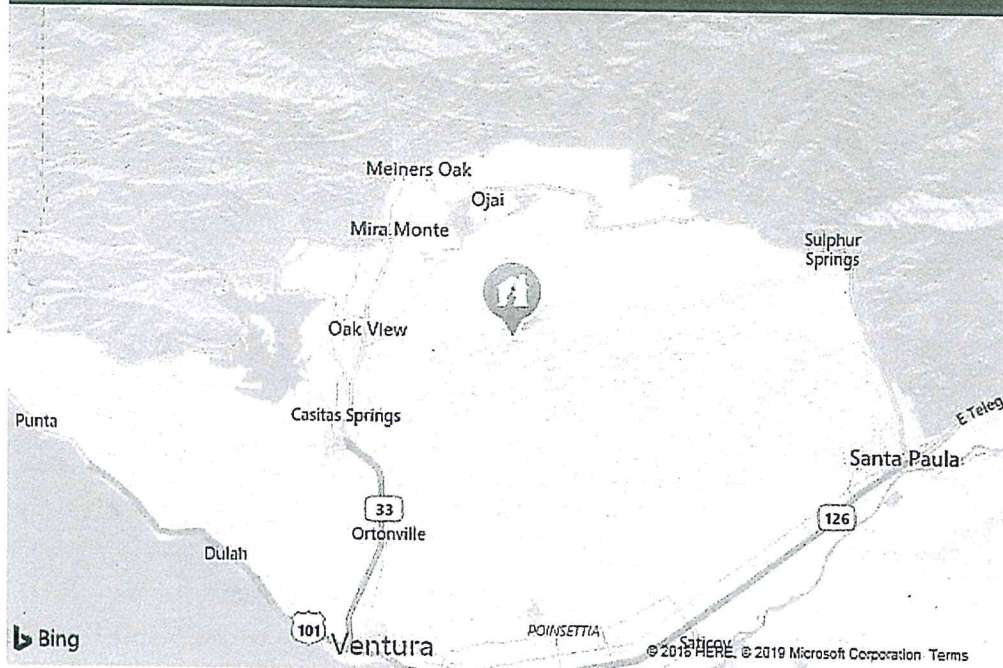
Home » Earthquakes » California » Ventura County » Ojai » C138317760



Information For a 2.9 Earthquake on 10/08/2018 near Ojai, CA

An earthquake of magnitude 2.9 and depth of 2.10 kilometers occurred 3.90 miles from Ojai, CA in Ventura County at 02:44 PM.

10/08/2018 - Earthquake Incident Location



Earthquake Details

Location: 3.90 miles from Ojai, CA in Ventura County, CA

Date: 10/08/2018

Time: 02:44 PM

Magnitude: 2.9 Mag

Depth: 2.10 km

More Earthquake Incidents on 10/08/2018

We're sorry! Currently our records indicate that there are no other earthquakes on this date. Use the links below to expand your search to a wider area.

[Earthquakes in Ojai, CA](#)

[Earthquakes in Ventura County, CA](#)

[Earthquakes in California](#)

Area Highlights

Schools
School Rating is **Very good**

Crime Rate
66.86% **Lower** than national avg.

Natural Disasters Risk

Hail Risk
Hail Risk is **Very Low**

Tornados
Tornado Risk is **Very Low**

**CASITAS MUNICIPAL WATER DISTRICT
MEMORANDUM**

TO: BOARD OF DIRECTORS
FROM: DENISE COLLIN – ACCOUNTING MANAGER / TREASURER
SUBJECT: OVER ALLOCATION PENALTY – RICHARD HODGES \$ 805.00
DATE: 02/05/2019

RECOMMENDATION:

Direction to staff.

BACKGROUND AND OVERVIEW:

On December 12, 2018 the District tried to contact Mr. Hodges to advise of a leak. The number we had on file stated “is not accepting calls at this time”. The following day the District tried the number on file again and received the same message. We then notified the customer via email.

Mr. Hodges called a friend who found a leaking valve. After that was repaired the meter was still leaking on December 20, 2018 and a leaking toilet was identified and repaired.

Mr. Hodges lives in Spokane, Washington and rents out the property. Mr. Hodges believes that the District should take more responsibility, that we should have informed him sooner, it was explained to Mr. Hodges that we tried to contact him since November 30, 2018 and that his phone was not taking calls.

Mr. Hodges is requesting \$ 805.00 be waived.

Richard and Michaelyn Hodges
5724 E Corkery Rd.
Spokane, WA 99223
(509) 434-6007
Hodgesrichard88@gmail.com

DEC 27 2018

DECEMBER 22, 2018

Casitas Municipal Water District Board of Directors

C/O Michael Flood

1055 Ventura Avenue
Oak View, CA 93022-9622

Account No. 30-27006-06 (896 Tico Rd.)

RE: Oct-Dec Billing and Communication regarding "Possible Leak"

Board of Directors:

This letter is written to petition the board regarding the billing of October through December 2018. The communication regarding the leak and opportunity for repair are pertinent circumstances in this petition that I request the board take into consideration.

First I think it important to know that I have been a customer of CMWD since the 1980's. My family has owned this property and paid their water bills on time without notable leak issues since the late 40's Prior to Casitas acquisition of Mira Monte water district.

The circumstances surrounding the current issue are:

- First communication of a "possible leak" was on 11 December (see attached email)
- Electronic billing statements stopped being sent after the September bill sent October 31st (see attached file of Utilitybilling emails)
- By the end of the day of Dec. 11th I had sent a friend who found a leaking valve on the property and isolated it by turning off a feeder valve. This was reported to Chelbi Kelley of CMWD the same day in a telephone conversation in which Chelbi was provided the name and phone number of the 896 Tico Rd. tenant for scheduling a meter check.
- Meter check was completed by CMWD the morning of December 20 in which a "small leak" was reported by the CMWD inspector to the tenant. The tenant found a leaking toilet and informed me at 10:38am shortly after the inspector had left. I called a plumber who repaired the toilet and texted me an invoice by 12:39pm. (see attached pdf copy of texted invoice)
- The repair was reported to CMWD Chelbi Kelly in a phone conversation at 4:15pm on Dec. 20th. Chelbi said that they would not be sending a person to check the meter a second time.

With the understanding and agreement that it is my responsibility of maintaining the water system on my property, I take full responsibility for the October usage (remittance included with this letter). It is the subsequent charges that I am requesting consideration on due to the lack of opportunity to repair.

Thank you for your consideration of this matter
Best regards,

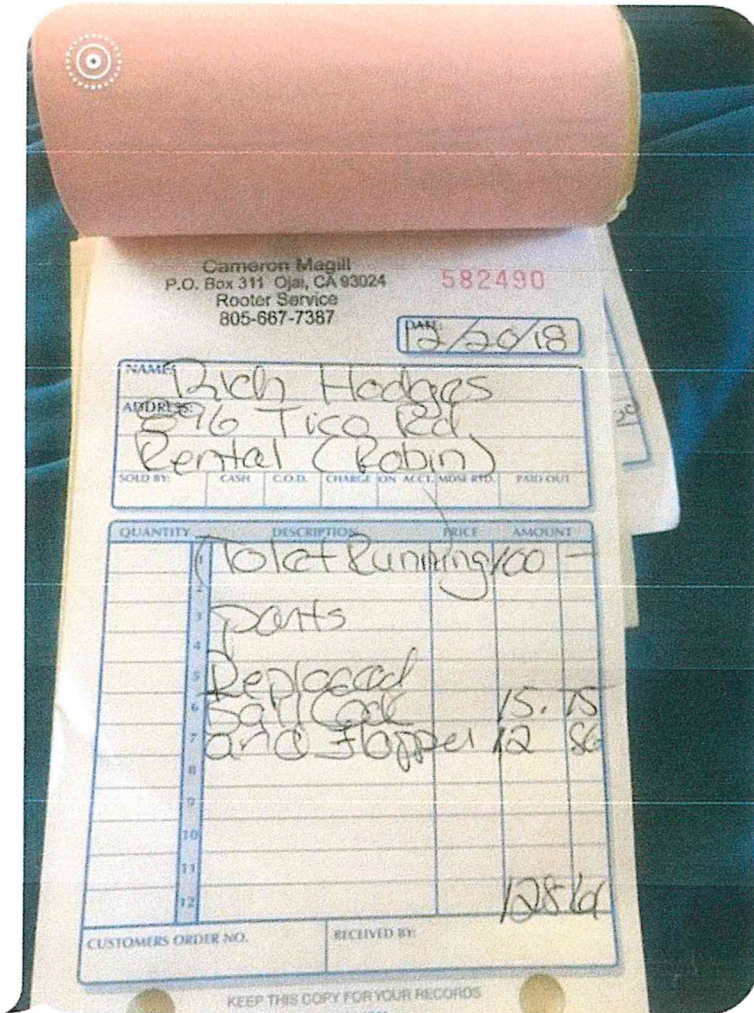


Richard B. Hodges



Camron

iMessage
Thursday 12:39 PM



iMessage



RICHARD HODGES
5724 E. CORKERY RD.
SPOKANE, WA 99223

90-7162/3222

4829

DATE: 22 Dec. 2018

CASITAS

\$ 470.16

Four Hundred Seventy And 16/100 DOLLARS

AT THE ORDER OF

Four Hundred Seventy And 16/100

CHASE
JPMorgan Chase Bank, N.A.
www.Chase.com

Acct. 30-27006-06

MEMO Oct. Bill

[Signature]

⑆322271627⑆

8711906322114824

MP

Register Issues

Payment

Coupon

Make your check payable to Casitas Municipal Water District

ACCOUNT INFORMATION

ACCOUNT NUMBER: 30-27006-06
SERVICE ADDRESS: 896 TICO RD
BILLING PERIOD: 10/01/18 TO 11/01/18
BILLING DATE: 11/30/18
DUE DATE: 12/28/18

RICHARD HODGES
5724 E CORKERY RD
SPOKANE WA 99223-1322

Check box for change of mailing address
(see reverse).



Please return this portion along with your payment and write your account number on your check.

PAST DUE BALANCE DUE IMMEDIATELY	CURRENT AMOUNT DUE	TOTAL ACCOUNT BALANCE
0.00	12/28/18 470.16	470.16

AMOUNT ENCLOSED

\$

MICHAEL FLOOD
CASITAS MUNICIPAL WATER DISTRICT
1055 VENTURA AVE
OAK VIEW CA 93022-9622

3027006060000470160000488684

**CASITAS MUNICIPAL WATER DISTRICT
MEMORANDUM**

TO: BOARD OF DIRECTORS
FROM: DENISE COLLIN – ACCOUNTING MANAGER / TREASURER
SUBJECT: OVER ALLOCATION PENALTY – STEPHANIE BEAS \$ 255.00
DATE: 02/05/2019

RECOMMENDATION:

Direction to staff.

BACKGROUND AND OVERVIEW:

Ms. Beas received a water bill with consumption higher than usual, she searched and discovered a leak in the backyard adjacent to her water heater. Ms. Beas repaired the leak immediately once it was found.

Ms. Beas is requesting to adjust her water consumption and Conservation Allocation Penalty.

To The Casitas Water Board,

We live at 1392 Cruzero Street, Ojai Ca. We recently received a very high water bill. We figured we might have a leak somewhere on our property. We found a water patch out in our backyard between a space where our water heater is located in the back yard and since it is winter time we have not spent anytime in that area. We immediately contacted a plumber and had it repaired. We have enclosed a copy of the invoice of what was repaired. We are requesting that the board consider adjusting the amount that we were charged. Please look at our water usage history and take note that we have always done our best to conserve water. Feel free to contact either one of use if you have any questions.

Thank you,

Stephanie Beas 805-798-1037

Cheryl Beas 805-798-1853

Ady

INVOICE NO.

Brown Mone 389740
GENERAL WEDDING Monahan

SOLD TO:	Stephanie Bess
ADDRESS:	1392 Tico Delacruz
CITY, STATE, ZIP:	CA 93023

SHIP TO:	803 Fairview Rd
ADDRESS:	CA 93023
CITY, STATE, ZIP:	

CUSTOMER'S ORDER:	SOLD BY:	TERMS:	F.O.B.:	DATE:
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QUANTITY	DESCRIPTION	PRICE	AMOUNT
1			
2	Leak on water Service Line		
3	gong into main cut out Brass		
4	1 nipple replaced with Brass nipple & 3/4 gal		
5			
6	2.5 @ \$		100
7			
8	3/4 brass x 6 nipple		500
9	1 bag cement		400
10			189

INVOICE
71721 ©2004 REDIFORM®



Consumption Report

Water Sales FY 2018-2019 (Acre-Feet)

Classification	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Month to Date		
													2018 / 2019	2017 / 2018	
													Total	Total	
AD Ag-Domestic	442	411	363	355	227	66								1,864	2,550
AG Ag	341	290	229	236	165	41								1,301	1,786
C Commercial	119	118	103	82	60	36								518	579
DI Interdepartmental	40	25	9	5	3	1								83	53
F fire	0	0	0	0	0	0								0	0
I Industrial	2	1	1	2	1	1								8	8
OT Other	26	23	23	18	13	5								109	165
R Residential	261	260	244	220	194	113								1,292	1,404
RS - P Resale Pumped	113	115	109	99	79	44								559	300
RS - G Resale Gravity	341	250	199	283	276	110								1,460	1,030
TE Temporary	2	2	2	1	23	0								30	11
Total	1,686	1,495	1,282	1,302	1,041	418	0	0	0	0	0	0	0	7,224	7,887
CMWD	1,512	1,320	1,115	1,146	907	341									
OJAI	174	175	167	156	134	77									
Total 2017 / 2018	1,355	1,185	1,608	1,628	1,026	1,085	592	898	384	815	1,078	1,200		N/A	12,853

Casitas Municipal Water District
CFD 2013-1 Improvement Fund

	Expenses Paid	Interest Earned	Balance
Bond B - Funds Received Beginning Balance	42,658,223.98		42,658,223.98
Purchase Price of Golden State Water	-34,481,628.00		8,176,595.98
Interest Jun 2017		461.18	8,177,057.16
Main Extension Contract Pmt	-5,188.39		8,171,868.77
Reinbursement from CFD 2013-1 Meter Cost	-999,237.84		7,172,630.93
Interest Jul 2017		5,544.85	7,178,175.78
Main Extension Contract Pmt	-361,183.16		6,816,992.62
Interest Aug 2017		3,677.09	6,820,669.71
Interest Sep 2017		3,647.06	6,824,316.77
Interest Oct 2017		3,437.91	6,827,754.68
Reinbursement from CFD 2013-1 Meter Cost	-1,038,855.67		5,788,899.01
Interest Nov 2017		3,614.48	5,792,513.49
Interest Dec 2017		3,663.59	5,796,177.08
Interest Jan 2018		3,894.34	5,800,071.42
Interest Feb 2018		4,511.30	5,804,582.72
Interest Mar 2018		4,221.55	5,808,804.27
Interest Apr 2018		5,400.71	5,814,204.98
Interest May 2018		6,037.34	5,820,242.32
Interest Jun 2018		6,461.77	5,826,704.09
Interest Jul 2018		6,771.59	5,833,475.68
Interest Aug 2018		7,444.64	5,840,920.32
Interest Sep 2018		7,521.43	5,848,441.75
Interest Oct 2018		7,547.03	5,855,988.78
Interest Nov 2018		8,755.99	5,864,744.77
Less: Pending Projects for Reimbursement			<u>-1,221,764.85</u>
Total funds remaining for improvement:			<u><u>4,642,979.92</u></u>

Casitas Municipal Water District
CFD 2013-1 Bond Fund

	Expenses Paid	Interest Earned	Balance
Bond B - Funds Received Beginning Balance	466,447.67		466,447.67
Interest Jun 2017		5.04	466,452.71
Interest Jul 2017		188.62	466,641.33
Interest Aug 2017		232.86	466,874.19
Interest Sep 2017		344.71	467,218.90
Interest Oct 2017		235.37	467,454.27
Interest Nov 2017		247.46	467,701.73
Applied Interest Earned for Pmt of Bond B	-468,270.91		-569.18
Interest Dec 2017		314.41	-254.77
Interest Jan 2018		254.77	0.00
Interest Feb 2018		479.96	479.96
Interest Mar 2018		671.37	1,151.33
Interest Apr 2018		1.05	1,152.38
Interest May 2018		1.20	1,153.58
Interest Jun 2018		1.28	1,154.86
Applied Interest Earned for Pmt of Bond B	-1,154.86		0.00
Interest Jul 2018		1.34	1.34
Interest Aug 2018		1.48	2.82
Interest Sep 2018		91.04	93.86
Interest Oct 2018		134.86	228.72
Interest Nov 2018		0.34	229.06

Casitas Municipal Water District
CFD 2013 - 1 Projects to be reimbursed to CMWD To Date

<u>Project No:</u>	<u>Project Name:</u>	<u>Total Cost To Date</u>
400	Ojai System Masterplan	378,744.07
420	Sunset Place Pipeline Replacement	56,641.84
421	Cuyama, Palomar and El Paseo Roads Pipeline Replacement	208,022.95
422	South San Antonio Street and Crestview Drive Pipeline	33,814.84
423	West and East Ojai Avenue Pipeline Replacement	243,889.50
424	Running Ridge Zone Hydraulic Improvement	19,803.97
425	Well Rehabilitation Replacement	32,300.00
426	Valve & Appurtenance Replacement	45,405.00
427	Fiarview Pipeline Replacement	0.00
428	Mutual Wellfield Pipeline	82,445.79
429	Grand Ave Pipeline	857.89
430	Signal Booster Zone Hydraulic Improvements	0.00
431	Emily Street Pipeline Replacement	0.00
432	Casitas-Ojai System Interties	0.00
522	Ojai Arc Flash Study	119,839.00
		<hr/>
	Project(s) Cost To Date:	<u><u>1,221,764.85</u></u>

**CASITAS MUNICIPAL WATER DISTRICT
MEMORANDUM**

TO: BOARD OF DIRECTORS
FROM: DENISE COLLIN – ACCOUNTING MANAGER / TREASURER
SUBJECT: SURPLUS SALE
DATE: 02/5/2019

RECOMMENDATION:

Approve items for Surplus Sale.

BACKGROUND AND OVERVIEW:

The District office was renovated in 2017 / 2018 fiscal year to accommodate additional employees due to the purchase of Golden State Water (Ojai System). Many of the items are old and out dated and cannot be reused or are not functional. Other items were added to the list to be surplus that are not related to the renovation that are old and need to be replaced or have been replaced.

(see inventory attached).

Connex Box Inventory

Label SE side of Connex box



Safety



Thursday, November 1st 2018, 3:45 PM (PDT -07:00)

Inventory

#

001

Type of Item

5 drawers for plans



Description

No comments

Inventory

#

002

Type of Item

Stool



Description

No comments

Inventory

#

003

Type of Item

Arm - draft table



Description

2 arms of same type

Inventory

#

004

Type of Item

Drafting table



Description

Tecnostyl Studio A3 601

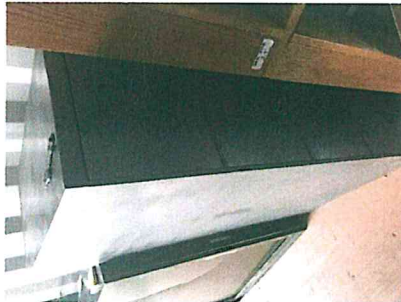
Inventory

#

005

Type of Item

File drawer



Description

Mfg: Berger

Inventory

#

006

Type of Item

Open shelves





Description

No comments

Inventory

#

007

Type of Item

Vanishing patch kit



Description

Seal Inc



Inventory

#

008

Type of Item

Projector



Description

Mfg: Viewlex



Inventory

#

009

Type of Item

Panels



Description

18 panels



Inventory

#

010

Type of Item

Blocks



Description

Includes bolts



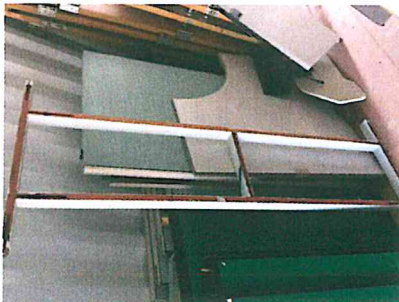
Inventory

#

011

Type of Item

Cross structure



Description

No comments

Inventory

#

012

Type of Item

Corner pieces of cubicle desk top



Description

2 units - both with attached keyboard trays



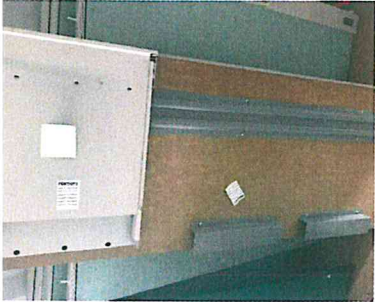
Inventory

#

013

Type of Item

Cubicle desk top with sliding drawer



Description

Mfg: Harpers

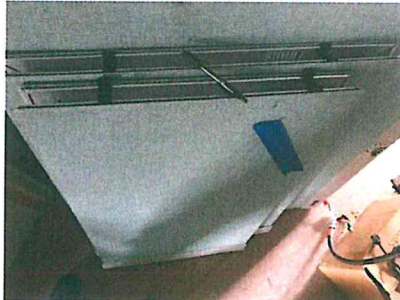
Inventory

#

014

Type of Item

Pony wall for cubicle



Description

Mfg - Harper (2 units)

Inventory

#

015

Type of Item

Thin cubicle covers



Description

2 units

Inventory

#

016

Type of Item

Cubicle wall - various sizes (2)



Description

No comments

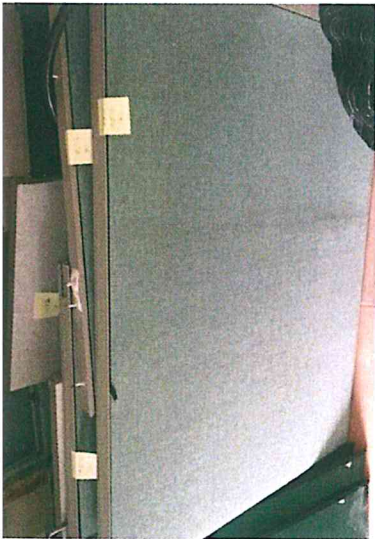
Inventory

#

017

Type of Item

Panels with electrical



Description

No comments

Inventory

#

018

Type of Item

Solid door



Description

Round door knobs on both sides. Incl door hinges

Inventory

#

019

Type of Item

Door with frosted glass



Description

Bar handle on one side, push plate on other. Incl door hinges

Inventory

#

020

Type of Item

Door with frosted glass

Description

Bar handle one side, push plate on other w/ key lock. Incl door hinges



Inventory

#

021

Type of Item

Solid door



Description

Round door knob with key lock on one side

Inventory

#

022

Type of Item

Half size wood door



Description

Round door knob - lockable

Inventory

#

023

Type of Item

Door with glass window



Description

Round lockable door knob

Inventory

#

024

Type of Item

3 Leather chairs with arms



Description

No comments

Inventory

#

025

Type of Item

Thin panels for cubicle



Description

No comments

Inventory

#

026

Type of Item

Solid wood door



Description

Incl door hinges - round knob with lock

Inventory

#

027

Type of Item

Solid wood door Incl door hinges and round door knob with lock



Description

No comments

Inventory

#

028

Type of Item

Door with frosted glass - narrow.



Description

Incl door hinges and round knobs with key lock on one side

Inventory

#

029

Type of Item

Solid wood door



Description

No knobs or hinges

Inventory

#

030

Type of Item

Wood door frame without top



Description

With door hinges

Inventory

#

031

Type of Item

Rolling shelf



Description

No drawers

inventory

#

032

Type of Item

Metal desk



Description

2 file drawers, 2 regular drawers and a center drawer

inventory

#

033

Type of Item

Metal desk



Description

1 file drawer, 1 thin drawer on left side

Greg Romey, Safety Officer

November 1st 2018, 3:45 PM (PDT -07:00)

📍 34.4029653, -119.3025742

Connex Box Inventory

Information

Label NS side of Connex box



Safety



Wednesday, November 14th 2018, 12:23 PM (PST -08:00)

Inventory

#

034

Type of Item

(3) 5 file drawers - 35" x 14.5"



Description

No comments

Inventory

#

035

Type of Item

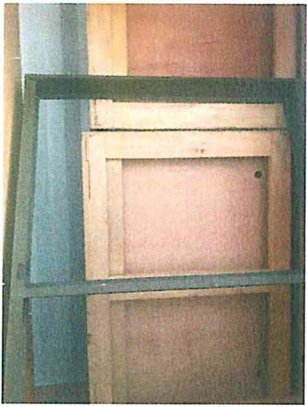
Wide drawers - 5



4 units

Description

3' 3" x 28" x 14"



Inventory

#

036

Type of Item

Shelves (2)



Description

Inventory

#

037

Type of Item

Armstrong ceiling systems



Description

2 units

Inventory

#

038

Type of Item

22" x 20" x 8" - carrying case



Description

Inventory

#

039

Type of Item

Glass case



Description

3' x 3' x 12'

Inventory

#

040

Type of Item

Meilink Vault



24" x 22" x 40"

Description

No Comments

Inventory

#

041

Type of Item

? - rotating



Description

7' wide



Inventory

#

042

Type of Item

Overhead shelf

Inventory

#

044

Type of Item

Cabinet -



Description

5'3" x 25" x 13"

Inventory

#

045

Type of Item

Johnsonite - baseboard



Description

No comments

Inventory

#

046

Type of Item

Scuba tank (5) + valve



Description

No comments



Inventory

#

047

Type of Item

Shelf



Description

27" x 6'8" x 12"

Inventory

#

048

Type of Item

Cylinder holder shelf - securing chains



Description

4'

Inventory

#

049

Type of Item

Overhead storage - cubicle (5)



Description

5.5' wide



Inventory

#

043

Type of Item

Harpers F415369 electrical cubicle panel



Description



Description

5' x 12"

Inventory

#

052

Type of Item

Overhead cabinet- cubicle (2)



Description

3'6"

Inventory

#

053

Type of Item

Boxes - various binders (13)



Description

3' x 8"

Inventory

#

050

Type of Item

Overhead cabinet - cubicle



Description

6' x 12"

Inventory

#

051

Type of Item

Overhead cabinet- cubicle

No comments



Inventory

#

054

Type of Item

Keyboard trays (3)



Description

No comments

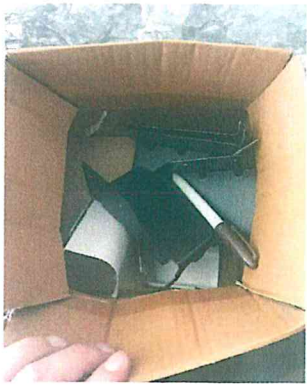
Inventory

#

055

Type of Item

Brackets



Description

No comments

Inventory

#

056

Type of Item

Garcy light fixture



Description

4'

Inventory

#

057

Type of Item

Light fixture (2)



Description

34"

Inventory

#

058

Type of Item

MaxBright paper (3 boxes)



Description

Legal size

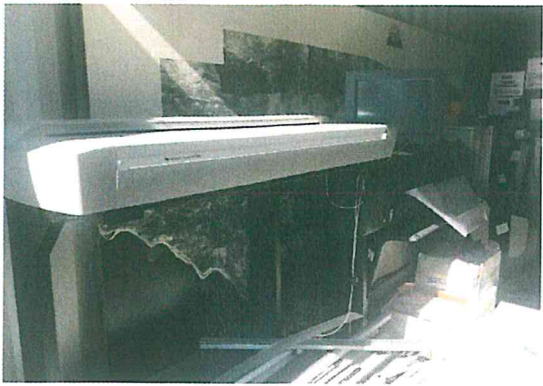
Inventory

#

059

Type of Item

HP Designjet 800ps



Description

No comments

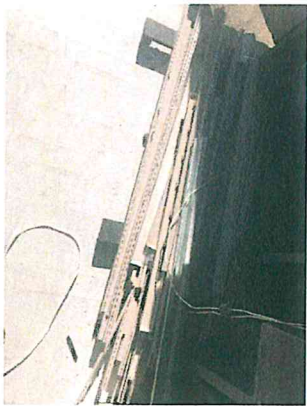
Inventory

#

060

Type of Item


Brackets for cubicles

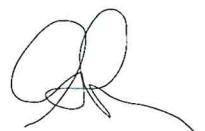


Description

No comments

Greg Romey, Safety Officer
November 14th 2018, 12:23 PM (PST -08:00)

 34.4014311, -119.3013478



Connex Box Inventory

Information

Label O&M Asst Mgr Office



Safety



Thursday, November 15th 2018, 12:04 PM (PST -08:00)

Inventory

#

061

Type of Item

Desk



Description

Top: 6' x 23.5"
Drawers: 3 - 27.5" tall, 14.75" wide, 23.5" deep

Inventory

#

062

Type of Item

Drawers: 3 - 27.5" tall, 14.75" wide, 23.5" deep



Description

No comments

Inventory

#

063

Type of Item

Desk



Description

Drawers: 3 - 27.5" tall, 15" wide, 29.5" deep (2)
Top: 7' x 29.5", keyboard area: 4' x 4', 2' x 29.5"
Keyboard tray

Inventory

#

064

Type of Item

Cubicle- wall (non electrical)

Description

4' x 34.5"

Inventory

#

065

Type of Item

Cubicle Wall - electrical



Description

4' x 30"

Inventory

#

066

Type of Item

Cubicle wall



23.5" x 41.5"

Inventory

#

067

Type of Item

Cubicle wall - electrical



Description

42" x 33.5"

Inventory

#

068

Type of Item

Cubicle wall - electrical



Inventory

#

069

Type of Item

Cubicle wall



Description

29.75" x 41.5"

Inventory

#

070

Type of Item

Cubicle wall



Description

Inventory

#

071

Type of Item

Metal panel



Description

14.75" x 29"



Inventory

#

072

Type of Item

Desktop



Description

29" x 3'

Inventory

#

073

Type of Item

Desktop



Description

29" x 8'

Inventory

#

074

Type of Item

In wall fire extinguisher cabinet



Description

31.24" x 16.25"

Greg Romey, Safety Officer

November 15th 2018, 12:04 PM (PST -08:00)



34.4024654, -119.2997839



Item 75 – 2003 ½ ton Chevy Truck Single Cab with no Bed. VIN 1GCEC14V33E239252



Item 75 – 2003 ½ ton Chevy Truck Single Cab with no Bed. VIN 1GCEC14V33E239252



Item 75 – 2003 ½ ton Chevy Truck Single Cab with no Bed. VIN 1GCEC14V33E239252



Item 76 – 1980 2 Ton Chevy Truck Chassis. VIN igbm7d1f5ev135688



Item 76 – 1980 2 Ton Chevy Truck Chassis. VIN igbm7d1f5ev135688



Item 76 – 1980 2 Ton Chevy Truck Chassis. VIN igbm7d1f5ev135688

**CASITAS MUNICIPAL WATER DISTRICT
MEMORANDUM**

TO: BOARD OF DIRECTORS
FROM: DENISE COLLIN – ACCOUNTING MANAGER / TREASURER
SUBJECT: CUSTODIAL ACCOUNT FOR INVESTMENTS
DATE: 02/5/2019

RECOMMENDATION:

It is recommended that a Custodial Account be opened with U.S. Bank and continue working with Jack Oehmke at Morgan Stanley to purchase investments.

BACKGROUND AND OVERVIEW:

Jack Oehmke at Morgan Stanley, our current Investment Advisor, has notified the District that Morgan Stanley will no longer be holding assets of the Districts Investment Portfolio as of March 1, 2019.

Rabobank, N.A. and U.S. Bank provide Custodial Banking Services, however Rabobank does not wish to provide Portfolio Management services if we wish to have that service in the future. Currently the Accounting Manager / Treasurer manages the Portfolio resulting in no additional Management fees for the District, however if the District decided in the future to have U.S. Bank Manage the portfolio, that is an option that is available for the future.



February 5, 2019

Ms. Denise Collin
Accounting Manager/Treasurer
Casitas Water District

Re: Proposal to Provide Custodial Services

Dear Denise:

Thanks very much for the opportunity to propose our Custody services. The attached proposal is intended to give an overview of the capabilities of U.S. Bank and also includes our proposed fee schedule.

It is our understanding that the District requires Custody services which presently consists of approximately \$20 million of marketable securities (treasuries, agencies, tax –exempt).

U.S. Bank is a premier provider of Corporate Trust, Custody and Escrow Agent services. We have offices in fifty U.S. cities, including our fully staffed office in downtown Los Angeles, where we propose handling the Custody account.

We are looking forward to the opportunity of working with you. Please let me know if there are any questions or if I may be of further assistance

Sincerely,

Linda Verstuyft
Managing Director



Custodial Services Proposal

Casitas Water District

Overview of U.S. Bank Corporate Trust Services / Custodial Capabilities

U.S. Bank is a premier provider of Corporate Trust, Custody and Escrow Agent services, with one of the largest trust businesses in the United States. We provide a wide range of trust and agency services on many types of transactions including municipal securities, corporate debt and structured finance trusts, as well as custodian and escrow agent appointments. We are highly experienced and knowledgeable with a broad spectrum of sophisticated financial transactions and would provide the Casitas Water District highest level of safety and competency relating to its funds and assets.

We are dedicated to providing our clients with service that meets their highest expectations. From the personal attention of your local Account Manager, to the full complement of resources in the organization, all of us at U.S. Bank are committed to developing and maintaining long term, successful business relationships with our clients.

Our Corporate Trust business is structured to deliver high quality services to our customers, their investors and counterparties, and the financial marketplace. Each client is assigned a dedicated account team that consists of several distinct functions:

Account Management

The assigned Account Manager is the primary contact at U.S. Bank, and is responsible for all aspects of account administration under the governing documents, and is responsible for ensuring total customer satisfaction.

Trust Finance Management

Trust Finance Management operates in support of our Account Managers and is responsible for all aspects of money movement, receipt and delivery of assets, payment and investment processing and the collection and disbursement of funds.

Trust Review

Trust Review ensures that all accounts are established in accordance with set procedures and maintains responsibility for ongoing covenant compliance and tickler monitoring.

Our trust and custody clients are extremely important to us, and we offer each of them the following:

Experience that Matters

The proposed Account Manager, Lauren Costales has over 5 years of trust, and custody experience.

Commitment to the Trust and Custody Business

We continue to grow our business through strategic acquisitions. To date, we have invested over \$2.5 billion in Corporate Trust and Custody acquisitions. U.S. Bank also continues to have significant growth in this key business line by providing world-class service to our existing client base who continually reward us with new business appointments.

Superior Service at Competitive Prices

U.S. Bank Corporate Trust Services provides high quality services to our clients, while keeping the level of our fees very competitive.

Relevant Experience

As one of the largest providers of Corporate Trust, Custody and Escrow Agent services in the country, U.S. Bank works on well over 1,000 new business appointments year after year. Many of the nation's largest companies, financial intermediaries, governmental entities and municipalities come to U.S. Bank when they need Corporate Trust, Custody and Escrow Agent services.

With so much at stake with important financial transactions, the Casitas Water District will need a custodian that is accessible, knowledgeable and responsive to its needs. U.S. Bank fulfills these essential requirements for thousands of clients who come to us for our world-class services, and we commit to providing the District with the same high level of service.

At U.S. Bank, we understand the unique challenges of municipalities in today's market. Our trust and custody services will provide you with access to the information and tools you need, when you need it. To us, client service means going the extra step to tailor solutions to many municipal and governmental entities. Some banks focus on only very large clients and charge premium fees. At U.S. Bank we charge reasonable fees and focus on you!

U.S. Bank has the ability to deliver the transparency and efficiency that a municipality requires. We leverage industry experts and premier technology to provide our clients with the right combination of products and services to help meet your unique needs. We would provide the District with technology and service solutions that only a small number of leading financial institutions offer. However, we are unique among these institutions in that we can tailor our services to large, medium and small clients. You benefit from our –

Scale

As part of the Wealth Management and Securities Services division of U.S. Bank, with more than \$5 trillion in assets under administration, we have the industry expertise and resources to make significant, ongoing investments to keep our technology leading-edge and client-friendly.

Commitment

While other banks are leaving the trust and custody business, we are growing our capabilities and making continued strategic acquisitions in this important line of business.

Service

We are a leading financial institution with experienced professionals in numerous offices nationwide (including our office in downtown Los Angeles). This differentiates us from many banks, and gives our clients an experienced local professional who is readily available and responsive.

The specialists at U.S. Bank will provide the Casitas Water District with the level of service it needs to make the safekeeping of assets one less thing to worry about as you focus on your many day to day activities. We've built a reputation as a provider that responds quickly to our clients' needs and executes transactions to meet their deadlines, no matter how short they might be.

On Line Access to Account Statements

U.S. Bank TrustNow Essentials

We offer on-line access to trust accounts that is user friendly and free of charge. Our clients have the capacity to access their trust accounting information on line through the use of our sophisticated online reporting system, TrustNow Essentials, which was created exclusively for customers of U.S. Bank Corporate Trust Services. TrustNow Essentials provides the ability to download a wide range of account and transaction information quickly and easily via the Internet.

With TrustNow Essentials, account information can be downloaded in a format that works best for the user's needs. The following trust account data can be easily downloaded in a format that works best for the City:

- Transaction history
- Pending trades
- Tax lot reporting
- Cash balances
- Account lists
- Account summaries
- Holdings
- System codes.

With TrustNow Essentials, users can:

- Download trust account information in a variety of formats (Microsoft Excel, Adobe Acrobat PDF, comma separated, fixed or rich text)
- Benefit from the highest level of security available online, protecting the user's privacy
- Schedule unattended downloads to occur at the user's convenience.

TrustNow Essentials also gives our clients the ability to obtain their trust account statements at any time. Statements can be accessed from our archives in standard PDF format directly from the user's computer. We have knowledgeable support staff members that are ready to provide technical assistance and answer your questions quickly and accurately.

U.S. Bank TrustNow

U.S. Bank TrustNow provides account and transaction information directly to users via the Internet. Clients can access *real-time* data on specific accounts at their convenience. This system is designed in particular for situations where a user only needs to access information on a limited number of accounts, or to track a specific transaction. TrustNow provides on-screen access to account summaries, transaction history, holdings, cash balances, and other information on individual accounts. Using a personal identification name and password, secure access is provided via our website. With TrustNow, users can access up to 20 accounts at one time, and even download data into an Excel spreadsheet or save in a PDF file.

Financial Strength of U.S. Bank

U.S. Bank is the 5th largest commercial bank in the country, as well as one of the strongest. Our clients want and need a financial partner that they can bank on – especially during a cycle of economic uncertainty. U.S. Bancorp, the parent company of U.S. Bank, is a multi-state financial holding company. U.S. Bancorp has taken a disciplined approach to credit and risk management, while continuing to invest in the products, services, delivery systems and comprehensive capabilities that our customers need. U.S. Bank is strong, and offers its customers and the financial markets –

- A strong balance sheet, both in terms of liquidity and capital;
- Solid credit quality;
- Prudent risk management;
- Integrity and transparency;
- Diversified revenue streams
- Ongoing investment for future growth.

Contact Information

The contact person for this proposal is as follows:

Linda Verstuyft
Managing Director, Business Development
U.S. Bank National Association
633 W. 5th Street, 24th Floor
Los Angeles, CA 90071

(213) 615-6052 (telephone)

(213) 615-6199 (fax)

Linda.verstuyft@usbank.com

Contact information for the proposed Account Manager is as follows:

Lauren Costales
Relationship Manager
U.S. Bank National Association
633 W. 5th Street, 24th Floor
Los Angeles, CA 90071

(213) 615-6027 (telephone)

(213) 615-6199 (fax)

Lauren.costales@usbank.com

Schedule of Fees and Expenses
for services as Custodian

Casitas Water District

Acceptance Fee: *Waived*

Annual Account Maintenance Fee: **\$2,500.00**

Administration fee for performance of the routine duties as Custodian associated with the management of the account. Includes account administration, account maintenance, monthly statements (hard copy, on line or both) and wire transfers. Payable upon execution of the Custody Agreement, and annually in advance thereafter, until termination of the Account.

Trade Settlement Fee: **\$50.00
per trade**

Charge to settle the purchase or sale of any book entry security.

Direct Out of Pocket Expenses: (At Cost)

Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel, travel expenses and filing fees (if any).

Account approval is subject to review and qualification. Fees may be subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event the transaction is not finalized, any related out-of-pocket expenses will be billed directly. Payment of fees constitutes acceptance of the terms and conditions set forth.

Extraordinary fees are payable to the Trustee or Agent for duties or responsibilities not expected to be incurred at the outset of the transaction, not routine or customary, and not incurred in the ordinary course of Business. Payment of extraordinary fees is appropriate where particular inquiries, events or developments are unexpected, even if the possibility of such things could have been identified at the inception of the transaction.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

Dated: February 5, 2019

CUSTODY AGREEMENT

This AGREEMENT made as of _____, by and between, U. S. BANK NATIONAL ASSOCIATION, organized under the laws of the United States of America, ("Custodian") and _____ organized under the laws of the State of California, ("Customer").

In consideration of the premises, undertaking and covenants herein, the parties agree as follows:

1. Appointment and Acceptance. Customer hereby appoints Custodian as its agent to provide custody and other services in connection with securities, cash and other property delivered from time to time to Custodian hereunder by, or at the direction of, Customer, and income, distributions and payments received by Custodian with respect thereto (collectively the "Assets"); and Custodian hereby agrees to act in such capacity, and perform such services, and hold the Assets in a custody account established in the name of Customer (the "Account"), upon the terms and conditions set forth below. For purposes of this Agreement, all references contained herein to actions, instructions and responsibilities (other than the obligations set forth in Sections 12 and 14 below) of Customer shall include, apply to and be binding upon the Customer's agents, including any investment manager or advisor, appointed and authorized by Customer to direct Custodian or otherwise take actions on behalf of Customer in connection with Custodian's services and responsibilities hereunder. Customer shall provide written notice to Custodian of the identity of all such appointed agents and the scope of their authority to act hereunder. Customer shall be responsible for providing to each such agent a copy of this Agreement and all written policies and procedures of Custodian governing its performance of services hereunder that Customer shall receive from time to time.

2. Asset Delivery, Transfer, Custody and Safekeeping.

2.1. Customer will from time to time deliver (or cause to be delivered) Assets to Custodian, which Custodian shall receive and accept for the Account upon appropriate instructions from the Customer. All transactions involving Assets shall be recorded in the Account.

2.2. Upon receipt of appropriate instructions, Custodian will release and return Assets to Customer, Customer's Depository (as that term is defined in Section 3.3 below) account or accounts, or otherwise deliver Assets to such location or third party, as such instructions may indicate, provided that, in connection therewith it is the sole responsibility of Customer to provide any transfer documentation as may be required by the Depository or third party recipient. Custodian shall have no power or authority to assign, hypothecate, pledge or otherwise dispose of any Assets, except as provided herein or pursuant to appropriate instructions.

2.3. Custodian shall furnish Customer, as part of the services for which Custodian charges its basic fee hereunder, with periodic Account statements (not less frequently than annually) reflecting all Asset transactions in the Account during the reporting period and ending Asset holdings.

2.4. Custodian shall forward to Customer all information it receives with respect to any of the Assets concerning redemption rights that are exercisable at Customer's option, tender or exchange offers, class action lawsuits and other special matters, shall follow Customer's written instructions with respect thereto as consistent with Custodian's governing policies and procedures and in the absence of such instructions Custodian shall take no action. Unless otherwise instructed in writing by Customer, Custodian shall forward to Customer all proxy material it receives with respect to securities included among the Assets. Proxies so forwarded shall be executed by the registered holder of the securities, if registered in the name of the Custodian or its nominee, but without indicating the manner in which such proxies are to be voted.

2.5. Absent specific investment instructions to the contrary from Customer, Custodian shall leave uninvested and deposit as a general deposit with Custodian or any bank affiliate of Custodian all cash and all checks and drafts (when collected funds are received) received from or with respect to Assets. Customer acknowledges that Custodian shall have no obligation to pay interest on such general deposit. Such uninvested deposit amounts may also include, but not by way of limitation, cash amounts received into the Account or pending distribution from the Account.

2.6. Customer hereby authorizes and approves Custodian's performance of its services and duties hereunder consistent with the terms and conditions of the Custodian's duly adopted policies and procedures, as established and modified from time to time, related to the subject matter hereof.

2.7. If any of the Assets received and held by Custodian hereunder shall be "plan assets" with respect to any "employee benefit plan" (as those terms are defined in Section 3 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), the Custodian shall not be deemed to be, and shall not exercise any discretionary powers or control over such "plan" or "plan assets" so as to be fiduciary with respect to the plan. Furthermore, Customer shall notify Custodian in writing whenever any Assets do constitute such "plan asset," and thereafter, all subcontracts, agreements or other arrangements between Custodian and any subsidiary or affiliate thereof for services or products paid for from any assets of the said plan and utilized in the performance of Custodian's duties hereunder shall be subject to the advance approval of Customer.

3. Powers of Custodian. In the performance of its duties hereunder, Custodian shall have the following powers:

3.1. To register any of the Assets in the name of Customer or in the Custodian's name or in the name of a nominee of Custodian or in the name of the Custodian's agent bank or to hold any of the Assets in unregistered form or in such form as will pass title by delivery, provided that such Assets shall at all times be recorded in Customer's Account hereunder as one of the Assets. In consideration of Custodian's registration of any securities or other property in the name of Custodian or its nominee or agent, Customer agrees to pay on demand to Custodian or to Custodian's nominee or agent the amount of any loss or liability for Stockholders' assessments, or otherwise, claimed or asserted against Custodian or Custodian's nominee or agent by reason of such registration.

3.2. To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any or all other instruments that may be necessary or appropriate to carry out the duties described and powers granted herein.

3.3. To maintain qualifying Assets in any registered clearing agency or in a Federal Reserve Bank (collectively a "Depository"), as Custodian may select, and to permit such deposited Assets to be registered in the name of Custodian or Custodian's agent or nominee on the records of such Federal Reserve Bank or such registered clearing agency or the nominee of either, and to employ and use securities depositories, clearing agencies, clearance systems, sub-custodians or agents located outside the United States in connection with transactions involving foreign securities.

3.4. To employ agents and to delegate duties to them as it sees fit and to employ or consult with experts, advisors and legal counsel (who may be employed also by Customer) and to rely on information and advice received from such agents, experts, advisors, and legal counsel.

3.5. To perform any and all other ministerial acts deemed by Custodian necessary or appropriate to the proper discharge of its duties hereunder.

4. Purchases. Upon availability of sufficient funds and receipt of appropriate instructions from Customer, Custodian shall pay for and receive Assets purchased for the Account, payment for which is to be made in the amount specified in such instructions and only upon receipt by Custodian of the Assets in satisfactory form for transfer.

5. Sales. Upon receipt of appropriate instructions from Customer, Custodian will delivery Assets held by it as Custodian hereunder and sold by or for Customer against payment to Custodian of the amount specified in such instructions in accordance with the then current securities industry practices and in form satisfactory to Custodian. Customer acknowledges that the current securities industry practice is delivery of physical securities against later payment on delivery date. Custodian agrees to use its best efforts to obtain payment therefore during the same business day, but Customer confirms its sole assumption of all risks of payment for such deliveries. Custodian may accept checks, whether certified or not, in payment for securities delivered on Customer's instruction, and Customer assumes sole responsibility for the risks of collectability of such checks.

6. Settlements.

6.1. Custodian shall provide Customer with settlement of all purchases and sales of Assets in accordance with Custodian's then prevailing settlement policies provided that (a) appropriate instructions for

purchases and sales are received by Custodian in accordance with Custodian's then current published instruction deadline schedule, and (b) Custodian has all other information, funds and/or Assets necessary to complete the transaction.

6.2. The Custodian shall not be liable or responsible for or on account of any act or omission of any broker or other agent designated by Customer to purchase or sell securities for the Account of Customer.

7. Corporate Actions. In connection with any mandatory conversion of Asset securities pursuant to their terms, reorganization, recapitalization, redemption in kind, consolidation, or other exchange transaction that does not require or permit approval by the owner of the affected Assets, Custodian will tender or exchange securities held for other securities, for other securities and cash, or for cash alone.

8. Collections. Custodian shall collect all income, principal and other distributions due and payable on securities held either by Custodian or a Depository but shall be under no obligation or duty to take action to effect collection of any amount if the Assets upon which such payment is due are in default, or if payment is refused after due demand and presentation. Custodian shall have no responsibility to notify Customer in the event of such default or refusal to pay, but if Custodian receives notice of default or refusal to pay from an issuer or transfer agent, Custodian shall so advise Customer. Collections of monies in foreign currency, to the extent possible, are to be converted into United States dollars at customary rates through customary banking channels, including Custodian's own banking facilities, and in accordance with Custodian's prevailing policies for foreign funds repatriation. All risk and expense incident to such foreign collection and conversion is the responsibility of the Account and Custodian shall have no responsibility for fluctuations in exchange rates affecting such collections or conversion.

9. No Discretionary Authority; Standard of Care. Customer and Custodian acknowledge that, except to the extent set forth in any separate instrument signed by the parties with respect to this Agreement, Custodian's duties hereunder do not include any discretionary authority, control or responsibility with respect to the management or disposition of any Asset; that Custodian has no authority or responsibility to render investment advice with respect to any Asset; and that Custodian is not a fiduciary with respect to Customer. In addition, it is agreed that:

9.1. Custodian shall have no duty to make any evaluation or to advise anyone of the suitability or propriety of action or proposed action of Customer in any particular transaction involving an Asset or the suitability or propriety of retaining any particular investment as an Asset. The Custodian shall have no duty or authority to review, question, approve or make inquiries as to any investment instructions given pursuant hereto. The Custodian shall be under no duty or obligation to review the securities or other property held in the Account with respect to prudence or diversification.

9.2. Custodian shall not be liable for any loss or diminution of Assets by reason of investment experience or for its actions taken in reliance upon an instruction from Customer.

9.3. Custodian shall *have* no duty or responsibility to monitor or otherwise investigate the actions or omissions of Customer.

9.4. Custodian shall only be responsible for the performance of such duties as are expressly set forth herein or in instructions of Customer which are not contrary to the provisions of this Agreement. Custodian shall exercise reasonable care in the performance of its services hereunder. In no event shall Custodian be liable for indirect or consequential damages.

Custodian shall not be responsible or liable for any failure or delay in performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by instructions, actions or omissions of Customer or by circumstances beyond Custodian's reasonable control, including, without limitation, loss, or malfunctions of utility, transportation, computer (hardware and software) or communication service; nor shall any such failure or delay give Customer the right to terminate this Agreement, except as provided in section 15 of this Agreement.

10. Books, Records and Accounts.

10.1. Custodian will make and maintain proper books of account and complete records of all Assets and transactions in the Account maintained by Custodian hereunder on behalf of Customer. Custodian will preserve for the periods prescribed by applicable federal statute or regulation all records required to be maintained.

10.2. On at least four (4) business days' notice, Custodian will make available to and permit inspection during Custodian's regular business hours by Customer and its auditors of all books, records, and accounts retained by Custodian (or, to the extent practicable, its agents) in connection with its duties hereunder on behalf of Customer.

11. Instructions and Directions.

11.1. Custodian shall be deemed to have received appropriate "instructions" or "directions" upon receipt of written instructions or directions, or in the case of cash movement, written or oral instructions or directions, (a) signed or given by any person(s) whose name(s) and signature(s) are listed on the most recent certificate delivered by Customer to Custodian which lists those persons authorized to give orders, corrections and instructions in the name of and on behalf of the Customer or (b) signed or given by any other person(s) duly authorized by Customer to give instructions or directions to Custodian hereunder or whom Custodian reasonably believes to be so authorized.

11.2. Appropriate instructions or directions shall include instructions or directions sent to Custodian or its agent by letter, memorandum, telegram, cable, telex, telecopy facsimile, video (CRT) terminal or other "on-line" system, or similar means of communication, or in the case of cash movement, given orally over the telephone or in person.

11.3. In the event that Custodian is instructed to deliver Assets to any party other than Customer or Customer's agent, appropriate instructions shall include, and Customer shall supply, customary transfer documentation as required by such party, and, to the extent that such documentation has not been supplied, Custodian shall not be deemed to have received appropriate instructions.

12. Compensation; Security.

12.1. Customer shall pay to Custodian fees for its services under this Agreement and shall reimburse Custodian for costs incurred by it hereunder as set forth in Custodian's then current applicable fee schedule or such other fee arrangement as Custodian and Customer may otherwise agree in writing.

12.2. If any advance of funds is made by Custodian on behalf of Customer to purchase, or to make payment on or against delivery of securities or there shall arise for whatever reason an overdraft in Customer's account, or if Customer is for any other reason indebted to Custodian, including, but not limited to, any advance of immediately available funds to Customer with respect to payments to be received by Custodian in next-day funds (which Customer acknowledges Customer is liable to repay if Custodian does not receive final payment), Customer agrees to repay Custodian on demand the amount of the advance, overdraft or other indebtedness, reserve requirements and accrued interest at a rate per annum (based on a 360-day year for the actual number of days involved) equal to the Federal Funds effective rate in effect from time to time.

12.3. In the event of an advance of funds by Custodian, or if any overdraft is created by Account transactions, Custodian may directly charge the Account and receive such payment therefrom. In the event that a compensation payment due Custodian is past due by more than thirty (30) days, such amount may also be charged to the Account and Custodian may receive such payment therefrom. To secure such payments obligations, Customer does hereby grant to Custodian a security interest in all Assets held in the Account from time to time.

13. Customer Responsibility. Customer shall be responsible for the review of all reports, accountings and other statements provided thereto by the Custodian, and shall within ninety (90) days following receipt thereof notify the Custodian of any mistakes, defects or irregularities contained or identified therein, after which time all such matters shall be presumed to be ratified, approved and correct and shall not provide any basis for claim or liability against the Custodian.

14. Indemnification. Customer hereby agrees to indemnify Custodian and its controlling person, officers, directors, employees and agents (each an "Indemnified Party") and hold each Indemnified Party harmless from and against any cost, losses, claims, liabilities, fines, penalties, damages and expenses (including reasonable attorneys' and accountants' fees (collectively, a "Claim") arising out of (i) Customer's actions or omissions or (ii) Custodian's action taken or omitted hereunder in reliance upon Customer's instructions, or upon any information, order, indenture, stock certificate, power of attorney, assignment, affidavit or other instrument delivered hereunder to Custodian, reasonably believed by Custodian to be genuine or bearing the signature of a person or persons authorized by Customer to sign, countersign or execute the same; provided, that Customer shall not indemnify an Indemnified Party for

any Claim arising from the Indemnified Party's willful misfeasance, bad faith or negligence in the performance of its duties, or reckless disregard of its duties under this Agreement.

15. Termination.

15.1. This Agreement will remain in effect until terminated by either party giving written notice thirty (30) days in advance of the termination date.

15.2. Upon termination of this Agreement, Custodian shall follow such reasonable Customer instructions concerning the transfer of Assets' custody and records; provided, that (a) Custodian shall have no liability for shipping and insurance costs associated therewith; (b) Custodian shall not be required to make any such delivery or payment until full payment shall have been made by Customer of all liabilities constituting a charge on or against Custodian and until full payment shall have been made to Custodian of all its compensation, costs, including special termination costs, if any, and expenses hereunder; and (c) Custodian shall have been reimbursed for any advances of monies or securities made hereunder to Customer. If any Assets remain in the Account, Custodian may designate Customer as successor Custodian hereunder and deliver the same directly to Customer.

15.3. Upon termination of this Agreement, all obligations of the parties to each other hereunder shall cease, except that all indemnification provisions herein shall survive with respect to any Claims arising from events prior to such termination.

16. Binding Obligations. Customer and Custodian each hereby represent that this Agreement constitutes its legal, valid and binding obligation enforceable in accordance with the terms hereof; subject, as to enforcement of remedies, to applicable bankruptcy and insolvency laws, and to general principles of equity.

17. General Provisions.

17.1. **Notice.** Except as provided in paragraph 11 above, any notice or other communication under this Agreement shall be in writing and shall be considered given when delivered by certified mail, return receipt requested, to the parties at the addresses set forth on the execution page hereof (or at such other address as a party may specify by notice to other). Notice shall be effective upon receipt if by mail, or on the date of personal delivery (by private messenger, courier service or otherwise) or telex or facsimile, whichever occurs first, to the addressee indicated below. The below addresses and individuals may be changed at any time by an instrument in writing executed by the party giving same and given to the other party, in accordance with the procedure set forth above.

17.2. **No Tax Responsibility.** Notwithstanding any other terms or conditions contained herein, Custodian shall not be responsible for, and Customer does hereby waive all duties or functions of Custodian (imposed by law or otherwise) relating to, the withholding and government deposit of any and all taxes, or amounts with respect thereto, that may be incurred or payable in connection with the Account established hereunder, income or gain realized on Assets held therein or transactions undertaken with respect thereto. Except as required by law in such manner that cannot be delegated to or assumed by Customer, Custodian shall have no responsibility to undertake any federal, state, or local tax reporting in connection with Assets, the Account or transactions therein.

17.3. **Complete Agreement; Modification.** This Agreement contains a complete statement of all the arrangements between the parties with respect to its subject matter, supersedes all existing agreement(s) between them concerning the subject, and cannot be amended or modified in any manner except by a written agreement executed by both parties. Notwithstanding the foregoing, if at any time Custodian is holding assets or property of Customer pursuant to any other custodial, pledge or other agency agreement with Customer (or which Customer has acknowledged in instructions to Custodian) and one or more third parties that involves Custodian's duties or obligations to a third party (which may be affiliates to Custodian) with respect to Assets, the terms and requirements of the other agreement(s) concerning such Assets shall supersede and control the provisions and duties set forth herein.

17.4. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to agreements made and to be performed in California.

17.5. **Assignment.** No party may assign any of its rights hereunder without the consent of the other, which consent shall not be unreasonably withheld. The foregoing consent requirement does not apply if

either party shall merge or consolidate with or sell substantially all of its assets to another corporation, provided that such other corporation shall assume without qualification or limitation all obligations of that party hereunder either by operation of law or by contract.

17.6. **Severability.** If any provision of this Agreement is invalid or unenforceable, the balance of the Agreement shall remain in effect, and if any provision is inapplicable to any person or circumstances, it shall nevertheless remain applicable to all other persons and circumstances.

17.7. **No Third Party Rights.** In performing its services hereunder, Custodian is acting solely on behalf of Customer. No agency, contractual or service relationship shall be deemed to be established hereby between Custodian and any other persons.

17.8. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be considered an original, but all of which together shall constitute the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representative as of the date and year first above written.

Customer:

U.S. Bank National Association

By:
Title:
Date:

By:
Title:

Customer Address:

Custodian Address:
U.S. Bank National Association

Attn:
633 W. 5th Street, 24th Floor
Los Angeles, CA 90071

Schedule of Fees

SCHEDULE OF COMPENSATION

CUSTODY SERVICES

The Bank serves as Custodian without any investment responsibility for reviewing the assets or making investment recommendations.

ANNUAL FEE

For securities, limited partnership interests, miscellaneous assets and cash equivalents:

First \$1,000,000	0.30%
Next \$2,000,000	0.25%
Next \$2,000,000	0.20%
Balance	0.15%

charging for 10-12%

MINIMUM ANNUAL FEE

\$3,000. If account terminates during the first year, a full annual fee will be charged.

CASH MANAGEMENT

Pursuant to separate disclosure

REAL ESTATE, TRUST DEED NOTES, OIL, GAS AND MINERAL INTERESTS, AND LIMITED/GENERAL PARTNERSHIPS WITH REAL ESTATE RELATED ASSETS

See Real Estate Schedule

SET-UP, REVOCATION, AND TRANSACTION FEES

Reasonable compensation with minimums of

Per Security Issue	\$ 25
Per Non-Depository Security Issue	\$ 50
Per Trust Deed Note	\$150
Per Real Estate Parcel	\$150
GNMA Income Receipts	\$ 10

ADDITIONAL SERVICES

Reasonable compensation will be charged for additional services. Examples are: handling real estate sales, purchases, leases, mineral interests, litigation, discretionary distributions, remittances to other than beneficiaries (\$15 per transaction), overdrafts, preparing and/or filing account related tax returns, worksheets and forms, and extra statements. Supplemental fee schedule available upon request.

The Bank reserves the right to change its Schedules of Compensation at any time.



Rabobank, N.A.
Member FDIC

EQUAL HOUSING
LENDER

NMLS #649477
PRM-DEPT-044 (02/16)

MKT-4004 (03/17)

Rabobank
Wealth Management



Wealth Management Services

Investment Custody Services

You can use our investment custody services to keep your assets safe from theft or loss and spare yourself the day-to-day record-keeping chores involved with investments like stocks, bonds and rental property.

Who Can Benefit the Most?

- People who travel a lot
- People who are not detail-oriented
- People who like to make their own investment decisions but dislike the day-to-day chores
- People who are busy with other aspects of their lives

What Kinds of Investment Portfolios Can Rabobank, N.A. Hold for You?

- Individual portfolios
- Trusts
- Estates
- Foundations and endowments

Our Custody Service Helps You:

- Consolidate your investments in one place
- Save time in:
 - record-keeping (especially with capital gains and losses)
 - opening and processing mail
 - delivering certificates when bonds mature or stocks split
- Ensure there is no delay in depositing checks
- Avoid misplaced dividend checks and stock certificates
- Avoid missed bond calls and tender offers

Our Custody Service Includes:

- Keeping your assets safe from theft or loss
- Executing your buy and sell orders
- Keeping track of all your transactions
- Collecting interest, dividends and rental income from property
- Handling bond calls, stock splits and other time-consuming transactions
- Sweeping idle cash daily into interest-earning accounts
- Providing monthly statements that display your current assets and document all transactions
- Providing a complete schedule of all your investment transactions to assist you in preparing your tax returns



Rabobank, N.A.
Member FDIC

NMLS #649477

MKT-4006 (04/17)

www.RabobankAmerica.com

Rabobank
Wealth Management

February 8, 2019

Pete Kaiser, President
Casitas Municipal Water District
1055 Ventura Ave
Oak View, CA 93022

Sent by email to pkaiser@casitaswater.com 2-8-19

Dear President Kaiser,

Re Upper Ventura River Groundwater Agency Financing Options

Per your request at the January 23 Board meeting, I am providing information about financing options for the Upper Ventura River Groundwater Agency for discussion at the February 15 Finance Committee meeting.

Attached is the powerpoint presentation made by the Agency's rate consultant. The Agency is requesting Casita's preference for Financial Plan #1 or #2. Plan #1 would require loans from member agencies in fiscal 2019-20 totaling \$187,709 because of cash flow problems. If divided equally among the members, each loan would be about \$37,500. Each member has been contributing \$50,000 annually until the Agency's extraction fee program is operational. The loan interest cost is estimated at \$28,000 and would be repaid during the six-year budget plan.

Plan #2 has variable extraction fees to match cash flow so no loans are necessary.

The six-year budget is being revised with costs likely to be higher. However, any loan, if that is Plan selected by the Agency, would likely be less than the \$50,000 the District has been contributing.

I will attend the Finance Committee meeting to assist your consideration of this issue.

Sincerely,

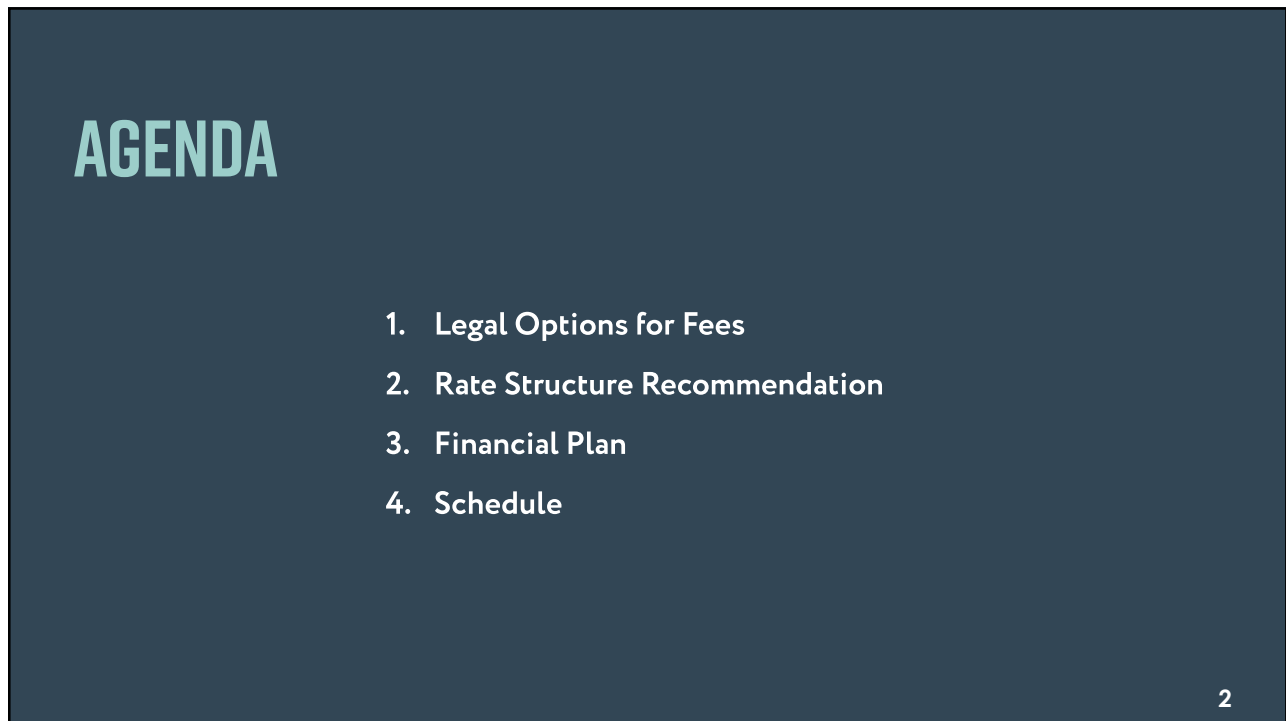
Bruce Kuebler, Chair
Upper Ventura River Groundwater Agency

Cc Mike Flood
Angelo Spandrio

Attachment: Upper Ventura River GSA Fee Study, January 10, 2019



1



2

Funding Options Overview

Pre-GSP

Funding authority: “may impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity”

Silent whether Prop 26 or Prop 218 apply.

Eligible costs: Preparation, adoption, and amendment of a GSP, and investigations, inspections, compliance assistance, enforcement, and program admin, including prudent reserve.

Post-GSP

Funding authority: Fees must be adopted in accordance with Prop 218.

Eligible costs: Groundwater management, including, but not limited to, the costs of:

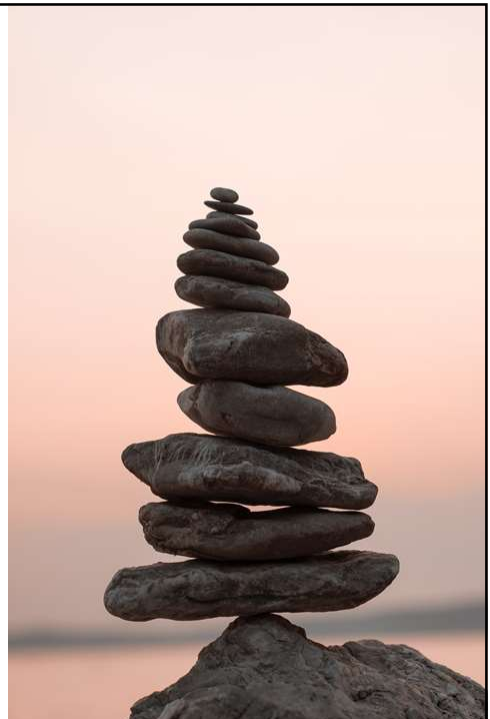
- (1) Administration, operation, and maintenance, including a prudent reserve.
- (2) Acquisition of lands or other property, facilities, and services.
- (3) Supply, production, treatment, or distribution of water.
- (4) Other activities necessary or convenient to implement the plan.

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Fee Goals

- ✓ Fiscally responsible
- ✓ Equitable
- ✓ Legal defensible
- ✓ Implementable (data)
- ✓ Buy-in from stakeholders



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Pre-GSP Fee Legal Vehicles



Prop. 26 (CA Constitutional Art. XIII C)

- 1) Specific benefit/service exception
- 2) Reasonable regulatory costs exception
- 3) Special tax: Approval by 2/3 vote

Prop. 218 (CA Constitutional Art. XIII D)

- 4) Property-related fee (subject to majority protest process)
- 5) Special assessment (approval by 2/3 vote)

Water Code 10730 (SGMA)

- 6) Fees to fund the cost of a groundwater sustainability program


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De minimis extractors

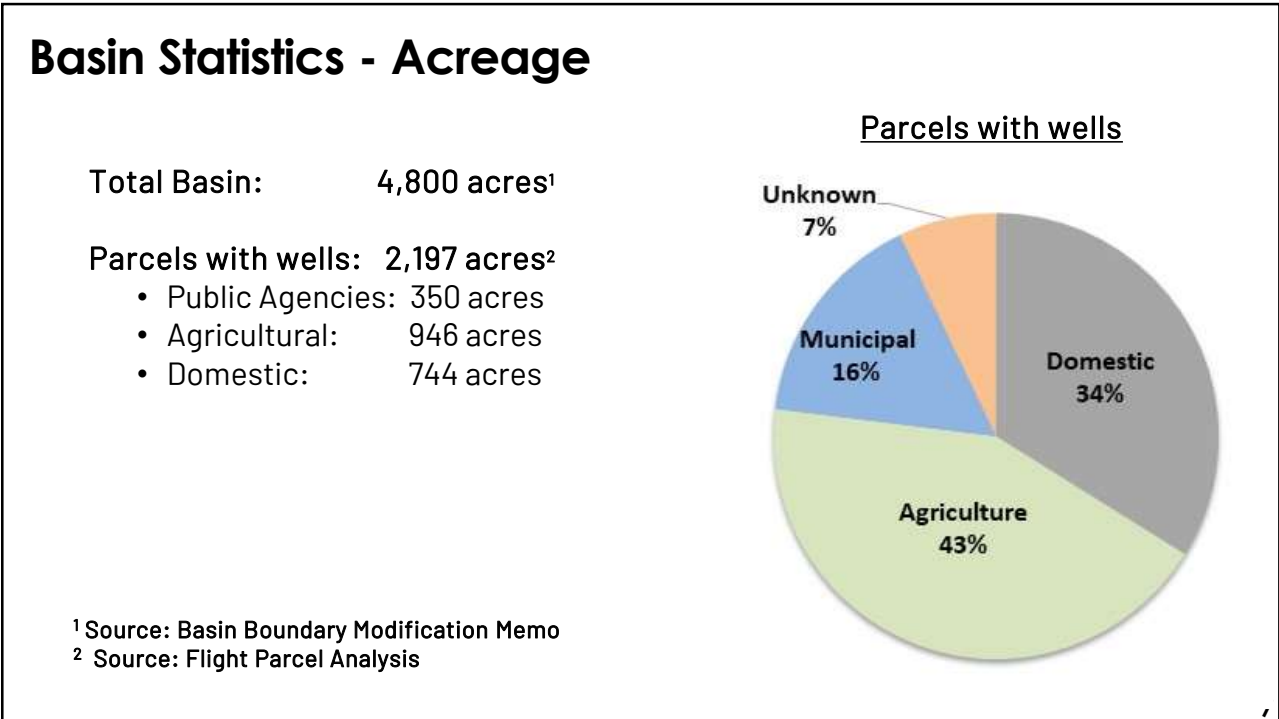
“De minimis extractor” is a person who extracts, for domestic purposes, two acre-feet or less per year.

GSA is not authorized to impose a fee on a de minimis extractor unless the GSA has “regulated the user pursuant to (SGMA).” Authority to regulate is conferred to the GSA after the GSP is adopted.

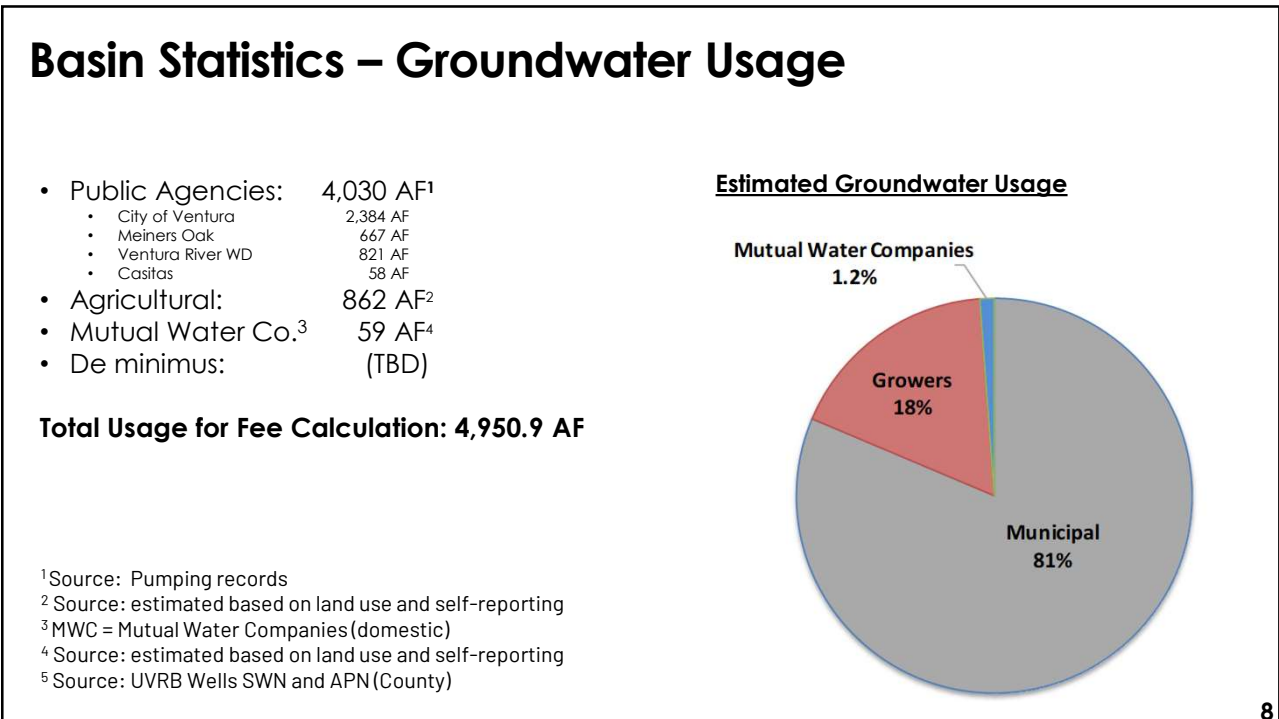


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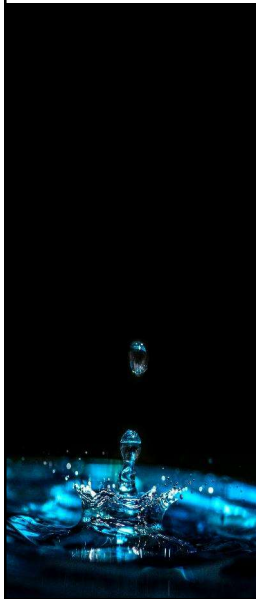


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Pre-GSP Fee Structure Options



- ✓ 1. Estimated usage extraction fee
 - Most feasible and equitable
- ✗ 2. Flat parcel fee
 - Not as equitable
- ✗ 3. Metered extraction fee
 - Not feasible within timeframe
- ✗ 4. Voluntary/obligatory contributions from member agencies
 - Not equitable
- ✗ 5. Parcel tax
 - Expensive, lengthy and unreliable process
- ✗ 6. Special assessment
 - Expensive, lengthy and unreliable process

9

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**Financial
Plan #1
(Smooth Rates)**

	FY2018/19	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24	
Expenses							
1	Labor	\$31,000	\$31,930	\$32,888	\$33,875	\$34,891	\$35,937
2	Office	\$9,000	\$9,270	\$9,548	\$9,835	\$10,130	\$10,433
3	Professional Services	\$127,000	\$130,810	\$134,734	\$138,776	\$141,381	\$145,622
4	Grant Tasks	\$116,836	\$195,641	\$231,413	\$120,776	\$0	\$0
5	Contribution Reimbursement*	\$0	\$0	\$4,188	\$76,692	\$126,105	\$3,664
6	Total Expenses	\$283,836	\$367,651	\$412,771	\$379,953	\$312,506	\$195,657
Sources							
7	DWR Grant Revenue	\$35,784	\$89,046	\$212,771	\$179,953	\$112,506	\$0
8	Scheduled Contributions	\$249,200	\$0	\$0	\$0	\$0	\$0
9	Additional Contributions*	\$0	\$187,709	\$0	\$0	\$0	\$0
10	Subtotal for Other Sources	\$284,984	\$276,755	\$212,771	\$179,953	\$112,506	\$0
11	Fee Revenue Requirement	\$0	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
12	Use of Reserves	(\$1,148)	(\$109,104)	\$0	\$0	\$0	(\$4,343)
14	Beginning Fund Balance	\$69,748	\$70,896	\$180,000	\$180,000	\$180,000	\$180,000
15	Ending Fund Balance	\$70,896	\$180,000	\$180,000	\$180,000	\$180,000	\$184,343

5-Year Total
\$1,000,000

* Additional contributions from member agencies will be reimbursed at a 5% interest rate.

Fee = \$40.40 / AF per year

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	FY2018/19	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24	
Expenses							
1	Labor	\$31,000	\$31,930	\$32,888	\$33,875	\$34,891	\$35,937
2	Office	\$9,000	\$9,270	\$9,548	\$9,835	\$10,130	\$10,433
3	Professional Services	\$127,000	\$130,810	\$134,734	\$138,776	\$141,381	\$145,622
4	Grant Tasks	\$116,836	\$195,641	\$231,413	\$120,776	\$0	\$0
5	Contribution Reimbursement*	\$0	\$0	\$0	\$0	\$0	\$0
6	Total Expenses	\$283,836	\$367,651	\$408,583	\$303,261	\$186,401	\$191,993
Sources							
7	DWR Grant Revenue	\$35,784	\$89,046	\$212,771	\$179,953	\$112,506	\$0
8	Scheduled Contributions	\$249,200	\$0	\$0	\$0	\$0	\$0
9	Additional Contributions*	\$0	\$0	\$0	\$0	\$0	\$0
10	Subtotal for Other Sources	\$284,984	\$89,046	\$212,771	\$179,953	\$112,506	\$0
11	Fee Revenue Requirement	\$0	\$387,710	\$195,812	\$123,309	\$73,895	\$191,992
							5-Year Total \$972,718
12	Use of Reserves	(\$1,148)	(\$109,105)	\$0	(\$1)	(\$0)	\$1
14	Beginning Fund Balance	\$69,748	\$70,896	\$180,001	\$180,001	\$180,001	\$180,001
15	Ending Fund Balance	\$70,896	\$180,001	\$180,001	\$180,001	\$180,001	\$180,001
	Rates (\$/AF):	\$78.31	\$39.55	\$24.91	\$14.93	\$38.78	

* Additional contributions from member agencies will be reimbursed at a 5% interest rate.

Fee Adoption Process

- ✓ Publish notice of meeting once a week for two weeks prior to public hearing
- ✓ Mail notice to interested parties
- ✓ Make available report and data upon which proposed fee is based
- ✓ Hold public hearing
- ✓ Fee must be adopted by ordinance or resolution

Fee Collection

- ✗ • Ad valorem property tax bill (complicated and not timely)

- ✓ • "Hand" bills
 - One time
 - Biannually
 - Quarterly

If an owner / operator fails to pay the fee within 30 days of it becoming due, they shall be liable to the Agency for interest at the rate of 1% per month on the delinquent amount of the groundwater fee and a 10-percent penalty

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LOCAL GSA EXTRACTION CHARGE SURVEY

Mound Basin GSA - \$74 / AF (decreasing to \$38 / AF in 4 years)

Annual revenue: \$194 thousand

Fillmore – Piru Basin GSA - \$8.50 / AF

Annual revenue: \$213 thousand

Fox Canyon Groundwater Management Agency = \$6.50 / AF

Annual revenue: \$670 thousand

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Schedule & Next Steps

- ✓ Jan 10 Fee Structure Board Workshop
- TBD Public Hearing
- July 1 Fees Due



Board Actions

- Vote whether to move forward with Estimated Extraction Fee
- Vote on the form of the Fee (smooth vs. just-in-time)
- Discuss public hearing and notification process