

# Board Meeting Agenda

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

Pete Kaiser, Director  
James Word, Director

CASITAS MUNICIPAL WATER DISTRICT  
April 23, 2012  
3:00 P.M. – DISTRICT OFFICE

**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
2. General Manager comments.
3. Board of Director comments.
4. Consent Agenda
  - a. Minutes of the April 11, 2012 Board Meeting.

RECOMMENDED ACTION: Adopt Consent Agenda

5. Bills
6. Committee/Manager Reports
  - a. Water Resources Committee Minutes
7. Resolution approving execution of a ten year concession agreement with Lake Casitas Marina, Inc. for the operation and management of the Park Store at Lake Casitas Recreation Area.

RECOMMENDED ACTION: Adopt Resolution

8. Information Items:
  - a. Casitas Reservoir Water Inventory Summary
  - b. Lake Casitas Storage Volume Comparison
  - c. Certificate of Achievement for Excellence in Financial Reporting awarded to Denise Collin from Government Finance Officers Association.
  - d. Letter from Golden State Water Company regarding purchased water projections and correction to reflect a 3% reduction in revenue request.
  - e. Decision from County of Ventura regarding Mosler Rock – Ojai Quarry Reclamation Plan Compliance Amendment.
  - f. Report from Michael Shields attendance at the CA/NV Spring Conference.
  - g. Investment Report.
9. Closed Session
  - a. (Govt. Code Sec. 54956.9 (c))  
Conference with Legal Counsel – Anticipated Litigation (One case).
10. 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  
April 11, 2012

A meeting of the Board of Directors was held April 11, 2012 at Casitas' Office, Oak View, California. Directors Baggerly, Word, Hicks, and Kaiser were present. Director Bergen was absent. Also present were Steve Wickstrum, General Manager, Rebekah Vieira, Clerk of the Board, and Attorney, John Mathews. There were three staff members and six members of the public in attendance. President Baggerly led the group in the flag salute.

1. Public Comments

Mr. Rod Thigpin residing at 213 Craig Drive spoke to the board regarding some issues he is having with recreation. This has been going on for five or six years for whatever reason. I fish Casitas a lot, was a lure maker and fishing guide. I had a discussion with Ranger Rob on how fishing was declining. I came to the board meeting and fought to get trout plants reinstated. Rob got worked up and told me I didn't know what I was talking about. He told me the only reason I wanted the trout stock back in the lake was because I was a lure maker. That is not true. Then we turned around to when the lake was closed down and we were locked out of the lake. That cost me thousands of dollars. Everybody got locked out. What happened was one of my friends had a motor home in storage and he got to where he couldn't go in there either. We agreed to go in on a boat. He donated his motor home and we put to get my boat in there. Ranger Suzy and Rob went to tell the guys at boat rentals, that Doc had died and they were giving that spot away. We made calls. I called Doc and said they are trying to give that space away. He called and they gave him a hard time. It didn't make a lot of sense. I came to you to get trout plants reinstated then had huge problems with a boat being cabled. One time it was through the jack plate then I was held for an hour and told to reroute the cable. I sent e-mails to the board and it got straightened out. It is uncalled for. I felt it was an attack. Ranger Rob came to my face and told me you are catching ten pound bass and you are complaining to our board that fish are dying. I'm just trying to do what's right for the fishery. The last year and a half I have had nothing to do with the lake as I have been extremely ill. I haven't had a boat in there at all. Last Saturday, I took a boat up and had it quarantined. Ranger Geoff got it through inspection no problem. On Saturday I get a call from Brent and he starts in asking if I am on the lake guiding. With the ten day quarantine that is impossible. I told him no. He started in on me about the lakes rules. I know what I have to do. I asked him why he is calling me and harassing me. He tells me how I have to have insurance and bonding. I told him no, I don't have my guide license. I have been ill. The intention was to come up with friends and shoot some carp. He starts in on my website. The website says you are guiding. I said the website has not been updated in three years. I said what's on website is none of your business. If I am inside the lake you have every right to ask these questions and I don't have boat in the lake yet.

President Baggerly informed Mr. Thigpin that he had been talking for about seven minutes and that in the public comment section of the agenda we can't take any actions. You don't feel you have been treated properly. We will turn it over to the General Manager and he will talk to his staff. Mr. Thigpin added I don't know where this is coming from. I want to enjoy the lake with my friends. Mr. Wickstrum asked if he had met Carol Belser, the Park Services Manager and suggested he start by speaking with Carol on this situation. Ms. Belser provided Mr. Thigpin with her car so he could contact her to discuss the situation.

2. General Manager comments.

Mr. Wickstrum reminded the board that the second meeting in April is scheduled for April 23<sup>rd</sup>.

3. Board of Director comments.

Director Word mentioned that at the Chamber meetings he has learned that the City of Ventura has approved another 200 housing units within our district bringing the total to 350 additional housing units to be added in the District.

Director Kaiser informed the board that he had the opportunity to meet with the CEO of the CREW organization where high school age kids take care of issues on the environment with Forest Service. There was some interest to take care of debris such as bricks on the watershed. As much as it fits perfectly there are other issues they are working through and they are not able to pursue it but they appreciated the fact we had contacted them.

President Baggerly mentioned that in the latest ACWA newsletter, Donald Glasser was awarded the Distinguished Service Award last month. We should send a congratulations message from the board.

4. Consent Agenda ADOPTED

- a. Minutes of the March 28, 2012 Board Meeting.
- b. Minutes of the March 23, 2012 Board Meeting.
- c. Recommend consent to Best Best & Krieger to provide joint representation in the State Water Cases that are currently pending and authorize the General Manager to sign and return the consent letter.

On the motion of Director Word, seconded by Director Kaiser and passed, the Consent Agenda was adopted.

5. Bills APPROVED

Director Kaiser questioned the bill for Water Tracks Software. Mr. Wickstrum explained this is for the lab to document sampling.

On the motion of Director Hicks, seconded by Director Kaiser and passed, the bills were approved.

6. Committee/Manager Reports APPROVED FOR FILING
- a. Recreation Committee Minutes
  - b. Finance Committee Minutes

Mr. Wickstrum informed the board that we considered the Hells Angels event and have declined to hold that event at the lake.

On the motion of Director Word, seconded by Director Hicks and passed, the Committee/Manager Reports were approved for filing.

7. Consideration of an appeal from Steve and Diane Atkinson regarding a leak relief that was granted in February, 2012. APPROVED

Steve and Diane Atkinson provided their appeal regarding the leak relief that was previously granted. They explained that they have had a debate with Casitas about some water losses and some damage to the road crossings of creeks on our property. About ten years ago we installed a line off the meter to supply a camp site and we put a shut off valve after the main supply line. When the camp was not in use we shut the water off so if the line were broken no water would be lost. We had no lost water until after Casitas had to make some changes due to a large main leak. They moved our meter and did not replace the shut off valve. The letter received with the latest leak relief stated that we are responsible for things that happen on our side of the meter. Our argument is if you make changes on our side of the meter you are responsible for any adverse outcomes.

The board discussed the various issues surrounding this request and Mr. Wickstrum explained that staff has presented a differing opinion of the situation.

On the motion of Director Hicks, seconded by Director Kaiser and passed the additional relief in the amount of \$2,507.33 was granted to the Atkinsons with Director Word adding that this is the entire settlement.

8. Resolution approving execution of a five year concession agreement with Lake Casitas Marina, Inc. for the operation and management of the Park Store at Lake Casitas Recreation Area. TABLED

Gary Wolfe requested that the Board consider the agreement for ten years as that was what our original proposal was for. There are several items we want to do such as fixing the walk in coolers, replacing the air conditioner, replacing shelving displays. We have up to \$26,000 of improvements to make now but can't economically do that if we are only there for five years.

Ms. Belser reminded the Board that the RFP in November was for a ten year proposal. During a closed session it was discussed to send a letter to the three respondees asking if they would be interested in a five year. All three proposals responded yes and so we are now dealing with a five year agreement.

Mr. Wickstrum informed the board that this is not a bid and we are not stuck with the way it is written. Five years has gone by very quickly. For Gary and Luis this will go by very quickly. They stepped up to the plate to help us out at the park store and get it operating last year.

Mr. Wolfe added he is willing to offer three years at ten percent, four years at 11 % and then the final two years at 12%. It was suggested that the improvements be added in the contract. A revised contract will be brought back to the next board meeting.

9. Recommend approval of a letter to the County of Ventura regarding Mosler Rock Products CEQA Addendum. APPROVED

President Baggerly informed the board of the meeting tomorrow at 10:00 a.m. with the planning director to entertain a hearing to adopt the Reclamation Plan compliance agreement and addendum to CEQA EIR adopted in 1995.

Director Word asked prior to this they have not told him that he has to do these other things? President Baggerly responded yes and no. Prior to this the CEQA Addendum didn't address a lot of things. They are saying there is no issue of water quality or harming the critical habitat for steelhead. We are saying have a look at it. They rely on EIR that didn't address it. Director Word asked where it stands in relation to Mary's concern. President Baggerly explained she had a problem with us requiring CEQA. They did CEQA and an Addendum. We are asking them to include other information. Pete's issue was it was not timely. Now it is timely. We are not forcing them to do CEQA. We are asking them to look at issues. Director Word asked are you going to the meeting. President Baggerly responded, yes.

On the motion of Director Kaiser, seconded by Director Hicks and passed, the above recommendation was approved.

10. Resolution approving membership in the ACWA Joint Powers Insurance Authority, consenting to join the Health Benefits Program of the ACWA JPIA, ratifying the action of the ACWA Health Benefits Authority Board of Directors to terminate the Health Benefits Authority Joint Powers Agreement, and authorizing and directing the Casitas MWD to execute all necessary documents. ADOPTED

The resolution was offered by Director Word, seconded by Director Hicks and passed by the following roll call vote:

AYES: Directors: Kaiser, Hicks, Word, Baggerly

NOES: Directors: None  
ABSENT: Directors: Bergen

Resolution is numbered 12-15.

11. Resolution cancelling the May 9, 2012 meeting and scheduling a special meeting to be held May 7, 2012. ADOPTED

The resolution was offered by Director Hicks, seconded by Director Word and passed by the following roll call vote:

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

Resolution is numbered 12-16.

12. Information Items:

- a. Monthly Cost Analysis for operation of Robles, fisheries and fish passage.
- b. Letter from Bureau of Reclamation regarding Lake Casitas Structure Burn.
- c. News Articles
- d. Investment Report.

President Baggerly moved the meeting to closed session at 4:15 p.m. per government Code Section 54956.9(c).

13. Closed Session

- a. (Govt. Code Sec. 54956.9 (c))  
Conference with Legal Counsel – Anticipated Litigation (One case).

President Baggerly moved the meeting out of closed session at 4:52 p.m. stating there was nothing to report.

14. Adjournment

President Baggerly adjourned the meeting at 4:52 p.m.

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Bill Hicks, Secretary

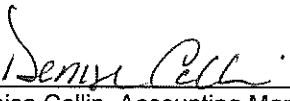
# A/P Fund

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.

000325 A/P Checks: 011533-011547  
A/P Draft to P.E.R.S.  
A/P Draft to State of CA  
A/P Draft to I.R.S.  
Void:

000326 A/P Checks: 011548-011651  
A/P Draft to P.E.R.S. 041723  
A/P Draft to State of CA 041722  
A/P Draft to I.R.S. 041721  
Void: 011603-011604

The above numbered checks,  
have been duly audited are hereby  
certified as correct.

 4/18/12  
\_\_\_\_\_  
Denise Collin, Accounting Manager

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature



CASITAS MUNICIPAL WATER DISTRICT

Payable Fund Check Authorization

Checks Dated 4/5/12-4/17/12

Presented to the Board of Directors For Approval April 23, 2012

Check	Payee			Description	Amount
000325	Payables Fund Account	#	9759651478	Accounts Payable Batch 041112	\$241,466.14
000326	Payables Fund Account	#	9759651478	Accounts Payable Batch 041712	\$564,407.69
					\$805,873.83
000327	Payroll Fund Account	#	9469730919	Estimated Payroll 5/3/12	\$135,000.00
					\$135,000.00
				Total	\$940,873.83

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, 000325-000327 have been duly audited is hereby certified as correct.

*Denise Collin*

4/18/12

Denise Collin, Accounting Manager

Signature

Signature

Signature

CERTIFICATION

Payroll disbursements for the pay period ending 04/14/12

Pay Date of 04/19/12

have been duly audited and are  
hereby certified as correct.

Signed: Denise Collin 4/16/12  
Denise Collin

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

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

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

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
C-CHECK	VOID CHECK	V	4/17/2012			011603		
C-CHECK	VOID CHECK	V	4/17/2012			011604		

* * 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	0.00

TOTAL ERRORS: 0

VENDOR SET: 01	BANK: *	TOTALS:	2	0.00	0.00	0.00
BANK: *		TOTALS:	2	0.00	0.00	0.00

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00188 I-040512	PETTY CASH Replenish Petty Cash	R	4/05/2012	295.85		011533		295.85
01985 I-041112	AFLAC/FLEX ONE Reimburse Medical 2012	R	4/11/2012	632.00		011534		632.00
02318 I-040312	Atom Engineering Construction, Fairview PP Elec Rehab Pmt#2	R	4/11/2012	13,571.74		011535		13,571.74
00021 I-041112	AWA OF VENTURA COUNTY Symposium 4/19/12	R	4/11/2012	350.00		011536		350.00
01153 I-Mar 12	RUSS BAGGERLY Reimburse Mileage 3/12	R	4/11/2012	81.03		011537		81.03
00821 I-674751 I-674752	BEST BEST & KRIEGER LLP Matter #8235600001 3/12 Matter #8235600002 3/12	R R	4/11/2012 4/11/2012	779.00 1,131.60		011538 011538		1,910.60
01616 I-040912	FRED BRENEMAN 4/1/12-4/14/12	R	4/11/2012	391.00		011539		391.00
00093 I-783997102	FEDERAL EXPRESS Shipping for LCRA	R	4/11/2012	75.93		011540		75.93
01772 I-040312	HASAN CONSULTANTS Rincon 2M Engineering Srvcs	R	4/11/2012	3,000.00		011541		3,000.00
00126 I-Mar 12	CAROLE ILES Reimburse Mileage 3/12	R	4/11/2012	40.79		011542		40.79
01272 I-040612	LISA KOLAR Safety Boot Purchase	R	4/11/2012	69.50		011543		69.50
01270 I-Mar 12	SCOTT LEWIS Reimburse Expenses 3/12	R	4/11/2012	2,867.52		011544		2,867.52
00048 I-040512	STATE OF CALIFORNIA State Water Plan Payment	R	4/11/2012	181,727.00		011545		181,727.00
00234 I-040512	UNITED WATER CONSERVATION State Water Plan Payment	R	4/11/2012	12,151.06		011546		12,151.06

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00949	CITY OF VENTURA I-040512 State Water Plan Payment	R	4/11/2012	24,302.12		011547		24,302.12
01629	3M I-02822910 Safety Glasses for E & M	R	4/17/2012	85.50		011548		85.50
02333	A-1 Truck & Equipment I-24994 Venturo Crane Model#ET8K	R	4/17/2012	7,775.25		011549		7,775.25
01441	ADVANTAGE TELECOM, INC I-37259 LCRA Monthly Phone Charges	R	4/17/2012	672.55		011550		672.55
01325	Aflac Worldwide Headquarters I-967658 Supplemental Insurance 4/12	R	4/17/2012	2,933.94		011551		2,933.94
09569	ALLCABLE I-213765601 Cable for Fisheries I-214084100 Cable for IT Dept	R R	4/17/2012 4/17/2012	86.74 94.56		011552 011552		181.30
00029	AMERICAN TOWER CORP I-1227893 Tower Rent, Rincon Pk, Red Mtn	R	4/17/2012	1,485.77		011553		1,485.77
00022	AMERICAN WATER WORKS ASSOC. C-7000473097A Accrue Use Tax D-7000473097A Accrue Use Tax I-7000473097 Standard Revisions for Engin	R R R	4/17/2012 4/17/2012 4/17/2012	39.51CR 39.51 545.00		011554 011554 011554		545.00
00014	AQUA-FLO SUPPLY I-307306 Pressure Gauge for LCRA Maint	R	4/17/2012	23.60		011555		23.60
00840	AQUA-METRIC SALES COMPANY I-0042419IN Water Meters for Pipelines	R	4/17/2012	5,092.98		011556		5,092.98
00018	AT & T MOBILITY I-829434088X04142012 PT Wildlife Biol Monthly Cell	R	4/17/2012	7.26		011557		7.26
00020	AVENUE HARDWARE, INC I-46077 Sewat Bands for Hard Hats, DM	R	4/17/2012	13.94		011558		13.94
00021	AWA OF VENTURA COUNTY I-040512 Operators Tech Workshop 4/19 I-041612 Oper Tech Workshop on 4/19/12	R R	4/17/2012 4/17/2012	65.00 390.00		011559 011559		455.00

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00030	B&R TOOL AND SUPPLY CO							
I-1243231000101	Wrench, Socket for TP	R	4/17/2012	100.88		011560		
I-1243496000101	Mesh Vests for Easter, LCRA	R	4/17/2012	45.05		011560		145.93
02045	BC Rincon Construction, Inc.							
I-041012	LCRA Road Repairs, Retention	R	4/17/2012	11,880.30		011561		11,880.30
02026	Carol Belser							
I-Apr 12	Seminar on 4/11/12	R	4/17/2012	85.00		011562		85.00
00756	BOARD OF EQUALIZATION							
I-041212	Use Tax Return 1/1/12-3/31/12	R	4/17/2012	1,891.00		011563		1,891.00
01023	CARQUEST AUTO PARTS							
I-7294334721	Oil for District Vehicles	R	4/17/2012	9.20		011564		9.20
00055	CASITAS BOAT RENTALS							
I-001379	Gas for Boats at LCRA	R	4/17/2012	1,624.05		011565		
I-032412	Kids Fishing Day Equipment	R	4/17/2012	162.48		011565		
I-033112	Cafe Pass Reimbursment	R	4/17/2012	2,074.94		011565		3,861.47
00511	Centers for Family Health							
I-12580	Drug Tests	R	4/17/2012	702.00		011566		702.00
00117	CERTEX USA, INC							
I-1070021200	Dam Buoyline Repair Parts	R	4/17/2012	1,178.03		011567		1,178.03
01384	CLEAN HARBORS ENVIRONMENTAL SE							
I-6W1289148	Hazardous Waste Removal	R	4/17/2012	126.35		011568		126.35
00057	CLEAN SOURCE							
I-266444400	Janitorial Supplies, Dist Ofc	R	4/17/2012	296.97		011569		296.97
02322	Coast Cart, Inc.							
I-2126	Oil Filters for EZ Carts, LCRA	R	4/17/2012	85.59		011570		85.59
00059	COASTAL PIPCO							
I-S1717487003	Plumbing Parts for Lagoon	R	4/17/2012	295.98		011571		
I-S1717487004	Plumbing Parts for Lagoon	R	4/17/2012	27.99		011571		
I-S1717715001	Solenoid Valve for LCRA Maint	R	4/17/2012	86.20		011571		410.17
00061	COMPUWAVE							
I-SB02069980	Battery Backup for Front Desk	R	4/17/2012	171.60		011572		171.60

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 4/05/2012 THRU 4/17/2012

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00062	CONSOLIDATED ELECTRICAL							
I-9009655349	Electrical Parts, Pump Plants	R	4/17/2012	377.09		011573		
I-9009655388	Receptacle for Telemetry	R	4/17/2012	95.01		011573		472.10
00719	CORELOGIC INFORMATION SOLUTION							
I-80470722	Realquest Softwre Subscription	R	4/17/2012	125.00		011574		125.00
01483	CORVEL CORPORATION							
I-657601541	Bill Review Claim#12-00589	R	4/17/2012	15.46		011575		15.46
01764	CSG Systems, Inc.							
I-78520	UB Mailing 2/28/12	R	4/17/2012	955.94		011576		955.94
02034	D.K. Mechanical							
I-2207	Rebuild Alternator, TP Backhoe	R	4/17/2012	445.00		011577		445.00
00520	DESTIN THOMAS COMM., INC.							
I-480335	VHF Radio for New Patrol Boat	R	4/17/2012	680.73		011578		680.73
00662	Diamond A Equipment							
I-WX04987	Service/Repair #284, Mower	R	4/17/2012	478.56		011579		
I-WX05018	Blades for #277, Kubota Mower	R	4/17/2012	64.00		011579		542.56
00086	E.J. Harrison & Sons Inc							
I-228	Backwash Residuals Hauling, TP	R	4/17/2012	2,005.56		011580		
Acct#500139629								
I-779	Acct#500546088	R	4/17/2012	280.00		011580		2,285.56
00415	F.H. PUMPS INC.							
I-00062850	Fishsink Grinder FloatSwitches	R	4/17/2012	193.05		011581		193.05
00095	FAMCON PIPE & SUPPLY							
I-140522	Parts to Relocate Fire Hydrant	R	4/17/2012	551.53		011582		
I-140603	Parts for Repipe for Pipeline	R	4/17/2012	183.40		011582		
I-141000	Drain Pipe for Dist Maint	R	4/17/2012	1,169.03		011582		1,903.96
	Drain Pipe & Bands for Rec Road Maintenance							
00714	FAST SIGNS							
I-26429434	Price Banner for LCRA Entrance	R	4/17/2012	120.57		011583		120.57
00136	FEDEX OFFICE							
I-500300015219	Laminating Sheets,Kid Fish Day	R	4/17/2012	75.08		011584		75.08

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00099	FGL ENVIRONMENTAL							
I-202815A	Wet Chemistry-NO3	R	4/17/2012	43.00		011585		
I-203057A	Wet Chemistry-NO3	R	4/17/2012	43.00		011585		
I-203159A	Wet Chemistry-NO3	R	4/17/2012	43.00		011585		129.00
00103	FRANK'S ROOTER & PUMPING							
I-85988	Septic Tanks Pumped at LCRA	R	4/17/2012	867.68		011586		867.68
00104	FRED'S TIRE MAN							
I-57287	Flat Repair Unit#11 Dist Maint	R	4/17/2012	15.00		011587		
I-57525	Flat Repair EZ Go Cart #2	R	4/17/2012	10.00		011587		25.00
00106	FRONTIER PAINT							
I-F160967	Paint for Line Check,Pipelines	R	4/17/2012	79.55		011588		79.55
00485	FRUIT GROWERS SUPPLY COMPANY							
I-90996085	Blue Dye, Pesticide Indicator for use in Dist Maint	R	4/17/2012	39.15		011589		39.15
01280	FRY'S ELECTRONICS, INC.							
I-4434019	Monitor- Fisheries,Adapters-IT	R	4/17/2012	298.86		011590		
I-4453349	Printer Ink Cartridges	R	4/17/2012	90.49		011590		389.35
01162	GENERAL CHEMICAL PERFORMANCE							
I-90472508	Ferric Sulfate for TP	R	4/17/2012	10,862.03		011591		10,862.03
02158	Google, Inc.							
I-1465266	Additional Usage, IT Dept	R	4/17/2012	2.17		011592		2.17
00115	GRAINGER, INC							
I-9782195771	Nut Driver Set for Telemetry	R	4/17/2012	78.67		011593		
I-9784491921	Heat Shrink Kit, Pump Plant	R	4/17/2012	190.48		011593		
I-9791307052	Glass Fuses for Telemetry	R	4/17/2012	98.33		011593		
I-9796673771	Flourescent Light Tubes	R	4/17/2012	228.54		011593		
I-9798641347	Flourescent Light Bulbs	R	4/17/2012	32.64		011593		628.66
00119	HOUSE SANITARY SUPPLY, INC							
I-076485	Toilet Tissue for CT's at LCRA	R	4/17/2012	265.77		011594		265.77
00125	IDEXX DISTRIBUTION CORP							
I-258660340	Disposable Vessels for Lab	R	4/17/2012	134.11		011595		134.11
00127	INDUSTRIAL BOLT & SUPPLY							
I-00126594	Parts for UOPP Upgrade	R	4/17/2012	96.63		011596		96.63



VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00872	Irrisoft, Inc. I-4064 Weather Station Service	R	4/17/2012	79.00		011597		79.00
00129	J.L. WINGERT CO I-317517 Tubing Kit & Connectors, WP	R	4/17/2012	1,311.23		011598		1,311.23
00360	LESLIE'S POOL SUPPLIES, INC I-142289744 Chemicals & Adapter for WP I-142289745 Chemicals for Waterpark	R R	4/17/2012 4/17/2012	107.75 82.96		011599 011599		190.71
00329	MCMMASTER-CARR SUPPLY CO. I-22040908 Bits, Driver Set for TP	R	4/17/2012	89.53		011600		89.53
01404	MCT TRAILERS I-56885 Tail Light for O & M Cust Svc	R	4/17/2012	47.08		011601		47.08
00151	MEINERS OAKS ACE HARDWARE							
	C-487417 Deadbolt Exchanged #486822	R	4/17/2012	3.90CR		011602		
	C-488142 Conduit Clamps Returned	R	4/17/2012	129.77CR		011602		
	C-488574 Sandbags Returned Inv#488573	R	4/17/2012	29.82CR		011602		
	I-486586 Funnel, Lube for Cortez #289	R	4/17/2012	4.70		011602		
	I-486822 Deadbolt for Waterpark RR	R	4/17/2012	37.08		011602		
	I-486823 Concrete for Firepits, LCRA	R	4/17/2012	11.23		011602		
	I-486855 Bits & Screws for UOPP	R	4/17/2012	17.45		011602		
	I-486868 Supplies for Treatment Plant	R	4/17/2012	60.50		011602		
	I-486872 Caulk Hollow-Jet Valve, Dam	R	4/17/2012	57.79		011602		
	I-486891 Supplies for Waterpark	R	4/17/2012	28.11		011602		
	I-487029 Parts for H Camp RR	R	4/17/2012	21.61		011602		
	I-487049 Wax Ring for Camp G RR	R	4/17/2012	16.77		011602		
	I-487133 Welding Supplies for #81	R	4/17/2012	25.03		011602		
	I-487147 Soap for Telemetry Shop	R	4/17/2012	2.77		011602		
	I-487422 Batteries for LCRA	R	4/17/2012	39.11		011602		
	I-487539 Batteries for Gas Detector, PP	R	4/17/2012	8.56		011602		
	I-487676 Masking Tape for LCRA	R	4/17/2012	19.24		011602		
	I-487770 Cutoff Blades for Dist Maint	R	4/17/2012	5.34		011602		
	I-487864 Materials for Line Check, PL	R	4/17/2012	58.40		011602		
	I-487867 Oil, Hand Cleaner for Pipeline	R	4/17/2012	22.45		011602		
	I-487991 Pressure Gauge for S/H @WP	R	4/17/2012	9.27		011602		
	I-488105 Supplies for Waterpark	R	4/17/2012	57.21		011602		
	I-488141 Conduit Clamps, See CM488142	R	4/17/2012	129.77		011602		
	I-488144 Conduits for Telemetry	R	4/17/2012	43.97		011602		
	I-488303 Materials for RR Repairs, LCRA	R	4/17/2012	41.72		011602		
	I-488313 Pliers for Cutting Quagga Tags	R	4/17/2012	20.14		011602		
	I-488397 Socket, PVC Cement for O&M CS	R	4/17/2012	25.49		011602		
	I-488486 Supplies for Waterpark	R	4/17/2012	5.56		011602		
	I-488571 Polyfilm for LCRA Maint	R	4/17/2012	47.18		011602		
	I-488573 Film & Sandbags for LCRA Maint	R	4/17/2012	59.52		011602		712.48

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
01549	NALMS							
I-IN33112089	Membership 4/1/12-3/31/13	R	4/17/2012	110.00		011605		110.00
00163	OFFICE DEPOT							
I-603542015001	Office Supplies	R	4/17/2012	229.10		011606		
I-605039211001	Office Supplies	R	4/17/2012	80.20		011606		309.30
02189	Office Max, Inc							
I-340589	Copy Paper for District	R	4/17/2012	398.84		011607		398.84
00160	OILFIELD ELECTRIC CO, INC							
I-6466	Upper Ojai PP MCC Upgrade	R	4/17/2012	46,150.06		011608		46,150.06
00602	OJAI TRUE VALUE							
I-41703	Cable Connectors for Lab	R	4/17/2012	3.72		011609		3.72
00167	OJAI VALLEY FAMILY MEDICAL GRP							
I-020812	DOS 2/8/12 Claim#12-00589	R	4/17/2012	72.73		011610		72.73
00168	OJAI VALLEY NEWS							
I-041612	1 Year Subscription	R	4/17/2012	52.00		011611		52.00
00169	OJAI VALLEY SANITARY DISTRICT							
I-14328	Cust#20594, Sewer Service	R	4/17/2012	150.63		011612		
I-14410	Cust#52921 Sewer Service	R	4/17/2012	50.21		011612		200.84
00383	ON DUTY UNIFORMS & EQUIPMENT							
I-104746	Uniforms for APSO	R	4/17/2012	515.30		011613		
I-104849	Raincoat for PSO	R	4/17/2012	69.71		011613		
I-104858	Raincoat for PSO	R	4/17/2012	69.71		011613		654.72
01381	ONTRAC							
I-7382972	Refrigerated Sample to Biovir	R	4/17/2012	4.30		011614		4.30
00170	OXNARD AUTO ELECTRIC COMPANY							
I-115479	Blower, 2 Chain Saws, Trimmer	R	4/17/2012	1,432.87		011615		1,432.87
10072	PERMACOLOR, INC							
I-274581	Coat Pipe Spools Grand Ave PP	R	4/17/2012	235.95		011616		235.95
00686	POLLARD CO., INC.							
C-I323136INA	Accrue Use Tax	R	4/17/2012	242.95CR		011617		
D-I323136INA	Accrue Use Tax	R	4/17/2012	242.95		011617		
I-I323136IN	Declorination Equip for PL	R	4/17/2012	3,450.06		011617		3,450.06

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00627	PORT SUPPLY							
I-001949	Carabiner, # Stickers for LCRA	R	4/17/2012	33.79		011618		
I-3515	Oil for Cortez, #289	R	4/17/2012	16.80		011618		50.59
01334	POWER MACHINERY CENTER							
I-E66717	Club Car Lease, Y13634	R	4/17/2012	798.20		011619		
I-E66728	Club Car Lease, Y13864	R	4/17/2012	602.67		011619		1,400.87
00184	POWERSTRIDE BATTERY CO, INC							
I-V578404	Batteries for RR Lights, LCRA	R	4/17/2012	371.00		011620		
I-V578475	Battery for Engineer Truck #33	R	4/17/2012	94.78		011620		465.78
10042	PSR ENVIRONMENTAL SERVICE, INC							
I-5422	Clean Dsl Intake Screen, LCRA	R	4/17/2012	203.00		011621		
I-5425	Inspect Gas Tanks, LCRA	R	4/17/2012	210.00		011621		
I-5426	Inspect Gas Tanks, Main Yard	R	4/17/2012	266.51		011621		679.51
00313	ROCK LONG'S AUTOMOTIVE							
I-4298	Replace Starter, Eq#26, LCRA	R	4/17/2012	318.93		011622		
I-4615	Replace Fuel Pressure Regulatr	R	4/17/2012	289.54		011622		
	Eq#26, LCRA Truck							
I-4941	Repairs for Eq#39, LCRA Maint	R	4/17/2012	467.93		011622		
	Front Brake Pads/Shoes, Resurface Brake Rotors, Repack Bearin							
I-4950	Oil & Lube Eq#31, LCRA Van	R	4/17/2012	206.31		011622		
	Remove and Renew Coolant							
I-5022	Repair Eq#29, Maint Truck	R	4/17/2012	748.95		011622		
	Replace Fuel Pressure Regulator, Blower Motor & Resistor							
I-5100	Lube & Oil Change, Eq#11, DM	R	4/17/2012	73.90		011622		2,105.56
02003	Sostre & Associates							
I-1885	CMS Fee & Web Hosting	R	4/17/2012	249.00		011623		249.00
02202	Stanley Pest Control							
I-361596	Rodent Abatement Camp H & O	R	4/17/2012	1,275.00		011624		
I-361615	Rodent Abatement, Lakeside & G	R	4/17/2012	1,275.00		011624		2,550.00
00223	STOCK BUILDING SUPPLY							
I-4719349600	Blades & Staples for Dst Maint	R	4/17/2012	63.90		011625		
I-4721179800	Sillicone, Casitas Dam Valve	R	4/17/2012	59.07		011625		
I-4722734700	Wood for "Guest Services" Sign	R	4/17/2012	78.66		011625		201.63
01696	SUPERIOR MACHINE							
I-1646	Machine Pipe & Flanges, UOPP	R	4/17/2012	625.00		011626		625.00

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
01344 I-20000	SWOFFER INSTRUMENTS, INC. Replace Battery Clips on Current Meter for Fisheries	R	4/17/2012	18.75		011627		18.75
02328 I-97892	The Transmitter Shop Recondition DP Cell, TP	R	4/17/2012	468.00		011628		468.00
02163 I-033112	Toro Enterprises, Inc. Rincon 2M Pipeline Replacement	R	4/17/2012	342,918.00		011629		342,918.00
01662 I-02541367	TYLER TECHNOLOGIES, INC. UB Online Monthly Fees	R	4/17/2012	153.00		011630		153.00
00225 I-320120090	UNDERGROUND SERVICE ALERT 133 New Tickets	R	4/17/2012	199.50		011631		199.50
10011 I-2709	VENTURA CONCRETE CUTTING Core Holes in Wet Well @Coyote	R	4/17/2012	120.00		011632		120.00
00248 I-IN0098811	COUNTY OF VENTURA Permit for Gas Tanks,Main Yard	R	4/17/2012	2,313.67		011633		2,313.67
00251 I-1059418	VENTURA COUNTY STAR January Newsletter,Print &Mail	R	4/17/2012	6,365.00		011634		6,365.00
00254 I-10437 I-10586 I-10610	VENTURA LOCKSMITHS Keys Made for Waterpark Padlock & Keys for Quagga Duplicate Key for Eq#31, LCRA	R R R	4/17/2012 4/17/2012 4/17/2012	18.44 47.73 101.89		011635 011635 011635		168.06
00256 I-1240093	VENTURA RENTAL CENTER, INC. Cement, Walkway @ Coyote RR	R	4/17/2012	122.40		011636		122.40
09955 C-2737 I-158094 I-161699	VENTURA WHOLESALE ELECTRIC Light Bulbs Returned Light Bulbs for LCRA Maint Unistrut for Waterpark Work	R R R	4/17/2012 4/17/2012 4/17/2012	38.61CR 80.44 17.70		011637 011637 011637		59.53
01283 I-1071721623	Verizon Wireless Dist Ofc Monthly Cell Charges	R	4/17/2012	688.65		011638		688.65
00536 I-201427	Water Resource Engr Associates Senior Canyon Upgrade Proj	R	4/17/2012	1,025.70		011639		1,025.70

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00271	WEST COAST AIR CONDITIONING Replace Pump Motor, Dst Ofc AC	R	4/17/2012	1,628.48		011640		1,628.48
00330	WHITE CAP CONSTRUCTION SUPPLY Igloo Cooler, Locator Flag,O&M	R	4/17/2012	49.32		011641		49.32
00274	JAMES WORD Reimburse Mileage 2/12	R	4/17/2012	55.50		011642		
	I-Mar 12 Reimburse Mileage 3/12	R	4/17/2012	120.43		011642		175.93
00489	STEVE WICKSTRUM Reimburse Mileage 3/12	R	4/17/2012	77.15		011643		77.15
1	Peter Brownell TS Refund	R	4/17/2012	42.50		011644		42.50
1	Allen R Mak TS Refund	R	4/17/2012	35.00		011645		35.00
1	Danielle L Dodd TS Refund	R	4/17/2012	93.50		011646		93.50
00124	ICMA RETIREMENT TRUST - 457 457 CATCH UP	R	4/17/2012	423.08		011647		
	I-DCI201204160556 DEFERRED COMP FLAT	R	4/17/2012	2,692.30		011647		
	I-DI%201204160556 DEFERRED COMP PERCENT	R	4/17/2012	128.30		011647		3,243.68
01960	Moringa Community PAYROLL CONTRIBUTIONS	R	4/17/2012	16.75		011648		16.75
00985	NATIONWIDE RETIREMENT SOLUTION 457 CATCH UP	R	4/17/2012	423.06		011649		
	I-DCN201204160556 DEFERRED COMP FLAT	R	4/17/2012	4,027.68		011649		4,450.74
00180	S.E.I.U. - LOCAL 721 UNION DUES	R	4/17/2012	610.50		011650		610.50
00230	UNITED WAY PAYROLL CONTRIBUTIONS	R	4/17/2012	45.00		011651		45.00
00128	INTERNAL REVENUE SERVICE Federal Withholding	D	4/17/2012	21,123.89		041721		
	I-T3 201204160556 FICA Withholding	D	4/17/2012	18,877.15		041721		
	I-T4 201204160556 Medicare Withholding	D	4/17/2012	5,263.90		041721		45,264.94

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00049	STATE OF CALIFORNIA							
I-T2 201204160556	State Withholding	D	4/17/2012	6,991.76		041722		6,991.76
00187	CALPERS							
I-PER201204160556	PERS EMPLOYEE PORTION	D	4/17/2012	9,925.84		041723		
I-PRR201204160556	PERS EMPLOYER PORTION	D	4/17/2012	11,853.17		041723		21,779.01

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	117	731,838.12	0.00	731,838.12
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	3	74,035.71	0.00	74,035.71
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	

TOTAL ERRORS: 0

VENDOR SET: 01	BANK: AP	TOTALS:	120	805,873.83	0.00	805,873.83
BANK: AP	TOTALS:		120	805,873.83	0.00	805,873.83
REPORT TOTALS:			122	805,873.83	0.00	805,873.83

CASITAS MUNICIPAL WATER DISTRICT  
Inter-Office Memorandum

DATE: April 17, 2012  
TO: Board of Directors  
FROM: General Manager, Steve Wickstrum  
Re: Water Resources Committee Meeting of April 16, 2012

**RECOMMENDATION:**

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

**BACKGROUND AND OVERVIEW:**

1. **Roll Call.**  
Director Baggerly and Director Hicks.  
Staff – Ron Merckling  
Public – None
2. **Public Comments.** None.
3. **Board Comments.**  
Director Hicks inquired into the amount of rainfall that occurred last weekend and if there was any diversion to Lake Casitas.

Director Baggerly commented that he had received a phone call and a letter from Ken Peterson, Regional Manager for Golden State Water Company, concerning the recognition of the error in purchased water projections and resulting correction of testimony during the rate hearings before the California Public Utilities Commission.

4. **Manager Comments.**  
The General Manager reported that the weekend storm brought approximately 1.5-inches of rainfall to the area and brief diversions to Lake Casitas.

The General Manager reported that staff and the contractor are scheduled to perform the Rincon 2(M) Main interconnection on Wednesday, April 18<sup>th</sup>. Staff has hung formal notices on each residence regarding potential water outages in the coastal communities, 8 AM to 8PM, stressing only necessary water usage. Staff have also arranged for a water truck to serve the Cliff House at Mussel Shoals. If water is conserved and the work is completed in the given time period, the coastal communities will not likely experience a water outage.

5. **Matilija Dam – State Dam Safety Requirements.** The General Manager discussed the requirement by the State Division of Dam Safety to have the Ventura County Watershed Protection District demonstrate the operation of the valves at Matilija Dam, and the fisheries issues being brought forward by the National Marine Fisheries Service regarding the operation of valves at Matilija Dam. Staff will work with VCWPD to assist in deriving a solution.

6. **Water Conditions Overview.**

The General Manager shared with the Committee the status of water conditions at Lake Casitas. The chart and data will be provided to the Board. It was noted that staff are finishing the 2010-11 Hydrology Report, which will also be presented to the Board when completed.

7. **Discuss Senior Canyon project update.**

The Committee was informed that initial planning for the construction at Senior Canyon and that construction is expected to begin the first week of May 2012. Staff are working with the consultants to resolve an environmental construction issue prior to the start date.



CASITAS MUNICIPAL WATER DISTRICT  
Interdepartmental Memo

DATE: April 13, 2012

TO: Steve Wickstrum, General Manager

FROM: Carol Belser, Park Services Manager

SUBJECT: **Adopt a Resolution for Execution of a Ten Year Concession Agreement with Lake Casitas Marina, Inc., Gary Wolfe, President, to Provide Park Store Concession Services**

**Recommendation:**

It is recommended that the Board adopt a resolution approving the execution of the attached ten (10) year agreement with Lake Casitas Marina, Inc. Gary Wolfe, President, to provide Park Store concession services at the Lake Casitas Recreation Area.

**Background:**

The Casitas Municipal Water District and the Bureau of Reclamation completed and approved a twenty five year Management Agreement for the Lake Casitas Recreation Area in October 2011. Finalizing this agreement allowed Casitas to then enter into new long term (instead of month to month) third party concession agreements for services in the Recreation Area. The Bureau of Reclamation approved the draft agreement November 2011, allowing Casitas to distribute requests for proposals for services for a ten year concession agreement. A walk through for prospective concessionaires was held on December 8, 2011.

The deadline to submit a proposal was December 20, 2011. Three respondents submitted proposals: Matt and Paige Byrne, Lake Casitas Marina, Inc. and Jayesh Khatri. The Recreation Committee reviewed the proposals in closed session at their January 26 and February 3, 2012 meetings and the Board of Directors reviewed the proposals in closed session at their February 8 and 22, 2012 meetings.

Each proposal was unique and included variables that were carefully considered. After discussion, the Board inquired whether each respondent would consider a five year agreement instead of the originally proposed ten year agreement. Staff sent out inquiries and all three respondents relayed continued interest even if the contract was shortened to five years.

A recommendation was presented to the Board at the April 11, 2012 meeting for a five year agreement with Lake Casitas Marina, Inc. Mr. Wolfe addressed the Board requesting consideration for a ten year agreement. The Board directed staff to negotiate a ten year agreement with Lake Casitas Marina, Inc.

**Analysis:**

The revised Concession Agreement for consideration is a ten year agreement with a more desirable percentage payment to Casitas and includes several capital improvements to be performed at Mr. Wolfe's expense.

**CASITAS MUNICIPAL WATER DISTRICT**

**RESOLUTION APPROVING EXECUTION OF A  
TEN YEAR CONCESSION AGREEMENT FOR THE  
OPERATION & MANAGEMENT OF THE PARK STORE  
AT THE LAKE CASITAS RECREATION AREA  
BETWEEN LAKE CASITAS MARINA, INC. &  
CASITAS MUNICIPAL WATER DISTRICT**

**WHEREAS**, in October 2011, Casitas Municipal Water District (Casitas) entered into a twenty-five (25) year agreement with the U.S. Bureau of Reclamation (USBR) for operation and management of the Lake Casitas Recreation Area (LCRA); and

**WHEREAS**, Casitas is authorized by the provisions of Water Code Sections 71000 et seq. to enter into a Concession Agreement for concessions and services that are consistent with public park and recreation purposes; and

**WHEREAS**, the Lake Casitas Marina, Inc. has been operating the Park Store Concession on a temporary basis for eleven months until the agreement with the USBR had been finalized; and

**WHEREAS**, bids were solicited for the operation of the Park Store and Lake Casitas Marina, Inc. was one of three bidders; and

**WHEREAS**, after review and research of the backgrounds and qualifications of the three bidders, Lake Casitas Marina, Inc proved to be the most qualified.

**NOW, THEREFORE, BE IT RESOLVED** that the President of the Board of Directors is hereby authorized and directed to execute the Concession Agreement for the Operation and Management of the Park Store at the Lake Casitas Recreation Area.

ADOPTED this 23th day of April, 2012.

---

Russ Baggerly, President  
Casitas Municipal Water District

ATTEST:

---

Bill Hicks, Secretary  
Casitas Municipal Water District

**CASITAS MUNICIPAL WATER DISTRICT**



**CONCESSION AGREEMENT  
FOR THE OPERATION AND MANAGEMENT OF  
THE PARK STORE  
AT LAKE CASITAS RECREATION AREA**

Lake Casitas Recreation Area,  
11311 Santa Ana Road, California 93001  
(805)-649-2233

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**AGREEMENT FOR THE OPERATION AND MANAGEMENT  
OF THE PARK STORE CONCESSION AT  
LAKE CASITAS RECREATION AREA**

THIS AGREEMENT, made this 1st day of May, 2012, by and between **CASITAS MUNICIPAL WATER DISTRICT** (hereinafter referred to as "Casitas") and **LAKE CASITAS MARINA, INC. d/b/a CASITAS BOAT RENTALS** (hereinafter referred to as "Concessionaire").

**WITNESSETH:**

WHEREAS, the United States has constructed the Ventura River Project, including Casitas Dam and reservoir, pursuant to Act of Congress (Public Law 423, 84<sup>th</sup> Cong., 2d session) approved March 1, 1956, for irrigation, for furnishing water for municipal and domestic use, and for providing incidental recreation and fish and wildlife benefits: and

WHEREAS, the United States has contracted with Casitas pursuant to Contract No. 14-06-200-5257 "Contract between United States and Ventura River Municipal Water District Providing for the construction of a Storage and Conveyance System", dated March 7, 1956, for repayment of federal costs incurred in construction of the Ventura River Project, for operation and maintenance of Project Works, with the stipulation that the title Ventura River Project remains with the United States; and

WHEREAS, the U.S. Bureau of Reclamation (hereinafter referred to as "USBR") has developed a Final Resource Management Plan/Environmental Impact Statement for Lake Casitas dated February 2010 with a Record of Decision #10-111, copies of which are provided under separate cover; and

WHEREAS, Lake Casitas Recreation Area (hereinafter referred to as "LCRA") is the property of the United States Government managed by the USBR, operated by Casitas under Management Agreement Number 11-LC-20-0216, dated October 7, 2011, between the USBR and Casitas, a copy of which is provided under separate cover; and

WHEREAS, Casitas is authorized by said Management Agreement to issue and administer third party contracts for concessions and services for the purpose of providing appropriate and necessary services, goods, and facilities for the use of the visiting public consistent with said Management Agreement and in accordance with any current or future planning documents, and

WHEREAS, Casitas is authorized by the provision of Water Code Section 71,000 et seq. to enter into an agreement for concessions and services that are consistent with public recreational facilities appurtenant to facilities operated or contracted to be operated by Casitas; and

WHEREAS, Concessionaire acknowledges that Casitas, in its sole discretion, controls access to the LCRA, and that Concessionaire's business volume is limited to persons granted access to the LCRA by Casitas; and,

WHEREAS, Concessionaire acknowledges that Casitas imposes reasonable fees and charges on LCRA users, and that Concessionaire's business volume will likely be limited to those persons subject to those Casitas fees and charges; and,

WHEREAS, the words of this Agreement have been chosen specifically to support Casitas' directives and standards and to create a customer base, attract and serve the public and to operate current and future recreational facilities and ancillary services; and

WHEREAS, Concessionaire is willing to exercise the grant of such a concession in accordance with the terms and conditions prescribed; and

WHEREAS, the parties hereto desire to enter into an Agreement for the operation and administration of park store concession services; and

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein, the parties hereto and each of them agree as follows:

1. **INCORPORATION BY REFERENCE**

All Schedules and Exhibits attached hereto are incorporated by reference herein.

2. **DEFINITIONS**

See Appendix 1 for definitions used in this Agreement and Appendix 2 for abbreviations and acronyms.

3. **INTERPRETATIONS**

(a) This Agreement shall be interpreted according to the rules that govern the interpretation of contracts, as prescribed in Part 2 of Division 3 of the California Civil Code, commencing with Section 1635.

(b) For jurisdictional purposes, this Agreement shall be deemed entered into and enforceable in Ventura, California.

(c) Any reference to any enactment, order, regulation or other similar instrument shall be construed as a reference to the enactment, order, regulation or instrument as amended, replaced, consolidated or re-enacted.

(d) A reference to a person includes firms, partnerships, corporations, limited liability company and other business organizations and their successors and permitted assignees or transferees.

(e) Headings are for convenience and reference only.

4. **GRANT OF CONCESSION**

In consideration of the Concessionaire's obligations contained in this Agreement, Casitas hereby authorizes and grants Concessionaire the non-exclusive use of the Demised Premises to operate and maintain a non-exclusive Park Store Concession limited to those commercial activities described herein. The Concessionaire hereby accepts such authorization and grant upon the terms and conditions of this Agreement. Nothing in this Agreement shall be construed by Concessionaire as preventing Casitas from constructing, operating or contracting for additional concession facilities of any type.

5. **DEMISED PREMISES**

The operation of the Concession shall be conducted on the real property described in Exhibit A attached hereto.

(a) Condition of Demised Premises "AS IS". Concessionaire accepts the Demised Premises in "As Is" condition, and further agrees to make no demands upon Casitas for any improvements or alterations to the Demised Premises, except as may otherwise be provided herein.

(b) No Exclusive Use. Under no circumstances will long-term, private, exclusive use be permitted within the Demised Premises. The Concessionaire is not authorized to permit or grant any visitor, person, employee, or organization exclusive rights to occupy or use the subject services or facilities or preclude use by the public. The Concession contract is issued on a **non exclusive** use basis.

(c) Use of Demised Premises. The Demised Premises shall be used only for said purposes, and such other purposes as are related thereto provided express approval is granted by the Casitas General Manager, and for no other purposes whatsoever.

(d) Relocation. Casitas shall have the option to relocate the Demised Premises to a different location in the LCRA ("New Demised Premises"). Casitas may exercise such option by giving Concessionaire written notice not less than ninety (90) days prior to the proposed effective date of relocation. If Casitas exercises its option to relocate the Demised Premises, Concessionaire shall relocate to the New Demised Premises at no cost or expense to Casitas, except as otherwise provided in subparagraph (e) and (f).

- (1) Casitas' Obligations. To the extent that the original Demised Premises includes structures, buildings, improvements, or fixtures owned by Casitas, then Casitas shall pay for improving the New Demised Premises so that they are substantially similar to that portion of the original Demised Premises owned by Casitas, but Casitas shall not bear any other costs or expenses incurred by Concessionaire in relocating from the original Demised Premises to the New Demised Premises including, but not limited to, salaries of Concessionaire staff for time allocated to such relocation, legal fees, or Concessionaire's loss of business revenue.
- (2) Concessionaire's Obligations. To the extent that the original Demised Premises includes structures, buildings, improvements, or fixtures owned by the Concessionaire, then the Concessionaire shall bear the full cost and expense of moving said structures, buildings, improvements, or fixtures from the original Demised Premises to the New Demised Premises. Should Concessionaire fail to remove said structures, buildings, improvements, or fixtures from the original Demised Premises pursuant to the ninety (90) day notice, then the same may be sold, removed, or demolished by Casitas, and Concessionaire shall reimburse Casitas for any cost or expense in connection therewith in excess of any consideration received by Casitas as a result of said sale, removal, or demolition.

(e) Ownership at Commencement of Term. Concessionaire agrees that all fixtures, equipment, and personal property located on the Demised Premises at the commencement of the term belong to Casitas, except those listed in Exhibit A-4 attached hereto.

## 6. INUNDATION OR DROUGHT

The water level of Lake Casitas is subject to change and fluctuation from natural causes, and/or the use of water of the reservoir for domestic water supply, diversion channels and other purposes. In the event that the Demised Premises are permanently inundated or in the event that drought or imminent threat of permanent inundation affects the Demised Premises such that the rights granted to Concessionaire hereunder can no longer be exercised, Concessionaire may, at no cost or expense to Casitas, relocate to an alternate site mutually agreed upon in writing by Casitas and Concessionaire, and this Agreement shall remain in effect for the remaining portion of its term. In the event of inundation or drought which precludes the exercise of the rights granted to Concessionaire hereunder, and the parties are unable to mutually agree upon an alternate site in the LCRA, this Agreement shall terminate.

## 7. TERM OF AGREEMENT

(a) The term of this Agreement shall be for ten (10) years from the date first written above, unless terminated sooner as provided in Paragraph 25 herein, but in no event will exceed the term of the Management Agreement Number 11-LC-20-02162011 between Casitas and the USBR hereinabove referred to which will expire on October 10, 2036 unless sooner terminated.

(b) There is no clear or inferred right of first refusal clause incorporated in this Agreement for subsequent agreements of similar nature.

(c) In the event Concessionaire holds over beyond the term herein provided, with the express written consent of Casitas, such holding over shall be from month-to-month only, subject to the terms and conditions of this Agreement and shall not be a renewal thereof.

(d) The Demised Premises shall be considered vacated after all areas, including storage and parking areas, are clear of all of Concessionaire's belongings, and keys and other property furnished for Concessionaire's use are returned to Casitas. Should Concessionaire hold over beyond the termination date or fail to vacate the Demised Premises on or before the termination date, Concessionaire shall be liable for additional rent and damages which may include damages due to Casitas loss of prospective new Concessionaires.

(e) The Concessionaire understands and agrees that the USBR will not carry forward agreements and contracts and this contract will simultaneously terminate should the Management Agreement between Casitas and the USBR expire or terminate.

## 8. PAYMENTS

(a) For the use granted herein, Concessionaire agrees to pay Casitas Percentage Rent in an amount equal to the following percentage of Concessionaire's "Gross Sales" excluding "Bait and Tackle" items as set forth in (b) below, accruing from the date of this agreement.

May 1, 2012 – April 30, 2015, ten percent (10%) of gross sales excluding alcohol sales

May 1, 2015 – April 30, 2019, eleven percent (11%) of gross sales excluding alcohol sales

May 1, 2019 – April 30, 2022, twelve percent (12%) of gross sales excluding alcohol sales.

(b) Percentage Rent in an amount equal to fourteen percent (14%) of Concessionaire's "Gross Sales" on the sale of "Bait & Tackle" items that are appropriate for fish species found in Lake Casitas and consistent with Casitas Ordinances and as defined in Appendix 1.

(c) Percentage Rent excludes sales of beer and wine (requiring a license issued by the California Department of Alcoholic Beverage Control) made from or upon the Demised Premises during each calendar month during the term hereof.

(d) Miscellaneous Charges for all services, equipment, and labor provided by Casitas for wastewater hauling or other services as set forth by Board adopted rates. Miscellaneous charges will be invoiced by Casitas to the Concessionaire and paid in a timely manner in accordance with Casitas requirements.

(e) Place and Date of Payment. Concessionaire shall make all required payments by check or draft issued and payable to the "Casitas Municipal Water District," and mailed to Lake Casitas Recreation Area, 11311 Santa Ana Road, Ventura, California 93001, or such other place designated in writing by Casitas. Concessionaire shall compute the Percentage Rent each calendar month during the term hereof and shall pay Percentage Rent and any Miscellaneous Charges to Casitas on or before fifteen (15) days following the end of each calendar month during the term hereof, together with a written statement signed and verified by Concessionaire to be true and correct, showing in accurate detail the amount of Concessionaire's Gross Sales for the preceding calendar month, together with remittance of any Percentage Rent due. In addition, Concessionaire shall furnish Casitas with an annual financial statement and a balance sheet prepared in accordance with Internal Revenue Service standard income tax basis of accounting. The financial statement shall be submitted within sixty (60) days of the close of an annual year.



(f) Late Charge. A late payment charge of two percent (2%) per month shall be added to any payments received after the last day of the calendar month in which payment is due. Casitas is not obligated to notify Concessionaire of accumulated late charges.

(g) Adjustments to Gross Sales. There shall be no deduction from gross receipts for any overhead or cost or expense of operations, such as, but without limitation, salaries, wages, costs of goods, interest, debt amortization, credit, collection costs, discounts from credit card operations, insurance and taxes. There shall be no deduction for bad debts based on past experience or transfers to a bad debt reserve. Subsequent collection of bad debts previously deducted as gross receipts shall be included in gross receipts at the time they are collected.

(h) Concessionaire is not guaranteed a profit.

## 9. ACCOUNTING

Concessionaire hereby agrees at all times during the term to use a point of sale computer system or other device to accurately record all sales and keep true, full and accurate books of account containing a complete statement of Concessionaire's Gross Sales in accordance with generally accepted accounting practices (showing all of its sales separate from its other concessions and/or stores). The electronic data processing and record keeping equipment shall contain such features as the Casitas General Manager may reasonably require for the purpose of assuring that an accurate record of the transaction is created and retained by the equipment to be use.

(a) Records. Concessionaire shall maintain accounting books and records including, but not limited to, daily sales records and journals, sales returns and allowance detail, cash receipts, accounts receivable, disbursement journals, bank statements, deposit slips, inventory records, purchase orders, receiving records, state sales and use tax returns and a complete general ledger.

(b) Storage. All accounting books and records maintained by Concessionaire shall be kept by Concessionaire for a period of no less than three (3) years after the close of each calendar year.

(c) Inspection. Concessionaire hereby grants to Casitas and its agents and accountants the right, during Concessionaire's normal business hours and upon reasonable notice, to inspect such books and records kept in connection with the business done or transacted in or upon the Demised Premises, for the purpose of verifying Concessionaire's Gross Sales. Casitas, for itself and for its agents and accountants, agrees to keep confidential all sales figures, audits and reports furnished by or obtained from Concessionaire, as between Casitas and its attorneys, lenders, financial partners, if any, accountants and other financial advisors.

(d) Audit. At any time and from time to time, Casitas may elect to perform an audit of Concessionaire's Gross Sales, provided such audit shall not unreasonably interfere with the operation of Concessionaire's business. Such audit shall be conducted by either Casitas or a certified public accountant to be designated by Casitas in its sole discretion. If any statement of Concessionaire's Gross Sales previously furnished by Concessionaire shall reflect less than ninety-seven percent (97%) of the amount of Concessionaire's Gross Sales as shown by such audit and additional Percentage Rent is payable by Concessionaire as a result of such understatement, or if such audit shows that Concessionaire has failed to maintain the books and records required herein so that Casitas is unable to verify the accuracy of any statement of Concessionaire's Gross Sales previously furnished by Concessionaire, then Concessionaire shall immediately pay to Casita all reasonable costs and expenses (including reasonable auditor and attorney fees) which may be incurred by Casitas in conducting such audit and collecting such underpayment, if any. In any event, Concessionaire shall promptly pay to Casitas all additional Percentage Rent shown by audit to be payable hereunder, together with interest at the maximum lawful rate from the date when said payment should have been made. If Concessionaire shall understate Gross Sales by more than three percent (3%) three (3) or more times during the Term, Concessionaire shall be deemed in default under Paragraph 26 of this Agreement and Casitas shall have all rights and remedies as are set forth in subparagraphs (a) through (q).

(e) Subcontractors. Concessionaire shall cause all of its subcontractors to comply with the accounting requirements set forth above to the extent those requirements are applicable, and all other applicable requirements of this Agreement.

## 10. OPERATIONS.

### (a) General

- (1) Compliance. Concessionaire shall comply with all applicable Federal, State, and local laws, rules, regulations and procedures; and, where permits and/or licenses are required for the Concession and/or any refurbishment or construction authorized herein.
- (2) The parties to this Agreement will coordinate regarding any administration, operation, maintenance and development activities pursuant to this Agreement. It is of chief priority that any such activities do not affect any project water management, operation, and maintenance activities of Casitas, and, in the opinion of Casitas, will not interfere with Casitas' water retention and delivery operations in the Recreation Area.
- (3) Concessionaire shall have non-exclusive rights to operate the Park Store and is obligated to stock and sell goods and supplies that are needed, desired and appropriate in a recreational campground setting. Casitas reserves the right to deny specific goods.
- (4) Concessionaire shall maintain voice mail or other appropriate methods for Casitas to directly contact the Concessionaire. Concessionaire shall respond to any non emergency messages left by Casitas within a twenty-four (24)-hour time frame. Urgent or emergency issues will be responded to immediately by a person named on an up to date emergency contact list provided by Concessionaire.
- (5) Concessionaire warrants and agrees to fully comply with all laws, conditions and requirements contained in Exhibits B through E attached hereto and made a part hereof, including, but limited to, all laws regarding discrimination (Title VI of the Civil Rights Act of July 2, 1964 (78 Stat. 241), Americans with Disabilities, hiring, recruitment and employment of staff including, but not limited to, labor laws, workers compensation requirements, Immigration Reform and Control Act of 1986.
- (6) Concessionaire shall not enter into a sub-concession or any agreement to subcontract any service without the prior approval and written consent of Casitas. In the event that Concessionaire chooses, with Casitas' consent, to subcontract any particular service, this Concession Agreement shall be amended to provide for the proposed additional service(s).
- (7) The Concession is subject to the LCRA entrance requirements including, but not limited to, entrance fees, permits, inspections and quarantines, and restrictions as deemed necessary or otherwise approved by the Casitas Board of Directors.

### (b) Concessionaire Staff

- (1) Facilities Manager. Concessionaire shall be the Facility Manager with whom Casitas may have direct access to on a daily basis. The Facility Manager shall be fully acquainted with the Concession operations, familiar with the terms and conditions prescribed therefor by this Agreement, and authorized to act in the day-to-day operation thereof.
- (2) Facilities Staff. The parties hereto will ensure that adequate personnel are available to accomplish the operation, administration and maintenance of the Demised Premises as agreed to herein. The Concessionaire is required to keep an updated list of all employees, service and delivery companies and contractors on file with Casitas at all

times. Access to the LCRA shall be at the sole discretion of Casitas for such employees, service and delivery companies and contractors. All employees must be eligible for employment under the state of California employment laws. Concessionaire and employees must represent the Concession in an appropriate and professional manner. Unprofessional or inappropriate behavior on the part of Concessionaire or his/her employees towards Casitas staff and/or customers will be investigated and may warrant removal of park privileges.

- (3) Tuberculosis Screen. Concessionaire shall not employ any person who cannot produce a certificate showing that within the last two (2) years the person has been examined and has been found to be free of communicable tuberculosis. Concessionaire staff shall be required to undergo the foregoing examination at least once every four (4) years. Any staff that has a documented positive skin test confirmed by X-ray shall be immediately referred to the County's Health Officer. "Certificate" means a document signed by the examining physician and surgeon who is licensed under Chapter 5 (commencing with Section 2000), Division 2 of the California Business and Professions Code, or a notice from a public health agency or unit of the Tuberculosis Association, which indicated freedom from active tuberculosis.
- (4) Compliance; Employee Documentation; Indemnity. Concessionaire warrants that it fully complies with all applicable employment laws. Concessionaire further warrants that all its employees performing services hereunder meet the citizenship or alien status requirements contained in federal and state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603). Concessionaire shall obtain and retain all verification and other documentation of employment eligibility status required by federal statutes and regulations as they currently exist and as they may be hereafter amended.
- (5) Employee Conduct. The Casitas General Manager may at any time give Concessionaire written notice to the effect that the conduct or action of an employee of Concessionaire is, in the reasonable belief of the Casitas General Manager, detrimental to the interest of the public patronizing the Demised Premises or in violation of LCRA Ordinances. Concessionaire shall meet with the Casitas General Manager to consider the appropriate course of action with respect to such matter.

(c) Prices

- (1) Pricing Policy and Review. Concessionaire shall at all times maintain a complete list or schedule of the prices charged for all goods or services supplied to the public. Said prices shall be fair and reasonable based upon comparability with prices charged for similar goods and/or services in the Ventura and Santa Barbara County areas. In the event Casitas notifies Concessionaire that prices being charged are not fair and reasonable, Concessionaire shall have the right to confer with the Casitas General Manager and justify said prices. Following reasonable conference and consultation thereon, Concessionaire shall either make such price adjustments as may be ordered by the Casitas General Manager or appeal the implementation of such adjustments to the Casitas Board of Directors, whose decision thereon shall be final and conclusive. However, Concessionaire shall comply with the ordered price adjustment pending the appeal and final ruling thereon by Casitas' Board of Directors.
- (2) Complimentary Services and Reduced Rates. The Concessionaire shall require its employees to observe strict impartiality as to rates and services in all circumstances. The Concessionaire may, subject to the prior written approval of the General Manager, grant complimentary or reduced rates under such circumstances as are customary in businesses similar to that which will be conducted under this Concession Agreement. However, the General Manager reserves the right to review and modify the Concessionaire's complimentary or reduced rate policies.

(d) Authorized Goods and Services

- (1) Concessionaire is authorized non-exclusive rights to sell to the general public supplies such as canned and packaged food supplies, soft drinks, beer, wine, propane, ice, firewood, sporting goods and camping supplies, approved fishing tackle and bait in compliance with Casitas' Ordinances, personal products, souvenirs and clothing. The Park Store Concession shall be specifically excluded from selling fireworks, weapons and firearms including, but not limited to, knives, slingshot, bow and arrow, bowfishing equipment, guns and/or rifles of any type and any items which Casitas deems inappropriate or offensive. Any other goods and services desired to be provided by the Concessionaire beyond that listed above must be requested in writing by the Concessionaire and receive prior written approval by the Casitas General Manager.
- (2) The stock in the Park Store shall be ample in quantity and appropriate to meet the needs of the visiting public. All food, beverages, confectionary and other products intended for human consumption shall be of a high standard of quality, and pricing specified above.
- (3) Concessionaire may obtain an Off-Sale Beer and Wine License for the sale of beer and wine from the California Department of Alcoholic Beverage Control. Concessionaire shall be fully responsible for the sale of beer and wine beverages and tobacco in accordance with State and Federal law, including, but not limited to, licensing, sales restrictions and pricing. If at any time, in the sole opinion of the Casitas Board of Directors, the sale by Concessionaire of beer, wine and/or tobacco materially affects, causes or adds to the problems of keeping the LRCA free of litter and of maintaining order among the general public using the LCRA, the right granted herein may be terminated at any time upon thirty (30) days written notice from Casitas to Concessionaire.
- (4) The amount of retail floor space used for alcoholic merchandise, display, promotion and products will not exceed ten percent (10%) of the total floor space inside the Park Store at any given time.
- (5) All goods and services sold by Concessionaire shall conform to Federal, State and local laws, ordinances and regulations. Following receipt of written notification that the provision of such goods or services is harmful to the public welfare, Concessionaire shall immediately remove or withdraw from sale any goods or services which may be found objectionable to the Casitas General Manager.

(e) Hours of Operation

Concessionaire shall establish regular hours of operation that will accommodate the visiting public demands. Upon commencement of the Concessionaire Agreement and by February 1 of each succeeding year, the Concessionaire shall submit to Casitas for review, change and approval a written seasonal schedule of hours (opening and closing times) for the operation. Any change to the schedule must be submitted to, and approved by, Casitas prior the implementation of the schedule change.

(f) Security

- (1) Concessionaire acknowledges the need for securing the Demised Premises and shall provide at its sole expense any legal devices, installation, or equipment designated for the purpose of protecting the Demised Premises from unlawful conduct including, but not limited to, theft, burglary or vandalism, provided written approval for said security measures is first obtained from the Casitas General Manager.
- (2) Concessionaire employed security personnel have no authority to take law enforcement action or carry firearms. Concessionaire shall comply with all law enforcement protocol

within the LCRA pursuant to Casitas' Ordinances. Concessionaire will work with Casitas to ensure law and order is maintained and preserved and protect recreation facilities, resources and lands from unauthorized use related to any and all concession activities pursuant to this Agreement. Concessionaire may bear the cost and administration of additional law enforcement services required or specifically requested through local law enforcement such as the County of Ventura. In the event an incident arises where more than one law enforcement agency responds, the federal law enforcement agency shall have precedence over State and County law enforcement agencies and the Concessionaire may bear any cost billed in association with any services requested by Concessionaire.

(g) Safety

Concessionaire shall use its best efforts to correct any unsafe condition of the premises, as well as any unsafe practices occurring thereon. Concessionaire shall use its best efforts in requesting local paramedical assistance for any member of the public who is in need thereof, because of illness or injury occurring on the premises. Concessionaire shall cooperate fully with Casitas in the investigation of any accidental injury or death occurring on the premises, including a prompt report thereof to the Casitas General Manager. Concessionaire shall promptly make safety improvements as needed and as requested by Concessionaire's insurance carrier, Casitas' General Manager or the Board.

(h) Advertising and Promotion

Concessionaire is responsible for the advertising and promotion of his/her own business.

- (1) Signs. Concessionaire shall not post advertising signs or other materials upon the Demised Premises without prior written approval from Casitas. Concessionaire acknowledges that Casitas greatly limits such approval in order to maintain the natural setting of the LCRA. Outdoor signs or other forms of advertising (e.g. web, newspaper, etc) must not be displayed on LCRA property or provided to, or allowed to be accessed by, the public without the prior review and written approval of Casitas. All signs will be professionally made. All signage must include an approved USBR logo or name and Casitas Municipal Water District and/or Lake Casitas Recreation Area logo or name.
- (2) Concessionaire shall not promote or sponsor private or public events requiring the use of any other areas of the LCRA, other than the Demised Premises or as approved by Casitas. However, this provision shall not prohibit Concessionaire from generally advertising or encouraging public use of the LCRA in a manner that complies with the provisions of this Agreement. Concessionaire shall not promulgate, nor cause to be distributed, any advertising or promotional materials objectionable to Casitas. Casitas shall require all advertising in newspapers, magazines and trade journals, radio and television commercials and other advertising be approved in advance.
- (3) Where possible, Concessionaire agrees that any advertising or promotional materials promulgated by Concessionaire, which refers to the "Lake Casitas Recreation Area," or any derivative thereof, shall also include the phrase "Casitas Municipal Water District" unless specifically approved otherwise by the Casitas General Manager.

(i) Interruptions of Business

There is the possibility of interruptions of this Concession Agreement. These interruptions could be due to contamination of Lake Casitas, impacts on the Concession Agreement due to construction and maintenance projects, insurance changes, changes in lake level and any other similar business interruptions. Should these interruptions require Casitas to place additional restrictions upon the Concessionaire, Casitas shall not be liable for any expense or loss of business due to Concessionaire's complying with those additional restrictions, as long as the restrictions were consistently applied to other like-users of the LCRA. However, since insurance changes can be mandated by Casitas' insurer, Concessionaire shall not hold Casitas liable for

expense or loss of business due to Concessionaire's complying with additional restrictions due to insurance changes, even where those restrictions were not consistently applied to like-users of the LCRA.

(k) Utilities

Concessionaire shall contract directly to provide and pay for any necessary utilities serving the Demised Premises, including the installation of necessary metering devices. Such necessary utilities include, but are not limited to, water, telephone, electricity, trash collection and propane services. The telephone number may be placed in the name of the Concessionaire. Concessionaire waives any all claims against Casitas for compensation for loss or damage caused by a defect, deficiency or impairment of any utility system, water system, water supply system, drainage system, waste system, heating or gas system, electrical apparatus or wires serving the premises. Concessionaire shall pay for any new connections to the existing electrical services.

(l) Sanitation

No offensive matter, or refuse, or substance constituting any unnecessary, unreasonable or unlawful fire hazard, or material detrimental to the public health, shall be permitted to accumulate or remain on the Demised Premises and within a distance of fifty (50) feet thereof. Concessionaire shall contract and pay fees to collect and remove trash and debris to an area approved disposal site or landfill that is not located within the watershed of Lake Casitas. Refuse shall be removed as needed, but minimally once per week. Concessionaire shall furnish all equipment and materials necessary for refuse collection, including trash receptacles of the size, type, color and number required by the Casitas.

- (1) Trash. Concessionaire shall support USBR and Casitas efforts to protect the resources of Lake Casitas. Concessionaire shall provide an effective system for the collection and disposal of garbage and trash within its area of responsibility. Trash cans shall be conveniently located for use by customers. Concessionaire shall promote recycling and make it convenient for public use.
- (2) Debris. Concessionaire shall keep assigned areas free of foul odors, liter, debris, garbage, personal items, stored or abandoned equipment, working or not, vehicles, furniture, and fixtures. Major sanitation facilities and large trash receptacles shall be screened from public view by foliage or constructed screening and placed as far from heavy public use areas as is reasonably possible. Concessionaire shall engage and pay for the services of an independent contractor for the removal of the trash and garbage that is generated by its facilities. Casitas shall empty trash containers located in the outdoor areas adjacent to the Demised Premises. Concessionaire shall empty containers located adjacent to the Demised Premises.
- (3) Concessionaire shall make every effort to reduce and recycle solid waste generated as a result of the operation of the Park Store Concession which may include making arrangements with a local waste hauler to pick up and dispose of waste and recyclable material.
- (4) Sewage Disposal. Casitas presently collects and removes sewage that is discharged by the Concession into Casitas' holding tanks. The Concessionaire shall be responsible for clearing any obstruction in the sewer lateral which serves its structures, the maintenance of grease traps and the cleanup of any and all sewage spills that may occur in his/her respective areas of responsibility.

(m) Incident Reporting

Concessionaire shall investigate or cooperate in the investigation by the agency having jurisdiction, all incidents involving death, serious injury or property damage, or other incidents of a serious nature within the Demised Premises. Concessionaire shall make an initial verbal/phone message report on such incidents to Casitas' designated representative within two (2) hours of knowledge of the incident. Under most

circumstances, or when requested by Casitas, Concessionaire shall submit a written incident report via hard copy or e-mail to Casitas' designated representative within two (2) calendar days of the verbal notice.

(n) Hazardous Materials

- (1) Concessionaire may not allow contamination or pollution of the LCRA, waters or facilities and shall take reasonable precautions to prevent such contamination or pollution by third parties. Substances causing contamination or pollution shall include, but are not limited to, hazardous materials, thermal pollution, refuse, garbage, sewage effluent, industrial waste, petroleum products, mine tailings, mineral salts, misused pesticides, pesticide containers, or any other pollutants.
- (2) Concessionaire shall comply with all applicable Federal, State, and local laws and regulations, and Casitas' Ordinances, policies, directives and standards, existing or hereafter enacted or promulgated, concerning any hazardous material that will be used, produced, transported, stored, or disposed of on or in the LCRA, water or facilities.

(o) Pest And Weed Control

Concessionaire shall not permit the use of any pesticides/chemicals on the Demised Premises without prior written approval by Casitas. All pesticides used shall be in accordance with the current registration, label direction, or other directives regulating their use and with applicable Casitas Integrated Pest Management Plan and USBR policy and directives and standards. Applicators shall meet applicable State training and licensing requirements. Records maintenance shall be in accordance with State requirements. Records maintenance and report submission shall be in accordance with State requirements and a copy of the report submission shall be furnished to Casitas at the same time.

(p) Protection Of Natural And Cultural Resources

- (1) Concessionaire will implement best management practices necessary to minimize sedimentation and erosion; protect land and water resources; prevent and suppress fire; protect against introduction and spreading of noxious weeds and other pests detrimental to natural values, agriculture or public health and safety; and will cooperate in soil and water conservation, and fish and wildlife enhancement practices.
- (2) Concessionaire will comply with the National Environmental Policy Act (NEPA), including the Endangered Species Act (ESA), the National Historic Preservation Act (NHPA) and other related laws as may be enacted or amended.

## 11. MAINTENANCE

(a) **Casitas' Duties.** Casitas shall repair and maintain the areas surrounding the Demised Premises at Casitas' sole discretion. Casitas shall maintain the structural parts of the building owned by Casitas that is located within the Demised Premises. The structural parts include the foundation (excluding flooring), exterior walls (excluding glass windows and doors), the structural and waterproofing membrane portions of the roof (excluding skylights), and public areas adjacent to the Demised Premises. There shall be no abatement of rent, and no liability of Casitas, by reason of any injury to or interference with Concessionaire's business arising from the making of any repairs, alterations, or improvements to any portion of the Demised Premises. Casitas shall have absolutely no other responsibility to repair, maintain or replace any portion of the Demised Premises at any time. The Concessionaire waives the right to make repairs at Casitas' expense under California Civil Code Section 1942, or under any other law, statute or ordinance now or hereafter in effect.

(b) **Concessionaire's Duties.** Concessionaire shall maintain the Concession equipment and premises in good repair and condition. Concessionaire shall perform and pay for all repairs and replacements in compliance with applicable law. All maintenance and repairs shall be commenced within thirty (30) days of the need thereof and diligently completed. Maintenance includes, but is not limited to:

- (1) General. Concessionaire shall at its sole cost (i) maintain, repair and replace, all in first class condition, all portions of the Demised Premises (except those portions to be maintained by Casitas as expressly set forth above), (ii) arrange for removal of trash from the Demised Premises, (iii) furnish reasonable janitorial services within the Demised Premises, (iv) maintain and repair any plate-glass windows appurtenant to the Demised Premises and all interior and exterior doors, including roll-up doors, (v) maintain, repair, replace the heating, air-conditioning, and ventilation system ("HVAC") exclusively serving the Demised Premises including establishment of a maintenance contract for the periodic inspection, maintenance, and replacement, as necessary, of the HVAC system, (vi) maintain a pest and termite control service agreement with respect to the Demised Premises, (vii) maintain and repair all telephone lines, electrical fixtures, wiring, panels, transformers, conduits, lighting fixtures, lamps, and tubes that are exclusively serving the Demised Premises, and (viii) maintain, repair, and/or replace any water heating systems, sewer lines, and plumbing lines and fixtures that are exclusively serving the Demised Premises.
- (2) Annual Maintenance Plan. Concessionaire will prepare and submit an annual maintenance plan on January 1 of each year for approval by Casitas.
- (3) Graffiti Eradication and Control of Graffiti from the Outside Surfaces of said Demised Premises. Concessionaire shall immediately remove graffiti at all times during the days and hours of operation when observed. In addition, within twenty-four (24) hours of notification from Casitas, Concessionaire shall remove graffiti from said Concession premises. Concessionaire shall use materials as provided by Concessionaire; however, Concessionaire is not required to sandblast walls or walkways.
- (4) Emergency Repair. Emergency repairs to Concession equipment and premises shall be made immediately so as to avoid any hazard to public health and safety.
- (5) Damage from Criminal Conduct. Concessionaire shall be responsible for the repair or replacement of any property located on the Demised Premises damaged by criminal conduct.
- (6) Equipment Repair or Replacement. Repair and replacement of all equipment necessary to conduct Concession operations shall be made at Concessionaire's sole expense including the items listed on Exhibit A-5 attached hereto. Any replacement equipment purchased by Concessionaire as Trade Fixtures shall be the property and responsibility for maintenance of the Concessionaire. Concessionaire shall dispose of replaced property in an approved manner in accordance Federal, State and local laws and regulations.
- (7) Concessionaire's Damage Liability. The Concessionaire is additionally liable for any damage to the Demised Premises resulting from the acts or omissions of the Concessionaire, including, without limitation, any damage relating to a roof penetration caused by the Concessionaire or Concessionaire's invitees and any actual or consequential damage to the Demised Premises and/or building arising from Concessionaire's use of the Demised Premises, Concessionaire's personal property, or systems or equipment serving the Demised Premises that are the responsibility of the Concessionaire to maintain, repair, replace.
- (8) Default of Maintenance Obligations. In the event Concessionaire defaults in the exercise of its maintenance obligations assumed herein, Casitas reserves the right to cure said default and seek reimbursement from the Concessionaire for all costs incurred plus a supervisory fee in the amount of ten percent (10%) of the cost thereof. Any reimbursement demand by Casitas under this provision shall be satisfied by Concessionaire within fifteen (15) days.



## 12. FEES AND TAXES

(a) Public LCRA entrance and use fees will be set in accordance with the fee schedule established by Casitas and Casitas shall have the right to collect as income, receipts derived from recreation related permits and contracts which it issues and administers for activities within the LCRA, as authorized in the California Water Code Section 71660 et. Seq.,

(b) The use or occupancy of the Demised Premises by Concessionaire constitutes a property interest which will be subject to possessory interest taxes. Concessionaire will be liable for the payment of such possessory interest taxes and any other taxes which may be levied on the property pursuant to the applicable taxation code. Concessionaire shall pay the applicable County or State agency, before delinquent, all taxes and assessments including said possessory interest tax levied against Concessionaire by reason of use and occupancy of the Demised Premises.

## 13. RIGHTS OF CASITAS AND USBR

(a) The USBR retains the primary jurisdiction over the Ventura River Project and the LCRA. The USBR can give written notice to Casitas if the USBR determines that changes in land use for USBR purposes within the LCRA are necessary. Casitas will give written notice to Concessionaire if any land use changes required by the USBR are necessary and will affect the Concessionaire.

(b) Casitas or the USBR may close the LCRA, or any portion thereof, including the Demised Premises, to public use whenever it is determined such restriction is necessary in the interest of water delivery project operation, public safety or national security. Casitas' designated representative will give written notice to Concessionaire of any such closure. This notice will be given as soon as practicable after a determination for closure is made and will include the date when the closure becomes effective. Concessionaire will enforce such closure and such enforcement will include coordination and cooperation with Casitas.

(c) The USBR and Casitas reserves the right to establish, grant or utilize additional easements or rights of way over, under, along and across the Demised Premises for utilities and/or public access to the LCRA provided Casitas shall exercise such rights in a manner as will avoid any substantial interference with the operations to be conducted hereunder. Concessionaire shall not claim any damages, loss of business, impact costs or other costs of any kind due to such an easement.

## 14. INDEMNIFICATION

To the fullest extent permitted by law, Concessionaire shall indemnify and hold harmless and defend Casitas its directors, employees, or authorized volunteers, and each of them from and against the following:

(a) Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind and nature whatsoever, for, but not limited to, injury to or death of any person including Casitas and/or Concessionaire, or any directors, officers, employees, or authorized volunteers of Casitas or Concessionaire, and damages to or destruction of property of any person, including but not limited to, Casitas and/or Concessionaire and their directors, officers, employees, or authorized volunteers, arising out of or in any manner directly or indirectly connected with this Agreement, however caused, regardless of any negligence of Casitas or its directors, officers, employees, or authorized volunteers.

(b) Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of Concessionaire.

(c) Any and all losses, expenses, damages (including damages to the work itself), and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of

Concessionaire to faithfully perform all of its obligations under the contract. Such costs, expenses, and damages shall include all costs incurred by the indemnified parties in any lawsuits to which they are a party.

(d) Concessionaire shall defend, at Concessionaire's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against Casitas or Casitas' directors, officers, employees, or authorized volunteers.

(e) Concessionaire shall pay and satisfy any judgment, award or decree that may be rendered against Casitas or its directors, officers, employees, or authorized volunteers, in any such suit, action or other legal proceeding.

(f) Concessionaire shall reimburse Casitas and its directors, officers, employees, or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

(g) Concessionaire agrees to carry insurance for this purpose as required by this Agreement. Concessionaire's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Casitas, or its directors, officers, employees, or authorized volunteers.

(h) Concessionaire agrees to indemnify and hold harmless Casitas Municipal Water District and the United States, its employees, agents, and assigns from any loss or damage and from any liability on account of personal injury, property damage, or claims for personal injury or death arising from the Concessionaire's activities under this Agreement.

(i) The parties hereto shall each be responsible and liable only for the negligent acts or omissions of their respective employees or assigns to the extent provided by law. However, nothing in this Agreement shall be construed to be an admission of fault or liability, and nothing shall limit the defenses and immunities legally available to each party against each other and third parties.

## 15. INSURANCE

Without limiting Concessionaire's indemnification of Casitas, Concessionaire shall provide and maintain at its own expense during the term of this Agreement the program(s) of insurance covering its operations listed herein. Such insurance shall be provided by insurer(s) satisfactory to the Casitas General Manager and evidence of such programs satisfactory to Casitas shall be delivered to the Casitas General Manager on or before the effective date of this Agreement. Such evidence shall specifically identify this Agreement and shall contain express conditions that Casitas is to be given written notice of at least thirty (30) days in advance of any modification or termination of any program of insurance. Further, all such insurance with the exception of Workers' Compensation insurance, shall be primary to and not contributing with any other insurance maintained by Casitas and shall name Casitas and the United States Government additional insureds. If CASITAS insurance requirements change, the Concessionaire will be required to make changes in their insurance accordingly at Concessionaire's sole expense.

(a) Certificate of Insurance. Prior to execution of the Agreement, Concessionaire shall file with Casitas a Certificate of Insurance (Acord Form 25-S or equivalent) signed by the insurer's representative. Such evidence shall include an original copy of the additional insured endorsement signed by the insurer's representative. Such evidence shall also include confirmation that coverage includes or has been modified to meet all insurance requirements under this Agreement.

(b) Proof of Insurance. The Concessionaire shall, upon demand of Casitas, deliver to Casitas such policy or policies of insurance and the receipts for payment of premiums thereon as are required under this Agreement. In the event evidence of such insurance coverage is not provided to Casitas within thirty (30) days prior to the commencement of this Agreement, Casitas shall, at its sole option, obtain such insurance coverage and charge Concessionaire the cost thereof plus any administrative costs involved in obtaining said insurance. Failure to provide required insurance coverage shall result in the loss of the use of the facility. Concessionaire shall provide increased limits of insurance if required of Casitas by Casitas' insurer at no cost or liability to Casitas.

(c) During the entire term and any extension of this Agreement, Concessionaire shall maintain Commercial General Liability Insurance coverage at least as broad as the Insurance Services Office Commercial General Liability Coverage (Occurrence Form CG 0001) with limits no less than ONE MILLION DOLLARS (\$1,000,000) per occurrence for bodily injury property damage and personal injury. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to Casitas) or the general aggregate limit shall be twice the required occurrence limit.

(d) During the course of this Agreement Concessionaire shall, if alcoholic beverages are sold, maintain Liquor Liability Insurance coverage at least as broad as the Insurance Services Office Liquor Liability Coverage (Occurrence Form CG 0033) with limits no less than ONE MILLION DOLLARS (\$1,000,000) per occurrence for bodily injury and property damage. If a form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to the District) or the general aggregate limit shall be twice the required occurrence limit.

(e) Required Provisions. The general liability and liquor liability (if any) policies are to contain, or be endorsed to contain the following provisions:

- (1) The United States of America (Bureau of Reclamation), Casitas, its directors, officers, employees, or authorized volunteers shall be named as additional insured (via ISO endorsement CG 2026 or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of the Concessionaire; products and completed operations of the Concessionaire; premises occupied or used by the Concessionaire. The coverage shall contain no special limitations on the scope of protection afforded to the Casitas, its directors, officers, employees, or authorized volunteers.
- (2) For any claims related to this event, the Concessionaire's insurance shall state that coverage is primary as respects the United States of America (Bureau of Reclamation), Casitas, its directors, officers, employees, or authorized volunteers, and any insurance, self insurance, or other coverage obtained or maintained by Casitas, its directors, officers, employees, or authorized volunteers shall be in excess of said primary coverage and not contributing.
- (3) Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the United States of America (Bureau of Reclamation), Casitas, its directors, officers, employees, or authorized volunteers.
- (4) The Concessionaire's insurance shall apply separately to the insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (5) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. Mail has been given to Casitas.
- (6) Such liability insurance shall indemnify the Concessionaire against loss from liability imposed by law upon, or assumed under contract by, the Concessionaire for damages on account of such bodily injury (including death), property damage, and personal injury.
- (7) The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, and blanket contractual liability.

(f) Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by Casitas. At the option of Casitas, the insurer shall either reduce or eliminate such deductibles or self-insured retentions.

(g) Acceptability of Insurers. All of the insurance shall be provided on policy forms and through companies satisfactory to Casitas. Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-VII or equivalent or as otherwise approved by Casitas.

(h) Workers' Compensation & Employer's Liability Insurance. By his/her signature hereunder, Concessionaire certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing the event. The Concessionaire shall cover or insure under the applicable laws relating to workers' compensation insurance, all of the employees working on or about the event, in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any Acts amendatory thereof. The Concessionaire shall provide employer's liability insurance in the amount of at least ONE MILLION DOLLARS (\$1,000,000) per accident for bodily injury and disease. In the event Workers' Compensation & Employer's Liability Insurance does not apply to Concessionaire, Concessionaire shall execute a California Workers' Compensation Law Certificate of Exemption.

(i) Concessionaire shall require all contractors and permittees operating within the Demised Premises to carry adequate liability and property damage insurance and liability for causes or actions resulting from the negligence of their employees, subcontractors, or agents. Said insurance shall be of sufficient amount to cover, as a minimum, the Concessionaire's liability under its governmental liability act and shall be consistent with the services, facilities, etc. provided and the potential for injury or damage to life and property. Casitas shall be named as an additional insured on all such insurance, and a certificate of insurance shall be provided to Casitas by the contractor and permittee to ensure that the insurance is in effect.

#### 16. RESTORATION FOLLOWING DAMAGE OR DESTRUCTION OF THE DEMISED PREMISES

If during the term of the Agreement the buildings or improvements or such fixtures or equipment, on, below, above or appurtenant to the Demised Premises at the commencement of the term or thereafter erected, installed or placed thereon or therein shall be destroyed or damaged in whole or in part by fire or any other cause, except condemnation, and provided such destruction or damage is required to be covered by insurance, Concessionaire shall give the Casitas General Manager notice as soon as practicable thereof. In the event such damage restricts the purpose and execution of this Agreement, and or creates hazardous area, Concessionaire shall immediately secure the area to prevent injury, vandalism and further damage to persons, improvements, and the contents thereof, and direct its insurer to make any payment of loss proceeds jointly payable to the Concessionaire and Casitas for deposit with the Insurance Trustee. Concessionaire shall promptly restore same to the condition existing immediately prior to such occurrence, or if not possible or feasible in view of the damage sustained and availability of funds with which to rebuild, terminate this Agreement.

(a) Restoration Terms and Conditions. The terms and conditions upon which any buildings or other improvements on, below, above or appurtenant to the premises, including fixtures and equipment shall be restored by Concessionaire after any such destruction or damage by fire or any other cause, except by condemnation, and the terms and conditions upon which the proceeds of insurance, except for small losses waiveable by the Casitas General Manager, which are held in trust by the Insurance Trustees, shall be applied to the cost of such restoration are as follows:

(b) Submission of Plans and Specifications. Concessionaire shall submit to the Casitas General Manager within thirty (30) days after the receipt of the insurance proceeds by Insurance Trustee, complete plans and specifications which shall be designed to restore the buildings and improvements at least to the condition immediately prior to such destruction or damage and as completely similar in character as is practicable and reasonable. The plans and specifications shall be subject to the review of the Casitas General Manager and approval by the Casitas General Manager and such approval shall not be unreasonably withheld. The Casitas General Manager shall either approve the same or serve written notice upon Concessionaire of disapproval thereof and objections thereto.

(c) Submission of Contracts. Concessionaire after approval by Casitas shall furnish to the Insurance Trustee a copy of any contract or contracts which Concessionaire shall enter into for the making of such restoration; or, if the restoration is to be done by Concessionaire, a copy of all subcontracts made by

Concessionaire in connection with such restoration and an estimate of the cost thereof, both in stages and upon completion, which shall be certified by the architect of Concessionaire as being reasonably accurate.

(d) **Payments and Retention.** During the progress of restoration at the end of each month or from time to time as may be agreed upon, and upon the written request of Concessionaire, the Insurance Trustee shall pay to Concessionaire or to the contractors and material suppliers of Concessionaire for the account of Concessionaire, out of such proceeds held in trust; the amount agreed by Concessionaire and Casitas to be owing to Concessionaire less a ten percent (10%) retention. The retention shall be released thirty-five (35) days after a Notice of Completion is filed and all outstanding punch list items are complete.

(e) **Advance Certificate.** At the time of each such request for advance by Concessionaire and as a condition precedent thereto Concessionaire shall also submit a certificate signed by Concessionaire and the architect of Concessionaire not more than thirty (30) days prior to such request setting forth the following:

- (1) That the sum then requested either has been paid by Concessionaire or is justly due to contractors, subcontractors, material men, engineers, architects or other persons who have rendered services or furnished materials for the restoration therein specified; the names and addresses of such persons, a brief description of such services and materials, the several amounts so paid or due to each of said persons in respect thereof; that no part of such expenditures has been or is being made the basis, in any previous or then pending request, for the withdrawal of insurance money or has been made out of the proceeds of insurance received by Concessionaire; and that the sum then requested does not exceed the value of the services and materials described in the certificate.
- (2) That, except for the sum then requested in such certificate stated to be due for services or materials, there is no outstanding indebtedness known to the person signing such certificate, after due inquiry, which is then due to labor, wages, materials, supplies or services in connection with such restoration which, if unpaid, might become the basis of a vendor's, mechanic's, laborer's, or material men's statutory or similar lien upon such restoration or upon the premises or the buildings and improvements on, under, or above the premises or any part thereof or Concessionaire's leasehold interest therein.
- (3) That the cost, as estimated by the persons signing such certificate, of the restoration required to be done subsequent to the date of such certificate in order to complete the same, does not exceed the insurance money, plus any amount deposited by Concessionaire to defray such cost.
- (4) That all of the work of restoration so far completed is proper and of the quality and class at least equal to the original work and in accordance with the plans and specifications.
- (5) At the completion of the restoration and following disbursement of the final advance to Concessionaire required to complete the payment of restoration costs, any such insurance proceeds remaining shall be paid by the Insurance Trustee to Concessionaire. In no event, however, shall the Insurance Trustee be liable for any amount in excess of the amounts so received and held in trust, and in the event that the cost of restoration exceeds the proceeds of insurance so held, Concessionaire shall pay such additional cost.

(f) **Failure to Commence Restoration.** If Concessionaire fails to commence such restoration in accordance with the provisions of this Agreement within one hundred eighty (180) days, or having commenced restoration shall fail to complete it in accordance with such provisions with reasonable diligence, and such failure shall continue for a period of fifteen (15) days after notice by Casitas, Casitas may, at its option and upon serving written notice upon Concessionaire that it elects to do so, make and complete such restoration. In such event, and whether or not this Agreement may have theretofore been terminated by reason of any default by Concessionaire, Casitas shall have the right, as the restoration progresses, to use and apply the insurance proceeds to the cost of such restoration to the extent that it shall not theretofore have been applied to the

payment of reimbursement of costs and expenses of Concessionaire and the mortgagee in making the restoration.

(g) **Abatement.** If the premises are restored, this Agreement shall continue in full force and effect, except that the payment to Casitas by Concessionaire may be abated and/or other relief afforded to the extent that the Casitas General Manager may determine the damage and/or restoration interferes with Concessionaire's operations; provided a claim therefore is filed with the Casitas General Manager within one hundred (100) days of notice of election to restore the premises. Any such claim shall be denied, if the destruction of the Demised Premises is found by the Casitas General Manager to have been caused by the fault or neglect of Concessionaire. Concessionaire agrees to cooperate in the determination of the abatement and/or other relief to be provided by furnishing all information requested relative to its operations, and permitting examination and audit of all accounting records kept in connection with the conduct thereof.

(h) In the event any part of the Demised Premises, building or structure essential to the operation of the Concession facility is totally or partially destroyed or damaged by any cause not resulting in fault or negligence of Concessionaire or Casitas and which is beyond the control of Concessionaire and/or Casitas, rendering the Demised Premises totally or partially inaccessible or unusable, Concessionaire may at its option terminate this Agreement upon written notice to Casitas.

(i) Should Concessionaire elect not to terminate this Agreement, Concessionaire shall within sixty (60) days from the date of the damage or destruction, commence full repair at Concessionaire's cost or a negotiated cost share and continue the performance of this Agreement in good faith to completion. In any event, the Demised Premises shall remain the property of Casitas. Casitas shall be under no obligation to make any repairs or reconstruct any buildings or structures.

#### **17. NON-ASSIGNMENT**

During the term of this Agreement, the responsibilities of the Concessionaire as described herein shall not be assigned to others without prior written approval of Casitas Board of Directors.

#### **18. THIRD PARTY CONTRACTS AND PERMITS**

Concessionaire may not enter into, or issue and administer, third party permits or concession contracts to persons or associations for the purpose of selling or soliciting services, goods, and facilities for the use of the visiting public consistent with the intent and conditions of this Agreement, without prior written approval of Casitas. Written approval shall be by amendment to this Agreement.

#### **19. IMPROVEMENTS, EQUIPMENT AND INVENTORY**

(a) Construction of structures or improvements within the Demised Premises or disposal of the same by the Concessionaire shall only be done with the prior written approval of Casitas.

(b) Casitas current and accurate Property Record Inventory of all Fixed Assets and Equipment installed or constructed within the Demised Premises at the time of execution of this Agreement, is attached hereto as Exhibit A-3.

(c) Concessionaire shall, at its sole cost and expense, perform the improvements listed on Exhibit A-5 attached hereto.

#### **20. CONSTRUCTION**

(a) **Prior Written Approval.** Concessionaire shall not make any alterations, additions, structure replacements or improvements to the Demised Premises without first obtaining Casitas' and Reclamation's prior written approval of all plans, specifications, drawings, and architectural/construction cost estimates, which approval may be withheld if the proposed alteration, addition, or improvement is not within the theme or character of the LCRA or if not approved by Reclamation, exceeds the express or implied scope of Concessionaire's services under this

Agreement, sacrifices the public health, safety, or welfare, or for any other reason infringes on Casitas' operation of the LCRA. The Concessionaire shall provide to Casitas and initial request for consideration by Casitas and the USBR, and pay for any or all USBR or Casitas' plan review or preliminary environmental reviews. Said request may include conceptual sketches and drawings.

(b) Cost and Expense. In the event that Casitas consents to Concessionaire making any alteration, addition, or improvement to the Demised Premises, Concessionaire agrees that the same shall be made at Concessionaire's sole cost and expense.

(c) Plans and Specifications. Concessionaire shall appropriately utilize the services of architects, engineers, and contractors that are appropriately licensed by the State of California. Concessionaire shall cause two sets of a preliminary design to be prepared and submitted for review and approval by Casitas and the USBR; and within sixty (60) days following the approval thereof, cause two sets of working drawings and a general construction schedule to be prepared and submitted for review and approval by Casitas and the USBR. Upon approval thereof, said working drawings shall be incorporated herein by reference. Concessionaire shall within thirty (30) days after the approval of the working drawings as provided herein, post the construction site with a notice on non-responsibility of Casitas for payment of the works of improvement, commence construction of the above-described improvements and shall diligently prosecute and complete same. The improvements shall be deemed to be complete upon acceptance of the works of improvement by the Casitas General Manager, as evidenced by the certification of a qualified engineer or architect that the improvements were built in compliance with all state and county building and safety codes. The concessionaire shall provide to Casitas one copy of as-built plans within sixty (60) days after the completion of the works of improvement.

(d) Practices and Procedures. In making any alterations, additions, or improvements to the Demised Premises, Concessionaire agrees to comply with all Federal, State, and local building and safety codes. Concessionaire agrees that Casitas shall have the right to access the premises during the construction work for the purposes of Casitas' own inspection of the construction work. This inspection is not in service to the Concessionaire or a substitute for Concessionaire's inspection or control of the construction work. The Concessionaire shall provide to Casitas the names and phone numbers of the Concessionaire's representative and a listing of all authorized contractors for the construction work. The access to and use of the LCRA by the contractors and Concessionaire's representatives shall be in accordance with all applicable rules, regulations, and ordinances of the LCRA.

(e) Insurance and Bonds.

(1) Concessionaire shall be responsible for providing insurance coverage for the construction in an amount not less than that specified in Paragraph 15 hereof or evidence that his existing coverage will cover the construction.

(2) Concessionaire shall be responsible for providing bonds for the construction as follows:

- a. Payment Bond. Concessionaire shall file with Casitas a surety bond to be approved by Casitas in a sum of not less than one hundred percent (100%) of the total amount payable by the terms of the construction contract, conditional as provided by Section 3247 of the Civil Code.
- b. Performance Bond. Concessionaire shall also file with Casitas a surety bond, to be approved by Casitas in a sum of not less than one hundred percent (100%) of the total amount payable by the terms and conditions of the construction contract.
- c. Maintenance and Guarantee. Concessionaire hereby guarantees that the entire work constructed by him under contract will meet fully all requirements thereof as to quality of workmanship and of materials furnished by him/her. Concessionaire hereby agrees to make, at his/her own expense, any repairs or replacement made necessary by defects in material or workmanship supplied by him/her that becomes evident within one (1) year after completion, and to

restore to full compliance with the requirements of the contract, any part of the work which, during said one year period, is found to be deficient with respect to any provision of the contract. Concessionaire shall make all repairs and replacement promptly upon receipt of written orders from Casitas to do so. If the Concessionaire fails to make the repairs and replacements promptly, Casitas may do the work and the Concessionaire and his/her Surety shall be liable to Casitas for the cost thereof.

d. Each of said bonds shall be executed by the Concessionaire and a corporate surety licensed in the State of California. If the amount payable under terms of the contract exceeds the original bid because of additional quantities and/or the issuance or change orders, said surety shall be required to cover the additional amount.

(f) Surrender on Termination. In the event that Casitas consents to Concessionaire making any alterations, additions, or improvements that are attached to the real property constituting the Demised Premises, the same will become a part of the real property and be surrendered to Casitas upon termination of this Agreement (whether by expiration of the term, cancellation, forfeiture, or otherwise) and without compensation being paid to Concessionaire.

(f) Removal. Casitas reserves the right, upon written notice, to require the Concessionaire to remove structures, buildings and/or improvements made by the Concessionaire with the consent of Casitas during the term of this Agreement within ninety (90) days of the termination of this Agreement (whether by expiration of the term, cancellation, forfeiture, or otherwise). Should Concessionaire fail to remove said structures, buildings, and improvements pursuant to said notice, then the same may be sold, removed, or demolished by Casitas, and Concessionaire shall reimburse Casitas for any cost or expense in connection therewith in excess of any consideration received by Casitas as a result of said sale, removal, or demolition. For any removal, Concessionaire shall restore the Demised Premises to its original condition.

(g) Trade Fixtures. Upon prior written approval by Casitas, Concessionaire may provide and install appliances, furniture, fixtures and equipment mutually agreed by the parties to be required for the operation of the Concession. Said appliances, furniture, fixtures and equipment shall remain the property of Concessionaire who shall have the right to remove, repair, and replace same from time to time as appropriate and at no cost or expense to Casitas.

(h) Trade Fixtures Removal. During the last thirty (30) days preceding the scheduled expiration of this Agreement, and within thirty (30) days after any sooner termination of this Agreement, Concessionaire shall remove any appliances, furniture, fixtures and equipment from the premises, other than those which have been furnished by Casitas or are so affixed that their removal from the Demised Premises cannot be accomplished without damage to the realty. Should Concessionaire fail to so remove said appliances, furniture, fixtures and equipment within said thirty (30) day period, Concessionaire shall lose all right, title and interest in and thereto, and Casitas may elect to keep same upon the premises or to sell, remove or demolish same. Concessionaire shall reimburse Casitas for any cost incurred in excess of and consideration received from the sale, removal or demolition thereof.

## 21. OPTION TO PURCHASE

Upon termination of this Agreement (whether by expiration of the term, cancellation, forfeiture, or otherwise), Casitas shall have the first-right option to purchase any and all structures, installations, facilities, equipment and stock-in-trade owned by Concessionaire.

## 22. REVIEW OF ADMINISTRATION, OPERATION, MAINTENANCE AND DEVELOPMENT

(a) The parties hereto shall meet annually, or more often if requested by either party, to inspect the Demised Premises and review the administration, operation, maintenance and requested development of the Concession. The purpose of this inspection and review is to ensure that administration, operation, maintenance and development procedures are adequate; to identify and correct deficiencies and problems; and to ensure the



administration of the Concession is in accordance with the intended purposes and in compliance with Casitas Ordinances. Deficiencies and problems shall be corrected in a timely manner by the Concessionaire.

(b) Concessionaire shall be evaluated by Casitas under a Concessions Review Program. The Concessions Review Program will consist of four separate evaluations: (1) Operations and Facilities Evaluation, (2) Public Health Service Inspection, (3) Safety and Environmental Evaluation, and (4) Contract Compliance Evaluation. The Operation and Facilities Evaluation shall be conducted semiannually. All other evaluations shall be conducted as Casitas may desire as identified under this agreement. Casitas may, at its discretion, terminate this Concession Agreement in the case of an unsatisfactory rating on any of the evaluations.

(c) The USBR may conduct an annual inspection of Casitas and Concession operations and will provide in writing necessary corrective action and time line for compliance.

(d) Notification of any non compliance with the term and conditions of this Agreement shall be in writing, giving a ninety (90) day period of time in which the non-compliant act or omission shall be corrected.

(e) In the event the Concessionaire disagrees with Casitas' direction regarding any corrective action, Concessionaire and Casitas shall attempt to reach mutual agreement on such action within the ninety (90) day period, or such longer period as may be mutually agreed to by both parties hereto, as necessary to address any notice of non-compliance. If, after ninety (90) days, or longer agreed period, there is no mutual agreement on the proposed action, Casitas' proposed action shall take precedence. If this occurs both parties have the right to terminate this Agreement after notice in writing as set forth in Item 24 below.

#### 23. EXAMINATION OF RECORDS

(a) Casitas, a public entity, requires that, at any time, the Concessionaire produce for examination any pertinent books, documents, papers, and financial records of the Concessionaire and/or the Concessionaire's contractors, permittees involving transactions related to this Agreement within the Public Records Act parameters.

(b) Casitas may, at any time, request an independent audit of the Concessionaire's financial activities for the LCRA. Such independent audit shall be performed at the cost of Casitas. Any discrepancies found during such audits shall be corrected within a reasonable amount of time, as determined by Casitas, by the responsible party.

#### 24. NOTICE TO CURE/DISPUTE RESOLUTION

(a) Non-Compliance. Notification of non-compliance with the terms and conditions of this Agreement shall be in writing, giving a period of time in which the non-compliance shall be corrected. Failure to satisfactorily correct any substantial or persistent non-compliance within the specified time shall be grounds for termination of all or part of this Agreement or temporary suspension of operation after notice in writing of such intent.

(b) Dispute Resolution. In the event of any dispute or controversy arising out of or relating to this Agreement, the parties hereto agree to exercise their best efforts to resolve the dispute as soon as possible as outlined in Exhibit D.

(c) The inability of Casitas' and Concessionaire's designated representatives to mutually agree on a proposed action within thirty (30) calendar days, or longer period as may be agreed to by the parties hereto, may result in termination of this Agreement by either party.

#### 25. TERMINATION

This Agreement shall terminate and all rights and obligations of the parties under this Agreement will cease under any one of the following conditions:

(a) Upon expiration of the term of this Agreement.

(b) For cause, including, but not limited to, violations of Casitas Ordinance entitled "An Ordinance of Casitas Municipal Water District Establishing Rules and Regulations for the Public Use of the Lake Casitas Recreation Area", failure to pay fees, violation of health and safety regulations and violation of Federal, State and local regulations as applicable, upon receipt of a written notice of termination from Casitas.

(c) At any time upon written notice to Concessionaire that Casitas has received a notice of termination from the USBR.

(d) In the case of termination for cause, Concessionaire must completely vacate the Demised Premises within thirty (30) calendar days of written notice of determination.

## 26. CANCELLATION UPON DEFAULT

(a) Notice to Concessionaire. Upon the occurrence of any one or more of the events of default hereinafter described, this Agreement shall be subject to cancellation. As a condition precedent thereto, the Casitas General Manager shall give Concessionaire ten (10) days notice by registered, certified mail, or hand delivery of the date set for cancellation thereof; the grounds therefore; and that an opportunity to be heard thereon before the Board of Directors will be afforded on or before said date, if request is made therefor.

(b) Possession. Upon cancellation CASITAS shall have the right to take possession of the Concession premises, including all improvements, equipment, and inventory located thereon, and use for the purpose of satisfying and/or mitigating all damages arising from a breach of this Agreement.

(c) Notice to Lenders. The Casitas General Manager shall send a copy of any intended cancellation of this Agreement to any Lender whose security would be affected thereby provided that such Lender shall have previously registered with the Casitas General Manager by written notice specifying the name and address of said Lender; and upon Lender's request for postponement, extend the date set for cancellation by such time as the Casitas General Manager finds reasonable to correct the grounds for cancellation or to provide a new Concessionaire under a power of sale or foreclosure contained in the hypothecation or mortgage. Any new concessionaire shall be responsible for correcting the original grounds for cancellation within a time set by the Casitas General Manager.

(d) Events of default shall be:

- (1) The abandonment, vacation or discontinuance of operations on the premises for more than forty-eight (48) consecutive hours.
- (2) The failure of Concessionaire to punctually pay or make the payments required hereunder when due, where the delinquency continues beyond ten (10) days following written notice for payment thereof.
- (3) The failure of Concessionaire to operate in the manner required by this Agreement, where such failure continues for more than ten (10) days after written notice from the Casitas General Manager to correct the condition therein specified.
- (4) The failure to maintain the premises and the improvements constructed thereon in the state of repair required hereunder, and in a clean, sanitary, safe and satisfactory condition, whether such failure continues for more than ten (10) days after written notice from the Casitas General Manager to correct the condition.
- (5) The failure of Concessionaire to keep, perform and observe all other promises, covenants, conditions and agreements set forth in this Agreement, where such failure continues for more than thirty (30) days after written notice from the Casitas General Manager for correction thereof, provided that where fulfillment of such obligation requires activity over a period of time and Concessionaire shall have commenced to

perform whatever may be required to cure the particular default within ten (10) days after such notice and continues such performance diligently, said time limit may be waived in the manner and to the extent allowed by the Casitas General Manager.

- (6) The Casitas General Manager determines that the Concessionaire is insolvent. Concessionaire shall be deemed to be insolvent if it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether it has committed an act of bankruptcy or not, and whether insolvent within the meaning of Federal Bankruptcy Law or not.
- (7) The filing of a voluntary petition in bankruptcy by Concessionaire; the adjudication of Concessionaire as a bankrupt; the appointment of any receiver of Concessionaire's assets; the making of a general assignment for the benefit of creditors, a petition or answer seeking an arrangement for the reorganization of Concessionaire under any Federal Reorganization Act, including petitions or answers under Chapter XI of the Bankruptcy Act; the occurrence of any act other than under the federal bankruptcy laws which operates to deprive Concessionaire permanently of the rights, powers and privileges necessary for the proper conduct and operation of the Concession including the levy of any attachment or execution which substantially interferes with Concessionaire's operations under this Agreement and which attachment or execution is not vacated, dismissed, stayed or set aside within a period of sixty (60) days.
- (8) Determination by the Casitas General Manager, the California Fair Employment and Housing Commission, or the Federal Equal Employment Opportunity Commission of discrimination having been practiced by Concessionaire in violation of state and/or federal laws thereon.
- (9) The execution by Concessionaire of an assignment for the benefit of creditors.
- (10) Transfer of the majority controlling interest of Concessionaire to persons other than those who are in control at the time of the execution of this Agreement without approval thereof by the Casitas General Manager.
- (11) Failure of Concessionaire to maintain any current licenses or permits required by any local, state or federal agencies necessary for the conduct of Concessionaire's business.
- (12) Waiver. Failure or delay of Casitas to declare any breach or default immediately upon occurrence shall not waive such breach or default. Failure of Casitas to declare one breach or default does not act as a waiver of Casitas' right to declare another breach or default.
- (13) Remedies Cumulative. Any remedies provided for under the terms of this Agreement are not intended to be exclusive, but shall be cumulative with all other remedies available to Casitas.

## 27. RIGHT OF ENTRY

(a) General. Any officers and/or authorized employees of Casitas may enter upon the Demised Premises any and all reasonable times for the purpose of determining whether or not Concessionaire is complying with the terms of this Agreement, or for any other purpose incidental to the rights of Casitas within the demised premises. No re-entry or taking of the premises by Casitas pursuant to this Agreement shall be construed as an election to terminate this Agreement, unless a written notice of such intention is given to Concessionaire or unless the termination thereof is decreed by a court of competent jurisdiction.

(b) Abandonment. In the event of an abandonment or discontinuance of operations for a period in excess of forty-eight (48) hours, Concessionaire hereby irrevocably appoints Casitas as an agent for continuing operation and authorizes Casitas to do any combination of the following: (1) Take possession of the premises,

including all improvements, equipment and inventory thereon; (2) remove any and all persons or property on said premises and place any such property in storage for the account of and at the expense of Concessionaire; (3) sublicense the premises; and, (4) after payment of all expense of such sublicensing or apply all payments realized there from to the satisfaction and/or mitigation of all damages arising from Concessionaire's breach of this Agreement. Entry by Casitas upon the premises for the purpose of exercising the authority conferred under this provision shall not operate as a waiver of any other rights that Casitas may have in law or equity to remedy a breach of this Agreement.

**28. INDEPENDENT CONTRACTOR**

In performing the obligations hereunder, Concessionaire is engaged solely in the capacity of independent contractor, it being expressly understood that no relationship between the contracting parties hereto other than that of independent contractor has been or is intended to be created. The parties to this Agreement do not intend to create a partnership, joint venture, relationship of master and servant, or principal and agent. It is mutually understood and agreed that the relationship created between the parties to this Agreement is to be determined in accordance with the laws relating to owners and lessees of real property.

**29. SEVERABILITY**

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall not be affected thereby and shall remain in full force and effect.

**30. NOTICE**

Any notices concerning this Agreement may be given, and all notices required by this Agreement or concerning performance under this Agreement shall be given, in writing, and shall be personally delivered or mailed addressed as shown below, or such other address or addresses as may be designated by either of the parties, in writing: Any notice required to be given under the terms of this Agreement or any law applicable thereto may be placed in a sealed envelope with postage paid, return receipt requested, addressed to the person on whom it is to be served, and deposited in a post office, mailbox, sub-post office, substation or mail chute, or other like facility regularly maintained by the United States Postal Service.

Casitas: Casitas Municipal Water District, 11311 Santa Ana Road, Ventura, CA 93001

Concessionaire: Lake Casitas Marina, Inc., Gary Wolfe, President, 2923 Seaview Avenue, Ventura, CA 93001.

**31. BOARD REVIEW**

The Board of Directors may review all decisions by the Casitas General Manager contained in this Agreement. A decision rendered by the Casitas General Manager is deemed final if it is not placed on the Board's agenda within sixty (60) days of being rendered by the Casitas General Manager. If the Board places a decision rendered by the Casitas General Manager on the Board's agenda within said sixty (60) day period, the decision is not final until formally ratified by the Board.

**32. MERGER AND MODIFICATION**

This Agreement contains all the agreements of the Parties with respect to any matter covered or mentioned in this Agreement, and no prior agreements shall be effective for any purpose. No provision of this Agreement may be amended or modified except by written agreement signed by the Parties.

**33. ATTORNEYS FEES**

In the event either of the Parties defaults on the performance of any terms of this Agreement or either Party places the enforcement of this Agreement in the hands of an attorney, or files a lawsuit, each Party shall pay all its own attorneys fees, costs and expense.

34. **ASSIGNMENT**

Neither the Concessionaire nor Casitas shall have the right to transfer or assign, in whole or in part, any or all of its obligations and rights hereunder without the prior written consent of the other Party.

35. **SUCCESSORS IN INTEREST**

Subject to Paragraph 34, the rights and obligation of the Parties shall inure to the benefit of and be binding upon their respective successors in interest, heirs, and assigns.

36. **DESIGNATED REPRESENTATIVES/NOTICES**

The parties hereto agree that the designated representatives for administration of this Agreement are as follows, or as may be further delegated in writing by the following:

Casitas – General Manager, Casitas Municipal Water District, 1055 Ventura Avenue, Oak View, California 93022.

Designated Representative – Park Services Manager, 11311 Santa Ana Road, Ventura California 93001.

Concessionaire – Gary Wolfe, 2923 Seaview Avenue, Ventura, California 93001

Any written notice, demand, or request, as required or authorized by this Agreement, shall be properly given if delivered by hand, or by mail, postage prepaid, to the other party as above listed. Both parties hereto are responsible for notifying all affected parties of any subsequent change of address, organizational changes, responsibility adjustments, and other related changes, as they take place.

37. **AGREEMENT DRAFTING CONSIDERATIONS**

The parties hereto agree and acknowledge that this Agreement has been drafted after full arms-length negotiations, and that the usual rule of contractual construction that all ambiguities shall be construed against the drafting party shall not apply to the interpretation of this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the first date written above.

**CASITAS MUNICIPAL WATER DISTRICT**

By: \_\_\_\_\_  
Russ Baggerly, President of the Board of Directors

**CONCESSIONAIRE**

**LAKE CASITAS MARINA, INC. d/b/a  
CASITAS BOAT RENTALS**

By: \_\_\_\_\_  
Gary L. Wolfe, President

Attest:

By: \_\_\_\_\_  
Bill Hicks, Secretary of the Board of Directors

## Appendix 1: Definitions

(a) "Administration, operation, maintenance, and development" means the acts or processes used to direct management of the Park Store; manage and enhance resources and facilities, law enforcement, and keeping facilities and equipment in good repair and usable working condition. The term maintenance includes the replacement and/or construction of equipment and/or facilities as may be agreed upon by the parties hereto.

(b) "Bait and Tackle" Bait and Tackle: means all the equipment, such as rods, lines, bait, etc., used in angling. Bait and tackle as referenced in this document is equipment items that are appropriate for fish species found in Lake Casitas and consistent with Casitas Ordinances.

(c) "Capital improvement" means a structure, fixture, or non-removable equipment provided either by Casitas or Concessionaire pursuant to the terms of this Agreement and located on the Demised Premises. A capital improvement does not include any interest in land. Additionally, a capital improvement does not include any interest in personal property of any kind including, but not limited to, vehicles, boats, barges, trailers, or other objects, regardless of size, unless an item of personal property becomes a fixture as defined in this Agreement. A capital improvement is considered to be a real property improvement for the purposes of this Agreement.

(d) "Concession" means a non-Federal commercial business that supports appropriate public recreational uses and provides facilities, goods, or services for which revenues are collected. A concession generally involves use of the land described as the Demised Premises and may involve the use or development of real property improvements.

(e) "Concessionaire" means an entity contracted by Casitas through a third-party concessions contract to operate a concession.

(f) "Depreciated Value" means the value of equipment or Fixed Asset which includes the amount of depreciation not yet incurred plus the salvage or residual value.

(g) "Equipment" means tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit, consistent with 43 CFR 12.

(h) "Fixed Assets" are any permanent recreation-related structures, fixtures, or capital improvements placed on the Demised Premises, and recreation-related plant, property and equipment (PP&E) placed on or used within the LCRA by the Casitas and/or Concessionaire during the term of this Agreement or any extension thereof, whether constructed or acquired with or without Federal Financial Assistance.

(i) "Fixtures" includes "non-removable equipment" and means manufactured items of property of an independent form and utility, necessary for the basic functioning of a structure, that are affixed to and considered to be part of the structure such that title is with the Casitas as real property once installed. Fixtures do not include building materials (e.g. wallboards, flooring, concrete, cinder blocks, steel beams, studs, window frames, windows, rafters, roofing, framing, siding, lumber, insulation, wallpaper, and paint).

(j) "Concession Fee" means the fee established by a third party concessions contract, which the Concessionaire must pay to Casitas for operation of the concession. The fee is assessed as a percentage of the gross receipts.

(k) "Good repair" means maintaining functional use and longevity of facilities and equipment through use of appropriate actions including controlled maintenance, standard operating procedures, maintenance manuals, etc.; meeting Federal, State and applicable local health department standards; meeting public safety needs and standards; and maintaining facilities in a safe, neat, clean, and well kept condition.

(l) "Casitas" means the Casitas Municipal Water District, or its duly authorized representative(s).

(m) "Mutually agreed" means both parties' designated representatives are in agreement on a proposed action. Such agreements shall be in writing

(n) "National Environmental Policy Act' (NEPA) established an environmental policy for the United States, providing federal agencies with an interdisciplinary framework and action-forcing procedures for environmental planning and decision-making, and requiring public involvement throughout the process.

(o) "Property Inventory List" means an inventory list of Fixed Assets and Equipment acquired, including any items acquired, installed or constructed with the assistance of Federal funds, by Casitas or by Concessionaire solely at its own expense or at the expense of its contractors. The list provides details about each item including a description of each Fixed Asset, a serial number or identification number, the source of the item, who holds title, the acquisition date and cost of the item, the percentage of Federal participation in the cost, the location and condition of the item, and ultimate disposal data.

(p) "Property Record Inventory" means a list of all Fixed Assets at the time of execution of this Agreement. The list shall include a description of each Fixed Asset, a serial number or identification number, the source of the item, who holds title, the acquisition date and cost of the item, the percentage of Federal participation in the cost, and the location and condition of the item.

(q) "USBR" means the United States Department of the Interior, Bureau of Reclamation, or its duly authorized representative(s).

(r) "Recreation facilities" means those facilities constructed or installed within the LCRA for recreational use by the public or for support of such recreational use. Said facilities may include, but are not limited to, buildings and other structures (such as park headquarters, visitor centers, maintenance shops, etc.), campgrounds, picnic grounds, boat docks and ramps, electrical lines, water systems, roads, trails, parking areas, sewer systems, signs, trash facilities, boundary and interior fencing, etc.

(s) "Residual Value" means the value of a Fixed Asset after all of the depreciation has been incurred

(t) "Resource Management Plan" means the plan prepared in accordance with Title XXVIII of Public Law 102-575 and Reclamation's Resource Management Plan Guidebook.

(u) "Salvage Value" means the value of an item of Equipment after all of the depreciation has been incurred.

(v) "Structure" means a building, dock, or similar edifice affixed to the land so as to be part of the real estate. A structure may include both constructed infrastructure (e.g. water, power, and sewer lines) and constructed site improvements (e.g. paved roads, retaining walls, sidewalks, and paved parking areas) that are permanently affixed to the land so as to be part of the real estate and that are in direct support of the use of a building, dock, or similar edifice. Landscaping that is integral to the construction of a structure is considered as part of a structure. Interior furnishings that are not fixtures are not part of a structure.

(w) "Gross Sales" means money, cash receipts, assets, property or other things of value, including, but not limited to, gross charges, sales, fees and commissions made or earned by Concessionaire and/or all the assignees, subcontractors, licensees, permittees or concessionaires thereof, whether collected or accrued from any business, use or occupation or any combination thereof, originating, transacted, or performed in whole or in part, on the Demised Premises, including, but not limited to, food and beverage sales, merchandise sales, catering and "to-go" sales and services, and other revenues of any kind except: (i) the amount of any sales tax, use tax, gross receipts tax, successor tax or similar tax, imposed by a federal, state, municipal or governmental authority directly on sales and collected from customers; (ii) the exchange of merchandise between other concessions and/or stores of Concessionaire where such exchange is made solely for the convenient operation

of the business of Concessionaire and not for the purpose of depriving Casitas of the benefit of a sale which otherwise would be made from the Demised Premises; (iii) proceeds from the sale of trade fixtures, machinery and equipment; and (iv) the amount of any cash or credit refund made upon any sale from the Demised Premises previously included in Gross Sales.

FINAL DRAFT 1/13/12



## Appendix 2: List of Acronyms

ESA	Endangered Species Act
IPM	Integrated Pest Management
LCRA	Lake Casitas Recreation Area
NEPA	National Environmental Protection Act
NHPA	National Historic Preservation Act
PP&E	Plant, Property and Equipment
RMP	Resource Management Plan
USBR	U.S. Bureau of Reclamation

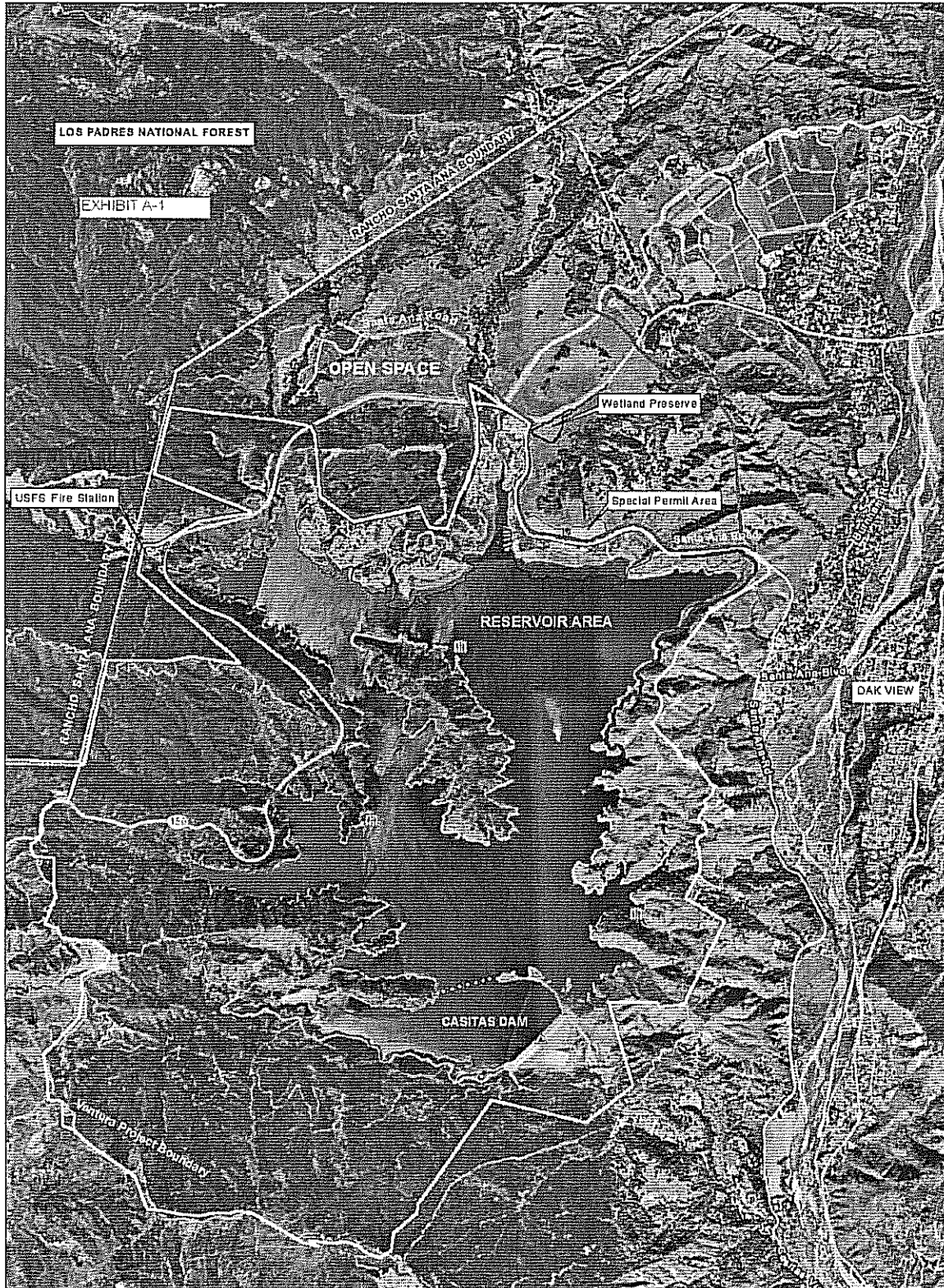
FINAL DESIGN 4/23/12

## EXHIBIT A

### PARK STORE CONCESSION - DEMISED PREMISES

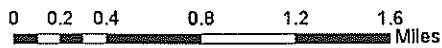
The purpose of Exhibit A is to establish the physical boundaries of the concession operation as generally illustrated in Exhibit A-1 and A-2, attached hereto. Casitas owns and maintains the Park Store building, a wood frame building structure of floor dimensions approximating 46' by 49' (2,254 SF), concrete walkway and porch, asphalt parking lot, area for tank for propane sales, electrical wiring and lighting fixtures, water and sewer plumbing, and sewage holding tank, as shown in Casitas Drawing Numbers 1244 thru 1251, 1260, and 1582 thru 1587, which are on file with Casitas.

The Park Store Concession is authorized to conduct its business within the specified locations in the LCRA, Casitas and the USBR will continue have ownership/management over all assigned Demised Premises.



Legend

- Restrooms
- Casitas Recreation Area
- Casitas Reservoir Lands - Ventura River Project
- Open Space "Title IV Lands"
- Casitas Dam
- Bike Trail
- Posted Closed Shoreline
- Boys
- Special Permit Area



**RECLAMATION**  
*Managing Water in the West*





EXHIBIT A-2

## Park Store Demised Premises

Campground FOX

## EXHIBIT A-3

### LIST OF ITEMS IN PARK STORE OWNED BY CASITAS

#### SALES AREA

Three rows multi-level display shelves  
One row multi-level display shelf on west wall  
One sales counter  
One three sliding door commercial chest freezer  
One three door commercial stand alone refrigerator  
Two four door walk-in coolers with shelves  
Miscellaneous wall mounted shelving and display racks  
Two wall mounted air conditioning units on west wall near ceiling  
Ceiling hung florescent lighting

#### STOREROOM AREA

Miscellaneous wall mounted shelving and display racks  
One white chest freezer (home type)  
Ceiling hung florescent lighting  
One large, deep sink  
One hot water heater  
Bathroom with sink, commode and large mirror

#### MISCELLANEOUS

Miscellaneous outdoor lighting  
Swamp coolers are reported not working  
No heat in building reported  
Chain link fenced, enclosed storage area on outside, northwest corner of building  
Barriers and electrical for propane dispensing system

## EXHIBIT A-4

### LIST OF ITEMS IN PARK STORE NOT OWNED BY CASITAS

#### MISCELLANEOUS

One small "window" air conditioner for enclosed office space

Propane tank, skid and dispensing system\*, ice freezers, ice cream freezers, chip displays, firewood rack, etc.

\*New propane vendor requires new permit and concrete pad at concessionaire's expense

FINAL DRAFT 4/23/12

## EXHIBIT A-5

### IMPROVEMENTS TO AND MAINTENANCE OF PARK STORE

Concessionaire warrants that the following will be performed by Concessionaire at Concessionaire's sole cost and expense.

- (a) Remodel inside of both walk-in coolers.
- (b) Replace rear walk-in cooler motor.
- (c) Replace and improve HVAC unit.
- (d) Install new carpet or flooring throughout the Stores
- (e) Paint interior walls on 2 -3 year schedule.
- (f) Replace or improve counters, shelving, racks and displays.
- (g) Install Security system.

## EXHIBIT B

### ENVIRONMENTAL REQUIREMENTS

(a) Concessionaire shall operate, maintain and manage all structures, facilities and lands to minimize environmental consequences. Consideration will be given to alleviating potential harmful effects on landscape, soils, water, wildlife, cultural resources, timber, population, or other resources. Prior to any action which would modify the environment beyond those currently covered by existing NEPA documents, the Casitas will need to submit any necessary environmental reports as directed by the United States. No such modifications of the environment shall be undertaken without prior written approval of the United States.

(b) Violation of any of the provisions of this Exhibit may constitute grounds for termination of this Agreement. Such violations require immediate corrective action by the Concessionaire and shall make the Concessionaire liable for the cost of full and complete remediation and/or restoration of any Federal resources or facilities that are adversely affected as a result of the violation.

(c) The Concessionaire agrees to include the provisions contained in this Exhibit in any subcontractor or third-party contract it may enter into pursuant to this Agreement.

(d) Casitas agrees to provide information necessary for the Concessionaire, using reasonable diligence, to comply with the provision of this Exhibit.

(e) Concessionaire shall fully comply with all applicable Federal laws, orders, and regulations, and the laws of the State of California concerning the pollution of streams, reservoirs, ground water, or water courses.

(f) In accordance with the National Historic Preservation Act of 1966 and Executive Order 11593, cultural resources will be given full consideration in any proposed actions initiated by the Concessionaire beyond those approved in existing plans and documents. Cultural resources (including archaeological, historical, structural, and Native American resources) that may be impacted will be adequately considered and, if necessary, any identified adverse effects will be mitigated or minimized prior to development. If, during construction or development, cultural resources are exposed, activities in the surrounding area will be halted while the resource is evaluated. Casitas will be notified immediately and will provide direction on how to proceed in compliance with 36 CFR 800.13. The cost of any recovery work, if necessary, and any required consultation between Casitas and the State Historic Preservation Officer will be borne by the Concessionaire. The Casitas will provide Concessionaire with copies of any cultural resource reports concerning the identification, evaluation, and treatment of cultural resources within the Recreation Area. Any cultural resources sites identified by the Concessionaire during its management activities will be reported to and recorded on the appropriate Casitas site record forms and copies provided to the USBR. No surface disturbing operations can proceed until the requirements of the article have been met. This provision will be included in all construction contracts.

(g) The Endangered Species Act of 1974 will be given full consideration in all activities.

(h) Concessionaire shall insure that recognized standards and proper uses are achieved on the lands covered by this Agreement. Land use planning and administration of the Federal Estate will conform to all applicable Federal laws, regulations, and Executive Orders. Following is a list of some of the more important of these:

- (1) Executive Order 11990, Protection of Wetlands.
- (2) Executive Order 11988, Floodplain Management.
- (3) Safe Drinking Water Act of 1974, (Public Law 93-523, U.S.C. 300, 88 Stat.1660).



- (4) Federal Land Policy and Management Act of 1976, (Public Law 94-579, 43 U.S.C. 1701).
- (5) Executive Orders 11664 and 11989 for Off-Road Use.
- (6) National Trails System Act, (Public Law 95-43, 16 U.S.C. 1241 Et seq.).
- (7) Fish and Wildlife Coordination Act, (Public Law 85-624, 16 U.S.C., 661, 662).
- (8) Antiquities Act of 1906, (34 Stat. 225, 16 U.S.C., 431).
- (9) National Historic Preservation Act of 1966 (NHPA), (Public Law 89-665, 80 Stat. 915, 16 U.S.C. 470) as amended by Public Laws 91-243, 93-54, 94-422, 94-458, and 96-515).
- (10) Archaeological Resources Protection Act of 1979, (Public Law 95-95, 93 Stat. 721).
- (11) Archaeological and Historic Preservation Act (Public Law 93-291).
- (12) Native American Grave Protection and Repatriation Act (25 U.S.C. 3001 et seq.).
- (13) Executive Order 11593, Protection and Enhancement of the Cultural Environment
- (14) National Environmental Policy Act, (Public Law 91-190, 83 Stat. 852).
- (15) Endangered Species Act, (Public Law 93-205, 16 U.S.C. 1531 et seq.).
- (16) Executive Order 12088, Federal compliance with Pollution Control Standards.
- (17) The Clean Air Act, (Public Law 88-206, as amended, 42 U.S.C., 7401 et seq).
- (18) Clean Water Act of 1978, (Public Law 95-217, 33 U.S.C., 1288 et seq.).
- (19) Resource Conservation and Recovery Act (RCRA), (Public Law 94-580).
- (20) Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA or Superfund), Public Law 96-510.
- (21) 43 Code of Federal Regulation, Part 420 (off-road vehicle use on USBR lands).
- (22) 36 Code of Federal Regulation, Part 800, Protection of Historical and Cultural Properties.
- (23) Federal Insecticide, Fungicide and Rodenticide Act (FIFRA), as amended (7 U.S.C. P.L. 100-460, 100-464, to 100-526 and 100-532).
- (24) Rehabilitation Act of 1973, Section 504, as amended (29 U.S.C. 700, et seq., P.L. 93-516 and P.L. 95-602).

## EXHIBIT C

### AMERICANS WITH DISABILITIES REQUIREMENTS

Concessionaire shall fully comply with the Americans With Disabilities Act (ADA) and Americans With Disabilities Guidelines (ADAG) as amended from time to time, as applicable.

WAL DRAFT 02/11/11

## EXHIBIT D-1

### EQUAL OPPORTUNITY REQUIREMENTS

During the performance of this Agreement, the Concessionaire agrees as follows:

(a) The Concessionaire will not discriminate against any employee or applicant for employment because of race, color, age, religion, sex, or national origin. Concessionaire will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, age, religion, sex, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Concessionaire agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the United States setting forth the provisions of this Equal Opportunity clause.

(b) Concessionaire will, in all solicitations or advertisements for employees placed by or in behalf of the Park Store Concession, state that all qualified applicants will receive consideration for employment without regard to race, color, age, religion, sex, or national origin.

(c) Concessionaire will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the United States, advising the labor union or workers representative of the Concessionaire commitments under this Equal Opportunity clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) Concessionaire will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(e) Concessionaire will furnish all information and reports required by said amended Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or pursuant, thereto, and will permit access to its books, records, and accounts by the United States and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of Concessionaire's noncompliance with the Equal Opportunity clause of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended, in whole or in part, by Casitas or the USBR and the Concessionaire may be declared ineligible for further Government contracts in accordance with procedures authorized in said amended Executive Order, and such other sanctions may be imposed and remedies invoked as provided in said Executive Order, or by rules, regulations, or order of the Secretary of Labor, or as otherwise provided by law.

(g) Concessionaire will include the provisions of paragraphs (a) through (f) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of said amended Executive Order, so that such provisions will be binding upon each subcontractor or vendor. The Concessionaire will take such action with respect to any subcontract or purchase order the United States may direct as a means of enforcing such provisions, including sanctions for noncompliance: provided, however, that in the event Concessionaire becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the United States, Casitas may request the United States to enter into such litigation to protect the interests of the United States.

## EXHIBIT D-2

### CERTIFICATION OF NONSEGREGATED FACILITIES

The term segregated facilities means: any waiting rooms, work areas, restrooms and washrooms, restaurants or eating areas, time clocks, locker rooms, storage areas, dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin, because of habitat, local custom, or otherwise. The Managing Partner certifies that it does not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Managing Partner agrees that a breach of this certification is a violation of the Equal Opportunity Clause in this contract. The Managing Partner agrees that (except where it has obtained identical certification from proposed subcontractors for specific time periods) it will obtain identical certification from proposed subcontractors prior to the award of subcontractors exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause, and that it will retain such certification in its files.

**NOTE:** The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

## EXHIBIT E

### TITLE VI, CIVIL RIGHTS ACT OF 1964

(a) Concessionaire agrees that it will comply with Title VI of the Civil Rights Act of July 2, 1964 (78 Stat. 241), and all requirements imposed by or pursuant to that title, to the end that, in accordance with Title VI of that Act and the Regulation, no person in the United States shall, on the grounds of race, color, sex, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Managing Partner receives financial assistance from the United States and hereby gives assurance that it will immediately take any measures to effectuate this Agreement.

(b) If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to Concessionaire by the United States, this assurance obligates Concessionaire; or in the case of any transfer of such property or structure is used for a purpose involving the provision of similar service or benefits. If any personal property is so provided, this assurance obligates Concessionaire for the period during which it retains ownership or possession of the property. In all other cases, this assurance obligates Concessionaire for the period during which the Federal financial assistance is extended to it by the United States.

(c) This assurance is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to Concessionaire by the United States, including installment payments after such date on account of arrangements for Federal financial assistance which were approved before such date. Concessionaire recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall reserve the right to seek judicial enforcement of this assurance. This assurance is binding on Concessionaire, its successors, transferees, and assignees.

## EXHIBIT F

### DISPUTE RESOLUTION, MEDIATION AND ARBITRATION

In the event of dispute or controversy arising out of or relating to this Agreement, the parties shall, without delay, continue to perform their respective obligations under this Agreement which are not affected by the dispute.

#### Mediation

In the event that the parties can not by exercise of their best efforts resolve the dispute, they shall submit the dispute to Mediation. The parties shall, without delay, continue to perform their respective obligations under this Agreement which are not affected by the dispute. The invoking party shall give to the other party written notice of its decision to do so, including a description of the issues subject to the dispute and a proposed resolution thereof. Designated representatives of both parties shall attempt to resolve the dispute within [time period] after such notice. If those designated representatives cannot resolve the dispute, the parties shall meet at a mutually agreeable location and describe the dispute and their respective proposals for resolution to responsible executives of the disputing parties, who shall act in good faith to resolve the dispute. If the dispute is not resolved within [time period] after such meeting, the dispute shall be submitted to binding arbitration in accordance with the Arbitration provision of this Agreement.

#### Arbitration

Any controversies or disputes arising out of or relating to this Agreement shall be resolved by binding arbitration in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association. The parties shall endeavor to select a mutually acceptable arbitrator knowledgeable about issues relating to the subject matter of this Agreement. In the event the parties are unable to agree to such a selection, each party will select an arbitrator and the arbitrators in turn shall select a third arbitrator.

(a) The arbitration shall take place at a location that is reasonably centrally located between the parties, or otherwise mutually agreed upon by the parties.

(b) All documents, materials, and information in the possession of each party that are in any way relevant to the claim(s) or dispute(s) shall be made available to the other party for review and copying no later than thirty (30) days after the notice of arbitration is served.

(c) The arbitrator(s) shall not have the authority, power, or right to alter, change, amend, modify, add, or subtract from any provision of this Agreement or to award punitive damages. The arbitrator shall have the power to issue mandatory orders and restraining orders in connection with the arbitration. The award rendered by the arbitrator shall be final and binding on the parties, and judgment may be entered thereon in any court having jurisdiction. The agreement to arbitration shall be specifically enforceable under prevailing arbitration law. During the continuance of any arbitration proceeding, the parties shall continue to perform their respective obligations under this Agreement.

**CASITAS RESERVOIR WATER INVENTORY SUMMARY  
2011/12 WATER YEAR**

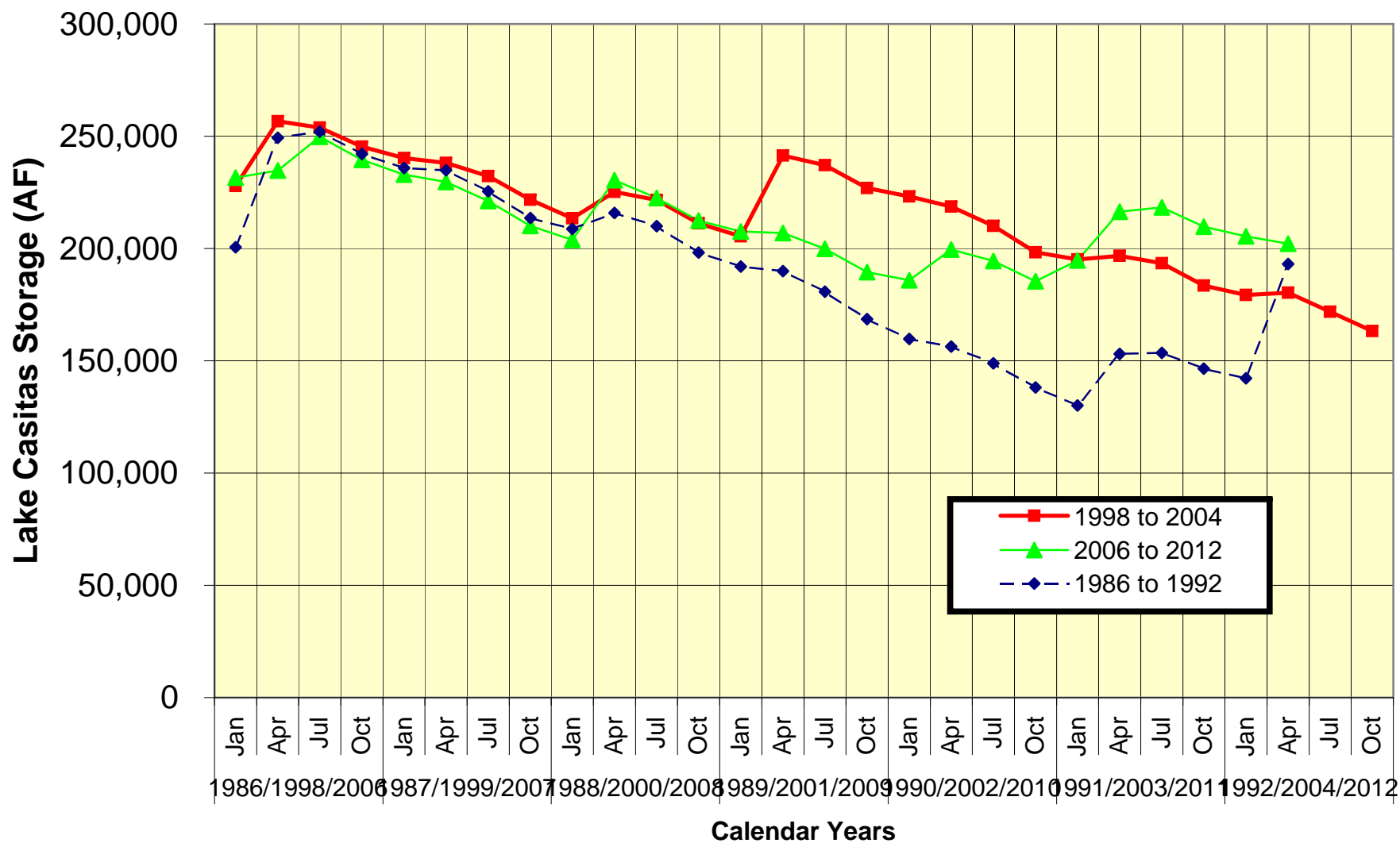
(All Volumes in Acre-feet)

MONTH	RESERVOIR (last of previous month)		RESERVOIR INFLOW				RESERVOIR RELEASES			
	ELEV (ft)	STORAGE	DIRECT	VENTURA RIVER DIVERS'N	TOTAL	PRECIP	EVAP	TO MAIN SYSTEM	SPILL	CHANGE IN STORAGE
OCT '11	549.76	209680	-264	0	-264	363	576	1195	0	-1673
NOV '11	549.07	208008	-453	0	-453	576	312	797	0	-986
DEC '11	548.66	207022	-422	0	-422	60	160	1018	0	-1540
JAN '12	548.02	205482	-95	0	-95	309	269	1139	0	-1194
FEB '12	547.52	204288	-10	0	-10	34	403	1123	0	-1503
MAR '12	546.89	202785	120	12	132	839	625	1010	0	-663
APR '12	546.64	202193								
MAY '12										
JUN '12										
JUL '12										
AUG '12										
SEP '12										
OCT '12	549.76	209680	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>TOTAL</b>			-1124	12	-1112	2181	2344	6282	0	-7559

reservoir capacity = 254,000 a.f. @ 567 ft.

g:\enrg.wks\hydrology\casitasdam\annual\casitasreservoir2012

## Lake Casitas Storage Volume Comparison







Government Finance Officers Association  
203 N. LaSalle Street - Suite 2700  
Chicago, IL 60601

Phone (312) 977-9700 Fax (312) 977-4806

March 28, 2012

Steve Wickstrum  
General Manager  
Casitas Municipal Water District  
1055 Ventura Avenue  
Oak View CA 93022

Dear Mr. Wickstrum:

We are pleased to notify you that your comprehensive annual financial report for the fiscal year ended **June 30, 2011** qualifies for a Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

The Certificate of Achievement plaque will be shipped to:

**Denise Collin**  
**Accounting Manager/Treasurer**

under separate cover in about eight weeks. We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and that appropriate publicity will be given to this notable achievement. A sample news release is enclosed to assist with this effort. In addition, details of recent recipients of the Certificate of Achievement and other information about Certificate Program results are available in the "Awards Program" area of our website, [www.gfoa.org](http://www.gfoa.org).

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,  
Government Finance Officers Association

Stephen J. Gauthier, Director

Technical Services Center

SJG/ds



April 12, 2012

Mr. Russ Baggerly  
Director, Division 5  
Casitas Municipal Water District  
1055 Ventura Ave.  
Oak View, CA. 93022

Dear Director Baggerly,

On behalf of Golden State Water Company, I wanted to thank you for bringing to our attention the increased cost of purchased water noticed in our public notices for the 2013-2015 General Rate Case filing.

We researched the issue, and found a technical error in our purchased water projections which inaccurately forecasted the cost of purchased water. We apologize for the error. We will be making a correction when we submit testimony to the California Public Utilities Commission, and amending our filing to reflect a three percent reduction in our revenue request. Additionally, you can be assured that, even if the mistake was not found and corrected, customers would not have paid the extra charges since such water supply related costs are reconciled to actual costs each year.

Golden State takes pride in providing the best possible service and being accountable to customers, water partners and the California Public Utilities Commission. We appreciate the strong professional relationship with Casitas Municipal Water District and value our continued collaboration. We want to ensure that water rates reflect the cost to provide quality, reliable water service and maintain the water system. A thorough and transparent process, with public review and input, ensures this will be the result.

Again, thank you for taking time to address this issue. Please don't hesitate to contact me if you have any questions or would like additional information.

Sincerely,

Kenneth J. Petersen, P.E.  
Coastal District Manager

CC: Casitas Municipal Water District Board of Directors  
Mary Bergen  
Jim Word  
Pete Kaiser  
Bill Hicks  
Steve Wickstrum – General Manager

# county of ventura

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April 17, 2012

Mosler Rock-Ojai Quarry  
Larry E. Mosler  
2280 Moonridge Ave.  
Newbury Park, CA 91320

Subject: **Mosler Rock-Ojai Quarry:**  
Decision on Reclamation Plan Compliance Amendment;  
1555 Maricopa Hwy (State Route 33);  
Assessor's Parcel Number 009-090-165

Dear Mr. Mosler:

Following the duly noticed public hearing on April 12, 2012, regarding the above-referenced matter, the Ventura County Planning Director has considered the request for approval of a Reclamation Plan Compliance Amendment for the Mosler Rock-Ojai Quarry (CA Mine ID #91-56-0025). By the authority granted to me by the Ventura County Administrative Supplement to the State CEQA Guidelines (2010, Chapters 3 and 8) and the Ventura County Non-Coastal Zoning Ordinance (2011, Sections 8107-9 et. seq.), and in accordance with the California Surface Mining and Reclamation Act (PRC Section 2710 et. seq.) and the State Mining and Geology Board reclamation regulations (14 CCR Section 3500 et. Seq.), I hereby:

1. **CERTIFY** that the Planning Director has reviewed and considered this staff report and all exhibits thereto, including the September 2, 1993 (Certified June 1, 1995) Environmental Impact Report (Exhibit 20) as augmented by the April 5, 2012 (Revised April 17, 2012) Addendum to the Environmental Impact Report (Exhibit 21 of the Staff Report for the April 12, 2012 hearing), and has considered all comments received during the public comment process and County staff responses thereto;
2. **FIND** that the revised Addendum to the 1995 Environmental Impact Report has been prepared in accordance with the requirements of the California Environmental Quality Act and the CEQA Guidelines (Exhibit 21 of the Staff Report for the April 12, 2012 hearing);
3. **MAKE** the required findings pursuant to Section 8107-9.6.9 of the Non-Coastal Zoning Ordinance that the Reclamation Plan Compliance Amendment is consistent with, and approved in accordance with, the Ventura County Non-Coastal Zoning Ordinance, the provisions of the California Surface Mining and Reclamation Act (Pub. Res. Code Section 2710 et seq.), Public Resources Code



Section 2207, State regulations (14 CCR Section 3500 et. seq.), the regulations, guidelines and other measures adopted by the State Mining and Geology Board, Ventura County Public Works Agency standards, and compatible with the existing geological and topographical features of the area based on the information presented in Sections C, D, and E of the Staff Report for the April 12, 2012 hearing.

4. **APPROVE** the Reclamation Plan Compliance Amendment (Exhibits 18A-C of the Staff Report for the April 12, 2012 hearing) for the Mosler Rock-Ojai Quarry; and,
5. **DESIGNATE** the Planning Division as the custodian of the documents pertaining to the subject Reclamation Plan Compliance Amendment and environmental document, and that the location of those documents shall be in the Planning Division files.

The decision of the Planning Director is final unless appealed to the Planning Commission within 10 calendar days after the permit has been approved, conditionally approved or denied (or on the following workday if the 10<sup>th</sup> day falls on a weekend or holiday). Any aggrieved person may file an appeal of the decision with the Planning Division. The Planning Division shall then set a hearing date before the Planning Commission to review the matter at the earliest convenient date.

If you have any questions concerning the information presented above, please contact Ebony J. McGee at (805) 654-5037 or via e-mail at [ebony.mcgee@ventura.org](mailto:ebony.mcgee@ventura.org),

Sincerely,



BRIAN R. BACA, Manager  
Commercial and Industrial Permits

Encl.: Reclamation Plan Compliance Amendment (Front page only)  
Revised EIR-Addendum (with Attachments 5 and 6)

c:  
Department of Conservation, Office of Mine Reclamation – Jim Pompy  
Ventura County Air Pollution Control District – Kerby Zozula  
District 1 Supervisor – Steve Bennett  
Case File

# RECLAMATION PLAN

## Reclamation Plan Compliance Amendment

REVISED, APRIL 5, 2012  
REVISED, APRIL 4, 2012  
REVISED, February 16, 2012

Reclamation Plan for Mosler Rock—Ojai Quarry  
*California Mine ID # 91-56-0025*  
Ojai, California  
APN(s) 009-0-090-160 and 180

Submitted by:

Gralar, LLC  
dba Mosler Rock Products  
2280 Moonridge Ave.  
Newbury Park, CA 91320



{DPC/00018339.}

**SMARA Lead Agency** **Submitted: December 6, 2012**

*County of Ventura • Resources Management Agency  
• Planning Division*

*800 S. Victoria Ave., Ventura, CA 93009 • 805/654-2488 •*

*[www.ventura.org/rma/planning](http://www.ventura.org/rma/planning)*

County of Ventura  
Planning Director Hearing  
RPCA/CUP3489-2  
**Exhibit 18A – Rec. Plan Compliance  
Amendment (with Figures 1&2)**

# county of ventura

**ENVIRONMENTAL IMPACT REPORT (EIR) – ADDENDUM  
CEQA Guidelines Section 15164**

*(Amended in response to comments at the April 12, 2012 hearing)*

**A. BACKGROUND INFORMATION AND PROJECT DESCRIPTION:**

1. **Entitlement:** Conditional Use Permit for Mineral Resource Development— Mining and Accessory Uses (LU11-0080) and Reclamation Plan Compliance Amendment (RPCA for the Mosler Rock—Ojai Quarry)
2. **Applicant:** Larry Mosler
3. **Property Owners:** GraLar, LLC.
4. **Location:** The project site is located at 1555 State Route 33, near the intersection of South Matilija Road and State Route 33, near the City of Ojai, in the unincorporated area of Ventura County.
5. **Assessor’s Parcel Number:** 009-0-090-165 and 009-0-090-180
6. **Lot Size:** 34.61 acres
7. **General Plan Land Use Designation:** Open Space (10 Acre Minimum) and Agricultural (40 Acre Minimum)
8. **Zoning Designation:** OS-160 ac (Open Space, 160 Acre Minimum Lot Size)
9. **Project Description:** Modification of the following provisions in Conditional Use Permit Case No. CUP 3489-2: (a) Condition No. 1.b, to allow the use, maintenance and storage of additional mining related equipment (including a portable rock crusher) and vehicles in excess of what was previously permitted; (b) Condition No. 19 to allow entry gate to open at 6:30AM and close at 7:30PM, Monday through Friday so that the operation may operate 24 hours per day during an appropriate government declared emergency; (c) the phasing of the operation will be conducted from current phase 3 downward to current phase 1; and (d) submit a Reclamation Plan Compliance Amendment (“RPCA”) to the approved reclamation plan for the Mosler Rock—Ojai Quarry, in order to abate permit and SMARA violations (ZV08-0030, PV10-0090 and SMARA violation, dated July 9, 2010<sup>1</sup>) for mining outside of the permitted mining boundary and below the final reclamation elevations.

**B. STATEMENT OF ENVIRONMENTAL FINDINGS:**

Land Use Regulatory and CEQA Background

<sup>1</sup> The operator did not abate the SMARA violation, therefore an Order to Comply was issued October 17, 2011.



The project site has been used intermittently as a rock quarry since 1939, which at that time was known as the “Maricopa Placer Claim”. The original owner, Schmidt Construction, Inc., leased the site in 1948 and purchased it in fee in 1962.

In response to complaints received from nearby residents, in 1973 the Planning Division notified the property owner that a Condition Use Permit (“CUP”) would be required to continue the mining operation. In 1974, the property owner applied for a CUP, which was subject to an Environmental Impact Report (“EIR”) that the County prepared pursuant to the California Environmental Quality Act (“CEQA”). On January 15, 1976, the Planning Commission certified the EIR and granted CUP 3489 (including the site reclamation plan) for a period of 20 years.

In 1980, the property owner requested approval of a modification to CUP 3489 (Case No. CUP 3489-1) and a Reclamation Plan Amendment, in order to allow a five-year time extension to CUP 3489 for the continued mining of the four acre rock quarry. The Planning Commission determined that the modification would have a significant effect on the environment, but the original EIR adequately addressed the potential impacts. In 1981, the Planning Commission approved both the CUP Modification (CUP3489-1) and Reclamation Plan Amendment.

In 1986, the property owner requested approval of a modification to CUP 3489-1 (Case No. CUP 3489-2) to expand the mining boundaries by nine acres. In 1991, the Planning Division completed the preparation of an EIR for the proposed modification. On June 1, 1995, the Planning Commission certified the EIR which evaluated the environmental impacts of the proposed mining and reclamation activities—including the extraction of rock and sandstone for the production of rip-rap, crushed rock aggregate, and related stone products. The EIR identified potential project specific and cumulative impacts related to aesthetics (visual), biology/sedimentation, geology/soils and traffic.

More specifically, the aesthetic impacts were evaluated using the criteria established by the U.S. Forest Service for Natural Forest. Criteria included substantial obstruction of: (1) unique environmental or man-made visual features; or, (2) views from important public gathering places. Since the project could not meet the retention objectives (as developed for National Forests) for viewers in the foreground or middle ground view zones, it was determined that the project-specific visual impacts could not be mitigated to a less than significant level for those view zones; however, views within the background view zone could be mitigated and therefore, the project was conditioned to mitigate these impacts through a “Visual Mitigation Program” (CUP 3489-2 Condition of Approval No. I-1 (a-d)). The project was required to provide a landscape plan along Maricopa Highway at the entrance of the project site, above the Matilija Creek adjacent to the project site and along the access road to the quarry. The landscape plan was required to be consistent with the natural character of the area and the site was required to return the site to as natural a state as possible, post-mining activities.

The EIR identified potentially significant but mitigable impacts to biological resources. Two distinct vegetation types or plant communities were located on the project site—

mixed chaparral and riparian woodland. The riparian woodland and associated stream are considered to be sensitive and significant resources due to their limited distribution and value to wildlife and fish. General wildlife species which potentially use the riparian woodland are considered to be species of special concern. The EIR noted that the Cooper's Hawk (*Accipiter cooperi*) and Sharp-shinned hawk (*Accipiter straitus*) have a high probability of occurrence on the project site. The removal of the then existing vegetation would result in the loss of wildlife habitat, specifically, Cooper's Hawk and the Sharp-shinned Hawk. The loss of habitat to these sensitive species is considered adverse, but not significant on a regional basis due to abundance of chaparral habitat in the regional area. The biological assessment included a recommendation for using native vegetation as landscaping to reduce the impacts of the loss of chaparral.

The quarry operations would result in alterations to surface soils and underlying geology which is a part of the watershed for Matilija Creek. The California Department of Fish and Game (CDFG) has jurisdiction over the North Fork of the Matilija Creek as it is a blue line stream. As the project would alter the surface soils, the EIR noted that there would be potential for greater erosion through the exposure of sediments and soils. Downstream, there would be the potential for changes to surfaces and groundwater hydrology which, if unmitigated, may have adverse impacts on downstream riparian and aquatic habitats; therefore, given the significance of stream riparian and aquatic habitats, the potential for erosion/siltation from the quarry was considered a significant adverse impact. The project was conditioned to mitigate the biological impacts by following a "Biological Mitigation Program (BMP)" [CUP 3489-2, Condition of Approval No. 1-2(a-d)], which included notifying the CDFG prior to altering any blue line drainage traversing the property, in an effort to allow the CDFG to regulate alterations to stream habitats. The BMP also included mitigation measures for erosion and siltation control; an Emergency Remedial Response Plan, for treatment of soils, groundwater or surface water in the event of an accidental fuel or solvent spill; and each phase was to be revegetated utilizing native species of trees, shrubs and ground cover.

Since the County's certification of the EIR (1995) for this surface mining operation, Southern California steelhead trout (*Oncorhynchus mykiss*) has been federally listed as endangered (listed in 1997). Southern California steelhead trout is what the US Fish and Wildlife Service and National Marine Fisheries Service call a Distinct Population Segment (DPS) of the steelhead trout species. Under the Endangered Species Act, an entire species can be listed as threatened or endangered or certain populations (i.e., a Distinct Population Segment) may be listed. For steelhead trout, several DPSs have been listed.

Critical habitat for the Southern California steelhead trout has been identified in Ventura County and includes the Ventura River and major tributaries (Matilija Creek - North Fork and San Antonio Creek) and the Santa Clara River and major tributaries (Sespe Creek and Santa Paula Creek). While the Matilija Creek runs adjacent to the project site (along the western mining boundary), the proposed project will not impact



the creek as the new reclamation areas are located on the eastern portion of the project site away from the creek. In addition, these areas have been previously disturbed by mining activities. The proposed project will include no reclamation activities, beyond those originally analyzed in the EIR. Further, the biological mitigation measures discussed above will continue to be executed on the site. The implementation of the mitigations measures reduced the project-specific and cumulative impacts to vegetation/plant communities, wildlife habitat, sensitive resources and sedimentation to a level less than significant.

The EIR stated that the project site has several potential geotechnical constraints. The original quarry operation created an unstable slope which has the potential for a rockfall that would impact quarry workers, Matilija Creek, and Highway 33. It was also noted, that the during quarry activities, quarry employees and Highway 33 users would be exposed to major geological hazards, which was considered a significant impact. To reduce the impact of the potential geotechnical hazards, the project was conditioned to comply with a "Geology and Soils Mitigation Program" [CUP 3489-2, Condition of Approval No. 1-3 (a-b)] which required the operator to submit a "Geologic/Slope Stability Program (GSSP)". The GSSP includes: on-going period inspections by a certified engineering geologist and licensed land surveyor to identify changes of lithology and/or geologic conditions and to ensure the safety of the site; methods to modify and backfill the precariously steep backcut slopes within the (then) current mining benches of the site; a map which identifies all on-site perch boulders (to be removed); a map which identifies all areas where the natural quarry fracture planes exceed 44 degrees; and additional engineering recommendations to ensure slope stability. The implementation of the mitigation measures reduced the (then) existing adverse conditions to joints, faulting/seismicity and slope stability to less than significant levels.

Traffic impacts were analyzed in the original EIR prepared for the site in 1975. The project was originally permitted for 20 truck trips per day for a total of 40 ADT (average daily trips). The current project is conditioned for a maximum of 20 truck trips per day, consistent with the original analysis, therefore, based on the previous environmental documentation and the fact that project continued to operate within the original truck trip allocation, the current EIR (focused) required no traffic mitigation as no impacts to traffic were identified.

#### Addendum to the 1995 EIR

Section 15164(a) of the CEQA Guidelines (Title 14, California Code of Regulations, Chapter 3) states that the decision-making body shall prepare an addendum to a previously certified EIR if some changes or additions are necessary, but none of the conditions described in Section 15162 of the CEQA Guidelines calling for the preparation of a Subsequent EIR have occurred.

The conditions described in Section 15162 of the CEQA Guidelines which require the preparation of a Subsequent EIR are provided below, along with a discussion as to why a Subsequent EIR is not required:

**1. Substantial changes are proposed in the project which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects [§15162(a)(1)];**

The project does not require any major revisions to the previous EIR. The project proposes to increase the number of permitted mining equipment and vehicles only. No new additions of stationary infrastructure or expansions to mining area are proposed. The project will include the use of portable mining equipment (i.e., crusher, screens and conveyors) which will be permitted under an Authority to Construct and Permit to Operate issued by the Ventura County Air Pollution Control District (APCD). All equipment under this APCD permit will comply with all applicable APCD, State, and federal rules. This includes the Best Available Control Technology (BACT) and emission offset requirements of Rule 26, “New Source Review” (Attachment 2); the California Air Resources Board (ARB) Airborne Toxic Control Measure (ATCM) for Diesel Particulate Matter From Portable Diesel Engines, and the federal requirement 40 CFR Part 60, Subpart OOO, Standards of Performance for Non-Metallic Mineral Processing Plants.

The proposed permitted emissions for the proposed equipment are below the offset thresholds as shown in Table B-1 of Rule 26.2.B.1 which states that the individual pollutant offset thresholds for Reactive Organic Compound (ROC) and Nitrogen Oxides (NOx) are permissible at a rate of 5.0 tons per year. The Particulate Matter (PM-10) and Sulfur Oxides (SOx) permitted emissions are permissible at a rate of 15.0 tons per year. The proposed equipment will have ROC emissions of .03 tons per year, NOx emissions at 1.4 tons per year, PM-10 emissions at .07 tons per year and Sox emissions at .06 tons per year. All proposed equipment emissions are far below the off-set thresholds. Therefore, emission offsets are not required (see Attachment 3 – AQMP Memo, dated March 29, 2012). The proposed equipment is also anticipated to be consistent with established BACT and local air quality “rules”.

The change in operational hours will only permit trucks to enter the site at 6:30AM (as opposed to 7:00AM, which is what is currently permitted), all other operations (loading, shipping, etc.) will remain permitted within existing operation hours. Phasing will now occur with a “top-down” approach, which is consistent with standard mining practice and will establish safer, more stable geotechnical conditions, as this method minimizes potential slope failures.

The proposed Reclamation Plan Compliance Amendment will incorporate previously disturbed areas into the Reclamation Plan. While some minimal grading is necessary in Area 1 (Attachment 1) to stabilize existing slope conditions, this grading will not have a significant environmental impact because it is a necessary and integral part of overall site reclamation. All reclaimed slopes (both existing and proposed) will meet the slope stability standards set forth by the original Conditional Use Permit, Reclamation Plan and EIR. Therefore, the proposed modification will

not result in any new significant environmental effects or an increase the severity of previously identified impacts.

- 2. Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects [§15162(a)(2)]; or,**

The proposed project would not alter the existing environmental conditions such that major revisions to the previous EIR will be required. The entire project site (current CUP boundary) was previously surveyed to identify biological impacts by S. Gregory Nelson on July 24, 1991 (see Schmit Rock Quarry Biological Assessment, EIR – Appendix B). As mentioned above, the Southern California steelhead trout (*Oncorhynchus mykiss*) has been federally listed as endangered since 1997 and the Critical habitat for the Southern California steelhead trout has been identified in Ventura County and includes the Ventura River and major tributaries, such as the Matilija Creek - North Fork, which runs adjacent to the project site. However, the proposed changes will not cause an impact to the creek and therefore could not affect the Southern California steelhead trout. The original project was conditioned to mitigate potential impacts to the creek by reducing sedimentation on-site. The project was also conditioned to mitigate any existing and potential geotechnical hazards. With both the biological and geotechnical mitigation measures in place, the proposed projection will not involve any new significant environmental impacts or cause a substantial increase in the severity of the previously identified significant effects.

- 3. New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the Planning Director/Planning Commission/Board of Supervisors certified the previous EIR, shows any of the following:**

- a. The project will have one or more significant effects not discussed in the previous EIR [§15162(a)(3)(A)];**

The project proposes to increase the number of permitted mining equipment and vehicles only. All equipment subject to local Air Pollution Control District (APCD) must obtain required air quality permits to demonstrate compliance with air quality laws and regulations, including but not limited, to California Air Resource Board (CARB) Air Toxic Control Measure for Stationary Compression Ignition Engines. The EIR evaluated the production of rip-rap, crushed rock aggregate and related stone products, thus impacts related to the production of such projects was previously analyzed and no impacts were identified.

The proposed change in operational hours will only permit trucks to enter the site at 6:30AM all other operations (loading, shipping, etc.) will remain permitted within existing operation hours. Phasing will now occur with a “top-down” approach,

which is consistent with standard mining practice and will establish safer, more stable geotechnical conditions, as this method minimizes potential slope failures.

The proposed reclamation plan will incorporate previously disturbed areas into the Reclamation Plan and will meet the reclamation requirements of SMARA, the State Mining and Geology Board Reclamation Regulations and the Ventura County Non-Costal Zoning Ordinance.

The proposed operational changes will not cause any significant impacts not addressed in the EIR.

**b. Significant effects previously examined will be substantially more severe than shown in the previous EIR [§15162(a)(3)(B)];**

Implementation of the RPCA would serve to reduce the potential for erosion and sedimentation from the rock quarry through a lowering of slope gradient and re-vegetation of excavated areas.

The EIR evaluated the production of rip-rap, crushed rock aggregate and related stone products, thus impacts related to the production of such products projects was previously analyzed and no potentially significant and unmitigable impacts were identified. The proposed additional mining equipment is not expected to produce any un-related mining products or operate beyond the parameters discussed in the EIR. There will be no increase in production rates, expansion of mining area, or any other intensity of use and proposed operational changes will not cause any significant impacts not addressed in the EIR. As discussed above, the air quality impacts (emissions) for all mobile equipment is analyzed under the local air permitting agency (APCD). Emissions for the proposed equipment have been modeled and it is anticipated that the emissions will be far lower than the state and federal standards.

Because the proposed operational changes (e.g. phasing, hours of operation and reclamation activities) will not impact the aesthetics (visual), biology/sedimentation, geology/soils or traffic condition of the site, no impacts more severe than what was previously analyzed in the EIR are anticipated.

**c. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative [§15162(a)(3)(C)];**

The proposed project would not alter the existing environmental conditions such that mitigation measures or alternatives previously found in the EIR to be infeasible would now be feasible. The proposed project would not cause any new impacts which would require mitigation. The project site was previously surveyed to identify biological impacts, geotechnical impacts, and aesthetics and the original project was conditioned to mitigate such impacts accordingly. The proposed project will

not involve any new significant environmental impacts or cause a substantial increase in the severity of the previously identified significant effects which would warrant additional mitigation measures.

**d. Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative [§15162(a)(3)(D)].**

The proposed project would not alter the existing environmental conditions such that mitigation measures or alternatives not ~~would~~ previously analyzed in the EIR would be necessary. The proposed project would not cause any new impacts which would require mitigation, as discussed above. The project was previously surveyed to identify biological impacts, geotechnical impacts, and aesthetics and the original project was conditioned to mitigate such impacts accordingly. The proposed project is substantially in conformance with the project description originally analyzed by in the EIR.

Therefore, based on the information provided above, there is no substantial evidence in the record to warrant the preparation of a Subsequent EIR and there is substantial evidence supporting the use of an Addendum in this matter. The decision-making body or decision maker shall consider this Addendum to the adopted EIR prior to making a decision on the project.

**C. PUBLIC REVIEW:**


Pursuant to the CEQA Guidelines §15164(c), this Addendum to the Environmental Impact Report (EIR) does not need to be circulated for public review and comment, and shall be included in, or attached to, the adopted EIR.

Prepared by:



*For* Ebony J. McGee, Case Planner  
Commercial and Industrial Permits Section

Reviewed by:



Brian R. Baca, Manager  
Commercial and Industrial Permits  
Section

The Planning Director finds that this Addendum has been completed in compliance with the California Environmental Quality Act.



Kimberly L. Prillhart, Planning Director

4/17/12  
Date

- Attachment 1 – Reclamation Plan Map
- Attachment 2 – APCD Rule 26 New Source Review Requirements
- Attachment 3 – APCD Memo, dated March 29, 2012
- Attachment 4 – Final Environmental Impact Report, dated September 2, 1993
- Attachment 5 – Letters of comment received by the County Planning Division
- Attachment 6 – Response to comments

## **Attachment 5**

### **ENVIRONMENTAL IMPACT REPORT (EIR) – ADDENDUM CEQA Guidelines Section 15164**

**Mosler Rock-Ojai Quarry  
Conditional Use Permit Modification, Case No. LU11-0080  
Reclamation Plan Compliance Amendment**

**Letters of comment submitted for  
the April 12, 2012 Planning Director hearing**

- A. 4-11-12 letter from Santa Barbara Channelkeeper**
- B. 4-11-12 letter from the Casitas Municipal Water District (CMWD)**
- C. 4-12-12 letter from Lorenz K. Schaller**
- D. 4-12-12 Letter from the Environmental Coalition**
- E. 4-11-12 email from H. Smith, Ojai Stop the Trucks! Coalition, to K. Prillhart**
- F. 4-11-12 letter from M. Black, on behalf of Ojai Stop the Trucks! Coalition, to K. Prillhart**

A.



**SANTA BARBARA CHANNELKEEPER**  
*Protecting and Restoring the Santa Barbara Channel and its Watersheds*

April 11, 2012

Kimberly Prillhart  
Planning Director  
Resource management Agency  
County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93009

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RE: April 12, 2012 Hearing on Mosler Rock-Ojai Quarry Reclamation Plan Compliance Amendment ("RPCA")

Dear Ms. Prillhart,

I am writing to express Santa Barbara Channelkeeper's (Channelkeeper) concerns regarding the proposed approval of Mosler Rock-Ojai Quarry's Reclamation Plan Compliance Amendment. Channelkeeper is a 501 c(3) non-profit organization that works to protect and restore the Santa Barbara Channel and its watersheds including the Ventura River watershed where we have conducted extensive water quality monitoring since 2001. In 2006, Channelkeeper became highly involved in monitoring and documenting water quality and habitat impacts in North Fork Matilija Creek resulting from operations conducted at the Ojai Quarry. Since that time we have communicated our concerns with local, State, and Federal agencies as well as with the owner of the Ojai Quarry himself in an effort to eliminate existing impacts.

1.

While managers of the Ojai quarry have taken certain actions to address our many concerns, we believe that significant impacts to North Fork Matilija Creek and Federally Endangered Steehead Trout continue to occur, in particular due to sediment contaminated stormwater runoff.

Conditions Requiring Development of a Subsequent EIR

Exhibit 21 of the County's staff report outlines its findings regarding requirements to revise the project's EIR. The county lists the conditions described in Section 15162 of the CEQA Guidelines, which require the preparation of a Subsequent EIR. We believe that the project clearly meets some of these conditions, and we therefore strongly disagree with the County's finding that no additional CEQA review should be required.

Condition 1 requires a Subsequent EIR if: **Substantial changes are proposed in the project which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;**

The applicant wishes to seek approval for the inclusion of a rock crusher for the proposed project machinery list. This piece of machinery will likely produce a large volume of fine sediment by-product with the potential to impact North Fork Matilija Creek if it is not

2.



County of Ventura  
Planning Director Hearing  
RPCA/CUP3489-2  
Exhibit 22  
Santa Barbara Channel Keeper



contained and disposed of properly. We believe this addition is a substantial change to the project, which should be assessed in a Subsequent EIR.

2.

Condition 2 requires a Subsequent EIR if: **Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;**

As the County has identified, the Southern California steelhead trout (*Oncorhynchus mykiss*) was federally listed as an Endangered Species in 1997 since the project's EIR was certified. North Fork Matilija Creek, which the project discharges to, is identified as Critical Habitat for this species. This designation means that project impacts may result in a take of an Endangered Species, thereby resulting in a substantial increase in the severity of biological and sediment impacts previously identified, thereby requiring preparation of a Subsequent EIR.

3.

Condition 3 also requires a Subsequent EIR if: **New Information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the Planning Director/Planning Commission/Board of Supervisors certified the previous EIR, shows any of the following:**

**b. Significant effects previously examined will be substantially more severe than shown in the previous EIR**

Clearly the designation of Southern California steelhead trout as a federally listed Endangered Species is new information of substantial importance not known at the time of adoption, resulting in substantially more severe impacts than were previously identified in the EIR. It should be noted that steelhead trout inhabit North Fork Matilija Creek in fact, and not only in designation as has been documented by multiple private and public agency biologists. Attachment A shows recent photographs of a steelhead redd recently discovered directly downstream of the Ojal Quarry underneath Matilija Road bridge.

4.

Additionally, it has been made abundantly clear that the mitigation measures (1 – 5) identified in the EIR to address impacts to Biological and Sediment impacts are not even minimally effective to reduce impacts to a less than significant level. We strongly disagree with the following statement made by the County (Exhibit 21, Page 4, Paragraph 1), "Further, the biological mitigation measures discussed above [in the 1993 EIR] will continue to be executed on the site. The implementation of the mitigation measures reduced the project-specific and cumulative impacts to vegetation/plant communities, wildlife habitat, sensitive resources and sedimentation to a level less than significant." This later statement has over the last 18 years been demonstrated to be patently false.

5.

This fact is demonstrated through:

- Years of water quality monitoring conducted by Santa Barbara Channelkeeper including monitoring conducted after increased efforts to control sediment pollution were undertaken by the owner (Attachment C)

- Repeated intervention by the Los Angeles Regional Water Quality Control Board, which has issued multiple Notices of Violation and a Cleanup and Abatement Order to the Quarry for stormwater pollution impacts
- Intervention by National Marine Fisheries Service to compel the Ojai Quarry to develop more effective sediment management practices
- The Ojai Quarry's own 2010 – 2011 Annual Report (Attachment B), which indicates that discharge from the Ojai Quarry contained total suspended solids (sediment) at concentrations of 1220 mg/L. This level is over 12 times in excess of the Industrial Permit benchmark (100 mg/L) indicating that Best Management Practices are NOT minimizing sediment concentrations to a level that is not significantly impactful.

5.

As demonstrated, it is clear that significant effects that were previously examined have turned out to be substantially more severe than shown in the previous EIR. This condition therefore mandates that a Subsequent EIR be developed before the Amendment is approved.

As a final note, we also do not agree with the following statement (Exhibit 21, page 3, paragraph 4), "While the [North Fork] Matilija Creek runs adjacent to the project site along the western mining boundary, the proposed project will not impact the creek as the new reclamation areas are located on the eastern portion of the project site away from the creek." Channelkeeper notes that the new reclamation areas are all in fact located up-slope of North Fork Matilija Creek, and the gradient of the land will carry all pollutants associated with the project to the creek itself regardless of the site's east/west orientation.

6.

For the reasons stated above, Channelkeeper finds that the Planning Commission has no other legal option but to deny approval of the proposed Amendment until a Subsequent EIR is developed, which adequately assesses impacts to endangered species, critical habitat, and water quality in North Fork Matilija Creek.

7.

Thank you for your consideration,

Ben Pitterle  
Watershed Programs Director

B.



April 11, 2012

Kimberly Prillhart, Planning Director  
Resource Management Agency  
County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93009

Subject: Mosler Rock Products – Order to Comply with Surface Mining and  
Reclamation Act: – CEQA Addendum

Dear Ms. Prillhart:

Casitas Municipal Water District (CMWD) is a special district organized under the California Municipal Water District Act of 1911. CMWD is located approximately 2 miles downstream of the project site and supplies municipal, industrial, and agricultural water for 65,000 people within its boundary. CMWD has also invested millions of dollars in support of the safe migration of southern California steelhead (*Oncorhynchus mykiss*) upstream of Robles Diversion Dam and for the recovery and restoration of this species to the Ventura River. The Ventura River and its major tributaries, including the North Fork Matilija Creek, has been identified in the Southern California Steelhead Recovery Plan prepared by the National Marine Fisheries Service as a high priority river for recovery of the Federally listed endangered southern California steelhead. The recovery actions identified in the Steelhead Recovery Plan for the Lower North Fork of Matilija Creek include: "Develop and implement plan to remove and maintain quarry and landslide debris from the channel" and "Review and modify mining operations" (p. 9-57).

1.

CMWD has previously written letters outlining issues of concern to the United States Corps of Engineers and the California Regional Water Quality Control Board – Los Angeles related to the Mosler Rock Products. Because of CMWD's investment for the endangered species and continuing protection of water quality, the Board of Directors wish to comment on the discretionary action proposed for the Mosler Rock Products project and ask that this letter be included in the administrative record for any eventual application for new entitlements.

CMWD's review of the administrative record and conditions of approval for the project that was presented to the Planning Commission did not discover any mention of water quality impact analysis for project run-off that considered Total Dissolved Solids (TDS), siltation, turbidity, eutrophication, habitat values, endangered species, and health, safety, and welfare issues related to water quality. These issues are potentially significant adverse impacts associated with the

2.

proposed project and should be reviewed accordingly under CEQA. An analysis of these potential impacts may result in a change to the findings of the original environmental document, primarily because the original environmental document had no mitigation measures or conditions of approval that specifically address these issues.

2.

### Fill Material

Fill material may not enter Waters of the United States under the Clean Water Act Section 404. Fill material entering the water course (Lower North Fork Matilija Creek), while being a violation of the Federal Clean Water Act, the fill is also potentially impacting (taking) species of special concern under the Endangered Species Act (ESA) and causing degradation of water quality for total dissolved solids, silt, erosion, and eutrophication under the Clean Water Act Section 404.

3.

### Mitigation Measures


The project impacts related to Total Dissolved Solids (TDS), turbidity, siltation, eutrophication are all related to storm water leaving the mining site in an unmitigated manner. The Ventura County Planning Division and Public Works Department should provide for mitigation measures to quarry operations approval that will adequately address each of these project impacts.

4.

In addition, a biological assessment should be conducted for the quarry project impacts on the areas of the Lower North Fork of Matilija Creek and the Ventura River. Specific attention should be made toward the impacts to the restoration of steelhead habitat and passage for migration to spawning grounds upstream.

5.

Sincerely yours,

  
Russ Baggerly  
President of the Board

CC: Ventura County Supervisor Steve Bennett  
Chris Stephens, Resource Management Agency Director  
Michael Villegas, APCD Director  
Brian Baca, Commercial and Industrial Section Manager  
Ebony J. McGee, SMARA Program Coordinator

C.

April 12, 2012

Page 1 of 3 Pages

Kimberly Prillhart, Planning Director  
Resource Management Agency  
County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93009

**Re: Case Number:** RPCA/CUP 3489-2  
**Applicant:** Mosler Rock Products  
**Project Address:** 1555 Maricopa Highway, Ojai, CA 93023  
**Detail:** Request for Approval to Amend Current  
Reclamation Plan

Dear Ms. Prillhart:

Thank you for this opportunity to provide some written input regarding the matter cited above.

The undersigned (the writer of this letter) is a resident of Ventura County, occupying a residence continuously for the past 30-plus years in an unincorporated area of the County known as "Meiners Oaks." Said area lies directly adjacent to and west of, the City of Ojai.

The undersigned respectfully submits these remarks as "commentary of a public citizen," submitted at a public hearing pertaining to environmental matters located close to the undersigned's residence.

]

1.

**Proximity of This Letter-Writer's Residence to the Quarry Site**

The Mosler Rock Products quarry site at 1555 Maricopa Highway is located in relative close proximity to this writer's residence. Travel time from this writer's residence to Maricopa Highway itself on foot (pedestrian, walking) is approximately 8-9 minutes. By bicycle, the travel time to the Highway is about half of that ( i.e. 4-5 minutes).

Travel time from this writer's residence to the rock-quarry site on foot (pedestrian, walking) is about 60-minutes, and by bicycle, about half of that (approximately 30 minutes). To travel from this writer's residence to the quarry-site by automobile would take approximately 10-minutes (possibly less).

"Meiners Oaks" is a small residential district consisting of approximately 1,000 residences with each residence occupied by an average of perhaps 3-4 persons. Therefore, several thousand people (minimum) live quite close to the quarry site. This writer is simply one of those citizens, one with an interest in the natural environment. Many of my fellow citizens also share an interest in the natural beauty of the Los Padres National Forest, whose nearby splendors are visible from their homes every day. Among these citizens are those who feel that the health of the Forest and its ecosystems are indivisible from the health of all of us in the human community.

2.

Kimberly Prillhart, April 12, 2012

Page 3 of 3 Pages

The purpose of this letter is to comment on the document dated April 11, 2012 and submitted to today's Public Hearing by Santa Barbara Channelkeeper (signature: Ben Pitterle; Watershed Programs Director); 3-pages in length with attachments.

I have read Mr. Pitterle's document and feel its comments and findings are based on careful research and analysis.

I am in support of the County of Ventura giving its utmost careful attention to the matters specified in Mr. Pitterle's document. I also believe that those matters are issues of concern to many of my fellow citizens, especially those with an interest in the protection and stewardship of the natural world.

Thank you for this opportunity to contribute these opinions, and comments.

Sincerely,

*Lorenz K. Schaller*

Lorenz K. Schaller

330 South Pueblo Avenue  
Ojai, CA 93023

Tel (805) 646-0772

3.



**ENVIRONMENTAL  
COALITION**

P.O. BOX 68 • VENTURA, CA 93002

April 12, 2012

D.

**Ms. Kim Prillhart, Planning Director  
Resource Management Agency  
County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93009**

**Subject: Mosler Rock-Ojai Quarry -1555 Maricopa Hwy., Ventura County, CA  
Reclamation Plan Compliance Amendment (RPCA) - EIR Addendum  
Modification to Conditional Use Permit No. 3489-2**

**Dear Ms. Prillhart:**

An environmental impact report (EIR) for the Ojai Quarry was certified on January 15, 1976 by the Ventura County Planning Commission. A subsequent EIR dated June 1, 1995 for the Ojai Quarry was also approved by Planning Commission. Both documents were prepared and approved before the southern California steelhead were listed as an endangered species under the Endangered Species Act on August 18, 1997 (Southern California Steelhead Recovery Plan Summary January 2012 enclosed). The public and the regulatory agencies are being denied the environmental review that is generally provided when new significant information becomes available after the preparation of previous EIRs because the Planning Department has prepared only an Addendum for the proposed Reclamation Plan Compliance Amendment and Conditional Use Permit Modification. 1.

The Environmental Coalition of Ventura County believes that before the Ventura County Planning Director should take an action to approve an amended reclamation plan or the addition of new uses for the property that adequate environmental review should take place so that new significant impacts from the project and equipment can be fully disclosed and mitigations measures provided. For example, the addition of rock crushers to the CUP has the ability to add to the amount of total particulate matter that is already at a level of non-attainment for health based air quality standards and should be identified as a significant adverse impact. The additional sediment may also cause biological impacts to the stream. 2.

Another potential significant adverse impact that may result if the addition of rock crusher equipment on the Mosler Rock-Ojai Quarry is approved is the amount of sediment that will enter the north fork of the Matilija Creek will increase where the steelhead have to pass in order to reach their upstream spawning grounds. This may add to an already impacted stretch of the Creek 3.

Based on the above mentioned comments and the substantial evidence provided in the Santa Barbara Channelkeeper letter dated April 11, 2012 (herein incorporated by reference) we respectfully request that you prepare a subsequent EIR for the proposed projects. 4.

Sincerely yours,

**Janis McCormick, President**

County of Ventura  
Planning Director Hearing  
RPCA/CUP3489-2  
Exhibit 27  
Environmental Coalition

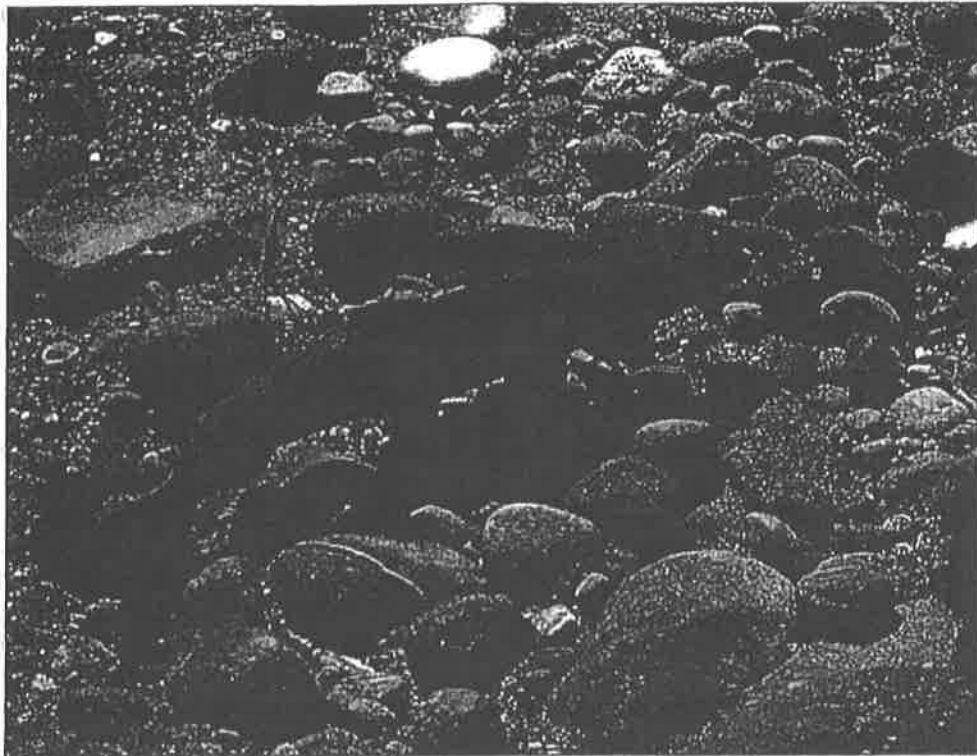




National Marine Fisheries Service

Southwest Regional Office

## Southern California Steelhead Recovery Plan Summary



*Adult Female Steelhead, Mission Creek, Santa Barbara County*



National Marine Fisheries Service  
Southwest Regional Office  
Long Beach, CA

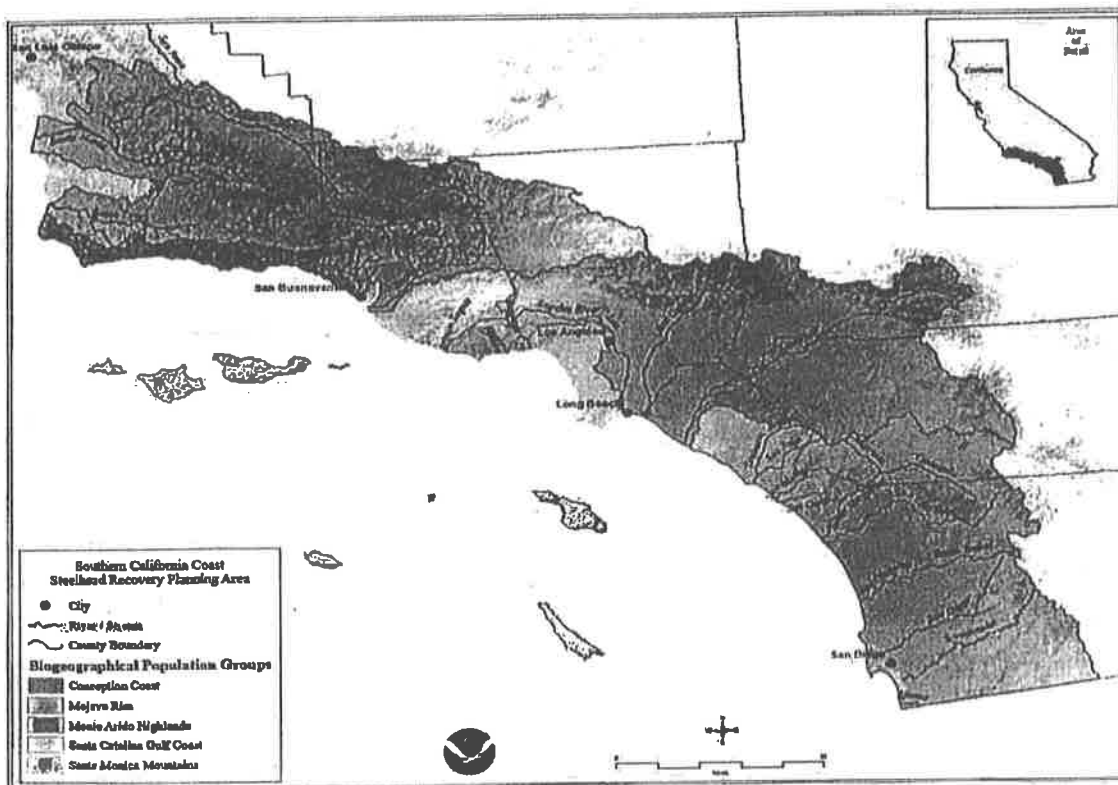
January 2012

April 12, 2012  
Environmental Coalition  
Enclosure



The Southern California Steelhead DPS encompasses all naturally-spawned anadromous *O. mykiss* between the Santa Maria River (inclusive) and the U.S.-Mexico border, whose freshwater habitat occurs below artificial or natural impassible upstream barriers, as well as *O. mykiss* residing above impassible barriers that are able to emigrate into waters below barriers and exhibit an anadromous life-history.

The SCS Recovery Planning Area is divided into five Biogeographic Population Groups (BPGs): Monte Arido Highlands, Conception Coast, Santa Monica Mountains, Mojave Rim and Santa Catalina Gulf Coast. Each BPG is characterized by a unique combination of physical and ecological characteristics that present differing natural selective regimes for steelhead populations utilizing the individual watersheds. The separate watersheds comprising each BPG are generally considered to support individual *O. mykiss* populations (i.e., one watershed = one steelhead population). Thus, single BPGs encompass multiple watersheds and multiple *O. mykiss* populations.



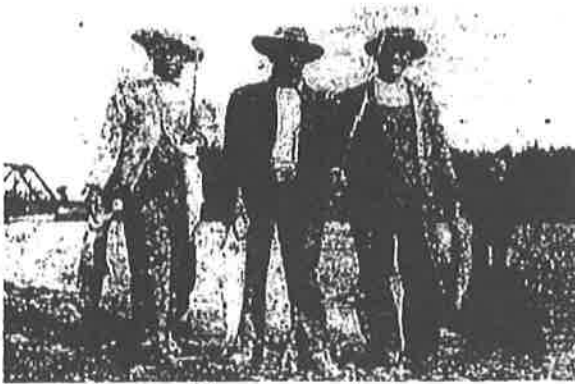
The Southern California Steelhead Recovery Planning Area Biogeographic Population Groups.

The basic goal of the Southern California Steelhead Recovery Plan is to recover anadromous steelhead and ensure the long-term persistence of self-sustaining wild populations of steelhead across the DPS – and ultimately to remove southern California steelhead from the Federal List of Endangered and Threatened Wildlife. The Recovery Plan proposes to accomplish this goal by addressing factors limiting the species ability to survive and naturally reproduce in the wild within a set of core watershed populations distributed across the SCS Recovery Planning Area.



## Southern California Steelhead

For millennia, steelhead have been an integral part of southern California watershed ecosystems. The subsistence role of steelhead in pre-European settlement Native American cultures, however, is not as well understood as other marine species, and continues to be a subject of archeological and ethnographic research.



Ventura River Steelhead Anglers, 1909



Santa Ynez River Steelhead Angler, 1942

Up until the mid-1900s recreational steelhead angling was prevalent during the early to mid-1900s, and both steelhead and their progeny were sought out by recreational anglers - the ocean going steelhead pursued during the winter and the freshwater juveniles during the spring and summer angling seasons.

Following the dramatic rise in southern California's human population after WW II, and the associated land and water development in coastal watersheds, steelhead populations rapidly declined from an estimated 32,000 - 46,000 fish per year to less than 500 returning adults. While the steelhead populations declined sharply, most coastal watersheds retained populations of the non-anadromous form of the species, with many populations trapped behind dams and other impassible barriers.

### Factors Leading to Federal Listing

There is no single factor responsible for the decline of southern California steelhead; however, the destruction and modification of habitat has been identified as one of the primary causes of the decline of the Southern California Steelhead DPS.

Approximately half of the population of the State of California currently lives and works within the SCS Recovery Planning Area, placing extraordinary pressure on natural resources. As a result, anadromous *O. mykiss* in southern California face significant threats from water and land management practices that have degraded or curtailed freshwater and estuarine habitats, reducing the capability of the anadromous form of *O. mykiss* to persist within many watersheds.

Water withdrawals and diversions for agriculture, flood control, domestic water supply and hydropower purposes have greatly reduced or degraded historically accessible habitat. Dams and other water control structures have blocked access to historically important spawning and rearing areas; modified flow regimes necessary for migration, spawning and rearing; increased downstream water temperatures; degraded riparian habitats; and reduced gravel recruitment essential to support spawning and invertebrate food sources for rearing juveniles.



## **Steelhead Recovery Goals, Objectives, and Criteria**

The Recovery Plan is a guidance document for achieving recovery goals that include viability criteria for populations of *O. mykiss* and the DPS as a whole. The basic goal of the Southern California Steelhead Recovery Plan is to prevent the extinction of anadromous steelhead by ensuring the long-term persistence of viable, self-sustaining, wild populations of steelhead across the DPS. It is also the goal of the Recovery Plan to re-establish a sustainable southern California steelhead sport fishery.

The Recovery Plan outlines the following objectives that address factors limiting the species' ability to survive and naturally reproduce in the wild:

- Prevent steelhead extinction by protecting existing populations and their habitats.***
- Maintain current distribution of steelhead and restore distribution to some previously occupied areas.***
- Increase abundance of steelhead to viable population levels, including the expression of all life-history forms and strategies.***
- Conserve existing genetic diversity and provide opportunities for interchange of genetic material between and within viable populations.***
- Maintain and restore suitable habitat conditions and characteristics to support all life-history stages of viable populations.***

Biological viability criteria are identified for individual populations and the DPS as a whole. A *viable population* is defined as a population having a negligible (< 5%) risk of extinction due to threats from demographic variation, non-catastrophic environmental variation, and genetic diversity changes over a 100-year time frame. A *viable DPS* is comprised of a sufficient number of viable populations widely distributed throughout the DPS but sufficiently well-connected through ocean and freshwater dispersal to maintain long-term (1,000-year) persistence and evolutionary potential of the DPS.

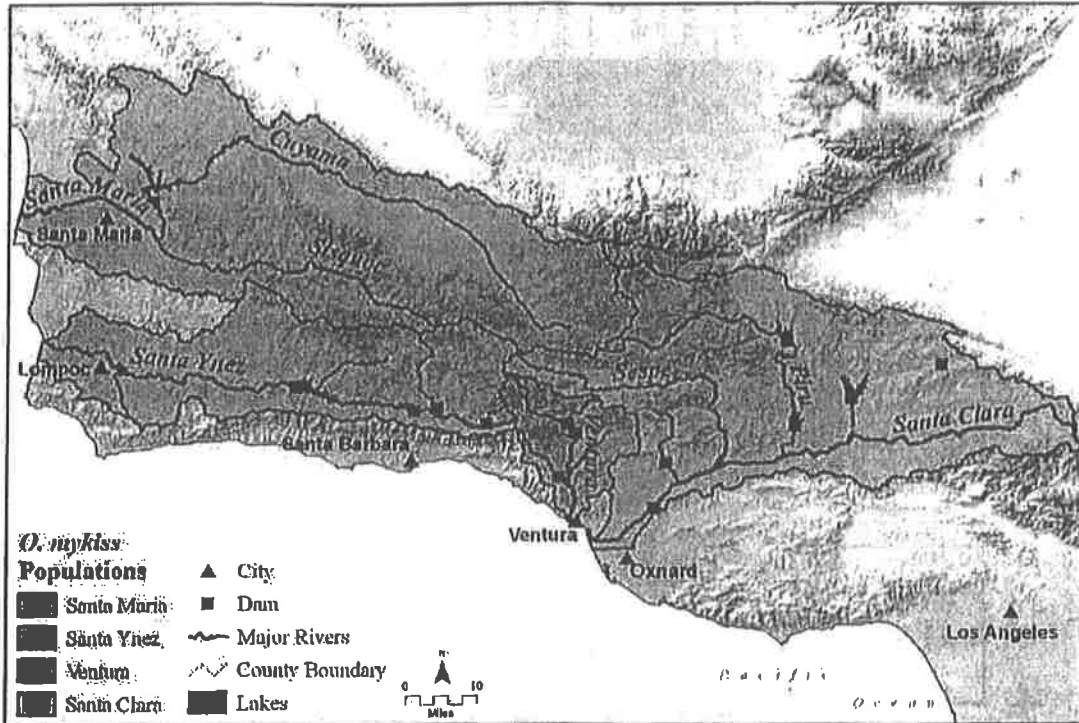
The population-level viability criteria apply to core populations in all of the BPGs. These criteria include population characteristics such as mean annual run-size, persistence during varying ocean conditions, spawner density, and the anadromous fraction of the individual populations. Because of the uncertainty regarding important aspects of the biology and ecology of southern California steelhead further research is needed to refine the population-level criteria in all BPGs, as well as the role of each of the BPGs.

The DPS-level viability criteria identify a minimum number of populations which must be restored to viability and the minimum spatial distribution between populations in each BPG: Monte Arido – 4 populations, Conception Coast - 3 populations, Santa Monica Mountains – 2 populations, Mojave River – 3 populations, and Santa Catalina Gulf Coast - 8 populations).

This redundancy ensures that there are a sufficient number of populations within the BPGs and across the DPS to provide resiliency in the face of environmental fluctuations, and also that a variety of habitat types and environmental conditions are represented to promote the continued evolution of the species. Some of these populations may be comprised of multiple watersheds if further research indicates that they act as trans-basinal populations.



### Monte Arido Highlands Biogeographic Population Group



The Monte Arido Highlands BPG encompasses four medium to large coastal watersheds and eight sub-watersheds that drain the western half of the Transverse Range in southern San Luis Obispo, Santa Barbara, Ventura, and eastern Los Angeles counties. These watersheds are highly disparate in terms of slope, aspect, and size, but share one common feature: the interior portions are mountainous and include high peak elevations, ranging between 5,700 and 8,600 feet above sea level. Each of these watersheds flows across a coastal terrace in its lower elevation, but the Santa Maria, Santa Ynez, and Santa Clara rivers traverse broad coastal plains before entering the Pacific Ocean. Overall, stream lengths tend to be long, due to multiple tributaries and topographic relief in the interior watersheds. The Santa Maria River watershed (Cuyama River sub-watershed) extends the furthest inland—almost 90 miles between the mouth and the limits of the upper watershed.



Santa Maria River



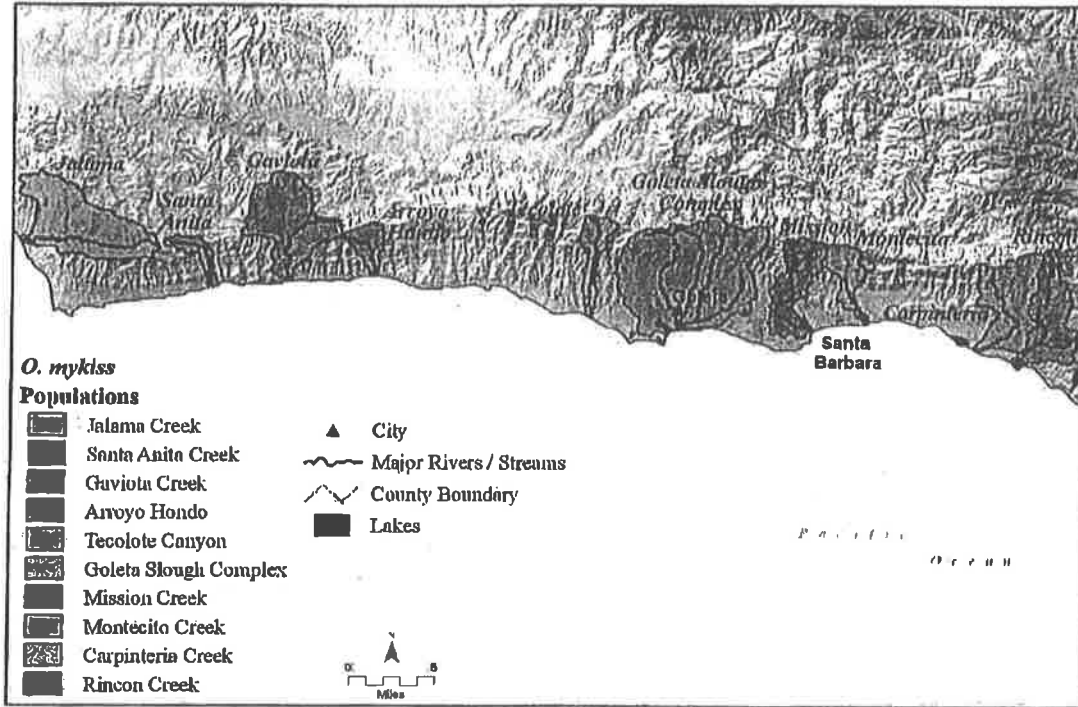
Adult Steelhead, Santa Clara River



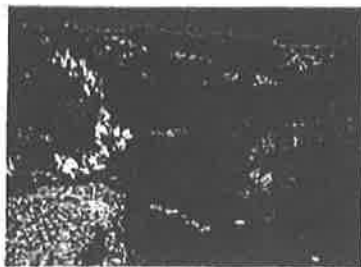
Bradbury Dam, Santa Ynez River



### Conception Coast Biogeographic Population Group



The Conception Coast BPG encompasses eight small coastal watersheds that drain a 50-mile long stretch of the south-facing slopes of the Santa Ynez Mountains in southern Santa Barbara County and extreme southwestern Ventura County. The Santa Ynez Mountains are an east-west trending spur of the Transverse Range that creates some of the steepest watersheds in any of the five BPGs in the SCS Recovery Planning Area. Peak elevations reach 4,300 feet within a few miles of the Pacific Ocean. These watersheds are relatively homogeneous in slope, aspect, and size, with steep upper watersheds and lower watersheds that cut across a relatively narrow coastal terrace. Stream lengths are relatively short in this BPG; the Gaviota Creek watershed penetrates the furthest inland (about seven miles). Rainfall amounts in the upper watersheds can be five to six times higher than on the coastal terrace during the same storm event, and the steep topography creates extremely “flashy” flows within these watersheds.



Gaviota Creek



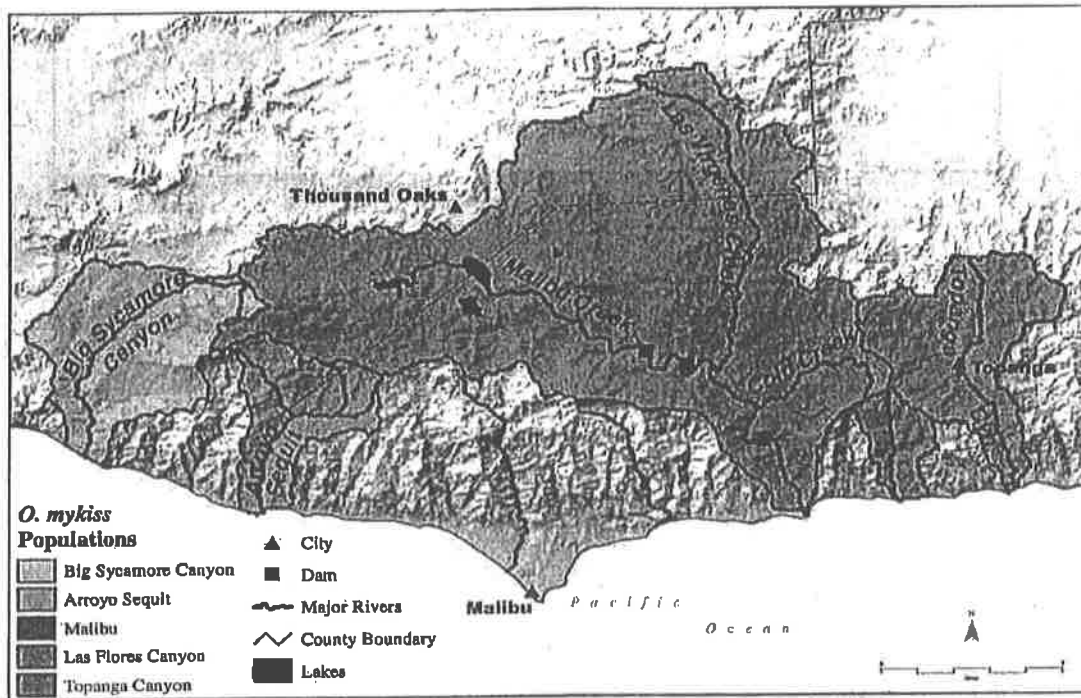
Maria Ygnacio Creek



Adult Steelhead, Carpinteria Creek



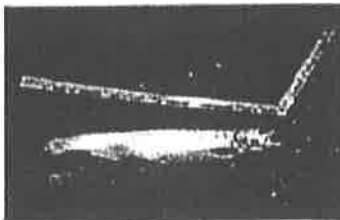
### Santa Monica Mountains Biogeographic Population Group



The Santa Monica Mountains BPG consists of five coastal watersheds located in southern Ventura and western Los Angeles counties which drain the east-west coastal Santa Monica Mountains. Similar to the Conception Coast BPG, it is comprised of a series of short, nearly parallel streams that drain steep south-facing slopes, but with an average elevation of less than 2,500 feet. These watersheds are relatively homogeneous in slope, aspect, and size, with steep upper watersheds and lower watersheds that cut across a relatively narrow coastal terrace. Malibu Creek is the largest of the five watersheds, encompassing approximately 110 square miles, and penetrates through a break in the Santa Monica Mountains to drain a portion of its north-facing slopes and the south-facing slopes of the Simi Hills. There are also a number of smaller watersheds within this BPG (e.g., Trancus, Zuma, Solstice, and Las Flores Canyon) which may also be used by steelhead when water conditions are periodically favorable. Calleguas Creek and the Los Angeles River, to the east and west of the BPG, drain the northern slopes of the Santa Monica Mountains.



Malibu-Los Angeles



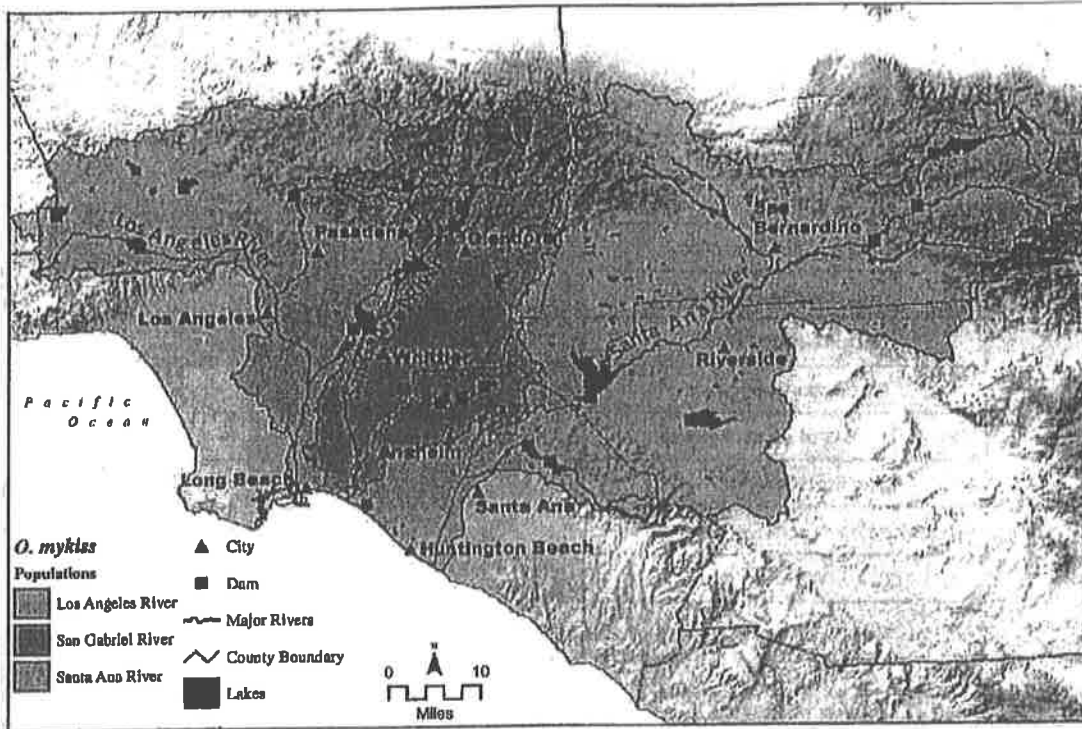
Adult Steelhead, Malibu Creek



Rindge Dam, Malibu Creek



### Mojave Rim Biogeographic Population Group



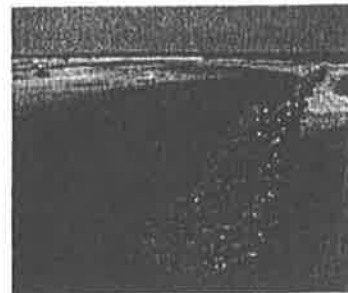
The Mojave Rim BPG encompasses three large coastal watersheds that drain the northern slopes of the Santa Monica Mountains and the southern slopes of the San Gabriel and San Bernardino mountains in southern Los Angeles County, southwestern San Bernardino, and western Riverside and Orange counties: the Los Angeles River, San Gabriel River, and the Santa Ana River. The upper portions of each of these watersheds include steep, mountainous terrain (within the Angeles and San Bernardino National Forests) and the lower watersheds cut across the Los Angeles Basin—an extensive coastal plain, with comparatively few, small tributaries.



Morris Dam, San Gabriel River.



East Fork San Gabriel River

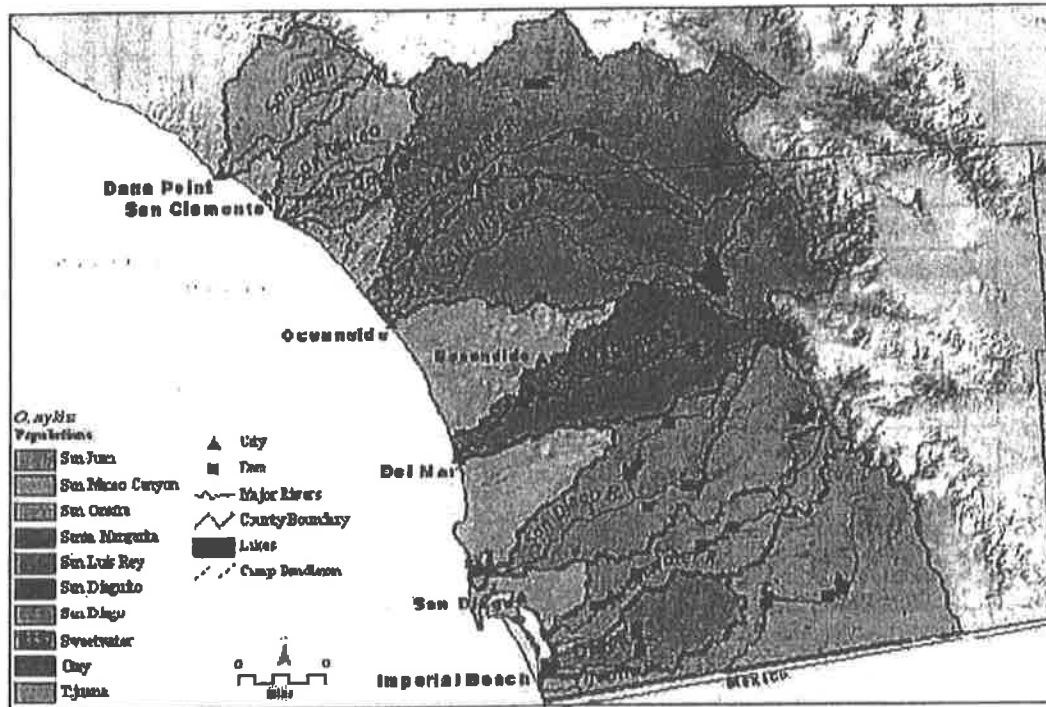


Santa Ana River Estuary





### Santa Catalina Gulf Coast Biogeographic Population Group



The Santa Catalina Gulf Coast BPG encompasses ten coastal watersheds of moderate size that drain the western slopes of the Santa Ana Mountains and Peninsular Range in southwestern Orange and Riverside counties southward through San Diego County to the United States-Mexico border. The upper portions of almost all of these watersheds include steep, mountainous regions and the lower watersheds cut across coastal terraces. Two watersheds, the Sweetwater River and Otay River, drain into San Diego Bay; the other eight watersheds drain directly into the Pacific Ocean. The component watersheds vary greatly in size and numerous tributaries contribute to the large total stream length for this BPG (4,235 miles). Because of low rainfall, many of the drainages in this BPG are naturally seasonal or have extensive dry reaches during years of below-average precipitation, particularly in their lower reaches.



Arroyo Trabuco Creek



*O. mykiss*, Pine Valley Creek



San Mateo Creek



## Summary

An array of natural and anthropogenic factors has reduced both the population size and historical distribution of steelhead within the SCS Recovery Planning Area, placing severe pressure on the species' ability to survive. However, steelhead are resilient fish and despite encroaching agricultural and urban development, they continue to persist in small numbers throughout the SCS Recovery Planning Area. The Southern California Steelhead Recovery Plan outlines a strategy for species' recovery by identifying core watersheds, threats to these watersheds and recovery actions to address those threats. The Recovery Plan also identifies a research program to address the biology and ecology of southern California steelhead necessary to refine the viability recovery criteria, and a monitoring program to assess the effectiveness of recovery actions and the status of individual populations and the DPS as a whole.

Many of the recovery actions identified in this Recovery Plan address watershed-wide processes (*e.g.*, wild-fire cycle, erosion and sedimentation, runoff, and non-point waste discharges) which will benefit a wide variety of other native species (including other state and federally listed species, or species of special concern) by restoring natural ecosystem functions.

Restoration of steelhead habitats in coastal watersheds will also provide substantial benefits for human communities. These include, but are not limited to, improving and protecting the water quality of important surface and groundwater supplies, reducing damages from periodic flooding resulting from floodplain development, and controlling invasive exotic animal and plant species which can threaten water supplies and increase flood risks. Restoring and maintaining ecologically functional watersheds also enhances important human uses of habitats occupied by steelhead; these include such activities as outdoor recreation, environmental education (at primary and secondary levels), field-based research on the physical and biological processes of coastal watersheds, aesthetic enjoyment, and the preservation of important tribal and cultural heritage values. Investment in the recovery of southern California steelhead will provide economic benefits, including stimulating the economy directly through the employment of a restoration workforce, and the expenditure of wages and restoration dollars for the purchase of goods and services. In addition, viable salmonid populations provide ongoing direct and indirect economic benefits as a natural resource base for angling, outdoor recreation, and tourist related activities. Recovering and delisting the Southern California Steelhead DPS will also reduce the regulatory obligations imposed by the ESA, and allow land and water managers greater flexibility to optimize their activities, and reduce costs related to ESA protections.

Recovery of viable, self-sustaining populations of southern California steelhead will require a shift in societal attitudes, understanding, priorities, and practices, and ultimately the re-integration of the species into a highly altered landscape that is home to more than 22 million people. These changes are necessary to both ensure sustainable communities in southern California and to restore the habitat upon which viable steelhead populations depend.

Recovery of southern California steelhead depends most fundamentally on a shared vision of the future. A shared vision for the future can align interests and encourage cooperation that, in turn, has the potential to improve rather than undermine the adaptive capacity of natural public resources such as functioning watersheds and river systems. The on-going cooperation and dedication of many stakeholders from both public and private sectors will therefore be essential to achieve the recovery of southern California steelhead.

**Southern California Steelhead Recovery Plan** may be obtained from:

National Marine Fisheries Service  
Office of Protected Resources  
501 W. Ocean Blvd., Suite 4200  
Long Beach, CA 90802  
562-980-4000

Or can be downloaded from the NMFS Recovery Planning website:

<http://swr.nmfs.noaa.gov/pr/recovery/plans.htm>

E.

**Richelle Beltran - Fwd: In Opposition to Mosler Rock Quarry Proposals - April 12, 2012 - Planning Division**

**From:** Ebony McGee  
**To:** Beltran, Richelle  
**Date:** 04/12/2012 8:37 AM  
**Subject:** Fwd: In Opposition to Mosler Rock Quarry Proposals - April 12, 2012 - Planning Division  
**Attachments:** McGee, Ebony.vcf

EBONY J. MCGEE | SMARA PROGRAM COORDINATOR  
Surface Mining and Reclamation  
[ebony.mcgee@ventura.org](mailto:ebony.mcgee@ventura.org)

Ventura County Resource Management Agency | Planning Division  
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800 S. Victoria Ave., L #1740 | Ventura, CA 93009-1740  
<http://www.ventura.org/rma/planning/Programs/smara.html>

>>> "Howard Smith" <smythe1313@gmail.com> 04/11/2012 8:00 PM >>>

Ms. Kim Prillhart

Planning Director, Ventura County

800 Victoria

Ventura CA

Mosler CUP3489-2

Dear Ms Prillhart

We are writing to express concerns that the above project has not been adequately analyzed and does not demonstrate compliance with the Surface Mining and Reclamation Act. The Plan as submitted and the EIR-A are fatally flawed for reasons articulated below.

At the last two hearings , the Planning Commission delayed making a final determination on the status of the Mosler Rock Ojai Quarry C.U.P. revocation after receiving assurances from both the owner and his attorney that the operator would abide by all laws and regulations. The Commission in fact made that stipulation a requirement. The Planning Division was to do no work on the C.U.P. unless the quarry was in compliance.

Clearly the events of this week where the quarry violated State contracting laws (the 3098 list) by selling rock to a government sub-contractor have demonstrated that the operator appears incapable of operating within the law - which is exactly what I predicted at December's hearing when I testified before the Planning Commission that "A tiger never changes its stripes."

1.

County of Ventura  
Planning Director Hearing  
RPCA/CUP3489-2

Exhibit 25

Given that the quarry is not in compliance, all work on the C.U.P., the Rec Plan, and the EIR-A should stop. The C.U.P. should be suspended and revoked immediately

1.

The Rec plan is fatally flawed Furthermore the quarry proposal has not been adequately analyzed and does not demonstrate compliance with the Surface Mining and Reclamation Act. Specifically:

- The staff report presents that the Planning Division forwarded an 'adequate' FACE to the OMR on February, 28, 2012 however the staff report and attachments contain over 900 pages that the public has had 4 days to review prior to the hearing. At a minimum, the hearing should be delayed to allow the public to review and comment on the FACE that was provided to the OMR.

2.

- The presented financial assurances are inadequate: Based on the FACE included in the staff report that the County found to be inadequate, the project assumes that fill can excavated and or blasted and placed at a 1.5:1 h:v angle for about \$1 per cubic yard. We do not believe it is physically possible for this to be completed at the assumed cost and that approval of this FACE will place the county and it taxpayers at risk of having to clean up the mess left by the operator. We would ask the County public works department confirm that this is a reasonable amount, perhaps by obtaining a real 'bid' for the work.

3.

- The final slopes may not be stable and have not been adequately evaluated, for example SMARA requires a site specific analysis when fill slopes greater than 2:1 h:v are proposed. The staff report says that the reclamation plan being considered brings the site into compliance with current SMARA standards, however we do not believe the stability of the fill slopes adequately analyzed and that substantial evidence has not been provided to demonstrate that the fill will not slide into the Matilija Creek and impact the endangered Southern California Steelhead Trout.

4.

- The changes to the project have not been adequately analyzed under CEQA. Do to the technical nature of the reports and project changes that are proposed, the public should be allowed to review the data and comment for a minimum of 15 days prior to making a decision.

5.

We are not sure why the county is rushing through this process when the operator has been in non compliance for years, it is important to take the time to adequately consider the proposed project and its impact on the environment, and we strongly urge that additional time be taken to address these important issues.

6.

Sincerely,

Howard Smith, Vice Chair

Ojai Stop the Trucks Coalition

F.

**CHATTEN-BROWN & CARSTENS**

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April 11, 2012

*Via e-mail [kim.prillhart@ventura.org](mailto:kim.prillhart@ventura.org)*

Kim Prillhart  
Director of Planning  
County of Ventura  
800 South Victoria Avenue, 3<sup>rd</sup> Floor  
Ventura, CA 93009

Re: Mosler Rock – Ojai Quarry  
Reclamation Plan Compliance Agreement  
CUP Permit Adjustment, CUP 3489-2  
Addendum Environmental Impact Report

Dear Ms. Prillhart,

The Ojai Stop the Trucks! Coalition (Coalition) includes the City of Ojai, the Ojai Valley Chamber of Commerce, the Ojai Valley Board of Realtors, Los Padres ForestWatch, and hundreds of citizens of the Ojai Valley who have been negatively-impacted by operations of the Mosler Rock – Ojai Quarry (Quarry) in violation of its permits and legal requirements.

1.

In February, the Planning Commission postponed judgment on revocation of the CUP for the Ojai Quarry after receiving assurance from the owner/operator and his attorney in that he “would be on his best behavior” and abide by all laws and regulations. Any illusions that the Quarry has entered a new era of compliance were dispelled this week when it supplied rock to a Caltrans project, despite removal of the Quarry from the state’s approved vendors list. Accordingly, instead of proceeding with the agenda set by the February Compliance Agreement, the Coalition requests that the April 12, 2012 hearing for the Reclamation Plan Compliance Amendment be suspended and a hearing be set for revocation of CUP 3489-2.

2.

In the alternative, the Coalition submits these comments. The Coalition supports the County’s recent enforcement actions and appreciates that the Reclamation Plan Compliance Amendment will require restoration of areas subjected to illegal disturbance. However, the Coalition is concerned that certain terms of the Compliance Agreement, such as possible approval of on-site rock-crushing, effectively reward the Quarry for its years of noncompliance and undermine the County’s enforcement authority.

3.

Additionally, aspects of the Compliance Agreement could have significant environmental impacts that are not fully mitigated by the previous EIRs or the addendum. The Reclamation Plan Compliance Amendment will increase the areas in which grading is allowed at the Quarry, which may increase operational air and water quality impacts. The Quarry owner also seeks a

4.

County of Ventura  
Planning Director Hearing  
RPCA/CUP3489-2  
Exhibit 24  
Casitas Municipal Water Dist

CUP amendment to legalize the presence and operation of its rock crusher, which would likely adversely affect air quality, downstream water quality in the North Fork of Matilija Creek, and endangered southern California steelhead populations. Given the increase in the magnitude of these potential environmental impacts, the County's processing of the Quarry's application with only an addendum environmental impact report violates the California Environmental Quality Act (CEQA).

4.

**I. The Rock Crusher Would Magnify Adverse Environmental Impacts, and Therefore Requires Preparation of a Supplemental Environmental Impact Report.**

CEQA requires an agency to conduct environmental review for any discretionary action that "may have a significant effect on the environment." (Pub. Res. Code §§ 21080(d); 21065.) The County's approval of an adjustment to the Quarry's CUP is both discretionary, and may have a significant impact on the environment. Even if environmental review has been conducted in the past, as here, supplemental or subsequent environmental review of a discretionary action is required when substantial changes are proposed to a project, occur to the circumstances surrounding a project, or when new information becomes available that would require major or minor additions to the EIR. (Pub. Res. Code § 21166, CEQA Guidelines §§ 15163-15163.) New information that necessitates subsequent environmental review includes the availability of feasible alternatives or mitigation measures that would substantially reduce significant effects of the project. (CEQA Guidelines § 15162(a)(3)(C-D).) An addendum EIR is only appropriate when "minor technical changes or additions" are required to address a project's impacts. Here, the proposed changes to the project are major, and require more than minor changes to the environmental impact report to satisfy CEQA.

5.

**A. The Rock Crusher Would Impair Critical Habitat for Endangered Steelhead.**

Although the Ojai Quarry's application for a rock crusher does not appear on the agenda or in the staff report for the April 12, 2012 meeting, the Addendum EIR purports to address the "use, maintenance, and storage of additional mining related equipment and vehicles in excess of what was previously permitted." (Addendum EIR p. 1.) Accordingly, the Coalition submits its comments about the proposed rock crusher now.

The on-site crushing of rock, which has never been permitted under the Ojai Quarry's CUP, would drastically increase the amount of dirt, dust, and smaller rocks at the quarry. Since the Quarry sits above the North Fork of Matilija Creek, wind and water runoff will carry loose dust, dirt, and rocks into the creek, as it has often in the past. (See, Letter of Santa Barbara Channelkeeper, April 10, 2012, Attachment C, Photos of Quarry Runoff in River.) This will result in adverse impacts to downstream water quality, and on biological resources, both significant environmental impacts that warrant thorough environmental analysis.

6.

The endangered southern California steelhead resides in the North Fork of Matilija Creek, and both the river and its north fork have been designated as critical habitat for the species. (Attachment 1, Maps of Southern California Steelhead Critical Habitat, National Marine

7.

Fisheries Service (Service).) Southern California steelhead occupy less than one percent of their former range, in part due to development that has reduced the hospitability of streams. (See, Southern California Steelhead ESU, Southwest Regional Office, National Marine Fisheries Service, available online at <http://swr.nmfs.noaa.gov/hcd/soCalDistrib.htm>.) Steelhead require clear water for survival and spawning. Increases in sedimentation and turbidity, such as have occurred in the Matilija as a result of Quarry runoff, threaten the steelhead. (Southern California Steelhead Recovery Plan, January 2012 p. 4-5, available at [http://www.swr.noaa.gov/recovery/SC\\_Steelhead/Final\\_Southern\\_California\\_Steelhead\\_Recovery\\_Plan\\_Jan\\_2012.pdf](http://www.swr.noaa.gov/recovery/SC_Steelhead/Final_Southern_California_Steelhead_Recovery_Plan_Jan_2012.pdf); see also Letter of Santa Barbara Channelkeeper, Attachment B.) Photographs submitted by the Santa Barbara Channelkeeper show streams of mud flowing from the Quarry into the creek, and into its confluence with the main stem of Matilija Creek. For this reason, the National Marine Fisheries Service identifies mining and quarrying as a "very high threat" to steelhead recovery on the North Fork of the Matilija River. (Attachment 2, Recovery Plan, Table 9-2, p. 9-15.) The North Fork of the Matilija and its main stem are "[c]onsidered key habitat for restoring steelhead in Ventura [River] system" (Southern California Steelhead ESU) because of the excellent quality of habitat in upstream portions of the watershed. (Recovery Plan, p. 9-10.) In fact, the Service documented a steelhead redd (nest) below the Matilija Road bridge in February. (See, Letter of Santa Barbara Channelkeeper, Attachment A.) While this is a hopeful sign for the species, these eggs would be smothered if rain washes fine silt from the Quarry into the river.

In addition to requiring analysis under CEQA, impacts to endangered steelhead or to critical habitat for the species would constitute "take" under the Endangered Species Act that cannot be permitted without prior analysis, consultation with the Service, and consent.

Given that it identifies mining as a threat to species viability (Attachment 2), the County's approval of the requested permit modification would also be inconsistent with the Southern California Steelhead Recovery Plan, released in January of this year by NMFS.

Although an EIR was prepared for the quarry in 1993, it did not analyze the potential impacts of operating a rock crusher on downstream water quality or on endangered steelhead populations. On-site crushing of rock has never been authorized by a CUP. In addition to the substantial changes in Quarry operations to allow the crushing of gravel, substantial changes have occurred to the circumstances in which the Quarry is being operated that would render the prior analysis of biological resources inadequate. First, the National Marine Fisheries Service listed southern California steelhead as endangered in 1997, two years *after* approval of the quarry CUP. (<http://swr.nmfs.noaa.gov/hcd/soCalDistrib.htm>.) As the steelhead had not yet been listed, the MND would not have analyzed the quarry's likelihood of "taking" an endangered species, and the County may not have consulted with the Service during its analysis. Similarly, the pre-1995 analysis could not have analyzed impacts to the steelhead's critical habitat, as critical habitat was not approved for the species until 2005, a full decade later. (<http://swr.nmfs.noaa.gov/hcd/soCalDistrib.htm>.) Under the applicable standard, additional environmental review is required.

7.

8.

9.

10.

11.

While the County did prepare an addendum EIR, the document fails to provide any biological analysis whatsoever. The document discloses the endangered status of the steelhead present, as well as the location of critical habitat adjacent to the Quarry, but it inexplicably claims that the project will not impact steelhead because the 1993 EIR mitigated the Quarry's potential erosion and siltation impacts. This is neither accurate, nor sufficient. As documented by Channelkeeper's letter (Attachment C), the existing BMPs (Best Management Practices) employed by the Quarry – silt fences and settling/detention basins – frequently fail and result in discharges of sediment-laden water that increase creek turbidity beyond what can be tolerated by the steelhead. In light of the rock crusher's potential contributions to sediment production, the addendum EIR should have discussed and required additional mitigation to prevent creek sedimentation. Although the Quarry is required to submit a storm water pollution prevention plan (SWPPP), the document itself will not ensure compliance. First, it neglects to mention the presence of endangered species on site, noting, "The site is not eligible for endangered species protection." (SWPPP at section 6.1.) If critical habitat does not warrant endangered species protection, what does? Furthermore, determination of BMPs is left to the Quarry, and no specific water quality mitigation measures are required. Thus, the mitigation is neither concrete, nor enforceable, as required by CEQA. Perhaps most alarming, given the Quarry's compliance history, the SWPPP's required wet weather and quarterly testing is based upon self-reporting. Without strict enforcement of mitigation measures by a third party, the Quarry will not likely comply.

12.

**B. The Rock Crusher Would Contribute to Significant Airborne Particulate Matter Impacts.**

Ventura County already exceeds state standards for particulate matter pollution. (Ventura County Air Pollution District, available online at <http://www.vcapcd.org/about.htm>.) If permitted, the Quarry's rock crusher would contribute to airborne particulate matter in Ventura County. This would be a significant adverse impact that must be analyzed in environmental review. By definition, a rock crusher crushes rock to produce gravel. The dirt and dust produced as a byproduct of this process contains particulate matter that is smaller than 10 microns in diameter (PM10). According to the California Air Resources Board, "PM10 is among the most harmful of all air pollutants. When inhaled these particles evade the respiratory system's natural defenses and lodge deep in the lungs." ("Air Pollution – Particulate Matter Brochure," California Air Resources Board, available online at <http://www.arb.ca.gov/html/brochure/pm10.htm>.) PM10 is associated with lung and cardiovascular disease, decreased immune function, and reduced life expectancy, especially for children and the elderly. (*Ibid.*) Consequently, environmental review is required, now, so that the public and decision makers can adequately assess the amount of additional particulate matter that the rock crusher would produce, and weigh the potentially significant impacts to human health and the environment.

13.

Further, the 1993 EIR prepared for the mine's 1995 CUP approval fails to analyze the impacts of using a rock crusher to produce gravel at the quarry. The CUP contains a list of approved equipment that the Quarry is allowed to have on-site. (CUP 3489-2, Condition No. 1(b).) Equipment not listed is not permitted on-site. (*Ibid.*) A rock crusher is not on this list.

14



The CUP also limits the Quarry's operations to "mining of large rocks and sandstone for the production of rip-rap, crushed rock aggregate, and related stone products..." (CUP 3489-2, Condition 1(a).) While the permit authorizes the mining of rock for crushed rock products, nothing in the permit authorizes the crushing of that rock on-site. Thus, the County's assertion that the original EIR analyzed the environmental impacts of "crushed rock" is unsupported. Additionally, the Quarry was originally permitted to supply large boulder-sized rocks, such as those used in flood control channels and the walls of harbor breakwaters, not gravel. The processing of rock into gravel was not envisioned until recently, after Mr. Mosler assumed control of the Quarry.

14.

Although the addendum EIR mentions the potential use and maintenance of mining equipment that was not previously permitted, the EIR never discloses what this mining equipment will be, or how many additional units would be permitted. The inadequate project description is reflected in the analysis, none of which is provided in the addendum EIR itself. An attached March 29, 2012 Ventura Air Pollution Control District memorandum provides detailed analysis of three portable diesel engine-powered screening and crushing plants, but the EIR fails to confirm if this equipment is that which would be proposed in a CUP adjustment. Finally, this memorandum raises more questions than it answers. The documentation states both that "The Permit to Operate will require that the plants be operated with grid electricity and that the engines be removed from the site within one year of the Permit to Operate initial issuance date" and also that "The applicant has stated that additional time is required for portable operation...to bring electricity to the site." How long would the generators produce harmful diesel particulate matter? This question should be answered and analyzed in additional environmental review.

15.

**C. The Addendum EIR Fails to Analyze Additional Potential Impacts Caused by the Rock Crushing Equipment.**

The documentation provided by the Air Pollution Control District notes that the Quarry would rely on creek water to operate screens and crushers. While the documentation clarifies that water rights are secure, it does not disclose or analyze the increased amount of water that would be withdrawn from the creek, or what the impacts of that water intake, usage, and discharge or disposal would be on wildlife, including endangered Southern steelhead. If the watering processes would produce wastewater that would require disposal and deprive downstream instream users of water, that information should also be disclosed in subsequent environmental review.

16.

**D. The County's Approval of Rock Crusher Operation Would Reward the Applicant's Past Noncompliance with its CUP.**

The County's approval of the Quarry's rock crusher is inappropriate in light of the applicant's history of violating its CUP with the very same rock crusher that is now up for approval. As mentioned above, CUP-3489 contains a list of equipment approved for on-site use, and provides, "Only the items listed...shall be allowed within the permit area during the life of the permit." (CUP 3489-2, Condition 1(b).) The rock crusher, which already sits on-site, does

17.

not appear on the list of approved equipment. Therefore, its location at the Quarry for the last several years has presented a violation of the CUP. The County agrees, and issued an amendment to a Notice of Violation to the Ojai Quarry on May 13, 2010 for "Unpermitted Equipment" in the form of crushing and screening units. (Attachment 3, Letter from County of Ventura, May 13, 2010.) Instead of putting applicants on notice that the County intends to vigorously enforce permit conditions, however, a County approval of this application would effectively reward the Quarry for its illegal storage of the rock crusher on-site.

17.

## II. The Addendum EIR Does Not Adequately Address the Impacts of the Reclamation Plan Compliance Amendment.

The County's approval of an amendment to the Quarry's Reclamation Plan is also subject to CEQA, as it is both discretionary, and may cause significant impacts on the environment. (Pub. Res. Code §§ 21080(d); 21065.) Again, as this amendment requires more than "minor technical changes" to the previous analysis, a supplemental or subsequent EIR is required. (Pub. Res. Code § 21166, CEQA Guidelines §§ 15163-15164.)

The Reclamation Plan Compliance Amendment (RPCA) provides for reclamation of illegally-disturbed acres of the Ojai Quarry that lie outside of the existing mining boundaries. The RPCA "is intended to ensure adequate reclamation of these additional disturbed areas, which are not to be further mined." (RPCA p. 10.) While the goal is laudable, the environmental review performed is insufficient. The RPCA authorizes grading and earthmoving on four acres of land where it would not have otherwise occurred. This earthwork will result in airborne particulate matter (dust) on steep, highly erodible slopes. Combined with wind and rain, these slopes may increase the turbidity of Matilija Creek, which would harm critical habitat for endangered Southern steelhead. Together, the increased grading area, erosion exposure, and the potential for detrimental impacts to endangered species habitat require additional environmental review.

18.

The addendum EIR discloses the endangered status of the steelhead present, as well as the location of critical habitat adjacent to the Quarry, but it inexplicably claims that the project will not impact the creek as the new reclamation areas are located to the east. This is incorrect, as the newly included reclamation areas are located upslope of the creek, and the entire Quarry ultimately drains into the creek. The RPCA includes project changes that will increase its significant environmental impacts, as well as changes in project circumstances (i.e., the listing of the steelhead and designation of critical habitat) that necessitate major changes to the existing EIR. Thus, subsequent or supplemental environmental review is required.

19.

## III. The Applicant Continues to Flout the Law, and Permit Revocation is Warranted.

Despite the Ojai Quarry owner/operator's seeming inability to comply with applicable laws, compliance agreements, or promises of any kind (*see, e.g.*, Staff Report pp. 4-12), the County has had seemingly endless patience working with the Ojai Quarry toward compliance. As a result of its history of noncompliance, the Office of Mine Reclamation (OMR) removed the

20.

Ms. Kim Prillhart  
April 11, 2012  
Page 7 of 7

Quarry from its AB 3098 list of vendors approved to sell to state agencies. On Monday, April 9, 2012, however, photographs were taken that depict a Coronado Trucking hauler leaving the Ojai Quarry and delivering rock to a Caltrans work site. (Attachment 4.) Thus, despite knowledge of its removal from the AB 3098 list, the Quarry continued to supply rock to government contractors, in knowing violation of section 20676 of the Public Contract Code. According to OMR, the County is charged with implementing and enforcing SMARA within its boundaries. And it is the County that the Ojai Quarry owner/operator continues to defy. The Coalition hopes that the Director keeps the Quarry's compliance history in mind as it continues to process documents associated with the February 2012 Compliance Agreement. While the Coalition supports the County's efforts to require reclamation of illegally disturbed areas, the Coalition believes that the Quarry's compliance history warrants revocation, rather than adjustment, of its CUP. 20.

In closing, the Coalition requests that the County Planning Division immediately call a hearing to discuss revocation of the CUP for the Ojai Quarry. The Division should also reject the Ojai Quarry's permit adjustment application and the approval of the addendum EIR until after the completion of environmental review that thoroughly examines the potentially significant environmental impacts that crushing rock could have on air quality, on downstream water quality in the North Fork of the Matilija River, and on endangered Southern California steelhead. 21.

Thank you for your attention to this matter. We also join in the comments of Santa Barbara Channelkeeper, dated April 11, 2012 and referenced throughout this letter.

Sincerely,



Michelle Black

cc: Supervisor Steve Bennett [steve.bennett@ventura.org](mailto:steve.bennett@ventura.org)  
Chris Stephens [chris.stephens@ventura.org](mailto:chris.stephens@ventura.org)  
Brian Baca [Brian.Baca@ventura.org](mailto:Brian.Baca@ventura.org)  
Ebony McGee [Ebony.McGee@ventura.org](mailto:Ebony.McGee@ventura.org)  
Robert Kwong [Robert.Kwong@ventura.org](mailto:Robert.Kwong@ventura.org)

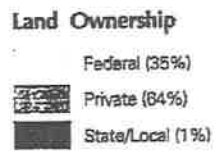
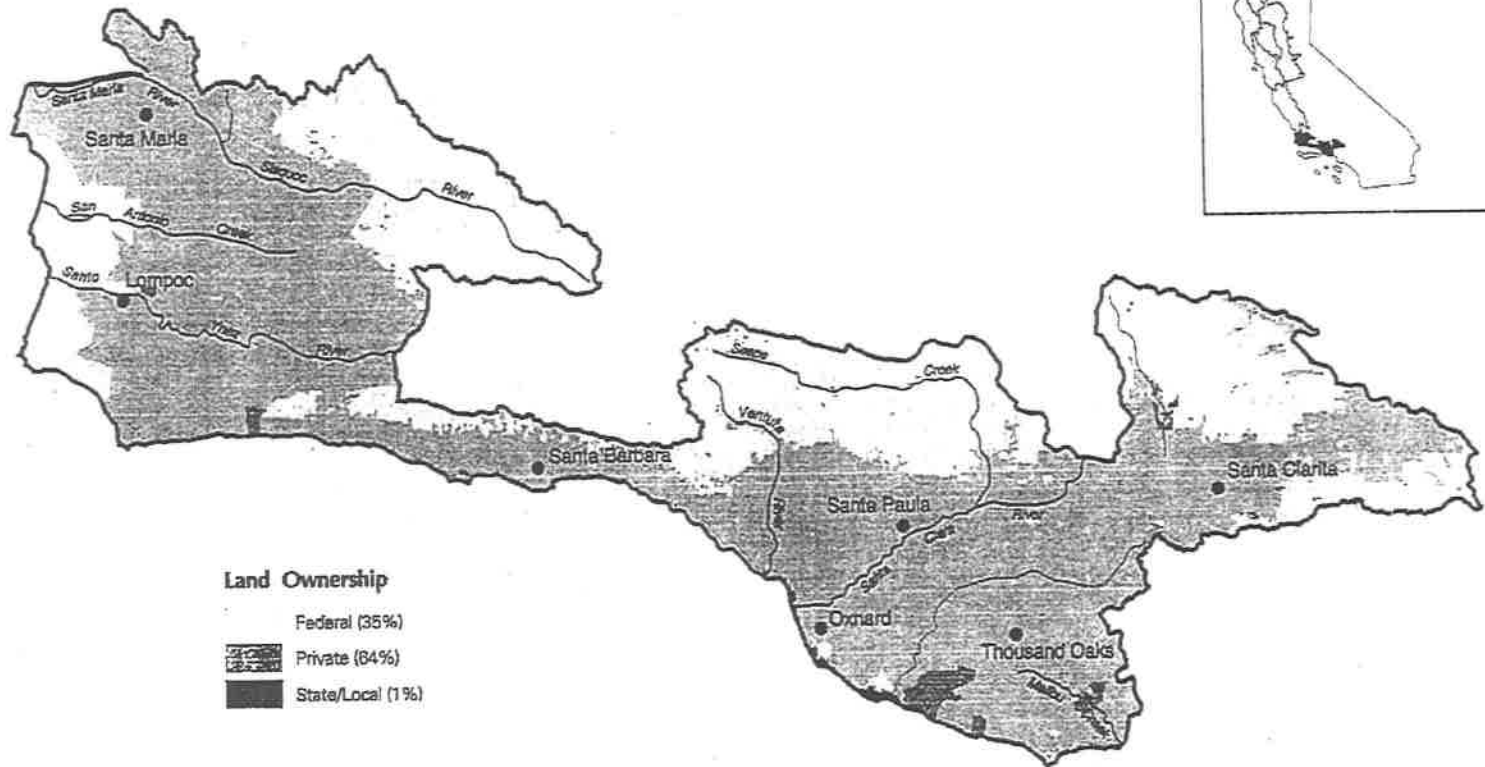
Attachments:

1. Maps of Southern California Steelhead Critical Habitat, National Marine Fisheries Service
2. Southern California Steelhead Recovery Plan, Table 9-2
3. Letter from County of Ventura, May 13, 2010.
4. Photographs of Coronado Trucking, April 9, 2012


**ATTACHMENT 1**



# SOUTHERN CALIFORNIA STEELHEAD ESU



United States Department of Commerce  
National Oceanic & Atmospheric Administration  
NATIONAL MARINE FISHERIES SERVICE  
HABITAT CONSERVATION DIVISION  
525 N.E. Oregon St., Suite 410  
Portland, OR 97232  
Tel (503) 231-2223



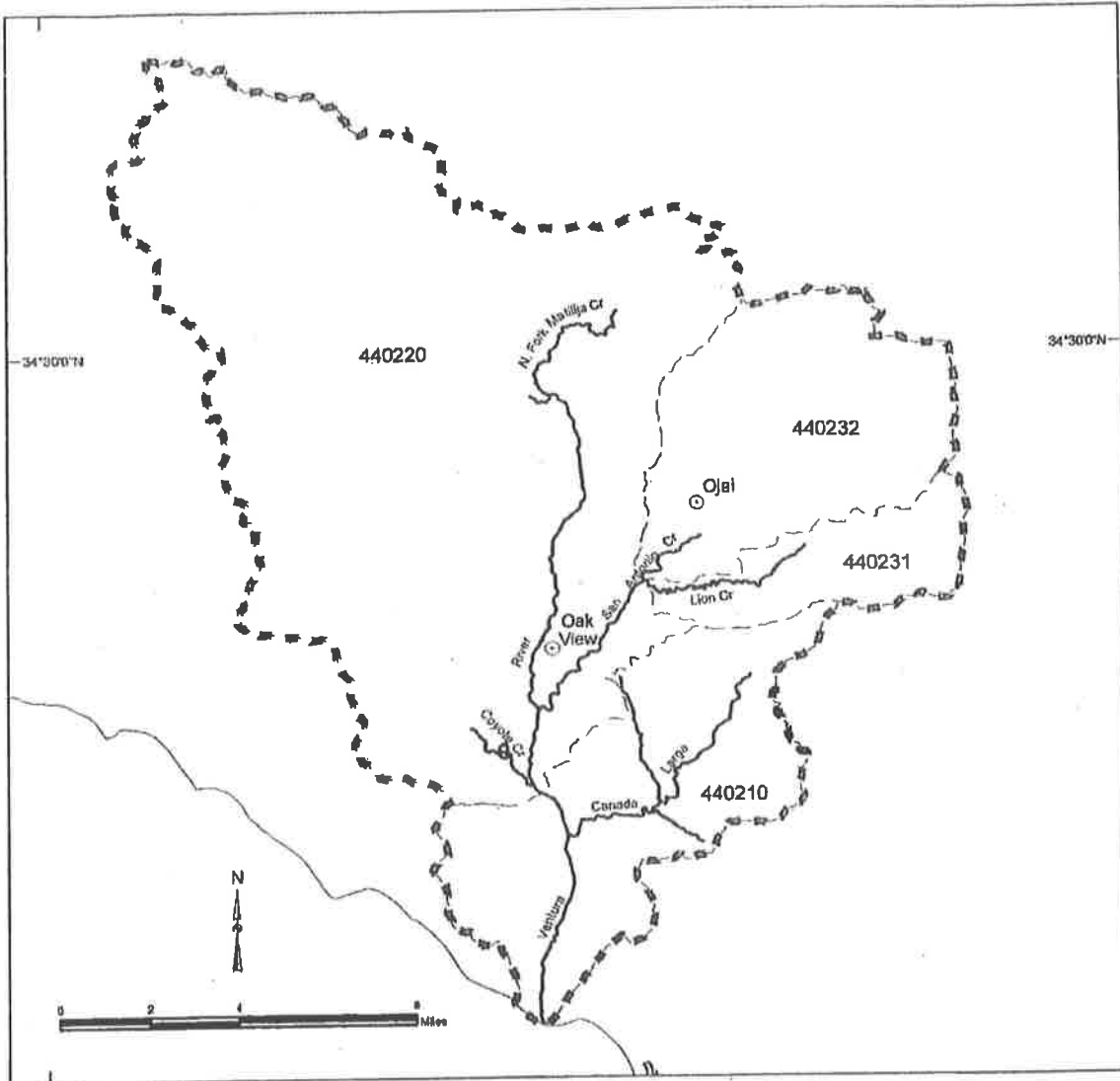
Scale:  
0 5 10 15 Miles  
0 5 10 15 Kilometers

MAP DATE 4/25/98  
ORANGE COUNTY  
www.nmfs.gov

Note: Map is for general reference only.

**Critical Habitat for the  
Southern California Steelhead**

**Ventura River Hydrologic Unit  
4402**



- Cities/Towns
- Critical Habitat
- - - Calwater Hydrologic Unit Boundary
- - - Fifth Field Calwater Hydrologic Sub-Area Boundary
- 331210 Fifth Field Calwater Hydrologic Sub-Area Number



**ATTACHMENT 2**



Michelle Black <mnb@cbcearthlaw.com>

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## Pictures of Alleged #3098 List Violations by Ojai Quarry for Caltrans

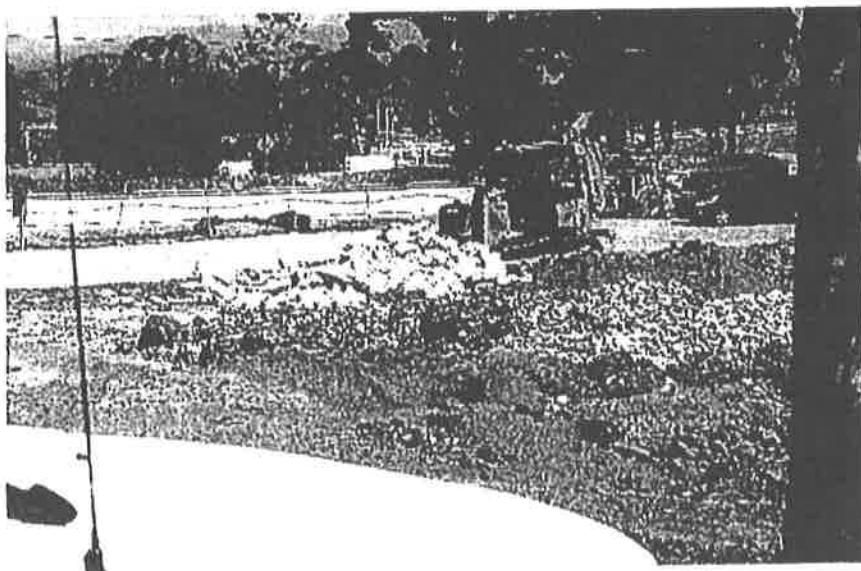
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Ojai StopTheTrucks <ojaistopthetrucks@gmail.com>  
To: Ojai Stop the Trucks <stopthetrucks.ojai@gmail.com>  
Bcc: mnb@cbcearthlaw.com

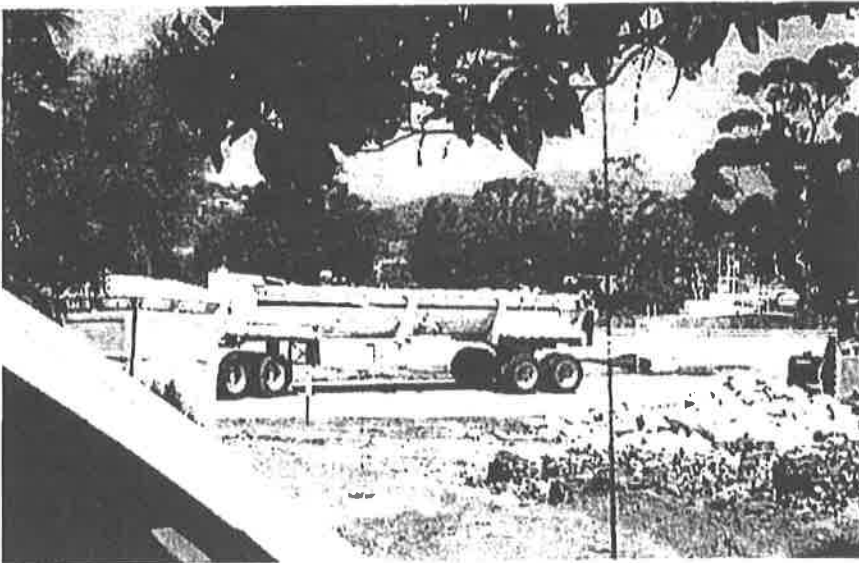
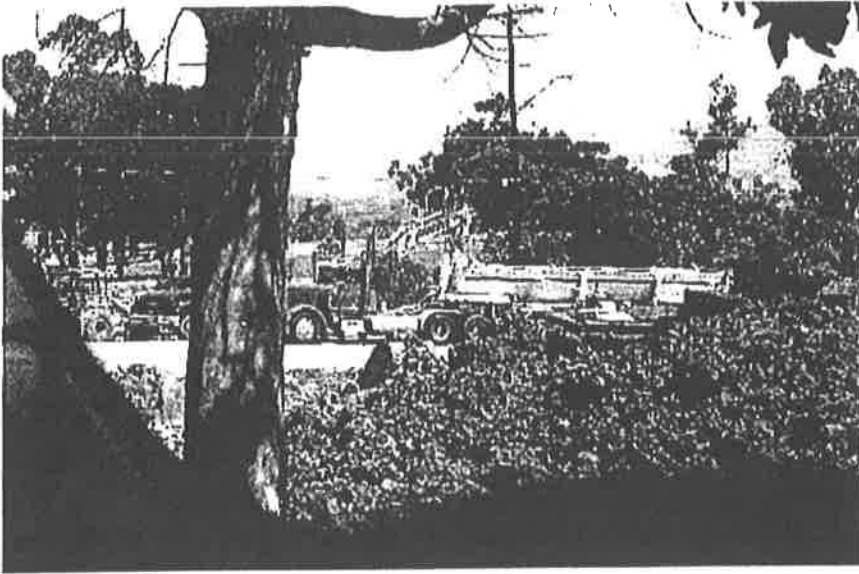
Mon, Apr 9, 2012 at 5:12 PM

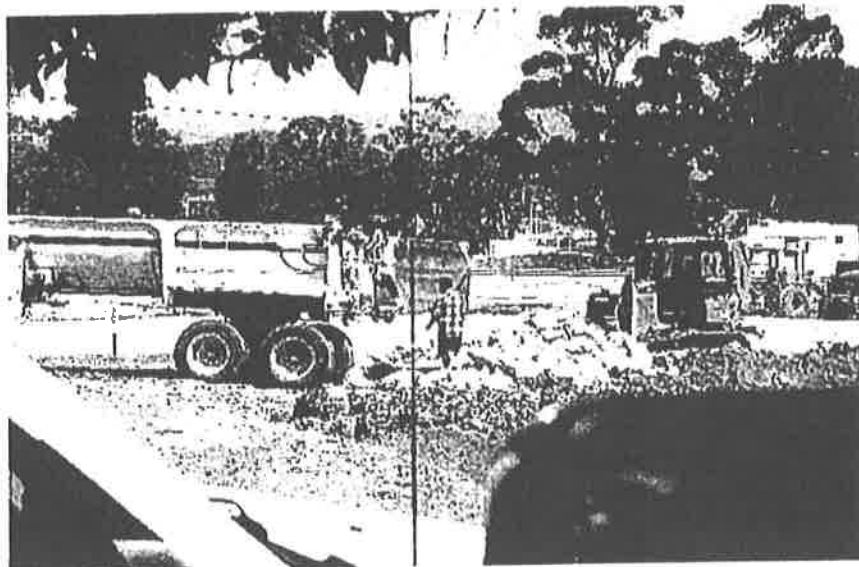
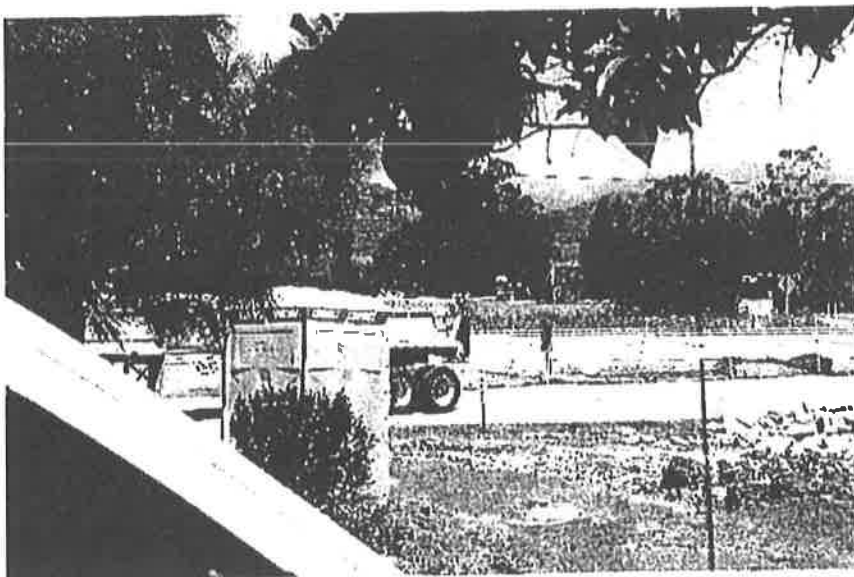
These are photos taken today of rock haulers from Coronado Trucking allegedly bringing rock to a Caltrans job that Granite is doing.... The last 4 pictures are of the truck leaving the Ojai quarry and the balance of the pictures are the same truck dumping at the Caltrans site today, Monday, April 9, 2012.

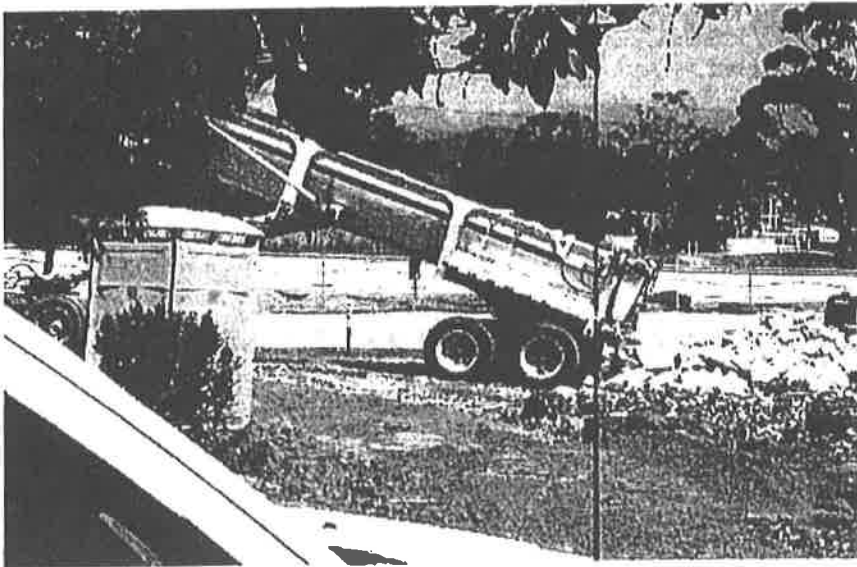
The Ojai Quarry is not on the approved supplier lists, the 3098 list. If these allegations are true, then it might constitute a severe violation of State law regarding contracting and suppliers by Caltrans, various contractors and others.

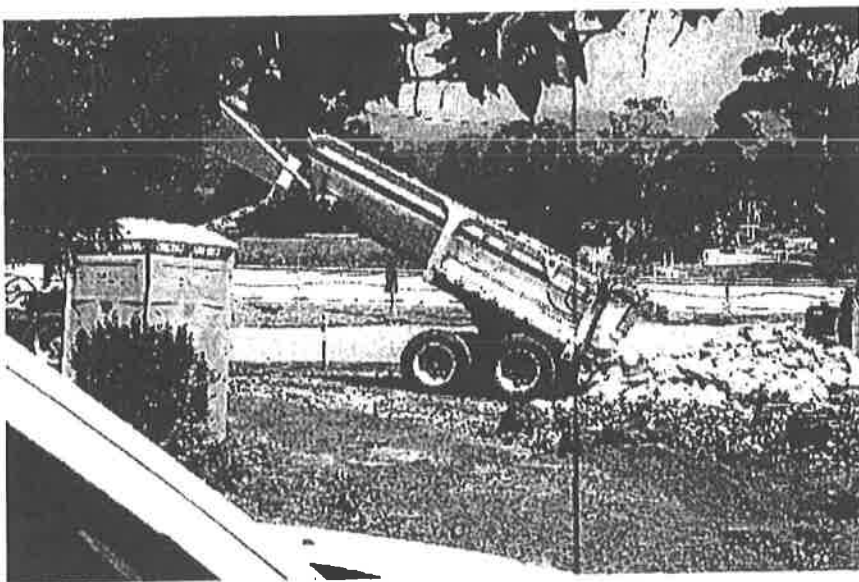


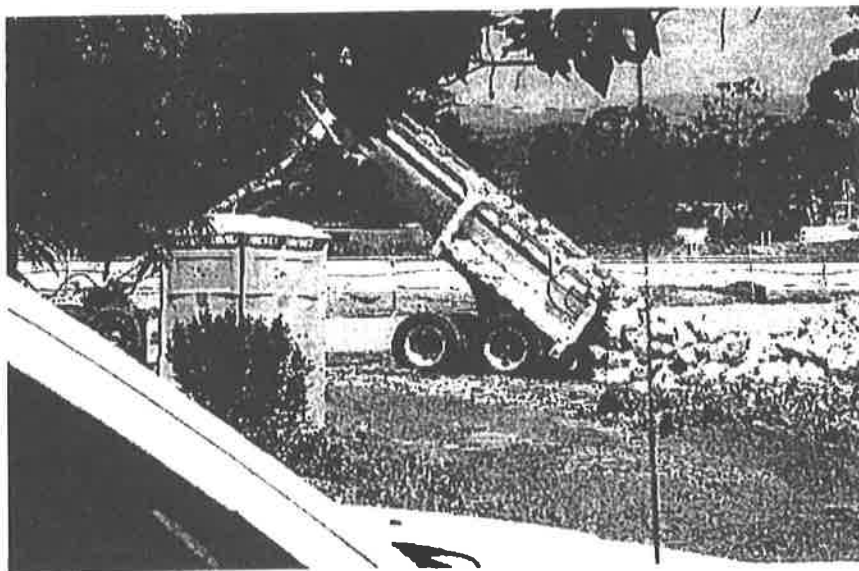


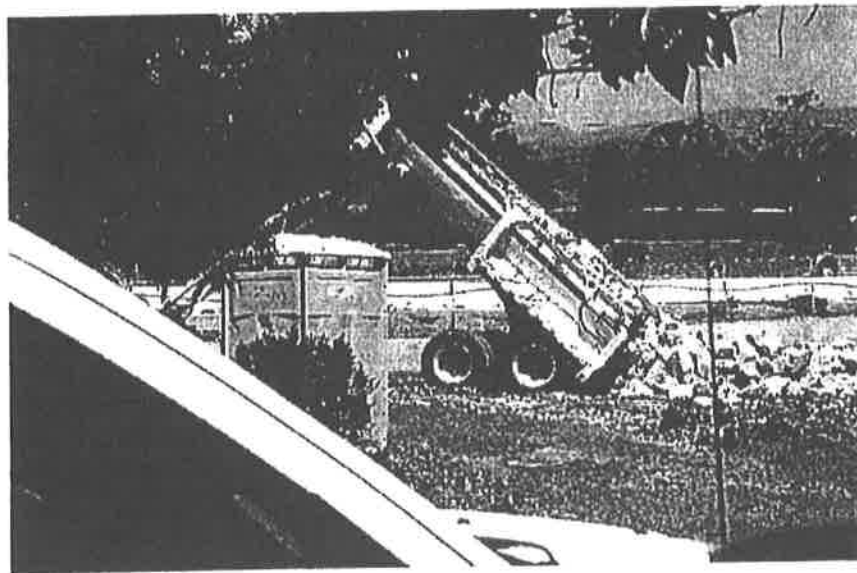
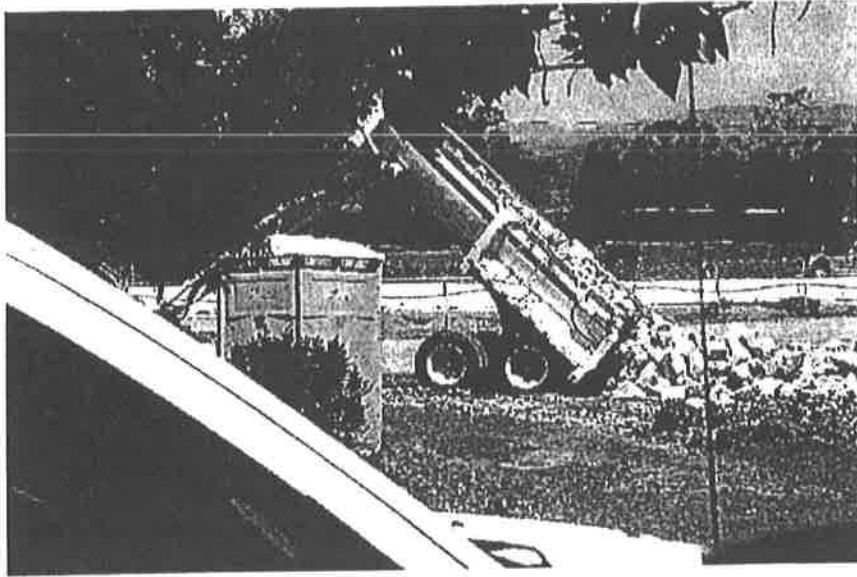


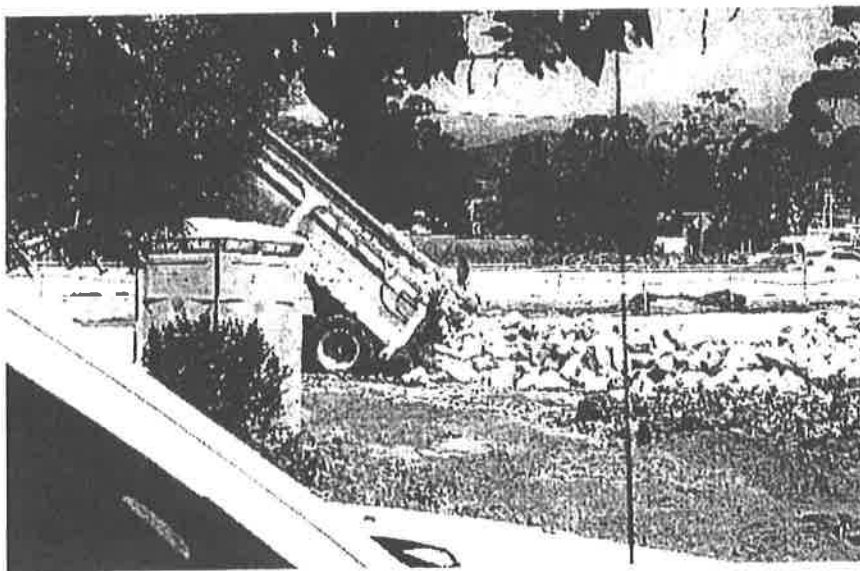
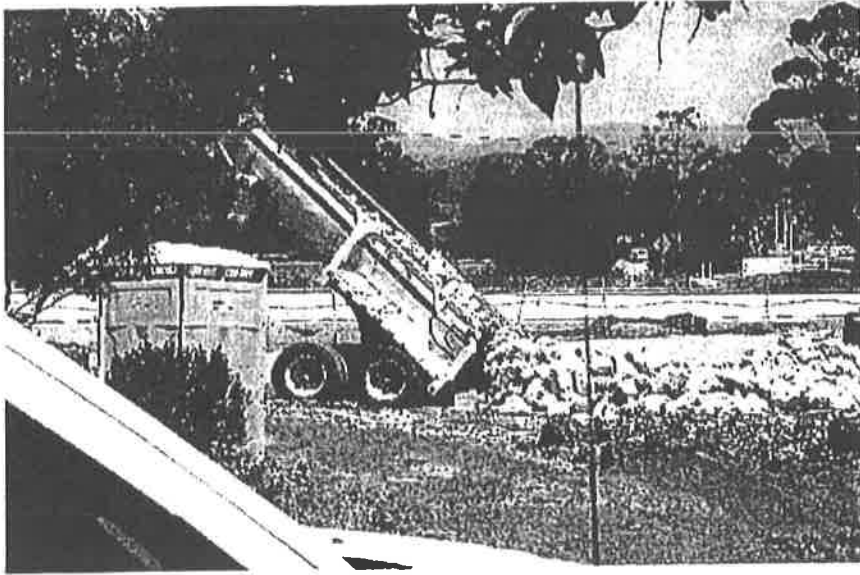


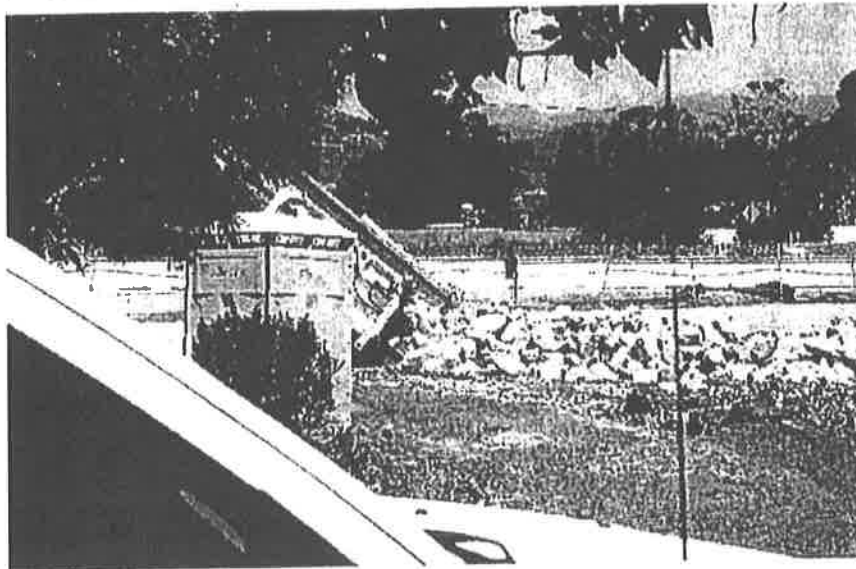
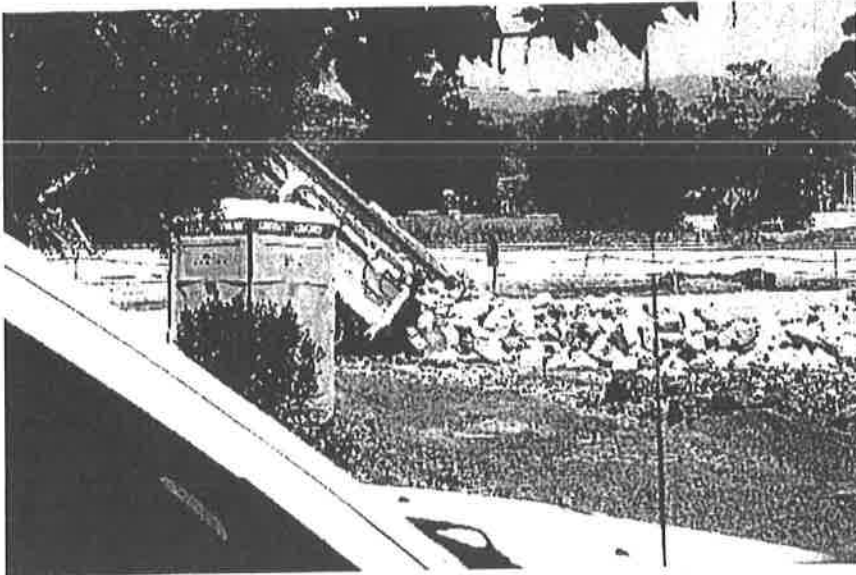




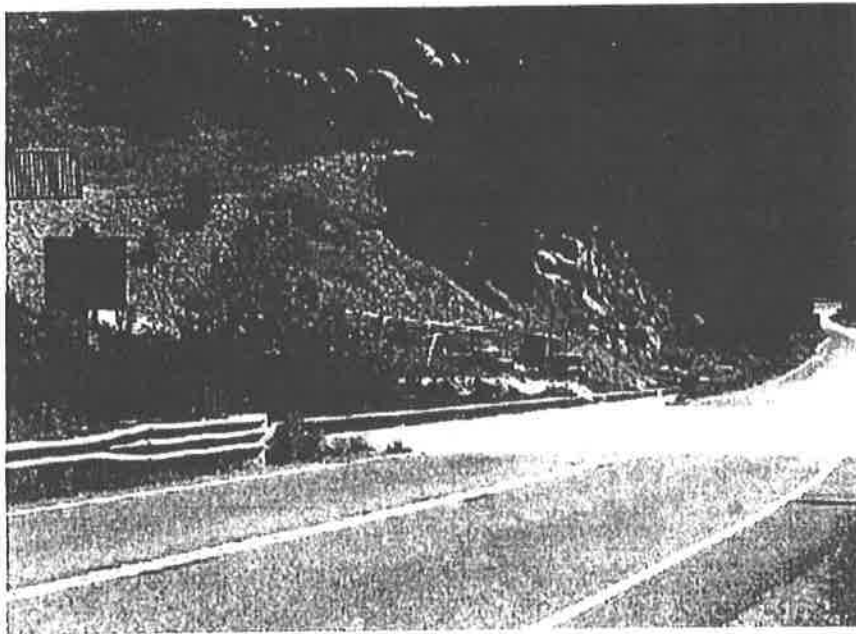
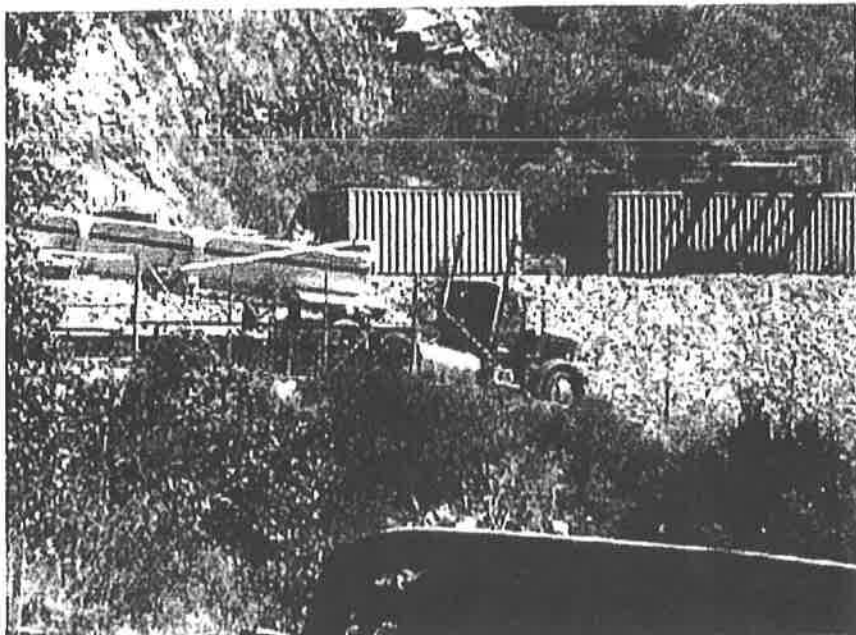


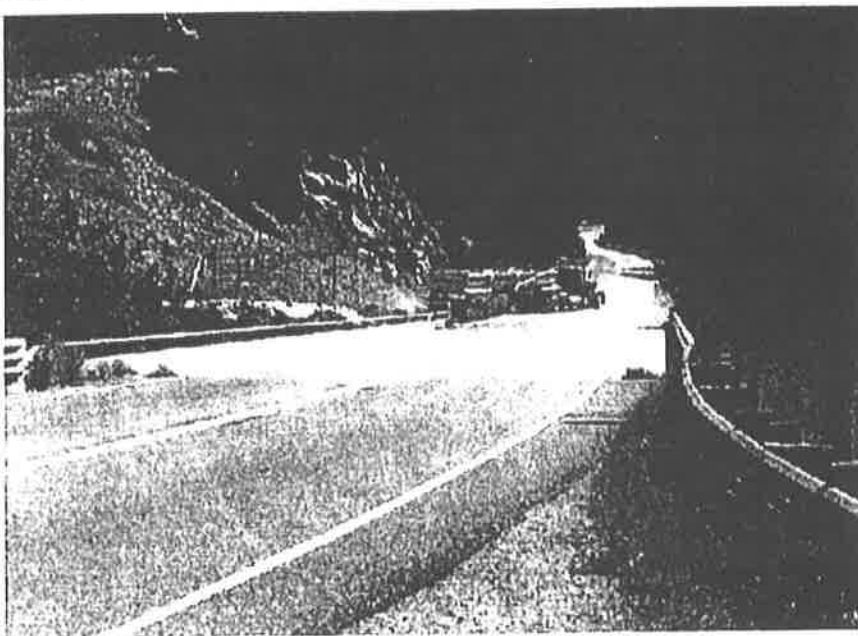












## Attachment 6

# ENVIRONMENTAL IMPACT REPORT (EIR) – ADDENDUM CEQA Guidelines Section 15164

Mosler Rock-Ojai Quarry  
Conditional Use Permit Modification, Case No. LU11-0080  
Reclamation Plan Compliance Amendment

## Response to comments submitted for the April 12, 2012 Planning Director hearing

Provided below are responses to the comments provided on CEQA issues raised in the letters received prior to and at the April 12, 2012 Planning Director hearing. Each response is numbered in correspondence with the marked copy of the letters of comment included in Attachment 5 of the Addendum.

### RESPONSES

#### **A. 4-11-12 letter from Santa Barbara Channelkeeper**

1. Comment noted.
2. The 1995 EIR certified for this rock quarry specifically lists the production of crushed rock aggregate as part of the mining facility that was evaluated for environmental impacts. The following statements are included in the EIR:

*The materials extracted from the quarry consist of large rocks and sandstone for production of rip-rap, crushed rock aggregate, and related stone products. [Page 27]*

*The project objectives of the applicant are: To continue to be the sole source provider of rock materials, including rip-rap and crushed rock aggregate, which meet both State and County standards for Ventura County and surrounding areas. [Page 29]*

The EIR evaluates the potential impacts of the quarry operations on the downstream riparian and aquatic habitats along the North Fork of Matilija Creek regarding the potential increase in erosion and sedimentation. [EIR at pages 64, 66-68] Mitigation measures are identified in the EIR that directly address this issue and were found to reduce impacts to a less than significant level. [EIR at pages 67-68]

The commenter states that the "piece of machinery will likely produce a large volume of fine sediment by-product with the potential to impact North Fork

Matilija Creek *if* not contained and disposed of properly.” [Emphasis added] First, the commenter assumes that the mitigation measures will not properly contain quarry operation sediments onsite nor will the operator properly dispose or use the sediments as part of onsite reclamation. Second, the comment does not include any quantification of the volume of fine material or empirical data that indicates that this material would not be contained on the site. The design of the quarry includes a “Quarry Tailings Disposal Area” (QTDA) intended to serve as a disposal area for such material. [See EIR Exhibits 7 and 8.] Thus, it was anticipated and approved as part of the 1995 quarry design that unsold material (i.e., tailings) would be contained onsite as fill. The QTDA currently has approximately 100,000 cubic yards of available volume that can accept fine fill material. In addition, the volume of fine sediment produced by the operation of a small portable rock crusher would be a minor subset of the volume of fine sediment produced by excavation over the 12-acre mining site. As the operation of the crusher is limited to 300 hours per year (refer to the 3-29-12 VCAPCD Engineering Report attached to the Addendum), it would only be available for use during 15% of the authorized annual hours of mining activities.

Based on the above discussion, the proposed operation of a crusher does not involve a substantial change in the project or require major revisions of the previous EIR or necessitate the preparation of a subsequent EIR pursuant to CEQA Guidelines § 15162.

3. Refer to response #A2 above. In addition, this comment does not identify a substantial new impact on aquatic species in Matilija Creek or provide any empirical evidence showing the inadequacy of any one of the five mitigation measures set forth in the 1995 EIR (pages 67-68) which are designed to mitigate quarry operation offsite sedimentation impacts on the nearby blue line stream. And while the listing of the steelhead trout as a federally listed Endangered Species is a new circumstance since the 1995 EIR was certified, this fact alone does not require major revisions of the previous EIR because new significant environmental effects or a substantial increase in the severity of the previously identified significant effects to migratory fish species have not been identified.
4. Refer to response #A3 above. Although the County agrees that the listing of the steelhead trout as a federally listed Endangered Species is new information of substantial importance, a subsequent EIR is not needed pursuant to CEQA Guidelines § 15162(a)(3) because this new information does **not** show: (a) that the project will have one or more significant effects not discussed in the 1995 EIR; (b) potential significant effects to the Matilija Creek will be substantially more severe than was shown in the 1995 EIR; (c) that mitigation measures previously found not to be feasible would now in fact become feasible; and (d) that different mitigation measures or project alternatives would substantially reduce project effects on the Matilija Creek.

5. Refer to response #A2 above. The discharge of sediment from the quarry during heavy rains in November and December of 2010 was reported to the County by Mr. Pitterle at that time. This information was included in the 2010 Surface Mining Inspection Report provided by the County to the California Department of Conservation.

Refer to response #F10 below regarding the Steelhead Recovery Plan prepared by the National Marine Fisheries Service.

The 2010-2011 *Annual Report for Storm Water Discharges Associated With Industrial Activities* for the Mosler Rock-Ojai Quarry includes an analysis of water quality for discharge from the site on December 18, 2010. This report identifies the level of Total Suspended Solids (TSS) as 1220 milligrams/liter (mg/l). This level of TSS is above the 100 mg/l threshold for the requirement of water quality monitoring. The 100 mg/l concentration does not represent a discharge limit or violation threshold.

County staff contacted the Los Angeles Regional Water Quality Control Board (LARWQCB) by email on April 11, 2012 regarding the status of the Ojai Quarry and its stormwater runoff requirements. The LARWQCB indicates that the actions required to address the violations previously identified on the site have been completed as of the last inspection. No new violations of applicable stormwater regulations have been identified at the Ojai Quarry. According to the LARWQCB staff (telephone communication from Enrique Loera to Brian Baca, 4-17-12), the LARWQCB has the authority to establish a specific Total Suspended Solids (TSS) discharge limit for the Mosler Rock-Ojai Quarry under the applicable Industrial General Stormwater Permit. This agency, however, has not established such a limit for this facility. In addition, the North Fork of Matilija Creek has not been designated an impaired water body and no Total Maximum Daily Load (TMDL) has been established for this stream. The operator of the Mosler Rock-Ojai Quarry must comply with water quality Best Management Practices (BMPs) and continue reporting to the LARWQCB.

Based on the above discussion, it can be reasonably determined that the stormwater and sediment control facilities installed to implement the 1995 EIR mitigation measures are currently working to prevent sedimentation and that there is no substantially more severe impact to the Matilija Creek.

Implementation of the Reclamation Plan Compliance Amendment and the installation of a portable rock crusher will not substantially change the design, operation or erosion characteristics of the mining facility. Implementation of the RPCA would actually serve to reduce the potential for erosion and sedimentation from the rock quarry through a lowering of slope gradient and re-vegetation of excavated areas.

Based on the above discussion, the proposed RPCA and operation of a crusher would not constitute a substantial change in the project or require major revisions of the previous EIR. In any case, sedimentation of Matilija Creek was not identified as a "significant" impact of the project with the implementation of the identified mitigation measures. Thus, a significant impact will not be substantially more severe than shown in the previous EIR.

6. The commenter is correct in that the new reclamation area is located uphill of the creek. Erosion of this area would be lessened with implementation of the RPCA. Sediment derived from erosion of this area would be captured by the existing stormwater control facilities on the site. Accumulated fine material would be retained in the QTDA in accordance with the Approved Reclamation Plan.
7. Comment noted.

**B. 4-11-12 letter from the Casitas Municipal Water District (CMWD)**

1. Comment noted. No issue regarding the adequacy of the environmental document is raised. Thus, no response is required.

2. The 1995 EIR certified by the County identified the potentially significant impact of quarry-derived sedimentation of the creek on biological resources and, therefore, included feasible mitigation measures to address that issue. With implementation of these mitigation measures, the potentially significant impacts to biological resources, namely migratory fish, were mitigated or reduced to a less than significant level. In addition, the quarry operates in accordance with a Stormwater Pollution Prevention Plan (SWPPP; Attachment 8 of the RMA-Planning Staff Report for the April 12, 2012 hearing) prepared in accordance with stormwater runoff regulations implemented by the LARWQCB (refer to response #A5 above). The statement in the comment that water quality issues "are potentially significant adverse impacts associated with the proposed project" is a conclusion made without supporting evidence. No specific evidence is provided to indicate that the implementation of the RPCA or use of a portable rock crusher will have a substantial effect on water quality. As indicated in the response to comment A.2 above, it was anticipated and approved as part of the quarry design that unsold material (tailings) would be contained onsite as fill. The Quarry Tailings Disposal Area delineated on the Approved Reclamation Plan currently has approximately 100,000 cubic yards of available volume that can accept fine fill material. Given this approved project design, the required mitigation measures and compliance with stormwater regulations, the proposed RPCA and crusher do not have the potential to substantially change the level of sedimentation associated with the existing mining facility.

3. Refer to response #B2 above.
4. Refer to responses #A5 and #B2 above.

5. The Commenter requests that the County, as lead agency for this project, conduct a biological assessment of the Lower North Fork of Matilija Creek and the Ventura River to determine what, if any, impact the quarry operations have on these watercourses. However, the commenter neither cites to, or provides, any evidence that the proposed RPCA or use of a rock crusher at the quarry site will have a potential for causing a significant environmental effect on biological resources. Moreover, this unsubstantiated request for such an assessment is contrary to the guidance in CEQA Guidelines §15064 for determining significance of environmental effects. Please also refer to County responses #A2, #A3, #A5, and #B2 above.

**C. 4-12-12 letter from Lorenz K. Schaller**

1. Comment noted.
2. Comment noted.
3. Refer to responses #A1 through #A7 above.

**D. 4-12-12 Letter from the Environmental Coalition**

1. See County response #A2, A3 and A4 above. Pursuant to Section 15164 of the CEQA Guidelines, an Addendum to a previously certified EIR constitutes adequate environmental review where minor changes in an existing project would not result in new potentially significant impacts. In this case, the ongoing operation of the permitted Ojai Quarry is part of the existing environmental setting and not under review. The proposed project under review is the RPCA and the proposed operation of a portable rock crusher. The County has determined that these changes to the existing mining facility do not involve new potentially significant impacts that warrant the preparation of a subsequent EIR pursuant to CEQA Guidelines 15162. Thus, an Addendum to the previous EIR was prepared.
2. Refer to response #A2, #A5 and #B2 above.
3. No evidence or analysis is provided to support the conclusion that the "amount of sediment that will enter the north fork of the Matilija Creek will increase" with the operation of the rock crusher. Refer to response #A2 above.
4. Refer to responses #A1 through #A7.

**E. 4-11-12 email from H. Smith, Ojai Stop the Trucks! Coalition, to K. Prillhart**

1. The commenter requests that the County suspend and revoke the Ojai Quarry CUP because of the operator's alleged violation of state contracting laws (i.e., AB 3098). Not only is this comment unrelated to the CEQA issues of the RPCA project, but the commenter fails to understand that the AB 3098 list is exclusively administered by the California Department of Conservation. The County does not have a role in the preparation, maintenance or enforcement of the AB 3098 list. So, even if the alleged violations are true, they do not constitute a basis for CUP suspension or revocation under the Non-Coastal Zoning Ordinance.
2. The review and approval of a FACE is not a discretionary action subject to public review. The acceptance of a FACE by the County and the California Department of Conservation is a ministerial action based on the requirements of the Surface Mining and Reclamation Act.
3. Refer to response #E2 above.
4. The 1.5:1 gradient fill slopes are included in the Approved Reclamation Plan for the quarry. The stability of these slopes was considered at the time this Reclamation Plan was approved. The proposed RPCA would be consistent with the approved design. No substantial evidence is provided in this comment to indicate that the RPCA slopes will be unstable. Furthermore, comments on matters of engineering or geology must be provided by an Engineer or Geologist licensed to practice in the State of California.
5. The proposed RPCA and the requested Permit Adjustment to authorize the use of a portable rock crusher will be processed in accordance with applicable County Code and State Law. A public hearing was held on April 12, 2012 to receive comment on the proposed RPCA. Interested parties will be notified of any decision on the requested Permit Adjustment. Refer to response #A2 regarding the adequacy of the CEQA analysis.
6. Comment noted.

**F. 4-11-12 letter from M. Black, on behalf of Ojai Stop the Trucks! Coalition, to K. Prillhart**

1. Comment noted.
2. Refer to response #E1 above.
3. Comment noted.



4. As stated in the subject letter, the RPCA "will require restoration of areas subjected to illegal disturbance." It will not allow increased mining excavation at the quarry. Implementation of the RPCA will actually reduce erosion and sedimentation through a lowering of slope gradient and revegetation. Refer to responses #A2 and #A5 above regarding the proposed operation of a rock crusher.
5. Refer to responses #A2, #A5 and #B2 above regarding the proposed operation of a rock crusher.
6. Refer to responses #A2, #A5 and #B2 above regarding the proposed operation of a rock crusher.
7. Comments noted.
8. Refer to responses #A2, #A5 and #B2 above regarding the proposed operation of a rock crusher. The comment appears to discuss potential environmental effects of the existing permitted quarry operations rather than the potential effects of the minor project changes currently under CEQA review. Therefore, this comment is not relevant to the proposed EIR Addendum.
9. Comment noted.
10. Whether or not the proposed project changes are consistent with the January 2012 Southern California Steelhead Recovery Plan prepared by the National Oceanic and Atmospheric Administration, National Marine Fisheries Service is not part of the County's CEQA review of the proposed changes in the mining facility. Please be aware that a County Biologist review of the 2012 Southern California Steelhead Recovery Plan has determined that the plan is in agreement with the findings of the 1995 certified EIR that sedimentation from mining facilities has a potential significant impact on aquatic species. Regarding its applicability as a regulatory document, the Recovery Plan states:

*Recovery Plans identify recovery actions, based upon the best scientific and commercial data available, necessary for the protection and recovery of listed species. Recovery Plans published by the National Marine Fisheries Service (NMFS) are guidance documents, **not regulatory documents**; identification of an action to be implemented by any public or private party does not create a legal obligation beyond existing legal requirements. [emphasis added]*

It is also important to note here that the 1995 EIR imposed mitigation measures on the project to address those potential significant environmental impacts to aquatic life in the Matilija Creek. In any case, no explanation is provided in the

comment as to why the proposed changes are inconsistent with the Recovery Plan. Refer to responses #A2 and #A3 above.

11. Refer to responses #A2, #A3, #A5 and #B2 above regarding the proposed operation of a rock crusher.
12. Refer to responses #A2, #A3, #A5 and #B2 above regarding the proposed operation of a rock crusher.
13. The comment does not provide any evidence or analysis of the volume or quantity of particulate matter that would be produced by the proposed rock crusher. It appears to assume that any increase in particulate emissions is significant. However, the particulate emissions are analyzed and estimated in the March 29, 2012 Engineering Report prepared by the Ventura County Air Pollution Control District (Attachment 3 of the Addendum). This report finds that the permitted emissions levels for the rock crusher and associated equipment do not exceed established thresholds for the requirement of emission offsets. For example, the Particulate Matter (PM-10) permitted emissions of 0.07 tons per year is far less than the 15.0 tons per year threshold.
14. Refer to comment #A2. The EIR includes the following statements regarding the scope of the project:

*The materials extracted from the quarry consist of large rocks and sandstone for production of rip-rap, crushed rock aggregate, and related stone products. [Page 27]*

*The project objectives of the applicant are: To continue to be the sole source provider of rock materials, including rip-rap and crushed rock aggregate, which meet both State and County standards for Ventura County and surrounding areas. [Page 29]*

This language indicates that the production of crushed rock was part of the project evaluated in the EIR.

15. The Project Description provided in the Addendum will be clarified to indicate that the additional equipment requested to be authorized includes a portable rock crusher. This project description clarification does not have an impact on the County decision to prepare an EIR Addendum in this case.
16. The Addendum has been augmented to include information on water use associated with the use of a portable rock crusher.

According to the March 29, 2012 Engineering Report prepared by the Ventura County Air Pollution Control District (Attachment 3 of the Addendum), the

proposed rock crusher would operate at a maximum output of 150 tons/hour for a maximum of 300 hours per year. With these parameters, the output of the crusher would be a maximum of 45,000 tons per year (150 x 300 = 45,000).

The VCAPCD report cites a 3% moisture content for the crushed material as the operation would use water for dust suppression. Assuming a 6% water content (increased from 3% to account for evaporation), the crusher would utilize up to 1.9 acre-feet of water per year (AFY). This demand figure is calculated as follows:

$$(45,000 \text{ tons/year})(0.06)(2000 \text{ lbs/ton})(1 \text{ gallon}/8.34 \text{ lbs})(1 \text{ CF}/7.48 \text{ gal}) \\ (1 \text{ AF}/43560 \text{ CF}) = 1.99 \text{ AFY}$$

According to records maintained by the County Watershed Protection District, the average annual flow in the North Fork Matilija Creek for the 10-year period 2000-2009 was 7,033 AFY. The minimum annual flow during this period was 1020 AFY in 2002. Thus, the maximum potential water use of the crusher would be 0.2% of the minimum annual flow during the 10-year period. To account for peak production periods, the water demand for a single month in which 33% of the total annual production (15,000 tons) is assumed to occur was compared to the lowest monthly flow in the 10-year modeling period. An estimated 0.66 AF of water would be used in such a month for the production of 15,000 tons of crushed product. The lowest monthly flow during the 10-year period was 12 AF in August of 2004. Even in this theoretical extreme case, the water use by the crusher would only represent 5% of the creek flow. Given the above figures, the water demand associated with the proposed rock crusher would be negligible and not have the potential to substantially affect creek flows or biological resources.

17. This comment or complaint does not have a direct linkage to the proposed EIR Addendum. Moreover, the commenter should know that the mine operator has the opportunity under the provisions of the County Non-Coastal Zoning Ordinance to seek abatement of the violation of the unpermitted rock crusher through the application for a Permit Adjustment. The County decision-makers have the discretion to grant, deny or grant with modification such a request.
18. As stated in the subject letter, the RPCA "will require restoration of areas subjected to illegal disturbance." It will not allow increased mining excavation at the quarry. Although there will be some short-term effects during the creation of the final slopes, implementation of the RPCA will reduce long-term erosion and sedimentation through a lowering of slope gradient and revegetation. Note that the County is mandated to approve a Reclamation Plan that meets the standards of SMARA.
19. Refer to response #A6.

20. Refer to response #E1 above.

21. Refer to responses #F1 through #F20 above.

**CASITAS MUNICIPAL WATER DISTRICT  
Memorandum**

DATE: April 14, 2012  
TO: Bob Monnier  
FROM: Michael Shields  
RE: 2012 CA/NV AWWA Spring Conference

I would once again like to take the opportunity to thank Casitas for giving me the opportunity to attend the AWWA Spring Conference; below is a brief summary of my attendance at the AWWA spring conference in Santa Clara on April 3<sup>rd</sup>, 4<sup>th</sup>, and 5<sup>th</sup>.

**VENDOR EXHIBITS:**

Visited the vendor's exhibit hall on Wednesday April 4<sup>th</sup> between noon and 3:00pm. As with past AWWA conferences, I believe this is beneficial in that it establishes good relationships with our vendors and helps me remain up to date and current on the latest water industry technology, equipment, and services. Another particular advantage of the exhibits at this conference was the opportunity to gain exposure to vendors in the northern area of our state. Listed below are a few areas where I focused on obtaining vendor information.

- Fusible PVC/PE pipe manufactures/installers (resource for spillway basin dewatering line?)
- Coating Specialists (possible resources for t.p. dam projects in the future?)
- SCADA/SERVER/NETWORKING (emphasis on remote access/wireless integration)
- Chemical Suppliers (additional resources/possible alternate supplier for ferric sulfate?)

**TECHNICAL SESSIONS ATTENDED:**

**1. Tuesday April 3<sup>rd</sup> (Water Storage Tanks-Total Cost of Ownership Considerations).**

Learned about the overall considerations of reservoir ownership (cradle to grave) and how important it is to factor construction methods/materials into planning. This presentation also included a brief overview of the related AWWA standards. One of the strongest take home points for me was the importance of maintenance.

**2. Tuesday April 3<sup>rd</sup> (Engineered Fabricating Solutions)**

Brief presentation on the wide variety of solutions available to resolve water system infrastructure repairs. A variety of problem scenarios with associated solutions were presented; the majority being pipeline leaks/blowouts. Items covered included restrain couplings, tapping sleeves, line stops, coupling adapters, expansion joints, etc.

3. **Tuesday April 3<sup>rd</sup> (Filter Surveillance Workshop)**

A two part workshop presented by Guy Schott; a California Department of Health Sanitary Engineer. The presentation focused on the DOPH's annual filter inspection requirement, and presented recommendations on filter surveillance steps, methods, and optimization. This was one of my favorite classes at the conference; as I picked up many pointers and left with many good resources. Additionally, much of the class was focused on direct filtration (pressure filters) which is applicable to our treatment plant.

4. **Wednesday April 4<sup>th</sup> (Environmental/Legislative/Regulatory Update)**

Obtained the latest news on new legislation that is in motion for California, and their potential impacts on water systems. Proactive response was encouraged for these. Regulation briefs included energy, hazardous waste, NPDES, and water recycling.

5. **Wednesday April 4<sup>th</sup> (Chemical Dosage Procedures Done Right)**

Reviewed the concepts and procedures for calculating chemical dosages, percent solution strength and gravity of solutions. This class turned out to be focused more on math than procedure.

6. **Wednesday April 4<sup>th</sup> (Handling and Managing Common Hazardous Waste)**

Learned about common products that are considered to be hazardous waste such as batteries, fluorescent bulbs, used oil, etc. Discussion also took place regarding the CUPA agencies and what they look for during inspections; incidentally, failure to properly label containers is the single greatest violation that water districts are cited for. This presentation seemed beneficial to me in that it helped give me some insight into our local CUPA (County of Ventura) and how to properly react to inspections.

7. **Wednesday April 4<sup>th</sup> (Evolution of AMI)**

Focused on the development of automated metering systems over the past ten years; where they have come from and where they are going. The evolution of AMR to AMI was covered including benefits, challenges, and public perception. This was appealing to me due to the fact that Casitas is currently expanding its AMR capabilities

8. **Wednesday April 4<sup>th</sup> (Optimizing Jar Testing)**

Presented by an operations manager from Helix Water District; who began by claiming the majority of all water quality problems are directly related to improper chemical dosing. A modified jar testing procedure based upon "floc" shear testing" was presented as being superior to standard jar testing. The modified jar testing procedure incorporated differing mixing speeds to determine effective dosages relative to turbidity measurements and resistance to "shearing". A pilot study from the Helix Water District plant was reviewed.

9. **Wednesday April 4<sup>th</sup> (Revisiting Turbidity and Particle Counter Measurements)**

Presentation focusing on the proper role of particle counting and turbidity measurements for water treatment; emphasis was on simultaneous use for maximizing a plants filter performance. Operators were encouraged to look at overall trending rather than single point data. The speaker also acknowledged that particle counting has lost some of its clout over the past decade; nonetheless it was his opinion that it is still a very beneficial water quality indicator.

10. **Wednesday April 4<sup>th</sup> (Lessons Learned During Recent Disasters)**

An operations manager from Foothill Municipal Water District talked about their water utilities response during a 96 hour power outage caused during a Santa Ana wind event in November 2011. The incident required cooperation with many neighboring water agencies due to the fact that one million people were out of electricity during the event. The importance of contingency planning with other agencies was stressed. I was glad to be present as this is applicable to scenarios that could occur at Casitas.

11. **Thursday April 5<sup>th</sup> (Tablet Technology in Water: A Symposium)**

A half day session on emerging smartphone/tablet technology applications. The 1<sup>st</sup> part of the session focused on helping attendees gain a basic understanding of the related hardware, software, and networking; multiple subject specific experts spoke on each component. The following time was aimed at helping water industry personnel to begin the process of planning for and implementing these technologies; managers from San Jose and Long Beach gave presentations on how their water districts have implemented these technologies. This was a very beneficial session due to the fact that Casitas is currently pursuing the integration of this technology.

**CASITAS MUNICIPAL WATER DISTRICT  
TREASURER'S MONTHLY REPORT OF INVESTMENTS  
04/17/12**

Type of Invest	Institution	CUSIP	Date of Maturity	Amount of Deposit	Current Mkt Value	Rate of Interest	Date of Deposit	% of Portfolio	Days to Maturity
*TB	Federal Home Loan Bank	3133XSP930	12/13/13	\$743,750	\$732,606	3.125%	07/01/10	5.76%	596
*TB	Federal Home Loan Bank	3133XWNB10	06/12/15	\$729,603	\$749,532	2.875%	07/01/10	5.90%	1135
*TB	Federal Home Loan Bank	3134A4VG60	11/17/15	\$801,864	\$801,969	4.750%	07/19/10	6.31%	1290
*TB	Federal Home Loan MTG Corp	3134G3GT10	10/18/17	\$220,000	\$220,906	1.250%	01/03/12	1.74%	1981
*TB	Federal Home Loan MTG Corp	3135G0ES80	11/15/16	\$696,737	\$697,002	1.375%	03/12/12	5.48%	1648
*TB	Federal National MTG Association	3136FR3N10	09/20/16	\$702,422	\$702,457	2.125%	09/20/11	5.52%	1593
*TB	Federal Home Loan MTG Corp	3137EABA60	11/17/17	\$1,211,010	\$1,210,250	5.125%	01/03/12	9.52%	2010
*TB	Federal Home Loan MTG Corp	3137EABS70	09/27/13	\$766,605	\$739,032	4.125%	07/01/10	5.81%	520
*TB	Federal Home Loan MTG Corp	3137EACD90	07/28/14	\$739,907	\$740,166	3.000%	07/01/10	5.82%	821
*TB	Federal Home Loan MTG Corp	3137EACE70	09/21/12	\$723,646	\$705,915	2.125%	06/30/10	5.55%	154
*TB	Federal Natl MTG Assn	31398AYY20	09/16/14	\$739,123	\$743,673	3.000%	07/01/10	5.85%	869
*TB	US Treasury Inflation Index NTS	912828JE10	07/15/18	\$1,055,030	\$1,216,144	1.375%	07/06/10	9.57%	2248
*TB	US Treasury Notes	912828JW10	12/31/13	\$709,352	\$714,518	1.500%	04/01/10	5.62%	614
*TB	US Treasury Notes	912828LZ10	11/30/14	\$718,129	\$731,941	2.125%	07/01/10	5.76%	943
*TB	US Treasury Notes	912828MB30	12/15/12	\$709,707	\$704,347	1.125%	06/30/10	5.54%	238
*TB	US Treasury Inflation Index NTS	912828MF40	01/15/20	\$1,041,021	\$1,220,785	1.375%	07/01/10	9.60%	2788
	Accrued Interest			\$59,036	\$83,004				
	<b>Total in Gov't Sec. (11-00-1055-00&amp;1065)</b>			<b>\$12,366,942</b>	<b>\$12,714,246</b>			<b>85.51%</b>	
*CD	CD -			\$0	\$0	0.000%		0.00%	
	<b>Total Certificates of Deposit: (11.13506)</b>			<b>\$0</b>	<b>\$0</b>			<b>0.00%</b>	
**	<b>LAIF as of: (11-00-1050-00)</b>		N/A	<b>\$443</b>	<b>\$443</b>	0.38%	Estimated	<b>0.00%</b>	
***	<b>COVI as of: (11-00-1060-00)</b>		N/A	<b>\$2,154,392</b>	<b>\$2,154,392</b>	0.81%	Estimated	<b>14.49%</b>	
	<b>TOTAL FUNDS INVESTED</b>			<b>\$14,521,776</b>	<b>\$14,869,081</b>			<b>100.00%</b>	
	Total Funds Invested last report			\$14,521,775	\$14,789,649				
	Total Funds Invested 1 Yr. Ago			\$14,526,236	\$14,534,396				
****	<b>CASH IN BANK (11-00-1000-00) EST.</b>			<b>\$3,144,479</b>	<b>\$3,144,479</b>				
	<b>CASH IN Western Asset Money Market</b>			<b>\$4</b>	<b>\$4</b>	0.010%			
	<b>CASH IN PIMMA Money Market</b>			<b>\$502,393</b>	<b>\$502,393</b>				
	<b>TOTAL CASH &amp; INVESTMENTS</b>			<b>\$18,168,653</b>	<b>\$18,515,958</b>				
	TOTAL CASH & INVESTMENTS 1 YR AGO			\$16,401,322	\$16,409,483				
*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.