

Regular Meeting
October 16, 2018
6:00 p.m.



**NOTICE OF REGULAR MEETING OF
BOARD OF DIRECTORS**

October 16, 2018

Right to be heard: Members of the public have a right to address the Board directly on any item of interest to the public that is within the subject matter jurisdiction of the Board, provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subdivision (b) of Section 54954.2.

Please Note: If you have comments on a specific agenda item(s), please fill out a comment card and return it to the Board Secretary. The Board President will call on you for your comments at the appropriate time, either before or during the Board's consideration of that item.

If you require special accommodations for attendance at or participation in this meeting, please notify our office 24 hours in advance at (805) 646-2114 (Govt. Code Section 94594.1 and 94594.2 (a))

Agenda

The meeting will be called to order at 6:00 p.m.

1. Roll Call

2. Approval of Minutes September 18, 2018, Regular Meeting

3. Public Comments

The Board will receive comments from the public at this time on any item of interest to the public that is not on the agenda that is within the subject matter jurisdiction of the legislative body, provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subdivision (b) of Section 54954.2. Matters raised by public comment requiring Board action will be referred to staff or placed on a subsequent agenda where appropriate.

When addressing the Board, please state your name and address and limit your comments to three (3) minutes.

Please Note: If you have comments on specific agenda items, please fill out a comment card and return it to the Board Secretary. The Board President will call on you for your comments at the appropriate time, either before or during the Board's consideration of that item.

4. Financial Matters

- **Approval of Payroll and Payables from September 16 to October 15, 2018**
in the amount of:

Payables – \$ 173,972.62

Payroll – \$ 37,542.82

Total – \$ 211,515.44

5. Board Discussion and/or Action

- a) District Audit Proposals for fiscal year 2017-18 from: Bartlett, Pringle & Wolf, LLP, Fanning & Karrh, CPA's, Farber, Hass, Hurley, LLP
- b) Will Serve Letters and New Connections policy (Committee update)
- c) New Allocation and Rate Program (Committee update)

6. General Manager's Report

- District O& M Report
- Board Standing Committees – Table included
- Economic Study – Letter to Casitas asking them to lead the effort in the study
- Update in procedure for wells 1 and 2
- MOU

7. Board Committee Reports

- GSA Meeting – GSA meeting report by director Engle
- Ventura, Ojai Water Conjunctive use Partners

8. Old Business

- State Water – Casitas board meeting
- Ojai, Ventura Water Conjunctive use Partners
- Matilija Dam Removal Update
- Cold Water Formation
- Generators
- Manure near well 8

9. Board of Directors Reports/Comments

10. Closed Sessions: The Board of Directors will hold a closed session to discuss personnel matters or litigation, pursuant to the attorney/client privilege, as authorized by Government Code Section 54957 & 54956.8, 54956.9 and 54957.

- **Conference with Legal Counsel – Existing Litigation (Paragraph (1) of subdivision (d) of Section 54956.9)**
- **Meiners Oaks Water District vs Moll, Ostling and Ojai Vista Farms 56-2018-00515474-CU-OR-VTA/**
- **State Case: SBCK vs. SWRCB, San Francisco Superior Court, Case # CPF-14-513875**

11. Meeting Adjournment.

MINUTES

The meeting was called to order at 6:12 p.m.

1. Roll Call

The meeting was called to order by the Board President Mike Etchart at 6:05 pm at the District Office.

Present were: Board President Mike Etchart, Board Directors, Jim Kentosh, Mike Krumpschmidt, Diana Engle and Larry Harrold. Staff Present: General Manager, Mike Hollebrands and Board Secretary, Summer Ward. Attorney, Lindsay Nielson was also present.

Absent: None.

2. Approval of the minutes

Approval of the August 21, 2018, Regular Meeting minutes:

Mr. Kentosh made the motion to approve the August 21, 2018, Regular Meeting minutes. Mr. Krumpschmidt seconded the motion.

Mr. Krumpschmidt noted item discussed in Board Director Reports/Comments regarding manure pile near well 8 was not brought forward on the agenda for September, as well as a minor typo on item 5b.

Kentosh/Krumpschmidt
All Ayes
M/S/C

3. Public Comments

Ms. Von Gunten – Provided a statement regarding her attendance and past participation on the MOWD Board. Ms. Von Gunten provided an overview of the 10th annual Ojai OK Drill scheduled for Wednesday, September 19th from 7-8:00 pm and handed out laminated drill OK signs. President Etchart and Mr. Hollebrands will discuss agendaizing Ms. Von Gunten's item for discussion before the October 16th meeting.

4. Financial Matters

- Approval of Payroll and Payables from August 16th to September 15th, 2018 in the amount of:

Payables -	\$ 158,074.74
Payroll -	<u>\$ 32,077.05</u>
Total -	\$ 190,151.79

Mr. Kentosh made the motion to approve the Payroll and Payables from August 16th to September 15th, 2018. Ms. Engle seconded the motion.

Ms. Engle inquired about the large expense for the repairs on W. Lomita & Tico and Chesshire totaling \$43,630.12. Mr. Hollebrands reviewed the circumstances surrounding the repair; the board recommended filing an insurance claim to try to recover some or all of the expense.

Public Comment – None.

Kentosh/Engle
All Ayes
M/S/C

5. Board Discussion/Actions

- a) Financial impact report of a 4% COLA increase for staff.
Mr. Hollebrands reviewed the impact of the COLA increase for staff, stating that the increase is reflected in the current approved 2018-2019 budget.
- b) Consideration and approval for a cost-of-living (COLA) increase of 4%.
Mr. Hollebrands and Ms. Ward explained that the increase is reflected in the previously approved budget, the funds, however, were not distributed to each budget line item for payroll tax and retirement previously, they are now reflected on the budget. Mr. Kentosh noted that the board should approve the 3.9% to reflect the COLA documents rather than rounding up to 4%.

Mr. Kentosh made the motion to approve a 3.9% COLA increase for staff effective immediately. Ms. Engle seconded the motion.

Kentosh/Engle
All Ayes
M/S/C

c) General Manager's evaluation and compensation

Mr. Kentosh reported that the Board discussed the GM's performance evaluation and possible compensation during closed session at the August 21st meeting. The Board is pleased with the work performed by Mr. Hollebrands this past year and recommends a 7% merit increase.

Ms. Engle made the motion to approve a 7% merit increase for the GM effective retroactive to July 1, 2018. Mr. Harrold seconded the motion.

Mr. Krumpschmidt requested clarification on how the 7% was determined. Mr. Kentosh explained that last year the Board and GM did a salary study and created pay scales accordingly to bring the MOWD staff closer to like-sized districts' pay scales. The 7% increase will bring the GM closer to market but still slightly below.

**Engle/Harrold
All Ayes
M/S/C**

d) Approval of MOU with Casitas Municipal Water District

Mr. Hollebrands stated that the MOU document has not changed, however, the Table A attachment has been filled in with the appropriate numbers. Mr. Hollebrands recommends approval of the MOU.

Mr. Kentosh reminded the Board that he voted "No" at the last Board meeting because he had not read the MOU in detail for some time, since the last meeting he has reviewed it and is comfortable with approving the document, although he would prefer clearer language.

Ms. Engle expressed some concerns regarding MOWD following Casitas Drought Staging, in the event of a full aquifer and MOWD's wells are recharged and running at full capacity.

Ms. Engle made the motion to approve the Casitas MOU. Mr. Krumpschmidt seconded the motion.

Mr. Kentosh asked if the Casitas Board has already approved the MOU. Mr. Hollebrands clarified that the Casitas Board requested MOWD Board approval before Casitas.

**Engle/Krumpschmidt
All Ayes
M/S/C**

e) Review and approve a proposal to rehabilitate wells 1 or 2 or both and install VFDs.

Mr. Hollebrands presented the three bid statements from General Pump, Pacific Coast Well Drilling and Layne Christensen for the rehabilitation of well 1, well 2 and both. Mr. Hollebrands noted that General Pump has recently performed good work for District. The Board reviewed the bid

comparisons. Mr. Hollebrands recommended approving the General Pump steel casing bids.

Mr. Kentosh made the motion to authorize the GM to contract with General Pump not to exceed \$190,000.00 for the execution of 2 stages, starting with well 2 at an initial fee of \$89,311.00 and then at the GM's discretion completion of well 1 at a fee of \$78,960.00, with escape clause to discontinue work if necessary. Ms. Engle seconded the motion.

Ms. Engle reminded the Board of the previous discussion to remain flexible with the contracting so that the District is not obligated to the full bid price if the repairs fail. Mr. Nielson will review the contract language provided by General Pump to ensure flexibility with the two stages of the project. Ms. Engle also requested that the budget appropriates be made real-time to reflect the reduction in the end-of-year reserves.

Mr. Etchart recommended adding budget appropriations to the October 16, 2018, Board Agenda.

f) Approval of WREA's project requirements and New Treatment Plant to 35% Design Report.

Mr. Hollebrands presented the project design requirements prepared by WREA for the new Treatment Plant. The goal is to complete the design phase during the 2018-2019 fiscal year and use that information to budget for the project completion in a following fiscal year.

Mr. Kentosh made the motion to approve the WREA scope of work and fee estimate for the New Treatment Plant Design for the amount of \$29,200.00. Mr. Harrold seconded the motion.

Ms. Engle asked why we only have a bid from WREA and not three to review. Mr. Hollebrands explained that MOWD is under contract with WREA for engineering design work.

The Board would like to know the status of MOWD flood insurance for the Treatment Plant.

Kentosh/Harrold

All Ayes

M/S/C

g) Consideration and approval of draft resolution 09182018 about "Net Zero."

Mr. Hollebrands presented the draft resolution 09182018 Net Zero aimed to protect the District resources and allocation program with future development projects. Currently, the County of Ventura allows applicants to meet net zero within the county boundary, not within the water district boundary. The Board discussed the need to link Net Zero with the existing Moratorium on New Service policy and resolution.

Mr. Kentosh & Mr. Krumpschmidt will draft a policy in committee and bring back to the Board for review and approval.

h) New Allocation and Rate Program

Mr. Kentosh stated that the Drought Committee would be meeting on October 1, 2018.

6. General Manager's Report

- **Operations & Maintenance Report – Mr. Hollebrands noted that per Mr. Kentosh's request some additional reports regarding Specific Capacity had been added to the GM report.**
- **Board Standing Committees – The table was updated to reflect revisions requested at the September Board meeting.**
- **Wells 4 & 7 update – Some discussion held in section 5e, the work completed by Layne Christensen on the new well 4 did not include a sounding tube, for checking well level. General Pump was onsite to complete the re-work on the wellhead and should be finalized by September 19th. The start date for the new well 4 is slated for early next week. Mr. Hollebrands stated a need for fencing and security around wells 4 & 7. The Board requested the GM get 3 bids for the fencing work to bring for approval next meeting.**
- **Economic Study Meeting- Mr. Hollebrands noted that a letter was drafted to Casitas from the group requesting that Casitas take the lead in the Economic Study.**

Mr. Kentosh made the motion to continue as a signature on the drafted letter to Casitas asking them to take the lead on the Economic Study if the Lake goes dry. Mr. Krumpschmidt seconded the motion.

Ms. Engle expressed concerns regarding the validity of the study, noting the use of surveys and interviews tend to be biased. Additionally, Ms. Engle would like MOWD to focus on its Drought Emergency Plan rather than request Casitas take the lead.

Mr. Krumpschmidt stated it shouldn't be an either/or, MOWD should work on a Drought Emergency Plan and continue to apply pressure on Casitas. The public should be able to get information from each water district. Additionally, the use of interviews and surveys is intended to supplement the data and provide context.

**Kentosh/Krumpschmidt
4-1 Vote Yes, Engle Vote No
M/S/C**

7. Board Committee Reports

- GSA (9/13/2018) – No update.

8. Old Business

- State Water Group– Mr. Kentosh plans to view the next Chautauqua meeting online 9/30/2018 Matilija Auditorium 3-5 pm.
- Ojai Valley Water Group – Next meeting on October 5th at 1:30 pm.
- Matilija Dam Removal – No update
- Cold Water Formation – N update
- Generators – No update

9. Board of Directors' Reports/Comments

Mr. Etchart – The west-facing hillside of Barnard's property had the avocado trees that were damaged during the recent heat wave removed.

Mr. Kentosh – Attended the Casitas Board & Water Resource Committee Meetings recently. Mr. Kentosh asked if the Directors should remain neutral with the Casitas elections. The statistics report draft is finished and he met and reviewed his results with Bruce Keubler. He offered to provide copies to anyone interested in his report.

Mr. Krumpschmidt – Requested that we add the topic of manure near well 8 to the October agenda. Ms. Engle to invite Lexi to speak at a future Board meeting.

Mr. Harrold – asked the Board for more information on who Angelo Spandrio is as his election signs are throughout the valley.

Ms. Engle – had five items to report. A consultant group has been hired for the Matilija Dam Removal to do the modeling study. Ms. Engle has been hired by the Ojai Sanitary District to assist with a study regarding septic tanks. Kevin Delano, GeoSyntec, of the Geologic chapter will hold a TAC meeting in two weeks. Richard Hajas is now on the Ojai Groundwater Agency Board. Diana will provide a link to the Wildlife Conservation Board document prepared by Regina Hirsch.

The Board closed the open session at 9:30 p.m.

10. Closed Session: The Board of Directors will hold a closed session to discuss personnel matters or litigation, pursuant to the attorney/client privilege, as authorized by Government Code Sections 54957 & 54956.8, 54956.9 and 54957.

a. General Manager Evaluation – 547957 (b)(1)(2)

At 9:43 p.m. the board closed the closed session and re-opened the open session.

Mr. Nielson stated that in closed session they discussed the GM review with the GM, no actions.

11. Meeting Adjournment

There being no further business to conduct at this time, Board President Mike Etchart adjourned the meeting at 9:44 PM.

President

Secretary



Meiners Oaks County Water District, CA

Check Report

By Vendor Name

Date Range: 09/16/2018 - 10/15/2018

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
Bank Code: AP Bank-AP Bank						
AQUA-F	Aqua-Flo Supply	10/11/2018	Regular	0.00	249.69	8319
SI1260203	Invoice	09/05/2018	Adapters, Nipples, Bushing, etc.	0.00	78.54	
SI1261527	Invoice	09/07/2018	Teflon Tape, Couplings, Nipples, etc.	0.00	74.80	
SI1267315	Invoice	09/19/2018	Nipples & Cap for New Well 4	0.00	2.33	
SI261544	Invoice	09/07/2018	Nipples & Bushing	0.00	4.73	
SI262471	Invoice	09/10/2018	Brass Tee, Bushing, Nipples, etc.	0.00	70.67	
SI265999	Invoice	09/17/2018	Brass Union	0.00	11.52	
SI266687	Invoice	09/18/2018	Adapters for New Well 4	0.00	7.10	
AT&T	AT&T	09/27/2018	Regular	0.00	119.16	8306
01840918	Invoice	09/13/2018	Office Phones	0.00	119.16	
AT&T	AT&T	10/11/2018	Regular	0.00	554.43	8320
08330918	Invoice	09/19/2018	Office Phones	0.00	554.43	
BYRD	Byrd Industrial Electronics	10/11/2018	Regular	0.00	16,875.96	8321
498C	Invoice	09/10/2018	Controller Upgrade for Well 4 & 7	0.00	16,875.96	
CALPERS	California Public Employees' Retirement	09/30/2018	Bank Draft	0.00	2,698.49	DFT0000508
INV0000997	Invoice	09/14/2018	Health	0.00	2,698.49	
CALPERS	California Public Employees' Retirement	09/20/2018	Bank Draft	0.00	350.60	DFT0000516
092618	Invoice	09/14/2018	Retired Premium	0.00	350.60	
CALPERS	California Public Employees' Retirement	09/30/2018	Bank Draft	0.00	2,698.45	DFT0000518
INV0001008	Invoice	09/28/2018	Health	0.00	2,698.45	
CAL-STATE	Cal-State	09/27/2018	Regular	0.00	101.36	8307
111602	Invoice	09/15/2018	Portable Toilet	0.00	101.36	
CMWD	Casitas Municipal Water District	10/11/2018	Regular	0.00	52,617.04	8322
261150818	Invoice	09/28/2018	Fairview Standby	0.00	594.38	
261150818-2	Invoice	09/28/2018	Purchased Water	0.00	51,518.96	
262000818	Invoice	09/28/2018	Hartmann Allocation	0.00	134.78	
911320818	Invoice	09/28/2018	Tico & La Luna Standby	0.00	368.92	
CLEANCO	Cleancoast Janitorial	10/11/2018	Regular	0.00	300.00	8323
1053	Invoice	09/28/2018	September Janitorial	0.00	300.00	
CVTDEP	County of Ventura Transport. Dept.	10/11/2018	Regular	0.00	455.00	8324
267898	Invoice	09/18/2018	945 Oso Rd	0.00	140.00	
267904	Invoice	09/19/2018	Meiners Rd	0.00	315.00	
DATAP	Dataprose LLC	10/11/2018	Regular	0.00	125.00	8325
DP1803233	Invoice	09/30/2018	Billing Update	0.00	125.00	
DIENER	DIENER'S ELECTRIC, Inc.	10/11/2018	Regular	0.00	37,261.88	8326
28373	Invoice	09/19/2018	Wells 4&7 Electrical Improvements	0.00	37,261.88	
EJHAR	E. J. Harrison Roloffs, Inc.	09/27/2018	Regular	0.00	347.02	8308
2383140918	Invoice	08/31/2018	Roll Off Container	0.00	105.32	
281300918	Invoice	09/14/2018	Office Trash	0.00	47.56	
994260918	Invoice	09/14/2018	3 Yard Dumpster	0.00	194.14	
EJHAR	E. J. Harrison Roloffs, Inc.	10/11/2018	Regular	0.00	208.83	8327
2383140818	Invoice	09/30/2018	Roll Off Container	0.00	208.83	

Check Report

Date Range: 09/16/2018 - 10/15/2018

Vendor Number Payable #	Vendor Name Payable Type	Post Date	Payment Date Payable Description	Payment Type	Discount Amount Discount Amount	Payment Amount Payable Amount	Number
FAMCON	Famcon Pipe and Supply, Inc		10/11/2018	Regular		0.00	3,748.18 8328
210728	Invoice	09/05/2018	Spool, Gasket, Saddle, etc.		0.00	1,196.91	
210832	Invoice	09/07/2018	Tee, Plug, Bushing, etc.		0.00	906.26	
210878	Invoice	09/10/2018	Saddle & Nipple		0.00	246.68	
211608	Invoice	09/26/2018	Saddle, Washer, Gasket, etc.		0.00	1,398.33	
FGLENV	FGL Environmental		09/27/2018	Regular		0.00	170.00 8309
811422A	Invoice	09/11/2018	Samples		0.00	85.00	
811705A	Invoice	09/18/2018	Samples		0.00	85.00	
FGLENV	FGL Environmental		10/11/2018	Regular		0.00	1,474.00 8329
810607A	Invoice	09/28/2018	Samples		0.00	304.00	
810609A	Invoice	09/28/2018	Samples		0.00	1,000.00	
812107A	Invoice	09/28/2018	Samples		0.00	85.00	
812516A	Invoice	09/28/2018	Samples		0.00	85.00	
GUARDIAN	Guardian		09/26/2018	Regular		0.00	562.56 8304
INV0000998	Invoice	09/14/2018	Dental		0.00	281.28	
INV0001009	Invoice	09/28/2018	Dental		0.00	281.28	
GUARDIAN	Guardian		09/27/2018	Regular		0.00	9.97 8310
7690460918	Invoice	09/13/2018	Administration Fee		0.00	9.97	
HACHCO	Hach Company		09/27/2018	Regular		0.00	262.55 8311
11127093	Invoice	09/10/2018	Chlorine Reagent		0.00	262.55	
HPWP&C	Hathaway, Perrett, Webster, Powers		09/27/2018	Regular		0.00	992.00 8312
101397	Invoice	09/01/2018	Attorney Fees		0.00	992.00	
HPWP&C	Hathaway, Perrett, Webster, Powers		10/11/2018	Regular		0.00	1,412.00 8330
101600	Invoice	09/30/2018	Attorney Fees		0.00	1,412.00	
HLTHNE	Health Net Life Insurance Company		09/27/2018	Regular		0.00	25.80 8313
61790918	Invoice	09/10/2018	Life Insurance		0.00	25.80	
HSBS	HealthSmart Benefit Solutions, Inc.		09/26/2018	Regular		0.00	122.92 8305
INV0001000	Invoice	09/14/2018	HSBS		0.00	61.47	
INV0001011	Invoice	09/28/2018	HSBS		0.00	61.45	
KG	Kear Groundwater		09/27/2018	Regular		0.00	6,664.89 8314
1919	Invoice	09/17/2018	Hydrogeologist		0.00	6,664.89	
KG	Kear Groundwater		10/11/2018	Regular		0.00	3,700.00 8331
1862	Invoice	09/01/2018	Scoping Well 4		0.00	2,640.00	
1957	Invoice	09/26/2018	Well Operations Reports and Evaluations		0.00	1,060.00	
NEILSON	Law Offices of Lindsay F. Nielson		09/27/2018	Regular		0.00	2,260.00 8315
34880918	Invoice	09/12/2018	Attorney Fees		0.00	2,260.00	
MOHARD	Meiners Oaks Hardware		10/11/2018	Regular		0.00	193.21 8332
842192	Invoice	09/01/2018	Duct Tape,Caution Tape,Twine,etc.		0.00	32.31	
842999	Invoice	09/05/2018	Concrete Mix		0.00	72.23	
843172	Invoice	09/06/2018	Elbow,Couple,Elbow,etc.		0.00	23.66	
843304	Invoice	09/06/2018	Hole Saw		0.00	9.75	
843310	Invoice	09/06/2018	Hole Saw Return Hole Saw Ice Hard Purch		0.00	0.98	
844071	Invoice	09/12/2018	Gloves		0.00	15.00	
844381	Invoice	09/14/2018	Batteries		0.00	15.60	
844721	Invoice	09/17/2018	Bolts & Screws		0.00	23.68	
MITEC	MiTec Solutions LLC		09/27/2018	Regular		0.00	10.00 8316
50531	Invoice	09/15/2018	Splashtop User Account		0.00	10.00	
MITEC	MiTec Solutions LLC		10/11/2018	Regular		0.00	221.91 8333
50747	Invoice	10/01/2018	Exchange & Web Hosting		0.00	172.91	

Check Report

Date Range: 09/16/2018 - 10/15/2018

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
50827	Invoice	10/01/2018	Off-Site Backup	0.00	49.00	
NS&G	Nielsen Sand & Gravel	09/27/2018	Regular	0.00	465.78	8317
27601	Invoice	09/01/2018	Fill Sand 2680 Maricopa Hwy	0.00	465.78	
NS&G	Nielsen Sand & Gravel	10/11/2018	Regular	0.00	471.73	8334
27625	Invoice	09/07/2018	Fill Sand	0.00	471.73	
OBC	Ojai Business Center, Inc.	10/11/2018	Regular	0.00	25.79	8335
13675	Invoice	09/30/2018	Door Hangers	0.00	25.79	
PERS	Public Employees' Retirement System	10/11/2018	Regular	0.00	1,321.37	8336
10000001544464	Invoice	10/01/2018	Unfunded Accrued Liability	0.00	1,297.04	
10000001544465	Invoice	10/01/2018	Unfunded Accrued Liability	0.00	24.33	
PERS	Public Employees' Retirement System	09/30/2018	Bank Draft	0.00	225.00	DFT0000507
INV0000996	Invoice	09/14/2018	457 Withholdings	0.00	225.00	
PERS	Public Employees' Retirement System	09/30/2018	Bank Draft	0.00	2,004.78	DFT0000509
INV0000999	Invoice	09/14/2018	PERS	0.00	2,004.78	
PERS	Public Employees' Retirement System	09/30/2018	Bank Draft	0.00	225.00	DFT0000517
INV0001007	Invoice	09/28/2018	457 Withholdings	0.00	225.00	
PERS	Public Employees' Retirement System	09/30/2018	Bank Draft	0.00	2,132.73	DFT0000519
INV0001010	Invoice	09/28/2018	PERS	0.00	2,132.73	
QUINNNTL	Quinn Rental Services	10/11/2018	Regular	0.00	3,011.77	8337
06613803	Invoice	09/28/2018	Backhoe	0.00	3,011.77	
SCE	Southern California Edison Co.	10/11/2018	Regular	0.00	1,184.39	8338
OFFELE	Invoice	10/10/2018	Office Electricity	0.00	181.92	
PMP11018	Invoice	10/10/2018	Pump 1	0.00	53.88	
PMP4&71018	Invoice	10/10/2018	Pump 4&7	0.00	214.43	
TNKFRM1018	Invoice	10/10/2018	Tank Farm	0.00	31.09	
WELL81018	Invoice	10/10/2018	Well 8	0.00	84.87	
Z-21018	Invoice	10/10/2018	Zone 2	0.00	82.33	
Z-2FIR1018	Invoice	10/10/2018	Zone 2 Fire	0.00	113.70	
Z-2PWR1018	Invoice	10/10/2018	Zone 2 Power	0.00	396.30	
Z-3FIR1018	Invoice	10/10/2018	Zone 3 Fire	0.00	25.87	
SCGAS	Southern California Gas Co.	10/11/2018	Regular	0.00	2.99	8339
0011	Invoice	09/27/2018	Office Heat	0.00	2.99	
TORO	Toro Enterprises, Inc.	10/11/2018	Regular	0.00	22,445.00	8340
11848	Invoice	09/30/2018	1" Water Service Besant	0.00	22,445.00	
UAOFSC	Underground Service Alert of So.Ca.	10/11/2018	Regular	0.00	36.40	8341
920180428	Invoice	10/01/2018	Digalert	0.00	36.40	
USBANK	US Bank Corporate Pmt. System	10/11/2018	Regular	0.00	931.82	8342
AMAZ0920	Invoice	09/20/2018	Prime Membership	0.00	13.93	
AMAZPRO919	Invoice	09/19/2018	Prime Membership	0.00	13.93	
CPR830	Invoice	09/01/2018	CPR Training	0.00	140.00	
CUP0830	Invoice	09/01/2018	CUP	0.00	340.00	
CUP831	Invoice	09/01/2018	CUP Service Fee	0.00	7.31	
HOSEMAN910	Invoice	09/10/2018	Items for Wells 4&7	0.00	188.27	
ITRON920	Invoice	09/20/2018	Screen Covers for Handhelds	0.00	75.08	
LATIMES914	Invoice	09/14/2018	Monthly Subscription	0.00	7.93	
OJAISPRO917	Invoice	09/17/2018	Truck Wash	0.00	33.99	
RITEA827	Invoice	09/01/2018	DVD's for Wells	0.00	35.15	
VONS0901	Invoice	09/01/2018	Water & Toilet Paper	0.00	22.20	
VONS917	Invoice	09/17/2018	Water & Toilet Paper	0.00	54.03	

Check Report

Date Range: 09/16/2018 - 10/15/2018

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
VERIZON	Verizon Wireless	10/11/2018	Regular	0.00	280.31	8343
9815443782	Invoice	09/26/2018	Cell Phones	0.00	280.31	
WREA	Water Resource Engineering Associates	10/11/2018	Regular	0.00	1,407.50	8344
3081-1	Invoice	10/01/2018	New Filter for Treatment Plant	0.00	1,407.50	
WRIGHT EXP	WEX Bank	09/27/2018	Regular	0.00	1,007.36	8318
55925013	Invoice	09/15/2018	Fuel	0.00	1,007.36	

Bank Code AP Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	91	41	0.00	163,637.57
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	7	7	0.00	10,335.05
EFT's	0	0	0.00	0.00
	98	48	0.00	173,972.62

PR \$37,542.82

Report of Income as of 9/30/2018

Income	Month of September	Year To Date	Budget Approp	Approp Bal 07/31/18
Interest	2,595.71	5,906.48	10,000.00	4,093.52
Taxes	70.01	805.85	150,000.00	149,194.15
Pumping Charges	483.57	1,224.95	3,300.00	2,075.05
Fire Protection	156.35	457.93	1,500.00	1,042.07
Meter & Inst. Fees	--	--	--	--
Water Sales	76,301.04	204,666.02	471,744.00	267,077.98
Casitas Water Sales	1,493.18	3,415.07	4,000.00	584.93
MWAC Charges	51,835.42	155,345.45	721,424.00	566,078.55
MCC Chg.	6,158.95	19,179.76	80,000.00	60,820.24
Misc. Income	107.66	1,505.11	20,000.00	18,494.89
Late & Delinquent Chgs.	1,613.38	3,984.42	20,000.00	16,015.58
Conservation Penalty	--	100.00	300.00	200.00
Capital Improvement	--	--	--	--
Drought Surcharge	10,420.76	24,154.03	60,000.00	35,845.97
	--	--	--	--
		--	--	--
		--	--	--
TOTAL INCOME	151,236.03	420,745.07	1,542,268.00	1,121,522.93

Meiners Oaks Water District

Report of Expenses and Budget Appropriations, Current Bills and Appropriations To Date

Expenditures	Month of September	Year To Date	Budget Approp	Approp Bal 09/30/18	Current October	Approp Bal To Date
Salary / Taxes	35,259.51	101,587.53	448,000.00	346,412.47	-	346,412.47
Payroll Taxes	2,739.57	7,780.37	37,500.00	29,719.63	-	29,719.63
Retirement Contributions	3,480.78	11,324.49	38,000.00	26,675.51	-	26,675.51
Group Insurance	5,390.88	14,995.20	70,000.00	55,004.80	-	55,004.80
Company Uniforms	-	140.14	1,500.00	1,359.86	-	1,359.86
Phone Office	673.59	1,958.95	9,000.00	7,041.05	-	7,041.05
Janitorial Service	401.36	1,144.08	4,500.00	3,355.92	-	3,355.92
Refuse Disposal	450.53	1,028.55	3,100.00	2,071.45	-	2,071.45
Liability Insurance	-	25,003.90	25,000.00	(3.90)	-	(3.90)
Workers Compensation	-	12,167.92	17,500.00	5,332.08	-	5,332.08
Wells	3,960.13	5,726.16	20,000.00	14,273.84	-	14,273.84
Truck Maintenance	128.24	128.24	3,000.00	2,871.76	-	2,871.76
Office Equip. Maintenance	524.62	614.47	7,500.00	6,885.53	-	6,885.53
Cell Phones	280.31	849.27	4,000.00	3,150.73	-	3,150.73
System Maintenance	7,986.62	42,030.11	55,000.00	12,969.89	-	12,969.89
Safety Equipment	140.00	140.00	3,000.00	2,860.00	-	2,860.00
Laboratory Services	1,644.00	7,924.00	8,000.00	76.00	-	76.00
Membership and Dues	-	2,259.00	7,500.00	5,241.00	-	5,241.00
Printing and Binding	25.79	121.56	1,500.00	1,378.44	-	1,378.44
Office Supplies	222.25	1,153.42	5,000.00	3,846.58	-	3,846.58
Postage and Express	125.00	2,069.98	13,500.00	11,430.02	-	11,430.02
B.O.D. Fees	900.00	2,500.00	13,500.00	11,000.00	-	11,000.00
Engineering & Technical Services	10,364.89	11,550.89	35,000.00	23,449.11	-	23,449.11
Computer Services	231.91	1,411.98	15,000.00	13,588.02	221.91	13,366.11
Other Prof. & Regulatory Fees	412.06	1,520.36	25,000.00	23,479.64	36.40	23,443.24
Public and Legal Notices	-	-	1,500.00	1,500.00	-	1,500.00
Attorney Fees	4,664.00	13,860.80	40,000.00	26,139.20	-	26,139.20
GSA Fees	-	25,000.00	50,000.00	25,000.00	-	25,000.00
VR/SBC/City of VTA Law Suit	-	4,267.32	25,000.00	20,732.68	-	20,732.68
State Water	-	-	25,000.00	25,000.00	-	25,000.00
Audit Fees	-	-	20,000.00	20,000.00	-	20,000.00
Small Tools	47.31	154.94	2,000.00	1,845.06	-	1,845.06
Election Supplies	-	-	2,500.00	2,500.00	-	2,500.00
Water Purchase	51,518.96	110,495.84	75,000.00	(35,495.84)	-	(35,495.84)
CMWD Standby Charges	1,098.08	3,230.56	15,000.00	11,769.44	-	11,769.44
Treatment Plant	262.55	975.10	20,000.00	19,024.90	-	19,024.90
Fuel	1,007.36	2,756.76	11,000.00	8,243.24	-	8,243.24
Travel Exp./Seminars	-	105.00	2,000.00	1,895.00	-	1,895.00
Utilities	273.14	866.63	3,500.00	2,633.37	181.92	2,451.45
Power and Pumping	1,207.16	1,207.16	80,000.00	78,792.84	1,002.47	77,790.37
Meters	-	-	8,000.00	8,000.00	-	8,000.00
Total Expenditures	135,420.60	420,050.68	1,251,100.00	831,049.32	1,442.70	829,606.62
Water Distribution System	-	-	-	-	-	-
Wells 4&7	54,147.27	66,974.64	150,000.00	83,025.36	-	83,025.36
Well 1&2 Rehab	-	7,900.00	100,000.00	92,100.00	-	92,100.00
18 Valve Replacements	-	2,765.98	80,000.00	77,234.02	-	77,234.02
Structures and Improvements	-	-	-	-	-	-
Generator Z-2	-	-	75,000.00	75,000.00	-	75,000.00
Treatment Plant EDR/CEQA	-	-	80,000.00	80,000.00	1,407.50	78,592.50
Zone 1 Booster/MCC Upgrade	-	-	40,000.00	40,000.00	-	40,000.00
Well 1,2 VFD Upgrade	-	-	75,000.00	75,000.00	-	75,000.00
Furniture and Fixtures	-	-	-	-	-	-
General Managers Desk	-	-	2,000.00	2,000.00	-	2,000.00
Office Machines	-	-	-	-	-	-
New Computer GM	-	1,959.83	2,500.00	540.17	-	540.17
New Laptop GM	-	-	1,000.00	1,000.00	-	1,000.00
Field Equipment	-	-	-	-	-	-
Appropriations for Contingencies	22,445.00	66,246.93	100,000.00	33,753.07	-	33,753.07
Total Assets	76,592.27	145,847.38	705,500.00	559,652.62	1,407.50	558,245.12
GRAND TOTAL	212,012.87	565,898.06	1,956,600.00	1,390,701.94	2,850.20	1,387,851.74

MOWD Financial Audit FY 17-18 Bid Comparison Chart

October 2018

Company	Proposal Amount (\$)	Recommend	Approved
Fanning & Karrh, CPAs	\$14,000.00- \$16,000.00		
Bartlett, Pringle & Wolf, LLP	\$20,000.00		
Farber Hass Hurley, LLP	\$27,000.00 – \$28,000.00		

- FY 18-19 Budget Allocation is \$20,000.00 for the Financial Audit.

**Proposal for Auditing Services for
Meiners Oaks Water District
6/30/18**

Fanning & Karrh, CPA's
290 Maple Court, Suite 140
Ventura, CA 93003
805-654-0450

Cynthia L. Fanning
10/8/18

Fanning & Karrh

Certified Public Accountants

A Professional Corporation

MEINERS OAKS WATER DISTRICT

PROPOSAL FOR AUDIT SERVICES

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Fanning & Karrh
Certified Public Accountants

A Professional Corporation

290 Maple Court, Suite 140
Ventura, California 93003
Telephone (805) 654-0450
Fax (805) 654-0325

Brandi Malone
Office Administrator
Meiners Oaks Water District
202 W. El Roblar Dr.
Ojai, CA 93023

October 8, 2018

Dear Ms. Malone:

Fanning & Karrh appreciate the opportunity to propose on the audit services for Meiners Oaks Water District (District). We are please to provide you a letter with some background information on our firm and our proposed services.

Fanning & Karrh is a local firm dedicated to providing service to local organizations. Our firm has the requisite knowledge in the area of governmental accounting and auditing, and we believe that our services will benefit the District. We also have experience in performing audits in accordance with *Government Auditing Standards*.

Since we are a local firm, our responsiveness to the District's needs is always prompt. Experienced certified public accountants perform all phases of the audit which provides added value to the District. We understand the scope of the work to be performed and represent to you our commitment and ability to perform the work within the required time period.

Our proposal follows. This proposal is a firm and irrevocable offer for a minimum of 60 days from the date of this letter. If there is any additional information I can provide you or if you have any questions about our proposed services, please let me know. Both Mary Karrh and I are partners of Fanning & Karrh and are authorized to make representations on behalf of Fanning & Karrh. Our address is 290 Maple Court, Suite 140, Ventura, California and our phone number is 805-654-0450. Our email addresses are cfanning@sbcglobal.net and mkarrh@sbcglobal.net.

Sincerely,

Fanning & Karrh



Cynthia L. Fanning

B. STATEMENT OF INDEPENDENCE

Fanning & Karrh, its shareholders and employees are independent of Meiners Oaks Water District as defined by Generally Accepted Auditing Standards and by the United States General Accounting Office's Government Auditing Standards.

C. LICENSE TO PRACTICE IN CALIFORNIA

Fanning & Karrh, CPA's and all key professional staff assigned to your audit are properly licensed to practice public accounting in the State of California.

D. FIRM QUALIFICATIONS AND EXPERIENCE

Fanning & Karrh is a local firm dedicated to providing service to local organizations. At the formation of the firm almost thirty years ago, both partners brought significant audit and tax experience from previous employment, including both with time at the national accounting firm of Deloitte & Touche.

We are located at 290 Maple Court, Suite 140, Ventura, CA 93003. All work will be performed by the partners, Cindy Fanning and Mary Karrh. The same individuals that perform the audit procedures are the same individuals that meet with management and with the board of directors. As a result of this philosophy, our goal has been to remain as a 2 person firm and not expand by hiring staff.

Fanning & Karrh, CPA's provides audit and tax services. We have concentrated our audit practice in the areas of local governmental agencies and not-for-profit organizations.

Both partners have the computer skills necessary to evaluate the data processing environment of our clients. Furthermore, we utilize computer programs to increase the efficiency of our audit procedures.

Our firm has not been subjected to any federal or state desk review during the past three years.

Our firm maintains a thorough quality control program for our auditing and accounting practice. The quality control program includes a quality review process that reflects our willingness to be judged by our peers and demands a commitment to training, self regulation and improving the profession and quality of client services. Our last peer review was completed in January 2016. An unmodified report was received indicating Fanning & Karrh measures up to the accounting profession's high standards of quality and professionalism. Our peer review was conducted in accordance with the quality control standards set by the American Institute of Certified Public Accountants. Exhibit I of this proposal contains a copy of our most recent peer review report.

E. PARTNER, SUPERVISOR AND STAFF QUALIFICATIONS AND EXPERIENCE

The engagement will be performed by Cindy Fanning and Mary Karrh. They will be responsible for the planning and conduct of field work as well as review of the workpapers and reports.

Cindy Fanning has over thirty years of governmental audit experience and is a licensed Certified Public Accountant in the State of California. Ms. Fanning is a member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

Mary Karrh has over thirty years of governmental audit experience and is a licensed Certified Public Accountant in the State of California. Ms. Karrh is a member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

Fanning & Karrh is a member of the Governmental Audit Quality Center (GAQC). GAQC is a voluntary membership center which promotes the importance of quality governmental audits.

We feel that we are extremely well-qualified to perform your audit. We currently provide audit services for several governmental organizations including Camrosa Water District, Pleasant Valley County Water District, Oxnard Drainage District No. 1, Oxnard Drainage District No. 2, Camarillo Health Care District, and Children and Families First Commission of Ventura County. Most of these entities are governmental special district audits with audits performed in accordance with *Government Auditing Standards*. We also perform the audits of several nonprofit organizations, some of which have audits performed in accordance with *Government Auditing Standards*.

As discussed above, Fanning & Karrh prides itself on providing a high level of service to its clients by maintaining direct contact throughout all phases of the audit. To achieve that goal, the same individuals that perform the audit procedures are the same individuals that meet with management and with the board of directors. In the unlikely event that key team members must be replaced, we will do so only with the prior written permission of the District.

F. REFERENCES

Camrosa Water District 2015 – current 2005 - 2009	Ms. Tamara Sexton, Business Manager Ms. Sandra Llamas, Budget Manager (805) 388-0226
Children and Families First Commission of Ventura County 2004 – current	Ms. Petra Puls, Executive Director Ms. Jennifer Johnson, Director of Operations (805) 648-9989
Pleasant Valley County Water District 2007 - current	Mr. Jared Bouchard, General Manager (805) 482-2119
Camarillo Health Care District 2017 – current	Ms. Kara Ralston, CEO (805) 482-9382

G. SPECIFIC AUDIT APPROACH

The purpose of the audit will be to express an opinion about whether the financial statements of the Meiners Oaks Water District are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles.

The audit will be performed in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts.

Following is our work plan including an explanation of the audit methodology to be followed to perform the services included in your request for proposal.

Planning and Risk Assessment

During this phase of the audit, we will:

- Meet with management to coordinate our efforts pertaining to confirmations, schedules to be prepared and critical dates to be met to ensure a smooth flow of the audit process.
- Submit questionnaires and request for information to management regarding risk assessment and internal controls and procedures.
- Obtain an understanding of the general ledger and related reports available for audit.
- Establish the preliminary audit strategy for the expected conduct, organization and staffing of the audit.
- Determine the nature, timing, and extent of risk assessment procedures and perform the procedures, including the identification of material locations and account balances and the audit areas with a higher risk of material misstatement.
- Perform planning analytical procedures consisting of (1) comparative analysis (current balances versus budget and prior year); and (2) predictive analysis (revenues and expenses susceptible to such testing).
- Identify fraud risk factors, areas where special audit consideration may be necessary and other areas where there may be higher risks of material misstatement.
- Assess audit risk at both the overall financial statement level and in relation to transaction classes, account balances and disclosures.
- Develop a detailed audit plan for the nature, timing and extent of further audit procedures.
- Confer with management regarding the results of our planning.

We will meet with management during this phase to discuss the audit plan and any specific audit issues identified.

Audit Field Work

Based on our preliminary assessment of the internal control structure, we will perform:

- Compliance testing of significant processes.
- Substantive procedures such as confirming account balances and testing account reconciliations.

- Procedures to search for commitments and contingencies, including obtaining lawyer's representation letters.
- Procedures to search for subsequent events that occur after the balance sheet date, that should be adjusted for or disclosed in the financial statements.

To audit the District's compliance with laws and regulations, copies of agreements and contracts will be obtained and read. These will include grant agreements and debt agreements as well as contracts with contractors and customers. Testing of compliance with the applicable laws and regulations will be dependent upon the specific terms of the agreements and contracts.

Samples sizes will depend on the extent of reliance placed on the given sample and the volume of transactions involved. Random sampling will be used to ensure that all samples truly represent the population being tested. Your automated data system will be used by us on an "inquiry only" basis for purposes of identifying the postings of items selected for testing. Findings will be discussed with management for accuracy and the process of recommendations immediately started.

At the end of our field work, we will discuss any proposed adjustments with management and we will request a representation letter from management regarding the audit.

Completion of the Audit

At the completion of the above procedures, we will review drafts of all required reports and discuss these drafts with appropriate District personnel. We will also prepare our Management Letter containing identified control deficiencies, if any, and our recommendations concerning administrative and operating matters. Upon approval of the District, we will issue our reports in final form and be available for a presentation to the Audit or Finance Committee.

H. COMPENSATION

Our cost proposal anticipates keeping our time to a reasonable minimum by maximizing the participation of your personnel in routine aspects of the audit, such as preparation of schedules and analyses.

The professional fees (excluding all out-of-pocket expenses which would be limited to \$500 per year) for our proposed audit services are estimated at \$14,000 to \$16,000.

The professional fees for our audit services are based on the understanding that our fees will not exceed the stated maximum estimate unless unforeseen circumstances arise and if the engagement should require less time that is anticipated, our fees would be reduced accordingly.

We will be available for questions and technical issues as they arise during the period of engagement and, in fact, we encourage our clients to communicate with us often during the year. We want to know when accounting questions or issues arise. It is much easier to address those items on a timely basis rather than after the end of the year. We generally do not charge for this service unless substantial research time is required.

Our fees for additional services you may request will be mutually agreed upon before we commence work. Our rates range from \$150 to \$200 per hour, depending on the level of work performed.

I. ADDITIONAL INFORMATION

We have performed various types of compliance audits, including single audits and program specific audits. We also have experience in conducting agreed-upon-procedures engagements in relation to specific accounts, policies and procedures and have assisted clients with evaluating and developing accounting policies and procedures.

We have assisted our clients in obtaining the GFOA Certificate of Achievement for Excellence in Financial Reporting and the California Society of Municipal Finance Officer Award for Outstanding Financial Reporting.

EXHIBIT I

EXTERNAL QUALITY CONTROL REVIEW REPORT



www.CoughlanNapaCPACo.com
Company@CoughlanNapaCPACo.com

System Review Report

January 18, 2016

To Fanning & Karrh, CPA's, A Professional Corporation and the Peer
Review Committee of the California Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Fanning & Karrh, CPA's, A Professional Corporation (the firm) in effect for the year ended August 31, 2015. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included an engagement performed under *Government Auditing Standards*.

In our opinion, the system of quality control for the accounting and auditing practice of Fanning & Karrh, CPA's, A Professional Corporation in effect for the year ended August 31, 2015 has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Fanning & Karrh, CPA's, A Professional Corporation has received a peer review rating of *pass*.

Coughlan Napa CPA Company, Inc.

Constance Coughlan

By: Constance Coughlan

**MEINERS OAKS
WATER DISTRICT**

PROPOSAL FOR AUDIT SERVICES

SUBMITTED BY
DANNA D. MCGREW, PARTNER



BARTLETT, PRINGLE & WOLF, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

1123 Chapala Street, P.O. Box 90860
Santa Barbara, CA 93190-0860
Telephone: 805-963-7811
Facsimile: 805-564-2103
Email: dmcgrew@bpw.com

BPW FEIN: 95-2089835
BPW State Board License: PAR1382



BARTLETT, PRINGLE & WOLF, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

August 27, 2018

Brandi Malone
Meiners Oaks Water District
202 W. El Roblar Dr.
Ojai, CA 93023

Dear Brandi:

Thank you for the opportunity to present our qualifications to provide professional financial audit services to the Meiners Oaks Water District (the District). In accordance with the request for proposal, we welcome the opportunity to serve you for the fiscal year ending June 30, 2018.

Included in our audit proposal is a commitment to provide the District with the following:

1. Provide the District with audited financial statements performed in accordance with Governmental Auditing Standards issued by the Comptroller General of the United States and the State Controller's Minimum Audit Requirements for California Special Districts. We will assist with the preparation of the financial statements in accordance with all GASB requirements.
2. Evaluate the adequacy of the internal control system, the electronic data processing and, where weaknesses are noted, make appropriate recommendations for improvements. Submit a written management letter which communicates suggested improvements in the District's financial operations, and any deficiencies in internal controls that need to be addressed by the District. The letter would include significant deficiencies and material weaknesses noted during the audit.
3. Inform the District of new guidance and developments that may affect water and/or wastewater district accounting and finance.
4. Provide financial advice and counsel on significant matters occurring throughout the year that would affect the annual reports and sound accounting practices.
5. Review the District's status with regards to guidelines and requirements of the Single Audit Act. If necessary, be available to perform a single audit.

6. Prepare the Special District Financial Transaction Report to the State Controller's Office as required under California Government Code section 53891.
7. Attend at least one meeting with the Board of Directors to present results of the audit.
8. Danna McGrew, Partner, is authorized to make representations for Bartlett, Pringle & Wolf, LLP. Danna McGrew is authorized to bind the Proposer to a contractual relationship.

Thank you for the opportunity to present our qualifications to provide professional independent auditing services to the Meiners Oaks Water District. The enclosed statement of qualification includes sections outlining our experience/ qualifications, the experience and availability of proposed staff, and our audit approach.

Our commitment to quality and timely service, our locally available range of services, and our depth of industry experience are unique and make our firm the best choice for the Meiners Oaks Water District.

Very truly yours,

BARTLETT, PRINGLE & WOLF, LLP
Certified Public Accountants and Consultants



Danna D. McGrew, CPA
Partner

DDM/tb
Enclosures

Contact Information:

Danna D. McGrew
Bartlett, Pringle & Wolf, LLP
1123 Chapala Street
Santa Barbara, CA 93101
Phone: 805-963-7811
Fax: 805-564-2103
dmcgrew@bpw.com

MEINERS OAKS WATER DISTRICT

I. FIRM QUALIFICATIONS

BPW is a 70-person, full service local accounting and consulting firm, including six partners, located in Santa Barbara. The firm has been in business for over 60 years, our experienced professionals provide a range of sophisticated accounting, audit, tax and other business advisory services to publicly traded and private companies. BPW currently serves as auditors and consultants for various organizations that provide a wide range of services. Approximately 55% of the firm's audit practice is nonprofit and government. We bring a great deal of technical expertise to each of our engagements, using a team of experienced professionals able to work efficiently and effectively with our clients.

BPW is a member of the Private Companies Practice Section of the American Institute of CPAs Division of Firms. As part of the membership requirements of the Division of Firms, the firm undergoes a peer review of our accounting and auditing practice quality control system every three years. Enclosed please find a copy of our last review report. The peer review included audits performed in accordance with Governmental Auditing Standards and Circular A-133, "Audits of State, Local Governments and Nonprofit Organizations". We are proud to report that we have not received any findings or a letter of comments as a result of our peer reviews over a twelve year period, less than 10% of CPA firms receive such an accolade.

BPW subscribes to the accounting and audit literature that is provided by the American Institute of Certified Public Accountants, Financial Accounting Standards Board and Governmental Accounting Standards Board, including new pronouncements, statements of position, exposure drafts, other authoritative literature, and the audit and accounting guides. Members of our professional staff attend various annual AICPA national conferences.

BPW is a member of the RSM Network, a nationwide affiliation of independent accounting and consulting firms. The RSM Network's mission is to provide services and resources to its member firms that will help them further meet the needs of their clients. As a member of the RSM Network, we have the ability to access a wide variety of comprehensive resources to satisfy any type of public sector entity.

The core team we propose to conduct the audit will serve the District on a full-time basis until completion of the engagement, and will be comprised of professionals, including an engagement partner, concurring review audit partner, and audit manager. In addition, we will utilize audit staff with CPA candidates as needed to supplement the core team.

Our clients have found that our experienced staff has the ability to recognize and deliver tailored services for every entity.

MEINERS OAKS WATER DISTRICT

As you are well aware, BPW does much more than just audits. BPW has experienced professionals who provide consulting services for many of our governmental clients including assistance in budgeting, operational and performance auditing, debt coverage ratio calculations, and other services.

BPW is prepared to help answer any questions you and your staff may have about your daily operations. Many times throughout the year questions arise concerning debt issuance, revenue bond compliance, accounting procedures, budgeting, local government operations, and other matters. We believe that you will find it reassuring to have experienced professionals at BPW to seek advice whenever needed.

II. PARTNER, SUPERVISOR AND STAFF QUALIFICATIONS AND EXPERIENCE

We bring a great deal of technical expertise to our Special District Clients. Our firm is an active member of the American Institute of Certified Public Accountants (AICPA), California Society of CPAs, the California Society of Municipal Finance Officers (CSMFO), and the California Special District Association (CSDA).

The following is a brief resume of the engagement partner, concurring partner and manager directly responsible for your engagement. Our Special District team includes nine staff members who have met the governmental educational requirement for providing governmental audits. In addition to the partners and manager listed below, we anticipate assigning staff accountants with varying levels of experience to your engagement. It is anticipated that the team would remain consistent over the term of the contract. We would obtain the District's approval prior to making any changes to supervisory level personnel assigned to your engagement.

Danna McGrew, CPA

Engagement Partner

Danna McGrew is a CPA with over 25 years of experience in coordinating, managing and executing audits. She has been involved in all aspects of financial statement reporting, specializing in governmental and regulatory audits. She annually attends National AICPA Governmental and Nonprofit Training Conferences, the RSM McGladrey National Alliance Forum, California Special District Annual Conferences, as well as other relevant governmental accounting seminars. She was awarded the *Meritorious Award Accountant of the Year* by the CSDA, and is a member of the California Society of Municipal Finance Officers. She consults frequently with national experts in both governmental and nonprofit accounting through BPW's affiliation with the RSM McGladrey Alliance. Danna McGrew would have responsibility for the conduct of the engagement, and directly supervise accountants working on the job.

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John Britton, CPA

Partner in Charge of Audit and Accounting

John Britton has over 25 years of audit and accounting experience and would also have responsibility for the engagement. John would perform the overall review of the reports. He has extensive experience in both Financial and Governmental/Non Profit accounting and reporting. John is the partner in charge of BPW's audit and accounting practice. He strongly believes in the benefits of ongoing financial training and coaching for both clients and staff in order to foster continuing improvements in processes and operations.

Tracey Solomon, CPA

Engagement Manager

Tracey completed her undergraduate work at University of California, Santa Barbara in Business Economics with an emphasis in Accounting. Tracey is part of our governmental team and works primarily on governmental and regulatory audits. She has extensive experience with compliance auditing such as OMB A-133, GASB 68 implementation, ERISA and pension auditing, and governmental financial reporting requirements. She provides year round accounting consulting to governmental and for profit audit clients including; internal control reviews, tax assessment evaluations, internal and external financial statements reporting, and answering general accounting questions.

Nina Pisani

Audit Supervisor

Nina received her Bachelors of Science in Business Administration with an emphasis in Accounting from San Diego State University and started her career at Bartlett, Pringle & Wolf, LLP. Her specialty areas include Special District and Employee Benefit Plan audits. She has extensive experience with government and compliance auditing such as Single Audits, new pension and other post-retirement benefit government accounting standards, and governmental financial reporting requirements, including Comprehensive Annual Financial Reports.

Training

Our professional personnel are provided with current and relevant training, which is designed to keep them abreast of the ever-changing environment in which we practice. We conduct formal training programs covering current technical developments in the governmental accounting and auditing fields. While professional standards require at least 40 hours of continuing professional education per year, your team members usually receive significantly more through a combination of local in-house training and outside programs offered by organizations, such as the California Society of Certified Public Accountants. In addition, all of the Public Sector team receives at least 24 hours every 2 years in continuing professional education (CPE) meeting the "Yellow Book" requirements. Due to our expertise and large clientele, our audit team has received extensive training and work experience in governmental accounting and grant compliance audits. On our audits, team members assigned are all auditing

MEINERS OAKS WATER DISTRICT

specialists, that is, performing audits is all they do, and should any questions regarding tax law arise, they will be addressed by qualified members of our tax team who also spend full time in their specialization.

Management Information Systems (MIS)

Our MIS department comprises an important part of our practice. The MIS department staff includes computer consultants who spend most of their time assisting clients in evaluating hardware and software needs and in solving computer related problems. We presently support Microsoft Business Solutions and Great Plains accounting software as licensed representatives.

BPW utilizes Microsoft Office Products such as word and excel as well as a sophisticated paperless audit software program Prosystem FX.

III. AUDIT METHODOLOGY

We have expertise in conducting audits in accordance with Auditing Standards Generally Accepted in the United States of America as adopted by the American Institute of Certified Public Accountants (AICPA), the provisions of the AICPA *Audits of State and Local Governmental Units and the AICPA Audits of States, Local Government, and Not-For-Profit Organizations Receiving Federal Awards*, the financial, compliance, and internal control requirements prescribed by *Government Auditing Standards*, the Single Audit Act, the OMB's Compliance Supplement and other applicable Circulars issued by OMB. Our audit will include examination of compliance with policies and procedures established by the District applicable state and federal laws and regulations.

Audit Requirements

The audit will be performed in accordance with auditing standards generally accepted in the United States of America. These are the standards set forth in the professional standards promulgated by the American Institute of Certified Public Accountants. The audit of the financial statements will also be performed in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and the U.S. General Accounting Office. This publication, also known as the "Yellow Book", provides additional standards for financial and compliance audits and for performance audits of governmental entities.

The Governmental Accounting Standards Board (GASB) sets the accounting and financial reporting standards for the state and local government sector. GASB standards are incorporated into the Government Finance Officers Association's *Governmental Accounting, Auditing and Financial Reporting* manual.

MEINERS OAKS WATER DISTRICT

When conducting an audit engagement, an independent auditor is responsible for compliance with auditing standards generally accepted in the United States of America as approved and adopted by the membership of the American Institute of Certified Public Accountants. These standards relate to the measures of the quality and objectives of the procedures performed in the audit process.

Audits performed by BPW will comply with all of the above requirements.

Audit Process

Audit planning and interim audit procedures begin one or two months before closing. Then once the closing of the books is complete, we will begin the fieldwork portion of the audit, using our audit team. During this phase of the audit, we will place our emphasis on the testing of account balances and the propriety of the report and supporting schedules, as well as completing any remaining interim projects.

Prior to the conclusion of our audit, we will conduct a conference with staff and/or audit committee to go over the draft of the report and the draft of the management letter. We believe this conference allows proper input from the staff and board members regarding the report, prior to the report being issued in final form.

Planning

During this phase, we will develop our audit program which includes report disclosure checklists, critical audit areas, confirmation requirements, preliminary analytical review, materiality levels, and our preliminary assessment of control risk and fraud risk. We will present to the District a listing of preparatory data we will need for the audit and an internal control questionnaire to be completed.

Audit programs are developed in all areas included in the audit and are tailored to meet the specific needs and requirements of the District.

During the planning phase we will review new laws and regulations issued to determine the impact on the audit work to be performed.

Fieldwork

The District is expected to prepare all schedules requested by BPW showing details of account balances, prepare audit confirmations, pull all requested invoices and supporting information, answer an internal control questionnaire and be available during the audit to answer questions. All requested items should be ready on the first day of interim and audit fieldwork or otherwise as agreed to in the planning meeting.

MEINERS OAKS WATER DISTRICT

Our procedures during this phase of the audit will include tests of documentary evidence supporting the transactions recorded in the accounts, as well as direct confirmation of receivables and certain other assets and liabilities by correspondence with selected creditors and banks. We will also perform analytical procedures to balance sheet, revenue and expense accounts.

The sample size will be determined based on the sampling approach used and the nature of the population. The engagement team will determine if statistical monetary sampling or nonstatistical audit sampling is more efficient and effective. The engagement team will consider items such as assessed risk of material misstatement, characteristics of the population, the established materiality limit and tolerable misstatements of the engagement and required degree of assurance from the sample being tested. A statistical monetary sample will be used in all cases where set-up time and sample selection time will be more efficient than selecting and testing a nonstatistical sample.

BPW will evaluate the District's system of internal control to assess the extent it can be relied upon to ensure accurate information, to ensure compliance with laws and regulations, and to provide for efficient and effective operations. Our evaluation will include:

1. Review of the system, which is primarily the process of obtaining information about the organization and the procedures prescribed and is intended to serve as the basis for tests of compliance and for evaluation of the system.
2. Conduct tests of compliance, which are made to provide reasonable assurance that the accounting control procedures are being applied as prescribed.

Data Processing Review

A review is to be made to compare the calculating operations of the computer with the desired results by tests of transactions. A review of controls used in the computer center to assure protection of files and prevention of processing errors and a review of the data processing operation shall also be made.

Audit Completion

During the course of the audit, we will develop recommendations and suggestions on various items which we believe could enhance internal controls, processes and/or procedures. These items will be presented to the District in a management letter.

We will discuss these items and the audit adjustments with appropriate personnel and officials during audit fieldwork and prior to the issuance of the final audited financial statements. Management can, at their discretion, add their responses to the comments in the body of the management letter as well.

MEINERS OAKS WATER DISTRICT

We will issue a draft report and management letter, as well as meet with appropriate personnel to review the report in detail. Upon the approval of the draft report, we will issue the final reports to the District. We will be available for the presentation of the audit report to the Audit Committee and Board of Directors of the District.

Throughout the engagement, we will keep the District personnel updated on the status of the audit on a weekly basis or more frequently, if necessary. An exit conference with management will be held at the conclusion of the audit fieldwork.

Identification of Potential Audit Problems or Additional Services Requested

Any problems encountered will be discussed immediately with the District's management to allow them time to resolve the issues. We will provide assistance to the District in order to resolve the audit problem. Assistance may include consultations with the management team or Board as well as possible recommendations for additional work/services to be performed by the District or audit team, as agreed to by both parties. Hourly rates range depending on the skill level of the accountant involved. An average rate would be approximately \$150 per hour for additional services requested.

IV. INDEPENDENCE

BPW is independent of the District defined by the American Institute of Certified Public Accountants (AICPA) auditing standards generally accepted in the United States of America, and Government Auditing Standards issued by the Comptroller General of the United States. We have had no professional relationships involving the District for the past five years.

V. LICENSE TO PRACTICE

BPW is properly licensed in the State of California for public practice. Our professionals are licensed to practice as a certified public accountant in the State of California.

VI. REVIEWS

There has been no regulatory action taken by any oversight body against the Firm.

VII. PEER REVIEW

Our peer review was conducted by HKG, LLP, a national CPA firm. After thorough study of our policies and procedures, the reviewers concluded that our firm complies with the stringent quality control standards established by the AICPA. Our firm is committed to periodic peer reviews to foster quality performance.

MEINERS OAKS WATER DISTRICT

VIII. AUDIT FEES

Our audit fees for the audit are based upon the value of services performed and time required by individuals assigned to the engagement. We propose that our fees for the audit engagement will be \$20,000 for the year ending June 30, 2018.

MEINERS OAKS WATER DISTRICT

References (Similar Engagements with Other Government Entities)

The following are references from clients to which we are currently providing audit and consulting services. Additional references for both Governmental and For Profit clients are available upon request. Danna McGrew has served as engagement partner for each of the engagements, with John Britton as concurring partner.

Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108
Office Manager – Toni McDonald
General Manager – Diane Gabriel
805-963-9532

Santa Ynez Water District

3622 Sagunto Street
Santa Ynez, CA 93460
General Manager – Chris Dahlstrom
Office Manager – Mary Martone
805-688-6015

Goleta West Sanitary District

PO Box 4
Goleta, CA 93116
General Manager – Mark Nation
Office Manager – Diane Powers
(805) 968-2617

Ventura River Water District

409 Old Baldwin Road
Ojai, CA 93023
General Manager – Bert Rapp
805-646-3403



Report on the Firm's System of Quality Control

March 27, 2017

To the Owner of
Bartlett Pringle & Wolf LLP
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Bartlett Pringle & Wolf LLP (the firm) in effect for the year ended September 30, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act, and an audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Bartlett Pringle & Wolf LLP in effect for the year ended September 30, 2016, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Bartlett Pringle & Wolf LLP has received a peer review rating of pass.

HKG, LLP
Arcadia, CA

Farber Hass Hurley LLP

Audit Proposal

MEINERS OAKS WATER DISTRICT

October 12, 2018

Michel Abedian, CPA

Mike Hurley, CPA

Valencia

28494 Westinghouse Pl. #102
Valencia, CA 91355

Chatsworth

9301 Oakdale Ave. #230
Chatsworth, CA 91311

Camarillo

888 W. Ventura Blvd. #A

Oxnard

300 Esplanade Dr. Suite 1130

MEINERS OAKS WATER DISTRICT

October 12, 2018

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MEINERS OAKS WATER DISTRICT

October 12, 2018

Board of Directors
Meiners Oaks Water District
Ojai, CA

We are pleased to propose to provide audit services for the financial statements of Meiners Oaks Water District (MOWD), for the year ended June 30, 2018.

If selected, Farber Hass Hurley LLP will plan to perform an audit of the statement of financial condition as of June 30, 2018 and the related statements of activities and cash flows for the year then ended and the related notes to the financial statements. We will plan the audit assuming that the books and records are in reasonable condition and that there will be assistance from the officers and employees of MOWD.

Firm Profile

MOWD and Farber Hass Hurley are a good match in size and scope for this engagement. Our 40 person firm is large enough to meet the high quality needs of your organization, but not so large that your engagement will not be given the resources and attention it deserves. Our firm is predominately audit oriented, over 75% of our revenue is from audit and audit related services. In addition, we have many years of experience with audits of water districts. Our training is focused on providing audit services to a more sophisticated organization, like MOWD.

Peer Review

All firms who perform attest services are required to undergo peer review. Given that we are members of the Public Company Accounting Oversight Board (PCAOB), we also undergo a review from the PCAOB. We have been peer reviewed many times with clean reports. The most recent peer review report is attached.

MEINERS OAKS WATER DISTRICT

October 12, 2018

Audit Team

Michel Abedian will be the engagement partner on the engagement. He has over fifteen years of experience in public accounting. Prior to joining Farber Hass Hurley LLP, he specialized in auditing public and private companies with Ernst & Young LLP in a variety of industries such as, manufacturing, service, and entertainment. He has performed multiple Public Company, Not-for-Profit, and Employee Benefit audit engagements. He graduated from California Lutheran University and is a member of the AICPA and California Society of CPAs.

Mike Hurley will be the concurring partner. He has been the engagement partner on over 300 audits. He is a member of the California Society of CPAs Peer Review Committee, a past chair person, and as such has performed over 600 reviews of other CPA firms including their not-for-profit audit engagements. He served six years on the National Peer Review Committee of the AICPA and reviewed the work of the largest firms in the country. Mike started his firm in 1986 specializing in audits of more complex entities including SEC reporting companies. The firm enrolled in the AICPA's SEC practice section when it was founded. The firm has audited both SEC reporting companies and Not-for-Profit organizations for 30 years. His network of auditing experts around the nation can be used to resolve any accounting or auditing issues that may arise for MOWD. He graduated from Oregon State University. He is a CPA in California, Hawaii and Arizona.

Chad Anaya will be the manager on the engagement. Chad has participated on over 75 financial statement audits. He has almost seven years of experience with Farber Hass Hurley LLP and has been the auditor in charge of the audit fieldwork on several public company audits. He graduated from San Diego State University. He is a licensed CPA and a member of both the AICPA and California Society of CPAs.

Each member of the engagement team can answer most every accounting question that arises regarding government auditing standards. We encourage open and frequent communications regarding issues that arise during the year. We believe it is easier to record the transactions properly on a timely manner than make audit adjustments at the end of the year. MOWD can contact any of the staff throughout the year. We do not charge for simple questions so as to encourage such communications. If a request becomes time consuming, we will ask for permission prior to incurring any billable time.

We believe in engagement continuity. We will expect that all of these individuals will work on the audit engagement for the foreseeable future.

As part of our firm policy, lead partners are rotated every five years to bring a fresh look to the audit engagement while maintaining firm continuity and overall audit quality. We add a level of unpredictability to our audit program each year so as to address the issue of familiarity.

MEINERS OAKS WATER DISTRICT

October 12, 2018

Audit Approach

The engagement team members are all experienced auditors, not tax practitioners who perform audits as summer filler work. We plan our audit and set our scope of testing to efficiently meet professional standards. We scale our audit approach to your operations. For organizations with strong accounting staffs, we can focus on testing of controls over transactions to reduce our testing of balances. For organizations with less segregation of duties, we do more substantive testing. Your organization will benefit from our experience with performing internal control testing under the Sarbanes-Oxley rules as well as our experience with many similar not-for-profit organizations with Federal and State funding sources. Our audit program will mirror your organization's strengths as well as risks. We will complete a significant amount of our analysis and confirmation process prior to arriving at your offices to reduce disruption to your operations and to keep costs low. We will plan to complete our audit and have a clean report, board communications and, if necessary, a management letter regarding any internal control weaknesses well before your requirements.

Communications with Management and the Board throughout the year

Your organization will benefit by having frequent contact with our partners and audit staff throughout the year. We will always be available to management and board members during the year if a question arises. In addition, we will reach out to the board to make inquiries about fraud and whistleblowers. We will reach out to management to affirm the organization is tracking budgeted results and making inquiries of any changes in the operations. If, for any reason, there is a difference in opinion on an accounting issue, we will discuss the matter thoroughly with management before inviting board participation in a conversation about a matter that could affect the audit opinion.

Investment in Technology and Knowledge

We invest in equipment and technology tools every year, however, we are most proud that our professional staff obtain, on average, 110 hours of continuing education each year. We offer almost three times the minimum professional standards requirement (40 hours per year). We believe in educating our staff to aid them in helping your organization obtain the most effective and efficient services possible.

We have many audit tools at our disposal for data mining, fraud risk assessment, sampling methodology, but those are commonly available to all audit firms. It is the quality of our staff in the field that will make a difference to your organization.

MEINERS OAKS WATER DISTRICT

October 12, 2018

Proposed Fees

Our firm specializes in providing audit services to organizations with higher standards, more complexity than the typical not-for-profit entity. We will be a cost effective, high quality provider of audit and accounting services.

	Estimated Fee
June 30, 2018 US GAAP financial statements audited under Government Auditing Standards.	\$27,000 – \$28,000

We understand the first year always involves more work than future periods. We will show our commitment to your organization by absorbing the excess costs. Our fee will not exceed that estimate without written prior consent of the Board. We will meet all deadlines. We will keep management informed of our progress and any impediments along the way as a matter of routine. Selecting our firm will give the board, and management, peace of mind.

Conclusion

We are extremely pleased to be given the opportunity to propose to work with MOWD. The organization and Farber Hass Hurley LLP have an opportunity to match needs with skills, and we look forward to building this relationship.

If you have any questions, please, do not hesitate to call me.

Sincerely,

Michel Abedian
Farber Hass Hurley LLP

This draft policy was developed by the Ad-Hoc Policy Committee for discussion purposes and has yet to be put into a formal format with background information etc. A legal review is also required.

DRAFT Policy on New Meters and Expansions of Service DRAFT
SUMMARY
October 12, 2018

Existing Residential Meters (Including Second Dwellings Units)

Residential allocations are determined as specified in the ARP. Any modification to allocation amounts shall be approved by the Board using the waiver process provided in the ARP. No additional allocations may be purchased from Casitas MWD by existing residential customers.

Existing Commercial Meters

Commercial allocations are determined as specified in the ARP. Any modifications to allocation amounts to meet current demands are to be approved by the Board using the waiver process provided in the ARP. If an existing commercial customer needs an additional allocation to meet increased demands, that customer may apply to acquire it from Casitas MWD, provided the customer also implements a Net-Zero water demand reduction project(s) within MOWD's boundaries to offset the increased water demands. The additional allocation will be added to the customer's variable allocation portion.

Existing Agricultural Meters

Agricultural allocations are determined as specified in the ARP. Any modifications to allocation amounts shall be approved by the Board using the waiver process provided in the ARP. No additional allocations may be purchased from Casitas MWD by existing agricultural customers.

New Residential Meters for New Primary Dwellings

No new Will-Serve Letters will be issued and no new residential meters will be installed for new primary dwellings while the District remains in drought Stages 2 through 5.

New Meters for New Second Dwelling Units

Until Casitas MWD declares that an adequate water supply from Lake Casitas cannot be demonstrated, in accordance with County of Ventura Ordinance No. 4519 Sec. 8107-1.7.2q, MOWD will issue Will-Serve letters for new second dwelling units, when built on property with an existing primary residence served by an existing MOWD meter. It is MOWD's policy that new, separate meters are required for each new, detached accessory dwelling. MOWD will install the new meter after all requirements of the Will-Serve Letter have been met. The monthly fixed baseline allocation for the second dwelling will be set at 7 Units/mo; no variable baseline allocation will be allowed. At the same time, the variable baseline allocation for the primary residence will be reduced by 120 Units/yr. (The fixed baseline allocation of 10 Units/mo for the primary residence will not be reduced.) A Will-Serve Letter will be issued only if the existing meter for the primary residence has sufficient allocation to support the second dwelling without a net increase in water usage.

New Tiny Homes

New tiny homes (under 300 SF) with permanent foundations will be treated the same as other types of homes, whether existing or new, primary or secondary residences, etc., except that the monthly fixed baseline allocation will be set at 5 Units/mo.

New Commercial Meters

No Will-Serve Letters will be issued and no new commercial meters will be installed while the District remains in drought Stages 2 through 5.

New Agricultural Meters

It is MOWD's policy that no new agricultural meters will be installed by MOWD. An exception may be allowed when the new meter is a replacement for convenience only and will not support additional water demands (above pre-drought levels) or increases to planted acreage.

Allocations Subject to Change

All allocations are subject to change by Board action, if required due to worsening drought, new State laws, changes to the policies of Casitas MWD, etc.

Net Zero Impact of New Development

As a condition for obtaining approvals for new development, the County of Ventura may require a "Net Zero Impact" for the development. Under that requirement, the developer must retrofit other facilities and provide water conservation off-site to compensate for proposed water use by the development.

Before MOWD will issue a Will-Serve Letter to a developer who has a Net-Zero Impact requirement, the developer must commit to implementing the associated mitigation within the boundaries of MOWD in a way that reduces water demands on MOWD. The Will-Serve Letter will include a condition that the meter will not be installed until the mitigations within MOWD have been completed and certified by the County.

Validity Dates of Outstanding Will-Serve Letters

Prior to the current drought, MOWD issued Will-Serve Letters without expiration dates. With current water supply limitations, those letters committed MOWD to deliver water it does not have available. Therefore, MOWD hereby adopts a policy that all outstanding Will-Serve Letters without expiration dates will expire 5 years after the date of issuance.

September 2018



To: Board of Directors of the Meiners Oaks Water District

From: General Manager

Subject: Monthly Manager's Report

Highlights

(Rainy season October thru April)

16.04" of rain

LAKE CASITAS LEVEL

31.3%

Board Committees

Minutes from the GSA meeting are given verbally in the Board of Directors reports section of the regular agenda

Drought Committee met on Oct. 1st

Ad-Hoc committee on Will Serve Letters and Water Services met on Oct. 3rd and Oct. 12.

Note:

Brandi's 18 year anniversary with the District was on October 11th.

Current Well levels and specific capacity

Well 1	Aug.	Sept.	Well 2	Aug.	Sept.	Well 4	Aug.	Sept.	Well 7	Aug.	Sept.
Static	32.2'	34.4'	Static	31.3'	32.3'	Static	58.8'	59.8'	Static	58.3'	60.6'
Running	'	'	Running	'	'	Running	0.0'	'	Running	'	'
Drawdown	'	'	Drawdown	'	'	Drawdown	0.0'	'	Drawdown	'	'
Specific Cap.	0.00 gal/ft	0.00 gal/ft	Specific Cap.	0.00 gal/ft	0.00 gal/ft	Specific Cap.	0.0 gal/ft	0.0 gal/ft	Specific Cap.	0.00 gal/ft	0.00 gal/ft

Water Production

Water production and sold values are based on a calendar year

Total Pumped in August:			
Wells	AF	Average GPM	Typical GPM
1.	0.00	0	375
2.	0.00	0	250
4.	0.00	0	750
7.	0.00	0	450
8.	0.00	Off	330

Total Pumped

Total Pumped for Sept.	0.00 AF
Total Pumped 2017:	667.54 AF
Total Pumped YTD 2018:	203.95 AF

Total Sold:

Total Sold for Sept. 2018:	61.91 AF
Total Sold YTD 2018:	736.80 AF
Total Sold 2017:	679.51 AF
Total Purchased from CMWD 2017	51.46 AF
Total Purchased Sept.	61.91 AF
Total Purchased YTD 2018	260.04 AF

Total Capacity:

2083 Gallons per Minute (GPM) with all current wells on line 1, 2, 4, 7, 8)

3,583 Gallons per minute (GPM) with all current wells on line 1, 2, 4, 7, 8) + Casitas

Water Sales:

(Sales values are based on the actual month listed only not YTD)

Sept. 2017:	\$ 77,119.99
Sept. 2018:	\$ 76,301.04

Reserve Funds

Balance at the County of Ventura	\$ 1,213,145.39
Total Taxes*	\$ 70.01
Total Interest from reserve account#	\$ 2,533.96

Fiscal Year Total Revenues

July 1 st – Sept. 30 th	2017	\$ 413,335.32
July 1 st – Sept. 30 th	2018	\$ 420,745.07

Bank Balances

LAIF Balance	\$ 257,639.33
Transferred from the general fund to L.A.I.F.	\$ 0.00
(#) Quarterly Interest from LAIF	\$ 0.00
Money Market (RABO)	\$ 401,032.35
Amount Transferred to RABO Money Market this month	\$ 0.00
Amount Transferred to General Fund from Money Market	\$ 0.00
(*) Monthly Interest received from Money Market	\$ 61.52
General Fund Balance	\$ 9,092.39
Trust Fund Balance	\$ 14,471.92
Capital Improvement Fund	\$ 14,408.89
(#) Quarterly Interest from Capital Account	\$.23
Total Interest accrued	\$ 61.75

Water Quality

We are 100% on Casitas

September 2018

Because of increased TTHM's and HAA5 at our sampling location between S. Rice Rd and S. La Luna we are being required to sample that location in addition to another every 90 days.

Cause: This condition is most likely due to Chloraminated water not moving through that part of our system.

Remedy: I have directed the field staff to flush that area more frequently in addition; I am asking the Sanitary District if they need more water for their current projects. This is the preferred method as we can flush water from that part of the system without distributing it on the ground by using a water truck. The ladder always has negative feedback from our customers.

Distribution

Well #4:

The well is approximately 90% completed with some small items yet to complete, such as;

Finish constructing the walls and roof

Install security fencing at the facility

Possibly replace chlorine recirculation pump

Water quality testing prior to running to system

We had a small delay due to a vibration of the well when turning at low speeds but that issue has since been resolved.

Both wells 4 and 7 should be ready to go to system once final well samples taken.

Wells 1 and 2: Work should commence the 22nd of this month.

Treatment

Engineering work continues on the treatment plant EDR with an onsite meeting that took place on Thursday the 4th with Lou Nagy and his engineer Ben Fischetti.

Capital Improvement Projects for 2018-2019 **Budgeted capital funds \$ 705,000 FY 2018-2019**

1. Rehabilitate well #4 / MCC VFD's (In Process)
2. Environmental design report for the treatment plant (In process)
3. Replace 18 system valves (In Process)
4. VFD's for wells 1 and 2
5. Zone 1 Booster/MCC

September 2018

6. Well 1 and 2 mechanical failures (Non-budgeted item) Board approved repair cost
\$168,271.00 + 10% for unanticipated expenditures

Unscheduled Work

Main Leak on Oso Rd (Sam Hill)	\$ 2,037.00
Main Leak at 146 Chessire Ct (Sam Hill)	\$ 8,950.98
Two service replacements on Lomita (Sam hill)	\$ 19,400.89
Emergency Valve Replacement El Sol/Pala (Sam Hill)	\$ 11,979.49
1" service replacement for the Ranch House Restaurant (Toro)	\$22,445.00

Total	\$ 64,813.36
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Tanks

1. 250k gallon was installed in 1958 age = 57 (Removed 2015)
2. 80k gallon was installed in 1983 age = 35 (Zone -2)
3. 500k gallon was installed in 1988 age = 28 (Removed 2015)
4. 500k gallon was installed in 1973 age = 45 (Put back into service 2011)
5. 500k gallon was installed in 2003 age = 15
6. 750k gallon welded tank 2015 age = 3

Life expectancy for a bolted tank is 30 – 40 years

Life expectancy for a welded steel tank 100 years

Well Drilled Dates & Depths

	<u>Date drilled</u>	<u>Drill Depth</u>
1. Well # 1	1969	60 feet
2. Well # 2	1969	181 feet
3. Well # 4	1969	240 feet (Non Op.)
4. New well 4	2018	165 feet
5. Well # 7	1961	156 feet
6. Well # 8	1968	144 feet

Board of Directors

President – Michele Etchart Elected in 2014	Term ends 2018	Long Term
Vice-President – James Kentosh Elected 2014	Term ends 2018	Long Term
Board Member – Larry Harrold Elected 2014	Term ends 2018	Long Term
Board Member – Michael Krumpschmidt Elected 2016	Term Ends 2020	Long Term
Board Member – Diana Engle Elected 2016	Term Ends 2020	Long Term

GM Consumption Report

Billed Consumption for September 2018

Account Class	Customers in Class	Consumption	Gallons Per Unit	AC/FT
Agriculture	30	4846	748	11.12
Commercial	58	2183	748	5.01
Residential	1192	19943	748	45.78

Total Consumption	1280	26972	Grand total	61.92
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100% Casitas Water

GM Report

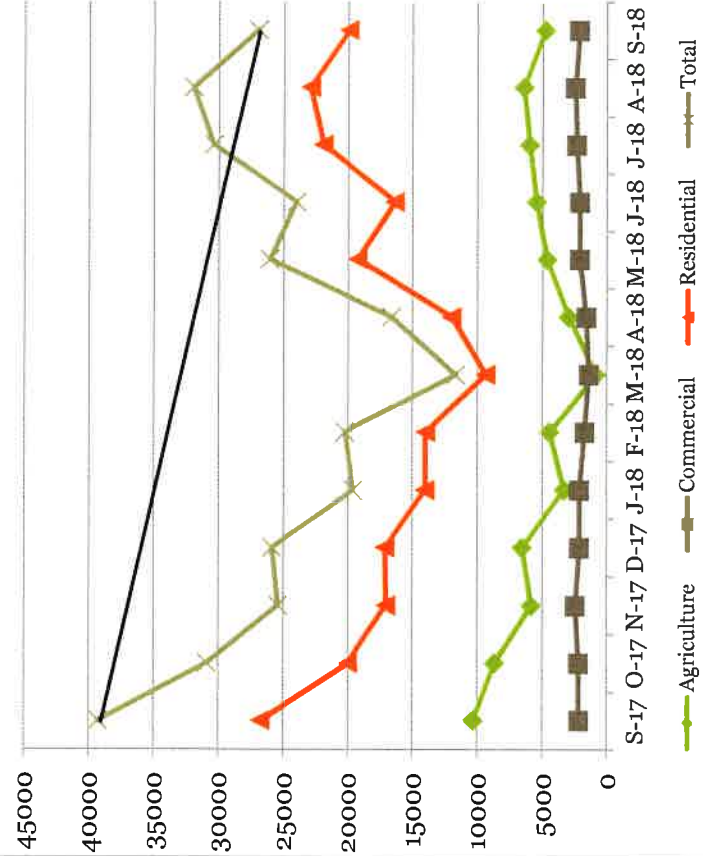
Consumption

	S-17	O-17	N-17	D-17	J-18	F-18	M-18	A-18	M-18	J-18	J-18	A-18	S-18
Agriculture	10336	8686	5893	6606	3389	4487	881	3025	4677	5511	6047	6475	4846
Commercial	2202	2221	2484	2159	2179	1750	1433	1631	2141	2137	2384	2513	2183
Residential	26757	19998	17067	17147	14044	14025	9385	12018	19252	16387	21976	22974	19943
Total	39265	30905	25444	25912	19612	20262	11699	16674	26070	24035	30407	31962	26972

AC/FT

	S-17	O-17	N-17	D-17	J-18	F-18	M-18	A-18	M-18	J-18	J-18	A-18	S-18
Agriculture	23.73	19.94	13.53	15.17	7.78	10.30	2.02	6.94	10.74	12.65	13.88	14.86	11.12
Commercial	5.055	5.10	5.70	4.96	5.00	4.02	3.29	3.74	4.92	4.91	5.47	5.77	5.01
Residential	61.43	45.91	39.18	39.36	32.24	32.20	21.55	27.59	44.20	37.62	50.45	52.74	45.78
Total	90.21	70.95	58.41	59.49	45.02	46.52	26.86	38.28	59.85	55.18	69.81	73.37	61.92

Consumption - Last 12 months



AC/FT - Last 12 months

