

Big Bear Area Regional Wastewater Agency

Regular Board Meeting Agenda
January 28, 2026 at 5:00 p.m.
121 Palomino Drive, Big Bear City, CA 92314

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Approval of Agenda**
4. **Public Forum** - Public testimony is permitted at this time on the following sections of the agenda: Presentation and Introduction, Information/Committee Reports, Consent Calendar, and any other matters within the Agency's subject matter jurisdiction that are not included on the posted agenda. If you are unsure whether your public testimony falls within the subject matter jurisdiction or which agenda item it pertains to, please contact the Board Secretary before the meeting.

Each speaker is allotted a maximum of three minutes to address the Governing Board during this Public Forum. Public testimony on non-agenda items shall be limited to 30 minutes for all speakers. Please note that state law prohibits the Agency from taking action on matters not listed on the posted agenda.

For items on the posted agenda, public testimony will be taken prior to the Governing Board's deliberation of each item. Each speaker will be allotted a maximum of three minutes per item.

The Governing Board requests that public testimony focus specifically on BBARWA business. The Chair, by majority vote, may waive these time limitations and may rule out of order testimony that is unduly repetitious or irrelevant.

5. **Presentation and Introduction**
 - a. Ralph Curiel – 5-year Recognition
6. **Information/Committee Reports**
 - a. General Manager's Report
 - b. Replenish Big Bear Report
7. **Consent Calendar** - All matters listed on the Consent Calendar will be enacted by one motion at the appropriate time. There will be no separate discussion of these items. If a detailed discussion is necessary, any Governing Board Member may request that an item be removed from the Consent Calendar and considered separately.
 - a. December 17, 2025 Special Meeting Minutes
 - b. Monthly Disbursements Report for November and December

- c. Investment Report Identifying Agency Investments and Reporting Interest Income for November and December
- d. Fixed and Variable Rates

8. Items Removed from the Consent Calendar

9. Old Business

None

10. New Business – Discussion/Action Items

- a. Public Hearing: Assembly Bill 2561 - Local Public Employees Vacant Positions
- b. Resolution No. R. 01-2026, A Resolution of the Governing Board of the Big Bear Area Regional Wastewater Agency Rescinding Resolution No. R. 16-2023 and Amending Resolution No. R. 09-2023, Adding the Assistant General Manager/Board Secretary as a signatory for the Agency's US Bank Accounts
- c. Introduction and First Read of Ordinance O. 01-2026, An Ordinance of the Big Bear Area Regional Wastewater Agency Code Amending Section 2.04.040 of the Big Bear Area Regional Wastewater Agency Code Regarding Time Limits on Public Testimony at Governing Board Meetings
- d. Allocate \$146,498 from the Contingency Fund and Reallocate \$243,502 from the Force Main Project to the Outfall Line Investigation Project
- e. Allocate \$75,000 for the Investigation of North Shore Pump Stations 1, 2, and 3 and the Lake Pump Station from the Contingency Fund
- f. 2026 Gaeta Lease of 340 Acres in Lucerne Valley

11. Comments and Announcements

- a. General Manager Comments
- b. Governing Board Member Comments

12. Adjournment

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if you need special assistance to participate in an Agency meeting or other services offered by the Agency, please contact the Agency at (909) 584-4018. Notification at least 48 hours prior to the meeting or time when services are needed will assist Agency staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are on file in the office of the Big Bear Area Regional Wastewater Agency and are available for public inspection during normal business hours.

Visit www.bbarwa.org to view and/or print the Agenda Package.



Agenda Item 6.A.

Meeting Date: January 28, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Subject: General Manager's Report

Discussion:

Administration

Budget Workshop

The Budget Workshop has been scheduled for February 24, 2026, at 3:00 p.m.

Emergency Electric Power Supply and Coordination Agreement (no update)

Bear Valley Electric, Inc. (BVES) is reviewing the Emergency Electric Power Supply and Coordination Agreement.

Operations

Cactus Flats Outfall Line Repair Project (no update)

Southwest Gas received the United States Department of Agriculture Forest Service Special Use Permit.

CalTrans Project # 0820000076 Outfall Line (no update)

Coordination with CalTrans is ongoing.

Oxidation Ditch 1 Rotor 2 Shaft Replacement Project

Staff is waiting for replacement parts to be delivered.

Oxidation Ditch 1 Wall Rehabilitation Project (no update)

Due to weather conditions and the winter season with the potential for high flows, the ground penetrating radar will be scheduled for spring.

RAS Header Replacement Project Engineering (no update)

The design drawings and specifications are being finalized, with the project scheduled to go out to bid in the spring.

Treatment Plant Data

Flow percentages for each Member Agency are shown below. The influent flow (MG) chart is attached.

<u>Member Agency</u>	<u>October</u>	<u>November</u>	<u>December</u>
City of Big Bear Lake	44.81%	48.59%	53.28%
Big Bear City CSD	51.80%	48.27%	43.36%
County of San Bernardino CSA 53B	3.39%	3.14%	3.36%

Solar Production

Actual net generation (kWh) for each fiscal year is summarized in the table below.

<u>Month</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
July		215,598.25	285,573.00	259,658.50	288,076.00
August		229,947.25	261,893.00	281,198.50	244,730.00
September		230,749.75	280,457.00	242,325.00	221,609.00
October		276,600.50	293,122.50	270,744.00	251,891.00
November		241,524.25	247,757.00	224,763.00	182,967.00
December	29,294.26	190,418.50	206,571.00	207,309.00	181,248.97
January	212,982.42	192,716.50	202,574.00	219,277.00	
February	260,767.19	224,106.25	204,564.50	229,821.00	
March	295,923.69	269,443.75	244,171.50	266,439.00	
April	319,902.94	316,650.00	301,025.00	287,155.00	
May	330,560.38	302,288.50	311,556.50	281,839.00	
June	316,253.50	287,765.00	294,047.50	272,851.00	
Total	1,765,684.38	2,977,808.50	3,133,312.50	3,043,380.00	1,370,521.97

Connections

The monthly connections for each fiscal year and by Member Agency are summarized in the table below.

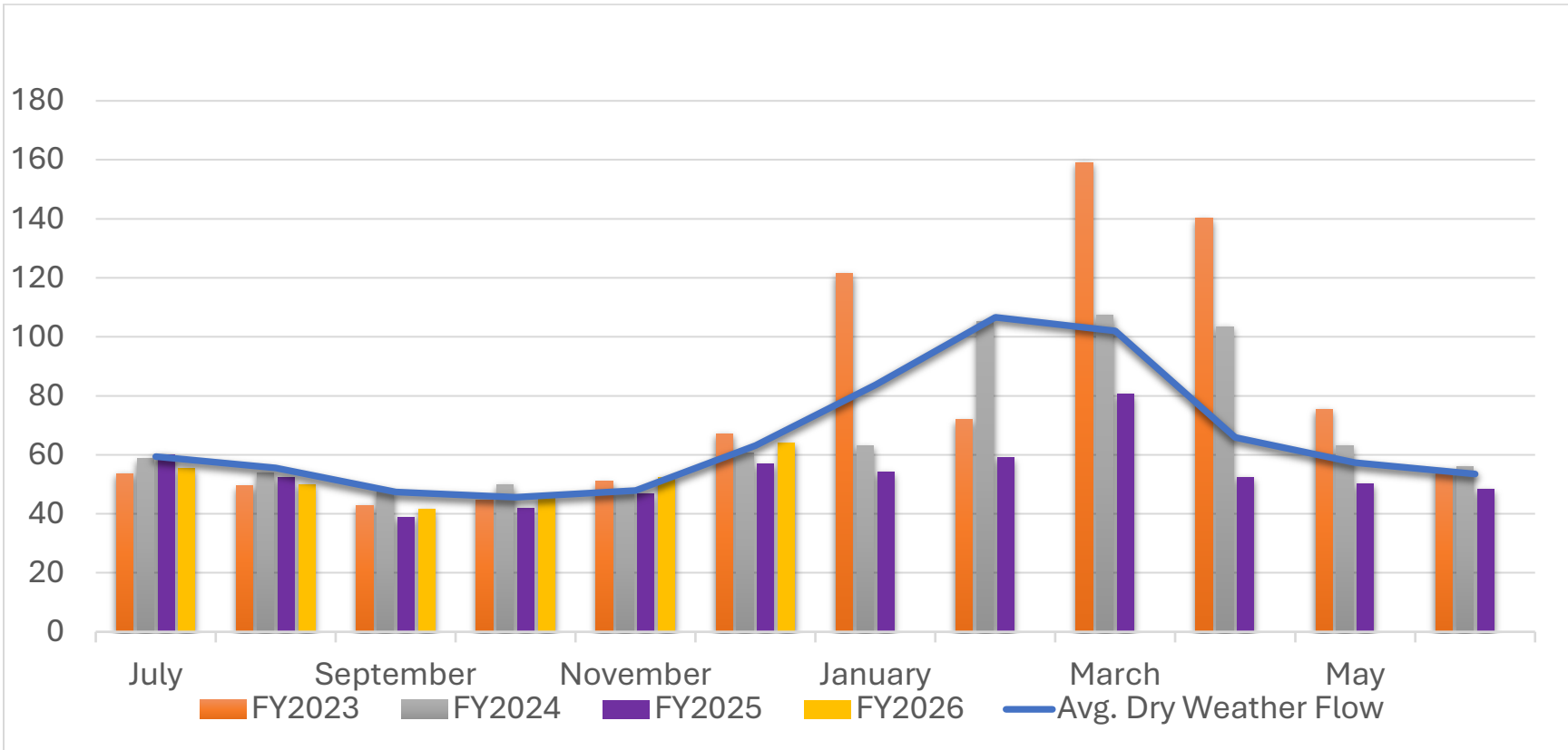
<u>Month</u>	<u>FY</u> <u>2022</u>	<u>FY</u> <u>2023</u>	<u>FY</u> <u>2024</u>	<u>FY</u> <u>2025</u>	<u>FY</u> <u>2026</u>	<u>CBBL</u>	<u>CSD</u>	<u>CSA</u> <u>53B</u>
July	11	2	5	4	6	4	2	0
August	5	13	4	7	4	1	3	0
September	7	8	69 ¹	12	5	1	4	0
October	9	6	6	1	4	0	4	0
November	5	4	2	2	1	0	1	0
December	3	2	2	4	4	3	1	0
January	2	0	2	2				
February	6	0	1	2				
March	9	2	2	1				
April	12	4	5	1				
May	7	8	12	5				
June	<u>11</u>	<u>10</u>	<u>8</u>	6				
Total	87	59	118	47	24	9	15	0

Attachment:

Influent Flow Graph

¹ Hampton Inn in the City of Big Bear Lake was 62 connections.

Influent Flow (MG)





Agenda Item 6.B.

Meeting Date: January 28, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Subject: Replenish Big Bear Report

Discussion:

The following update of the Replenish Big Bear Program (Program) focuses on the current Project Expenditures, Funding and Financing, Grants, and Final Design for BBARWA's Wastewater Treatment Upgrades Project (Project).

Project Expenditures

Expenditure Category	Expenditures as of 11/30/2025
Planning	\$5,156,328
Final Design	936,691
Construction	0
Short-Term Financing Interest	396,251
Finance Costs ¹	284,485
Total	\$6,773,755

Funding and Financing

***Short-Term Financing Status**

The short-term financing loan was repaid using Project reserves.

***Funding and Financing Plan**

Staff is proceeding with the preparation of an updated Funding and Financing Plan based on the October 2025 cost estimate. This effort is intended to provide the Governing Board with a clearer understanding of potential funding sources, financing approaches, and high-level financial considerations under various scenarios.

¹ Finance costs include the cost of issuance of the short-term financing which includes the municipal advisor, bond counsel, and placement agent; the EPA WIFIA application fee, the S&P preliminary rating, and financial advisor.

Grants

***Integrated Regional Water Management (IRWM) Proposition 1 Round 1 (Prop 1 Round 1) Grant** - Invoice 16 was submitted in October 2025 in the amount of \$380,882. Invoice 17 is being prepared.

2021, 2022, & 2023 Title XVI Grant – Staff recommends not utilizing these funds unless there is a clear path to construction, as any reimbursed costs would be subject to repayment if the Project does not proceed to construction.

***2022, 2023, and 2024 EPA STAG** – Staff consulted with the EPA, which recommended proceeding with an application for the FY 2022 funds only, in the amount of \$960,000. This approach provides the Agency flexibility to request a future technical correction to redirect the FY 2023 or FY 2024 funds to another project included in the 5-year Capital Improvement Plan (CIP), such as the North Shore Pump Station 3 Well Rehabilitation Project, which has an estimated budgetary project cost of \$2.75 million.

The following table summarizes the Agency’s grants, current status, and the reimbursed and invoiced amounts as of December 31, 2025.

Grant	Status	Grant Amount	Reimbursed Amount (a)	Reimbursement Request (b)	Total (a) + (b)
State Grants					
DCI Technical Assistance	Fully Funded, Closed	\$500,000	\$500,000	\$0	\$500,000
IRWM Prop 1 Round 1	In Process	4,563,338	3,314,463	380,882	3,695,345
Subtotal State Grants		\$5,063,338	\$3,814,463	\$380,882	\$4,195,345
Federal Grants					
2021, 2022, & 2023 Title XVI	In Process	18,919,655	\$0	\$0	\$0
2022 STAG	Application in Process	960,000	0	0	0
2023 & 2024 STAG	Pending Application	2,000,000	0	0	0
Subtotal Federal Grants		\$21,879,655	\$0	\$0	\$0
Grand Total		\$26,942,993	\$3,814,463	\$380,882	\$4,195,345

***Final Design**

As a result of the December meeting direction, the Project continues toward development of final design drawings and specifications. At the same time, certain final design elements will be deferred until construction funding and key Project assumptions are more clearly

established. In the interim, staff and WSC will focus on completion of the Funding and Financing Plan and advancing foundational design.

The final design activities that will be deferred include, but are not limited to:

1. **Pre-Selection of Equipment.** The Project includes a structured equipment pre-selection process with qualified vendors to establish equipment footprints, weights, clearances, electrical loads, chemical requirements, and access needs. This information is critical to finalizing layouts, buildings, and systems. Vendor participation in a formal pre-selection process typically assumes a reasonable expectation of construction.
2. **Pipeline Alignment and Easements.** Confirmation of the pipeline alignment requires coordination with property owners to secure easements. These discussions are most productive when there is a clear path to implementation. Without confirmed construction funding, initiating formal easement negotiations may be premature and could limit Project flexibility in the future.
3. **Permitting Activities.** Advancement of the National Pollutant Discharge Elimination System (NPDES) permitting process requires defined assumptions regarding discharge location, scope, implementation timing, and a reasonable expectation of construction. While preliminary coordination has occurred, further development of permit applications and supporting technical documentation will proceed once these assumptions are sufficiently defined. This approach helps ensure permitting efforts are efficient.

Final Design Preliminary Financial Impact

Expenditure Category	December 2025 Preliminary Cost Estimate
Planning	\$750,219
Final Design	3,126,554
Construction	0
Short-Term Financing Interest	48,247
Finance Costs	187,770
Grant Repayment ²	4,343,000
Expenditure Total	\$8,455,790
Program Partner Contributions	0
Grant Reimbursements ³	-2,960,000
Net Ratepayer Contribution	\$5,495,790

The estimated net ratepayer contribution represents the cost to complete the final design without the deferred items above and can be completed within the 5-year rate schedule

² Grant repayment only includes the grant reimbursements from the IRWM grant and the administrative costs for the Title XVI grant. The \$500,000 DCI Technical Assistance is not included since its requirements have been met.

³ This assumes that the STAG Grant will not require repayment if final design is completed.

approved by the Governing Board in March 2025. Net ratepayer contribution is the portion of the final design costs that are funded by ratepayer funds after accounting for grants.



Big Bear Area Regional Wastewater Agency

Kendi Segovia – Chair
Larry Walsh – Vice-Chair
Rick Herrick – Director
John Russo – Director
Andrew Sauer - Director

Agenda Item 7.A.

Meeting Date: January 28, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Prepared By: Bridgette Burton, Assistant General Manager/Board Secretary
Subject: December 17, 2025 Special Meeting Minutes

Background & Discussion:

Attached are the meeting minutes from the December 17, 2025 special meeting.

Financial Impact:

There is no financial impact.

Recommendation:

Approve.

Attachment:

December 17, 2025 Special Meeting Minutes

Big Bear Area Regional Wastewater Agency

Special Board Meeting Minutes

December 17, 2025 at 10:00 a.m.

121 Palomino Drive, Big Bear City, CA 92314 and
44-506 Hoomau St., Honokaa, HI 96727

1. Call to Order

A Regular Meeting of the Governing Board of the Big Bear Area Regional Wastewater Agency was called to order by Chair Segovia at 10:00 a.m. on December 17, 2025 at 121 Palomino Drive, Big Bear City, California and via Zoom.

Board Members Present: Kendi Segovia, Chair; Larry Walsh, Vice-Chair; Rick Herrick, Director (via Zoom); John Russo, Director; and Andrew Sauer, Director

Board Members Absent: None

Staff Members Present: David Lawrence, General Manager; Christine Bennett, Finance Manager; Bridgette Burton, Administrative Services Manager/Board Secretary; Sonja Kawa, Human Resources Coordinator/Accounting Technician; and John Shimmin, Plant Manager

Others: Laine Carlson, Vice-President, Water Systems Consulting, Inc.; Glenn Jacklin, General Manager, Big Bear City Community Services District; Reggie Lamson, General Manager, City of Big Bear Lake Department of Water and Power; and Matt Rodrigues, Senior Engineer, Water Systems Consulting, Inc.

Members of the public who signed in: None

2. Pledge of Allegiance – Director Sauer

3. Approval of Agenda

Upon motion by Vice-Chair Walsh, seconded by Director Sauer and carried, the Governing Board approved the agenda as presented.

Ayes: Herrick, Sauer, Segovia, Russo, Walsh

Noes: None

Absent: None

Abstain: None

4. Public Forum

No public comments were received.

5. Presentation and Introduction

a. Sam Essex – 10-year Recognition

The General Manager and Governing Board thanked Mr. Essex for his years of service.

6. Information/Committee Reports

a. General Manager's Report

The General Manager highlighted the Cactus Flats Repair Project and the Member Agency flow percentages.

b. Director Sauer Report on Special District Leadership Academy

Director Sauer provided a brief oral summary of the attended sessions.

c. Administrative Committee on November 12, 2025

Chair Segovia provided a brief overview of the items discussed at the meeting, which are on the agenda as Item 10.B.

7. Consent Calendar Approved Items

a. Meeting Minutes from the October 22, 2025 Regular Meeting

b. Monthly Disbursements Report for October

c. Investment Report Identifying Agency Investments and Reporting Interest Income for October

d. First Quarter Report, Three Months Ended September 30, 2025

e. Revision of Board Policy: Brown Act Teleconferencing

Upon motion by Vice-Chair Walsh, seconded by Director Russo and carried, the Governing Board approved the consent calendar as presented.

Ayes: Herrick, Sauer, Segovia, Russo, Walsh

Noes: None

Absent: None

Abstain: None

8. Items Removed from the Consent Calendar

None

9. Old Business

None

10. New Business – Discussion/Action Items

a. Resolution No. R. 14-2025, A Resolution of the Big Bear Area Regional Wastewater Agency Amending Fees for the Use of the Boardroom

The Administrative Services Manager/Board Secretary presented the item, explaining that staff are proposing an updated policy and fee schedule to improve clarity, reflect current operational costs, and ensure safe and responsible use.

Upon motion by Vice-Chair Walsh, seconded by Director Sauer and carried, the Governing Board adopted Resolution No. R. 14-2025, Amending Fees for the Use of the Boardroom.

Ayes: Herrick, Sauer, Segovia, Russo, Walsh
Noes: None
Absent: None
Abstain: None

b. Reorganization, Reclassification, Pay Schedule, and Allocate \$44,000 from the Contingency Fund for the Maintenance Worker

The Human Resources Coordinator/Accounting Technician presented the item, explaining that staff recommended the maintenance worker position to bring facility maintenance, janitorial and housekeeping services in-house, along with a title-only reclassification of the Administrative Services Manager/Board Secretary to Assistant General Manager/Board Secretary, to better reflect the position's existing authority and responsibilities.

Upon motion by Director Sauer, seconded by Vice-Chair Walsh and carried, the Governing Board approved the Maintenance Worker class specifications (job description); allocated \$44,000 from the Contingency Fund for the additional Maintenance Worker salary and benefits; approved the reclassification of Administrative Services Manager/Board Secretary to Assistant General Manager/Board Secretary; approved the Organizational Chart; and approved the publicly available Pay Schedule.

Ayes: Herrick, Sauer, Segovia, Walsh
Noes: Russo
Absent: None
Abstain: None

c. Replenish Big Bear Preliminary Financial Impact of Project Cancellation or Continuation with Final Design

Water Systems Consulting, Inc. presented the three options outlined in the staff report and highlighted the advantages and disadvantages of each option.

Public comments were heard.

Upon motion by Director Herrick, seconded by Vice-Chair Segovia and carried, the Governing Board took no action on Replenish Big Bear at this time and directed staff to return in January/February with an item regarding the Outfall Line investigation for consideration.

Ayes: Herrick, Sauer, Segovia, Russo, Walsh
Noes: None
Absent: None
Abstain: None

11. Comments and Announcements

a. General Manager Comments

None

b. Governing Board Comments

The Governing Board wished everyone a Merry Christmas and Happy New Year and commented on the importance of making good decisions for the residents of Big Bear.

12. Adjournment

With no further business to come before the Governing Board, Chair Segovia adjourned the meeting at 11:40 a.m.

Attest:

Bridgette Burton, Secretary to the Governing Board
Big Bear Area Regional Wastewater Agency



Agenda Item 7.B.

Meeting Date: January 28, 2026

To: Governing Board of the Big Bear Area Regional Wastewater Agency

From: David Lawrence, P.E., General Manager

Prepared By: Christine Bennett, Finance Manager

Subject: Monthly Disbursement Report

Background:

Attached is the Agency's November through December check register which reflects accounts paid during that period.

Financial Impact:

There is no financial impact.

Recommendation:

Informational

Attachments:

Check Register

Check Register by Account

Big Bear Area Regional Wastewater Agency
Check Register
For the Period From Nov 1, 2025 to Dec 31, 2025

Check #	Date	Payee	Cash Account	Amount
25284	11/7/25	AMAZON CAPITAL SERVICES	1000-20	1,699.49
25285	11/7/25	BEST BEST & KRIEGER LLP	1000-20	6,957.97
25286	11/7/25	BIG BEAR CITY COMMUNITY SERVICES DIST.	1000-20	1,027.09
25287	11/7/25	BUTCHER'S BLOCK	1000-20	126.46
25288	11/7/25	BEAR VALLEY ELECTRIC	1000-20	12,328.47
25289	11/7/25	CHARLES KING COMPANY	1000-20	1,241.00
25290	11/7/25	JOHN CONNELLY	1000-20	250.00
25291	11/7/25	COSCO FIRE PROTECTION INC.	1000-20	840.00
25292	11/7/25	CWEA TCP MEMBERSHIP	1000-20	228.00
25293	11/7/25	DIY HOME CENTER-BIG BEAR	1000-20	105.39
25294	11/7/25	FLYERS ENERGY, LLC	1000-20	1,704.95
25295	11/7/25	FRONTIER	1000-20	1,509.91
25296	11/7/25	GOVERNMENT FINANCE OFFICERS ASSN	1000-20	505.00
25297	11/7/25	GINO'S TIRE & AUTO	1000-20	225.65
25298	11/7/25	HUGHES NETWORK SYSTEMS LLC	1000-20	101.52
25299	11/7/25	MCMASTER-CARR	1000-20	809.23
25300	11/7/25	NAPA OF BIG BEAR	1000-20	532.22
25301	11/7/25	NATIVESCAPES INC	1000-20	552.00
25302	11/7/25	PHIL'S AUTOMOTIVE	1000-20	502.82
25303	11/7/25	S PORTER INC.	1000-20	2,400.00
25304	11/7/25	PRIMO BRANDS	1000-20	326.24
25305	11/7/25	ROGERS ANDERSON MALODY & SCOTT LLP	1000-20	9,300.00
25306	11/7/25	RINGCENTRAL INC.	1000-20	409.19
25307	11/7/25	SAN BERNARDINO COUNTY FIRE PROTECTION D	1000-20	1,596.00
25308	11/7/25	SBC TAX COLLECTOR	1000-20	4,354.15
25309	11/7/25	SDRMA	1000-20	1,445.06
25310	11/7/25	SPECTRUM BUSINESS	1000-20	1,053.96
25311	11/7/25	USA BLUEBOOK	1000-20	703.80
25312	11/7/25	UNDERGROUND SERVICE ALERT	1000-20	227.17
25313	11/7/25	VC3 INC.	1000-20	3,630.50
25314	11/7/25	VESTIS	1000-20	2,188.48
25315	11/7/25	VIKING COMMERCIAL CLEANING	1000-20	1,484.02
25316	11/7/25	WINZER CORP	1000-20	238.35
25317	11/7/25	WATER SYSTEMS CONSULTING INC.	1000-20	25,451.25
25318	11/7/25	XYLEM WATER SOLUTIONS U.S.A. INC.	1000-20	4,709.18
25327	11/21/25	ALL PROTECTION ALARM	1000-20	1,480.83
25328	11/21/25	AMAZON CAPITAL SERVICES	1000-20	2,999.01
25329	11/21/25	BIG BEAR CHAMBER OF COMMERCE	1000-20	855.00
25330	11/21/25	BUSINESS CARD	1000-20	2,645.68
25331	11/21/25	CANON FINANCIAL SERVICES INC	1000-20	29.61
25332	11/21/25	CLINICAL LAB OF SAN BERNARDINO	1000-20	457.50
25333	11/21/25	CA SOCIETY OF MUNICIPAL FINANCE OFFICER	1000-20	155.00
25334	11/21/25	COUNTY OF SAN BERNARDINO	1000-20	285.31
25335	11/21/25	TOM DODSON & ASSOCIATES	1000-20	1,665.08
25336	11/21/25	DISTRIBUTED SOLAR DEVELOPMENT LLC	1000-20	19,797.63
25337	11/21/25	DEPARTMENT OF WATER & POWER	1000-20	54.84
25338	11/21/25	GINO'S TIRE & AUTO	1000-20	189.75
25339	11/21/25	LIFE TECHNOLOGIES CORPORATION	1000-20	431.64
25340	11/21/25	LOR GEOTECHNICAL GROUP INC.	1000-20	1,704.00
25341	11/21/25	S PORTER INC.	1000-20	16,715.49

Big Bear Area Regional Wastewater Agency
Check Register
For the Period From Nov 1, 2025 to Dec 31, 2025

Check #	Date	Payee	Cash Account	Amount
25342	11/21/25	SOUTHLAND PIPE CORP.	1000-20	2,079.58
25343	11/21/25	SOUTHWEST GAS	1000-20	1,479.55
25344	11/21/25	SYNAGRO TECHNOLOGIES INC	1000-20	25,792.06
25346	11/21/25	USA BLUEBOOK	1000-20	197.56
25347	11/21/25	VC3 INC.	1000-20	3,618.00
25348	11/21/25	VERIZON WIRELESS	1000-20	224.52
25349	11/21/25	WATER SYSTEMS CONSULTING INC.	1000-20	82,943.50
25350	11/21/25	SWRCB	1000-20	55.00
25351	11/21/25	SWRCB	1000-20	274.00
25352	11/21/25	VC3 INC.	1000-20	1,370.00
25353	11/21/25	SWRCB	1000-20	60.00
25354	11/21/25	SWRCB	1000-20	274.00
25355	11/21/25	SWRCB	1000-20	201.00
25356	12/8/25	AMAZON CAPITAL SERVICES	1000-20	586.69
25357	12/8/25	AUTOZONE, INC.	1000-20	15.82
25358	12/8/25	BEST BEST & KRIEGER LLP	1000-20	4,587.14
25359	12/8/25	BIG BEAR CITY COMMUNITY SERVICES DIST.	1000-20	378.76
25360	12/8/25	BUTCHER'S BLOCK	1000-20	1,007.04
25361	12/8/25	BEAR VALLEY ELECTRIC	1000-20	14,370.69
25362	12/8/25	CHARLES KING COMPANY	1000-20	1,042.82
25363	12/8/25	CLINICAL LAB OF SAN BERNARDINO	1000-20	127.50
25364	12/8/25	DIY HOME CENTER-BIG BEAR	1000-20	53.27
25365	12/8/25	ENVIRONMENTAL EXPRESS INC	1000-20	224.15
25366	12/8/25	FAMCON PIPE & SUPPLY INC.	1000-20	1,422.30
25367	12/8/25	FLYERS ENERGY, LLC	1000-20	959.10
25368	12/8/25	FRONTIER	1000-20	1,509.91
25369	12/8/25	GRAINGER	1000-20	1,123.60
25370	12/8/25	BIG BEAR GRIZZLY	1000-20	429.00
25371	12/8/25	HUGHES NETWORK SYSTEMS LLC	1000-20	101.52
25372	12/8/25	LIFE TECHNOLOGIES CORPORATION	1000-20	2,887.70
25373	12/8/25	MOUNTAIN BEVERAGE SERVICE	1000-20	154.72
25374	12/8/25	NAPA OF BIG BEAR	1000-20	229.25
25375	12/8/25	NHA ADVISORS LLC	1000-20	8,850.00
25376	12/8/25	PITNEY BOWES GLOBAL FINANCIAL SERVICES	1000-20	127.67
25377	12/8/25	S PORTER INC.	1000-20	400.00
25378	12/8/25	PRIMO BRANDS	1000-20	194.59
25379	12/8/25	RINGCENTRAL INC.	1000-20	409.19
25380	12/8/25	REBEL OIL COMPANY INC - HC	1000-20	417.21
25381	12/8/25	SKYVIEW ELECTRIC	1000-20	6,171.44
25382	12/8/25	SPECTRUM BUSINESS	1000-20	1,053.96
25383	12/8/25	UNDERGROUND SERVICE ALERT	1000-20	93.17
25384	12/8/25	VESTIS	1000-20	2,030.16
25385	12/8/25	VIKING COMMERCIAL CLEANING	1000-20	1,484.02
25386	12/8/25	WATER SYSTEMS CONSULTING INC.	1000-20	28,291.15
25394	12/8/25	STATE WATER RESOURCES CONTROL BOARD	1000-20	238,256.00
25395	12/8/25	THE LITTLE GREEN HOUSE FLORIST	1000-20	65.19
25396	12/22/25	AMAZON CAPITAL SERVICES	1000-20	1,041.24
25397	12/22/25	BUSINESS CARD	1000-20	927.32
25398	12/22/25	COSCO FIRE PROTECTION INC.	1000-20	1,454.00
25399	12/22/25	COUNTY OF SAN BERNARDINO	1000-20	458.10

Big Bear Area Regional Wastewater Agency
Check Register
For the Period From Nov 1, 2025 to Dec 31, 2025

Check #	Date	Payee	Cash Account	Amount
25400	12/22/25	TOM DODSON & ASSOCIATES	1000-20	1,773.59
25401	12/22/25	DISTRIBUTED SOLAR DEVELOPMENT LLC	1000-20	14,380.88
25402	12/22/25	DEPARTMENT OF WATER & POWER	1000-20	54.84
25403	12/22/25	FAMCON PIPE & SUPPLY INC.	1000-20	902.95
25404	12/22/25	GOVERNMENT FINANCE OFFICERS ASSN	1000-20	200.00
25405	12/22/25	GINO'S TIRE & AUTO	1000-20	131.96
25406	12/22/25	GRAINGER	1000-20	350.04
25407	12/22/25	BEAR VALLEY BASIN GSA	1000-20	579.79
25408	12/22/25	LAKESIDE EQUIPMENT CORP	1000-20	9,578.98
25409	12/22/25	POLYDYNE INC	1000-20	8,875.10
25410	12/22/25	S PORTER INC.	1000-20	39,428.45
25411	12/22/25	PRIMO BRANDS	1000-20	192.59
25412	12/22/25	REBEL OIL COMPANY INC - HC	1000-20	1,340.37
25413	12/22/25	ROI ENGINEERING LLC	1000-20	2,309.00
25414	12/22/25	SAFETY-KLEEN SYSTEMS INC.	1000-20	472.42
25415	12/22/25	SOUTHERN CALIFORNIA EDISON	1000-20	36.50
25416	12/22/25	SOUTHWEST GAS	1000-20	2,687.79
25417	12/22/25	SYNAGRO TECHNOLOGIES INC	1000-20	17,094.75
25418	12/22/25	USDA FOREST SERVICE	1000-20	2,401.05
25419	12/22/25	VC3 INC.	1000-20	863.64
25420	12/22/25	VERIZON WIRELESS	1000-20	224.52
25422	12/22/25	WATER SYSTEMS CONSULTING INC.	1000-20	70,545.28
ACH 24667	11/14/25	CAPITAL ONE PUBLIC FUNDING LLC	1000-20	7,225.00
ACH 24668	11/14/25	PNC BANK N.A.	1000-20	75,221.62
ACH 24669	11/14/25	PNC BANK N.A.	1000-20	179,633.94
ACH 24712	12/26/25	CAPITAL ONE PUBLIC FUNDING LLC	1000-20	341,645.69
			Total	<u><u>1,359,885.79</u></u>

Personnel Expenditures (e.g., benefits, reimbursements) are not included in this report.

Big Bear Area Regional Wastewater Agency
Check Register
For the Period From Nov 1, 2025 to Dec 31, 2025

Account #	Check #	Date	Payee	Description	Amount
Power					
6100-05	25336	11/21/25	DISTRIBUTED SOLAR DEVELOPMENT LLC	Solar Purchases	19,797.63
6100-05	25401	12/22/25	DISTRIBUTED SOLAR DEVELOPMENT LLC	Solar Purchases	14,380.88
6100-10	25343	11/21/25	SOUTHWEST GAS	Fuel for Power Production	25.00
6100-10	25416	12/22/25	SOUTHWEST GAS	Fuel for Power Production	25.00
6100-11	25343	11/21/25	SOUTHWEST GAS	Gas - Administration Building	577.60
6100-11	25416	12/22/25	SOUTHWEST GAS	Gas - Administration Building	839.73
6100-12	25343	11/21/25	SOUTHWEST GAS	Gas - Treatment Plant	876.95
6100-12	25416	12/22/25	SOUTHWEST GAS	Gas - Treatment Plant	1,823.06
6100-20	25288	11/7/25	BEAR VALLEY ELECTRIC	Electricity - Treatment Plant	7,682.96
6100-20	25361	12/8/25	BEAR VALLEY ELECTRIC	Electricity - Treatment Plant	8,729.26
6100-21	25288	11/7/25	BEAR VALLEY ELECTRIC	Electricity - Stations	4,645.51
6100-21	25361	12/8/25	BEAR VALLEY ELECTRIC	Electricity - Stations	5,641.43
6100-23	25415	12/22/25	SOUTHERN CALIFORNIA EDISON	Electricity - Lucerne Valley	36.50
Total Power					65,081.51
Sludge Removal					
6200-00	25344	11/21/25	SYNAGRO TECHNOLOGIES INC	Sludge Removal	25,792.06
6200-00	25417	12/22/25	SYNAGRO TECHNOLOGIES INC	Sludge Removal	17,094.75
Total Sludge Removal					42,886.81
Chemicals					
6300-20	25409	12/22/25	POLYDYNE INC	Polymer	8,875.10
6300-30	25311	11/7/25	USA BLUEBOOK	Laboratory Reagents	133.07
6300-30	25346	11/21/25	USA BLUEBOOK	Laboratory Reagents	119.15
Total Chemicals					9,127.32
Materials and Supplies					
6400-10	25284	11/7/25	AMAZON CAPITAL SERVICES	Office and Janitorial Supplies	345.28
6400-10	25296	11/7/25	GOVERNMENT FINANCE OFFICERS ASSN	Certificate of Achievement ACFR Review Fee	505.00
6400-10	25304	11/7/25	PRIMO BRANDS	Bottled Water	326.24
6400-10	25328	11/21/25	AMAZON CAPITAL SERVICES	Office and Breakroom Supplies	159.69
6400-10	25330	11/21/25	BUSINESS CARD	Breakroom and Janitorial Supplies/Meeting Expenses	347.62
6400-10	25331	11/21/25	CANON FINANCIAL SERVICES INC	Quarterly Copy Overage	29.61
6400-10	25373	12/8/25	MOUNTAIN BEVERAGE SERVICE	Breakroom Supplies	154.72
6400-10	25376	12/8/25	PITNEY BOWES GLOBAL FINANCIAL SERVICES	Postage Machine Lease	127.67
6400-10	25378	12/8/25	PRIMO BRANDS	Bottled Water	194.59
6400-10	25395	12/8/25	THE LITTLE GREEN HOUSE FLORIST	Employee Recognition	65.19
6400-10	25396	12/22/25	AMAZON CAPITAL SERVICES	Recycle Bins/Office and Janitorial Supplies	749.06
6400-10	25397	12/22/25	BUSINESS CARD	Office and Meeting Supplies	161.23

Big Bear Area Regional Wastewater Agency
Check Register
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Account #	Check #	Date	Payee	Description	Amount
6400-10	25411	12/22/25	PRIMO BRANDS	Bottled Water	192.59
6400-20	25284	11/7/25	AMAZON CAPITAL SERVICES	Safety Gear	554.98
6400-20	25328	11/21/25	AMAZON CAPITAL SERVICES	Safety Gear/Supplies	2,328.21
6400-20	25356	12/8/25	AMAZON CAPITAL SERVICES	Safety Gear	500.50
6400-20	25396	12/22/25	AMAZON CAPITAL SERVICES	Safety Supplies	49.88
6400-20	25397	12/22/25	BUSINESS CARD	Safety - Gas Detector	38.31
6400-25	25284	11/7/25	AMAZON CAPITAL SERVICES	Laboratory Supplies	118.73
6400-25	25311	11/7/25	USA BLUEBOOK	Laboratory Supplies	230.40
6400-25	25328	11/21/25	AMAZON CAPITAL SERVICES	Laboratory Supplies	62.64
6400-25	25339	11/21/25	LIFE TECHNOLOGIES CORPORATION	Laboratory Supplies	431.64
6400-25	25346	11/21/25	USA BLUEBOOK	Laboratory Supplies	78.41
6400-25	25365	12/8/25	ENVIRONMENTAL EXPRESS INC	Laboratory Supplies	224.15
6400-25	25372	12/8/25	LIFE TECHNOLOGIES CORPORATION	Laboratory Supplies	2,887.70
6400-26	25293	11/7/25	DIY HOME CENTER-BIG BEAR	Fuel	11.69
6400-26	25294	11/7/25	FLYERS ENERGY, LLC	Fuel	1,704.95
6400-26	25367	12/8/25	FLYERS ENERGY, LLC	Fuel	959.10
6400-27	25300	11/7/25	NAPA OF BIG BEAR	Oil Filter	36.84
6400-27	25380	12/8/25	REBEL OIL COMPANY INC - HC	Oil	417.21
6400-27	25412	12/22/25	REBEL OIL COMPANY INC - HC	Oil	1,340.37
6400-30	25414	12/22/25	SAFETY-KLEEN SYSTEMS INC.	Degreasers/Solvents	472.42
6400-40	25287	11/7/25	BUTCHER'S BLOCK	Miscellaneous Hardware	12.81
6400-40	25293	11/7/25	DIY HOME CENTER-BIG BEAR	Miscellaneous Hardware	12.07
6400-40	25316	11/7/25	WINZER CORP	Miscellaneous Hardware	238.35
6400-40	25360	12/8/25	BUTCHER'S BLOCK	Miscellaneous Hardware	261.43
6400-40	25364	12/8/25	DIY HOME CENTER-BIG BEAR	Miscellaneous Hardware	20.87
6400-40	25406	12/22/25	GRAINGER	Miscellaneous Hardware	51.34
6400-50	25287	11/7/25	BUTCHER'S BLOCK	Ground Maintenance Supplies	32.93
6400-50	25360	12/8/25	BUTCHER'S BLOCK	Ground Maintenance Supplies	729.18
6400-60	25328	11/21/25	AMAZON CAPITAL SERVICES	Electrical Supplies	422.62
6400-75	25284	11/7/25	AMAZON CAPITAL SERVICES	Lockers and Small Tools	680.50
6400-75	25287	11/7/25	BUTCHER'S BLOCK	Tools	80.72
6400-75	25328	11/21/25	AMAZON CAPITAL SERVICES	Tools	25.85
6400-75	25360	12/8/25	BUTCHER'S BLOCK	Tools	16.43
6400-75	25369	12/8/25	GRAINGER	Tools	1,123.60
6400-80	25293	11/7/25	DIY HOME CENTER-BIG BEAR	Plumbing Supplies	81.63
6400-80	25299	11/7/25	MCMaster-CARR	Plumbing Supplies	809.23
6400-80	25364	12/8/25	DIY HOME CENTER-BIG BEAR	Plumbing Supplies	32.40
6400-80	25406	12/22/25	GRAINGER	Electrical Supplies	298.70

Big Bear Area Regional Wastewater Agency
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Account #	Check #	Date	Payee	Description	Amount
Total Materials and Supplies					20,737.28
Repairs and Replacements					
6500-10	25341	11/21/25	S PORTER INC.	Mainline - 3 Manholes	2,400.00
6500-10	25377	12/8/25	S PORTER INC.	Mainline Trench Plates	400.00
6500-20	25289	11/7/25	CHARLES KING COMPANY	Hoses	1,241.00
6500-20	25311	11/7/25	USA BLUEBOOK	Pump Float	340.33
6500-20	25318	11/7/25	XYLEM WATER SOLUTIONS U.S.A. INC.	LPS Pumps	4,709.18
6500-20	25342	11/21/25	SOUTHLAND PIPE CORP.	Pump Parts	2,079.58
6500-20	25362	12/8/25	CHARLES KING COMPANY	Hoses	1,042.82
6500-20	25366	12/8/25	FAMCON PIPE & SUPPLY INC.	Gaskets/Couplings	1,422.30
6500-20	25403	12/22/25	FAMCON PIPE & SUPPLY INC.	Gaskets/Couplings	902.95
6500-30	25297	11/7/25	GINO'S TIRE & AUTO	Trailer Tires	225.65
6500-30	25303	11/7/25	S PORTER INC.	Crane Service - Pull LPS Pump and Ditch 1 Shaft	2,400.00
6500-30	25356	12/8/25	AMAZON CAPITAL SERVICES	Fuel Nozzle	86.19
6500-30	25374	12/8/25	NAPA OF BIG BEAR	Equipment Battery Replacement	148.74
6500-30	25396	12/22/25	AMAZON CAPITAL SERVICES	Snowplow Shoe Assembly and Hardware	129.29
6500-30	25408	12/22/25	LAKESIDE EQUIPMENT CORP	Driveshaft and Assembly	9,578.98
6500-30	25410	12/22/25	S PORTER INC.	Crane Service - Rotor #4	4,000.00
6500-35	25300	11/7/25	NAPA OF BIG BEAR	Tire Chains and Chain Tighteners	495.38
6500-35	25302	11/7/25	PHIL'S AUTOMOTIVE	Smog Checks/Oil Change	502.82
6500-35	25338	11/21/25	GINO'S TIRE & AUTO	Oil Change	189.75
6500-35	25357	12/8/25	AUTOZONE, INC.	Vehicle Maintenance/Repair	15.82
6500-35	25374	12/8/25	NAPA OF BIG BEAR	Vehicle Maintenance/Repair	80.51
6500-35	25405	12/22/25	GINO'S TIRE & AUTO	Vehicle Service	131.96
Total Repairs and Replacements					32,523.25
Utilities					
6530-10	25286	11/7/25	BIG BEAR CITY COMMUNITY SERVICES DIST.	Utilities - Water	648.33
6530-10	25337	11/21/25	DEPARTMENT OF WATER & POWER	Utilities - Water	54.84
6530-10	25402	12/22/25	DEPARTMENT OF WATER & POWER	Utilities - Water	54.84
6530-20	25286	11/7/25	BIG BEAR CITY COMMUNITY SERVICES DIST.	Trash Service	378.76
6530-20	25359	12/8/25	BIG BEAR CITY COMMUNITY SERVICES DIST.	Trash Service	378.76
6530-30	25290	11/7/25	JOHN CONNELLY	Station Vault Pumping	250.00
6530-30	25334	11/21/25	COUNTY OF SAN BERNARDINO	Solid Waste Disposal	285.31
6530-30	25399	12/22/25	COUNTY OF SAN BERNARDINO	Solid Waste Disposal	458.10
Total Utilities					2,508.94
Communication Expense					
6550-10	25295	11/7/25	FRONTIER	SCADA	971.62
6550-10	25298	11/7/25	HUGHES NETWORK SYSTEMS LLC	SCADA	101.52

Big Bear Area Regional Wastewater Agency
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Account #	Check #	Date	Payee	Description	Amount
6550-10	25310	11/7/25	SPECTRUM BUSINESS	SCADA	344.97
6550-10	25368	12/8/25	FRONTIER	SCADA	971.62
6550-10	25371	12/8/25	HUGHES NETWORK SYSTEMS LLC	SCADA	101.52
6550-10	25382	12/8/25	SPECTRUM BUSINESS	SCADA	344.97
6550-10	25413	12/22/25	ROI ENGINEERING LLC	SCADA Support	2,309.00
6550-30	25397	12/22/25	BUSINESS CARD	Television - Annual Subscription	109.99
6550-40	25295	11/7/25	FRONTIER	Telephone Service	538.29
6550-40	25306	11/7/25	RINGCENTRAL INC.	Telephone Service and Maintenance	409.19
6550-40	25348	11/21/25	VERIZON WIRELESS	Telephone Service	185.19
6550-40	25368	12/8/25	FRONTIER	Telephone Service	538.29
6550-40	25379	12/8/25	RINGCENTRAL INC.	Telephone Service and Maintenance	409.19
6550-40	25420	12/22/25	VERIZON WIRELESS	Telephone Service	185.19
6550-50	25310	11/7/25	SPECTRUM BUSINESS	Internet, Wireless Service	708.99
6550-50	25348	11/21/25	VERIZON WIRELESS	Internet, Wireless Service	39.33
6550-50	25382	12/8/25	SPECTRUM BUSINESS	Internet, Wireless Service	708.99
6550-50	25420	12/22/25	VERIZON WIRELESS	Internet, Wireless Service	39.33
6550-60	25313	11/7/25	VC3 INC.	IT Service	3,630.50
6550-60	25347	11/21/25	VC3 INC.	IT Service	3,618.00
6550-60	25352	11/21/25	VC3 INC.	Annual Firewall Warranty Renewal	1,370.00
6550-60	25419	12/22/25	VC3 INC.	Subscriptions	863.64
Total Communication Expense					18,499.33
Contractual Services Other					
6600-10	25332	11/21/25	CLINICAL LAB OF SAN BERNARDINO	Testing	457.50
6600-10	25363	12/8/25	CLINICAL LAB OF SAN BERNARDINO	Testing	127.50
6600-20	25314	11/7/25	VESTIS	Uniform Laundry Service	2,188.48
6600-20	25384	12/8/25	VESTIS	Uniform Laundry Service	2,030.16
6600-40	25291	11/7/25	COSCO FIRE PROTECTION INC.	Fire Suppression System Quarterly Inspection	840.00
6600-40	25327	11/21/25	ALL PROTECTION ALARM	Security, Fire Alarm	1,480.83
6600-40	25398	12/22/25	COSCO FIRE PROTECTION INC.	Sprinkler System Repair	1,454.00
6600-58	25301	11/7/25	NATIVESCAPES INC	Landscaping	552.00
6600-60	25381	12/8/25	SKYVIEW ELECTRIC	Bathroom Water Heater/Pump Repairs	6,171.44
6600-65	25396	12/22/25	AMAZON CAPITAL SERVICES	HVAC Filters	113.01
6600-80	25315	11/7/25	VIKING COMMERCIAL CLEANING	Janitorial Service	1,484.02
6600-80	25385	12/8/25	VIKING COMMERCIAL CLEANING	Janitorial Service	1,484.02
Total Contractual Services Other					18,382.96
Contractual Services Professional					
6700-20	25285	11/7/25	BEST BEST & KRIEGER LLP	Legal Services	6,924.77
6700-20	25358	12/8/25	BEST BEST & KRIEGER LLP	Legal Services	4,587.14

Big Bear Area Regional Wastewater Agency
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For the Period From Nov 1, 2025 to Dec 31, 2025

Account #	Check #	Date	Payee	Description	Amount
6700-30	25305	11/7/25	ROGERS ANDERSON MALODY & SCOTT LLP	FY 2025 Year End Audit	9,300.00
Total Contractual Services Professional					20,811.91
Permits and Fees					
6800-10	25312	11/7/25	UNDERGROUND SERVICE ALERT	Dig Alert Ticket Charges	227.17
6800-10	25383	12/8/25	UNDERGROUND SERVICE ALERT	Dig Alert Ticket Charges	93.17
6810-00	25307	11/7/25	SAN BERNARDINO COUNTY FIRE PROTECTION D	CUPA Permits	1,596.00
6810-00	25394	12/8/25	STATE WATER RESOURCES CONTROL BOARD	Discharge Permits	238,256.00
6810-00	25418	12/22/25	USDA FOREST SERVICE	Special Use Permits	2,401.05
Total Permits and Fees					242,573.39
Property Tax					
6820-00	25308	11/7/25	SBC TAX COLLECTOR	Property Tax - Lucerne Valley	4,354.15
Total Property Tax					4,354.15
Insurance					
6900-10	25309	11/7/25	SDRMA	Workers Compensation Program Reconciliation	1,445.06
Total Insurance					1,445.06
Other Expense					
6950-10	25329	11/21/25	BIG BEAR CHAMBER OF COMMERCE	Annual Membership Dues	855.00
6950-10	25333	11/21/25	CA SOCIETY OF MUNICIPAL FINANCE OFFICER	Annual Membership Dues	155.00
6950-21	25397	12/22/25	BUSINESS CARD	Board Member CSDA Training	617.79
6950-30	25370	12/8/25	BIG BEAR GRIZZLY	Legal Notices	429.00
6950-40	25292	11/7/25	CWEA TCP MEMBERSHIP	CWEA Certifications	228.00
6950-40	25330	11/21/25	BUSINESS CARD	CalPERS Ed Forum/Webinar	2,298.06
6950-40	25350	11/21/25	SWRCB	Certification Renewal	55.00
6950-40	25351	11/21/25	SWRCB	Certification Renewal	274.00
6950-40	25353	11/21/25	SWRCB	Certification Renewal	60.00
6950-40	25354	11/21/25	SWRCB	Certification Renewal	274.00
6950-40	25355	11/21/25	SWRCB	Certification Renewal	201.00
6950-40	25404	12/22/25	GOVERNMENT FINANCE OFFICERS ASSN	Webinar - Annual GAAP Update	200.00
Total Other Expense					5,646.85
Other Nonoperating Expense					
8000-11	25407	12/22/25	BEAR VALLEY BASIN GSA	GSA Administration Costs	579.79
Total Nonoperating Other Expense					579.79
Retention Payable					
2000-11	25410	12/22/25	S PORTER INC.	Force Main Project Construction Retention	35,428.45
Total Retention Payable					35,428.45
Capital Expenditures					
9500-00	25335	11/21/25	TOM DODSON & ASSOCIATES	Cactus Flats Outfall Line Project Environmental	1,665.08
9500-00	25340	11/21/25	LOR GEOTECHNICAL GROUP INC.	Force Main Project Compaction Testing	1,704.00

Big Bear Area Regional Wastewater Agency
Check Register
For the Period From Nov 1, 2025 to Dec 31, 2025

Account #	Check #	Date	Payee	Description	Amount
9500-00	25341	11/21/25	S PORTER INC.	Force Main Project Construction	14,315.49
9500-00	25349	11/21/25	WATER SYSTEMS CONSULTING INC.	RAS Header Project Engineering	813.75
9500-00	25400	12/22/25	TOM DODSON & ASSOCIATES	Cactus Flats Outfall Line Project Environmental	1,398.59
Total Capital Expenditures					19,896.91
Replenish Big Bear Capital Expenditures					
9500-10	25317	11/7/25	WATER SYSTEMS CONSULTING INC.	RBB Engineering	25,451.25
9500-10	25349	11/21/25	WATER SYSTEMS CONSULTING INC.	RBB Final Design	82,129.75
9500-10	25386	12/8/25	WATER SYSTEMS CONSULTING INC.	RBB Engineering	28,291.15
9500-10	25422	12/22/25	WATER SYSTEMS CONSULTING INC.	RBB Final Design	70,545.28
9500-11	25400	12/22/25	TOM DODSON & ASSOCIATES	RBB Environmental	375.00
9500-12	25285	11/7/25	BEST BEST & KRIEGER LLP	RBB Legal Services	33.20
9500-14	25375	12/8/25	NHA ADVISORS LLC	RBB Financial Advisor	8,850.00
Total Replenish Big Bear Capital Expenditures					215,675.63
Interest Expense					
2200-00	ACH 24668	11/14/25	PNC BANK N.A.	2011 Refunding Agreement Accrued Interest Payment	5,020.51
2200-00	ACH 24669	11/14/25	PNC BANK N.A.	2018 Installment Purchase Agreement Accrued Interest	2,150.62
8200-30	ACH 24668	11/14/25	PNC BANK N.A.	2011 Refunding Agreement Interest Payment	15,279.11
8200-30	ACH 24669	11/14/25	PNC BANK N.A.	2018 Installment Purchase Agreement Interest Payment	6,532.02
8200-50	ACH 24667	11/14/25	CAPITAL ONE PUBLIC FUNDING LLC	RBB Short Term Loan Interest Payment	7,225.00
8200-50	ACH 24712	12/26/25	CAPITAL ONE PUBLIC FUNDING LLC	RBB Short Term Loan - Phase 2 Interest Payoff	1,645.69
Total Interest Expense					37,852.95
Loan Principal					
2600-30	ACH 24669	11/14/25	PNC BANK N.A.	2018 Installment Purchase Agreement Principal Payment	170,951.30
2600-31	ACH 24668	11/14/25	PNC BANK N.A.	2011 Refunding Agreement Principal Payment	54,922.00
2900-32	ACH 24712	12/26/25	CAPITAL ONE PUBLIC FUNDING LLC	RBB Short Term Loan - Phase 2 Principal Payoff	340,000.00
Total Loan Principal					565,873.30
Grand Total					1,359,885.79



Big Bear Area Regional Wastewater Agency

Kendi Segovia – Chair
Larry Walsh – Vice-Chair
Rick Herrick – Director
John Russo – Director
Andrew Sauer - Director

Agenda Item 7.C.

Meeting Date: January 28, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Prepared By: Christine Bennett, Finance Manager
Subject: Investment Report Identifying Agency Investments and Reporting Interest Income

Background:

Attached are the November and December Monthly Investment Reports pursuant to the Agency's Investment Policy.

Financial Impact:

There is no financial impact.

Recommendation:

Informational

Attachments:

Monthly Investment Report
LAIF Statement

BBARWA
 Monthly Investment Report
 November 2025

<u>INVESTMENT TYPE</u>	<u>COST</u>	<u>FAIR MARKET VALUE (1)</u>	<u>YEAR TO DATE INTEREST(2)</u>	<u>INTEREST RATE</u>	<u>MATURITY DATE</u>
LOCAL AGENCY INVESTMENT FUND	\$ 8,427,907	\$ 8,444,169	\$ 315,116	4.096%	DAILY
TOTAL	\$ 8,427,907	\$ 8,444,169	\$ 315,116		

The Investment Portfolio of the Big Bear Area Regional Wastewater Agency is in compliance with the investment policy approved in August 2025. The Agency will be able to meet its expenditure requirements for the next six months.

(1) LOCAL AGENCY INVESTMENT FUND (LAIF) IS A STATE-RUN INVESTMENT POOL PROVIDED FOR PUBLIC AGENCIES. THE LAIF MARKET VALUE SHOWN ON THIS TREASURER'S REPORT REPRESENTS BBARWA'S SHARE OF THE **LIQUID VALUE** OF LAIF'S PORTFOLIO IF IT WAS LIQUIDATED AS OF THE END OF THE REPORTED MONTH. THIS NUMBER SERVES AS AN INDICATOR OF WHETHER OR NOT THE **MARKET VALUE** OF LAIF'S INVESTMENTS IS ABOVE OR BELOW THE **COST** OF THOSE INVESTMENTS.

(2) Interest paid quarterly on LAIF investment. Amount reflects interest income received at the reporting date during FY 2026 and excludes accrued interest.

Attachment (s): Monthly LAIF Statement

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

December 08, 2025

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

FINANCE MANAGER
P.O. BOX 517
BIG BEAR CITY, CA 92314

[Tran Type Definitions](#)

Account Number:

November 2025 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
11/12/2025	11/6/2025	RW	1786619	1747252	CHRISTINE BENNETT	-500,000.00
11/24/2025	11/20/2025	RW	1787152	1747773	CHRISTINE BENNETT	-500,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	9,427,906.89
Total Withdrawal:	-1,000,000.00	Ending Balance:	8,427,906.89

BBARWA
 Monthly Investment Report
 December 2025

<u>INVESTMENT TYPE</u>	<u>COST</u>	<u>FAIR MARKET VALUE (1)</u>	<u>YEAR TO DATE INTEREST(2)</u>	<u>INTEREST RATE</u>	<u>MATURITY DATE</u>
LOCAL AGENCY INVESTMENT FUND	\$ 10,327,907	\$ 10,347,835	\$ 315,116	4.025%	DAILY
TOTAL	\$ 10,327,907	\$ 10,347,835	\$ 315,116		

The Investment Portfolio of the Big Bear Area Regional Wastewater Agency is in compliance with the investment policy approved in August 2025. The Agency will be able to meet its expenditure requirements for the next six months.

(1) LOCAL AGENCY INVESTMENT FUND (LAIF) IS A STATE-RUN INVESTMENT POOL PROVIDED FOR PUBLIC AGENCIES. THE LAIF MARKET VALUE SHOWN ON THIS TREASURER'S REPORT REPRESENTS BBARWA'S SHARE OF THE **LIQUID VALUE** OF LAIF'S PORTFOLIO IF IT WAS LIQUIDATED AS OF THE END OF THE REPORTED MONTH. THIS NUMBER SERVES AS AN INDICATOR OF WHETHER OR NOT THE **MARKET VALUE** OF LAIF'S INVESTMENTS IS ABOVE OR BELOW THE **COST** OF THOSE INVESTMENTS.

(2) Interest paid quarterly on LAIF investment. Amount reflects interest income received at the reporting date during FY 2026 and excludes accrued interest.

Attachment (s): Monthly LAIF Statement

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

January 05, 2026

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[PMIA Average Monthly Yields](#)

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

FINANCE MANAGER
P.O. BOX 517
BIG BEAR CITY, CA 92314

[Tran Type Definitions](#)

Account Number:

December 2025 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
12/22/2025	12/18/2025	RW	1788168	1748800	CHRISTINE BENNETT	-500,000.00
12/23/2025	12/23/2025	RD	1788357	1749003	CHRISTINE BENNETT	2,900,000.00
12/29/2025	12/29/2025	RW	1788452	1749091	CHRISTINE BENNETT	-500,000.00

Account Summary

Total Deposit:	2,900,000.00	Beginning Balance:	8,427,906.89
Total Withdrawal:	-1,000,000.00	Ending Balance:	10,327,906.89



Agenda Item 7.D.

Meeting Date: January 28, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Prepared By: Christine Bennett, Finance Manager
Subject: Fixed and Variable Rates

Background & Discussion:

On May 3, 1977, BBARWA entered into Operating Agreement No. 1 with Member Agencies which included a Total Annual Charge for receiving, transporting, treating, and disposing of sewage and wastewater during each fiscal year. The Total Annual Charge consisted of the Total Annual Charge, the service charge, and the infiltration/inflow charge and was calculated based on equivalent dwelling units (EDU's).

On August 23, 2011, BBARWA entered into the Payment and Collection Agreement with Member Agencies which amended the Total Annual Charge by removing the service charge and infiltration/inflow charge and basing the Total Annual Charge on a fixed and variable rate charge with the variable rate not to exceed 35% of the BBARWA budget for the ensuing fiscal year unless mutually agreed upon by the Member Agencies and BBARWA. The Agreement also determined that fixed rates are charged to customers based on EDU's and variable rates are charged to customers based on gallons of flow.

During the January 22, 2025 Governing Board Meeting, the Governing Board asked staff to present information regarding the structure of the fixed and variable rates annually before the budget process.

Fixed Rate

By definition, fixed costs are independent of operations and generally remain the same regardless of output. The fixed rate includes the following fixed cost categories and their subcategories:

- Salaries and benefits
- Communications expense
- Contractual services – other (janitorial, uniforms, etc.)
- Contractual services – professional
- Permits and fees
- Property tax expense
- Insurance

- Other operating expenses (education & training, memberships and dues, Directors fees, etc.)
- Debt service

Variable Rate

In contrast, variable costs increase and decrease with operations. Variable rates are based on a three-year average flow and include the following variable cost categories and their subcategories:

- Power
- Sludge removal
- Chemicals
- Materials and supplies
- Repairs and replacements
- Equipment rental
- Utilities expense

Capital expenditures are considered to be both fixed and variable costs. A majority of capital expenditures include rehabilitation or replacement of infrastructure that needs to be ready to operate regardless of current flow. As such, the percentage of capital expenditures equal to the total percentage of fixed operating costs is included in the fixed rates. The remaining capital expenditures are included in the variable rates.

Financial Impact:

There is no financial impact.

Recommendation:

Informational



Agenda Item 10.A.

Meeting Date: January 28, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Prepared By: Sonja Kawa, HR Coordinator/Accounting Technician
Subject: Public Hearing: Assembly Bill 2561 - Local Public Employees Vacant Positions

Background & Discussion:

Assembly Bill 2561 (AB 2561), effective January 1, 2025, provides a framework for the management and oversight of vacant positions within local government agencies with the intent of ensuring efficient use of public funds, enhancing workforce management, and addressing the impact of vacant roles on public services. AB 2561 seeks to increase accountability to the public by ensuring that agencies report on their vacancy status and management practices. AB 2561 requires the Agency to report the number of vacancies and how the Agency is recruiting to fill the vacant positions. The Agency is also required to identify any changes to policies, procedures or recruitment activities that negatively impact the Agency's efforts to reduce its vacancies.

The Agency has no changes to policies, procedures or recruitment activities that negatively impact the Agency's efforts to reduce its vacancies. The Agency has one vacancy and is actively recruiting for the Maintenance Worker position.

The Agency is required to report this information annually.

Financial Impact:

There is no financial impact.

Recommendation:

Informational



Agenda Item 10.B.

Meeting Date: January 28, 2026

To: Governing Board of the Big Bear Area Regional Wastewater Agency

From: David Lawrence, P.E., General Manager

Prepared By: Bridgette Burton, Assistant General Manager/Board Secretary

Subject: Resolution No. R. 01-2026, A Resolution of the Governing Board of the Big Bear Area Regional Wastewater Agency Rescinding Resolution No. R. 16-2023 and Amending Resolution No. R. 09-2023, Adding the Assistant General Manager/Board Secretary as a signatory for the Agency's US Bank Accounts

Background & Discussion:

On December 17, 2025, the Governing Board approved the reclassification of the Administrative Services Manager/Board Secretary to Assistant General Manager/Board Secretary. Per the approved job description, in the absence of the General Manager and at the General Manager's direction, the Assistant General Manager/Board Secretary is authorized to review and approve expenditures and payments, process purchase orders, and sign checks. This job title change necessitates rescinding Resolution No. R. 16-2023 and amending Section 2 of Resolution No. 09-2023, to include the Assistant General Manager/Board Secretary as an authorized bank signatory.

Financial Impact:

There is no financial impact.

Recommendation:

Adopt Resolution No. R. 01-2026.

Attachment:

Resolution No. R. 01-2026

RESOLUTION NO. R. 01-2026

**A RESOLUTION OF THE GOVERNING BOARD OF THE BIG BEAR AREA
REGIONAL WASTEWATER AGENCY RESCINDING RESOLUTION NO. R. 16-2023
AND AMENDING RESOLUTION NO. R. 09-2023 ADDING THE ASSISTANT
GENERAL MANAGER/BOARD SECRETARY AS A BANK SIGNATORY FOR THE
AGENCY'S US BANK ACCOUNT**

WHEREAS, the Governing Board of the Big Bear Area Regional Wastewater (“Agency”) maintains its general fund and payroll account at US Bank National Association (“US Bank”); and

WHEREAS, the Governing Board of the Big Bear Area Regional Wastewater Agency approved a position reclassification from Administrative Services Manager/Board Secretary to Assistant General Manager/Board Secretary which includes bank signatory authorization in the absence and at the direction of the General Manager; and

WHEREAS, it is necessary to amend the authorization for those individuals who may write checks or take such other actions as may be necessary on behalf of the Agency related to the US Bank account.

NOW, THEREFORE, BE IT RESOLVED, the Governing Board of the Big Bear Area Regional Wastewater Agency determines and resolves as follows:

1. The General Manager, Assistant General Manager, or Plant Manager each acting singly, are hereby authorized to write checks or take such other actions as may be necessary on behalf of the Agency related to the US Bank account.

The authorizations contained in this Resolution shall not be changed except through further resolution of the Governing Board of the Agency. This Resolution rescinds Resolution No. R. 16-2023 and amends Section 2 of Resolution No. 09-2023.

PASSED, ADOPTED AND APPROVED this 28th day of January, 2026.

Kendi Segovia, Chair of the Governing Board
Big Bear Area Regional Wastewater Agency

ATTEST:

I, Bridgette Burton, Secretary to the Governing Board of the Big Bear Area Regional Wastewater Agency, DO HEREBY CERTIFY that the foregoing Resolution of the Governing Board of the Big Bear Area Regional Wastewater Agency, Rescinding Resolution No. R. 16-2023 and Amending Resolution No. R. 09-2023, Adding the Assistant General Manager/Board Secretary as a Bank Signatory for the Agency's US Bank Account, being Resolution No. R. 01-2026, was adopted at a regular meeting on January 28, 2026, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Bridgette Burton, Secretary to the Governing Board
Big Bear Area Regional Wastewater Agency



Agenda Item 10.C.

Meeting Date: January 28, 2026

To: Governing Board of the Big Bear Area Regional Wastewater Agency

From: David Lawrence, P.E., General Manager

Prepared By: Bridgette Burton, Assistant General Manager/Board Secretary

Subject: Introduction and First Read of Ordinance No. O. 01-2026, An Ordinance of the Big Bear Area Regional Wastewater Agency Amending Section 2.04.040 of the Big Bear Area Regional Wastewater Agency Code Regarding Time Limits on Public Testimony at Governing Board Meetings

Background:

On March 26, 2025, the Governing Board adopted Ordinance No. O. 01-2025, amending section 2.04.040 of the Agency's Code regarding time limits on public testimony at Governing Board meetings.

Discussion:

Senate Bill 707, effective January 1, 2026, establishes requirements for public participation during teleconferenced meetings held under the Brown Act, including specific rules governing timed general public comment periods. The code section referenced is Gov. Code 54953.8(b)(6)(C) which states that, "a legislative body that provides a timed general public comment period that *does not correspond to a specific agenda item* shall not close the public comment period or the opportunity to register until the timed general public comment period has elapsed." As the Agency's ordinance currently stands, there is a general public comment period, not corresponding to a specific agenda item, of 30 minutes, which means each teleconferenced meeting (held in accordance with Section 54953.8(b)) of the Agency's legislative body would need to keep that general comment period open for an entire 30 minutes, whether or not someone speaks.

To remedy this, staff recommends (1) keeping the timed general public comment period for in-person meetings only, and (2) replacing the timed general public comment period in the Ordinance with a requirement to allow for a "reasonable amount of time" for public comment on each agenda item addressed during teleconferenced meetings. These changes will allow the Agency to avoid operational inefficiencies and unintended delays while still providing members of the public an opportunity to address the Governing Board.

Financial Impact:

There is no financial impact.

Recommendation:

1. Vote to waive the full reading of the proposed Ordinance O. 01-2026; and
2. Direct staff to place it on the agenda for consideration and adoption at a public hearing on February 25, 2026.

Attachment:

Ordinance O. 01-2026

ORDINANCE NO. O. 01-2026

**AN ORDINANCE OF THE BIG BEAR AREA REGIONAL
WASTEWATER AGENCY AMENDING SECTION 2.04.040
OF THE BIG BEAR AREA REGIONAL WASTEWATER
AGENCY CODE REGARDING TIME LIMITS ON PUBLIC
TESTIMONY AT GOVERNING BOARD MEETINGS**

WHEREAS, Section 54954.3 of the California Government Code authorizes the Governing Board to adopt reasonable regulations regarding public testimony at its public meeting; and **WHEREAS**, the Governing Board recognizes the need to ensure that: 1) all members of the public have an opportunity to speak; and 2) the Governing Board is able to complete its scheduled business in a reasonably efficient manner;

WHEREAS, this Ordinance amends, replaces and supersedes Ordinance No. O. 01-2025 adopted on March 26, 2025.

NOW THEREFORE, BE IT ORDAINED by the Governing Board of the Big Bear Area Regional Wastewater Agency as follows:

1. Amend Section 2.04.040. In order to effectuate the intentions of this Governing Board, Section 2.04.040 of the Big Bear Area Regional Wastewater Agency Code is hereby amended to read as follows:

“2.04.040 Time Limit on Public Testimony at Governing Board Meetings. At meetings of the Governing Board, each individual speaker will be limited to three minutes or less of public testimony on each item on the agenda and three minutes or less on each item not on the agenda. In addition, public testimony on non-agenda items for in-person meetings shall be limited to thirty minutes for all speakers. For teleconferenced meetings conducted pursuant to Government Code Section 54953.8, the Governing Board shall provide a reasonable amount of time for public comment on each agenda item. The Chair of the Governing Board, by majority vote of members present, may waive these time limitations. Whenever a group of persons wishes to address the Governing Board on the same item, the Chair of the Governing Board, by majority vote of members present, may request a spokesperson be chosen for the group or limit the number of such persons addressing the Governing Board. The Chair of the Governing Board, by majority vote of

members present, may rule out of order testimony that is unduly repetitious or irrelevant.”

2. Effective Date. This Ordinance shall become effective immediately upon its execution and passage by this Governing Board.

3. Validity. If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or application of this Ordinance and to this end the provisions of this ordinance are declared to be severable.

ADOPTED this 25th day of February, 2026.

Kendi Segovia, Chair of the Governing Board
of the Big Bear Area Regional Wastewater Agency

ATTEST:

I, Bridgette Burton, Secretary to the Big Bear Area Regional Wastewater Agency, DO HEREBY CERTIFY, that the foregoing Ordinance of the Governing Board of the Big Bear Area Regional Wastewater Agency, being Ordinance No. O. 01-2026, Amending Section 2.04.040 of the Big Bear Area Regional Wastewater Agency Code Regarding Time Limits on Public Testimony at Governing Board Meetings, was duly adopted at a regular meeting of the Governing Board held on the 25th day of February, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Bridgette Burton, Secretary to the Governing Board
of the Big Bear Area Regional Wastewater Agency



Agenda Item 10.D.

Meeting Date: January 28, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Prepared By: Bridgette Burton, Assistant General Manager/Board Secretary
Subject: Allocate \$146,498 from the Contingency Fund and Reallocate \$243,502 from the Force Main Project to the Outfall Line Investigation Project

Background & Discussion:

At the December 17, 2025 special meeting, the Governing Board directed staff to move the Outfall Line Investigation Project (Project) to the current fiscal year (FY) in order to assess the integrity of the Outfall Line and use that information to inform future decisions related to the Replenish Big Bear Program.

The 16.24 miles of Outfall Line to Lucerne Valley was constructed in the 1970's, with venting and piping upgrades completed in the 1980's and 1990's. Most of the outfall line is 16-inch concrete mortar lined and coated steel pipe. The Project scope of work may consist of visual inspections, soil corrosion analysis, non-destructive testing, and internal pipe camera investigations. The scope of work will include a phased investigation approach, beginning with lower cost and/or duration investigation methods to determine the condition of the pipe. If the condition of the pipe is not conclusive from the preceding investigation effort, the next phase of investigations will be implemented.

Locations of inspections will be determined during the planning phase focusing on areas with highest likelihood of degradation (e.g., high pipe velocity segments) while considering ease of access and permitting requirements. The process is estimated to take a minimum of 18 - 24 months, with the timeline dependent upon factors such as environmental considerations, coordination with the United States Forest Service, weather conditions, pipe condition, necessary repairs associated with inspection methods, and challenges posed by limited access due to the absence of trails or roads and steep terrain.

A technical report will be provided to the Agency that will include the investigation findings and recommendations. It is important to note that continued operation of the Outfall Line is required regardless of any future water reclamation project or changes to the Lucerne Valley regulations. Any pipeline repairs or replacements identified during the investigation will need to be programmed into future FYs.

The following is currently programmed in the 5-year Capital Improvement Plan (CIP):

Element	Fiscal Year	Amount
Planning and Engineering Phases	FY28	\$390,000
Investigation and Construction Phases	FY29	1,350,000
Total		\$1,740,000

Staff recommend allocating a total of \$390,000, consisting of \$146,498 from the Contingency Fund and \$243,502 reallocated from the Force Main Project, for the Outfall Line Investigation Project planning and engineering phases in FY 2026, with the investigation and construction phases moved to FY 2027.

Element	Fiscal Year	Amount
Planning and Engineering Phases	FY26	\$390,000
Investigation and Construction Phases	FY27	1,350,000
Total		\$1,740,000

The above cost estimate is provided at a CIP planning level and is intended solely for budgeting purposes. Actual costs may change based on the results of the proposed investigation and the data collected, which may identify additional needs.

Environmental Impact:

There is no environmental impact associated with the allocation or reallocation of funds; however, California Environmental Quality Act (CEQA) documentation and environmental studies are included in the Project estimate as part of the engineering phase and will be brought back to the Governing Board for consideration.

Financial Impact:

There are sufficient funds in both the Contingency Fund and the Force Main Project. Adjusting projects within the 5-year Capital Improvement Plan may impact the sewer user charge. Adjustments are discussed in Item 10.E.

Recommendation:

Allocate \$146,498 from the Contingency Fund and reallocate \$243,502 from the Force Main Project to the Outfall Line Investigation Project planning and engineering phases in FY 2026 and program \$1,350,000 in FY 2027 for the investigation and construction phases.



Agenda Item 10.E.

Meeting Date: January 28, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Prepared By: Bridgette Burton, Assistant General Manager/Board Secretary
Subject: Allocate \$75,000 for the Investigation of North Shore Pump Stations 1, 2, and 3 and the Lake Pump Station from the Contingency Fund

Background & Discussion:

At the December 17, 2025 special meeting, the Governing Board directed staff to move the Outfall Line Investigation Project to the current fiscal year (FY) in order to assess the integrity of the Outfall Line and use that information to inform future decisions related to the Replenish Big Bear Program. In order to accommodate this, the Agency will need to reprioritize other programmed projects.

To support this reprioritization and ensure informed decision-making, staff recommend advancing investigation phases for other critical infrastructure projects. Early investigation allows staff to better understand asset conditions, risks, and remaining useful life, and to appropriately sequence planning, engineering, and construction activities within the Capital Improvement Plan (CIP). This approach ensures that CIP priorities are based on current information and that limited capital resources are directed appropriately.

Applying this approach, staff recommend advancing the investigation phase for the Lake Pump Station (LPS), which is currently programmed for FY 2027, at an estimated cost of \$59,010, to the current fiscal year. In addition, staff recommend expanding the investigation effort to include North Shore Pump Stations 1, 2, and 3. Conducting these investigations as a coordinated effort improves efficiency, applies a consistent evaluation methodology, and provides a comprehensive understanding of the condition and relative priority of these pump stations within the CIP.

The North Shore Pump Station 3 Well Rehabilitation Project is the only other large dollar project in the current 5-year CIP that could be adjusted to accommodate the Outfall Line Investigation without having a significant impact on the approved rate structure. Staff have observed groundwater-related corrosion and identified the station is approaching the end of its useful life. Currently, \$450,000 is programmed in FY 2027 for the planning and engineering phases, with \$2.3 million programmed in FY 2028 for the construction phase. Staff recommend adding an investigation phase to this project to fully evaluate the integrity of the well infrastructure and determine the most appropriate timing and placement of the project planning, engineering, and construction phases within the CIP.

Environmental Impact:

There is no environmental impact associated with the allocation of funds or the investigation process; however, any required California Environmental Quality Act (CEQA) documentation or studies will be brought back to the Governing Board for consideration.

Financial Impact:

There are sufficient funds in the Contingency Fund to allocate \$75,000 for these investigations. Any repairs or replacements identified in the investigation phase will be programmed into the Capital Improvement Plan.

To accommodate the Outfall Line Investigation Project in the current FY, during the FY 2027 budget process, staff will recommend splitting the North Shore Pump Station 3 Well Rehabilitation Project planning and engineering phases between FY 2027 and FY 2028, with the construction phase moved to FY 2029.

Recommendation:

Allocate \$75,000 for the investigation of North Shore Pump Stations 1, 2, and 3, and Lake Pump Station from the Contingency Fund.



Agenda Item 10.F.

Meeting Date: January 28, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Prepared By: Bridgette Burton, Assistant General Manager/Board Secretary
Subject: 2026 Gaeta Lease of 340 Acres in Lucerne Valley

Background & Discussion:

In September 2005, the Agency began to lease a portion of its Lucerne Valley property to Trinidad, Emma, and Miguel Gaeta. The Agency pumps/gravity feeds the secondary treated wastewater to this location where it is used for fodder irrigation. The lease agreement has been extended several times, expiring in August 2025. The lease is currently on a month-to-month basis.

Staff have reviewed the terms of the prior lease and are recommending revisions to reflect current operational needs, site conditions, and administrative clarity. The revisions are outlined below.

Removal of Trinidad and Emma Gaeta from the Lease Agreement

Trinidad and Emma Gaeta will be removed as parties to the lease agreement. This revision reflects current tenancy and operational responsibility associated with the leased property and simplifies administration of the lease by clearly identifying the responsible lessee.

Reduction in Leased Acreage

The leased area will be reduced from approximately 433 acres to 340 acres. The reduced acreage reflects the portion of the property that is used for fodder irrigation. This adjustment better aligns the leased area with the actual use and allows the Agency greater flexibility for future needs.

Removal of Tenant Improvements

Miguel Gaeta removed the mobile home, which was an authorized tenant improvement in the original lease, in December 2025. The removal of the mobile home and other tenant improvements was not requested or required by the Agency and was undertaken independently by the lessee. The remaining tenant improvements identified in the original lease, including the water storage tank and septic tank, will also be removed from the property. These improvements are not necessary for the irrigation use contemplated under the lease, and the removal of tenant improvement provisions from the lease reflects the current and intended use

of the property. The removal also clarifies the intended agricultural use of the property and reduces potential liability and maintenance concerns for the Agency.

Reduction of Lease Rent and Clarification of Payment Terms

Based on the reduction in acreage and changes to the lease structure, the annual rent is proposed to be reduced from \$26,100 to \$12,000. The proposed lease includes a late fee provision for rent payments not received by the specified due date. This provision is intended to encourage timely payment and provide a clear enforceable mechanism for addressing late payments, consistent with standard leasing practices.

Staff recommend that the revised lease terms become effective as of January 1, 2026.

Financial Impact:

Approval of the revised lease will reduce annual lease revenue from \$26,100 to \$12,000 due to the reduction in lease acreage and removal of tenant improvements. While this represents a decrease in annual revenue, the revised lease more accurately reflects the actual area utilized for irrigation.

Recommendation:

Authorize the General Manager to negotiate and execute the 2026 Gaeta Lease Agreement.

Attachment:

2026 Gaeta Lease Agreement

LEASE AGREEMENT

This Agreement (“Lease”) is entered into as of the 1st day of January 2026 by and between the Big Bear Area Regional Wastewater Agency (hereinafter “Lessor”) and Miguel Gaeta (hereinafter “Lessee”).

IT IS AGREED AS FOLLOWS:

1. Premises Demised. Lessor hereby leases to Lessee and Lessee hereby hires from Lessor the premises described in Exhibit "A" attached hereto and by this reference made a part hereof consisting of approximately 340 acres. Said premises are hereinafter referred to as the "Leased Premises." Lessor's emergency disposal and percolation reservoir located south of the Leased Premises is not part of the Leased Premises.
2. Use. The Leased Premises shall be occupied and used by Lessee during the term of this Lease under the conditions set forth in the following subparagraphs and in the succeeding paragraphs hereof.
 - 2.1. Lessee's use of the Leased Premises shall be limited to the uses herein permitted.
 - 2.2. The Leased Premises constitute a part of Lessor's reclaimed water disposal area, and the primary purpose of this Lease is to provide for the disposal and beneficial use of reclaimed water on the Leased Premises by irrigation. Lessee shall utilize, through irrigation, as much of the reclaimed water discharged from Lessor's outfall line as the continuous operation of the twelve (12) motorized sprinkler lines totaling sixty four hundred (6400) feet of sprinkler lines furnished by Lessor pursuant to paragraph 9 will permit; provided, however, that during ground preparation, planting and harvest, Lessee shall be required to operate on a continuous basis only two (2) of said sprinkler systems. The primary method of irrigation to be employed by Lessee shall be sprinkler irrigation utilizing said sprinkler systems but Lessee may employ other methods of irrigation which are compatible with the terms and conditions of this Lease; and provided further that Lessor, shall determine the quantity and rate of flow of reclaimed water to be delivered through and discharged from said outfall line, and, subject to the requirements of paragraph 12, need not deliver all of the reclaimed water from its wastewater treatment plant. Such irrigation by Lessee shall continue, weather permitting, throughout the year regardless of whether a marketable crop is grown upon the Leased Premises by Lessee. Reclaimed water may be applied by irrigation to a marketable crop pasture, natural ground cover or fallow land, as permitted hereunder or agreed to by Lessor.
 - 2.3. Lessee shall furnish at its expense sufficient personnel to operate the irrigation equipment referred to in subparagraph 2.2 on a twenty-four (24) hour basis seven (7) days a week.

- 2.4. Lessee may plant, cultivate and grow upon the Leased Premises permanent pasture, sudan grass, alfalfa, barley, oats, rye grass or such other crops as may be approved in writing by Lessor; provided that, Lessor shall not be required to approve any such other crop unless Lessee shall furnish to Lessor the acreage to be planted and the irrigation requirements for such crop at least sixty (60) days in advance of Lessee's intended planting date; and provided further that, Lessee shall be solely responsible for the expense of seed, seedlings or plants and fertilizer and shall furnish and be responsible for all equipment and machinery required for the planting, cultivation, fertilizing and harvesting of any such crop.
- 2.5. Lessee shall not cause or permit reclaimed water to be discharged to Lessor's emergency disposal and percolation reservoir which adjoins the Leased Premises to the south without the express advance approval of Lessor.
- 2.6. Lessee shall not allow reclaimed water to escape beyond the fenced area of the Leased Premises, and shall not permit windblown irrigation spray to reach either Old Woman Springs Road or Camp Rock Road or any other road or street that may in the future be constructed near the Leased Premises or any premises adjacent thereto which may now or hereafter be occupied for human habitation. Lessee shall develop and submit to Lessor for approval an alternate sprinkler pattern to be utilized on windy days.
- 2.7. Lessee shall not apply reclaimed water in such quantities or at such frequency or duration as will cause surface ponding which will continue for more than 24 hours after application.
- 2.8. Lessee shall not let any other person, firm or corporation utilize reclaimed water, without Lessor's expressed written consent.
- 2.9. Lessee shall not apply reclaimed water within two hundred (200) feet of any domestic water well.
- 2.10. Lessee shall notify Lessor by telephone of any unusual or abnormal conditions at the Leased Premises or on the remainder of Lessor's reclaimed water disposal area, including, but not limited to, damage to property or fences, leaks in pipelines or dikes, malfunctioning equipment, or intrusions by unauthorized personnel. Lessor shall have access to the Leased Premises at all times for the purpose of moving equipment to and from Lessor's monitoring well sites, conducting sampling and testing operations and inspecting Lessee's operations.
- 2.11. Lessee shall permit the Southern California Edison Company and other utilities whose facilities cross or underlie the Leased Premises to enter upon the Leased Premises at any time requested.

- 2.12. Lessee shall promptly furnish to Lessor any and all reports as to the amounts of water reasonably needed for irrigation of Lessee's crops, crops grown, crop planting schedules and such other information as Lessor may require.
3. Term and Rental. The term of this Lease shall from January 1, 2026 and ending on December 31, 2027. The rent to be paid by Lessee to Lessor shall be \$12,000 annually and shall be paid semi-annually beginning on July 1, 2026. The rent for each segment shall be paid in two equal installments on or before the last day of the sixth (by June 30th) and twelfth months (by December 31st) and shall be for the prior six-month period. Lessee acknowledges that late payment by Lessee of any payment owed to Lessor under this Agreement will cause Lessor to incur costs not contemplated by this Agreement, the exact amount of such costs being extremely difficult and impracticable to fix. Therefore, if any payment due from Lessee is not received by Lessor within fifteen (15) days of when due, Lessee shall pay to Lessor an additional sum of ten percent (10%) of the overdue payment as a late charge, up to a maximum of \$1,000. The Parties agree that this late charge represents a fair and reasonable estimate of the administrative costs that Lessor will incur by reason of a late payment by Lessor. Acceptance of any late payment charge shall not constitute a waiver from exercising any of the other rights and remedies available to Lessor under this Agreement, at law or in equity, including, but not limited to, any interest charges imposed herein.
4. Amendment. If Lessee has not defaulted hereunder, Lessee may extend the term of this Lease, with the approval of Lessor, for an additional one-year terms, by delivering written notice of its intent to extend at least sixty (60) days (November 1st) before the expiration of the then-current term. Any extension or changes to this Lease shall be executed by Amendment and all other terms and conditions of the Lease shall remain in full force and effect.
5. Holding Over. If Lessee shall continue to occupy the Leased Premises after the expiration of the term or an extended term hereof without exercising its option to extend such term or extended term, Lessee shall be deemed to hold over as a tenant from month to month. In such event, the monthly rental to be paid by Lessee shall be one-twelfth (1/12th) of the annual rent which would have prevailed if Lessee had exercised its option to extend, including any increase which would have been made pursuant to paragraph 3, including any and all applicable late charges, and Lessee shall abide by all other terms and conditions of this Lease.
6. Change or Rotations of Crops. If Lessee exercises its options to extend the term of this Lease, Lessor shall have the right to require Lessee to change or rotate the crop or crops grown by Lessee on the Leased Premises with 60 days' notice.
7. Land Preparation. Lessor shall clear and grub major vegetation from the Leased Premises and shall generally fill in and level low areas thereon so that the Leased Premises shall be ready for the operation of the irrigation equipment provided for in paragraph 8. All additional clearing of vegetation and weeds together with final preparation of the Leased Premises for planting of the crop or crops to be grown thereon by Lessee shall be accomplished by Lessee at its sole expense.

8. Irrigation Equipment. Lessor shall furnish to Lessee without additional consideration, spray irrigation equipment consisting of twelve (12) motorized sprinkler lines totaling sixty-four hundred (6400) feet of sprinkler line. Lessee shall maintain such irrigation equipment in a good state of repair, shall protect it from wind damage and keep it in good working order at all times during the term of this Lease or any extension thereof at no cost to Lessor. Lessor shall replace any such irrigation equipment including parts and components thereof, which become inoperative due to normal wear and tear; provided that, the replacement of minor parts such as spray nozzles, spray control, drive chains and spark plugs shall be considered regular maintenance to be performed by Lessee. Lessee shall replace any part or component of such irrigation equipment which is damaged beyond repair due to the negligence of Lessee or its employees or invitees or due to vandalism by trespassers or which may be lost or stolen. Upon the termination of this Lease or any extension hereof, Lessee shall return all such irrigation equipment to Lessor in proper working order and in as good condition as when Lessee commenced using same making allowance for normal wear and tear.
9. Commencement of Irrigation. Lessee shall commence irrigation hereunder as soon as the irrigation equipment is available and operational on the Leased Premises and Lessor is able to deliver reclaimed water thereto. Initially, until Lessee is able to plant the crops which it intends to grow on the Leased Premises, it shall irrigate sufficiently to dispose of the maximum quantity of reclaimed water that can be applied consistently with the requirements of subparagraphs 2.6 and 2.7 of paragraph 2 hereof. When said crop or crops are planted and until they are sufficiently established to withstand full irrigation, Lessee may, upon receiving the prior written authorization of Lessor, reduce irrigation to the extent necessary to so establish said crop or crops.
10. Water Deliveries. The only water to be delivered by Lessor to Lessee pursuant to this Lease shall be reclaimed water from Lessor's wastewater treatment plant near Baldwin Lake in the Big Bear Valley. Lessor plans to deliver to Lessee for use pursuant to this Lease nearly all of the reclaimed water produced at said treatment plant; provided, however, that the rate of flow and quantity of reclaimed water produced by said treatment plant and delivered by Lessor to Lessee hereunder may vary on a daily and seasonal basis, and Lessor shall make every reasonable effort to advise Lessee of abnormal fluctuations in the rate of flow and quantity of reclaimed water in advance of the occurrence of same; and provided further that Lessor shall not at any time deliver to Lessee more reclaimed water than can be reasonably disposed of by Lessee. The point of delivery for Lessor's delivery of reclaimed water to Lessee shall be deemed to be the downstream side of the meter in the valve and meter vault at the terminus of Lessor's outfall line on the Leased Premises. Lessor shall be responsible for the maintenance and repair of said meter, valves and outfall line and all underground water pipelines going therefrom to the risers for connection of the irrigation equipment referred to in paragraph 8. Lessee shall be responsible for the maintenance and repair of said risers and said irrigation equipment and for the repair of any damage to said risers or underground pipelines which may be caused by Lessee or Lessee's employees.

11. Beneficial Use in Big Bear Valley. Notwithstanding the prior provisions of this Lease, Lessor reserves and shall have the right to make beneficial uses of reclaimed water from its said wastewater treatment plant in the Big Bear Valley area or at other locations and to reduce the rate of flow and quantity of wastewater delivered pursuant to this Lease in order to make such beneficial uses; provided that, if Lessor elects to retain reclaimed water in the Big Bear Valley or to make other diversions which would reduce the flow of water to the disposal site during the six (6) months from April 1, through September 30, an adjustment in the amount of rent payable shall be made as follows: If during such diversion, the flow to the disposal site falls below 2.33 MGD, the rent payment for the subsequent six-month term shall be reduced by \$150 for each 326,000 gallons of water that is diverted.
12. Interruption of Supply. If due to damage to pipelines or a breakdown of equipment caused by a negligent act or omission of Lessor's employees or agents, delivery of reclaimed water by Lessor to Lessee is interrupted for more than ten (10) days, and if Lessee sustains a financial loss because of damage to or loss of Lessee's crops then growing on the Leased Premises as a result of such an interruption, which can be substantiated by independent investigation and audit, Lessee's rent for the remainder of the current twelve (12) month segment of the term hereof, and if necessary to fully recover such loss, the succeeding twelve (12) month segment shall be reduced by the amount of such loss; provided that, the foregoing provisions of this paragraph shall not apply to interruptions in deliveries of reclaimed water caused by acts of persons other than the employees or agents of Lessor or by natural disasters or occurrences otherwise beyond the Lessor's control. In the event of any damage to pipelines or breakdown of equipment which interrupts the delivery of reclaimed water, Lessor shall undertake and complete the repair or replacement of damaged pipelines or inoperative equipment as soon as is reasonably possible under the circumstance. If Lessor is required by a Regional Water Quality Control Board, the State Department of Health or a court of competent jurisdiction to cease deliveries of reclaimed water because of Lessor's failure to meet the waste discharge requirements established by such Regional Water Quality Control Board or because of the presence of pollutants or contaminants in the reclaimed water, and the resulting interruption in the supply of reclaimed water continues for more than ten (10) days, Lessee shall not be required to pay any further rent hereunder until Lessor is permitted by the Regional Water Quality Control Board, the State Department of Health or the court, as the case may be, to resume deliveries of reclaimed water; and provided further that if Lessee sustains a financial loss because of damage to or loss of Lessee's crops then growing on the Leased Premises as a result of such an interruption, which can be substantiated by independent investigation and audit, Lessee's rent for the remainder of the then current twelve (12) month segment of the term hereof, and if necessary to fully recover such loss, the succeeding twelve (12) month segment shall be reduced by the amount of any such loss.
13. Return of Premises. Upon the termination of this Lease or any extension hereof, Lessee shall remove all its farming equipment and machinery, including all items listed in Section 15, from the Leased Premises and shall return the Premises to Lessor in the same condition as the

premises now are, or shall hereafter be put, reasonable use excepted, and shall leave on the premises any crop or crops then being grown hereon.

14. Liability and Insurance.

14.1. Time for Compliance. Lessee shall not request activation of this Lease until it has provided evidence satisfactory to Lessor that it has secured all insurance required under this Section. Failure to provide and maintain insurance shall be grounds for Lessor to terminate this Lease for cause.

14.2. Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, Lessee, in partial performance of its obligations under such Lease, shall procure and maintain in full force and effect during the term of the Lease the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Lessee agrees to amend, supplement or endorse the policies to do so.

14.2.1. Commercial General Liability. Commercial General Liability: (1) Additional Insured: BBARWA, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Lessee; or (4) contain any other exclusions contrary to the terms or purposes of this Lease. For all policies of Commercial General Liability insurance, Lessee shall provide endorsements in the form of ISO CG 20 10 10 01 and 20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement.

14.2.2. Property Insurance. Lessee shall maintain Property Insurance covering all buildings, structures, equipment and improvements owned or installed by Lessee on the Lease Premises, against any loss or damage by fire, vandalism, theft, and all risks of physical loss, in an amount of not less than Five Hundred Thousand Dollars (\$500,000). The policy shall provide replacement cost coverage, without deduction for appreciation, and shall name Lessor as a loss payee as its interests may appear. The property insurance policy shall not contain any exclusion or limitation that would preclude coverage for loss or damage arising out of Lessee's use or occupancy of the Lease Premises.

14.2.3. Cancellation. Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon Lessor except ten (10) days shall be allowed for non-payment of premium.

14.3. Primary and Non-Contributing Insurance. All policies of Commercial General Liability insurance shall be primary and any other insurance, deductible, or self-insurance

maintained by Lessor, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

- 14.4. Waiver of Subrogation. All required insurance coverages shall contain or be endorsed to waiver of subrogation in favor of Lessor, its officials, officers, employees, agents, and volunteers or shall specifically allow Lessee or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Lessee hereby waives its own right of recovery against Lessor, and shall require similar written express waivers and insurance clauses from each of its subcontractors.
- 14.5. Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by Lessor and shall protect BBARWA, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.
- 14.6. Evidence of Insurance. Lessee, concurrently with the execution of the Lease, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by Lessor, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to Lessor for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with Lessor. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Lessee shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with Lessor evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.
- 14.7. Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.
- 14.8. Enforcement of Agreement Provisions (non estoppel). Lessee acknowledges and agrees that actual or alleged failure on the part of Lessor to inform Lessee of non-compliance with any requirement imposes no additional obligation on Lessor nor does it waive any rights hereunder.

14.9. Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

14.10. Additional Insurance Provisions.

14.10.1. The foregoing requirements as to the types and limits of insurance coverage to be maintained by Lessee, and any approval of said insurance by Lessor, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by Lessee pursuant to this Lease, including but not limited to, the provisions concerning indemnification.

14.10.2. If at any time during the life of the Lease, any policy of insurance required under this Lease does not comply with these specifications or is canceled and not replaced, Lessor has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Lessor will be promptly reimbursed by Lessee. In the alternative, Lessor may cancel this Lease.

14.10.3. Lessor requires Lessee to provide complete copies of all insurance policies in effect for the duration of the Lease.

14.10.4. Neither Lessor nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

14.10.5. The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve Lessee from liability in excess of such coverage, nor shall it limit Lessee's indemnification obligations to Lessor and shall not preclude Lessor from taking such other actions available to Lessor under other provisions of the Lease or law.

14.10.6. Lessee shall report to Lessor, in addition to Lessee's insurer, any and all insurance claims submitted by Lessee in connection with this Lease.

15. Improvements; Adjacent Property. Lessee shall not make any improvements to or locate any structure on the Leased Premises or any improvement or modification to the irrigation equipment furnished by Lessor without the express advance written consent of Lessor. Lessee may keep on the Leased Premises farming equipment and machinery used by it in its farming operation thereon.

16. Requirements of Regulatory Agencies. Recognizing that the disposal of reclaimed water on the Leased Premises will be subject to the requirements of the Regional Water Quality Control Board, Colorado Region, Santa Ana Region, and the Health Department of the State of California and the County of San Bernardino, Lessor and Lessee agree that they shall perform their perspective obligations under this Lease in conformance with the requirements of said agencies. If Lessee is prevented by an order of any said agencies or a court of competent jurisdiction from selling a crop grown on the Leased Premises because said crop has been

irrigated with reclaimed water or because of the presence of pollutants or contaminants in said reclaimed water, Lessee's rent for the remainder of the then current twelve (12) month segment of the term hereof, and if necessary to fully recover such loss, the succeeding twelve (12) month segment shall be reduced by the value of said crop which shall be determined by an independent investigation.

17. Assignment and Subletting. Lessee shall neither assign or sublet the Leased Premises or any portion thereof or any interest hereunder without, in each instance, first obtaining the written consent of Lessor. As a condition to such approval, Lessor may require the assignee or sublessee to consent in writing to abide and be bound by the terms and conditions hereof.
18. Default. Lessor shall have the right to cancel and terminate this Lease if and whenever Lessee shall continue in default in the performance of any of its obligations hereunder for a period of thirty (30) days from and after service upon Lessee of a written demand from Lessor to Lessee for the performance of such obligation, together with a written notice of Lessor's intention to cancel and terminate this Lease upon the continuation of such default.
19. Remedies Cumulative. All remedies provided herein for Lessor shall be deemed to be cumulative and shall not deprive Lessor of any other remedy granted by law.
20. Time of Essence. Time is expressly made the essence of this Lease.
21. Attorney's Fees. Should either Lessor or Lessee commence a court action to enforce its rights hereunder or to compel performance of the duties of the other party, including in the case of Lessor an action in unlawful detainer or for the collection of rent, the prevailing party shall be entitled to recover from the losing party reasonable attorney's fee, to be determined by the court, together with costs and disbursements.
22. Notices. All notices to be given by the parties shall be in writing and served personally or by depositing the same in the United States Mail, postage prepaid and registered and addressed as follows:

Lessor
Big Bear Area Regional Wastewater Agency
P.O. Box 517
Big Bear City, CA 92314

Lessee
Miguel Gaeta
10551 Dallas Ave.
Lucerne Valley, CA 92356

23. Counterparts. This Lease shall be executed in two counterparts, each of which shall be deemed an original.

LESSOR: BIG BEAR AREA REGIONAL WASTEWATER AGENCY

By: _____
Name: David Lawrence, P.E.
Title: General Manager
Date: _____

Attest:
By: _____
Name: Bridgette Burton
Title: Secretary to the Governing Board

LESSEE: MIGUEL GAETA

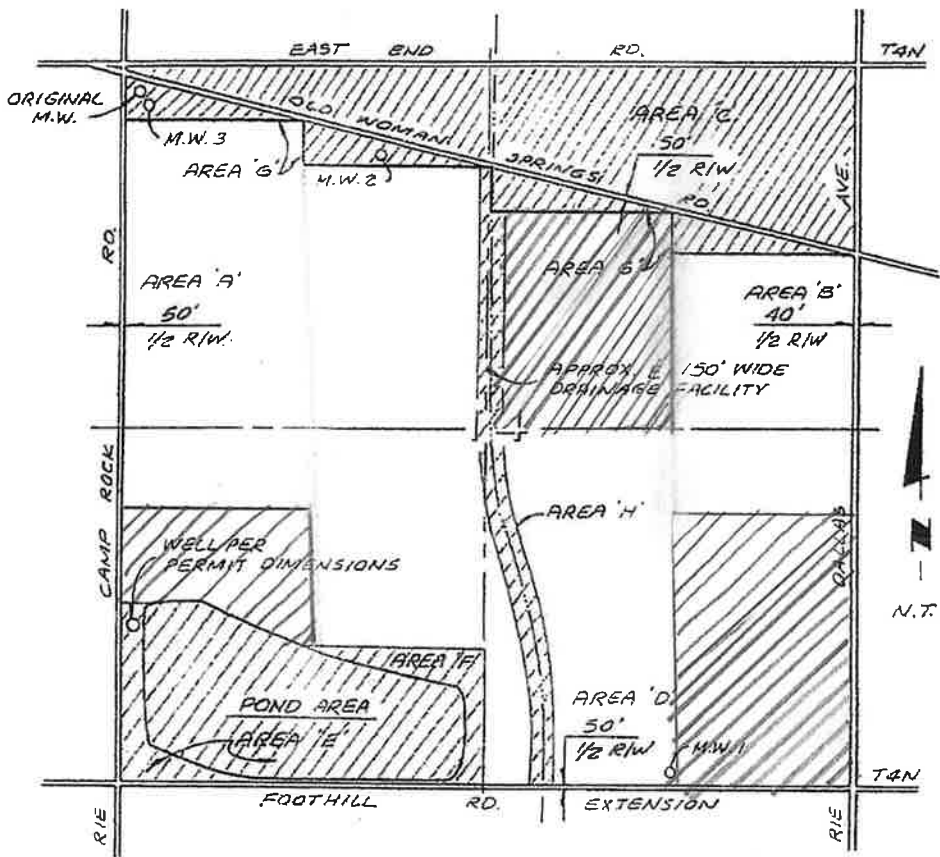
By: _____
Name: Miguel Gaeta
Date: _____



EXHIBIT "A"


The Leased Premises shall consist of the portion of the West Half of Section 14, and the portion of the East Half of Section 14 Township 4 North, Range 1 East, San Bernardino Base and Meridian generally described as:

All of the area between the North toe of the emergency storage and percolation reservoir and Old Woman Springs Road, and between Camp Rock Road and a North-South line located approximately one-half mile east of Camp Rock Road; said area being approximately 340 acres.

A NOT TO SCALE reference map is provided to aid in the review of this Lease.



 --- EXCLUDED AREA
 --- MONITORING WELL

 --- LEASED AREA (340 AC)

B.B.A.R.W.A. IRRIGATION AREA - 433 AC.±
LUCERNE VALLEY, SEC. 14,

REVISION	BY	DATE
REV. SITE PLAN	JS	1-6-75

NBS ENGINEERS & PLANNERS
LOWRY
 141 Broadway Lane, #1
 San Francisco, California