## **EXHIBIT A**

## ACCEPTANCE OF CONDITIONAL SETTLEMENT OFFER AND WAIVER OF RIGHT TO HEARING AND RECONSIDERATION

## DONALD KRENN ("Diverter")

**APPLICATION A013764, LICENSE 4460** 

By properly executing and returning this Acceptance and Waiver to the State Water Board, Diverter hereby accepts the Division of Water Right's Conditional Settlement Offer and waives their right to a hearing before the State Water Board to contest the violations alleged in the attached ACL Complaint. Diverter also waives the right to request reconsideration of an order by the State Water Board resolving the violations alleged in the attached ACL Complaint.

In order to accept the Conditional Settlement Offer the following three (3) steps must be taken no later than 20 days following receipt of the ACL Complaint. Diverter shall:

- 1. File the Annual Report of Licensee for 2016 by logging into the State Water Board's website using the Username and Password identified in Username and Password Sheet mailed along with the ACL Complaint, and
- 2. Pay \$500 as payment in full of the Administrative Civil Liability related to the alleged violations described in the ACL Complaint. Payment shall be made by cashier's check, certified check, or money order made payable to the "State Water Resources Control Board," and
- 3. Properly execute and deliver this Acceptance and Waiver along with the payment to:

State Water Resources Control Board Division of Water Rights Attention: Enforcement Unit - Failure to File 1001 I Street, 14th Floor Sacramento, CA 95814

Failure to complete all three (3) steps above shall render the Conditional Settlement Offer voidable and may subject Diverter to the full proposed liability (\$1,500) amount specified in the ACL Complaint.

By properly executing and returning this Acceptance and Waiver to the State Water Board, Diverter acknowledges and understands that:

- 1. This Acceptance and Waiver waives Diverter's right to contest the allegations in the ACL Complaint and the amount of administrative civil liability for the alleged violations.
- 2. This Acceptance and Waiver does not address or resolve liability for any violation that is not specifically identified in the ACL Complaint.
- 3. The filing of a statement of water diversion and use with the State Water Board does not establish or constitute evidence of a right to divert or use water. (Water Code section 5106.)

Record: 84

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## Acceptance and Waiver

- 4. This Acceptance and Waiver is not final and effective until it is approved by the Executive Director of the State Water Board.
- 5. Failure to complete all three steps to accept the Conditional Offer within 20 days of receipt of the ACL Complaint, shall render the Conditional Offer voidable. In such case, the State Water Board will issue a final ACL order for the full Proposed Liability amount (\$1,500) specified in the ACL Complaint.

I hereby affirm that I am duly authorized to act on behalf of and to bind Diverter in the making and giving of this Acceptance and Waiver.

| Chu Mr_                                    | 1/25/2 |
|--|--------|
| (Signed Name)                              | (Date) |
|  |        |
| DONAZD KRENN                               |        |
| (Printed or typed name)                    |        |
|  |        |
|  |        |
| (Title)                                    |        |
|  |        |
|  |        |
| (Relationship to Diverter if not Diverter) |        |
|  |        |
|  |        |
| ved By:                                    | -      |
| Eileen Sobeck                              | (Date) |

Administrative Civil Liability Complaint Explanation January 28, 2018

To Whom it may concern,

I wish to explain the allegations in the Administrative Civil Liability Complaint, Application A013764, License 4460.

When I received the notice, I misread the "Notice of Deficiency". I believed it was for the 2017 Annual Report of Licensee, which was submitted instead. This can be verified by the submission date of that Report.

I would like you to reconsider the fine violation since

- 1) There was never an issue regarding becoming complient
- 2) The "2017 Annual Report of Licensee" was immediately filed instead of the 2016 Report.
- 3) Once I recognized the mistake, I immediately electronically submitted the 2016 Annual Report of Licensee.

I would like you to consider these factors in reconsidering the \$500. payment prior to accepting the enclosed properly executed Acceptance and Waiver and payment.

Singerely,

Donald Krenn 408-250-6734