

BOARD OF DIRECTORS  
North Kern Water Storage District  
Minutes of the Meeting of November 19, 2024

A Meeting of the Board of Directors of North Kern Water Storage District was in person - commencing at 7:00 a.m., on November 19, 2024.

President Andrew declared a quorum was present and called the meeting to order. The following Directors were present: Kevin Andrew, Winn Glende, Kristen Camarena, Joel Ackerknecht and Robert Holtermann. Others present: David Hampton (General Manager), Ram Venkatesan (Deputy General Manager), Marinelle Duarosan (Controller), Angel Ventura (Staff Engineer), Heather Williams (Operation Superintendent), Maria Sotelo-Kumar (Accounting Clerk), Christy Castaneda (Administrative Assistant) of North Kern Water Storage District, Brett Stroud, Scott Kuney and Mark Bateman (District Counsel - Young Wooldridge), Guests present: Arthur Chianello, Vincent Sorena, John Gaugel and Stephanie Hearn.

President Andrew called the meeting to order at 7:01 am and opened the floor for public comments. At this time, there were none noted.

Board of Directors –

- (24-102) Upon motion of Director Camarena, seconded by Director Holtermann and unanimously carried, to approve the minutes from October 15, 2024, Regular Board Meeting.  
(Ayes: Andrew, Glende, Holtermann, Ackerknecht & Camarena: Noes: None, Absent: None, Abstain: None)

Consent Calendar –

Consent Calendar included the following:

- A. District Groundwater Levels
- B. District Exchange Balances
- C. Operations Report
- D. Approve 2024/2025 Landowner Well Water Transportation Agreement

- (24-103) Upon motion of Director Ackerknecht, seconded by Director Glende and unanimously carried, to approve the Consent Calendar.  
(Ayes: Andrew, Glende, Holtermann, Ackerknecht & Camarena: Noes: None, Absent: None, Abstain: None)

General Informational Items –

Watermaster Chianello reported that the current inflow and outflow is 281 cfs. Isabella storage was at 149,550 acre-ft. The average storage for this date was 141,790 acre-ft.

Mr. Chianello reported that the first 2025 cloud seeding season began on November 1<sup>st</sup>. There was no significant activity observed, and no seeding operations were conducted as of November 10, 2024. He also presented pictures and discussed work performed on the snow sensor tower that was recently repaired. The Kern River interests have not received an official response from the Army of Corps of Engineers regarding the increased carry-over request letter submitted a few months ago.

At this time, President Andrew asked the Board to begin the Public Hearing for Finalizing the NKWSD Base Service Charges. The hearing began at 7:22 a.m. District Counsel Stroud stated the hearing notice was published as required by law and that the District had not received any written comment or objection. Mr. Stroud stated the District needed to add the Proof of Publication and the Affidavit of Mailing to the Minutes. General Manager Hampton then summarized the projects contained in the 2024 Engineer's Report noting that the maximum per acre authority of Base Service Charge was determined to be \$213.38 per acre for Class 1 Lands and \$193.06 per acre for Class 2 Lands. Based on the year-to-date operations and forecasted year end operations 2024, the proposed rates are \$179.00 per

acre for Class 1 Lands and \$171.00 per acre for Class 2 Lands. Director Andrew then opened the hearing to the public for questions, comments, and/or objections. There were none. At 7:27 a.m. President Andrew closed the public hearing.

- (24-104) Upon motion of Director Ackerknecht, seconded by Director Holtermann and unanimously carried, to approve to add Proof of Publication and the Affidavit of Mailing to the Minutes. (Ayes: Andrew, Ackerknecht, Glende, Holtermann & Camarena: Noes: None, Absent: None, Abstain: None)
- (24-105) Upon motion of Director Ackerknecht, seconded by Director Camarena and unanimously carried, to adopt Resolution #24-105 Finalizing the NKWSD Base Service Charges and to fix the rates to \$179.00 per acre for Class 1 Lands and \$171.00 per acre for Class 2 Lands. (Ayes: Andrew, Ackerknecht, Glende, Holtermann & Camarena: Noes: None, Absent: None, Abstain: None)

At this time, President Andrew asked the Board to begin the Public Hearing for Finalizing the RRID Base Service Charges. The hearing began at 7:26 a.m. District Counsel Stroud stated the hearing notice was published as required by law and that the district had not received any written comment or objection. He also stated the District needed to add the Proof of Publication and the Affidavit of Mailing to the Minutes. General Manager Hampton then summarized the projects contained in the 2024 Engineer's Report noting that the maximum per acre authority of Base Service Charge was determined to be \$29.27 per acre for the Administrative Charge for All Lands and \$196.86 per acre for Project Charge for Developed Lands. Based on the current operations and for the year 2024, the proposed rates are \$24.10 per acre for All Lands Administrative Costs and \$154.60 per acre for Developed Lands Project Costs. He noted that these proposed rates reflect changes noted in Exhibit A of the board packet. Director Andrew then opened the hearing to the public for questions, comments and/or objections. There were none. At 7:27 a.m. President Andrew closed the public hearing.

- (RR24-106) Upon motion of Director Holtermann, seconded by Director Glende and unanimously carried, to approve to add Proof of Publication and the Affidavit of Mailing to the Minutes. (Ayes: Andrew, Ackerknecht, Glende, Holtermann & Camarena: Noes: None, Absent: None, Abstain: None)
- (RR24-107) Upon motion of Director Glende, seconded by Director Holtermann and unanimously carried, to adopt Resolution #RR24-107 Finalizing the RRID Base Service Charges at \$154.60 per acre for Developed Lands Project Costs and \$24.10 per acre for All Lands Administrative Costs. (Ayes: Andrew, Ackerknecht, Glende, Holtermann & Camarena: Noes: None, Absent: None, Abstain: None)

#### Financial Matters –

- (24-108) Upon motion of Director Glende, seconded by Director Ackerknecht and unanimously carried, to receive and file the Treasurer's Report for the North Kern Water Storage District for the month of October as presented. (Ayes: Andrew, Ackerknecht, Glende, Holtermann & Camarena: Noes: None, Absent: None, Abstain: None)
- (RR24-109) Upon motion of Director Glende, seconded by Director Ackerknecht and unanimously carried, to receive and file the Treasurer's Report for the Rosedale Ranch Improvement District for the month of October as presented. (Ayes: Andrew, Ackerknecht, Glende, Holtermann & Camarena: Noes: None, Absent: None, Abstain: None)

The Financial Statements, Summary of Water Sales, and the Accounts Receivable reports for the month of October were reviewed and accepted as presented.

(24-110) Upon motion of Director Holtermann, seconded by Director Ackerknecht and unanimously carried, to approve payment of the Accounts Payable balance for the North Kern Water Storage District for the month of October as presented.

(Ayes: Andrew, Ackerknecht, Glende, Holtermann & Camarena: Noes: None, Absent: None, Abstain: None)

(RR24-111) Upon motion of Director Holtermann, seconded by Director Ackerknecht and unanimously carried, to approve payment of the Accounts Payable balance for the Rosedale Ranch Improvement District for the month of October as presented.

(Ayes: Andrew, Ackerknecht, Glende, Holtermann & Camarena: Noes: None, Absent: None, Abstain: None)

#### Consulting District Engineer –

Ms. Hearn provided a written status summary report covering various project activities for the month of October. She provided an update of the 2018 and 2020 Drought Resiliency Program (DRP) projects to install 2 ½ miles of transmission line and connecting 7 wells to the Friant Kern Canal and three permanent discharge points are slightly delayed. Construction began in July 2024 and is expected to be completed in January 2025.

Grants – In October 2024, Staff held a tour of the District for the US Bureau of Reclamation staff. They toured the Calloway Canal Lining Project, the WDI Project and the 8-1 Pumpstation, which allowed their staff to see the various projects that were constructed using Reclamation's funds and gain a better understanding of the District's operations.

Poso Creek IRWMP – No activity for the month.

CV-Salts – Nitrate Control Program – No activity for the month.

#### Budget and Personnel Committee –

2025 District COLA – After a brief discussion on setting the District's merit cost of living adjustment

(COLA) at 3% and to adjust District's salary rate and schedules effective for January 1, 2025, the Directors requested rate comparisons with other Districts. This topic will also be further discussed with the Finance and Budget Committee and be presented at the next board meeting for final consideration.

Review Draft 2025 Budget – Staff briefly discussed the draft of the 2025 Budget noting that the Budget has been prepared based on a projected 40% hydrology year reflecting a proposed water toll rate of \$270.00 per acre, which includes a \$31.00 per acre foot solar savings. A potential wet year projection reflecting a 125% hydrology year was also presented. Staff stated that they would schedule a meeting with the Finance and Budget Committee to review the draft Budget in detail including Reserve balances and present a final proposed Budget to the Board for consideration at the December meeting.

Controller Duarosan discussed and presented an updated calculation of the Rate Stabilization Reserve account reflecting actuals from the 2023 audit. She indicated that the District, at this time, has a minimal unrestricted cash balance to fully fund the reserve as presented, including the remaining \$860K addition to the reserve, due to various unbudgeted expenses during the year such as funding for the 2024 TCP Mitigation expenditures. The Directors stated no further action will be taken at this time and that they will further review this matter in 2025.

#### Engineering Committee –

(24-112) Upon motion of Director Ackerknecht, seconded by Director Holtermann and unanimously carried, to authorize the General Manager to enter into agreements with Zeiders Consulting to provide construction management, inspection, and observation services and GEI Consultants to provide pre-construction bio surveys and assist in construction management tasks for the concrete lining for the Calloway Canal (Snow Road to Seventh Standard Road) for an amount not-to-exceed \$200,800 and \$45,000 respectively.

(Ayes: Andrew, Ackerknecht, Glende, Holtermann & Camarena: Noes: None, Absent: None, Abstain: None)

- (24-113) Upon motion of Director Ackerknecht, seconded by Director Glende and unanimously carried, to authorize the General Manager to enter into agreements with Pinnacle Surveying to perform Construction Staking, CS& Associates to provide Labor Compliance services, and with Krazan & Associates to perform Construction Testing for concrete lining the Calloway Canal (Snow Road to Seventh Standard Road) for an amount not-to-exceed \$21,380, \$8,850 and \$90,622 respectively.  
(Ayes: Andrew, Ackerknecht, Glende, Holtermann & Camarena: Noes: None, Absent: None, Abstain: None)

Deputy General Manager Venkatesan requested direction to Staff regarding Permits for the three Natural Gas Engines. According to the San Joaquin Valley Air Pollution District "Air District", the North Kern's Natural Gas engines do not qualify for PEER permits as they are not being used for Agricultural purposes and do not comply with Air District standards. As a result, North Kern is required to implement costly equipment upgrades that would be obsolete in the near future or replace all natural gas engines with electric engines. The Air District board mandates the engines undergo annual emissions testing and quarterly monitoring. The Air District board has also informed the District that emissions guidelines will be periodically updated, requiring permittees to adhere to the current policy.

- (24-114) Upon motion of Director Holtermann, seconded by Director Glende and unanimously carried, to authorize District Staff to proceed with the conversion of the three natural gas engines to electric engines.  
(Ayes: Andrew, Ackerknecht, Glende, Holtermann & Camarena: Noes: None, Absent: None, Abstain: None)

#### Groundwater Committee –

General Manager Hampton stated that there continues to be substantial effort to complete the amended Kern Subbasin 2024 GSP ahead of the February 20, 2025, hearing. The collaboration with State Board Staff and key revisions to the GSP such as the updated groundwater level and water quality SMCs, detailed water budget information, and the well mitigation program were discussed. The Subbasin is expecting to have the final plan completed and adopted by GSAs for submittal to the State Board by December 16<sup>th</sup>. Mr. Hampton indicated it is expected the final State Board Staff report would be issued approximately at least three weeks before the February 20, 2025, hearing.

The TWG Sub Committees continue to meet with staff to work through the technical issues including the water levels SMCs.

Produced Water Ad Hoc Committee – No report at this time.

Negotiating Committee – No report at this time.

Counsel of District – No report at this time.

Rosedale Ranch Improvement District – No report at this time.

General Manager's Report – General Manager Hampton noted, as previously discussed at the October Board meeting, that we will have a Special Board meeting and hearing on December 13<sup>th</sup> to consider adopting the Final GSP and the Regular Board Meeting on December 17<sup>th</sup>.

The President publicly stated that the legal authorities for holding Closed Session at today's Board Meeting are the following sections of the California Government Code:

- A. CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION  
(Govt. Code Section 54956.9(a) and (d)(1))
  - (i) North Kern Water Storage District v. City of Bakersfield


- (VCSC #56-2011-00408712-CU-CO-VTA)
- (ii) Appeal of Regional Board General Order (R5-2013-0120) for Tulare Lake Basin to State Water Resources Control Board (re. Irrigated Lands Regulatory Program)
  - (iii) State Water Resources Control Board, Administrative Hearing Office Adjudicative Hearing on Pending Applications 31673, 31674, 31675, 31676, 31677, and 31819
  - (iv) North Kern Water Storage District v. Rosedale Estates (BCV-24-101361)
  - (v) North Kern Water Storage District v. Crimson Resource Management (BCV-23-101912)
  - (vi) Bring Back the Kern et al. v. City of Bakersfield (Defendant/Respondent) and Buena Vista Water Storage District et al. (Real Parties in Interest) (BCV-22-1030220)

- B. CONFERENCE WITH LEGAL COUNSEL -ANTICIPATED LITIGATION  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: one case
- C. PERSONNEL MATTERS  
(Govt. Code Section 54957)
- D. CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
(Govt. Code Section 54956.8) – use of District and landowner facilities for various potential water management programs; negotiator, David Hampton

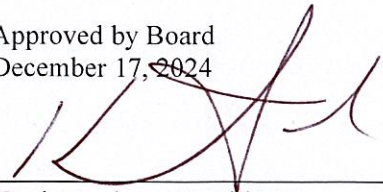
The above legal grounds were determined to exist based on advice of counsel, and discussion of such matters in an Open Session would cause prejudice to the District. The Board went into Closed Session at 9:15 a.m.

The Board reconvened back into open session at 10:56 a.m. There were no reportable actions.

Respectfully Submitted,

  
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David Hampton, General Manager

Approved by Board  
December 17, 2024

  
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Kevin Andrew, President