

BOARD OF DIRECTORS
North Kern Water Storage District
Minutes of the Regular Board Meeting of July 21, 2026

A Meeting of the Board of Directors of North Kern Water Storage District was held in person, commencing at 7:00 a.m., on July 21, 2026.

Vice President Ackerknecht declared a quorum was present and called the meeting to order. The following Directors were present: Joel Ackerknecht, Robert Holtermann, Winn Glende and Monte Mitchell Others present: David Hampton (General Manager), Ram Venkatesan (Deputy General Manager), Marinelle Duarosan (Controller), Heather Williams (Operations Superintendent) and Christy Castaneda (Administrative Assistant) of North Kern Water Storage District, Scott Kuney, Alan Doud, Mark Bateman and Brett Stroud of Young Wooldridge, guests present: Grace Martin, Art Chianello, Sonia Lemus, Jaye Payne and John Gaugel.

Vice President Ackerknecht called the meeting to order at 7:00 am and opened the floor for public comments. At this time, there were none.

Board of Directors –

- (26-63) Upon motion of Director Mitchell, seconded by Director Glende and unanimously carried, to approve the minutes from June 16, 2026, Regular Board Meeting.
(Ayes: Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: Andrew, Abstain: None)
- (26-64) Upon motion of Director Mitchell, seconded by Director Glende and unanimously carried, to approve the minutes from June 30, 2026, Special Board Meeting.
(Ayes: Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: Andrew, Abstain: None)

Consent Calendar –

Consent Calendar included the following:

- A. District Groundwater Levels
- B. District Exchange Balances
- C. Operations Report
- D. Labor Compliance Services for Well Drilling, CS & Associates

- (26-65) Upon motion of Director Holtermann, seconded by Director Mitchell and unanimously carried, to approve the Consent Calendar.
(Ayes: Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: Andrew, Abstain: None)

General Informational Items –

Watermaster Chianello presented data on the Kern River sensors network and stated that the snow sensors continue to be maintained, allowing staff to receive reliable readings. He reported that June Kern River watershed runoff to Isabella was at 40%. The historical July inflow to Isabella is 71,200 acre-feet, with a month to date average of 18,200 acre-feet.

He also reported that there is an 81% chance of a strong El Niño developing between October and December.

Kern River Watershed Coalition Authority/Kern Water Collaborative – No Report at this time.

Financial Matters –

- (26-66) Upon motion of Director Glende, seconded by Director Holtermann and unanimously carried, to receive and file the Treasurer's Report for the North Kern Water Storage District for the month of June as presented.

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

- (RR26-67) Upon motion of Director Glende, seconded by Director Holtermann and unanimously carried, to receive and file the Treasurer's Report for the Rosedale Ranch Improvement District for the month of June as presented.

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

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

- (26-68) Upon motion of Director Mitchell, seconded by Director Holtermann and unanimously carried, to approve payment of the Accounts Payable balance for the North Kern Water Storage District for the month of June as presented.

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

- (RR26-69) Upon motion of Director Mitchell, seconded by Director Holtermann and unanimously carried, to approve payment of the Accounts Payable balance for the Rosedale Ranch Improvement District for the month of June as noted.

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

At this time, Controller Duarosan addressed the Board and requested direction regarding the transfer of \$3.3 million to cover unplanned and unbudgeted costs relating to the golden mussels mitigation. The Board authorized Staff to transfer funds of \$3.3 million from the County Rate Stabilization Reserve account to cover current invoices

Consulting District Engineer – Ms. Martin updated the Board on the following:

She reported that the Invasive Species final grant guidelines have not been finalized.

The 2022 DRP project pre-bid conference has been completed and the project is now in the bidding process. The Calloway Canal Lining Project from 7th Standard to the 8-1 Backup Weir will be advertised for bids in early August.

Additionally, NKWSD is participating in the Kern County Multi-Jurisdictional Hazard Mitigation Plan (HMP). Kern County is the lead in the plan, and many other jurisdictions are participating. Ms. Martin did a "Decision-Maker Briefing" presentation and outlined the program's approach to reduce long-term risk, best practices, overall mitigation goals, and why the District should participate in the program. An HMP will assist the District to address emerging hazards and will satisfy eligibility criteria for some future grant opportunities. So far, NKWSD has completed a risk assessment, assessed existing capabilities, and drafted problem statements for priority hazards. Next steps include determining the best course of action, write-up of the program and community engagement. Eventually, a resolution to adopt NKWSD's portion of the plan will be presented to the Board for consideration.

Budget & Personnel Committee –

Staff presented lender term sheets received for the long-term financing for the refinance of the 2015 Bonds, Calloway Canal Lining and Construction of new wells for \$16.7 million. Staff discussed highlights on the differences between each lender's quotes and explained loan terms and loan types (bank qualified vs non-bank qualified). Based on these discussions, the Board approved Staff to finalize and proceed with the 2026 Financing and to engage bond counsel to assist with the documentation and legal review.

- (26-70) Upon motion of Director Glende, seconded by Director Ackerknecht and unanimously carried, to Adopt Resolution 26-70 for North Kern Water Storage District to direct Staff to proceed with securing and finalizing the 2026 Financing to the refinance of the Wells Fargo Bank 2015 Bonds, additional Calloway Lining from Seventh Standard Road to 8-1 Canal, and construction of new wells for the 2022 DRP.

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

- (26-71) Upon motion of Director Glende, seconded by Director Ackerknecht and unanimously carried to Authorize Staff to approve Agreement for Bond Counsel Services for NKWSD with Bond Counsel, Kutak Rock LLP, to prepare pertinent documentation to effectuate the financing transactions of North Kern Water Storage District.

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

Engineering Committee –

Deputy General Manager Venkatesan addressed the Board and reported that the District was approximately two months into the Golden Mussel treatment program due to the staggered treatment. He stated that the treatment has been effective due to the consistent concentration level of the chemical that was maintained throughout the District and that the District's approach continues to have a positive impact and appears to be successful. Staff intends to stop treatment for now and that no preventive treatment appears necessary at this time. Staff will monitor and spot check sections of the District as regular protocol. However, Staff does plan to conduct additional inspections during the District's scheduled shutdown in January.

Groundwater Committee –

General Manager Hampton stated that Staff continues to hold weekly meetings with the Managers. He reported that the Groundwater Model subcommittee will review and work through the available information to improve groundwater model results. He also stated that Staff is waiting for the final draft of the water quality exceedance action plan update for review and possible approval.

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 –

Staff presented the lender term sheets received for the long-term financing for the purchase of land from Rosedale Estates covered under the potential Settlement Agreement. Staff discussed highlights on the differences between each lender's quotes and explained loan terms and loan types (bank qualified vs non-bank qualified). However, since

one lender's term sheet had not yet been received or finalized, the Board assigned further review and consideration of the financing to the Budget and Personnel Committee to determine final calculated impact on Base Service Charges. Based on these discussions, the Board approved Staff to finalize and proceed with the 2026 Financing and to engage bond counsel to assist with the documentation and legal review pending the Committee's full review.

- (RR26-72) Upon motion of Director Mitchell, seconded by Director Holtermann and unanimously carried, to Adopt Resolution RR26-70 Rosedale Ranch Improvement District (RRID) to direct Staff to proceed with securing and finalizing the 2026 Financing for the acquisition of parcels 463-030-28, -29, -30, -31, approximately 240 acres in total, in RRID area for construction of groundwater recharge facilities pending Budget and Personnel Committee final review.

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

(26-73) Upon motion of Director Mitchell, seconded by Director Holtermann and unanimously carried, to Authorize Staff to approve Agreement for Bond Counsel, Kutak Rock LLP, to prepare pertinent documentation to effectuate the financing transaction of RRID pending Budget and Personnel Committee final review.

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

General Manager's Report –

General Manager Hampton reminded the Board of the July 23 Landowner Meeting. He stated they will be discussing the benefits and functionality of the Land IQ Irrigation Management Tool.

The Vice 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) State Water Resources Control Board, Administrative Hearing Office
Adjudicative Hearing on Pending Applications 31673, 31674, 31675,
31676, 31677, and 31819
 - (iii) California High-Speed Rail Authority v. North Kern Water Storage District
(BCV-25-102876)
 - (iv) North Kern Water Storage District v. Rosedale Estates
(BCV-24-101361)
 - (v) 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) 5th District Court of Appeal (F087487); CA Supreme
Court (S290840)

- B. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED
LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of
Section 54956.9: two cases

- C. 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 8:35 a.m. The Board reconvened back into the open session at 9:37 a.m.

Respectfully Submitted,

David Hampton, General Manager

Approved by Board
August 18, 2026

Kevin Andrew, President