BOARD OF DIRECTORS
North Kern Water Storage District
Minutes of the Regular Board Meeting of August 18, 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 August 18, 2026.

President Andrew declared a quorum was present and called the meeting to order. The following Directors were present: Kevin Andrew, 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.

President Andrew 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 –

(26-73) Upon motion of Director Holtermann, seconded by Director Ackerknecht and unanimously carried, to approve the minutes from July 21, 2026, Regular Board Meeting.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, 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. Kern Fan Monitoring Committee Amendment No. 1

(26-74) Upon motion of Director Glende, seconded by Director Ackerknecht and unanimously carried, to approve the Consent Calendar.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

General Informational Items –

Watermaster Chianello reported that the July Kern River Watershed runoff into Isabella was at 39% and that there is a 90% chance of a strong El Niño developing during Fall/Winter timeframe.

Kern River Watershed Coalition Authority/Kern Water Collaborative – The CV Salt study is moving forward. No other significant items to report at this time.

Financial Matters –

(26-75) Upon motion of Director Ackerknecht, 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 July as presented.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

(RR26-76) Upon motion of Director Ackerknecht, 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 July as presented.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

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

(26-77) Upon motion of Director Mitchell, 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 July as presented.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

(RR26-78) Upon motion of Director Mitchell, 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 July as noted.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

At this time, Controller Duarosan addressed the Board and reported that the costs for the golden mussel mitigation have reached $6.0 million through July 2026, with about $700,000 incurred for the month of July. She requested direction regarding a funds transfer for the $700,000 in expenses to cover these unplanned and unbudgeted costs. The Board authorized Staff to transfer funds in the amount of $700,000 from the County Rate Stabilization Reserve account to cover the July invoices.

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

Bids for the construction contract for the conveyance component of the 2022 DRP project were opened in August.

The Calloway Canal Lining: 7th Standard Road to 8-1 Canal project was advertised for bids. Bids will be opened on September 2nd.

GEI continues to monitor grant opportunities, including the Invasive Species grant.

Budget & Personnel Committee –
After Board's approval at the July Board Meeting to proceed with finalizing new financing for the District totaling $16.7 million through Tri Counties Bank (TCB), Staff presented loan documentation to effectuate the refinance of the 2015 Bonds, financing of additional Calloway Canal Lining and Construction of new wells, including loan amendments to the previous TCB loans in years 2021, 2022, and 2024 for the release of related parity reserve funds. Staff noted that the loan documents as presented have been reviewed by both legal and bond counsel of the District.

(26-79) Upon motion of Director Ackerknecht, seconded by Director Holtermann and unanimously carried, to Approve Refinancing of the 2015 Wells Fargo Bonds, Financing for the Calloway Canal Lining Project from Seventh Standard Road to 8-1 Canal, and construction of new wells for the 2022 DRP Program.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

(26-80) Upon motion of Director Ackerknecht, seconded by Director Holtermann and unanimously carried, to Approve Resolution 26-80 Approving Conveyance Agreement and Installment Purchase Contract, and Amendments to the 2021, 2022 and 2024 Installment Purchase Contracts.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

Controller Duarosan reported on the status of the 2025 Audit, noting that while the audit procedures have been completed, additional time is required to prepare the Audit Report. In order to meet the reporting deadline to the lenders, Staff requested to allow the Budget and Personnel Committee to meet with the District's Auditors to review the Audit Report in detail when completed and confer authority to the Committee to approve the Audit Report.

(26-81) Upon motion of Director Mitchell, seconded by Director Holtermann and unanimously carried to Authorize the Budget and Personnel Committee to review and accept the 2025 Combined Audited Financial Statements.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

Engineering Committee –
(26-82) Upon motion of Director Mitchell, seconded by Director Holtermann and unanimously carried to Authorize the General Manager to award a contract to Specialty Constructions to install pipelines for the 2022 Return Capacity Project for a budget amount not -to-exceed $1,876,981.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

(26-83) Upon motion of Director Mitchell, seconded by Director Ackerknecht and unanimously carried to Authorize the General Manager to execute Task Order 26-09 with GEI Consultants for construction management support services for the 2022 Return Capacity Project for a budget amount not-to-exceed $125,000
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

Groundwater Committee –
General Manager Hampton provided an update on SGMA and GSP activities, including efforts to resolve groundwater monitoring data gaps and reporting issues. Revisions to the Groundwater Quality Action Plan are underway. One TCP-related exceedance was identified at RMW-148, and required notifications were sent to 16 domestic well owners within a 3-mile radius. Updates to the DMS are being considered to improve reporting efficiency. The Subsidence Committee and Intera continue work on critical head analysis and groundwater modeling. Staff also discussed communications with Clean Water Action and KNDLA's development of groundwater management policies for white land areas.

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 –
At the July Board Meeting, the Board assigned approving authority to the Budget and Personnel Committee to provide Staff with direction on how to proceed with the land acquisition loan for Rosedale Ranch. After further review of the lender financing terms, the Budget and Personnel Committee directed Staff to proceed and finalize financing through Tri Counties Bank. Staff

presented the loan documentation for the acquisition loan. Staff noted that the loan documents as presented have been reviewed by both legal and bond counsel of the District.

(RR26-84) Upon motion of Director Ackerknecht, seconded by Director Holtermann and unanimously carried, to Approve Financing for the acquisition of four (4) parcels of land 463-030-28, -29, -30, -31, approximately 240 acres in total, within RRID for construction of groundwater recharge facilities.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

(RR26-85) Upon motion of Director Ackerknecht, seconded by Director Holtermann and unanimously carried, to Approve Resolution RR26-85 Approving Conveyance Agreement and Installment Purchase Contract.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

(RR26-86) Upon motion of Director Ackerknecht, seconded by Director Holtermann and unanimously carried, to Approve Resolution RR26-86 Authorizing Signatories for the Acquisition of Real Property by the Rosedale Ranch Improvement District.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

General Manager's Report –
General Manager Hampton addressed the Board regarding the July 23 Landowner Meeting. He asked the Board if they would like to proceed with the Land IQ Irrigation Management Tool. After discussion, the Board indicated that they would like to see more interest from landowners before proceeding at this time and would revisit the matter at a later date.

Mr. Hampton informed the Board that WAKC will be hosting A Clay Shoot event for anyone interested in participating, which will be held on October 17, 2026.

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) 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 8:32 a.m. The Board reconvened back into the open session at 10:00 a.m. There were no reportable actions.

Respectfully Submitted,

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David Hampton, General Manager

Approved by Board
September 15, 2026

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Kevin Andrew, President