BOARD OF DIRECTORS
North Kern Water Storage District
Minutes of the Regular Board Meeting of September 15, 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 September 15, 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) and Christy Castaneda (Administrative Assistant) of North Kern Water Storage District, Scott Kuney, Alan Doud and Brett Stroud of Young Wooldridge, guests present: Michelle Paul, Grace Martin, Art Chianello, Gustavo Carranza, Sonia Lemus, Jay Payne, Geoff King and John Gaugel.

President Andrew called the meeting to order at 7:03 am and opened the floor for public comments. At this time, Michelle Paul addressed the Board.

Michelle Paul, Executive Director of the California Farm Water Coalition, provided a brief overview of her background and experience. She discussed the Coalition's history, including its founding in 1989, and provided an overview of its mission and outreach efforts to educate the public about agricultural water use and its importance to California's food supply.

Board of Directors –

(26-87) Upon motion of Director Ackerknecht, seconded by Director Holtermann and unanimously carried, to approve the minutes from August 18, 2026, Regular Board Meeting.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

President Andrew stated that Geoff King from Barbich, Hooper, King, Dill, Hoffman (BHK) will be presenting the District's audited financial statements. Mr. King provided an overview of the Independent Auditor's report as of December 31, 2025, and the combined audited financial statements of North Kern Water Storage District and Rosedale Ranch Improvement District in addition to the required A-133 audit for the Federal grant's compliance testing. He stated that a detailed review of the report had been discussed with the Budget and Personnel Committee and approved the report at the August 27, 2026, meeting. In addition, he reported on the audit risk assessment and internal control testing. He then highlighted matters noted in the Governance Letter provided to the Board. For the year 2025, BHK auditors have issued an "unqualified" opinion on the District's 2025 financial statements and noted that the District continues to have a very strong Balance Sheet.

(26-88) Upon motion of Director Mitchell, seconded by Director Holtermann and unanimously carried, to Ratify the Budget and Personnel Committee's action to approve and accept the Financial Audit Report as of December 31, 2025, of North Kern Water Storage District (including Rosedale Ranch Improvement District) prepared by Barbich, Hooper, King, Dill Hoffman as per the audit report dated August 27, 2026.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

Consent Calendar –

Consent Calendar included the following:

A. District Groundwater Levels

B. PG&E Monthly Analysis
C. District Exchange Balances
D. Operations Report
E. Approve Standard Form License Agreement, Central Valley Independent Network, LLC
F. Consider Task Order for Labor Compliance Services for the 2022 Return Capacity

(26-89) Upon motion of Director Ackerknecht, seconded by Director Glende 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 provided background information for an application submitted for a Bureau of Reclamation grant opportunity and reported the Kern River Interest was successful in obtaining a Bureau of Reclamation grant of up to $999,999 to add a third ASO flight this season and fund WRF-Hydro forecast modeling efforts.

August Kern River Watershed runoff into Isabella was at 68% of the historical average and that there is still a 90% chance of a strong El Niño developing during Fall/Winter timeframe and a 97% chance it will persist through early spring 2027.

Kern River Watershed Coalition Authority/Kern Water Collaborative – General Manager Hampton stated that at their last meeting, a budget was adopted setting the assessment rate at $3.50 per acre.

Financial Matters –

(26-90) Upon motion of Director Holtermann, seconded by Director Glende and unanimously carried, to receive and file the Treasurer's Report for the North Kern Water Storage District for the month of August as presented.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

(RR26-91) Upon motion of Director Holtermann, seconded by Director Glende and unanimously carried, to receive and file the Treasurer's Report for the Rosedale Ranch Improvement District for the month of August 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 August were reviewed and accepted as presented.

(26-92) Upon motion of Director Ackerknecht, seconded by Director Mitchell and unanimously carried, to approve payment of the Accounts Payable balance for the North Kern Water Storage District for the month of August as presented.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

(RR26-93) Upon motion of Director Ackerknecht, seconded by Director Mitchell and unanimously carried, to approve payment of the Accounts Payable balance for the Rosedale Ranch Improvement District for the month of August as noted.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

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

GEI assisted the District with the 2022 Return Capacity Improvements project, including the Notice of Award and contractor document review. The Notice to Proceed is expected to be completed by the end of the month. GEI also participated in the pre-bid conference and bid opening for the Calloway Canal Lining project, with a contract award recommendation submitted to District staff.

She also stated that there are two grant applications that remain under review by the Bureau of Reclamation for the NKWSD Return Capacity Improvements project and the RRID recharge facility. While there has been no update on the Invasive Species grant, DWR has released draft guidelines for the Watershed Resilience Program grant.

Budget & Personnel Committee – No Report at this time.

Engineering Committee –

(26-94) Upon motion of Director Ackerknecht, seconded by Director Holtermann and unanimously carried to Authorize the General Manager to award a construction contract to Sierra Construction and Excavation Inc. for Concrete Lining the Calloway Canal for a budget amount not-to-exceed $5,925,409.10.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

(26-95) Upon motion of Director Mitchell, seconded by Director Ackerknecht and unanimously carried to Authorize the General Manager to enter into agreements with Pinnacle Surveying to perform Construction Staking, and with Krazan & Associates to perform Construction Testing for concrete lining the Calloway Canal (Seventh Standard Road to 8-1 backup weir) for an amount not-to-exceed $25,050, and $130,128 respectively.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

(26-96) Upon motion of Director Holtermann, seconded by Director Glende and unanimously carried to Authorize the General Manager to enter into an agreement with Zeiders Consulting to provide construction management, inspection, and observation services for the concrete lining for the Calloway Canal (Seventh Standard Road to 8-1 backup weir) for an amount not-to-exceed $311,000.
(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. Mr. Hampton stated Managers have asked Intera to provide a proposal for a Feasibility Study for the groundwater injection wells as a backup PMA in case the regional PMA planning implementation is deemed insufficient or as a possible alternative project in management action. Participation in this study was discussed with the Kern Subbasin GSA's and there are a total of 6 participants including North Kern.

(26-97) Upon motion of Director Mitchell, seconded by Director Ackerknecht and unanimously carried to Approve INTERA's Proposal for Aquifer Injection Feasibility Study - Friant Kern Canal Subsidence Minimization, for a total not to exceed $92,984, and North Kern's cost share not to exceed $15,498.
(Ayes: Andrew, Ackerknecht, Mitchell, Glende & Holtermann, Noes: None, Absent: None, Abstain: None)

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 – No report at this time.

General Manager's Report –

General Manager Hampton stated the Snow Conference will be held in November. He also informed the Board that September 24th will be Water Day at the Kern County fair if anyone is interested in attending.

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) 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 8:36 a.m. The Board reconvened back into the open session at 9:35 a.m. There were no reportable actions.

Respectfully Submitted,

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David Hampton, General Manager

Approved by Board
October 20, 2026

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Kevin Andrew, President