

**Wheeler Ridge-Maricopa Water Storage District
Wheeler Ridge-Maricopa GSA
Regular Board Meeting**

Wednesday, November 8, 2023 @ 8:00 A.M.

District Headquarters Board Room

12109 Hwy 166, 6.5 miles west of Mettler, CA

Or via GoToMeeting

(Optional Remote Public Participation Only – See NOTICE Below)

Conference Line: +1 (872) 240-3212

Access Code: 211-452-397

<https://www.gotomeet.me/WRMWS>

NOTICE: Members of the public interested in participating remotely via GoToMeeting may do so using the call-in information above or by following this [link](#). Please note that this option is provided as a courtesy and at the participant's own risk. The District cannot guarantee that there will be no loss of connectivity or other technological obstacle to full participation through via GoToMeeting. By participating in this way, participants confirm that they understand this risk and that the Board is not obliged to delay any portion of the meeting due to such technological obstacles and thus via GoToMeeting participants may be unable to participate.

A G E N D A

8:00 1. Call to Order

2. Closed Session

Conference with Legal Counsel Re: Existing Litigation (Govt. Code § 54956.9(a)):

1. *DWR v. All Persons Interested, etc. "Complaint for Validation" Re: SWP Contract Extension Amendment (Sacramento County Sup. Ct., Case No. 34-2018-00246183, 3rd Appellate Dist., Case No. C096316, and related cases and appeals)*
2. *Sierra Club v. DWR v. All Persons Interested, etc., consolidated CEQA Case and "Complaint for Validation" Re: Delta Program Revenue Bonds, Sacramento County Sup. Ct., Case No. 34-2020-80003517*
3. *Rosedale-Rio Bravo Water Storage District v. Kern County Water Agency, et al., Kern County Superior Court, Case No. BCV-21-100418*
4. *KWBA, et al. v. Kern LAFCo, et al., Kern County Sup. Ct., Case No. BCV-21-101310-GP*
5. *KWBA, et al. v. Buena Vista Water Storage Dist., et al., Kern County Sup Ct., Case No. BCV-22-101227-GP*

Conference with Legal Counsel - Anticipated Litigation: Initiation of Litigation (Govt. Code § 54956.9(d)(4)):

6. *Two Potential Cases*

Conference with Legal Counsel - Anticipated Litigation: Significant Exposure to Litigation (Govt. Code § 54956.9(d)(2)):

7. *Two Potential Cases*

Conference with Real Property Negotiator (Gov't Code § 54956.8

8. *District's Designated Representative: Engineer-Manager*

1. *Under Negotiation: Price and Terms of Payment
Property: Energy Storage System Facilities
Negotiation With: WhitePine Renewables*

9:30 Open Session Pledge of Allegiance

3. Attorney's Report

Torigiani (5 mins)

1. Legislative, Executive, Regulatory, and Legal Matters

4. Minutes

- * 1. Approval of Minutes of the Regular Board Meeting October 11, 2023
- * 2. Approval of Minutes of the Special Board Meeting October 19, 2023
- * 3. Approval of Minutes of the Special Board Meeting October 31, 2023

Atkinson (2 mins)

5. Financial Reports

- * 1. Filing of Treasurer's Report
- * 2. Approve Payment of Accounts Payable

Mettler (5 mins)

Mettler (5 mins)

- 2.1 Director Compensation and Expense *Mettler* (2 mins)
- * 3. Approval of Budget, Water Rates, & Cash Forecast for 2024 *Smith* (10 mins)
- 6. Controller's Report**
1. Delinquent Accounts Report for October 2023 *Smith* (10 mins)
2. Budget Expenditures Report for September 2023 *Mielke* (5 mins)
- * 3. 2023 Audit Engagement Letter *Smith* (5 mins)
- 7. President's Report** *Atkinson* (5 min)
- 8. Engineer-Manager's Report**
1. Filing of the Monthly Report *Nicholas* (5 mins)
2. Water Supply – **2023 SWP Allocation of 100%** *McDaris* (15 mins)
- * a. 2023 Water Supply/Demand Estimate
- * b. 2024 Carryover and Recharge Activities
- * c. Other Purchases/Exchanges
- * **10:00** 3. Kern Water Bank GSA Formation *Nicholas* (20 mins)
- a. Hearing Re Formation the Kern Water Bank (KWB) Groundwater Sustainability Agency (GSA) for the Kern Water Bank Lands by Joint Powers Agreement (JPA)
- b. Consider Approval of Formation of KWB GSA and Execution of JPA – **Resolution Required**
- * 4. Consider Approval of Updated Publicly Available Pay Schedule *Nicholas* (5 mins)
- * 5. Approval of Amended and Restated Rules & Regulations *Nicholas* (10 mins)
- **Resolution Required**
- * 6. Authorization to Advertise for PVC Pipe *Suggs* (10 mins)
- * 7. Pacific Legal Foundation – Western Water Law *Nicholas* (5 mins)
- * 8. EKI Task Order for 3D Geological Model *Nicholas* (10 mins)
- * 9. Kern Subbasin Cost Sharing Agreement *Nicholas* (10 mins)
10. State Water Project / Delta Conveyance Project *Nicholas* (5 mins)
11. Sites Reservoir *Kunde* (10 mins)
12. WRMGSA – Projects & Management Actions Committee Report *Nicholas* (10 mins)
- 9. Reports**
1. Director's Reports on Meetings Attended
2. Kern County Water Agency *McDaris* (5 mins)
3. Kern Water Bank Authority *Nicholas* (5 mins)
4. South of Kern River GSP *Nicholas* (5 mins)
5. White Wolf Groundwater Sustainability Agency *Nicholas* (5 mins)
6. Kern River Watershed Coalition Authority *Blaine* (5 mins)
7. Committee for Delta Reliability *Nicholas* (5 mins)
8. South Valley Water Resource Authority *Nicholas* (5 mins)
- 10. Unfinished and New Business**
- 11. Public Comments**
- 12. Adjournment**

*These items may require Board action and may be moved to earlier in the meeting to ensure the maximum number of Directors are present.

Posted pursuant to Government Code § 54954.2(a) at least 72 hours prior to said meeting.

By: Danyel Ruth

November 3, 2023

Per Govt. Code § 54953.2 and § 54961, requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in this meeting should be made to the Administrative Assistant (phone 661-527-6068) in advance of the meeting to ensure availability of the requested service or accommodation.

**Per Govt. Code § 54954.3(a), A member of the public may comment on any matter on the agenda, before or during the Board's consideration of the matter (and in the case of a closed session matter immediately before the Board goes into closed session) upon being recognized by the President and subject to any time constraints the President may impose from time to time.

**Minutes of the Regular Board Meeting
of the Board of Directors of the
Wheeler Ridge-Maricopa Water Storage District and
Wheeler Ridge-Maricopa Groundwater Sustainability Agency
Convened at 8:00 A.M., October 11, 2023**

The meeting of the Board of Directors of the Wheeler Ridge-Maricopa Water Storage District and Wheeler Ridge-Maricopa Groundwater Sustainability Agency was held at the District office, with optional public participation made available through teleconference via GoToMeeting on Wednesday October 11, 2023, at the hour of 8:00 A.M. President Atkinson declared a quorum was present and called the meeting to order.

Directors Present in Person. Atkinson, Blaine, Fry, Lyda, Marin, Mettler, Reiter, Richardson, Valpredo.

Directors Absent. None.

Others Present at 8:00 A.M. Engineer-Manager Sheridan Nicholas, Attorney for the District Steve Torigiani and Executive Assistant Danyel Ruth.

Others Present at 9:45 A.M. Engineer-Manager Sheridan Nicholas, Attorney for the District Steve Torigiani, Water Resource Manager Eric McDaris, Staff Engineer Tom Suggs, Contract Administrator Flower Duenas, Staff Accountant Kelly Mielke, Executive Assistant Danyel Ruth, Angelica Martin with Tejon-Castac Water District, and Trey Irwin with Tejon Ranch.

8:00 A.M. Closed Session. The Board convened in Closed Session to consider the following matters:

Conference with Legal Counsel Re: Existing Litigation (Govt. Code § 54956.9(a)):

1. *DWR v. All Persons Interested, etc. "Complaint for Validation" Re: SWP Contract Extension Amendment (Sacramento County Sup. Ct., Case No. 34-2018-00246183)*
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5. *KWBA, et al. v. Buena Vista Water Storage Dist., et al., Kern County Sup Ct., Case No. BCV-22-101227*

Conference with Real Property Negotiator: (Govt. Code § 54956.8):

6. *District's Designated Representative: Engineer-Manager Under Negotiation: Price and Terms of Payments*
 - 1) *Property: Cell Tower Lease Parcel, Assessor Parcel No. 295-132-07*
 - 2) *Property: Battery Lease, Assessor Parcel No. 295-132-07*

Conference with Legal Counsel - Anticipated Litigation: Initiation of Litigation (Govt. Code § 54956.9(d)(4)):

7. *Two Potential Cases*
8. *Two Potential Claims*

9:50 A.M. Open Session. Mr. Torigiani stated there was no reportable action taken in closed session.

Pending Litigation, Executive & Regulatory Matters. Bob Reeb of the Valley Ag Water Coalition reviewed the latest California Legislature session with the Board, touching on a number of water rights reform bills that became two-year bills and which could affect the District in the future if enacted into law.

Director Blaine left the room.

Minutes. Upon motion from Director Reiter, seconded by Director Marin and unanimously carried with no abstentions, *The Minutes of the Regular Board Meeting of Directors ... Convened September 13, 2023* and *The Minutes of the Special Board Meeting of Directors ... Convened September 19, 2023* were approved and filed.

Filing of the Treasurer's Report. Treasurer Mettler presented and reviewed the *Treasurer's Report for the Month of September 2023*. Upon motion from Director Mettler, seconded by Director Fry and unanimously carried with no abstentions, the *Treasurer's Report for the month of September 2023* was approved and filed.

Approve Payment of Accounts Payable. Treasurer Mettler presented and reviewed the *Accounts Payable for the month of september2023*, and the *Reimbursements and Transfers for the month of September 2023*. Upon motion from Director Mettler, seconded by Director Fry and unanimously carried with no abstentions, the *Accounts Payable for the Month of September 2023* - and the *Reimbursements and Transfers for the Month of September 2023* was approved and filed.

Approval of Amendment to Annual Investment Policy. Mr. Smith reviewed his October 11, 2023 memorandum to the Board entitled *Amendment to Annual Investment Policy*. Upon motion from Director Mettler, seconded by Director Marin and unanimously carried with no abstentions the Board approved and adopted Resolution 2023-11 in the matter of:

**AMENDMENT TO ANNUAL INVESTMENT POLICY FOR THE
WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT**

Subsequent to approval of Resolution 2023-11 adding the California Asset Management Program (CAMP) to the District's investment portfolio, upon motion from Director Lyda, seconded by Director Fry and unanimously carried with no abstentions the Board approved moving \$35 million of the District's funds from the Kern County Treasurer Fund to the CAMP.

Director Fry left the meeting at 10:30.

Delinquent Accounts Report for October 2023. Mr. Smith reviewed the *List of Delinquent Tolls and Charges* and adjoining exhibits.

File List of Tolls and Charges. Upon motion from Director Reiter, seconded by Director Marin and unanimously carried with no abstentions the Board approved and adopted Resolution 2023-12 in the matter of:

**ORDERING THE FILING OF LIST OF DELINQUENT TOLLS AND CHARGES
(CALENDAR YEAR 2023) (WATER CODE SECTION 47183)**

Budget Expenditures Report for August 2023. Ms. Mielke reviewed the Budget Expenditure Report for August 2023.

Budget, Water Rates, & Cash Forecast for 2024. Mr. Smith presented the draft Budget, Water Rates, & Cash Forecast, and reviewed Tables 1, 2, 4, 6, 8, & 12 with the Board. He stated staff would recommend approval of the Budget at the November Board meeting.

Director Blaine returned at 10:41.

President's Report. Nothing to report.

Engineer-Manager's Report. Mr. Nicholas reported that the District had delivered a total of 17,495 acre-feet in September. He further noted the Wheeler #1 solar project was now operational, and he also welcomed three new employees to the District.

Discussion of 2024 Carryover. Mr. McDaris reviewed slides with the Board entitled *Discussion of 2024 Carryover*.

Other Purchases and Exchanges. Nothing to report.

51 Hope et al - Request for Water Service Contract Amendment. Mr. McDaris reviewed his October 5, 2023 memorandum to the Board entitled *51 Hope enterprises, Inc. Et al - Request for Water Service Contract Amendments: Exclusions From the SWSA Affecting Contract Turnouts 94G16C: Additions to the SWSA Affecting Turnouts 7G51*. Upon motion from Director Blaine, seconded by Director Valpredo and unanimously carried without abstention the Board approved and adopted Resolution No. 2023-13 in the matter of:

**AUTHORIZING AMENDMENTS TO WATER SERVICE CONTRACTS NO. 86G, AND 2.01B
TO ENABLE CHANGES IN SURFACE WATER SERVICE AREA**

Proposed Rules & Regulations Amendment for Second Priority Banking. Mr. Nicholas reviewed his October 9, 2023 memorandum to the Board entitled *Proposed Rules and Regulations Amendment for Second Priority Banking*. After some discussion Mr. Nicholas stated if the Board was agreeable to the proposed amendment staff would present an entire Amended and Restated Rules and Regulations at the November Board meeting for approval.

State Water Project/Delta Conveyance Project. Mr. Nicholas reviewed the San Luis Reservoir Carryover report. Mr. Kunde noted the information regarding the Delta Conveyance Project was included in his portion of the Engineer-Manager's Report.

Sites Reservoir. Mr. Kunde reviewed his portion of the Engineer-Manager's report.

WRMGSA - Projects and Management Actions Committee Report. Mr. Nicholas noted the Committee reviewed a number of GSA allocation policies and directed staff to present a framework for the WRMGSA to consider at the next meeting of the Committee to be held on October 19.

Directors Meeting Attended. Nothing to report.

Kern County Water Agency. Mr. McDaris noted the water transfers the District participated in were approved last month.

Kern Water Bank. Mr. Nicholas reported the Authority staff had presented and reviewed the proposed 2024 budget at yesterday's board meeting for approval in November.

South of Kern River GSP. Mr. Nicholas noted the following:

- Kern Subbasin Coordination Committee
 - discussions on coordinating Minimum Thresholds and Measurable Objectives, proposed joint plan, and cost splits amongst GSA's
 - Met with State Board staff on October 4. SWRCB staff was generally positive but needed additional clarification on Minimum Thresholds and Undesireable Results

- South of Kern River Executive Committee meeting on September 14.

- Update on monitoring network
- Approved EKI Task Order for \$154,200
- Next meeting rescheduled to October 20
- SOKR Technical Committee met with CASP Group on September 29.

White Wolf Groundwater Sustainability Agency. Mr. Nicholas noted the WWGSA met on October 3. The GSA reviewed member recharge programs; reviewed recent DWR Grant award of \$4.8 million; approved EKI task order for WWGSA Implementation and other selected tasks (to be paid for with grant funds); and discussed WRMWSD’s recent policy change regarding landowner recharge projects.

Kern River Watershed Coalition Authority. Although there was no meeting, Mr. Blaine noted the Regional Water Quality Control Board sent Non-Compliance letters to lands not filing reports.

Committee for Delta Reliability. Mr. Nicholas reported the CDR discussed lost pumping of approximately 300,000 acre-feet due to X2 restrictions, as well as the latest on the Voluntary Agreements and the BiOps. The Committee also approved a call for funds from CDR members.

South Valley Water Resource Authority. Mr. Nicholas reported the Authority approved \$35,000 to update the Fish Friendly Diversion cost estimate, received an update on Colorado State University studies, and allowed Dudley Ridge Water District to participate in the Fish Friendly Diversion project special activity agreement.

Unfinished and New Business. The Executive Assistant reminded the Board that the District’s Biennial Employee Recognition Dinner was scheduled for next Friday, October 20th.

Public Comments. None.

Adjournment. With no further business the meeting was adjourned to closed session at 11:31 a.m.

12:38 P.M. Open Session. Mr. Atkinson reported that the Personal Committee’s employee evaluations were discussed in closed session, and after discussion in open session, upon motion from Director Mettler, seconded by Director Marin and unanimously passed, the Board of Directors approved the Personnel Committee’s recommendation on compensation increases for all District staff, and the addition of two paid holidays. With no further business to discuss the meeting was adjourned at 12:39 p.m.

Respectfully submitted:
[Seal]

Secretary of the Board

List of Abbreviations:

ACWA	Association of California Water Agencies
ADM SSC	Administrative Service Charge, for basic administrative costs, non-project in nature, benefitting both SWSA and groundwater service area
AECA	Agricultural Energy Consumers Association
Agency	Kern County Water Agency
AWMP	Agricultural Water Management Plan
BDCP	Bay Delta Conservation Plan
BDS	Bond Debt Service
CAW	Contract Amount of Water totaling 200,818 acre-feet between the District & Water Users
CEQA	California Environmental Quality Act
CFWC	California Farm Water Coalition
COBRA	Consolidated Omnibus Budget Reconciliation Act
CVC	Cross Valley Canal
CVP	Central Valley Project (operated by the U.S. Bureau of Reclamation)
CWF	California WaterFix delta conveyance program (previously DHCCP)
DCA	Delta Conveyance Authority
DCF	Delta Conveyance Facility
DCP	Delta Conveyance Project
DFW	California Department of Fish and Wildlife
DHCCP	Delta Habitat Conservation and Conveyance Program - the conveyance element of the BDCP - renamed the California
District	Wheeler Ridge-Maricopa Water Storage District
DOG	California Division of Oil & Gas
DWR	California Department of Water Resources
DYTP	Dry Year Transfer Program
EIR	Environmental Impact Report
FAA	Final Accounting Adjustment
FO	Fixed Obligation water rate
FWS	U.S. Fish and Wildlife Service
GEN	GSC General Service charge, for recovery of Bond Debt for general purposes in the District
GL	General Ledger
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
GWSC	Groundwater Service Charge
ILRP	Irrigated Lands Regulatory Program
IRWMPP	Integrated Regional Water Management Plan
ITRC	Irrigation Training and Research Center
JPIA	Joint Powers Insurance Authority
KCWA	Kern County Water Agency or Agency
KFMC	Kern Fan Monitoring Committee
KGA	Kern Groundwater Authority
KRGSA	Kern River Groundwater Sustainability Agency
KRWCA	Kern River Watershed Coalition Authority
KWB	Kern Water Bank
KWBA	Kern Water Bank Authority
ITP	Incidental Take Permit
MOU	Memorandum of Understanding
MWD	Metropolitan Water District
NoD	North of the Delta
NonC	Non-Contract Charges
OMR	Operations, Maintenance and Repair, not to be confused with OMR of Old Middle Rivers
OMR	Old and Middle Rivers in the Sacramento-San Joaquin Delta
OSHA	Occupational Safety and Health Administration
PEF	Pastoria Energy Facility
PoE	Probability of Exceedance
PROJ	SSC Project Service Charge, for project costs related to, but not specific to a particular system
RWQCB	Regional Water Quality Control Board
SGMA	Sustainable Groundwater Management Act
SLR	San Luis Reservoir
SoD	South of the Delta
SOKR	South of Kern River
SSC	Special Service Charge, consists of ADM SSC, GEN SSC and PRO SSC
SSJVWQC	Southern San Joaquin Valley Water Quality Coalition
SVWRA	South Valley Water Resources Authority
SWC	State Water Contractors
SWP	State Water Project (operated by DWR)
SWRCB	State Water Resources Control Board
SWSA	Surface Water Service Area or contracted acreages
WAC	Water Availability Charge, consists of BDS, OMR & FO
Water User	A landowner holding a Water Service Contract with the District
WD	Water District
WRMWSDD	Wheeler Ridge-Maricopa Water Storage District
WSS	Westside 5 Water Districts - Belridge, Berrenda Mesa, Dudley Ridge, Lost Hills & Wheeler Ridge
WSC	Water Service Contract
WSD	Water Storage District
WUC	Water Use Charge, consists of State Pumping/Variable and District Pumping/Variable
WWGSA	White Wolf Groundwater Sustainability Agency

**Minutes of the Special Board Meeting
of the Board of Directors of the
Wheeler Ridge-Maricopa Water Storage District and
Wheeler Ridge-Maricopa Groundwater Sustainability Agency
Projects and Management Actions Committee
Convened at 10:00 A.M., October 19, 2023**

The special meeting of the Board of Directors of the Wheeler Ridge-Maricopa Water Storage District and Wheeler Ridge-Maricopa Groundwater Sustainability Agency was held at the District office, with optional public participation made available through teleconference via GoToMeeting on Thursday October 19, 2023, at the hour of 10:00 A.M. President Atkinson declared a quorum was present and called the meeting to order.

Directors Present in Person. Atkinson, Blaine, Fry, Lyda, Marin, Richardson, Valpredo.

Directors Absent. Mettler, Reiter.

Others Present at 10:03 A.M. Engineer-Manager Sheridan Nicholas, Attorney for the District Steve Toriginai, Water Resource Manager Eric McDaris, Staff Engineer Tom Suggs, and Executive Assistant Danyel Ruth.

10:00 A.M. Open Session. The Board elected to table the main item and adjourned to closed session at 10:11 a.m.

Closed Session.

Conference with Legal Counsel - Anticipated Litigation: Significant Exposure to Litigation (Govt. Code § 54956.9(d)(2)):

1. *One Potential Case*

Adjournment to Open Session. Counsel reported there was no reportable action taken in closed session.

Unfinished and New Business. None.

Public Comments. None.

Adjournment. With no further business the meeting was adjourned at 11:24 a.m.

Respectfully submitted:
[Seal]

Secretary of the Board

List of Abbreviations:

ACWA	Association of California Water Agencies
ADM SSC	Administrative Service Charge, for basic administrative costs, non-project in nature, benefitting both SWSA and groundwater service area
AECA	Agricultural Energy Consumers Association
Agency	Kern County Water Agency
AWMP	Agricultural Water Management Plan
BDCP	Bay Delta Conservation Plan
BDS	Bond Debt Service
CAW	Contract Amount of Water totaling 200,818 acre-feet between the District & Water Users
CEQA	California Environmental Quality Act
CFWC	California Farm Water Coalition
COBRA	Consolidated Omnibus Budget Reconciliation Act
CVC	Cross Valley Canal
CVP	Central Valley Project (operated by the U.S. Bureau of Reclamation)
CWF	California WaterFix delta conveyance program (previously DHCCP)
DCA	Delta Conveyance Authority
DCF	Delta Conveyance Facility
DCP	Delta Conveyance Project
DFW	California Department of Fish and Wildlife
DHCCP	Delta Habitat Conservation and Conveyance Program - the conveyance element of the BDCP - renamed the California
District	Wheeler Ridge-Maricopa Water Storage District
DOG	California Division of Oil & Gas
DWR	California Department of Water Resources
DYTP	Dry Year Transfer Program
EIR	Environmental Impact Report
FAA	Final Accounting Adjustment
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OSHA	Occupational Safety and Health Administration
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PROJ	SSC Project Service Charge, for project costs related to, but not specific to a particular system
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Convened at 8:30 A.M., October 31, 2023**

The special meeting of the Board of Directors of the Wheeler Ridge-Maricopa Water Storage District and Wheeler Ridge-Maricopa Groundwater Sustainability Agency was held at the District office, with optional public participation made available through teleconference via GoToMeeting on Tuesday October 31, 2023, at the hour of 8:30 A.M. Vice-President Valpredo declared a quorum was present and called the meeting to order.

Directors Present in Person. Blaine, Fry, Lyda, Marin, Richardson, Valpredo.

Directors Present via Teleconference. Reiter.

Directors Absent. Atkinson, Mettler.

Others Present at 8:30 A.M. Engineer-Manager Sheridan Nicholas, Attorney for the District Steve Toriginai, Water Resource Manager Eric McDaris, Staff Engineer Tom Suggs, Executive Assistant Danyel Ruth, Mike Beagle with Sunview, and Paramjit Dosanjh with Dosanjh Bros.

8:30 A.M. Open Session. Mr. McDaris presented slides regarding various potential groundwater allocation options. After some discussion and public comments, the committee elected to have staff work on a draft policy to bring back to the next meeting.

Unfinished and New Business. None.

Public Comments. None.

Adjournment. With no further business the meeting was adjourned at 9:58 a.m.

Respectfully submitted:
[Seal]

Secretary of the Board

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SWP	State Water Project (operated by DWR)
SWRCB	State Water Resources Control Board
SWSA	Surface Water Service Area or contracted acreages
WAC	Water Availability Charge, consists of BDS, OMR & FO
Water User	A landowner holding a Water Service Contract with the District
WD	Water District
WRMWS	Wheeler Ridge-Maricopa Water Storage District
WS5	Westside 5 Water Districts - Belridge, Berrenda Mesa, Dudley Ridge, Lost Hills & Wheeler Ridge
WSC	Water Service Contract
WSD	Water Storage District
WUC	Water Use Charge, consists of State Pumping/Variable and District Pumping/Variable
WWGSA	White Wolf Groundwater Sustainability Agency

WHEELER RIDGE - MARICOPA WATER STORAGE DISTRICT
 TREASURER'S REPORT FOR THE MONTH OF OCTOBER 2023

11/08/2023 - packet
 GENERAL FUND

FUNDS ON DEPOSIT:

BALANCE AS OF:	09/30/2023	70,214,828.65
PLUS CASH RECEIVED FOR: (cash receipts, laif/camp interest)	10/2023	2,321,345.38
LESS CASH EXPENDED DURING MONTH FOR:	10/2023	(3,540,143.10)
(sep, pr, ap, cdr, mnl, fees - oct pr burdens, ee net, taxes, inv)		

FUNDS ON RECONCILED DEPOSIT AT END OF MONTH: **68,996,030.93**

THE ABOVE FUNDS ARE ON DEPOSIT AS FOLLOWS:

WELLS FARGO BANK NA - (GL) CASH BALANCE	348,170.63
KCT-POOLED INVESTMENTS - (G/L) CASH BALANCE	33,645,889.73
LAIF-POOLED INVESTMENTS - (GL) CASH BALANCE	1,970.48
CAMP-POOLED INVESTMENTS - (GL) CASH BALANCE	35,000,000.09
	68,996,030.93

INTEREST APPORTIONMENT PERCENTAGE (ANNUALIZED)

	KCT
QUARTER ENDING SEP 30,2023	2.909%
QUARTER ENDING JUN 30,2023	2.650%
QUARTER ENDING MAR 31,2023	2.417%
QUARTER ENDING DEC 31,2022	2.156%

ALL FUNDS ARE PLACED IN ACCORDANCE WITH THE DISTRICT'S INVESTMENT POLICY AND GUIDELINES. SUFFICIENT CASH FLOW EXISTS TO MEET BUDGETED OBLIGATIONS FOR THE NEXT SIX MONTHS.

CASH RECEIVED (KERN COUNTY TREASURER/WELLS FARGO/LAIF) DURING MONTH AS FOLLOWS:

MANUAL INVOICES	70,964.03
CONTRACT WATER PAYMENTS	1,304,962.51
CDR - cash call invoices	461,468.00
SPECIAL SERVICE CHARGES ADMINISTRATION - kc auditor/controller	783.10
SPECIAL SERVICE CHARGES GENERAL - kc auditor/controller	43.30
2019 4% WATER - kern water bank authority	147,073.00
INTEREST - kern county auditor/controller	336,033.74
LAIF - interest	17.61
CAMP - interest	0.09

\$\$ Receipts Summary 13150 **2,321,345.38**

OPERATING RESERVE FUND BALANCE: audited 12/31/2022 **23,391,974.00**

WHEELER RIDGE - MARICOPA WATER STORAGE DISTRICT
AUDITED RESERVE FUND BALANCES AS OF DECEMBER 31, 2022 PLUS ESTIMATED ADJUSTMENTS

11/8/2023 Board Packet

INTERNALLY CONSTRAINED RESERVES	DRAFT AUDIT <u>12/31/2022</u>	<u>2023</u> Adjustments	Adjusted <u>11/1/2023</u>
OPERATING RESERVE FUND	23,391,974		23,391,974
EQUIPMENT REPLACEMENT RESERVE FUND	3,430,967		3,430,967
GROUND WATER REPLENISHMENT RESERVE FUND	38,576,115		38,576,115
CONTINGENCY RESERVE FUND	10,953,195	(914,191) (1) (197,088) (2)	9,841,916
WATER BANKING CAPITAL RESERVE FUND	4,280,676		4,280,676
WATER BANKING REPLACEMENT RESERVE FUND	10,597	46,708 (3) 50,645 (4) 147,073 (5)	255,023
WELL REPAIR RESERVE	548,286	(486,977) (6)	61,309
TOTAL RESERVE FUNDS INTERNALLY CONSTRAINED	81,191,810	(1,353,830)	79,837,980
THIS AMOUNT IS SHOWN AS AN UNCONSTRAINED RESERVE. THIS IS MISLEADING AS THE BOARD HAS NOT DESIGNATED SUCH A RESERVE, AND IT IS NOT A CASH ASSET (COMPARE THE \$92.9 MILLION OF TOTAL RESERVES TO THE \$49.5 MILLION OF CASH EQUIVALENTS ON PAGE 11 OF THE 2022 AUDIT.	11,740,258	1,353,830	13,094,088
UNRESTRICTED NET ASSETS	92,932,068	0	92,932,068

- (1) CalPERS - UAL (refund in 2024 with OM&R/SSC charges)
(2) CDR 2023 Assessment
(3) KWBA 2021 Capital Fee Reconciliation
(4) KWBA 2021 Operations Distribution
(5) KWBA 2019 4% Water
(6) 2023 Well repairs to date

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

ACCOUNTS PAYABLE

OCTOBER 2023

						5.20
ID	NAME	DATE	INVOICE	AMOUNT	DESCRIPTION	5,000+
B125	ROBERT CLAFFY	10/31/2023	10312023	25.00	OCT. WATER TREATMENT	
B136	MARK DELEON	10/31/2023	10312023	39.30	TRANSPORTATION	
B137	KEVIN EATON	10/31/2023	10312023	157.20	TRANSPORTATION	
B211	ADRIAN MARTINEZ	10/31/2023	10312023	471.60	TRANSPORTATION	
B214	KELLY MIELKE	10/31/2023	10312023	393.00	TRANSPORTATION	
B222	ANGIE MONTES	10/11/2023	10112023	95.00	FOOD - BOARD MEETING	
B225	MICHAEL PILATTI	10/31/2023	10312023	25.00	SAFETY MEETING - OCT. 2023	
B261	RICHARD RICE	10/31/2023	10312023	98.25	TRANSPORTATION	
C0930	661 COMMUNICATIONS	10/9/2023	1811	167.15	INSTALL RADIO #389	
C1040	ACWA	10/4/2023	10042023	26,490.00	2024 ANNUAL AGENCY DUES	26,490.00
C1050	ACWA JPIA	10/16/2023	184	97,290.00	AUTO/GENERAL LIABILITY PROGRAM	97,290.00
C1100	AMERICAN BUSINESS MACHINES CO	10/12/2023	707791	15.00	TONER	
C1100	AMERICAN BUSINESS MACHINES CO	10/31/2023	710940	15.00	TONER	
C1116	APEX INDUSTRIAL SUPPLY INC.	10/31/2023	4949	116.39	WELDING GLOVES	
C1116	APEX INDUSTRIAL SUPPLY INC.	10/24/2023	4942	781.37	DRILL BITS	
C1116	APEX INDUSTRIAL SUPPLY INC.	10/10/2023	4905	464.52	FLAP DISCS/WIRE	
C1116	APEX INDUSTRIAL SUPPLY INC.	10/6/2023	4903	378.01	SCREWDRIVER SETS/WRENCHES	
C1116	APEX INDUSTRIAL SUPPLY INC.	10/12/2023	4911	162.16	WIRE	
C1116	APEX INDUSTRIAL SUPPLY INC.	10/26/2023	4944	53.71	BLACK SPRAY PAINT	
C1116	APEX INDUSTRIAL SUPPLY INC.	10/17/2023	4914	199.01	WEB SLINGS	
C1183	ARVIN EDISON WTR STORAGE DIST.	11/6/2023	23-30	3,156.50	SOKR GSP	
C1192	AVADINE	10/31/2023	112438	1,000.00	LATIS-MAINTENANCE/SUPPORT	
C1247	BAKERSFIELD ICE	10/31/2023	88661	868.37	RENTAL/ICE	
C1250	BAKERSFIELD PAINT AND WALLPAPER	10/11/2023	L0014537	109.97	ACETONE	
C1272	B & B SURPLUS INC	10/31/2023	1101352	638.68	2 PLATES	
C1272	B & B SURPLUS INC	10/13/2023	1097730	1,515.93	ROUND BAR	
C1277	B & R SUPPLY, INC.	10/11/2023	1900992859	182.87	BATTERIES/CHARGER	
C1277	B & R SUPPLY, INC.	10/31/2023	1900993649	17.16	REPLACEMENT KEYS	
C1295	THOMSON REUTERS - WEST	11/1/2023	849275300	477.38	SUBSCRIPTION RENEWAL	
C1316	L.O. LYNCH QUALITY WELLS & PUMPS	10/13/2023	20032	103,445.00	A2 WELL SUBMERSIBLE PUMP	
C1316	L.O. LYNCH QUALITY WELLS & PUMPS	10/23/2023	20051	241,763.00	C3 PUMP	345,208.00
C1319	BEAR MOUNTAIN FENCE CO.	10/31/2023	7876	2,265.00	REPLACE FENCE - A2 WELL	
C1335	BENCHMARK AIR CONDITIONING SRV	11/1/2023	28341668	195.00	HEATER - BOARD ROOM	
C1358	BOOT BARN INC.	10/6/2023	10062023	219.20	BOOTS - MARTINEZ	
C1385	BSK ANALYTICAL LABS	10/17/2023	AG24518	436.00	IRRIGATION WATER PROFILE	
C1390	JIM BURKE FORD	10/18/2023	1548329	99.54	LATCH #387	
C1390	JIM BURKE FORD	10/10/2023	222859	37,651.14	2023 FORD F-350 #389	
C1390	JIM BURKE FORD	9/21/2023	222492	36,151.14	2023 FORD F-350 #390	73,901.82
C1431	CAL LOWBED SERVICE	10/5/2023	20172993	540.00	MOVE #790 TO YARD	
C1451	CALIFORNIA INDUSTRIAL RUBBER	10/12/2023	B-040159	519.60	PLASTIC SHEETS	
C1451	CALIFORNIA INDUSTRIAL RUBBER	10/17/2023	B-040160	519.60	PLASTIC SHEETS	
C1451	CALIFORNIA INDUSTRIAL RUBBER	10/26/2023	B-040468	1,807.78	INCLINE BELTS	
C1456	CANON FINANCIAL SERICES, INC.	11/6/2023	11062023	820.57	LEASE - 2 CANON COPIERS	
C1456	CANON FINANCIAL SERICES, INC.	10/30/2023	31473135	295.47	2023 PROPERTY TAX	
C1482	CENTRAL VALLEY OCC MEDICAL GRP	10/12/2023	00593329-00	53.00	DRUG TEST	
C1520	CLEROU TIRE COMPANY	10/23/2023	T22553	310.90	TIRES/MOUNT/BALANCE #038	
C1530	COASTLINE EQUIPMENT	10/23/2023	1067353	578.07	BOLT KITS	
C1530	COASTLINE EQUIPMENT	10/19/2023	1066564	882.98	BOLT KITS/GRADER BLADES	
C1530	COASTLINE EQUIPMENT	10/24/2023	1067684	64.81	KEYS	
C1530	COASTLINE EQUIPMENT	10/19/2023	1066555	187.50	BATTERY	
C1530	COASTLINE EQUIPMENT	10/30/2023	1069553	12,653.75	GRADER RENTAL - 850 CANAL	
C1530	COASTLINE EQUIPMENT	10/24/2023	1067670	8,984.75	REPAIR BRAKES/REAR #798	23,351.86
C1576	CONEXUS SG	10/14/2023	231014WHEESU	100.00	CALL - AR INVOICE PROCESS	
C1583	CONSUMERS PIPE & SUPPLY CO.	10/20/2023	S1627933.001	4,477.72	2 GATE VALVES	
C1601	CORE & MAIN LP	10/5/2023	T705738	2,657.54	PVC PIPE/PRIMER/GLUE	
C1601	CORE & MAIN LP	10/10/2023	T697582	2,476.76	NIPPLES	5,134.30
C1611	NUTRIEN AG SOLUTIONS, INC.	10/11/2023	52754609	38.97	SPREADER	
C1625	DANIELS TIRE SERVICE	10/24/2023	240169814	308.77	2 TIRES - STOCK	
C1625	DANIELS TIRE SERVICE	10/10/2023	240169288	675.03	4 TIRES - STOCK	
C1625	DANIELS TIRE SERVICE	10/17/2023	240169526	536.13	4 TIRES - STOCK	
C1692	EKI ENVIRONMENT & WATER, INC.	10/20/2023	B70103.02-32	3,888.82	CONSULTING/SGMA	
C1702	EMPLOYEE RELATIONS	10/31/2023	96094	273.17	PRE-PLACEMENT BACKGROUND CHECK	
C1716	EQUIPMENT SHARE	10/26/2023	3263512-000	3,604.73	PUMPS	
C1716	EQUIPMENT SHARE	10/27/2023	BFL-3237569-0000	1,339.17	SWEeper RENTAL	
C1797	FLOWSERVE US, INC.	10/19/2023	1234743	711.56	COUPLERS	
C1815	FLYERS ENERGY, LLC	10/31/2023	23-956186	26,712.59	FUEL	26,712.59
C1955	GOLDEN STATE PETERBILT	10/10/2023	03GSB12184	1,354.35	REPAIR AIR SYSTEM #386	
C1960	GRAINGER	10/18/2023	9875408784	22.01	BATTERIES	
C1960	GRAINGER	10/18/2023	9874726491	8.20	BATTERIES	
C1961	GRANITE CONSTRUCTION COMPANY	10/12/2023	2585647	386.53	14.85 TONS ROCK - 15GP2	

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

ACCOUNTS PAYABLE

OCTOBER 2023

ID	NAME	DATE	INVOICE	AMOUNT	DESCRIPTION	5,000+
C1969	GRAPEVINE MSP	10/15/2023	37605	4,742.00	IT SERVICE/BACKUP/SECURITY	
C1992	GREG'S PETROLEUM SERVICE, INC.	10/9/2023	413579	3,933.45	RED DIESEL	
C1992	GREG'S PETROLEUM SERVICE, INC.	10/30/2023	417757	3,315.92	RED DIESEL	7,249.37
C2106	IGS SOLAR	10/10/2023	232830006540630	26,909.33	SOLAR SUPPLY CHARGE	26,909.33
C2108	IMPERIAL SUPPLIES LLC	10/13/2023	1001898416	774.96	BOLTS/NUTS/WASHERS	
C2125	INTERNATIONAL WATER SCREENS	10/16/2023	Z-1635	10,525.96	BEARINGS/CLIPS/WASHERS	10,525.96
C2150	JERRY & KEITH'S INC	10/26/2023	1 062803	407.21	REPLACE AIR SYSTEM #368	
C2158	JIM'S STEEL SUPPLY	10/27/2023	235892	850.14	PIPE	
C2213	KEN'S OPTICAL	9/8/2023	7644	274.00	SAFETY GLASSES - UNDERWOOD	
C2213	KEN'S OPTICAL	10/11/2023	7753	269.00	SAFETY GLASSES - CHASE	
C2250	KERN COUNTY WATER AGENCY	10/16/2023	40546	930.00	SETUP/HANDLING FEE-TRF #22-080	
C2330	KNIGHTS PUMPING SERVICE	10/6/2023	179121	206.86	PORTABLE TOILET SERVICE	
C2330	KNIGHTS PUMPING SERVICE	10/20/2023	180577	229.66	PORTABLE TOILET SERVICE	
C2330	KNIGHTS PUMPING SERVICE	10/27/2023	181177	229.66	PORTABLE TOILET SERVICE	
C2412	LOWE'S BUSINESS ACCOUNT	11/3/2023	11032023	587.86	SUPPLIES	
C2449	THE MARCOM GROUP	10/15/2023	62160	95.00	WORDPRESS SECURITY MONITORING	
C2500	MOTOR CITY AUTO CENTER	10/18/2023	981277BUW	293.05	ELEMENTS	
C2511	MAVEN'S NOTEBOOK c/o MULTIPLIER	10/31/2023	655 1	1,000.00	MAVEN'S NOTEBOOK	
C2552	NAPA AUTO GENUINE PARTS CO.	10/9/2023	680681	116.72	BUG WASH	
C2552	NAPA AUTO GENUINE PARTS CO.	10/30/2023	681719	181.54	AIR FILTERS	
C2552	NAPA AUTO GENUINE PARTS CO.	11/1/2023	681805	39.19	10 LAMPS	
C2552	NAPA AUTO GENUINE PARTS CO.	10/18/2023	681145	185.30	AIR FILTERS	
C2552	NAPA AUTO GENUINE PARTS CO.	10/19/2023	681226	30.40	SPARK PLUGS/LAMP	
C2552	NAPA AUTO GENUINE PARTS CO.	10/18/2023	681141	218.43	OIL FILTERS	
C2552	NAPA AUTO GENUINE PARTS CO.	10/18/2023	681159	121.07	OIL FILTERS	
C2690	P G & E #1	10/31/2023	10312023	324,890.16	OCTOBER POWER	
C2691	P G & E #2	10/31/2023	10312023	260,096.49	OCTOBER POWER	
C2692	P G & E #3	10/31/2023	10312023	2,324.83	OCTOBER POWER	
C2693	P G & E #4	10/31/2023	10312023	566.66	OCTOBER POWER	
C2694	P G & E #5	10/31/2023	10312023	3,238.51	OCTOBER POWER	591,116.65
C2698	PACIFIC LEGAL FOUNDATION	5/10/2023	05102023	10,000.00	WWLP SUPPORT	10,000.00
C2707	PARKHOUSE TIRE, INC.	10/18/2023	4030173630	539.33	TIRE #798	
C2788	POWERS ELECTRIC PRODUCTS CO.	10/24/2023	76664	254.00	4 PROBES	
C2790	POWERSTRIDE BATTERY	10/19/2023	B 385862	613.45	3 START JUMP PACKS	
C2800	LINDE GAS & EQUIPMENT INC.	10/23/2023	38978962	1,052.96	DEMURRAGE	
C2800	LINDE GAS & EQUIPMENT INC.	10/12/2023	38794770	393.64	HAMMERS	
C2808	PRICE DISPOSAL INC	10/11/2023	724372	1,003.32	40 YD ROLL OFF	
C2812	PROVOST & PRITCHARD	10/10/2023	104124	105.40	WS5 WATER SUPPLY	
C2812	PROVOST & PRITCHARD	10/17/2023	104423	2,911.40	TCP MITIGATION STUDY	
C2812	PROVOST & PRITCHARD	9/19/2023	103500	2,291.70	MONITORING WELL WORK	
C2812	PROVOST & PRITCHARD	10/23/2023	104627	14,464.70	MONITORING WELL WORK	19,773.20
C2840	QUINN COMPANY	10/27/2023	PC080529013	135.48	COOLANT	
C2898	READY REFRESH by NESTLE	10/28/2023	13J0028964179	497.65	DRINKING WATER	
C2911	RESA POWER SOLUTIONS LLC	10/13/2023	INV465495	3,380.00	TESTING/TROUBLESHOOTING	
C2924	ROYAL INDUSTRIAL SOLUTIONS	10/19/2023	0332-1084193	1,690.71	HUBS/BUSHINGS/CUTTING REELS	
C2924	ROYAL INDUSTRIAL SOLUTIONS	10/24/2023	0332-1084880	1,875.83	COUPLINGS/CONNECTORS	
C3082	SPARKLE UNIFORM & LINEN SERVICE	10/12/2023	0943075	638.91	UNIFORMS	
C3082	SPARKLE UNIFORM & LINEN SERVICE	10/19/2023	0944040	647.91	UNIFORMS	
C3082	SPARKLE UNIFORM & LINEN SERVICE	10/26/2023	0944983	623.15	UNIFORMS	
C3082	SPARKLE UNIFORM & LINEN SERVICE	11/2/2023	945934	842.28	UNIFORMS	
C3100	SMART & FINAL	10/11/2023	351677	105.37	SUPPLIES	
C3100	SMART & FINAL	11/1/2023	907233	88.98	SUPPLIES	
C3100	SMART & FINAL	10/24/2023	705333	43.78	SUPPLIES	
C3100	SMART & FINAL	10/25/2023	456933	14.06	SUPPLIES	
C3100	SMART & FINAL	10/18/2023	643811	27.12	SUPPLIES	
C3105	SMITH'S BAKERIES	10/11/2023	1437	33.90	FOOD - BOARD MEETING	
C3105	SMITH'S BAKERIES	10/25/2023	1457	117.25	CAKE - RETIREMENT PARTY	
C3120	SNIDERS	10/18/2023	10182023	104.46	KEYS	
C3170	SOUTHERN CALIFORNIA GAS CO	10/24/2023	10242023	50.07	NATURAL GAS	
C3189	SSD ALARM	11/1/2023	7964404	132.30	ALARM MONITORING	
C3200	STINSON'S	10/11/2023	251368-0	361.54	SUPPLIES	
C3200	STINSON'S	10/19/2023	252673-1	26.11	SUPPLIES	
C3253	TECHNOFLO SYSTEMS	10/11/2023	42424	4,826.25	8 BUTTERFLY VALVES	
C3280	THREE WAY CHEVROLET	11/1/2023	56951CVW	71.45	MIRROR #144	
C3458	VANGUARD CLEANING SYSTEM	11/1/2023	72538	1,565.00	WEEKLY CLEANING SERVICE	
C3461	VERIZON WIRELESS	11/1/2023	9948166228	276.28	IPAD DATA	
C3461	VERIZON WIRELESS	11/1/2023	9948166229	136.59	CELL PHONE/SIM CARDS	
C3549	WELLS FARGO - LOVELESS	11/3/2023	11032023	708.25	MEAL/SUPPLIES	
C3552	WELLS FARGO - OFFICE CARD TWO	11/3/2023	11032023	1,458.22	SUPPLIES	
C3555	WELLS FARGO - SUGGS	11/3/2023	11032023	380.44	ADOBE/DROPBOX/SUPPLIES	
C3558	WELLS FARGO - OFFICE CARD TWO	11/3/2023	11032023	3,634.59	SUPPLIES	
C3559	WELLS FARGO - NICHOLAS	11/3/2023	11032023	789.47	SUBSCRIPTIONS/MEALS/FUEL	6,970.97

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
 ACCOUNTS PAYABLE
 OCTOBER 2023

ID	NAME	DATE	INVOICE	AMOUNT	DESCRIPTION	5,000+
C3588	WESTERN EXTERMINATOR COMPANY	10/9/2023	52409246	201.45	PEST CONTROL	
C3560	WESCO DISTRIBUTION, INC	3/22/2023	122809	263.70	FUSES	
C3613	WHITE CAP	10/4/2023	10018841378	381.31	DELINEATORS	
C3670	YOUNG WOOLDRIDGE	10/31/2023	10312023	16,818.47	LEGAL SERVICES	16,818.47
D10152	MARICOPA ORCHARDS,LLC	8/16/2023	08162023-1	570.26	REFUND - INV 2022-100	
D10401	UW COPUS FARMS, LLC	10/18/2023	10182023	352,592.88	2023 CREDIT BALANCE REFUND	352,592.88
			SUBTOTAL	1,712,744.11		
				712.10	MANUAL CHECKS ATTACHED	
			VOUCHER TOTAL	1,713,456.21		

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
 MANUAL CHECKS
 OCTOBER 2023

						<u>5.2</u>
OCT	NAME	DATE	INVOICE #	AMOUNT	DESCRIPTION	5,000+
ach	UNITED PARCEL SERVICE	10/17/2023	10172023	17.68	SHIPPING	
ach	UNITED PARCEL SERVICE	10/26/2023	10262023	52.26	SHIPPING	
ach	AT&T	10/27/2023	10272023	642.16	FIRE ALARM LINES	
			grand total	712.10		

**WHEELER RIDGE-MARICOPA WSD
FISCAL AGENT FOR COMMITTEE FOR DELTA RELIABILITY
CUSTODIAL FUNDS-REPORT OF EXPENDITURES AND TRANSFERS
OCTOBER 2023 FOR THE NOVEMBER 8, 2023 BOARD MEETING**

NAME	INVOICE NUMBER	DESCRIPTION	AMOUNT
TRANSFERS AUTHORIZED BY WRMWSO BOARD			
OCTOBER 11, 2023 BOARD MEETING	OCTOBER	VOUCHER	15,317.59
VOUCHER TOTAL REQUESTED			15,317.59

EXPENDITURES AUTHORIZED BY COMMITTEE AND PAID BY WRMWSO MANUAL CHECK

Cramer Fish Sciences	SIN007986	Science Program - Sept 2023	7,598.00
Water & Land Solutions, LLC	3446	Representation - August 2023	2,531.25
West Coast Advisors	13773	Consulting - Oct 2023	5,000.00
West Coast Advisors	13757	Expenses - August 2023	188.34

TOTAL PAID 15,317.59

INVOICES AWAITING COMMITTEE APPROVAL

INVOICES APPROVED BY WRMWSO BOARD @ NOVEMBER 8, 2023 BOARD MEETING (VOUCHER)

Center for CA Water Resources	293	Hamilton - August 2023	237.50
Center for CA Water Resources	294	Hamilton-April/Murphy-Aug,Sept	18,992.20
Cramer Fish Sciences	SIN008084	Science Program - Oct 2023	9,825.00
Nossaman	553123	ESA/Water Quality Counseling - Aug 2023	43,568.50
Nossaman	554289	ESA/Water Quality Counseling - Sept 2023	50,258.80
Water & Land Solutions, LLC	3496	Representation - Sept 2023	2,906.25
West Coast Advisors	13798	Consulting - Nov 2023	5,000.00
West Coast Advisors	13786	Expenses - Sept 2023	96.89
VOUCHER TOTAL REQUEST			130,885.14

**Wheeler Ridge-Maricopa Water Storage District
Revolving Account Check Listing**

OCTOBER 2023

Check	Date	Payee	Amount	Description
BALANCE AS OF 09/30/2023			7,000.00	
			0.00	
			7,000.00	
3385	10/3/2023	Wall Street Imprintables	2,155.26	District Logo Shirts
3386	10/3/2023	Calif. Dept. of Tax and Fee Administration	127.00	July-Sept 2023 Diesel Report
3387	10/18/2023	Daylon Boler	100.00	ArcGIS License - One Year
Total Checks Issued			2,382.26	
Ending Balance			<u>4,617.74</u>	
Balance Limit			<u>7,000.00</u>	
Replenish Amount			2,382.26	

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
 BOARD OF DIRECTORS/MANAGEMENT **BENEFITS** BREAKDOWN
 October 2023 FOR THE November 8, 2023 BOARD MEETING

5.2.1

NAME	ACWA BLUE CROSS OF CA			DENTAL-HEALTHEDGE		HARTFORD	TOTAL
	MED	VISION	LIFE/AD &D	CLAIMS	ADM	DISABILITY	
ATKINSON	1,468.68	17.21	9.77	***	18.15	0.00	***
BLAINE	1,946.00	17.21	5.50	***	18.15	0.00	***
FRY	1,946.00	17.21	4.30	***	18.15	0.00	***
LYDA	1,468.68	17.21	9.50	***	18.15	0.00	***
MARIN	1,946.00	17.21	5.50	***	18.15	0.00	***
METTLER	1,631.87	17.21	5.50	***	18.15	0.00	***
REITER	734.34	17.21	3.60	***	18.15	0.00	***
RICHARDSON	1,946.00	17.21	2.80	***	18.15	0.00	***
VALPREDO	1,946.00	17.21	4.30	***	18.15	0.00	***
LOVELESS	1,946.00	17.21	26.00	***	18.15	74.45	***
MCDARIS	1,468.68	17.21	12.50	***	18.15	74.45	***
NICHOLAS	1,946.00	17.21	26.00	***	18.15	74.45	***
SMITH	1,946.00	17.21	78.50	***	18.15	74.45	***
SUGGS	1,946.00	17.21	78.50	***	18.15	74.45	***
	24,286.25	240.94	272.27	0.00	254.10	372.25	
					TOTAL	BENEFITS	25,425.81

*** INDIVIDUAL CLAIM AMOUNTS ARE CONFIDENTIAL PER THE HEALTH INSURANCE PORTABILITY ACCOUNTABILITY ACT (HIPAA)/ THE HEALTH INSURANCE PORTABILITY ACCOUNTABILITY ACT (HIPAA)

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
 BOARD OF DIRECTORS/MANAGEMENT *COMPENSATION & EXPENSE* BREAKDOWN
 OCTOBER 2023 for the NOVEMBER 08, 2023 BOARD

NAME	DATE	TOTAL	PAYEE	MEMO
Atkinson	10/11/2023	129.00	Atkinson	Regular Board Meeting
Atkinson	10/04/2023	125.00	Atkinson	Personnel Meeting
Atkinson	10/19/2023	125.00	Atkinson	Gas Meeting
Blaine	10/11/2023	128.00	Blaine	Regular Board Meeting
Blaine	10/20/2023	125.00	Blaine	SOKR Executive Committee Meeting
Blaine	10/31/2023	128.00	Blaine	P/MA Committee Meeting
Fry	10/11/2023	125.00	Fry	Regular Board Meeting
Fry	10/31/2023	125.00	Fry	P/MA Committee Meeting
Lyda	10/11/2023	129.00	Lyda	Regular Board Meeting
Lyda	10/19/2023	125.00	Lyda	P/MA Committee Meeting
Lyda	10/31/2023	129.00	Lyda	P/MA Committee Meeting
Marin	10/11/2023	125.00	Marin	Regular Board Meeting
Marin	10/31/2023	125.00	Marin	P/MA Committee Meeting
Mettler	10/11/2023	128.00	Mettler	Regular Board Meeting
Reiter	10/11/2023	139.00	Reiter	Regular Board Meeting
Reiter	10/31/2023	125.00	Wells Fargo	P/MA Committee Meeting - virtually
Richardson	10/11/2023	128.00	Richardson	Regular Board Meeting
Richardson	10/31/2023	128.00	Richardson	P/MA Committee Meeting
Valpredo	10/11/2023	129.00	Valpredo	Regular Board Meeting
Valpredo	10/31/2023	129.00	Valpredo	P/MA Committee Meeting
DIRECTORS		2,549.00		

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
 BOARD OF DIRECTORS/MANAGEMENT *COMPENSATION & EXPENSE* BREAKDOWN
 OCTOBER 2023 for the NOVEMBER 08, 2023 BOARD

NAME	DATE	TOTAL	PAYEE	MEMO
Loveless				
McDaris	09/26/2023	25.00	Wells Fargo	Delta Conveyance Meeting - meal
Nicholas	10/01/2023	94.47	Verizon	Communication - cell
Nicholas	09/25/2023	60.00	Wells Fargo	San Joaquin Valley Water Forum - acwa
Nicholas	09/26/2023	25.00	Wells Fargo	Delta Conveyance Meeting - meal
Smith				
Suggs	09/28/2023	60.00	Wells Fargo	San Joaquin Valley Water Forum - acwa
		MANAGEMENT	264.47	

Kunde				
*** note: retired annuitant costs are expense reimbursements not compensation				
		RETIRE ANNUITANT	0.00	

Board	9/13/2023	66.11	Wells Fargo	September 13, 2023 Board Meeting - refreshments
		BOARD	66.11	

TOTAL EXPENSE 2,879.58

WHEELER RIDGE - MARICOPA WSD
 PAYROLL FUND
 OCTOBER 2023
 NOVEMBER 08, 2023 BOARD MEETING

	EMPLOYEES	DIRECTORS	RETIREEES	COBRA	SUPPLEMENTAL	TOTALS
SALARIES Pay Period Ended: (Sep 30, 2023/ee)-(Sep 30, 2023/dir)	104,480.80	1,516.24				105,997.04
SALARIES Pay Period Ended:	0.00					0.00
SALARIES Pay Period Ended: (October 14, 2023)	105,500.57					105,500.57
PAYROLL PEOPLE Federal, SSI, Medicare Taxes	75,492.88	253.69				75,746.57
PAYROLL PEOPLE State Tax / SDI / SUI	15,031.85	41.48				15,073.33
PERS (EMPLOYEE PORTION) RETIREMENT	22,911.63					22,911.63
PERS (EMPLOYER PORTION) RETIREMENT	37,710.63					37,710.63
PERS (UAL,GASB 68 reports, SSSA fees) RETIREMENT	0.00					0.00
NATIONWIDE DEFERRED COMPENSATION Deferred Compensation #1 Deductions	20.00					20.00
LINCOLN LIFE Deferred Compensation #2 Deductions	3,650.00					3,650.00
WRM WSD EMPLOYEES' FUND Employees' Fund Deductions	425.00					425.00
ACWA-HEALTH BENEFITS Medical/Vision Insurance Premium (+cobra)	78,061.41	14,547.95	20,394.55	0.00		113,003.91
ACWA-LIFE/AD&D Life/supplemental Insurance Premium	1,510.11	50.77			112.43	1,673.31
HEALTH EDGE ADMINISTRATORS INC Dental Insurance Administrative Fees (+cobra)	798.60	163.35	490.05	0.00		1,452.00
HEALTH EDGE ADMINISTRATORS INC Dental Insurance Claims	2,427.92	87.15	841.19	0.00		3,356.26
THE HARTFORD GROUP Long Term Disability Insurance	3,203.24					3,203.24
IWO (income withholding orders)	2,856.12					2,856.12
PAYROLL PEOPLE P/R Processing Fees	1,509.30	83.70				1,593.00
TOTAL PAYROLL FUND:	455,590.06	16,744.33	21,725.79	0.00	112.43	494,172.61

**WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
REIMBURSEMENTS AND TRANSFERS
NOVEMBER 08, 2023 BOARD MEETING
OCTOBER/NOVEMBER/DECEMBER 2023**

GENERAL/REVOLVING ACCOUNT:

FUND #				
60710	WRM-WSD WELLS FARGO BANK GENERAL ACCOUNT TRANSFER TO PROVIDE FUNDS FOR: October 2023 Accounts Payable	1	\$	1,713,456.21
60710	WRM-WSD WELLS FARGO BANK GENERAL ACCOUNT TRANSFER TO PROVIDE FUNDS FOR: Accounts Payable	1.1	\$	0.00
60710	WRM-WSD WELLS FARGO BANK GENERAL ACCOUNT TRANSFER TO PROVIDE FUNDS FOR: October 2023 Accounts Payable		1,713,456.21	\$
60710	WRM-WSD WELLS FARGO BANK GENERAL ACCOUNT TRANSFER TO PROVIDE FUNDS FOR: Committee for Delta Reliability	2	\$	130,885.14
60710	WRM-WSD WELLS FARGO BANK REVOLVING ACCOUNT TRANSFER TO PROVIDE FUNDS FOR: October 2023 Revolving Account	3	\$	2,382.26
TOTAL GENERAL/REVOLVING ACCOUNT:			\$	1,846,723.61

PAYROLL ACCOUNT:

FUND #				
60710	WRM-WSD WELLS FARGO BANK PAYROLL ACCOUNT TRANSFER TO PROVIDE FUNDS FOR PPE: NOV 25, 2023	4		206,000.00
60710	WRM-WSD WELLS FARGO BANK PAYROLL ACCOUNT TRANSFER TO PROVIDE FUNDS FOR PPE: DEC 09, 2023	5		315,000.00
60710	WRM-WSD WELLS FARGO BANK PAYROLL ACCOUNT TRANSFER TO PROVIDE FUNDS FOR PPE: DEC 23, 2023	6		0.00
TOTAL PAYROLL ACCOUNT:			\$	521,000.00

KCWA COUNTY TRANSFERS: **0.00**

TOTAL REIMBURSEMENTS AND TRANSFERS: **\$ 2,367,723.61**

◀ WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT ▶

MEMORANDUM

TO: Board of Directors

FROM: James Smith, Controller
Flower Duenas, Contract Administrator

DATE: November 8, 2023

SUBJECT: Update 2023 Delinquencies

At its October Board meeting, the Board adopted and approved Ordering the Filing of List of Delinquent Tolls and Charges. The reported delinquencies remain unpaid.

Staff actions taken since the October Board Meeting:

- October 20 – Certified letters were sent to delinquent landowners informing said of Board action taken at its October Board meeting.
- October 24 – Delinquent Tolls & Charges filed with Kern County Recorder’s Office.
- October 31 – Interest on delinquencies were applied to 2023 Billing Statements
- November 6 – Certified letters were sent to delinquent landowners informing said that Delinquent Tolls & Charges were filed, and interest was applied to the delinquencies.

Staff will continue the procedures necessary to obtain the Notice of Sale and Certificate of Sales if the delinquencies remain unpaid.

Recommendation. None. Information only.

WHEELER RIDGE-MARICOPA
WATER STORAGE DISTRICT

BUDGET

WATER RATES

AND

CASH FORECAST

FOR

2024

Draft

November 8, 2023

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To: Board of Directors
From: Kelly Mielke, Staff Accountant
Date: November 8, 2023

Subject: **Budget, Water Rates and Cash Projection for 2024**

Transmitted herewith are the proposed budget, the recommended water charge schedules, and cash forecast for the calendar year 2024.

The Budget is divided into three sections as follows:

I. Budget Requirements.

This section sets forth the budget requirements for the year, along with the sources of revenue for the recovery of costs, in accordance with the District pricing policies.

II. Water Charges.

In this section the various water charges, including the Water Availability Charge, Water Use Charge, and rates for Temporary and Unscheduled Water Service are computed on the basis of the budget requirements. The Special Service Charges applicable to the Surface Water Service Area, which will be included with the 2024 Water Statements, and are also listed.

III. Cash Flow Projections.

This section shows the forecast of cash flow, month by month for the year 2024.

The budget was prepared on the basis of the best information available. There may, however, be modifications in costs which cannot be specifically determined at this time. The budget is based on the assumption of a 100% water supply available for 2024.

Attached hereto, Table A, is a comparison of rates and statistics for 2020, 2021, 2022, 2023 and 2024.

It is recommended that the proposed budget and rate schedule, with any modifications you feel are appropriate, be approved and adopted. In accordance with the provisions of the Water Service Contracts, the 2024 Water Charge Statements based upon the adopted budget must be submitted to the Water Users no later than December 1, 2023.

It is anticipated that 2023 will be a wet year, which is reflected in this initial budget. Should the water supplies or water costs either increase or decrease, the budget may be revised.

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE A

COMPARISON OF CONTRACT RATES AND STATISTICS (2020 - 2024)
2024 BUDGET
(in dollars)

	2020 FINAL	2021 FINAL	2022 FINAL	2023 BUDGET Revised	2024 BUDGET (estimated)
PERCENTAGE OF STATE ENTITLEMENT					
Combined State & Other Sources	20%	5%	5%	100%	100%
CONTRACT ACRES	63%	51%	34%	100%	100%
CONTRACT ACRES	72,081	72,081	72,081	72,081	72,081
ACRE-FEET DELIVERED	146,041	142,682	77,428	200,818	200,818
AGENCY COSTS PER ACRE-FOOT:					
FIXED OBLIGATION PER ACRE-FOOT(melded)	496.72	538.36	730.35	196.57	206.12
VARIABLE THROUGH DOS AMIGOS PP	29.94	31.73	24.59	28.08	32.25
VARIABLE THROUGH BUENA VISTA PP	45.23	48.35	35.23	50.00	45.00
VARIABLE THROUGH WHEELER-RIDGE PP	61.86	66.42	46.93	60.00	60.00
VARIABLE THROUGH WIND GAP PP	100.52	108.52	73.93	100.00	90.00
BOND DEBT SERVICE COSTS PER ACRE:					
NSI EXCEPT SOUTH LAKE	0.00	0.00	0.00	0.00	0.00
SOUTH LAKE	0.00	0.00	0.00	0.00	0.00
NS-1972	0.00	0.00	0.00	0.00	0.00
LATERAL 5P EXTENSION	0.00	0.00	0.00	0.00	0.00
SANTIAGO SYSTEM	0.00	0.00	0.00	0.00	0.00
LATERAL 6P (EXCEPT SPECIAL)	0.00	0.00	0.00	0.00	0.00
LATERAL 6P (SPECIAL)	0.00	0.00	0.00	0.00	0.00
N.A.L.	0.00	0.00	0.00	0.00	0.00
LATERAL 14G	0.00	0.00	0.00	0.00	0.00
LATERAL 13G-A	0.00	0.00	0.00	0.00	0.00
LATERAL 13G-B	0.00	0.00	0.00	0.00	0.00
BOND INTEREST PAID (1996 ISSUE)					
BOND PRINCIPAL PAID (1996 ISSUE)					
BOND INTEREST PAID (2004 ISSUE)	0	0	0	0	0
BOND PRINCIPAL (2004 ISSUE)	0	0	0	0	0
CUMULATIVE BOND PRINCIPAL PAID	0	0	0	0	0
BOND PRINCIPAL OUTSTANDING	0	0	0	0	0

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE A

COMPARISON OF CONTRACT RATES AND STATISTICS (2020 - 2024)
2024 BUDGET
(in dollars)

	2020 FINAL	2021 BUDGET	2022 BUDGET	2023 BUDGET	2024 BUDGET
OPERATION, MAINTENANCE AND REPLACEMENT COSTS PER ACRE:					
NSI AREA	94.59	93.61	130.80	112.44	126.20
NS-1972 AND NS-1974	112.76	112.53	153.13	133.92	149.52
LATERAL 5P EXTENSION	145.27	146.49	193.20	172.47	191.21
SANTIAGA SYSTEM	110.53	108.36	148.21	129.19	143.98
N.A.L.	94.07	93.00	130.09	111.75	125.18
LATERAL 13G AND 14G	79.11	77.37	111.64	94.01	106.35
DISTRICT VARIABLE PER ACRE-FOOT:					
DOWNHILL PUMPING	29.00	32.00	33.00	36.00	44.00
UPHILL - ZONE I	53.00	56.00	58.00	61.00	75.00
UPHILL - ZONE II	97.00	101.00	110.00	116.00	134.00
UPHILL - ZONE III	152.00	158.00	168.00	176.00	213.00
RANCH HEADQUARTERS - ZONE I	77.00	81.00	84.00	90.00	109.00
RANCH HEADQUARTERS - ZONE II	108.00	108.00	116.00	121.00	146.00
LATERAL 5P EXTENSION	238.00	257.00	273.00	286.00	309.00
850-ZONE I	54.00	57.00	63.00	66.00	80.00
850-ZONE II	93.00	96.00	116.00	101.00	121.00
850-ZONE III	167.00	173.00	155.00	121.00	137.00
SANTIAGA - ZONE I	49.00	51.00	54.00	56.00	68.00
SANTIAGA - ZONE II	104.00	107.00	131.00	138.00	153.00
RINCON - ZONE I					
RINCON - ZONE II					
RINCON - ZONE III					

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE A

COMPARISON OF CONTRACT RATES AND STATISTICS (2020 - 2024)
2024 BUDGET
(in dollars per ac-ft)

	2020 FINAL	2021 FINAL	2022 FINAL	2023 BUDGET Revised	2024 BUDGET
TYPICAL WAC-WUC CHARGES PER ACRE FOOT (ASSUMING 3.0 AC-FT PER ACRE)					
1401 BUENA VISTA DOWNHILL	513.88	638.86	828.34	320.05	337.19
1402 SAN EMIDIO - ZONE I	543.01	662.97	857.04	345.05	368.19
1403 SAN EMIDIO - ZONE II	588.19	707.07	911.69	400.05	427.19
1501 WHEELER RIDGE DOWNHILL	530.50	656.93	840.04	330.05	352.19
1508 850 - ZONE I	561.93	664.37	862.47	360.05	388.19
1509 850 - ZONE II	615.33	708.12	900.86	395.05	429.19
1510 850 - ZONE III	702.02	704.34	900.96	415.05	445.19
1600 RANCH HQ - GRAVITY	544.28	675.16	833.76	334.05	338.19
1605 RANCH HQ - ZONE I	606.26	759.81	943.47	424.05	447.19
1606 RANCH HQ - ZONE II	544.28	856.35	1,087.71	455.05	484.19
2401 SOUTH LAKE	513.88	638.86	828.34	320.05	337.19
3402 NS-1972 - ZONE I	549.47	669.87	864.28	352.21	375.96
3403 NS-1972 - ZONE II	594.65	713.97	918.93	407.21	434.96
3404 NS-1972 - ZONE III	653.98	771.32	989.72	467.21	513.96
4407 LATERAL 5P EXTENSION	766.75	878.25	1,098.74	590.06	623.86
5401 SANTIAGO - DOWNHILL	519.51	644.17	833.98	325.63	343.11
5411 SANTIAGO - ZONE I	543.40	660.40	852.23	345.63	367.11
5412 SANTIAGO - ZONE II	617.75	729.83	933.25	427.63	452.11
6402 LATERAL 6P (EXC SPECIAL) - ZONE I	549.47	669.87	864.28	352.21	375.96
6402A LATERAL 6P (SPECIAL) - ZONE I	549.47	669.87	864.28	352.21	375.96
6403 LATERAL 6P - ZONE I	594.65	713.97	918.93	407.21	434.96
7401 N.A.L.	520.34	645.75	835.58	319.82	336.84
7402 N.A.L.	537.04	656.56	856.78	344.82	367.84
7403 N.A.L.	582.23	700.66	911.43	399.82	426.84
7411 N.A.L.	531.80	648.67	846.34	339.82	360.84
7509 N.A.L.	592.74	683.64	888.91	394.82	428.84
7600 N.A.L.	538.31	668.75	833.50	333.82	337.84
7699 N.A.L.	538.31	668.75	833.50	333.82	337.84
8600 LATERAL 14G	538.31	668.75	827.51	327.91	331.57
9600A LATERAL 13G-A	538.31	668.75	827.51	327.91	331.57
9600B LATERAL 13G-B	538.31	668.75	827.51	327.91	331.57

RATE = (O M & R / 3) + FIXED OBLIGATION + STATE VARIABLE + DISTRICT VARIABLE
See Table 14 for the rates used

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE A

COMPARISON OF CONTRACT RATES AND STATISTICS (2020 - 2024)
2024 BUDGET
(in dollars)

	2020 FINAL	2021 FINAL	2022 FINAL	2023 BUDGET REVISED	2024 BUDGET
RATES PER ACRE FOOT					
INCREMENTAL COSTS OF ENTITLEMENT WATER					
1401 BUENA VISTA DOWNHILL	486.91	610.59	798.86	282.57	295.12
1402 SAN EMIDIO - ZONE I	516.04	634.70	827.56	307.57	326.12
1403 SAN EMIDIO - ZONE II	561.22	678.80	882.21	362.57	385.12
1501 WHEELER RIDGE DOWNHILL	503.53	628.66	810.56	292.57	310.12
1508 850 - ZONE I	534.95	636.10	833.00	322.57	346.12
1509 850 - ZONE II	498.36	679.85	871.39	357.57	387.12
1510 850 - ZONE III	675.05	676.06	871.49	377.57	403.12
1600 RANCH HQ - GRAVITY	517.31	646.88	804.28	296.57	296.12
1605 RANCH HQ - ZONE I	579.29	731.53	913.99	386.57	405.12
1606 RANCH HQ - ZONE II	517.31	828.07	1,058.23	417.57	442.12
2401 SOUTH LAKE	486.91	610.59	798.86	282.57	295.12
3402 NS-1972 - ZONE I	516.04	634.70	827.56	307.57	326.12
3403 NS-1972 - ZONE II	561.22	678.80	882.21	362.57	385.12
3404 NS-1972 - ZONE III	620.55	736.15	953.00	422.57	464.12
4407 LATERAL 5P EXTENSION	721.32	830.24	1,049.00	532.57	560.12
5401 SANTIAGA - DOWNHILL	486.91	610.59	798.86	282.57	295.12
5411 SANTIAGA - ZONE I	510.79	626.81	817.12	302.57	319.12
5412 SANTIAGA - ZONE II	585.14	696.25	898.14	384.57	404.12
6402 LATERAL 6P (EXCEPT SPECIAL) - ZONE I	516.04	634.70	827.56	307.57	326.12
6402A LATERAL 6P (SPECIAL) - ZONE I	516.04	634.70	827.56	307.57	326.12
6403 LATERAL 6P - ZONE II	561.22	678.80	882.21	362.57	385.12
7401 N.A.L.	486.91	610.59	798.86	282.57	295.12
7402 N.A.L.	516.04	634.70	827.56	307.57	326.12
7403 N.A.L.	561.22	678.80	882.21	362.57	385.12
7411 N.A.L.	510.79	626.81	817.12	302.57	319.12
7509 N.A.L.	498.36	679.85	871.39	357.57	387.12
7600 N.A.L.	517.31	646.88	804.28	296.57	296.12
7699 N.A.L.	517.31	646.88	804.28	296.57	296.12
8600 LATERAL 14G	517.31	646.88	804.28	296.57	296.12
9600A LATERAL 13G-A	517.31	646.88	804.28	296.57	296.12
9600B LATERAL 13G-B	517.31	646.88	804.28	296.57	296.12

RATE = FIXED OBLIGATION + STATE VARIABLE + DISTRICT VARIABLE
See Table 14 for the rates used

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
 TABLE B
 CONTRACT ACREAGE BY CATEGORY
 2024 BUDGET

CODE	CONTRACT	DEBT	OM&R	ALLOC	SSC PROJ	SSC ADM	SSC GEN
1401	17,771.52	17,665.35	17,714.54	17,620.68	17,608.37	17,771.52	17,608.37
1402	3,421.37	3,365.27	3,421.37	3,365.27	3,365.27	3,421.37	3,365.27
1403	1,087.83	943.04	1,087.83	943.04	943.04	1,087.83	943.04
1501	2,560.43	2,560.43	2,560.43	2,560.43	2,560.43	2,560.43	2,560.43
1508	6,752.34	6,752.34	6,671.42	6,752.34	8,163.86	6,752.34	6,590.50
1509	6,988.12	6,988.12	6,926.01	6,925.89	6,863.89	6,988.12	6,863.89
1510	2,163.34	2,004.70	2,163.34	2,004.70	2,004.70	2,163.34	2,004.70
1600	723.87	723.87	723.87	723.87	723.87	723.87	723.87
1605	257.09	257.09	257.09	257.09	257.09	257.09	257.09
1606	257.06	257.06	257.06	257.06	257.06	257.06	257.06
2401	7,753.18	7,450.00	7,753.18	7,341.90	7,450.00	7,753.18	7,450.00
3402	1,431.75	1,431.75	1,431.75	1,431.75	1,431.75	1,431.75	1,431.75
3403	4,619.01	4,619.01	4,619.01	4,619.01	4,619.01	4,619.01	4,619.01
3404	3,825.17	3,825.17	3,825.17	3,825.17	3,825.17	3,825.17	3,825.17
4407	858.79	858.79	858.79	858.79	858.79	858.79	858.79
5401	40.00	40.00	40.00	40.00	40.00	40.00	40.00
5411	448.98	448.98	448.98	448.98	448.98	448.98	448.98
5412	3,062.59	3,062.59	3,024.11	2,981.08	2,985.62	3,062.59	2,985.62
6402	1,189.82	1,189.82	1,189.82	1,189.82	1,189.82	1,189.82	1,189.82
6403	1,508.52	1,508.52	1,508.52	1,508.52	1,508.52	1,508.52	1,508.52
6492	272.89	272.89	272.89	272.89	272.89	272.89	272.89
7401	496.54	496.54	496.54	496.54	496.54	496.54	496.54
7402	40.00	40.00	20.00	40.00	0.00	40.00	0.00
7403	40.00	40.00	20.00	40.00	0.00	40.00	0.00
7411	160.00	160.00	160.00	160.00	160.00	160.00	160.00
7509	150.89	150.89	150.89	150.89	150.89	150.89	150.89
7600	921.57	921.57	921.57	921.57	921.57	921.57	921.57
7699	321.86	321.86	321.86	321.86	321.86	321.86	321.86
8600	1,305.46	1,305.46	1,305.46	1,305.46	1,305.46	1,305.46	1,305.46
9688	572.78	572.78	572.78	572.78	572.78	572.78	572.78
9699	1,078.64	1,078.64	1,078.64	1,078.64	1,078.64	1,078.64	1,078.64
TOTAL	72,081.41	71,312.53	71,802.92	71,016.02	72,385.87	72,081.41	70,812.51

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
DISTRICT BUDGET AND SCHEDULE OF CHARGES
CALENDAR YEAR 2024

SECTION 1 – BUDGET

The total budget requirements for the year 2024 amount to \$87,422,575, which is \$6.0 million more than the 2023 budget, revised to reflect final 2023 allocation of 100% of Contract Amount of Water (State and Supplemental 1 combined).

This increase was caused by an increase in the Fixed Obligation budget of \$1.9 million, an increase in Variable Costs of \$1.8 million, an increase in Capital Expenditures of \$0.6 million, an increase in Salaries and Benefits of \$0.5 million, and an increase in Services and Supplies of \$1.2 million.

The 2024 Capital Expenditures include \$5,710,000 in reserve funded items, namely Drilling Two Replacement Supply Wells, Intertie Facilities and Large Pump Units (see Table 12, page 18).

The total 2024 budget is \$0.5 million less than the original approved 2023 budget.

The total budget requirements are shown on Table 1 and the various components of the budget are discussed as follows:

A. SALARIES AND BENEFITS

This item includes direct salaries and District contributions to fringe benefit items such as Social Security, health and accident insurance, dental insurance, and retirement. There are currently 44 authorized positions and 1 retired annuitant position. The 2024 budget includes funding for 45 positions and 1 retired annuitant position. A list of personnel requirements is shown on Table 13. This item totals \$6,104,951 and represents about 7.0% of the total budget. Included is an overtime allowance for engineering, maintenance, and operations based on historical information. The total 2024 salaries and benefit budget represents an increase of 8.9% from that of 2023. Any salary adjustment or addition from the present schedule will be based upon future Board approval for any particular position.

B. SERVICES AND SUPPLIES

Services and Supplies items are broken down by the natural classification of accounts as set forth in the State Controller's uniform system of accounting and are shown on Tables 3 and 4. Details of the makeup of each of these items are on file at the District Office and are available for review. This item totals \$12,351,791, or approximately 14.1% of the total budget expenditures. This represents an increase of 16.6% from the 2023 figure of \$10,592,035.

Services and Supplies includes \$7,091,000 for capital expenditures, of which \$5,760,000 is reserve funded.

The portion of Services and Supplies allocated to 2024 Contract Water Charges is \$5,324,915, an 22% increase from the previous year, primarily due to inflation.

STATE WATER COSTS

This category consists of the Agency bill under our Water Service Contract. It includes both fixed costs, which must be paid regardless of the amount of water actually delivered, and variable costs which are dependent upon deliveries.

The Water Service contract provides that the District pay 18.6% of the Agency multiplier, which is the entire Agency bill from the State, for water delivered through the Dos Amigos pumping plant, excluding the variable power costs of water delivered through incremental aqueduct pumping plants. Thus, the Agency multiplier includes the variable costs though Dos Amigos pumping plant.

Table 6 shows the computation to develop the Fixed Obligation under the District-Landowner Water Service Contract. The District's basic obligation for 2024 is \$41,392,439 which is \$1,917,645 more than last year.

It is anticipated, as has happened since 2007, the budgeted F.O. could be adjusted later in the budget year when the State allocation is finalized, and other Supplemental Water Supplies are determined.

C. POWER COSTS

This category consists of the variable costs to lift water from the California Aqueduct through District pumping plants and into the various pump zones. This item totals \$27,573,394 for 2024, an increase of 10.9% from the previous budget year. This increase is due to PG&E agricultural rates rising. District power costs for pumping are recovered through Water Use Charge (WUC) rates.

D. CAPITAL

Capital expenditures are listed on Table 12. As discussed previously, this item totals \$7,091,000 for 2024. Of this amount \$1,381,000 is currently funded for 2024 and is part of the water rates. The remaining \$5,710,000 is reserve funded.

E. AVERAGE WATER COSTS

On Table 2, the average water costs based on full delivery of water can be found broken down by various charge components. This would represent an increase of 6.69%.

The following table shows the components of the Water Availability Charge, the percent each component is to the total, and the percentage of change from the 2023 Revised Budget.

Charge Component	2024 Amount	% of Total	% of Change
Salaries & Benefits	5,207,042	10.03%	7.88%
Services & Supplies	5,324,915	10.26%	22.00%
KCWA Fixed Obligation	41,392,439	79.72%	4.86%
Total WAC Charges	52,619,213	100.00%	6.70%

F. BANKING PROJECTS

Costs associated with Kern Water Bank, Pioneer Project and Berrenda Mesa are recovered from the following components:

1. Capital (Expense for facilities) recovered through the Water Banking Capital Reserve Fund.
2. Recharge costs are recovered through the Ground Water Replenishment Reserve Fund.
3. Recovery costs are recovered through supplemental water rates (not included in this budget).
4. Fixed Administrative and O&M costs are recovered in the Fixed Obligation Rate of the Water Availability Charge component.

WHEELER RIDGE MARICOPA WATER STORAGE DISTRICT

TABLE 1

SUMMARY OF BUDGET REQUIREMENTS AND SOURCES OF REVENUE FOR RECOVERY OF EXPENSES
2024 BUDGET

	BUDGET REQUIREMENTS		SOURCES OF REVENUE FOR RECOVERY OF EXPENSES					
	Revised 2023 BUDGET	2024 BUDGET	W.A.C.	W.U.C.	(1) ADMIN SERVICE CHARGE	(1) GENERAL SERVICE CHARGE	(1) PROJECT SERVICE CHARGE	RESERVE FUND
OPERATIONS & MAINTENANCE								
SALARIES & BENEFITS	5,606,841	6,104,951	5,207,042		897,909			0
SERVICES & SUPPLIES	10,592,035	12,351,791	5,324,915		1,316,876			5,710,000
WATER COSTS (3)								
FIXED OBLIGATION (melded)	39,474,794	41,392,439	41,392,439					
KCWA VARIABLE	11,333,149	10,512,990		10,512,990				
DISTRICT VARIABLE	14,447,116	17,060,404		17,060,404				
DEBT SERVICE								
BOND DEBT SERVICE	0	0	0			0	0	0
KERN WATER BANK BOND (2)	480,600	480,600						
KCWA PIONEER PROP 204 (2)	0	0						
OTHER DEBT SERVICE	0	0						0
TOTAL EXPENDITURES	81,934,535	87,903,175	51,924,396	27,573,394	2,214,785	0	0	5,710,000
WATER BANKING CAPITAL RESERVE FUND	-480,600	-480,600	0					
TOTAL AMOUNT TO BE RECOVERED	\$ 81,453,935	\$ 87,422,575	\$ 51,924,396	\$ 27,573,394	\$ 2,214,785	\$ 0	\$ 0	\$ 5,710,000

(1) ALLOCATION TO ALL SPECIAL SERVICE CHARGE ACREAGE (CONTRACT AND NONCONTRACT).

(2) TO BE PAID BY WATER BANKING CAPITAL RESERVE FUNDS.

(3) FIXED OBLIGATION WILL BE REVISED AFTER FINAL 2024 ALLOCATION

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

TABLE 2
AVERAGE COSTS BY VARIOUS COST COMPONENTS
2024 BUDGET

			(1)	(1)	(2)	(3)
	2023 TOTAL COSTS (\$)	2024 TOTAL COSTS (\$)	2023 AVERAGE COST (\$/ACRE)	2024 AVERAGE COST (\$/ACRE)	2023 AVERAGE COST (\$/AF)	2024 AVERAGE COST (\$/AF)
WATER AVAILABILITY CHARGE:						
SALARIES AND BENEFITS	4,826,492	5,207,042	67.22	72.52	24.03	25.93
SERVICES AND SUPPLIES	4,364,656	5,324,915	60.79	74.16	21.73	26.52
KCWA FIXED OBLIGATION	39,474,794	41,392,439	549.77	576.47	196.57	206.12
DEBT SERVICE	0	0	0.00	0.00	0.00	0.00
TOTAL W.A.C.	48,665,942	51,924,396	677.77	723.15	242.34	258.56
WATER USE CHARGE:						
DISTRICT POWER	14,447,116	17,060,404	201.21	237.60	222.11	262.29
STATE POWER (AGENCY VAR)	11,333,149	10,512,990	157.84	146.41	174.24	161.63
TOTAL W.U.C.	25,780,265	27,573,394	359.04	384.01	396.35	423.91
TOTAL W.A.C + W.U.C.	74,446,207	79,497,790	1,036.81	1,107.17	638.68	682.48
SPECIAL SERVICE CHARGES (4)	962,119	962,119	13.36	13.36	4.79	4.79
TOTAL ALLOCATED COST	\$ 75,408,326	\$ 80,459,910	\$ 1,050	\$ 1,121	\$ 643	\$ 687

(1) TOTAL COSTS DIVIDED BY 71,802 OM&R ACRES

(2) 2023 TOTAL COSTS DIVIDED BY 200,818 ALLOCATED ACRE FEET

(3) 2024 TOTAL COSTS DIVIDED BY 200,818 ALLOCATED ACRE FEET

(4) FOR CONTRACT LANDS ONLY, AS ADOPTED BY BOARD OF DIRECTORS ON 6/14/2023; EXCLUDES S.S.C. ALLOCATED TO NON-CONTRACT LANDS

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE 3

SUMMARY OF ESTIMATED BUDGET EXPENDITURES
2024 BUDGET

	O&M DEPT	ENG DEPT	ADMIN DEPT	TOTAL
01 SALARIES AND BENEFITS	3,456,274	715,248	1,933,429	6,104,951
SERVICES AND SUPPLIES				
00 CALPERS UNFUNDED LIAB.	781,450		132,741	914,191
32 FUEL AND OIL	494,792			494,792
33 MATERIALS AND SUPPLIES	1,240,420	10,900		1,251,320
34 SMALL TOOLS	36,600	13,500		50,100
38 WELL MAINT. STANDBY POWER	30,000			30,000
41 COMMUNICATIONS	27,084		37,950	65,034
43 DIRECTORS FEES			226,000	226,000
45 INSURANCE AND BONDS			594,400	594,400
46 MEMBERSHIPS		5,930	96,550	102,480
47 MISC SERVICE & SUPPLIES	32,000	10,800	163,900	206,700
48 OFFICE SVC & SUPPLIES		9,000	46,825	55,825
49 COMPUTER SUPPLIES	16,400	8,945	21,420	46,765
51 MAINT & RPRS BY OTHERS	168,445	2,000	235,169	405,614
52 PROF & SPEC SERVICES	39,990	24,700	477,760	542,450
53 PUBLICATIONS & LEGALS		1,700	15,500	17,200
54 RENTS & LEASES OF EQUIP	52,800	200	13,900	66,900
56 SPECIAL DEPARTMENT EXP			19,100	19,100
57 TRANSPORTATION & TRAVEL	9,620	10,700	42,000	62,320
58 UTILITIES			103,000	103,000
77 JUDGEMENTS AND CLAIMS	6,600			6,600
79 CAPITAL ASSETS	1,306,000	5,760,000	25,000	7,091,000
TOTAL SERVICES AND SUPPLIES	\$ 4,242,201	\$ 5,858,375	\$ 2,251,215	\$ 12,351,791
WATER COSTS				
36 KCWA FIXED OBLIGATION	41,392,439			41,392,439
37 KCWA VARIABLE	10,512,990			10,512,990
38 DISTRICT VARIABLE	17,060,404			17,060,404
DEBT SERVICE				
44 PAYING AGENT FEES			0	0
71 NOTES PAYABLE			0	0
72 BOND PRINCIPAL			0	0
74 BOND INTEREST			0	0
75 OTHER INTEREST			0	0
TOTAL BEFORE ADJUSTMENTS	\$ 76,664,308	\$ 6,573,623	\$ 4,184,644	\$ 87,422,575
ALLOCATIONS AND ADJUSTMENTS				
DEBT SERVICE				
ADMINISTRATIVE EXPENSE				
SHOP EXPENSE				
GRAND TOTAL	\$ 76,664,308	\$ 6,573,623	\$ 4,184,644	\$ 87,422,575

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE 4

ALLOCATION TO SOURCES OF REVENUE FOR RECOVERY
2024 BUDGET
(in dollars)

	W.A.C.	W.U.C.	ADMIN SERVICE CHARGE	GENERAL SERVICE CHARGE	PROJECT SERVICE CHARGE	DEBT SERVICE	RESERVE FUND	TOTAL
01 SALARIES	5,207,042		897,909					6,104,951
SERVICES AND SUPPLIES								
00 CALPERS UNFUNDED LIAB.	781,450		132,741					914,191
32 FUEL AND OIL	461,013		33,779					494,792
33 MATERIALS AND SUPPLIES	1,236,869		14,451					1,251,320
34 SMALL TOOLS	44,980		5,120					50,100
38 WELL MAINT. STANBY POWER	30,000							30,000
41 COMMUNICATIONS	32,818		32,216					65,034
43 DIRECTORS FEES	139,221		86,779					226,000
45 INSURANCE AND BONDS	366,163		228,237					594,400
46 MEMBERSHIPS	63,003		39,477					102,480
47 MISC SERVICE & SUPPLIES	134,877		71,823					206,700
48 OFFICE SVC & SUPPLIES	28,845		26,980					55,825
49 COMPUTER SUPPLIES	34,756		12,009					46,765
51 MAINT & RPRS BY OTHERS	174,197		231,417					405,614
52 PROF & SPEC SERVICES	199,806		342,644					542,450
53 PUBLICATIONS & LEGALS	10,596		6,604					17,200
54 RENTS & LEASES OF EQUIP	61,486		5,414					66,900
56 SPECIAL DEPARTMENT EXP	12,534		6,566					19,100
57 TRANSPORTATION & TRAVEL	42,820		19,500					62,320
58 UTILITIES	81,881		21,119					103,000
77 JUDGEMENTS AND CLAIMS	6,600							6,600
79 CAPITAL ASSETS	1,381,000						5,710,000	7,091,000
TOTAL SERVICES AND SUPPLIES	5,324,915	0	1,316,876	0	0	0	5,710,000	12,351,791
WATER COSTS								
36 KCWA F/O	41,392,439							41,392,439
37 KCWA VAR		10,512,990						10,512,990
38 DIST PWR		17,060,404						17,060,404
DEBT SERVICE								
44 PAYING AGENT						0		0
71 NOTE PAY								0
72 BOND PRN						0		0
74 BOND INT						0		0
75 OTHER INT								0
TOTAL BEFORE ADJ	51,924,396	27,573,394	2,214,785	0	0	0	5,710,000	87,422,575
ALLOCATIONS & ADJUSTMENTS								
DEBT SVC	0			0	0	0		
GRAND TOTAL	51,924,396	27,573,394	2,214,785	0	0	0	5,710,000	87,422,575

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE 5
OPERATIONS AND MAINTENANCE COSTS
2024 BUDGET

DETERMINATION OF O&M COSTS PER ACRE								
	TOTAL	NSI	NS-1972 NS-1974	5P EXT	SANTIAGA	(A) NAL	LAT 13G	LAT 14G
CHARGE CODE		1xxx&2xxx	3xxx&6xxx	4xxx	5xxx	7xxx	9xxx	8xxx
Acres Served per 2023	72,081.41	49,736.15	12,847.16	858.79	3,551.57	2,130.86	1,651.42	1,305.46
Acres Changes 2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	72,081.41	49,736.15	12,847.16	858.79	3,551.57	2,130.86	1,651.42	1,305.46
1988 Canceled Acres Served	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total 2023 Non-Pump O&M Acres	72,081.41	49,736.15	12,847.16	858.79	3,551.57	2,130.86	1,651.42	1,305.46
Ratio to Total	1.000000	0.690000	0.178231	0.011914	0.049272	0.029562	0.022910	0.018111
Non-Pump O&M Costs Allocated	\$ 7,665,534	\$ 5,289,216	\$ 1,366,238	\$ 91,328	\$ 377,693	\$ 226,607	\$ 175,621	\$ 138,830
Contract Acreage Equivalents Served By Pumping Plants	84,316.20	46,546.96	26,142.03	3,435.16	6,300.82	1,891.23	0.00	0.00
Acres Changes 2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1988 Equivalent Canceled Acres (B)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total 2023 Pump O&M Acres	84,316.20	46,546.96	26,142.03	3,435.16	6,300.82	1,891.23	0.00	0.00
Ratio to Total	1.000000	0.52052	0.310048	0.040741	0.074728	0.022430	0.000000	0.000000
Pump O&M Costs Allocated	\$ 1,788,840	\$ 987,532	\$ 554,625	\$ 72,880	\$ 133,677	\$ 40,124	\$ 0	\$ 0
Total O&M Costs	\$ 9,454,372	\$ 6,276,748	\$ 1,920,863	\$ 164,208	\$ 511,371	\$ 266,731	\$ 175,621	\$ 138,830
Non-Pump O&M Cost Per Acre	\$ 106.3455	\$ 106.3455	\$ 106.3455	\$ 106.3455	\$ 106.3455	\$ 106.3455	\$ 106.3455	\$ 106.3455
Pump O&M Cost Per Acre	\$ 24.8169	\$ 19.8554	\$ 43.1710	\$ 84.8634	\$ 37.6389	\$ 18.8300	\$ 0.0000	\$ 0.0000
Unit O&M Cost Per Acre	\$ 131.1624	\$ 126.2009	\$ 149.5165	\$ 191.2089	\$ 143.9844	\$ 125.1755	\$ 106.3455	\$ 106.3455
CHARGE CODE		1xxx&2xxx	3xxx&6xxx	4xxx	5xxx	7xxx	9xxx	8xxx

2023 Budget Unit O&M Cost Per Acre	\$ 117.0446	\$ 112.4426	\$ 133.9249	\$ 172.4714	\$ 129.1914	\$ 111.7535	\$ 94.0112	\$ 94.0112
2022 FAA Values	\$ 93.0746	\$ 88.4273	\$ 110.1467	\$ 149.2225	\$ 105.3481	\$ 87.6709	\$ 69.6849	\$ 69.6852

ALLOCATION OF TOTAL O&M COSTS TO PUMP AND NON-PUMP O&M COSTS			
	PUMP PLANT O&M COSTS	NON-PUMP O&M COSTS	TOTAL O&M COSTS
Payroll Costs (Direct Labor, including burden)	\$ 591,754	\$ 2,269,156	\$ 2,860,910
Ratio to Total	0.206841	0.793159	1.000000
Services & Supplies	\$ 1,197,086	\$ 4,590,378	\$ 5,787,463
Subtotal	\$ 1,788,840	\$ 6,859,534	\$ 8,648,373
Currently Funded Plant Acquisitions		\$ 1,381,000	\$ 1,381,000
Credits from Water Sales Net Revenues		\$ 0	\$ 0
Credits from Non-Contract Land OM&R Surcharge on Farming Unit Operations (C)		-\$ 575,000	-\$ 575,000
Credits from Non-Contract Land OM&R Surcharge on Temporary Water Sales		\$ 0	\$ 0
Adjusted Cost to Water Users	\$ 1,788,840	\$ 7,665,534	\$ 9,454,374

- (A) The Nonsprinkler Added Land (NAL) category of service was created in 2010 to help ensure that other Water Users are not adversely affected when contract lands are moved to a different charge code zone.
(B) For budget purposes, assume none of 1988 Canceled Lands will be farmed in 2024
(C) Estimated irrigated non-contract acres x average budget OM&R rate (rounded)

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
 TABLE 6
 KERN COUNTY WATER AGENCY
 FIXED OBLIGATION
 2024 BUDGET

BASIC OBLIGATION					
\$	237,112,061 X		0.185364 =		\$ 43,952,040
KWB DELTA CHARGE					
					\$ 93,246
EXCESS CAPACITY					
					\$ 440,000
KERN WATER BANK FIXED O&M CHARGES					
					\$ 2,652,000
PIONEER PROJECT FIXED O&M CHARGES					
					\$ 600,000
BERRENDA MESA PROJECT FIXED O&M CHARGES					
					\$ 55,000
CROSS VALLEY CANAL FIXED O&M CHARGES					
					\$ 192,304
KERN FAN MONITORING COMMITTEE					
					\$ 13,000
IAA AUDIT OF THE STATE WATER PROJECT via KCWA					
					\$ 50,000
LESS VARIABLE THRU DOS AMIGOS P.P.					
	197,088 AF	FIRM	@	\$ 32.2468 =	-\$6,355,460
	34,205 AF	SURPLUS	@	\$ 31.2386 =	-\$1,068,515
					\$ (7,423,976)
NET FIXED OBLIGATION					
					\$ 40,623,614
DETERMINATION OF FIXED OBLIGATION UNIT COST PER AC-FT					
					\$ 40,623,614
					197,088
					\$ 206.1192
SUPPLEMENTAL WATER SUPPLY					
	3,730 AC-FT @			\$ 206.1192	\$ 768,824
TOTAL FIXED OBLIGATION					
					\$ 41,392,439
					200,818
					\$ 206.1192
Based on historical information for the past 5 years, estimated 2024 F.O. cost for melded SWP and Supplemental 1 water at a 100% water allocation					
					\$ 41,392,439
					200,818
					\$ 206.1192
GROUNDWATER SERVICE CHARGE (GWSC) ADJUSTMENT [A]					
	NON-CONTRACT PUMPING SUBJECT TO CHARGE	20,000	AC-FT @	\$248.53	\$ (4,970,600)
	CONTRACT PUMPING SUBJECT TO CHARGE	5,000	AC-FT @	\$248.53	\$ (1,242,650)
	CONTRACT GWSC ALLOWANCE [B]	-	AC-FT @	\$248.53	\$ -
TOTAL FIXED OBLIGATION - ADJUSTED					
					\$ (6,213,250)
					\$ 41,392,439
					\$ 35,179,189
					200,818
					\$ 175.1795

[A] - MAXIMUM ALLOWABLE GWSC RATE FOR 2024 SHOWN.

[B] - NO CONTRACT LANDOWNER GWSC ALLOWANCE IN YEARS ABOVE A 75% DISTRICT ALLOCATION.

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE 7

KERN COUNTY WATER AGENCY VARIABLE
2024 BUDGET

	REACH 14	REACH 15	REACH 16	TOTAL
2024 ENTITLEMENT: CAW ACRE FEET	133,220	52,191	15,407	200,818
UNIT RATE PER ACRE-FOOT	\$ 45.0000	\$ 60.0000	\$ 90.0000	
VARIABLE PAST COST ADJUSTMENTS	\$ -	\$ -	\$ -	
ADJUSTED KCWA VARIABLE UNIT RATES (\$ PER ACRE-FOOT)	\$ 45.0000	\$ 60.0000	\$ 90.0000	
KCWA VARIABLE COSTS	\$ 5,994,900	\$ 3,131,460	\$ 1,386,630	\$ 10,512,990

(1) THE ABOVE CHARGES ARE BASED UPON THE FULL 2024 CONTRACT AMOUNT OF WATER WITH NO ADJUSTMENT FOR POOLED OR TRANSFERRED WATER.

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE 8

2024 BUDGET

PUMP ZONE	ACRE FEET	\$PER AC-FT	ESTIMATED COST
00	14,757	\$ 0.00	\$ 0
01	77,676	\$ 44.00	\$ 3,417,744
02	17,660	\$ 75.00	\$ 1,324,500
03	20,611	\$ 134.00	\$ 2,761,874
04	11,701	\$ 213.00	\$ 2,492,313
05	730	\$ 109.00	\$ 79,570
06	730	\$ 146.00	\$ 106,580
07	2,808	\$ 309.00	\$ 867,672
08	19,145	\$ 80.00	\$ 1,531,600
09	19,975	\$ 121.00	\$ 2,416,975
10	5,664	\$ 137.00	\$ 775,968
11	1,725	\$ 68.00	\$ 117,300
12	7,636	\$ 153.00	\$ 1,168,308
13	0	0	\$ 0
14	0	0	\$ 0
15	0	0	\$ 0
TOTALS	200,818		\$ 17,060,404

NOTE: THE ABOVE ESTIMATED CHARGES ARE BASED UPON THE MELDED ALLOCATION AMOUNT OF WATER WITH NO ADJUSTMENT FOR POOLED OR TRANSFERRED WATER.

ASSUMPTIONS:

- A) PG&E Agricultural rates will increase approximately 15% between 2023 and 2024
- B) Credits from the Wheeler #1 solar facilities will result in net savings of \$800,000, which will be prorated by KWH among all Water Users
- C) Total deliveries will be approximately 177,000 acre-feet
- D) The 14G27X intertie will remain in service during 2024 enabling significant transfers of water from Reach 16 into the 1510 charge code zone

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

TABLE 12
CAPITAL EXPENDITURES
2024 BUDGET
(in dollars)

QTY	DESCRIPTION	COST PER ITEM	TOTAL COST	CURRENTLY FUNDED	RESERVE FUNDED
ADMINISTRATION					
1	Screen and Projector for Board Room	25,000	25,000	25,000	
	SUBTOTAL		25,000	25,000	-
ENGINEERING					
1	Capacity Improvement - 4P Lateral	50,000	50,000	50,000	
1	A5X/B5X Intertie Facilities	460,000	460,000		460,000
1	Drill Two Replacement Supply Wells	3,570,000	3,570,000		3,570,000 (1)
8	WRM10 Large Pump Units, 17 & 44 CFS	210,000	1,680,000		1,680,000
	SUBTOTAL		5,760,000	50,000	5,710,000
OPERATIONS AND MAINTENANCE					
1	4-door SUV	40,000	40,000	40,000	
1	1/2 Ton Crew Cab Pickup	40,000	40,000	40,000	
1	1/2 Ton Crew Cab 4X4 Pickup	50,000	50,000	50,000	
1	1/2 Ton Reg Cab Pickup	35,000	35,000	35,000	
1	Mid Size Crew Cab 4x4	35,000	35,000	35,000	
1	1 Ton Cab/Chassis Utility	50,000	50,000	50,000	
1	3/4 Ton Crew Cab 4X4 Pickup	50,000	50,000	50,000	
1	Portable Air Compressor	30,000	30,000	30,000	
1	Door Lock system for District Office	40,000	40,000	40,000	
1	Equipment Trailer	40,000	40,000	40,000	
1	SCADA System	866,000	866,000	866,000	
1	Security Measures	30,000	30,000	30,000	
	SUBTOTAL		1,306,000	1,306,000	-
TOTAL CAPITAL EXPENDITURES			7,091,000	1,381,000	5,710,000

(1) Collected through water charges over multiple years

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
 TABLE 13
 BUDGETED EMPLOYMENT POSITIONS
 2024 BUDGET

TITLE	NUMBER OF POSITIONS		
	2023		2024
	AUTHORIZED	ACTUAL	BUDGETED
ENGINEER-MANAGER	1	1	1
ASSISTANT ENGINEER-MANAGER	0	0	0
DIRECTOR OF WATER RESOURCES	0	0	1
WATER RESOURCES MANAGER	1	1	0
CONTRACT ADMINISTRATOR	1	1	1
EXECUTIVE ASSISTANT	1	1	1
CONTROLLER	1	1	1
ASSISTANT CONTROLLER	0	0	1
STAFF ACCOUNTANT	1	1	1
ACCOUNTANT	1	1	1
JUNIOR ACCOUNTANT	1	1	1
ACCOUNT CLERK (I OR II)	0	0	0
STAFF ENGINEER	1	1	1
ENGINEERING ASSISTANT	1	1	1
CORROSION TECHNICIAN	1	1	1
ENGINEERING TECHNICIAN (or JR.)	1	1	1
JUNIOR ENGINEER	1	1	1
O & M SUPERINTENDENT	1	1	1
ASSISTANT O & M SUPERINTENDENT	0	0	0
MAINTENANCE/PUMP/ELECTRICAL SUPERVISOR	1	1	1
MAINTENANCE SUPERVISOR	0	0	0
ASSISTANT MAINTENANCE SUPERVISOR	1	1	1
MAINTENANCE (I OR II)	3	3	3
O & M PURCHASING AGENT (WAREHOUSE)	1	1	1
PAINTER	0	0	0
LEAD EQUIPMENT OPERATOR	1	1	1
EQUIPMENT OPERATOR	1	1	1
LEAD WELDER	1	0	0
WELDER	1	2	2
PUMP / ELECTRICAL SUPERVISOR	0	0	0
PUMP TECHNICIAN (OR TRAINEE)	0	0	0
ELECTRICAL / PUMP TECHNICIAN (or SR.)	5	5	5
OPERATIONS SUPERVISOR	1	1	1
ASSISTANT OPERATIONS SUPERVISOR	1	1	1
WATER TENDER (I OR II)	9	9	9
WATER TENDER TRAINEE	0	0	0
CHIEF DISPATCHER	1	1	1
ASSISTANT CHIEF DISPATCHER	1	1	1
DISPATCHER (OR TRAINEE)	2	2	2
TOTAL EMPLOYEE POSITIONS	44	44	45

(1) ALSO BUDGETED, IS ONE RETIRED ANNUITANT

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE 14

WATER CHARGE COMPONENTS BY CATEGORY OF SERVICE AND PUMP ZONES
2024 BUDGET

WATER AVAILABILITY CHARGE (WAC) (\$/ACRE)							
CODE	CATEGORY OF SERVICE	DEBT SERVICE	O M & R	O R F	TOTAL WAC (EXC FO)	TOTAL WAC + SSC	TOTAL WAC +SSC +FO
1	NSI (EXCEPT SOUTH LAKE)	0.0000	126.2009	0.0000	126.2009	139.5609	757.9184
2	SOUTH LAKE	0.0000	126.2009	0.0000	126.2009	139.5609	757.9184
3	NS-1972	0.0000	149.5165	0.0000	149.5165	162.8765	781.2340
4	LATERAL 5P EXTENSION	0.0000	191.2089	0.0000	191.2089	204.5689	822.9264
5	SANTIAGO	0.0000	143.9844	0.0000	143.9844	157.3444	775.7019
6	LATERAL 6P (EXC SPECIAL)	0.0000	149.5165	0.0000	149.5165	162.8765	781.2340
6A	LATERAL 6P (SPECIAL)	0.0000	149.5165	0.0000	149.5165	162.8765	781.2340
7	N.A.L.	0.0000	125.1755	0.0000	125.1755	138.5355	756.8930
8	LATERAL 14G	0.0000	106.3455	0.0000	106.3455	119.7055	738.0630
9A	LATERAL 13G-A	0.0000	106.3455	0.0000	106.3455	119.7055	738.0630
9B	LATERAL 13G-B	0.0000	106.3455	0.0000	106.3455	119.7055	738.0630
WATER USE CHARGE (WUC) (\$/ACRE-FOOT)							
FIXED OBLIGATION (FO) @ 100%		206.1192		DISTRICT VARIABLE			
		FO = 206.1192		CODE	DESCRIPTION	RATE	
STATE VARIABLE							
CODE	AQUEDUCT REACH	UPSTREAM PUMPING PLANT	FIRM RATE	CARRYOVER RATE (A)			
--	12	DOS AMIGOS	26.0000	30.0000	00	GRAVITY	0.0000
4	14	BUENA VISTA	45.0000	55.0000	01	DOWNHILL PUMP	44.0000
5	15	WHEELER RIDGE	60.0000	65.0000	02	UPHILL - ZONE I	75.0000
6	16	WIND GAP	90.0000	110.0000	03	UPHILL - ZONE II	134.0000
					04	UPHILL - ZONE III	213.0000
					05	RANCH HQ - ZONE I	109.0000
					06	RANCH HQ - ZONE II	146.0000
					07	LATERAL 5P EXT	309.0000
					08	850 - ZONE I	80.0000
					09	850 - ZONE II	121.0000
					10	850 - ZONE III	137.0000
					11	SANTIAGO - ZONE I	68.0000
					12	SANTIAGO - ZONE II	153.0000
					13	RINCON - ZONE I	N/A
					14	RINCON - ZONE II	N/A
					15	RINCON - ZONE III	N/A
		SPECIAL SERVICE CHARGE (SSC) (\$/ACRE)					
ADMINISTRATIVE SERVICE CHARGE		12.6600					
GENERAL SERVICE CHARGE		0.7000					
PROJECT SERVICE CHARGE		0.0000					
TOTAL SPECIAL SERVICE CHARGE		13.3600					

(A) STATE VARIABLE CARRYOVER RATE APPLIES ONLY TO CARRYOVER FROM 2023 TO 2024 (HAS OFF-AQUEDUCT IN THE VARIABLE).

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE 15

WAC AND WUC RATES BY CATEGORY OF SERVICE AND PUMP ZONES
2024 BUDGET

CHARGE CODE	CHARGE ZONE	(a)	(b)	(c)	(d)	CHARGE CODE
		WAC (\$/acre) Excludes FO	WAC (\$/acre) Includes FO	WUC (\$/acre foot)	SSC (\$/acre)	
1401	BUENA VISTA DOWNHILL	126.20	744.56	89.00	13.36	1401
1402	SAN EMIDIO - ZONE I	126.20	744.56	120.00	13.36	1402
1403	SAN EMIDIO - ZONE II	126.20	744.56	179.00	13.36	1403
1501	WHEELER RIDGE DOWNHILL	126.20	744.56	104.00	13.36	1501
1508	850 - ZONE I	126.20	744.56	140.00	13.36	1508
1509	850 - ZONE II	126.20	744.56	181.00	13.36	1509
1510	850 - ZONE III	126.20	744.56	197.00	13.36	1510
1600	RANCH HQ - GRAVITY	126.20	744.56	90.00	13.36	1600
1605	RANCH HQ - ZONE I	126.20	744.56	199.00	13.36	1605
1606	RANCH HQ - ZONE II	126.20	744.56	236.00	13.36	1606
2401	SOUTH LAKE	126.20	744.56	89.00	13.36	2401
3402	NS-1972 - ZONE I	149.52	767.87	120.00	13.36	3402
3403	NS-1972 - ZONE II	149.52	767.87	179.00	13.36	3403
3404	NS-1972 - ZONE III	149.52	767.87	258.00	13.36	3404
4407	LATERAL 5P EXTENSION	191.21	809.57	354.00	13.36	4407
5401	SANTIAGO - DOWNHILL	143.98	762.34	89.00	13.36	5401
5411	SANTIAGO - ZONE I	143.98	762.34	113.00	13.36	5411
5412	SANTIAGO - ZONE II	143.98	762.34	198.00	13.36	5412
6402	LATERAL 6P (EXC SPECIAL) ZONE 1	149.52	767.87	120.00	13.36	6402
6402A	LATERAL 6P (SPECIAL) ZONE 1	149.52	767.87	120.00	13.36	6402A
6403	LATERAL 6P - ZONE II	149.52	767.87	179.00	13.36	6403
7402	N.A.L.	125.18	743.53	120.00	13.36	7402
7403	N.A.L.	125.18	743.53	179.00	13.36	7403
7509	N.A.L.	125.18	743.53	181.00	13.36	7509
7600	N.A.L.	125.18	743.53	90.00	13.36	7600
8600	NS-1978	106.35	724.70	90.00	13.36	8600
9600A	LATERAL 13G-A	106.35	724.70	90.00	13.36	9600A
9600B	LATERAL 13G-B	106.35	724.70	90.00	13.36	9600B

- (a) WAC RATE = O M & R (per acre)
- (b) WAC RATE = O M & R (per acre) + (FIXED OBLIGATION x 3) (assuming 3.0 Acre Feet per acre)
- (c) WUC RATE = STATE VARIABLE + DISTRICT VARIABLE (per Acre Foot)
- (d) SPECIAL SERVICE CHARGE (per acre)

See Table 14 for the rates used

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE 16

ANNUAL WATER COMPUTATION FOR EACH TURNOUT
USING THE RATES SHOWN ON TABLE 14 AND INFORMATION ON
TURNOUT LISTING WHICH ACCOMPANIES EACH BILLING
2024 BUDGET

1. WATER AVAILABILITY CHARGE (WAC)	AMOUNT BILLED
A. _____ ACRES X (WAC PER ACRE EXC FO) \$ _____	\$ _____
B. _____ ACRE-FEET ENTITLEMENT X (FO) \$ <u>206.1192</u>	\$ _____
TOTAL WAC (A + B)	\$ _____
2. WATER USE CHARGE (WUC)	
_____ ACRE-FEET ENTITLEMENT X _____ WUC PER AF	\$ _____
3 SPECIAL SERVICE CHARGE (SSC)	
_____ ACRES X \$ 13.36	\$ _____
TOTAL TURNOUT COSTS (1 + 2 + 3)	

- (A) THE TURNOUT LISTING WHICH ACCOMPANIES EACH ANNUAL WATER BILLING CONTAINS ALL THE DATA NEEDED TO COMPLETE THE ABOVE COMPUTATION FOR EACH TURNOUT, i.e. CHARGE CODE, ACRES SERVED, AND ACRE-FEET ENTITLEMENT.
(B) DELIVERIES TO NON-CONTRACT LANDS ARE ALSO SUBJECT TO THE NON-CONTRACT LAND OM&R SURCHARGE (TABLE 17).

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE 17

MISCELLANEOUS WATER RATES
FOR NON-CONTRACT LAND, UNSCHEDULED, TEMPORARY, AND INDUSTRIAL USES
2024 BUDGET

CHARGE CODE	CHARGE ZONE	(1)	(2)	(3)	(4)	CHARGE CODE
		NON-CONTRACT LAND OM&R RATES (\$/acre)	NON-CONTRACT LAND OM&R RATES (\$/AF)	ADDED OR UNSCHEDULED WATER RATE (\$/AF)	TEMPORARY WATER RATE (\$/AF)	
1401	BUENA VISTA DOWNHILL	126.2009	42.07	295.12	337.19	1401
1402	SAN EMIDIO - ZONE I	126.2009	42.07	326.12	368.19	1402
1403	SAN EMIDIO - ZONE II	126.2009	42.07	385.12	427.19	1403
1501	WHEELER RIDGE DOWNHILL	126.2009	42.07	310.12	352.19	1501
1508	850 - ZONE I	126.2009	42.07	346.12	388.19	1508
1509	850 - ZONE II	126.2009	42.07	387.12	429.19	1509
1510	850 - ZONE III	126.2009	42.07	403.12	445.19	1510
1600	RANCH HQ - GRAVITY	126.2009	42.07	296.12	338.19	1600
1605	RANCH HQ - ZONE I	126.2009	42.07	405.12	447.19	1605
1606	RANCH HQ - ZONE II	126.2009	42.07	442.12	484.19	1606
2401	SOUTH LAKE	126.2009	42.07	295.12	337.19	2401
3402	NS-1972 - ZONE I	149.5165	49.84	326.12	375.96	3402
3403	NS-1972 - ZONE II	149.5165	49.84	385.12	434.96	3403
3404	NS-1972 - ZONE III	149.5165	49.84	464.12	513.96	3404
4407	LATERAL 5P EXTENSION	191.2089	63.74	560.12	623.86	4407
5401	SANTIAGO - DOWNHILL	143.9844	47.99	295.12	343.11	5401
5411	SANTIAGO - ZONE I	143.9844	47.99	319.12	367.11	5411
5412	SANTIAGO - ZONE II	143.9844	47.99	404.12	452.11	5412
6402	LATERAL 6P (EXC SPECIAL) ZONE I	149.5165	49.84	326.12	375.96	6402
6402A	LATERAL 6P (SPECIAL) ZONE I	149.5165	49.84	326.12	375.96	6402A
6403	LATERAL 6P - ZONE II	149.5165	49.84	385.12	434.96	6403
7402	N.A.L.	125.1755	41.73	326.12	367.84	7402
7403	N.A.L.	125.1755	41.73	385.12	426.84	7403
7509	N.A.L.	125.1755	41.73	387.12	428.84	7509
7600	N.A.L.	125.1755	41.73	296.12	337.84	7600
8600	NS-1978	106.3455	35.45	296.12	331.57	8600
9600A	LATERAL 13G-A	106.3455	35.45	296.12	331.57	9600A
9600B	LATERAL 13G-B	106.3455	35.45	296.12	331.57	9600B

INDUSTRIAL WATER RATES ARE THE HIGHER OF:
 (A) \$150 FOR FIRST DAY OF SERVICE, PLUS \$75.00 FOR EACH ADDITIONAL CONTINUOUS DAY OF SERVICE; OR
 (B) \$600 PER ACRE-FOOT.

ALL WATER TYPES IN THIS TABLE ARE SUBJECT TO AVAILABILITY, AND DELIVERIES ARE MADE ON AN INTERRUPTIBLE, NON-DEPENDABLE BASIS.

- (1) 100% OF CONTRACT LAND O M & R RATE. APPLIES TO CROPPED NON-CONTRACT LAND INSIDE A FARMING UNIT OPERATION.
- (2) NON-CONTRACT LAND O M & R RATE DIVIDED BY 3.
- (3) FIXED OBLIGATION + STATE VARIABLE + DISTRICT VARIABLE = COST OF DISTRICT POOL WATER TO CONTRACT LANDS.
- (4) COL (2) + COL (3) = COST OF DISTRICT POOL WATER PURCHASED BY A LANDOWNER AT 100% OF THE F.O. RATE.

See Table 14 for the rates used

ADDED OR UNSCHEDULED vs. TEMPORARY?
 ADDED OR UNSCHEDULED = Pool Water purchased by a contract landowner
 TEMPORARY = Pool Water purchased by a non-contract landowner

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
TABLE 18

COMPARISON OF COSTS PER ACRE AND ACRE FOOT
ASSUMING 3.0 ACRE-FEET PER ACRE
2024 BUDGET

CHARGE CODE	CHARGE ZONE	(a)	(b)	CHARGE CODE
		TOTAL (\$/acre)	TOTAL (\$/AF)	
1401	BUENA VISTA DOWNHILL	1,024.92	341.64	1401
1402	SAN EMIDIO - ZONE I	1,117.92	372.64	1402
1403	SAN EMIDIO - ZONE II	1,294.92	431.64	1403
1501	WHEELER RIDGE DOWNHILL	1,069.92	356.64	1501
1508	850 - ZONE I	1,177.92	392.64	1508
1509	850 - ZONE II	1,300.92	433.64	1509
1510	850 - ZONE III	1,348.92	449.64	1510
1600	RANCH HQ - GRAVITY	1,027.92	342.64	1600
1605	RANCH HQ - ZONE I	1,354.92	451.64	1605
1606	RANCH HQ - ZONE II	1,465.92	488.64	1606
2401	SOUTH LAKE	1,024.92	341.64	2401
3402	NS-1972 - ZONE I	1,141.23	380.41	3402
3403	NS-1972 - ZONE II	1,318.23	439.41	3403
3404	NS-1972 - ZONE III	1,555.23	518.41	3404
4407	LATERAL 5P EXTENSION	1,884.93	628.31	4407
5401	SANTIAGO - DOWNHILL	1,042.70	347.57	5401
5411	SANTIAGO - ZONE I	1,114.70	371.57	5411
5412	SANTIAGO - ZONE II	1,369.70	456.57	5412
6402	LATERAL 6P (EXC SPECIAL) ZONE I	1,141.23	380.41	6402
6402A	LATERAL 6P (SPECIAL) ZONE I	1,141.23	380.41	6402A
6403	LATERAL 6P - ZONE II	1,318.23	439.41	6403
7402	N.A.L.	1,116.89	372.30	7402
7403	N.A.L.	1,293.89	431.30	7403
7509	N.A.L.	1,299.89	427.02	7509
7600	N.A.L.	1,026.89	342.30	7600
8600	NS-1978	1,008.06	336.02	8600
9600A	LATERAL 13G-A	1,008.06	336.02	9600A
9600B	LATERAL 13G-B	1,008.06	336.02	9600B

(a) RATE PER ACRE = O M & R + SSC + (FIXED OBLIGATION x 3) + STATE VARIABLE + DISTRICT VARIABLE

(b) RATE PER ACRE FOOT = RATE PER ACRE / 3

See Table 14 for the rates used

SECTION III - CASH FLOW PROJECTION

A cash flow projection has been developed for 2024 based upon operations and activities covered in the proposed budget. This is shown on Table 19.

Table 19 shows a beginning cash balance of \$75.0 million. This is before the payment of January 1, 2024 water costs of \$25.3 million.

The 2024 year-end projected cash balance reflects a decrease in cash of \$5.2 million. Primarily caused by the reserved capital expenditures offset by Interest Revenue/Industrial Water Sales/Miscellaneous Revenue

A brief summary of items of cash flow as follows:

INCREASE IN CASH (Thousands of Dollars)		DECREASE IN CASH (Thousands of Dollars)	
Water Installments	77,736	Salaries	6,105
KCT (NONC SSC collection)	651	Services & Supplies	5,261
Interest	2,000	Water Costs	51,904
Industrial Water Sales	1,220	District Power	17,060
Miscellaneous	50	Equipment Current Funded	1,381
Noncontract OM&R	575	Capital Reserve Funded	5,710
TOTAL INCREASE IN CASH	\$82,232	TOTAL DECREASE IN CASH	\$87,421

NET INCREASE/(DECREASE) (\$5,189)

Three lines at the bottom of the cash flow projection indicate the impact of 10%, 20% and 30% delinquency rates respectively of the 2023 water charges.

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

TABLE 19
ESTIMATED CASH FLOW
2024
(in dollars x 1,000)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
BEGINNING BALANCE	75,000	42,401	39,902	47,120	55,475	61,779	68,083	54,382	60,615	66,907	74,603	72,266	75,000
CASH RECEIPTS:													
WATER INSTALLMENTS			9,717	9,717	9,717	9,717	9,717	9,717	9,717	9,717			77,736
S S C (KCT)	296	20	20	295	10	10							651
NONCONTRACT OM&R				96	96	96	96	96	95				575
INTEREST EARNED	500			500			500			500			2,000
UNSCHEDULED WATER													-
OTHER WATER SALES	280	14	14	280	14	14	280	14	14	16	200	80	1,220
MISC RECEIPTS	4	4	4	4	4	4	5	4	4	4	4	5	50
TOTAL RECEIPTS	1,080	38	9,755	10,892	9,841	9,841	10,598	9,831	9,830	10,237	204	85	82,232
CASH EXPENDITURES:													
PAYROLL EXPENSE	508	508	508	508	508	508	508	508	508	511	511	511	6,105
SERVICES & SUPPLIES	438	438	438	438	438	438	438	439	439	439	439	439	5,261
WATER COSTS (KCWA & SUPP1)	31,142						20,762						51,904
DISTRICT POWER	1,000	1,000	1,000	1,000	2,000	2,000	2,000	2,060	2,000	1,000	1,000	1,000	17,060
EQUIPMENT REPLACEMENT	115	115	115	115	115	115	115	115	115	115	115	116	1,381
RESERVE FUNDED	476	476	476	476	476	476	476	476	476	476	476	474	5,710
TOTAL EXPENDITURES	33,679	2,537	2,537	2,537	3,537	3,537	24,299	3,598	3,538	2,541	2,541	2,540	87,421
MONTH END BALANCES:	42,401	39,902	47,120	55,475	61,779	68,083	54,382	60,615	66,907	74,603	72,266	69,811	69,811
MONTH END BALANCES:													
10% DELINQUENCY	35,321	30,146	37,080	44,557	51,132	59,085	33,927	42,084	50,153	58,774	57,458	56,107	
20% DELINQUENCY	35,321	26,797	32,960	39,606	45,450	52,520	30,158	37,408	44,581	52,243	51,074	49,873	
30% DELINQUENCY	35,321	23,447	28,840	34,656	39,769	45,955	26,388	32,732	39,008	45,713	44,689	43,639	

(1) INCLUDES SUPPLEMENTAL 1 WATER COSTS AND STATE VARIABLE
(2) PREVIOUS YEAR FAA. BEGINNING CASH BALANCE FROM PREVIOUS YEAR OVERSTATED BY POTENTIAL FAA

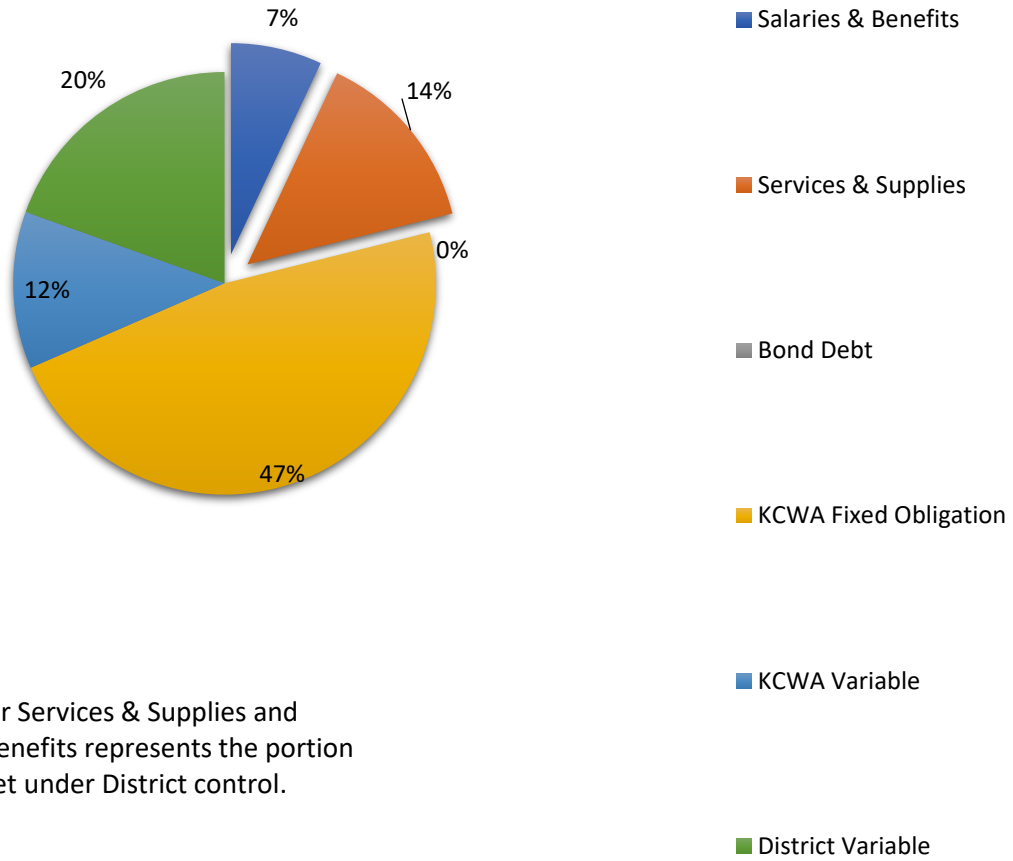
WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

Table 20

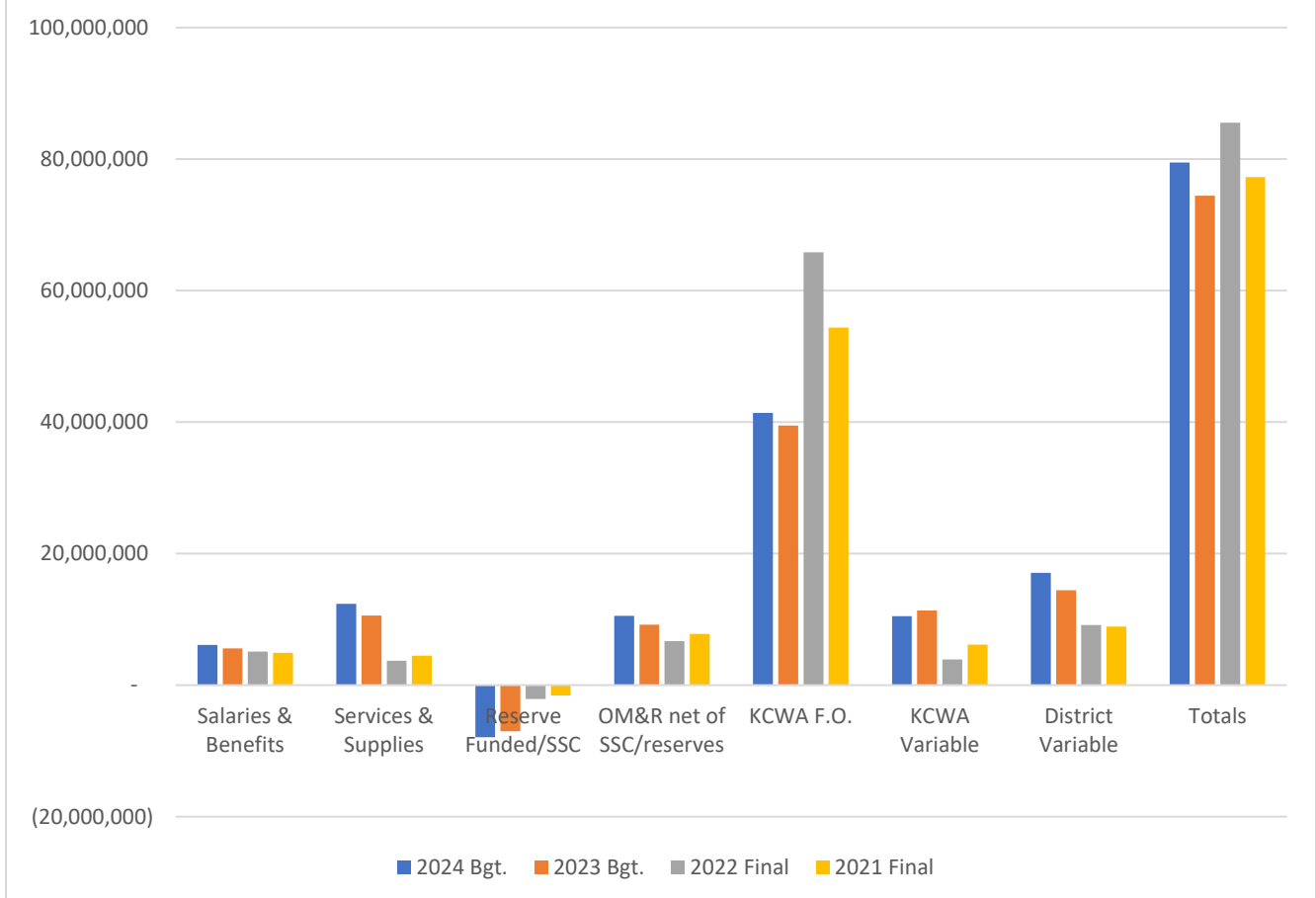
Reserve Fund Balances
As of December 31, 2022

RESERVE FUND	G/L	BALANCE
OPERATING RESERVE	24000	\$ 23,391,974.00
EQUIPMENT REPLACEMENT RESERVE	24100	\$ 3,430,967.00
CONTINGENCY RESERVE	24500	\$ 10,953,195.00
GROUND WATER REPLENISHMENT	24600	\$ 38,576,115.00
WATER BANKING CAPITAL	24700	\$ 4,280,676.00
WATER BANKING REPLACEMENT RESERVE	24900	\$ 10,597.00
WELL REPAIR & REPLACEMENT RESERVE	25100	\$ 548,286.00
	TOTAL	\$ 81,191,810.00

WRM WSD - 2024 Budget by Category Percentage



WRM Categories by Year



◀ WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT ▶

MEMORANDUM

TO: Board of Directors
FROM: James Smith, Controller
DATE: November 8, 2023
SUBJECT: 2023 Audit Engagement Letter & Governance Letter

Attached you will find the 2023 Audit Engagement Letter. The proposed fees are not to exceed \$50,900 compared to \$48,300 for the 2022 audit.

The audit is expected to begin in approximately March 2024.

Recommendation. It is recommended the Board approve the continued use of BHK as its auditors for the 2023 audit.



Board of Directors
 Wheeler Ridge-Maricopa Water Storage District
 12109 Highway 166
 Bakersfield, CA 93313-9630

We are engaged to audit the financial statements of Wheeler Ridge-Maricopa Water Storage District (the District) for the year ended December 31, 2023. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated November 3, 2023 our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to management's discussion and analysis (MD&A), the Schedule of the Proportionate Share of the Net Pension Liability (Asset), the Schedule of Contributions, and the Changes in the District's Total OPEB Liability (Asset) and Related Ratios, which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have been engaged to report on the schedules of revenues and expenses, which accompany the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We gave significant consideration to nonattest/nonaudit services provided, which may reasonably be thought to bear on independence, in reaching the conclusion that independence has not been impaired.

Planned Scope, Timing of the Audit, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally

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communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We have identified the following as areas of significant risk of material misstatement as part of audit planning:

- Potential that valuation or recoverability of water in storage differs from reported or estimated amounts.

Danhira B. Millan is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit on approximately March 2024.

This information is intended solely for the use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

BARBICH HOOPER KING
DILL HOFFMAN
Accountancy Corporation



Bakersfield, California
November 3, 2023



November 3, 2023

Board of Directors
Wheeler Ridge-Maricopa Water Storage District
12109 Highway 166
Bakersfield, CA 93313-9630

We are pleased to confirm our understanding of the services we are to provide for Wheeler Ridge-Maricopa Water Storage District (the District) for the year ended December 31, 2023.

Audit Scope and Objectives

We will audit the financial statements and the related notes to the financial statements, which collectively comprise the basic financial statements of Wheeler Ridge-Maricopa Water Storage District (the District) as of and for the year ended December 31, 2023. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of the District's Proportionate Share of the Net Pension Liability (Asset) - CalPERS
3. Schedule of Contributions
4. Schedule of the Changes in the District's Total OPEB Liability (Asset) and Related Ratios

We have also been engaged to report on supplementary information other than RSI that accompanies Wheeler Ridge-Maricopa Water Storage District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditors' report on the financial statements:

1. Schedules of Revenues and Expenses

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The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditors' Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Audit Procedures—Internal Control

We will obtain an understanding of the District and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal

control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services

We will assist in preparing the financial statements, the schedule of the District's Proportionate Share of the Net Pension Liability (Asset) – CalPERS, schedule of contributions and schedule of the changes in the District's total OPEB Liability (Asset) and Related Ratios of the District, and related notes in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

We will perform the services in accordance with applicable professional standards. The services are limited to the financial statements services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statement preparation services, the schedules noted above, and related notes and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Engagement Administration, Fees, and Other

We understand your staff will prepare all cash and other confirmations we request, will locate any documents selected by us for testing, and prepare schedules and analysis of accounts, all of which has been discussed and coordinated with Mr. Jim Smith. Timely completion of this work will help us complete our audit on schedule.

The audit documentation for this engagement is the property of Barbich Hooper King Dill Hoffman and constitutes confidential information. However, we may be requested to make certain audit documentation available to other governmental agencies pursuant to District given to it by law or regulation. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Barbich Hooper King Dill Hoffman personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

Danhira B. Millan is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit approximately in March 2024.

Our fees are based on the time required by the individuals assigned to the engagement, plus out-of-pocket costs (such as report reproduction, typing, postage, travel, copies, telephone, etc.). Individual hourly rates vary according to the degree of responsibility involved and the skill required. We would propose our fees for the audit of your financial statements not to exceed \$50,900. Billings are due upon submission and will accrue interest at 12% per annum on amounts not paid after 30 days. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

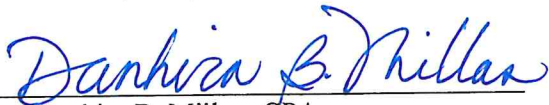
Reporting

We will issue a written report upon completion of our audit of the Wheeler Ridge-Maricopa Water Storage District's financial statements. Our report will be addressed to the Board of Directors of Wheeler Ridge-Maricopa Water Storage District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

We appreciate the opportunity to be of service to Wheeler Ridge-Maricopa Water Storage District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Barbich Hooper King Dill Hoffman
Accountancy Corporation


By: Danhira B. Millan, CPA

RESPONSE:

This letter correctly sets forth the understanding of **Wheeler Ridge-Maricopa Water Storage District:**

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____



**WHEELER RIDGE – MARICOPA
WATER STORAGE DISTRICT**

12109 Highway 166, Bakersfield, CA 93313-9630, 661-858-2281

MEMORANDUM

TO: BOARD OF DIRECTORS

FROM: SHERIDAN NICHOLAS

DATE: NOVEMBER 2, 2023

SUBJECT: ENGINEER-MANAGER’S MONTHLY REPORT FOR OCTOBER 2023

During the month of October, the District delivered 13,434 acre-feet of water consisting of the water types described below. Of the total quantity delivered, 903 acre-feet was delivered for banking, and 12,530 acre-feet was delivered for agricultural use. This compares to projected deliveries of approximately 8,817 acre-feet estimated in September 2022. The total quantities of water delivered during the month as well as the year-to-date water supply by source and type of water delivery are summarized in the following tabulation:

Quantities (Acre- Feet)			
Source of Supply	Jan-Sept	Oct	YTD
2023 SWP Entitlement (a)	111,512	12,176	123,688
2022 Carryover (estimate) (b)	3,167	-	3,167
Lower River/ A21 Deliveries (estimate)	11,514	-	11,514
Pastoria	2,173	343	2,516
TRC/Granite	84	11	95
Kern Water Bank Recovery (c)	1,396	-	1,396
Pioneer Project Recovery (c)	399	-	399
Berrenda Mesa Recovery (c)	196	-	196
Landowner Water Transfer	-	-	-
User Input-District Wells	-	-	-
User Input-Private	1,443	-	1,443
Type of Delivery			
Irrigation	135,089	12,146	147,235
Industrial Contract	2,257	354	2,611
Other Industrial	128	30	159
Deliveries Subtotal	111,053	12,530	150,005
In-District Recharge Deliveries			
Mettler Water Bank (estimate)	11,077	103	11,180
Landowner Pilot Program (estimate)	6,931	801	7,732
Deliveries Total	129,061	13,434	168,917

(a) 2023 updated allocation of 200,818 acre-feet (100%)

(b) At 03/01/2023, an estimated 36,909 acre-feet of 2022 Carryover was available; 25,998 acre-feet represents Water User Carryover. These figures are subject to further reconciliation as additional information becomes available.

(c) Estimates based on KCWA daily Summary of Deliveries

ENGINEER-MANAGER'S REPORT (S. NICHOLAS)

White Pine Power Purchase Agreements. The District has signed two power purchase agreements for future solar projects within the District. The first (Wheeler #1) has been fully approved by PG&E and went into operation on September 29. Wheeler #2 is on schedule for construction next year.

White Wolf GSA. Items of note include:

- DWR Approved the White Wolf GSA on October 26. DWR listed four corrective actions to be considered at the next periodic assessment of the GSP. These include -
RECOMMENDED CORRECTIVE ACTION 1 Develop and incorporate a projected water budget for the surface water system as required by the GSP Regulations.
RECOMMENDED CORRECTIVE ACTION 2 Revise the sustainable management criteria to be based on seasonal low groundwater levels to ensure potential impacts to beneficial uses and users are considered.
RECOMMENDED CORRECTIVE ACTION 3 Establish sustainable management criteria for land subsidence based on direct measurements of land elevation changes to assess and confirm that no significant and unreasonable land subsidence is occurring.
RECOMMENDED CORRECTIVE ACTION 4 Expand the land subsidence monitoring network to provide sufficient coverage of the Subbasin. The GSA may consider the use of additional GPS stations, extensometers, or publicly available remote sensing data (e.g., InSAR) to expand the land subsidence monitoring network in the Subbasin.
- November 7 Meeting
 - Reviewed DWR Approval of GSP and Corrective Actions
 - Reviewed GW Levels
 - Reviewed recharge programs
 - WWGSA received \$4.8 Million award for a number of projects/studies
 - Adopted resolution for USBR WaterSmart: Applied Science grant application
 - Approved EKI Task Order for WWGSA GSP Implementation - Selected Tasks
 - Discussed WRMWSD's recent policy decisions regarding landowner recharge projects.

South of Kern River GSP. Items of note include:

- Oct. 20 SOKR Executive Committee Meeting
 - Update on Monitoring Network
 - Discussion on SWRCB Process w/Technical and Legal Committees
 - Next Meeting, November 9
 - Technical Workgroup Meetings occurring w/EKI taking leadership role at Basin level regarding GSP modifications for SWRCB

New District Employees. I would like to welcome one new employee to the District: Bryon Williams - Equipment Operator.

Meetings in addition to weekly Member Unit and Westside 5 calls, (held either in person or via teleconference):

Oct 02	Meeting w/Landowner
Oct 02	Meeting w/Landowner
Oct 03	Meeting w/Landowner
Oct 03	WWGSA Board Meeting

Oct 04	Kern Subbasin w/SWRCB
Oct 06	SOKR Managers Meeting
Oct 09	Kern Coordination Committee Meeting
Oct 09	Golden State Clean Energy
Oct 10	Committee for Delta Reliability
Oct 10	KWB Board Meeting
Oct 11	WRMWSO Board Meeting
Oct 12	White Wolf P/MA Committee
Oct 12	Member Unit Managers Meeting
Oct 13	Kern Subbasin Managers Meeting
Oct 13	ACWA Region Event
Oct 16	Meeting w/Landowner
Oct 16	ACWA Chair Training
Oct 16	Kern Coordination Committee Meeting
Oct 17	Renovo Resources
Oct 18	SOKR Managers Meeting
Oct 19	WRM Special Board Meeting / P/MA Committee
Oct 19	BHK
Oct 20	Kern Subbasin Managers Meeting
Oct 20	SOKR Executive Committee Meeting
Oct 20	WRMWSO Employee Recognition Dinner
Oct 23	Meeting w/Landowner
Oct 23	Kern Coordination Committee Meeting
Oct 24	Tom McCarthy, Jason Gianquinto, Mark Gilkey
Oct 25	Employee Retirement Lunch
Oct 25	SOKR Managers Meeting
Oct 25	CVC Advisory Committee
Oct 26	South Valley Water Resources Authority Board Meeting
Oct 26	KCWA Board Meeting
Oct 27	Kern Subbasin Managers Meeting
Oct 30	California Farm Water Coalition Board Meeting
Oct 30	Kern Coordination Committee Meeting
Oct 31	WRM Special Board Meeting / P/MA Committee
Oct 31	Landowner Meeting
Oct 31	State Water Ops Meeting
Oct 31	Pioneer Budget Sub-Committee

RETIRED ANNUITANT REPORT (R. KUNDE)

Delta Conveyance Project (DCP). *(Completely updated)* Although an updated DCP schedule was expected to be available in late May, it was not yet available at month's end. The DCA publishes a one year schedule for its activities, but it does not provide much information on DWR's schedule and activities, and no information on the long-term schedule.

The DCP Final Environmental Impact Report is scheduled for public release in December, and adoption of the EIR is expected within 30 days thereafter.

The Delta Design and Construction Authority (DCA) met on October 19. No significant policy matters were discussed and the presentations were for information only. The next DCA meeting will be held on December 14.

Sites Reservoir - Publication of the Final Environmental Impact Report. On November 2, the Sites Final Environmental Impact Report (Final EIR) was released as a joint Final EIR/Environmental Impact Statement with the Bureau of Reclamation as the lead federal agency. It evaluates and describes the environmental effects and proposed mitigation measures associated with construction and operation of the Sites Reservoir Project. It includes updates to the Revised Draft EIR released in 2021 to reflect changes to the Project and to address public comments received during the review period.

The Sites Project Authority is scheduled to consider approval of the Final EIR at its November 17 meeting. This assumes completion of necessary coordination with the Senate Bill 149 certification.

The Final EIR is posted at <https://sitesproject.org/environmental-review/>.

Sites Reservoir - Senate Bill 149 Certification. The record of proceeding, also called the administrative record, for the Sites Reservoir Project California Environmental Quality Act effort is under preparation. The Authority is preparing and making the record available consistent with Senate Bill 149. The record will be made available as quickly as possible with the entire record certified within 5 days of certification of the Project's Final Environmental Impact Report.

At month's end, the Governor's SB149 certification of the Sites Project for the California Environmental Quality Act streamlining was not yet received.

Sites Reservoir - Water Right Application. On October 31, the Sites Project Authority completed and submitted to the State Water Resources Control Board its responses to the 15 protests on the Sites Water Right Application. The timeline to post these responses to the SWRCB website is not yet known.

A perfunctory review of the Sites' responses for selected protests found Sites either (a) argued Protestants did not submit a factual basis for their claims as required by statute and therefore such protests should be dismissed, or (b) disagreed with Protestant's claims of insufficient

analyses and identified the portions of the EIR that provided said analyses.

The Application is in the “protest resolution” phase which may continue through the first quarter of 2024. The formal hearing on the Application would commence thereafter.

Sites Reservoir - Joint Meeting of Sites Project Authority (SPA) and Reservoir Project Committee (RPC). At its October 20, 2023 meeting, the SPA and/or RPC took the following actions.

1. Approved the Consent Agenda (Minutes, Treasurer’s Report, Payment of Claims).
2. Approved the 2024 joint meeting calendar.
3. Authorized the Executive Director to post required public notices in accordance with SB149 should the Governor’s certification of the Sites Project for the California Environmental Quality Act streamlining be received.

There was also extensive review and action taken on the Amendment 3 Work Plan (the current phase of the Project) as follows.

4. Adopted a 7-year construction schedule and the initial overall Program baseline schedule. The schedules project substantial completion of the Sites Project facilities in 2032.
5. Approved an extension of the Amendment 3 period to December 31, 2025. This is the same as Phase 2C described in the District/Participating Landowner funding agreements. The Amendment 3 and Phase 2C agreements provided for the funding period and work to be 2022 through 2024. However, due to delays primarily associated with the Water Right Application, an extension through the end of 2025 was deemed necessary. No increase in the total Amendment 3 budget was made, so the total Amendment 3 funding and cash calls remained unchanged. Because no funding increases were made, formal amendment to the Amendment 3 and Phase 2C agreements was not required.
 - a. Assuming the water right permit approval occurs in December 2024, the additional time is needed for Participants to consider the effect of the water right permit, if any, on project yield, for each Participant Board of Directors to make their decision on continued participation, and for initial construction financing to be obtained based on the Participant execution of the Benefits and Obligations Contract.
6. Approved the Amendment 3 Work Plan priorities update. Such re-prioritization was necessary to focus on critical path work while accommodating the Amendment 3 extension through 2025. Funding for specific work was shifted among work items with some work items delayed to 2025 or beyond (Phase 3). For example, the Project plans to complete critical land acquisitions at the cost of delay to geotechnical field work for Sites Dam and engineering work on the Sites Lodoga Road re-routing.
7. Approved invoicing for the 2024 Cash Call Amount. The Amendment 3 and Phase 2C agreements provide for a \$160 per acre-foot of participation cash call in 2024. Said cash call was approved for invoicing in January 2024. The District will invoice Participating Landowners upon receipt of Sites invoicing, add the District administrative charge of \$13-\$14 per acre-foot, and require payment in February 2024 (30 days from invoicing) so the District Board can authorize its Sites payment at the March 2024 Board meeting.
 - a. The 2023 Cash Call per the funding agreements called for a \$140 per acre-foot

payment. However, the Sites Project invoiced only \$100 per acre-foot in consideration of Participant costs associated with drought conditions. The remaining \$40 per acre-foot (plus District administrative costs) will be invoiced in 2025.

8. Approved the 2024 Annual Budget. Reflecting the above developments, the 2024 and total Amendment 3 (through 2025) budget amounts were as follows:

	2024	Total 2022-2025
Original Budget Expense	\$31.8M	\$122.4M
Original Budget Revenue	\$65.0M	\$155.3M
Revised Budget Expense	\$48.9M	\$142.2M
Revised Budget Revenue	\$39.1M	\$142.9M

The differences account for funding shifts between years, carryover from prior years, and updated revenue contributions from the Bureau of Reclamation. Cumulative revenue exceeds cumulative expenses for each month through the end of 2025.

The SPA and RPC received briefings as follows.

9. An update was provided on preparations for Project Phases 3, 4 and 5 implementation.
10. An status update was provided on the development of applications for Section 106 permits (cultural resources) and Clean Water Act permits (Sections 401 and 404).
11. The Executive Director advised Members to expect a long meeting on November 17 due to expected lengthy public comments on the Final EIR.
12. A Closed Session was held (as is the case at all of these meetings).

The next regular joint Sites Project Authority/Reservoir Project Committee Meeting will be November 17, 2023.

Sites Reservoir - Benefits and Obligations Contract Development. On October 23, the District submitted 6 comments, extensive edits to the Payment Annex applicable to the District, and 2 background documents supporting the comments and edits, on the second draft of the Benefits and Obligations Contract. This Contract would be signed in 2025 by the Sites Authority and Participants to (a) fund the Project starting in 2025 after the Water Right is granted, and (b) receive the benefits therefrom. The District submitted 25 comments on the first draft of the Contract in August.

Sites Reservoir - District Investor Collateral. As reported in September, and regarding collateral in the event of future default by Participating Landowner(s), significant activity occurred in September regarding a proposal by Landowner Materra Farming to modify the District's "*Sites Collateral Obligations per WRM Board Action on January 12, 2022 Directing Collateral per 'Option 3'*". Written comments from Landowners and Counsel were received in early October with some supporting and some opposing the proposal. Further work was delayed due to review of the Sites Benefits and Obligations Contract which found a proposed requirement for the District to annually collect a 10% premium on debt obligations to fund an internal District Sites bond debt reserve fund. Such requirement would affect the Materra proposal and participation thereunder. Staff and Counsel had followup discussions with Sites consultants and other Sites Participants. At month's end, the matter remained unresolved as to whether such

reserve fund should be required.

Other Activities. A unit cost model was developed to evaluate estimated costs to acquire a new potential water supply. Information was provided to the Engineering Department on techite pipe history (1976 to 1992), and the PB-1 HP tank cathodic protection pilot project installed around 2002. Information was provided to a Director on the history and operation of the Blanca Rosa Improvement District (1993 to 2000).

Meetings. The Retired Annuitant attended the following meetings during the month including 9 meetings for the Sites Project.

Oct 10	Committee for Delta Reliability
Oct 24	Delta Conveyance Project - Policy Update
Oct 12	Member Unit Managers - DCP Policy Briefing
Oct 10	Sites Reservoir - Ad Hoc Governance Committee
Oct 26	Sites Reservoir - Benefits and Obligations Contract for SWP Participants
Oct 13	Sites Reservoir - Budget and Finance Committee
Oct 11	Sites Reservoir - Coordination Committee
Oct 20	Sites Reservoir - Joint Sites Project Authority/Reservoir Project Committee
Oct 11	Sites Reservoir - Operations and Engineering Workgroup
Oct 19	Sites Reservoir - Sites/DWR/Reclamation Operations Agreement Technical Team
Oct 03	Sites Reservoir - Benefits & Obligations Contract Payment Annex
Oct 27	Sites Reservoir - WIFIA Ad Hoc Subcommittee
Oct 11	WRM Board of Directors

WATER RESOURCES MANAGER REPORT (E. MCDARIS)

2023 State Water Project Allocation.

DWR announced the initial 2023 State Water Project allocation of 5% on December 1, 2022. This allocation was increased January 26th and February 22nd to 30% and 35% respectively. On March 24th, DWR announced an additional increase to the SWP allocation from 35% to 75%. The allocation was subsequently increased on April 20th, 2023, from 75% to 100%, where it remains at the time of this writing. DWR’s allocation analysis considered several factors including existing storage in SWP conservation reservoirs, SWP operational constraints such as the conditions of the Biological Opinions for Delta Smelt and Salmonids, and the Longfin Smelt Incidental Take Permit, and the 2023 contractor demands. DWR may revise the initial and subsequent allocations if warranted by the year’s developing hydrologic and water supply conditions.

The 100% allocation is consistent with the 90% probability of exceedance study with moderate Old and Middle River (OMR) restrictions in DWR’s October 31st, 2023, “*Allocation Analysis for 2023*” (Analysis). The *Analysis* includes different ranges of impacts from the Delta Smelt and Salmon Biological Opinions as well as the Longfin Incidental Take Permit (the *Analysis* uses existing Delta Smelt Biological Opinion standards). Key points of the *Analysis* include:

The October 31st, DWR analysis results for 2023 are as follows (values in acre-feet).

Source/SVI	Wet	DNR	Wet	DNR
SWP Allocation	100%		100%	
OMR Restriction [a]	Moderate	DNR	Moderate	Moderate
Prob. Of Exceedance [b]	90%	75%	50%	25%
District Supply	197,088	-	197,088	-

[a] Average Old and Middle River reverse flow restrictions (cfs) from December 2022 to July 2023.

[b] Example: a 90% Probability of Exceedance means there is a 9 in 10 chance conditions will be wetter than assumed, and 1 in 10 chance conditions will be conditions will be drier than assumed.

Note that precipitation is not runoff, and runoff is not Delta export pumping for the District. Under normal conditions, an average precipitation year equates to a 65% to 75% SWP allocation depending on timing and proportions of snow and rain.

Water and Snowpack Conditions.

The “*Northern Sierra 8-Station Precipitation Tabulation*” index of rain and snow water content for the Sacramento, Feather, Yuba and American River Basins in October was 0.8 inches of the monthly average of 2.8 inches. *Accumulation* for the season is as follows:

Current Amount – October 1, 2023 – September 30, 2024,	0.8”
Seasonal Average to Date	2.7”
Seasonal Percent of Average to Date	29%
Average (historic) for the entire Water Year (Oct. 1 through Sep. 30)	53.2”

Carryover and Spill Conditions.

The District continually reviews current San Luis Reservoir (SLR) storage levels (October 31, -65% capacity, 145% of average) to determine optimum carryover amounts.

End of month San Luis Reservoir conditions were as follows:

<u>Description</u>	<u>Million Acre-feet (MAF)</u>
SLR Capacity	
SWP Share	1.062
CVP Share	<u>0.966</u>
SWP + CVP subtotal	2.028
Actual December 31, 2013 storage	0.604
Actual December 31, 2014 storage	0.820
Actual December 31, 2015 storage	0.436
Actual December 31, 2016 storage	1.259
Actual December 31, 2017 storage	1.638
Actual December 31, 2018 storage	1.503
Actual December 31, 2019 storage	1.286
Actual December 31, 2020 storage	0.955
Actual December 31, 2021 storage	0.616
Actual December 31, 2022 storage	0.688
October 31, 2023, storage	
SWP Share	0.608
CVP Share	<u>0.714</u>
SWP + CVP subtotal	1.323

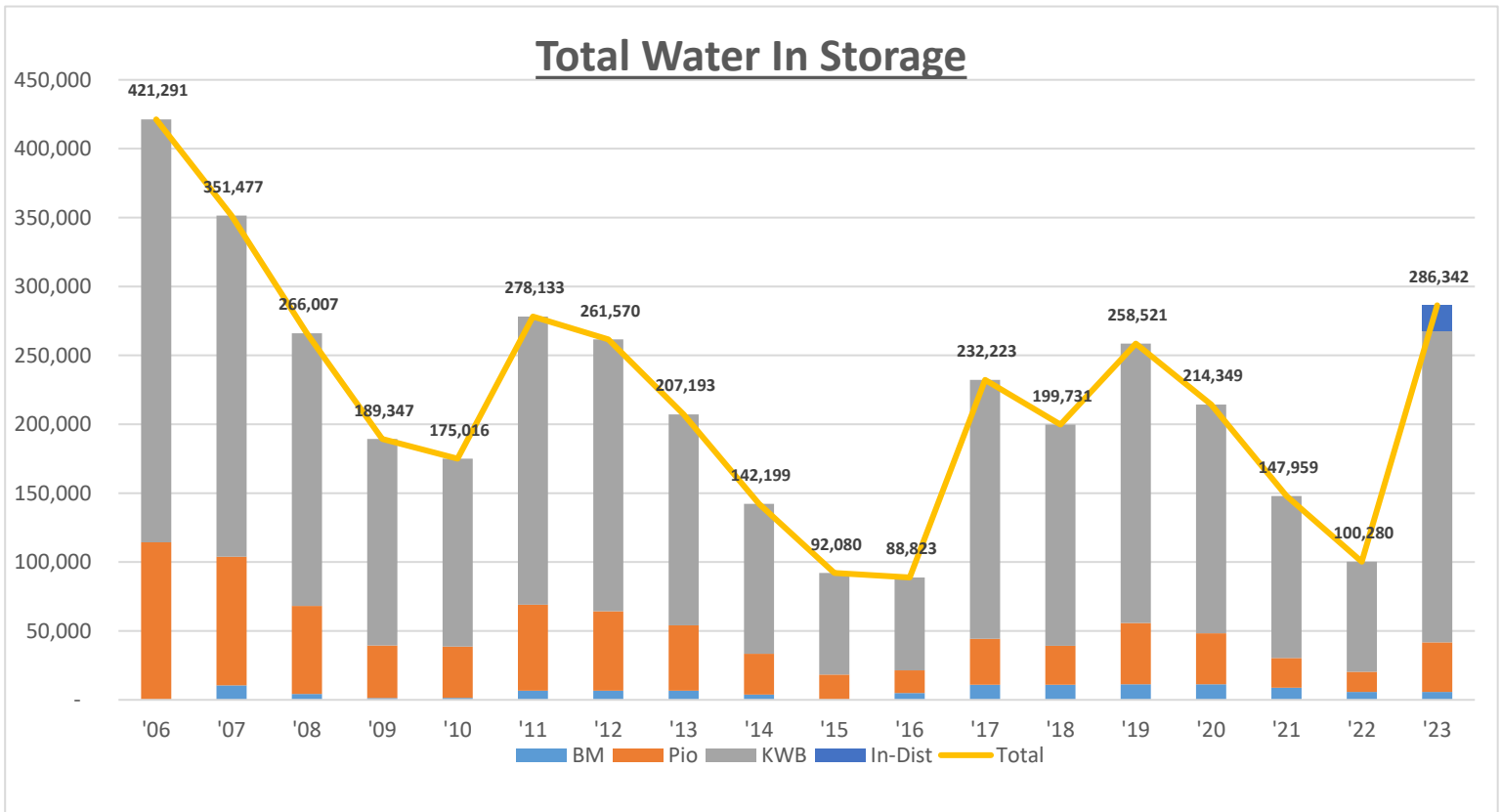
The amount of State Water Project water stored during the month of October decreased approximately 260,000 acre-feet going from 868,565 acre-feet at the end of September to 608,431 acre-feet at the end of September. Spill of the SWP side of San Luis occurred approximately March 22nd, 2023. On October 31, SLR overall storage is approximately 455,000 acre-feet from full.

Lower River Supplies (Update). The District completed delivery of Block 10 and 11 of Lower River supplies on October 19th. Lower River allocations total 550,000 acre-feet to Member Units in 2023 with the District share being approximately 101,500 acre-feet. These supplies were delivered to the Kern Fan banking projects, as well as in-District by operational exchange.

Banking Operations (Update). Since the District began groundwater recharge operations on February 10th, 2023, approximately 186,000 gross acre-feet (before losses) has been recharged as follows (as of October 31, 2023):

	B. Mesa	Pioneer*	Kern W.B.	In-District	Total
February	-	7,795	16,526	-	24,321
March	-	3,986	16,988	510	21,484
April	-	3,234	20,702	2,706	26,642
May	-	379	17,756	4,021	22,156
June	-	-	15,003	2,936	17,940
July	-	4,051	15,402	3,209	22,662
August	-	1,931	15,846	2,514	20,291
September	-	-	14,393	1,835	16,228
October	-	40	13,395	903	14,338
TOTAL	-	21,416	146,012	18,634	186,062
Carryover	-	11,154	26,180	-	37,334
Article 21	-	-	2,915	10,173	13,088
Lower River	-	7,448	83,345	-	90,793
SWP	-	2,814	33,572	8,461	44,847
TOTAL RECHARGE	-	21,416	146,012	18,634	186,062

*Includes C.O.B. 2800 Acres



THE CONTRACT ADMINISTRATOR'S WORK INCLUDED:

Contract/ Water Allocation Work.

- Contract 86G & 2.01B
 - Requested Water Service Contract Amendment (*Board Resolution Required*)
 - Board Approved Resolution
 - Notified Landowners of Board Approval
 - Drafted Amendment Agreements, pending Legal Counsel approval.
- Contract 86D, 86F, & 12107A
 - Received back from the Kern County Recorder's Office
 - Ready for Post Recording Procedures
- Contract 124A20
 - Received Notarized signatures from both Landowner & District Board
 - Pending Recording at the Kern County Recorder's Office
- Contract 51
 - Verifying APN/Post-LLA (*Pending confirmation from Landowner*)
 - *Pending Landowner's Board Approval*
 - Drafted Amendment Agreement
- Contract 12102
 - Drafted/Completed Assumption Agreement
 - Mailed Assumption Agreement/Pending Landowner's Notarized signatures.
- Contract 22F, 56, 104A
 - Received Notarized signatures from both Landowner & District Board
 - Pending Recording at the Kern County Recorder's Office

Landowner Assistance.

- Assisted Water Users with information regarding water ledger—YTD use, acre-feet remaining, carryover, user input agreement questions/balances, water allocations/costs, water returns, etc.
 - Assisted 03 Water User (s) with 2023 SWP Allocation/Pool Water questions.
 - Assisted 07 Water User (s) with Carryover/Water/Usage/Recharge Program Balance
 - Assisted 05 Water User (s) with 2023 Water Costs/Allocation/Other questions.
 - Assisted 02 Water User (s) with APN District verification (Appraiser Requests)
 - Assisted 02 Non-contract User (s) with general allocation/cost associated with The District.
 - Assisted 03 Water User (s) with Farming Unit Operation Agreement questions.
 - Assisted 02 Water User (s) with Second Priority Sub-Account Program
 - Assisted 03 Water User (s) with GWSC Questions/Information
 - Assisted 06 Potential Water User (s) with Water District Information/Water Allocations/Costs
- Processed 01 Title Demand Request
- Processed 01 Water Transfer Agreement
- Processed 03 Returns to Place Water in District Pool E & F
- Processed 06 Request for Allocation to purchase Pool Water
- Processed 00 Requests for Temporary Water Service
-

Other Tasks.

- Important Notices via email to Landowners/Water Users
- Completed weekly water schedule updates, reconciling variances with Dispatch and Controller.
 - Worked with Controller & Operations on End of Month Water Reports & Non-Contract Accounts.

- 2023 Delinquencies
 - Assisted the District Controller with 2 delinquent accounts (Delinquent Report for Board, payment collection/certified mail notices)
 - Completed Delinquent Tolls & Charges Face Page, List/Exhibit A, & Resolution to present to the Board
 - Board approved Resolution for the “Ordering The Filing of List of Delinquent Tolls & Charges”
 - 10/24/23-Filed 2023 Delinquent Tolls & Charges List with the Recorder’s Office
- Reviewed the monthly Accounts Payable and distributed Board and Annuitant payables.
- Managed Petty Cash Fund and EC stamp cash fund
- 10/11/23 Attended Board Meeting
- 10/12/23 Attended Online Member Unit Managers Meeting (SWP facilities & Ops Presentation)
- 10/24/23- Attended E-Learning Certificate JPIA Training – Risk Transfer
- 10/5/23, 10/16/23, 10/23/23, 10/26/23, 10/27/23, 10/31/23 Landowner Phone Call/Zoom or in-Person Meeting(s)
- Prepared monthly report for Board Meeting packet.

ACCOUNTING ACTIVITIES (J. SMITH)

Controller's Report:

2023 Water Allocations, Deliveries, and Billings. The October water reports were mailed on November 3. The Board approved, at its May meeting, and the District allocated the 100% SWP on the May water reports. The initial SWP allocation of 100% of the Contract Amount of Water was canceled and the revised allocation of 5% SWP and 27% Supplemental Water approved by the Board in November 2022 was applied. On December 1, 2022, DWR announced an initial SWP allocation of 5%. The SWP allocation was increased to 30% in January, 35% in February, and 75% in March. The Board adopted a revised 75% State Water and an 8% Supplemental Water allocation at its April Board meeting. After the Board meeting the State allocation was increased to 100%. In anticipation of the 100% allocation, staff reversed the Supplemental allocation. Carryover water was reduced to the amount of carryover delivered. Most of the carryover reduction was banked in the 2nd Priority banking program which is tracked separately from the following data. All previous returns were reversed. Current allocations are:

	<u>Acre-Feet</u>
• SWP	200,818.00
• Supplemental	0.00
• User Input (Jan-Oct)	1,443.60
• Carry Over	3,770.31
• TWS	976.27
• Pooling net of pool purchase	<u>-40,532.49</u>
• Total Supply	166,475.69
• Deliveries (Jan-Oct)	<u>-146,582.00</u>
• Unused	<u>19,893.69</u>

Controller Report-Smith:

- Set up an investment account with CAMP and transfer reserve funds per Board direction.
- Continue to monitor delinquency.
- Set up 2024 contract bills.
- **Meetings:**
- October 19-Meeting with BHK partners regarding assistant controller job search

The Staff Accountant's activities included:

- Completed a draft budget and compiled additional information for a final budget
- Set up the new investment account (CAMP) in the accounting software. Entered the bank transfer transactions.
- Entered and tracked pooled water returns and sales in accounting software
- Assisted one water user with water ledger reports
- Entered payroll account transactions into banking fraud software
- Provided information for the payroll processing company to calculate workers compensation insurance premiums
- Prepared the quarterly diesel sales tax return
- Worked on a new procedure for entering A/P transactions to print from the revolving checking account
- Prepared payroll burden checks while Junior Accountant was out of office
- Researched historical information for the Employee Committee re: COLA request
- Provided training to accountant on procedure revisions for electronic payments, using the revolving account, and safe pay entries

- Assisted accountant with balancing bank accounts
- Researched outstanding A/P checks
- Prepared miscellaneous A/R invoices for industrial water and work orders
- Followed up on outstanding miscellaneous A/R invoices
- Processed multiple ACH and wire transfer cash receipts
- Recapped YTD work order expenses and compiled backup invoices
- Entered journal entries in the general ledger
- Reconciled general ledger accounts
- Coordinated one new Industrial Water account
- Completed the Budget, Capital Expenditure, and Reserve Reports
- Prepared a financial report for the South of Kern River GSP
- Prepared financial reports and accounts payable checks for Committee for Delta Reliability
- Sent out cash call invoices to the CDR participants
- Reviewed paid A/P invoices for coding and budget expenditure results
- Continued training to back up Controller with water billing in Access and Latis
- Attended the WRMWSO Board meeting and assisted with recording minutes
- Attended a Capital Expenditure meeting to plan for 2024 budgeting
- Attended an online meeting with our accounting software partner
- Participated in weekly accounting department meetings
- Distributed a logo shirt order to employees

The Accountant's activities included:

- Accounting/Payroll:
 - Reviewed Daily Kern County and Wells Fargo Fund Activity.
 - Attended Weekly Accounting Meetings.
 - Maintained District's Accounts Payable Fraud Protection Software.
 - Reviewed Banking Client Analysis Statement for validity of charges.
 - Attended Monthly Board Meeting Remotely.
 - Prepared/filed governmental compliance reports.
 - Prepared Monthly Miscellaneous Invoices for Cattle, Short Run, and Industrial.
 - Assisted in preparing employee travel expense packet.
 - Training with Staff Accountant, new revolving procedures.
 - Prepared and Posted Monthly Journal Entries.
 - Assisted with office duties: Cash Receipts/Deposit/EROD.
- Board Preparations:
 - Prepared Board A/P Reconciliation worksheet.
 - Prepared Board Bank Balances for Kern County, LAIF, and Wells Fargo.
 - Prepared Monthly PR Fund Report.
 - Prepared Treasurer's Report and Supporting schedules and Documents.
 - Prepared Board Payroll Reconciliation worksheet.
 - Prepared Monthly Cell Tax Worksheet.
 - Prepared and Sent Board Vouchers for AP, CDR, Payroll.
 - Prepared Monthly Board Certification.
 - Prepared Monthly Expenditure Report.
 - Prepared Estimated PR voucher worksheet for board.
 - Maintained Salary/CalPERS/Tax/Health for Budget Expenditure Report.
 - Assisted Operations Superintendent with Safety Incentives.
- CalPERS/Benefits/Miscellaneous:

- Prepared CalPERS payroll data transmitted along with payments.
- Reviewed CalPERS correspondence.
- Answered CalPERS assisted employee with retirement questions.
- Added CalPERS new employee appointment.
- Review CalPERS annual evaluation report.
- Reviewed CalPERS Classic Actuarial Report.
- Maintained Life Insurance Supplemental Worksheet.
- Worker's Compensation employee 1st aide.
- Reviewed CalPERS Classic Actuarial Report.
- Assisted employee with possible SDI questions.

The Junior Accountant's activities included:

- Accounts Payable: code, obtain approvals and post all invoices to the District's accounting program
- Prepared payroll
- Prepared burden payments
- Prepared Directors payroll
- Daily desktop deposits of cash receipts
- Manual checks report for August
- Attended Accounting Department meetings
- Filed and organized invoices
- Attended payroll meetings
- Attended Employee Committee Meeting
- Took credit card payments to Wells Fargo
- Presented payroll training to management and supervisors

ENGINEERING ACTIVITIES (T. SUGGS)

October 2023

District Well Repairs: Deep well pump replacements were completed at the #A2 and #C3 wells during October, most likely representing the conclusion of work under the District’s 2023 annual well services contract. Following is a summary of activities:

- L.O. Lynch Quality Pumps and Wells mobilized out to the #A2 Well site on October 2nd and on October 13th completed installation of a Goulds-made 7CHC, 8-stage, submersible electric pump rated at 500 gpm together with a 150-horsepower electric motor.
- On October 12th, L.O. Lynch completed installation of a Goulds-made 11CHC, 12-stage bowl assembly rated for 775 gpm in the #C3 Well.

South of Kern River (SOKR) GSP:

- During October, water levels were recorded in 14 out of 14 monitoring wells.

White Wolf Basin GSA:

- Water levels were observed in 10 SGMA monitoring wells and EKI was provided a tabulation of all results from the 2023 fall water level survey.

Evapotranspiration (ET) and Groundwater Service Charges:

- Engineering Department requested that Land IQ to review and revise their calculations of August precipitation to include the unusual summer storm that deposited about 2 inches of rainfall in parts of the District.

Mettler Recharge Ponds: The Assistant Engineer computed daily evaporative losses from 47.2 acres of wetted ponds as an ongoing effort. The following table summarizes progress so far:

	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Total
Total Inflows (ac-ft)	487	2,596	3,083	1,795	1,554	928	634	514	11,592
Total Evap. Losses (ac-ft)	4	22	34	34	42	38	28	16	219
Net infiltration (ac-ft)	483	2,574	3,049	1,761	1,512	890	606	498	11,373
Avg. Infiltration Rate (ft/day)	1.0	1.8	2.1	1.2	1.0	0.61	0.43	0.34	1.1

2023 Fall Crop Survey: Field surveys continued during October to document fall crop changes.

Landowner Recharge: No new applications were received for temporary landowner recharge, but one Water User was provided with an estimate of unused capacity in the 850 Canal that potentially could be available for future recharge projects.

850A-850B System Interconnection:

- The Staff Engineer completed an economic analysis for the project including expected construction costs, together with avoided 850B System power costs and offsetting KCWA incremental pumping charges. The analysis suggested that capital costs would amount to about \$408,000, but avoided operating costs would contribute to a net saving of about \$110,000 per year once completed.
- The Engineering Assistant designed appropriate tees and valves to isolate the two ends of the future interconnection and the O&M Department began fabrication of parts. It is anticipated that isolation valves will be installed during the regular 850 Canal winter maintenance shutdown period, making it possible to complete the connecting pipeline without service interruptions sometime in the spring of 2024.

Fall 2023 Groundwater Level Survey: The Fall Water Level Survey was begun and largely completed during October, requiring about 10 man-days of effort. By the month’s end, 143 wells were visited and 123 were successfully sounded. Eight wells were not sounded because they were pumping and seven wells were not accessible for other reasons. Those wells that were pumping in October will be revisited in November.

Underground Facilities and Turnouts: The following field activities and/or research were conducted related to underground facilities:

- Engineering Department staff responded to 206 underground services alerts (USAs) during the month, eventually marking a total of 4.1 miles of District pipelines.
- A deep ripping firm was advised about its obligation to notify the District before making any changes to its ripping plans and to stay out of marked pipeline areas.
- Field inspections were made while contractors constructed the following on behalf of District Water Users:
 - Three new PVC irrigation pipelines (10, 12, and 15-inch diameter) crossing the 6P-A Lateral
 - A new 1-inch-diameter gas line crossing the B-4 Lateral
 - A new 2-inch-diameter gas line crossing the 850B Main Lateral
 - A new 1-inch-diameter poly pipeline for cattle water across the 12P Lateral

Annual Maintenance Inspections: A number of facilities were inspected during annual maintenance in October with the following observations:

Facility	Findings
Hydropneumatic (HP) tank at the 3P-P2 Pumping Plant	The tank interior, which was recoated in 2013, was found to be in excellent condition with no sign of deterioration; all cathodic protection system equipment was found intact.
Stand tank at the 3P-P2 Pumping Plant	The original bituminous coating was observed to be badly deteriorated and lacking adhesion, but all cathodic protection system equipment was found to be in order.
HP tank at the WRM 6 Pumping Plant	The tank interior, which was recoated in 2015, was found to be in excellent condition with some calcium deposition, pointing to functioning cathodic protection equipment.
HP tank at the 6P-P2 Pumping Plant	The tank interior, which was recoated in 2015, was found to be in excellent condition; all cathodic protection system equipment was found intact.
Stand tank at the 6P-P2 Pumping Plant	The original bituminous coating was observed to lacking adhesion; the old reference cell was replaced.

Direct Landowner Services: The following engineering assistance was provided to landowners, government, or members of the general public:

- The AEWS D was provided with a tabulation of fall 2023 water level data.
- An old piezometer site was repainted by O&M Department personnel per request of the Bureau of Land Management.
- A Water User was provided with certain design information related to the Mettler Water Bank 850 Canal turnout.

Maps and Records:









- Redline edits were made to as-built drawings of the District’s distribution system to reflect new irrigation pipelines as described above.
- The Assistant Engineer continued to work on a project to add information such as pipe diameter and head class to the District’s GIS pipeline drawing.

Meetings Attended:









October 10	KCWA Operations Conference Call
October 12	White Wolf GSA P/MA Technical Advisory Committee
October 13	Region 6, 7 California Water Forum
October 19	WRMGSA P/MA Technical Advisory Committee
October 24	KCWA Operations Conference Call
October 31	KCWA Operations Conference Call
October 31	WRMGSA P/MA Technical Advisory Committee
October 31	ACWA Tulare Lake Subbasin Probationary Report Working Group

District Well Status Summary

As of November 3, 2023

Well Name	Status / Description of the Problem	Most Recent Activity	Next Planned Activity
Currently in Running Condition			
 WRM7	Currently off. SWL was 509' on 9/1/23	Redevelopment was completed 2/16/2023. FPI completed installing a new Flowise-made pump unit rated 950 gpm at 910' TDH 3/17/2023. Tested 5/17/2023 and found to produce 1007 gpm with 250' of drawdown.	
 PA-1	Currently off. SWL was 706' on 10/31/2023.	Tested 2/27/2023; found to produce 960 gpm with 21' of drawdown at good efficiency. New pump assembly rated 1007 gpm at 887' TDH was installed 6/28/2021.	
 #A1	Currently off. SWL was 664' on 11/1/2023.	Shut down 6/22/2021 for a motor top bearing vibration. Motor was repaired and placed back in service 7/7/2021.	Well will be tested for pump performance during the month of November.
 #A2	Repaired and scheduled for startup testing. Found producing no water 8/31/2022. Subsequent investigation revealed a broken pump discharge casting, several broken bolts, and excessive wear on the pump shaft. These were eventually attributed to a dogleg in the borehole at about 760' of depth. SWL was 627' on 10/31/2023.	A task order was issued to L.O. Lynch Quality Wells & Pumps 7/6/2023 to install a submersible electric pump and motor above the dogleg. The contractor completed installation of Goulds-made, model 7CHC, 8-stage pump unit rated for 500 gpm at 780' TDH together with a 150-hp, 3600-rpm motor on 10/12/2023.	Startup testing is scheduled for 11/6/2023.
 #A4	Currently off. SWL was 587' on 10/31/23.	Tested 2/28/2023; found to produce 690 gpm at 33' of drawdown but at relatively low (57%) efficiency. New bowl assembly rated 800 gpm was installed 2/22/2021. Placed back in service 4/13/2021.	
 #B1	Currently off. SWL was 740' on 1/11/2023.	Tested 2/28/2023 and found to produce 880 gpm with 22' of drawdown at 67% efficiency. New pump assembly (rated 1005 gpm at 868') installed 6/17/2021.	
 #B2	Currently off. SWL was 778' on 11/1/2023.	Redevelopment was completed 2/2/2023. On 3/2/2023 FPI completed installing a new Simflo-made pump unit rated at 950 gpm at 900' TDH. Tested 5/17/2023 and found to produce 974 gpm with 96' of drawdown.	
 #C1	Currently off. SWL was 636' on 11/1/2023.	Tested 2/23/2023 and found to produce 1425 gpm with 25' of drawdown at 61% efficiency. Shock treated with chlorine 7/25/2022.	
 #C2	Currently off. SWL was 589' on 11/1/2023.	Well was tested 2/27/2023 and found to run at 860 gpm with 18' of drawdown at 61% efficiency.	

District Well Status Summary As of November 3, 2023

Well Name	Status / Description of the Problem	Most Recent Activity	Next Planned Activity
Currently in Running Condition			
 <p>#C3</p>	Currently off. Tested 11/1/2023 and found to run very smoothly, producing 840 gpm with 9' of drawdown at good (71%) pump efficiency. SWL was 587' on 11/1/2023.	Task order issued to L.O. Lynch on 7/6/2023 to furnish new column, tube, and shaft plus replace the pump assembly with a Goulds-made 12CLC, 13-stage pump assembly rated for 775 gpm. Contractor removed old pump equipment 8/24/2023 and installed new equipment 10/12/2023. Wires were stolen sometime during the summer, but the O&M Dept. replaced wires and tested rotation 10/24/2023. Successfully tested and placed back in service 11/1/2023.	
 <p>#C5</p>	Currently off. SWL was 570' on 11/1/2023.	Tested 2/21/2023; found to produce 1,565 gpm with 45' of drawdown at excellent (76%) overall plant efficiency. PG&E energized the transformer 9/2/2022.	
 <p>#C6</p>	Currently off. SWL was 726' on 11/1/2023.	Tested 2/27/2023; found to produce 1510 gpm at 104' of drawdown. A long-standing phase imbalance issue (i.e., low amperage on one leg) was partly resolved by PG&E in late July 2021.	
Out of Service			
 <p>6P-P2</p>	Off line for excessive drawdown. Appears to be even more clogged than it was in 2018. Has a new Simflo SR10C-20-stage pump ass'bly, but found to draw down to 1000' at 100-200 gpm 3/15/2021. SWL was 490' on 10/9/2023.	Listed in the SOKR GSP as a SGMA water level monitoring well.	Should probably remain unequipped until a substitute monitoring well can be found. It is likely that any viable option to improve the well will involve significant expense for little water.
 <p>7P-P2</p>	Currently unequipped. Shut down 7/9/2018 for vibration and low PWL (926') and a sudden loss of flow rate. Pump removed 8/13/2018. Upon inspection, impellers showed clear signs of cavitation. SWL was 609' on 10/12/2023.	Listed in the SOKR GSP as a SGMA water level monitoring well.	Should probably remain unequipped until a substitute monitoring well can be found.
 <p>PB-1</p>	All of the old column pipe was removed 3/23/2022. Part of the old pump assembly was also removed, but the bottom eight pump stages broke off and the hole remains full of sand fill below 785' of depth. SWL was 687' on 4/27/22.	Kaweah Pump air lifted approx. 2-3 feet of sand on 10/22/2022 before encountering a hard obstruction at 785'. Video logged 10/26/2022, revealing only a sandy bottom; nothing could be seen sticking up.	The chances of removing the stuck bowls are very small. Nevertheless, the site location is very favorable and it is recommended that the well be properly abandoned by grouting and that a replacement well be drilled in 2023.
 <p>#A3</p>	Began pumping sand and gravel on 4/21/2016. Video logged on 7/27/2016 and again 11/2/2016. A large casing split measuring up to 5" wide x 20' long was seen at 613' of depth together with 240' of sand fill.	Per advice of the GW Committee, staff began pursuing replacement of this well in June 2021. GEI Consultants was retained to assist in August 2021. So far, GEI has focused work on investigating local conditions, drafting bid documents, and developing a well design.	It is recommended that this well be converted to a monitoring well and that a replacement well be drilled in 2023.
 <p>#C4</p>	Failed 4/17/04. Equipment stuck down hole. Suspect collapsed casing at about 120'.	Same as above.	The hole should be properly abandoned by grouting. It is believed that it may not be economic to replace this well due to the limited pumping season in C Reach of the 850 Canal. Moreover, the site is located within one half mile of two active District wells.

CLIMATOLOGICAL DATA FOR GREENLEE'S PASTURE

Parameter	10/1/2023	Since 10/01/2023	Days Occurred in October
Maximum Temperature	101°	101°	9th
Minimum Temperature	38°	38°	30th
No. Days at or over 100° F	1	1	9th
No. Days at or under 32° F	0	0	N/A
Precipitation (inches)	0.37	0.37	1st, 23rd
Evaporation (inches)	5.16	5.16	----
Wind Run	1,512	1,512	----

**STORAGE IN MAJOR RESERVOIRS
(Acre-Feet)**

Reservoir	Capacity	Storage at End of October	
		2022	2023
Shasta	4,552,000	1,414,226	3,146,405
Oroville	3,538,000	1,102,823	2,421,858
San Luis (Total)	2,028,000	501,134	1,323,121
San Luis (State Share)	1,062,000	(a) 313,177	608,431
Folsom	977,000	289,016	552,148
Isabella	361,250	(b) 36,409	256,473
Millerton	520,000	325,470	143,174
TOTALS	11,976,250	3,669,078	7,843,179

(a) The San Luis (State Share) is included in San Luis (Total) but not included in total capacity or storage.

(b) US Army Corps Of Engineers' authorized capacity = 568,075 AF on May 1, 170,000 AF November 1 - January 1

NR Not reported as of this publication

OPERATIONS AND MAINTENANCE ACTIVITIES (G. LOVELESS)

Safety/Administrative Training

Safety Meeting on Code of Safe Practices, Confined Space Entry.

Field/System Maintenance

- 10/11/23, Applied aquatic herbicide (Teton) to 850 Canal.
- Repaired WRM15 travelling water screen and conveyer.
- Graded 850 canal banks and related dirt roadways.
- Completed excavation of 10P-1 lateral drain valve.
- Repaired push board for Annual Maintenance on 850 Canal .
- Disced Spill Basin.
- Potholed to locate A-3 and B-D laterals.
- Poured concrete for light standards in District Maintenance yard.
- Excavated 7G-4 lateral for future mainline valve replacement.

Pipeline Repair

- 10/5/23, 1145 hours – Leak reported on B-A-A lateral. Repair was completed and service restored 10/10/23, 1430 hours.
- 10/12/23, 0830 hours - D-11 lateral drained to replace isolation valve for turnout DG25. Work was completed and service restored at 0930 hours 10/13/23.

Power Outage

10/7/23, 0530 hours - Power outage WRM-13A, WRM-13B, WRM-14, WRM-15. Service restored 1620 hours.

Annual Maintenance

- 10/21/23 – WRM-3, 3P-P2 drained for Annual Maintenance. Work was completed, and service restored 10/26/23.
- 10/28/23 – WRM-6, 6P-P2 drained for Annual Maintenance. Work is scheduled to be completed in November.

SCADA Communication Failure

- 10/3/23, 1440 hours - Radio reset WRM-7.
- 10/3/23, 0645 hours - Radio reset WRM-7, 7P-P2, 7P-P3.
- 10/5/23, 2050 hours - Radio reset WRM-7.
- 10/7/23, 2150 hours - Radio reset WRM-7.
- 10/8/23, 1030 hours - Radio reset WRM-6.
- 10/12/23, 1515 hours - Radio reset WRM-6.
- 10/13/23, 0620 hours -Radio reset PD-1.
- 10/16/23, 0450 hours - Radio reset WRM-7, 7P-P2, 7P-P3.
- 10/21/23, 0350 hours - Radio reset WRM-10.
- 10/21/23, 0520 hours - Radio reset WRM-6.
- 10/25/23, 1950 hours - Radio reset 104A gate.
- 10/01/23 – 10/31/23 - WRM-8 Experiencing daily comm failures for a total of 189 times in October. Tesco is currently working to correct the ongoing issue.

Pump/Electrical

- WRM-3, 3P-P2 and WRM-6, 6P-P2 pumps locked out for Annual Maintenance. Motor control (MC) cabinets were cleaned, and connections inspected. Motor termination boxes were checked for bad wire and loose connections. Low-suction switch was also tested. Packing in all pumps was replaced.
- 3PP2 unit #2 lockout relay was tripped so it was reset, and unit was put back into service.
- WRM-4 transducer Bourdon tube was obstructed and was cleared of debris.
- 4P-P2, unit #5 motor leads burnt and was pulled for repair. Unit is currently out of service.
- A conduit was installed to run cable for PLC upgrade at WRM-5.
- 5P-P2 unit#1 motor was pulled for replacement. Pump was also pulled due to damaged coupler.
- Cleared debris from float canisters on HP tank and returned the compressor to service at 5P-P3.
- Working with Tesco technicians to troubleshoot ongoing SCADA communication issues at WRM-8.
- Re-installed back splash guard on WRM-9A travelling water screen.
- WRM 9A unit#1 motor leads burnt. Unit was replaced, new underground wire installed, and returned service.
- WRM-15 travelling water screen and conveyor were pulled for maintenance. Chain, rods, uhmw and drive gear were replaced on screen. Conveyor belt, roller, uhmw, gear box and motor were replaced. Conveyor frame delivered for sandblasting and powder coating. Work was completed and unit has been returned to service.

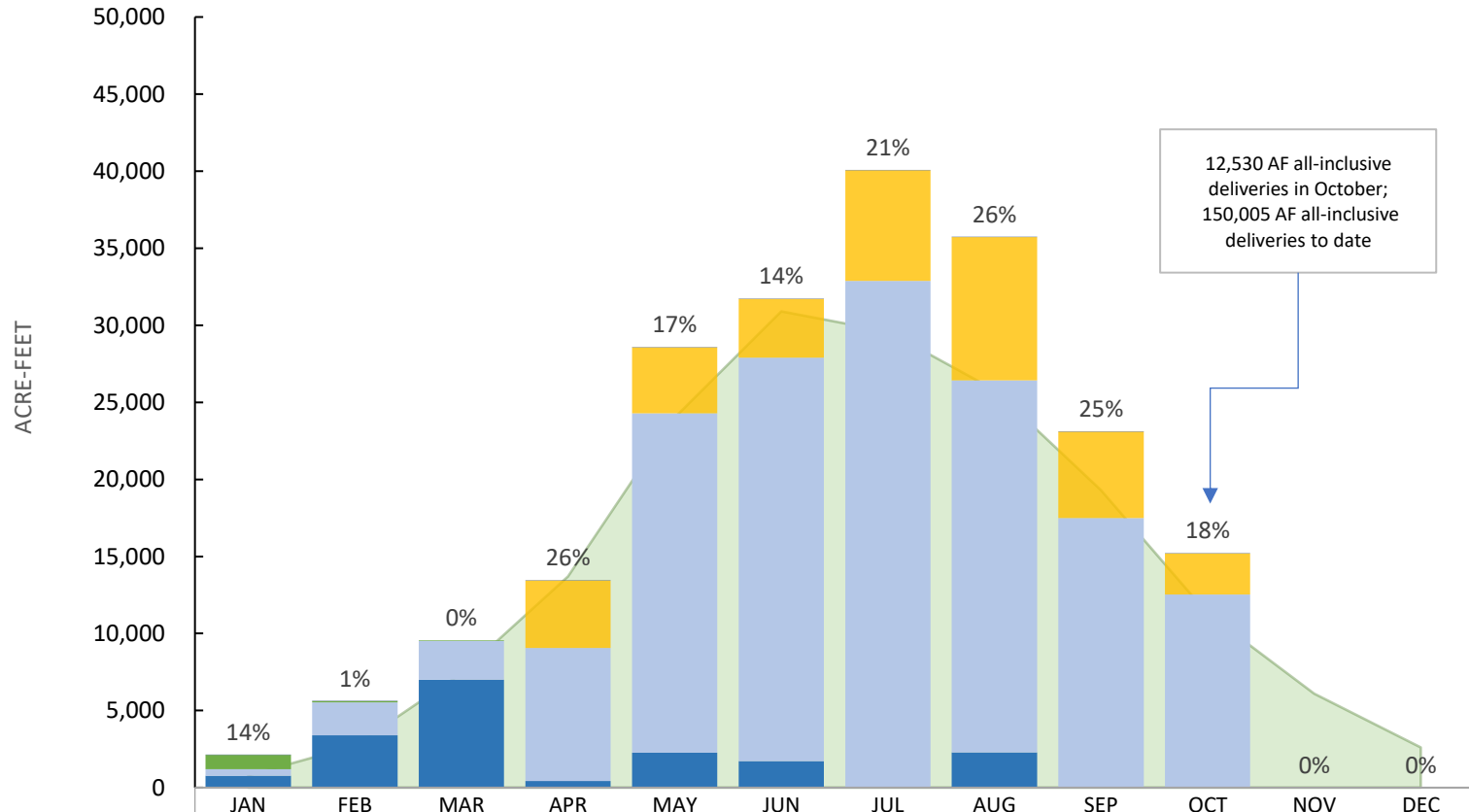
Equipment Maintenance

Eight regular vehicle services.

- Unit #385 and #386 Dump trucks were serviced, and a recall updated.
- Unit #368 Backhoe trailer had lighting and air system repair.
- Unit #798 Skip loader had rear differential serviced and brakes replaced.
- Unit #799 Skid steer loader had battery replaced.
- Unit #366A Hydro crane had front left tire replaced.

Current gasoline bulk purchase prices for the District are \$5.11 per gallon for gasoline and \$4.14 per gallon for diesel.

IN-DISTRICT WATER DEMANDS AND SURFACE WATER DELIVERIES THROUGH October 2023



	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Typical average SW demand (AF)	800	2,700	7,400	13,700	24,000	30,900	29,600	25,800	19,300	11,300	6,100	2,600
Est. % of crop water dem. from GW	14%	1%	0%	26%	17%	14%	21%	26%	25%	18%	0%	0%
Est. add'l landowner GW pumping (AF)	0	0	0	4,379	4,278	3,827	7,181	9,299	5,608	2,666	0	0
User Input GW Incl. District Wells (AF)	925	67	46	0	0	0	0	0	0	0	0	0
District Non-GW Deliveries (AF)	432	2,137	2,526	8,629	22,024	26,177	32,886	24,137	17,495	12,530	0	0
Effective Precipitation (AF)	763	3399	7002	438	2269	1713	0	2293	0	0	0	0

Wheeler Ridge-Maricopa Water Storage District

(Includes water from the State Water Project, banking projects, District wells, and User input.)

Monthly Deliveries in Acre-Feet

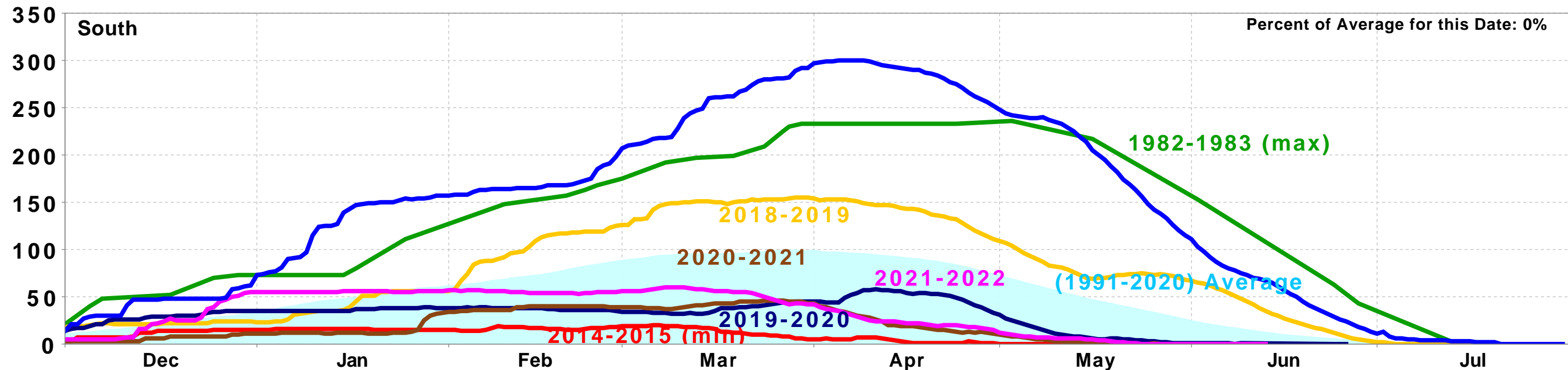
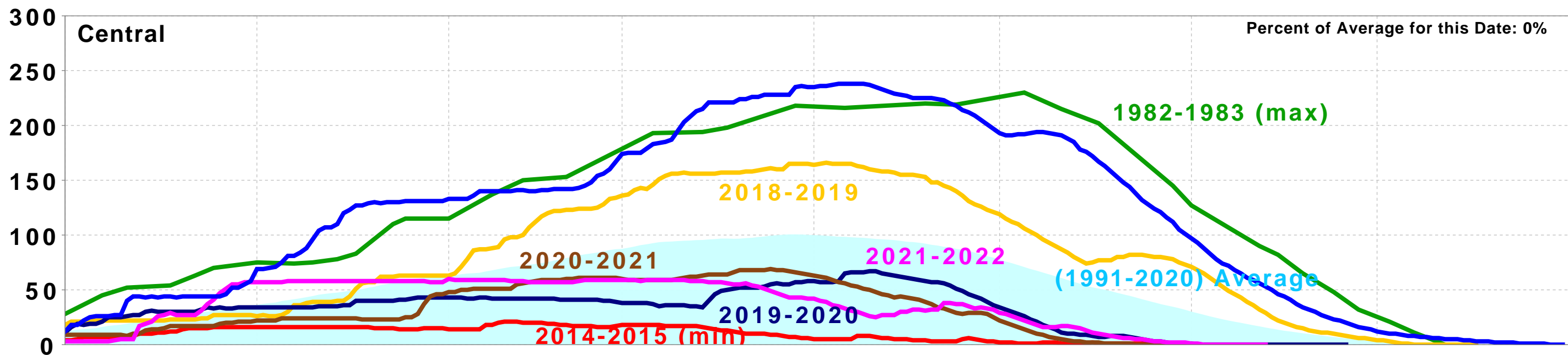
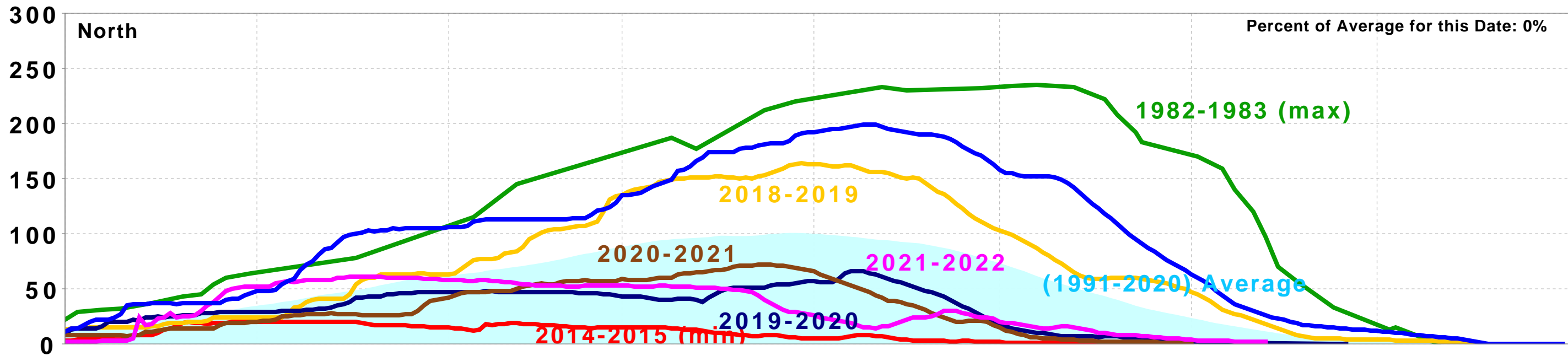
Month	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017*	2018	2019	2020	2021	2022	2023
January	1,962	5,258	1,615	1,265	894	1,613	6,108	2,213	3,367	2,210	1,223	2,425	1,785	3,055	1,386	1,785	1,094	1,357
February	7,588	7,269	6,933	2,952	3,440	5,333	8,128	6,387	6,380	4,666	3,077	1,454	7,704	1,667	4,641	4,188	4,131	2,204
March	9,315	12,557	12,392	10,151	8,440	7,938	10,696	10,695	9,627	10,157	10,218	8,184	3,174	5,494	5,170	6,838	6,387	2,572
April	10,572	15,665	17,770	17,717	12,966	13,935	10,521	16,999	13,994	17,102	13,133	14,731	13,500	14,824	7,084	13,797	11,546	8,629
May	20,700	25,488	24,384	24,151	20,664	21,545	23,320	25,754	23,317	20,936	21,496	25,759	21,858	16,441	20,278	19,202	17,606	22,024
June	26,542	29,940	27,348	26,379	29,411	27,534	29,261	29,894	25,128	24,540	29,390	32,629	28,802	27,146	24,279	26,995	23,445	26,177
July	29,107	28,394	29,661	30,156	32,124	29,719	28,259	28,599	23,476	21,401	29,546	33,290	28,233	30,633	26,042	26,560	23,709	32,886
August	25,078	21,817	22,680	22,153	23,873	24,461	25,027	24,554	17,490	18,220	26,948	26,639	26,029	27,793	22,464	18,539	17,855	24,137
September	16,897	13,924	16,050	17,453	18,335	17,923	16,678	17,090	15,244	14,908	15,452	17,376	17,705	18,343	15,043	13,169	12,837	17,495
October	9,033	9,385	10,797	11,953	8,156	12,343	13,075	13,440	13,394	10,715	11,135	14,974	13,896	12,444	10,551	7,351	7,179	12,530
November	5,438	5,609	6,093	5,669	5,872	4,699	4,895	6,485	5,412	4,862	4,957	5,351	5,867	6,300	5,171	2,689	3,190	
December	4,788	7,424	3,245	2,739	2,515	6,315	3,354	6,615	4,231	3,055	2,520	4,449	4,626	5,266	3,796	1,569	1,557	

Accumulated Monthly Deliveries in Acre-Feet

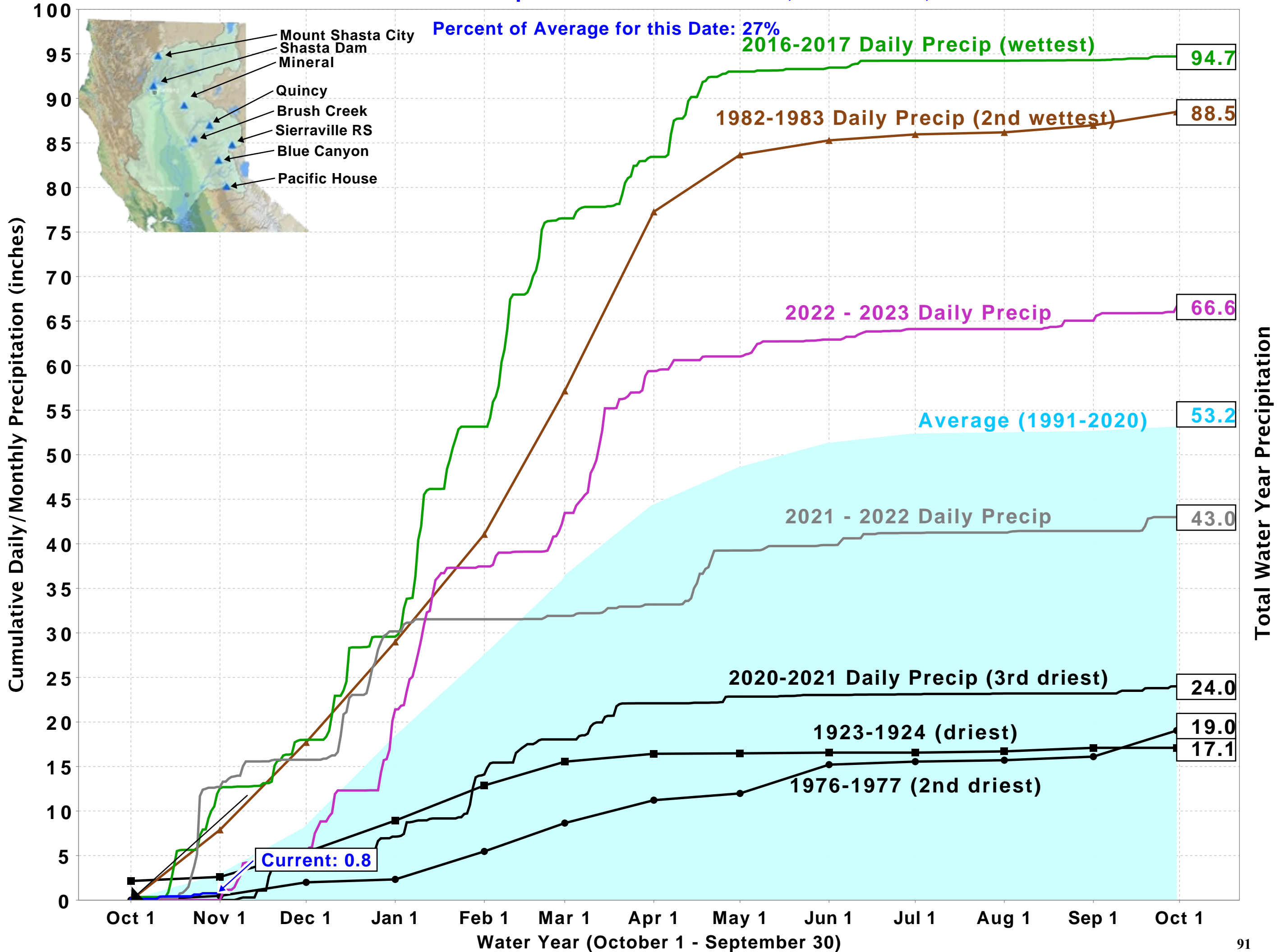
Month	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
January	1,962	5,258	1,615	1,265	894	1,613	6,108	2,213	3,367	2,210	1,223	2,534	1,785	3,055	1,386	1,785	1,094	1,357
February	9,550	12,527	8,548	4,217	4,334	6,946	14,236	8,600	9,747	6,876	4,300	3,879	9,489	4,722	6,027	5,973	5,225	3,561
March	18,865	25,084	20,940	14,368	12,774	14,884	24,932	19,295	19,373	18,191	14,518	12,063	12,663	10,216	11,197	12,811	11,612	6,133
April	29,437	40,749	38,710	32,085	25,740	28,819	35,453	36,294	33,367	35,293	27,651	26,794	26,163	25,040	18,281	26,608	23,158	14,762
May	50,137	66,237	63,094	56,236	46,404	50,364	58,773	62,048	56,684	55,071	49,147	52,553	48,021	41,481	38,559	45,810	40,764	36,786
June	76,679	96,177	90,442	82,615	75,815	63,014	88,034	91,942	81,812	79,611	78,537	85,182	76,823	68,627	62,838	72,805	64,209	62,963
July	105,786	124,571	120,103	112,771	107,939	107,617	116,293	120,541	105,288	101,012	108,082	118,472	105,056	99,260	88,880	99,365	87,918	95,849
August	130,864	146,388	142,783	134,924	131,812	132,078	141,320	145,096	122,778	119,232	135,030	145,111	131,085	127,053	111,344	117,904	105,773	119,986
September	147,761	160,312	158,833	152,377	150,147	150,001	157,998	162,186	138,022	134,140	150,482	162,487	148,790	145,396	126,387	131,073	118,610	137,481
October	156,794	169,697	169,630	164,330	158,303	162,344	171,073	175,626	151,416	144,855	161,617	177,461	162,686	157,840	136,938	138,424	125,789	150,011
November	162,232	175,306	175,723	169,999	164,175	167,043	175,968	182,111	156,828	149,717	166,574	182,812	168,553	164,140	142,109	141,113	128,979	
December	167,020	182,730	178,968	172,738	166,690	173,358	179,322	188,726	161,059	152,772	169,094	187,261	173,179	169,406	145,905	142,682	130,536	
SWP Allocation%	100%	60%	35%	40%	50%	80%	65%	35%	5%	20%	60%	85%	35%	75%	20%	5%	5%	100%
SWP Allocation (AF)	197,088	118,253	68,981	78,835	98,544	157,670	128,107	68,981	9,854	39,418	118,253	167,525	68,981	147,816	39,418	9,854	9,854	197,088

7 a/f difference

California Snow Water Content, July 31, 2023, Percent of April 1 Average



Northern Sierra Precipitation: 8-Station Index, October 31, 2023



Item 8.2.a.

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
2023 WATER SUPPLY/DEMAND ESTIMATE
 As of Nov 01, 2023

	Capacity Values in acre-feet	04/20/2023 DWR ALLOCATION	
		Supply	Shortage or (Excess)
Sacramento Valley Water Year Index (40-30-30)		Wet	
<i>Probability of Exceedance</i>			
Assumptions		100% Allocation	
<u>Estimated Demand</u>			
-- WRMWSD in-District deliveries (b)			181,200
-- less demands over the CAW			-
-- Common Landowner Transfer from WRM			-
-- Actual Groundwater Recharge			-
-- SWP Table A Banking Deliveries			-
Total Estimated Demand			181,200
<u>Surface Supplies</u>			
SWP Table A Entitlement	197,088	197,088	(15,888)
Article 21 In-district deliveries	5,991	5,991	(21,879)
KR Lower River Water	9,855	9,855	(31,734)
SWP Supply		212,934	109%
Lyndal Water	-	-	(31,734)
Lower River Water Banking deliveries	90,794	90,794	(122,528)
Article 21 Banking deliveries	6,411	6,411	
<u>Supplemental 1 Supplies - District</u>			
District Carryover (estimate)	13,611	13,611	(45,345)
Long Term- Butte County **	14,000	3,776	(49,121)
Long Term- Western Hills Water District**	8,000	2,980	(52,101)
Long Term- Mojave Water Agency**	30,000	6,743	(58,843)
Long Term- Palmdale Water District **	8,000	2,079	(60,922)
Kern Water Bank - estimate to date (c)	1,225	1,225	(62,147)
Kern Water Bank - estimated through end of year	-	-	(62,147)
Pioneer Project - estimate to date (c)	350	350	(62,497)
Pioneer Project - estimated through end of year	-	-	(62,497)
District & BRID Wells - actual	-	-	(62,497)
District & BRID Wells - estimated through EOY	-	-	(62,497)
Berrenda Mesa Project - estimate to date (c)	173	173	(62,670)
Berrenda Mesa Project - estimated thru end of year	-	-	(62,670)
Supplemental 1 Water Capacity	75,359		
DISTRICT ALLOCATION (b)		243,870	121.44%
		3.43	AF/Alloc Ac
<u>Supplemental Supplies - Water User</u>			
Water User - Carryover from 2022 (estimate)	25,998	25,998	(88,668)
User Input - actual	1,443	1,443	(90,111)
User Input - estimated through EOY	-	-	(90,111)
Landowner Transfer	-	-	(90,111)
Available Supply		245,313	
Estimated Demand		181,200	
Shortage (Excess)		(64,113)	

** WS5 Deal

(b) Based upon estimated average deliveries. Lyndal Water not yet calculated.

(c) Based on KCWA daily Summary of Water Supply Rights

WATER IN STORAGE @	2-Nov-23
LOCATION	AF
Kern Water Bank	
District	188,947
Water User 2nd Priority	35,397
KWB Tot	224,344
KCWA	39,378
In-District	18,634
SemiTropic	7,500
TOTAL KERN FAN	289,856
PRELIMINARY	
SUBJECT TO REVISION	

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

MEMORANDUM

TO: Board of Directors
 FROM: Eric McDaris, Water Resources Manager
 DATE: November 6, 2023
 SUBJECT: 2024 Carryover and Recharge Activities

To date we have delivered approximately 147,000 acre-feet, and recharged an additional 190,000 acre-feet. A breakdown of estimated deliveries is below:

Type	Banked	Delivered
Carryover	37,334	2,275
Article 21	16,583	5,991
Lower River	90,794	9,855
SWP	45,123	129,199

Recharge activities thus far have assumed, based on DWR’s monthly *Allocation Analysis*, that SLR would be nearly full or full by the end of the year. However, there have been considerable changes to DWR’s projected San Luis Reservoir storage levels. These changes are detailed in the below *Allocation Analysis* summary from the August 29th, October 3rd, and October 31st SWC Water Operations packages. Notably, the projected SWP end of year storage has decreased from full to 75% full in the 50% probability of exceedance study, and from 75% full to 41% full in the 90% probability of exceedance study.

	Dec	Dec	Dec
50% (50% Fall) Exceedance SOD	Table A =	Table A =	Table A =
Oroville EOM Storage	2190	2281	2244
Feather R. release (avg. cfs)	1756	1756	1756
SWP Banks PP exports	256	264	261
<i>Potential South of Delta Art. 21 Water Avail.</i>	0	0	0
SWP San Luis EOM Storage	1062	925	802
SWP Contractor Deliveries	282	275	276
90% Exceedance SOD	Table A =	Table A =	Table A =
Oroville EOM Storage	1914	2105	2129
Feather R. release (avg. cfs)	1756	1756	1756
SWP Banks PP exports	148	125	118
<i>Potential South of Delta Art. 21 Water Avail.</i>	0	0	0
SWP San Luis EOM Storage	796	552	441
SWP Contractor Deliveries	282	275	276

Fall X2 requirements in September and October required DWR to increase total Delta outflows. Construction on the River Valve Outlet System, which is generally used to release water for temperature management, limited Oroville releases that would have augmented the total Delta outflow and allowed for higher exports into SLR. These conditions, coupled with SWC deliveries in August and September

being higher than initially scheduled by about 61,000 acre-feet, forced DWR to draft on SLR more than was estimated.

With the reduced risk of spill, there is a question of whether the District should continue recharging. Should the Board elect to stop recharging today, the anticipated carryover is approximately 32,000 acre-feet. Should recharge operations continue through November, anticipated carryover is approximately 24,000 acre-feet. Staff feels both are generally safe and manageable carryover volumes should we need to evacuate supplies to mitigate spill, and both are within our 40,000 acre-feet share of KCWA's storage. Recharging 200 cfs per day, it would take approximately 80 days and 60 days respectively to fully evacuate the above projected carryover volumes.

If recharge operations are halted, there are a few options the Board could consider: a) the District can make capacity available for Water Users to bank their own supplies under the Second Priority program; b) the District could source outside supplemental supplies, through one of the existing WS5 term sheets, for recharge on behalf of all Water Users; c) the District could continue recharging and make some amount available for subscription in-ground to allow Water Users to augment their Sub-Accounts. As the Water Service Contract billing for 2023 is complete, any costs related to in-ground subscriptions could be invoiced through the pending 2023 Second Priority billing.

The in-District Landowner Recharge Pilot Program has recharged approximately 7,700 acre-feet to date at a total cost of approximately \$1M (before the cost of water). As there are considerable costs associated with banking under this program, consistent with the authorization provided in the Landowner Recharge Pilot Program Agreement, it is staff's recommendation that the Engineer-Manager discontinue the Program for the remainder of 2023.

Attachments: None
Filename: 8.2.b 2024 Carryover and Recharge Activities

**BEFORE THE BOARD OF DIRECTORS
OF THE
WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT**

IN THE MATTER OF:

RESOLUTION NO. 2023-XX

**FORMATION OF THE KERN WATER BANK
GROUNDWATER SUSTAINABILITY AGENCY (GSA)
COVERING THE KERN WATER BANK LANDS**

WHEREAS, in 2014 the California Legislature adopted and the Governor signed into law the Sustainable Groundwater Management Act, including Water Code § 10720 *et seq.* (“SGMA”), which became effective on or about January 1, 2015; and

WHEREAS, the intent of SGMA is to provide for sustainable management of groundwater basins at a local level by providing local agencies with the authority and assistance necessary to sustainably manage groundwater through Groundwater Sustainability Agencies (“GSAs”); and

WHEREAS, the Kern Water Bank Authority (“Authority”) operates the Kern Water Bank storage project on about 20,600 acres of land in the County of Kern, California, as depicted in Exhibit A attached hereto and made a part hereof, hereinafter the “Kern Water Bank Lands.” Such lands have been solely owned by the Authority since 1996, are located within the boundaries of a local agency member of the Authority, the Kern County Water Agency, and cover a portion of the Kern County Subbasin (Basin No. 5-022.14) of the San Joaquin Valley Groundwater Basin portion of the Tulare Lake Hydrologic Region (the “Basin”); and

WHEREAS, the California Department of Water Resources (“DWR”) has designated the Basin as a high priority basin subject to critical conditions of overdraft; and

WHEREAS, the Authority has been and is currently implementing and complying with SGMA through its participation in the Kern Groundwater Authority Groundwater Sustainability Agency (“KGA”), including the development and implementation of the Kern Water Bank Storage Project chapter of KGA’s Groundwater Sustainability Plan (“GSP”) covering the Kern Water Bank Lands for purposes of SGMA compliance; and

WHEREAS, the Authority was formed and exists pursuant to the Joint Exercise of Powers Act (Gov. Code § 6500 *et seq.*) (“JPA Act”) as a public entity separate and apart from its member entities, Dudley Ridge Water District, Kern County Water Agency, Semitropic Water Storage District, Tejon-Castac Water District, Westside Mutual Water Company, and Wheeler Ridge-Maricopa Water Storage District, for the purpose of exercising its member entities’ common powers for operation of the Kern Water Bank Storage Project on the Kern Water Bank Lands, including extraction of surface water previously stored in that portion of the Basin underlying such lands for beneficial use by its members during dry years and droughts; and

WHEREAS, while the Authority is a separate public entity with water supply and management responsibilities in the Kern Water Bank Lands portion of the Basin and contends that it is a local agency eligible to become a GSA for the Kern Water Bank Lands portion of the Basin pursuant to SGMA, without prejudice to that position and to avoid dispute with DWR or others

regarding the Authority’s eligibility to be a GSA due to one of its member entities being a mutual water company, the five local agency members of the Authority are willing to form a separate entity pursuant to the JPA Act to be the GSA for such lands; and

WHEREAS, pursuant to Water Code § 10723.6, subd. (a)(1), a combination of local agencies may elect to form a GSA pursuant to a joint powers agreement for the purpose of implementing the provisions of SGMA; and

WHEREAS, the Wheeler Ridge-Maricopa Water Storage District (“District”) desires to form a GSA to cover the portions of the Basin that are within and underlie the Kern Water Bank Lands; and

WHEREAS, the District published a notice of public hearing, pursuant to Water Code § 10723, subd. (b) and Government Code § 6066, to receive evidence, comments, questions, and any objections relative to its decision to form a GSA; and

WHEREAS, on November 8, 2023, the District’s Board of Directors conducted said public hearing prior to adopting this Resolution.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the Wheeler Ridge-Maricopa Water Storage as follows:

1. The foregoing recitals are true and correct.
2. The District does hereby elect, in combination with the other local agency member entities of the Authority, as identified above, to form the Kern Water Bank Groundwater Sustainability Agency (“KWB GSA”) to undertake sustainable groundwater management pursuant to SGMA within and underlying the Kern Water Bank Lands portion of the Basin as shown in Exhibit A attached hereto.
3. The District’s Engineer-Manager is authorized to execute the Joint Powers Agreement for the Kern Water Bank Groundwater Sustainability Agency in substantially the form attached as Exhibit B hereto, subject to the approval of the Engineer-Manager and legal counsel as to the final form of agreement, which is hereby approved.
4. The District’s staff and legal counsel and the KWB GSA are authorized to submit this Resolution and any other documentation and information as may be required by law, including Water Code § 10723.8, to KGA, DWR and others, and to take such other actions as are necessary or appropriate to effectuate the election to form the KWB GSA as provided for herein, including without limitation coordination with KGA, DWR, and any other appropriate agencies or persons.

All the foregoing being on the motion of Director _____,
seconded by Director _____ and authorized by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

I HEREBY CERTIFY that the foregoing resolution was duly passed and adopted by the Board of Directors of the Wheeler Ridge-Maricopa Water Storage District at a legally convened meeting held on the 8th day of November 2023.

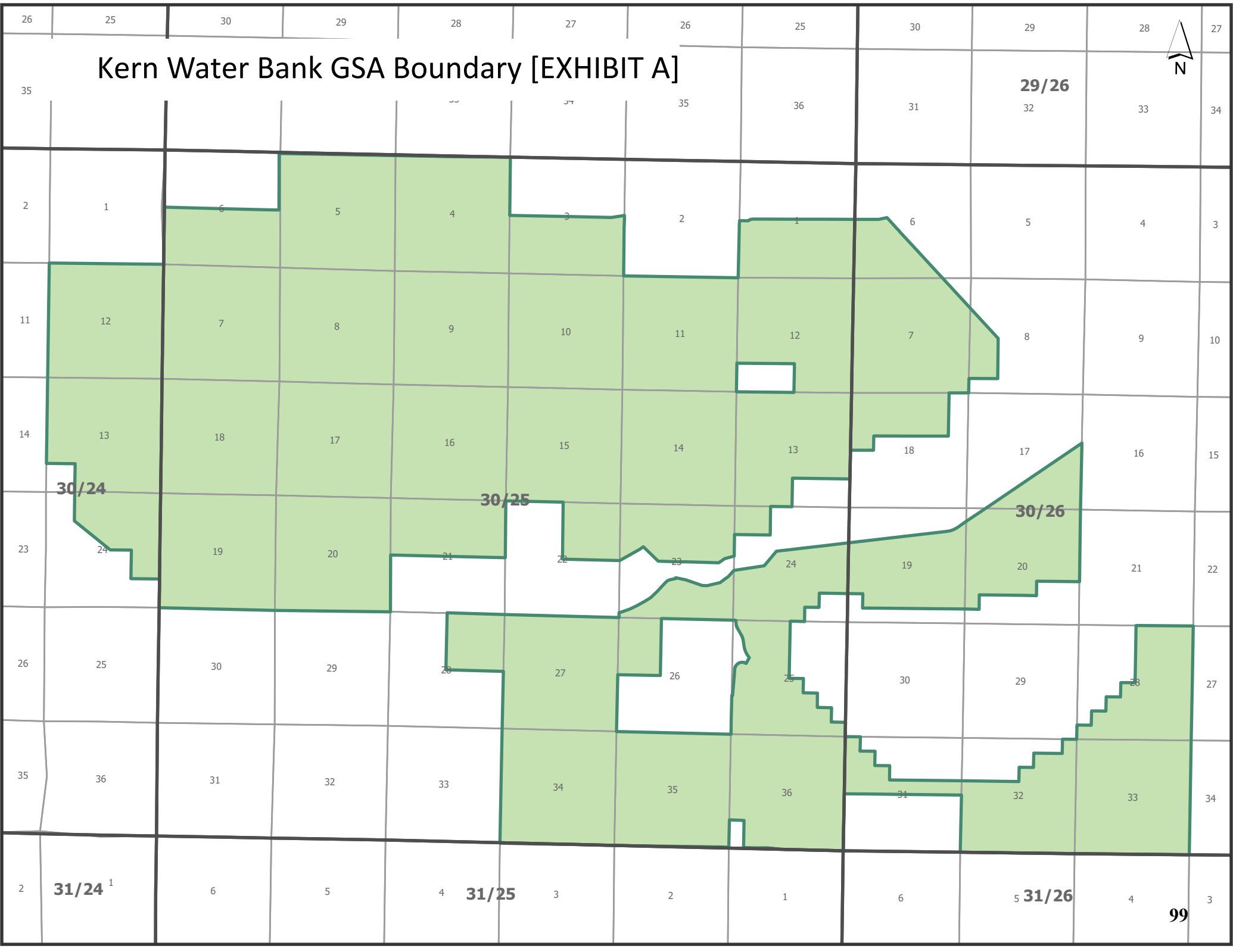
ATTESTED:

Secretary of the Board of Directors

EXHIBIT A

[KERN WATER BANK AUTHORITY GSA BOUNDARY MAP]

Kern Water Bank GSA Boundary [EXHIBIT A]



30/24

30/25

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EXHIBIT B

[JOINT POWERS AGREEMENT FOR
THE KERN WATER BANK GROUNDWATER SUSTAINABILITY AGENCY]

**JOINT EXERCISE OF POWERS AGREEMENT FOR THE
KERN WATER BANK GROUNDWATER SUSTAINABILITY AGENCY
[Kern Water Bank Lands Portion of the Basin]**

THIS AGREEMENT is entered into and effective this ____ day of November, 2023 (“**Effective Date**”), pursuant to the Joint Exercise of Powers Act, California Government Code [“Gov. Code”] § 6500 *et seq.* (“**JPA Act**”) by and among Dudley Ridge Water District, Kern County Water Agency, Semitropic Water Storage District, Tejon-Castac Water District, and Wheeler Ridge-Maricopa Water Storage District (collectively sometimes referred to herein as the “**Initial Members**”), forming the Kern Water Bank Groundwater Sustainability Agency (“**GSA**” or “**KWB GSA**”) to serve as the GSA for the Kern Water Bank Lands portion of the Kern County Subbasin (Basin No. 5-022.14) of the San Joaquin Valley Groundwater Basin portion of the Tulare Lake Hydrologic Region, as described herein.

RECITALS

THIS AGREEMENT is made with reference to the following facts:

A. WHEREAS, the Sustainable Groundwater Management Act, including, but not limited to, Water Code § 10720 *et seq.* (“**SGMA**”), requires one or more Groundwater Sustainability Agencies (“**GSAs**”) to manage medium and high priority groundwater basins throughout the state through the adoption and implementation of one or more Groundwater Sustainability Plans (“**GSPs**”). SGMA defines “basin” as a basin or sub-basin identified and defined in Bulletin 118, a publication of the California Department of Water Resources (“**DWR**”).

B. WHEREAS, the Kern County Subbasin (“**Basin**”), identified and defined in Bulletin 118 as Basin No. 5-022.14, has been designated by DWR as a high priority basin.

C. WHEREAS, the Kern Water Bank Authority (“**Authority**” or “**KWBA**”), is a separate public entity formed on October 16, 1995, by and between the Initial Members and Westside Mutual Water Company, LLC (“**WMWC**” or “**Participant**”) pursuant to the Joint Powers Agreement for the Kern Water Bank Authority (“**KWBA JPA**,” as defined below) and the JPA Act. Since 1996, the Authority has exclusively owned about 20,600 acres of land within the Basin, hereafter referred to as the “**Kern Water Bank Lands**.”

D. WHEREAS, the map attached hereto as **Exhibit A** depicts the existing boundaries of the Kern Water Bank Lands.

E. WHEREAS, the Kern Water Bank Lands are used for operation of the Kern Water Bank storage project (“**KWB Project**” or “**Project**”), are located within the boundaries of a local agency and Initial Member hereof, the Kern County Water Agency, and cover a portion of the Basin.

F. WHEREAS, the Authority has been participating in sustainable groundwater management relative to the KWB Project and the Kern Water Bank Lands through the Kern Groundwater Authority Groundwater Sustainability Agency (“KGA”), including the development and approval of the KWB Project chapter of KGA’s GSP, which covers the Kern Water Bank Lands for purposes of SGMA compliance and is subject to change in light of DWR’s determination that the Basin GSPs are inadequate (by letter dated March 2, 2023).

G. WHEREAS, the Authority previously elected to be a GSA for the Kern Water Bank Lands, but DWR and SWB staff have questioned the Authority’s eligibility to become a GSA due to one of its six member entities being a mutual water company.

H. WHEREAS, to avoid a dispute regarding the Authority’s eligibility to become a GSA and without admitting the Authority is not eligible, the Initial Members hereof, each of which is a local agency as defined by Water Code § 10721, subd. (n) of SGMA, are willing to combine to form a GSA for the portion of the Basin within and underlying the Kern Water Bank Lands pursuant to Water Code § 10723.6, subd. (a)(1), and also, as permitted by Water Code § 10723.6, subd. (b), authorize the GSA to enter into a separate legal agreement with WMWC, the Authority’s sole mutual water company member entity, providing that WMWC shall have the same rights and duties of participation in the GSA as the Initial Members hereof, including representation on the GSA’s Board of Directors and sharing and payment of all its financial obligations, as specified herein.

I. WHEREAS, each of the Initial Members is duly organized and existing under the laws of the State of California and is a local agency qualified to form a GSA under SGMA.

J. WHEREAS, pursuant to SGMA, specifically Water Code § 10723.6, subd. (a), and the JPA Act, the Initial Members, as a combination of local agencies, are authorized to create a joint powers agency to jointly exercise any power common to the Members together with such powers as are expressly set forth in the JPA Act and SGMA.

K. WHEREAS, the Initial Members desire, and as provided herein, agree to create the KWB GSA as a separate entity under the JPA Act for the purpose of undertaking and carrying out sustainable groundwater management pursuant to SGMA within the Kern Water Bank Lands portion of the Basin subject to the terms of this Agreement.

THEREFORE, in consideration of the mutual promises, covenants, and conditions herein set forth, the Members agree as follows:

ARTICLE 1:

DEFINITIONS

Section 1.1 Definitions. As used in this Agreement, unless the context requires otherwise, the meaning of the terms hereinafter set forth shall be as follows:

(a) **“Agreement”** and **“JPA Agreement”** shall mean this Joint Exercise of Powers Agreement for the Kern Water Bank Groundwater Sustainability Agency.

(b) **“Authority”** and **“KWBA”** shall mean the Kern Water Bank Authority created as a separate public entity pursuant to the JPA Act and the Joint Powers Agreement for the Authority, dated October 16, 1995, as restated and amended, between the Initial Members which are signatories to this Agreement (DRWD, KCWA, SWSD, TCWD and WRMWSD, as defined below), and WMWC. The Authority exclusively holds fee title to the Kern Water Bank Lands and owns and operates the KWB Project thereon.

(c) **“Base Shares”** shall mean the respective shares of the parties to the KWBA JPA (as defined below) of the costs and benefits of the KWB Project, as allocated and set forth in Section 5.4 of the KWBA JPA, and as may be adjusted in the future pursuant to the KWBA JPA. Which allocations and adjustments thereto, if any, are deemed incorporated herein. As of the Effective Date, the parties’ respective Base Shares are as follows: DRWD (9.62%), KCWA (9.62%), SWSD (6.67%), TCWD (2.00%), WMWC (48.06%), and WRMWSD (24.03%).

(d) **“Basin”** shall mean the Kern County Subbasin as identified and defined by DWR in Bulletin 118 (as Basin No. 5-022.14) as of the Effective Date of this Agreement or as modified pursuant to Water Code § 10722.2.

(e) **“Board of Directors”** and **“Board”** shall mean the governing body formed to implement this Agreement as established herein, and **“Director”** or **“Directors”** mean the individual member or members of the Board appointed pursuant to Section 3.1.

(f) **“Bonds”** shall mean any bonds, loans, notes or other evidences of indebtedness of the GSA (excluding warrants and checks), authorized and issued pursuant to the JPA Act.

(g) **“Bulletin 118”** shall mean DWR’s report, “California Groundwater: Bulletin 118,” updated in 2016 and 2020, and as it may be subsequently revised in accordance with Water Code § 12924.

(h) **“DRWD”** shall mean Dudley Ridge Water District, a California water district formed and existing pursuant to the California Water District Law (Water Code § 34000 *et seq.*).

(i) **“DWR”** shall mean the California Department of Water Resources.

(j) **“Effective Date”** shall mean the date set forth in the Preamble of this Agreement.

(k) “**GSP**” shall mean a Groundwater Sustainability Plan as defined by SGMA in Water Code § 10727 *et seq.*

(l) “**GSA**” or “**KWB GSA**” shall mean the Kern Water Bank Groundwater Sustainability Agency formed by the Initial Members pursuant to this Agreement in accordance with applicable provisions of SGMA including Water Code §§ 10723.6, 10723.8.

(m) “**Kern Water Bank Lands**” shall mean those lands located within the Basin as depicted in Exhibit A, attached hereto and incorporated herein.

(n) “**JPA Act**” shall mean the Joint Exercise of Powers Act, Gov. Code § 6500 *et seq.*

(o) “**KCWA**” shall mean the Kern County Water Agency, a California special district formed and existing pursuant to the Kern County Water Agency Act (uncodified Water Code Chapter 99).

(p) “**KWBA JPA**” shall mean the “Joint Powers Agreement for the Kern Water Bank Authority,” dated October 16, 1995, among the Initial Members and WMWC and which created the Authority, as subsequently amended by the “First Amended and Restated Joint Powers Agreement for the Kern Water Bank Authority,” dated July 19, 1999, the “Second Amendment to Joint Powers Agreement for Kern Water Bank Authority,” dated March 15, 2001, the “Third Amendment to Joint Powers Agreement for Kern Water Bank Authority,” dated January 1, 2004, the “Fourth Amendment to Joint Powers Agreement for Kern Water Bank Authority,” dated January 1, 2006, and the “Fifth Amendment to Joint Powers Agreement for Kern Water Bank Authority,” dated March 8, 2013, and as may be amended in the future.

(q) “**Member**” shall mean any of the signatories to this Agreement, and “**Members**” shall mean all of the signatories to this Agreement, collectively, and shall include the Initial Members.

(r) “**Operating Rules and Regulations**” shall have the meaning set forth in Section 2.5(l).

(s) “**SWSD**” shall mean Semitropic Water Storage District, a California water storage district formed and existing pursuant to the California Water Storage District Law (Water Code § 39000 *et seq.*).

(t) “**SGMA**” shall mean the Sustainable Groundwater Management Act, including Water Code § 10720 *et seq.*, as SGMA may be amended from time to time.

(u) “**State**” shall mean the State of California.

(v) “**SWB**” and “**State Water Board**” shall mean the California State Water Resources Control Board.

(w) “**TCWD**” shall mean Tejon-Castac Water District, a California water district formed and existing pursuant to the California Water District Law (Water Code § 34000 *et seq.*).

(x) “**WMWC**” and “**Participant**” shall mean Westside Mutual Water Company, LLC.

(y) “**WRMWS**” shall mean Wheeler Ridge-Maricopa Water Storage District, a California water storage district formed and existing pursuant to the California Water Storage District Law (Water Code § 39000 *et seq.*).

ARTICLE 2:

FORMATION, PURPOSE AND POWERS

Section 2.1 Recitals. The foregoing recitals are incorporated herein by reference.

Section 2.2 Creation of GSA. Pursuant to the JPA Act, the Initial Members hereby form and create a public entity to be known as the “Kern Water Bank Groundwater Sustainability Agency” (“KWB GSA” or “GSA”), as a public entity separate and apart from its Members.

Section 2.3 GSA for the Kern Water Bank Lands. The KWB GSA shall serve as the GSA for the portion of the Basin that is conterminous with the extent of the Kern Water Bank Lands as depicted in Exhibit A, attached hereto, which may be amended from time to time pursuant to SGMA. In approving this Agreement and deciding that the KWB GSA shall serve as the GSA for the Kern Water Bank Lands portion of the Basin, each of the parties signatory to this Agreement and the KWB GSA, as applicable, shall comply with Water Code § 10723, subd. (b), including any applicable public notice and hearing requirements, and as provided in Section 2.7, the GSA shall notify DWR of the GSA’s intention to undertake sustainable groundwater management and provide all information required to become or form a GSA, including each party’s resolution approving this Agreement and formation of the GSA, as required by Water Code § 10723.8, subd. (a), and shall also make any other filings with regulatory agencies or others as necessary to become and serve as a GSA for the Kern Water Bank Lands.

Section 2.4 Purposes. The purposes of this Agreement are to provide for the joint exercise, through the GSA, of the powers common to each of the Members to implement and comply with SGMA in the Kern Water Bank Lands portion of the Basin, consistent with the provisions of this Agreement, by serving as the GSA for the Kern Water Bank Lands portion of the Basin and preparing and implementing a legally compliant GSP, or chapter, management area plan, or other part of a GSP for the Kern Water Bank Lands, coordinating with the other GSAs in sustainably managing the Basin, participating in meetings, actions, and proceedings conducted pursuant or in relation to SGMA, and otherwise carrying out sustainable groundwater management in the Basin pursuant to and in compliance with SGMA.

Section 2.5 Powers. To achieve the purposes described in Section 2.4, the KWB GSA shall have and may exercise any powers as permitted by law from time to time consistent with the

limitations set forth in this Agreement. Such powers shall include, but not be limited to, the following powers subject to the limitations set forth in this Agreement:

(a) To prepare and adopt GSP revisions, amendments, and updates, prepare and submit annual reports, implement projects and management actions, and take all other actions required to carry out SGMA consistent with this Agreement.

(b) To make and enter contracts necessary to the fullest exercise of its powers.

(c) To contract for services of engineers, attorneys, planners, financial consultants, biologists, environmental consultants, accountants, and other consultants, and separate and apart therefrom, to employ such other persons and entities as it deems necessary to achieve its purposes including administration and management of this GSA and preparation of the GSP or part thereof for the Kern Water Bank Lands.

(d) To enter into agreements with the Members, the United States of America, the State, Participant, or any other public or private entity for any purpose authorized by this Agreement.

(e) To acquire, by eminent domain or otherwise, and to hold property necessary to the full exercise of its powers, and, subject to the limitations set forth herein, to dispose of property and any other assets.

(f) Subject to the limitations set forth herein, to incur debts, liabilities, or obligations, to issue bonds, notes, certificates of participation, guarantees, equipment leases, reimbursement obligations and other indebtedness, to pledge, mortgage, assign, encumber, and hypothecate assets and revenues of the GSA, to assess Members and Participant, to impose and collect user fees and charges and assessments, and to enter into leases, installment sales, and installment purchase contracts, all as hereinafter provided.

(g) To apply for, accept, and receive licenses, permits, approvals, agreements, grants, loans, gifts, contributions, donations, or other aid from any agency of the United States of America, the State of California, or other public or private person or entity necessary for the GSA's full exercise of its powers.

(h) To sue and be sued in its own name and participate in executive, administrative, regulatory, and court proceedings.

(i) To perform all acts necessary or proper to carry out fully the purposes and provisions of this Agreement.

(j) To appoint agents.

(k) To enforce all provisions of this Agreement.

(l) To adopt rules, regulations, policies, bylaws, and procedures covering the operation of the GSA (sometimes hereinafter referred to as the "Operating Rules and Regulations").

- (m) To exercise any power necessary or incidental to the foregoing powers.

Section 2.6 Designation. For purposes of Gov. Code § 6509 and Water Code § 10730.6, subd. (d), the powers of the KWB GSA shall be exercised subject to the restrictions upon the manner of exercising such powers as are imposed on DRWD, and in the event of the withdrawal of DRWD as a Member under this Agreement the manner of exercising the GSA's powers shall be exercised subject to those restrictions imposed on TCWD.

Section 2.7 Notices. Within 30 days after the Effective Date, and after any amendment hereto, the KWB GSA shall cause a notice of this Agreement to be prepared and filed with the Office of the California Secretary of State containing the information required by Gov. Code § 6503.5. Within 70 days after the Effective Date, the KWB GSA shall cause a statement of the information concerning the GSA, as required by Gov. Code § 53051, to be filed with the Office of the California Secretary of State and with the County Clerk for the County of Kern, setting forth the facts required to be stated pursuant to Gov. Code § 53051, subd. (a), and within 10 days after any change in such facts cause to be filed an amended statement containing the information required by Gov. Code § 53051, subd. (a) as required by Gov. Code § 53051, subd. (b). Within 30 days after the Effective Date, or other time period required by law, the KWB GSA shall inform DWR of the Members' decision and intent to form the GSA and undertake sustainable groundwater management within the Kern Water Bank Lands through this GSA in accordance with Water Code § 10723.8.

Section 2.8 Term. This Agreement shall be effective as of the Effective Date and shall remain in effect until terminated by mutual agreement of all Members. The GSA shall continue in existence until dissolved pursuant to mutual agreement of all Members; provided, however, that the GSA shall continue to exist for the purposes of: disposing of all claims, payment of debt services with respect to any Bonds which have been issued or which have been authorized for issuance and satisfaction of other covenants contained in any resolution and trust indenture relating to said Bonds, reimbursement owed to financial institutions which have secured such Bonds or other parties advancing funds to the GSA and satisfaction of other covenants contained in reimbursement agreements with such financial institutions, and distribution of assets and all other functions necessary to conclude the affairs of the GSA. The Board of Directors is vested with all powers of the GSA for purpose of winding up and dissolving the business affairs of the GSA, as provided in Section 5.5 hereof.

Section 2.9 GSA Boundary. The KWB GSA's boundary is that portion of the Basin that will be managed by the KWB GSA pursuant to SGMA as depicted in Exhibit A attached hereto, and as may be adjusted from time to time pursuant to applicable provisions of law.

Section 2.10 Participation Agreement(s). Once this Agreement is fully executed, the KWB GSA is authorized to and shall before the first Board of Directors' Meeting offer to enter into a separate memorandum of agreement or other legal agreement with WMWC (Participant) in compliance with Water Code § 10723.6, subd. (b), of SGMA, wherein it is agreed that Participant shall have all the rights and duties of participation in the KWB GSA as if it were a Member, including representation on the Board of Directors and sharing and payment of KWB GSA costs,

debts, liabilities, and other financial obligations, consistent with applicable provisions of this Agreement, in substantially the form of agreement attached as **Exhibit B** hereto. The intention being that, except as otherwise provided herein and while said participation agreement is in effect, Participant shall have the same rights and duties of participation in the GSA as the Members. Accordingly, to the extent consistent with applicable law and for avoidance of doubt although Participant is not one of the Members combining to form the KWB GSA under this Agreement, the terms “Member” and “Members” as used herein regarding the Members’ rights and duties of participation in the GSA shall, upon the execution of the Participation Agreement by WMWC under section 2.10, be construed to include Participant as necessary, unless the context requires otherwise. The GSA’s Board of Directors shall have authority to authorize the KWB GSA to enter into additional participation agreements subject to the super-majority voting requirements described in Section 3.3(b) below, consistent with applicable provisions of law.

ARTICLE 3:

INTERNAL ORGANIZATION

Section 3.1 Governing Body.

(a) **Board of Directors.** The business of the KWB GSA will be conducted by a Board of Directors that is hereby established and shall consist of one Director appointed by each of the Members and the Participant; except, however, any Member or Participant holding in excess of 25 percent of the Base Shares shall have the right to designate two Directors. The Director and alternates for each Director, shall from time to time be selected from and designated in writing by the governing body of each of the Members. The governing body of each of the Members and Participant shall also designate the order in which the alternates shall serve in the absence of the Director, if more than one alternate is designated for a Director, i.e., the first alternate, second alternate, etc. The role of alternate Director shall be to assume the duties of the director appointed by his or her Member or Participant, in case of the absence or unavailability of such Director, including, but not limited to, participating in open session and closed session deliberations and casting votes on matters before the Board of Directors. The Directors and alternate Directors so named shall serve at the pleasure of their appointing governing body and shall continue to serve until the respective successors are appointed. Pursuant to Gov. Code § 54956.96, closed session information may be disclosed to each Member’s and Participant’s legal counsel and members of their legislative bodies as provided by that section, and alternates may participate in closed sessions as authorized by that section.

(b) **Voting.** Each of the Director’s voting right and power shall be equal to his or her Member’s or Participant’s Base Shares, except that during any period that a Member or Participant appoints two Directors to the Board, pursuant to Section 3.1(a) above, each such Director shall have the power to vote 50 percent of the Base Shares of the Member he or she represents.

Section 3.2 Modifications to Board. The composition of the Board of Directors may be modified from time to time to reflect the withdrawal or termination of any Member or Participant or the admission of any new Member or Participant to the GSA, including but not

limited to pursuant to a participation agreement, subject to the procedures provided herein. Admission and withdrawal of new Members and modifications to the Board of Directors to reflect such changes shall not constitute an amendment of this Agreement.

Section 3.3 Meetings.

(a) The Board of Directors shall hold at least one regular meeting each year, and, by resolution, may provide for the holding of regular meetings at more frequent intervals. The date upon which, and the hour and place at which, each such regular meeting shall be held shall be fixed by resolution of the Board; provided, however, the initial meeting of the Board shall occur not later than 90 days after the Effective Date. Special meetings of the Board may be called in accordance with the provisions of Gov. Code § 54956, as amended from time to time. All meetings of the Board shall be called, held, noticed and conducted subject to the provisions of the Ralph M. Brown Act (Gov. Code § 54950 *et seq.*). Compensation and reimbursable expenses of the Board members shall be set from time to time by resolution of the Board.

(b) A quorum of the Board for the transaction of business shall consist of Directors representing a majority of the Members' and Participant's Base Shares, except that less than a quorum may adjourn from time to time. The affirmative vote of the majority of the Base Shares represented at a duly called meeting at which a quorum is present and eligible to vote on the matter under consideration shall be required for any action of the Board of Directors on such matter, except that the following actions shall require an affirmative vote at least equal to either (i) the percentage of the Base Shares equivalent to that held by the two Members (including Participant) holding the largest percentage of Base Shares and eligible to vote on such action (regardless of how voting on a particular matter), plus one percent, or (ii) sixty percent of the Base Shares eligible to vote on such action, whichever percentage is greater:

(1) incur any indebtedness (other than debts incurred in the ordinary course of business) or make a discretionary distribution of any income, except for distributions upon termination of this Agreement or dissolution of the KWB GSA;

(2) sell, exchange, or transfer any real or personal property exceeding \$100,000.00 in value;

(3) adopt, amend, or repeal bylaws or rules and regulations;

(4) as a debtor, file a petition for relief, or voluntarily seek the benefit of any bankruptcy law, seek the appointment of a trustee, receiver, or liquidator for all or substantially all the KWB GSA's assets or make a general assignment for the benefit of creditors;

(5) initiate litigation or other judicial arbitration or administrative actions where the amount claimed exceeds \$500,000.00, or settle or compromise any claim against the KWB GSA where the settlement or compromise exceeds \$500,000.00;

(6) levy an assessment as provided at Section 4.5(a);

(7) approve preparation or amendment, modification or update of a GSP, or chapter, management plan, or other portion of a GSP, relating to the Kern Water Bank

Lands, or approve implementation of any GSP project or management actions relating to such lands including KWB Project operations;

(8) approve any Basin coordination agreement; and

(9) approve any additional GSA participation agreements pursuant to Section 2.10.

Provided, however, if any Member or Participant does not vote upon such a matter requiring more than a majority vote for two consecutive meetings of the Board of Directors at which a quorum is present and eligible to vote and at which meetings the matters was brought up for a vote, then at a third meeting at which a quorum is present and eligible to vote and at which meetings the matter was brought for a vote, the vote shall be tabulated without consideration of such non-voting Member's Base Shares, unless such Member or Participant is eligible to vote at such third meeting and casts its vote for or against such matter. Such votes may be brought up over a period of time not less than two weeks, except in event of an emergency, such votes may be brought up over a shorter period of time. An "emergency" means a sudden, unexpected occurrence, involving a clear and imminent danger, demanding immediate action to prevent or mitigate loss of, or damage to, life, health, property, or essential public services.

(c) The Board of Directors shall select a Chair from among the Directors who shall be the presiding officer at all Board meetings and a Vice Chair from among the Directors who shall serve in the absence of the Chair. The terms of office of the Chair and the Vice Chair shall be set by the Board of Directors; provided, however, that the office shall be declared vacant if the person serving dies, resigns, or is removed by his or her Member or Participant as its representative on the GSA, or if his or her Member or Participant withdraws from this Agreement pursuant to any of the provisions hereof. The Board of Directors shall also appoint a Secretary, who shall be responsible for keeping and providing to all Members and Participant a copy of the minutes of all meetings of the Board and all other official records of the GSA, and the Board may also appoint or employ such other officers and employees as it deems necessary to carry out the purposes of this Agreement, including, but not limited to, a Treasurer as provided in Section 4.2(c) below. Such offices may be held by separate officers or employees or may be combined and held by one such officer or employee, as provided by the Board of Directors. Each officer shall hold office for a period of one year commencing the first day of each fiscal year. Any officer, employee, or agent of the Board may also be an officer, employee, or agent of any of the Members or Participant. The appointments by the Board of such person shall be evidence that the two positions are compatible.

(d) The Board of Directors may, as it deems appropriate, appoint committees to accomplish the purposes set forth herein. Any meeting of such a committee shall be deemed to be a meeting of the GSA for compensation purposes only and all such meetings shall be open to all Board Members. All meetings of committees shall be called, held, noticed, and conducted subject to the provisions of the Ralph M. Brown Act, to the extent applicable.

Section 3.4 Rules and Regulations, Bylaws, Resolutions, and Ordinances. The Board may from time to time adopt an official seal for the KWB GSA and may adopt rules and

regulations, bylaws, resolutions, and ordinances (sometimes referred to herein as “Operating Rules and Regulations”) to, among other things, provide for the effective and efficient administration of the GSA. In the event of conflict between this Agreement and any rule, regulation, bylaw, resolution, or ordinance, the provisions of this Agreement shall govern.

Section 3.5 Administration and Management. The Members do not anticipate that the KWB GSA will need to hire its own employees and intend for the Board of Directors to provide for the most efficient administration, management, and carrying out of this Agreement and the GSA, by entering into an arrangement with the Authority whereby the Authority will be paid or reimbursed as appropriate to provide administration, management, and other services, including, but not limited to, preparation and keeping of separate books and records, plans, and reports, and staff support, for the GSA as needed. To the extent the Authority does not provide such services, the Board shall designate a willing Member or Participant or enter into an arrangement with some other appropriate party to provide such services as needed on mutually agreeable terms and conditions. Notwithstanding the foregoing, however, as determined appropriate by the Board, the GSA may hire or contract with employees, consultants, legal counsel, or others to provide administrative, management, legal, consulting, and other services to the GSA as needed.

Section 3.6 Principal Office. The office of the KWB GSA for purpose of holding meetings and conducting other business shall be 1620 Mill Rock Way, Suite 500, Bakersfield, CA 93311; provided; however, the Board of Directors may change the principal office from one location to another, in Kern County, which shall not constitute an amendment of this Agreement.

Section 3.7 Liability of Board and Officers. The funds of the KWB GSA may be used to defend, indemnify, and hold harmless the GSA, any Director, alternate Director, officer, or employee for actions taken within the scope of the authority of the GSA. Nothing herein shall limit the right of the GSA to purchase insurance to provide such coverage as is hereinabove set forth.

Section 3.8 Status of Officers and Employees. All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, worker’s compensation, and other benefits which apply to officers, agents, or employees of any of the Members or Participant when performing functions for their respective Members or Participant shall apply to such persons to the same degree and extent while they are engaged in the performance of any of the functions and duties under this Agreement. None of the officers, agents, or employees appointed by the KWB GSA shall be deemed, by reason of their employment by the GSA, to be employed by any of the Members or Participant or, by reason of their employment by the GSA, to be subject to any of the requirements of such Members or Participant.

ARTICLE 4:

FINANCIAL PROVISIONS

Section 4.1 Fiscal Year. The fiscal year of the KWB GSA shall be the same as the calendar year (i.e., January 1st through December 31st) or as otherwise established by resolution of the Board of Directors.

Section 4.2 Depository.

(a) The Board shall designate the Treasurer of the GSA, who shall be the depository and have custody of all money of the GSA, from whatever source, subject to the applicable provisions of any indenture or resolution provided for a trustee or other fiscal agent. All funds of the GSA shall be held in separate accounts in the name of the GSA and not commingled with funds of any Member or Participant or any other person or entity, including those of the Authority.

(b) The Treasurer shall perform the duties specified in Gov. Code §§ 6505 and 6505.5.

(c) The Board may transfer the responsibilities of Treasurer to any person or entity as the JPA Act may provide from time to time.

(d) All funds of the GSA shall be strictly, and separately, accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year. The books and records of the GSA shall be open to inspection by the Members and Participant at all reasonable times and by bondholders and lenders as and to the extent provided by resolution or indenture. The Board shall contract with a certified public account or public accountant to make an annual audit of the accounts and records of the GSA, which shall be conducted, at a minimum, in accordance with the requirements of the State Controller under Gov. Code § 26909 and shall conform to those standards published by the Government Accounting Standards Bureau, as they pertain to special districts.

(e) The compensation of the Treasurer shall be set by the Board.

(f) All expenditures within the designations and limitations of the applicable approved budget shall be made upon the approval of any officer so authorized by the Board in accordance with any rules and regulations adopted by the Board. The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon approval and written order of the Board. The Board shall requisition the payment of funds only upon the approval of claims or disbursements and requisition for payment in accordance with rules, regulations, policies, procedures, and bylaws adopted by the Board.

Section 4.3 Fidelity Bonds. The Board shall from time to time designate the officers and persons, in addition to those specified in Section 4.2, above, who shall have charge of, handle, or have access to, any property of the GSA. Each such officer or person, including those specified in said Section 4.2, shall file a fidelity bond in an amount designated by the Board. Such designations shall be subject to ratification by the Members, in compliance with Gov. Code § 6505.1. Should the existing fidelity bond or bonds of any such officer or person be extended to cover the obligations provided herein, said bond shall be the official bond required herein. The premiums of any such fidelity bonds attributable to the coverage required herein shall be appropriate expenses of the GSA.

Section 4.4 Annual Budgets.

(a) As soon as practical after the Effective Date of this Agreement and thereafter at least thirty (30) days prior to the commencement of each fiscal year, the Board shall adopt for the ensuing fiscal year appropriate budgets, which may be more specifically identified and the method of apportionment described in rules and regulations adopted by the Board, including budgets for administration, fixed operation and maintenance costs, variable operation and maintenance costs, capital improvement costs, if any, including debt service for such improvements, and, so long as applicable, for start-up costs.

Section 4.5 Contributions/Assessments/Remedies for Non-Payment.

(a) In proportion to each of the Member's and Participant's respective Base Shares or as the Members and Participant may otherwise unanimously agree in writing, each of the Members and Participant agree to bear and share in payment of the administrative, operating, and all other costs and debt service, liabilities, and obligations associated with creation, administration, management, and implementation of the GSA for purposes of compliance with or carrying out SGMA, including, but not limited to, preparation and implementation of the GSP (or part thereof) applicable to the Kern Water Bank Lands and any projects and management actions of the GSA, participation in the Basin coordination committee, or other coordinated activities, and participation in meetings and any legal or other proceedings relating to the GSA's SGMA compliance.

(b) The Board may from time to time as it deems necessary and appropriate levy assessments, charges, or fees on the Members and Participant (herein collectively referred to as "Assessments"), which assessments shall be for all costs, debt service, liabilities, and other obligations of the GSA, as described in subsection (a) immediately above, within the adopted budgets or fee schedules or as otherwise approved by the Board. The overall structure for such assessments may be set forth in Operating Rules and Regulations adopted by the Board or as otherwise determined by the Board from time to time. Such assessments shall be paid in full within such time period as set forth below in subsection (c). Furthermore, notwithstanding any other provisions of this Agreement, the Board shall establish an Assessment for debt service to provide sufficient funds for the Authority to meet its debt service obligations for any Bonds issued by the GSA, which shall be levied in proportion to each of the Member's and Participant's respective Base Shares, provided, however, the rate of assessment shall vary depending on whether the Bonds attributed to each Member and Participant were issued on a tax-exempt basis, as applicable. For avoidance of any doubt, each of the Members and Participant agrees that the GSA may levy Assessments without having to comply with the requirements of Propositions 13, 26, or 218 (Cal. Constitution, Articles 13, 13A, 13B, 13C and 13D), Water Code §§ 10730 through 10730.6, inclusive, or any other existing or future constitutional amendment or other law that may impose additional procedural or substantive requirements on the GSA with respect levying of the Assessments and waives any and all rights it may have to challenge the Assessments based on any such laws, if applicable.

(c) In addition to other remedies which are otherwise available for breach of this Agreement or of any Operating Rules and Regulations adopted by the Board of Directors, the following shall apply with respect to non-payment or late payment of any Assessments:

(1) A Member and Participant shall be delinquent if Assessments are not paid within 60 days of receipt of an invoice for said assessment. Receipt is presumed to occur five days after mailing by first class mail, postage prepaid. A late charge of five percent of the delinquent amount due shall be assessed if the Assessment is not paid in full within 60 days after the invoice is deemed received. Thereafter, interest shall accrue on all sums in default (including late charges) at the rate of one and one-half percent per month until payment is received from currently available funds. If an Assessment (including interest and late charges) remains fully or partially unpaid for 90 days after the invoice was deemed received, an additional five percent late charge shall be assessed on the amount remaining delinquent.

(2) If payment for an Assessment is not received within 30 days after the initial date of delinquency (that is, 90 days after the invoice is deemed received), and following at least ten days' written notice, the delinquent Member and Participant shall be deemed to be suspended and shall no longer have any right to vote as a Member or Participant of the GSA, until payment is received for such delinquent amounts in currently available funds, including all late charges and interest due.

(3) If a Member or Participant has been delinquent in payment of any portion of an assessment for at least one year (that is, one year and 60 days after the invoice is deemed received), the GSA may at its election proceed directly against the delinquent Member or Participant to collect all amounts due to the GSA.

Section 4.6 Repayment or Return of Contributions. In accordance with Gov. Code § 6512.1, repayment or return to the Members or Participant of all or any part of any contributions made by the Members and Participant and any revenues received by the GSA may be directed by the Board at such time, and upon such terms, as the Board may decide. The GSA shall hold title to all funds, property, and works acquired by it during the term of this Agreement.

Section 4.7 Reimbursement of Members, Participant, and Authority.

(a) The KWB GSA shall reimburse to each Member, Participant, and the Authority, on a monthly basis, or such less frequent basis as the GSA and the Member or the Authority may agree upon, all reasonable and necessary expenses incurred by the Member, Participant, or Authority, or on their behalf for services rendered, or labor, or materials supplied to the GSA, pursuant to a prior written request or agreement. Reimbursable items may include, but are not limited to, expenses incidental to management of Kern Water Bank Lands pursuant to SGMA, charges for bookkeeping services, reasonably allocable salary and benefits of a Member's, Participant's or Authority's employee(s) for time spent in rendering services specifically for or on behalf of the GSA (excluding time spent acting in the capacity of a Director or alternate Director of the GSA) and such other items as are necessary and appropriate to the conduct of the GSA's affairs and properly allocable to the GSA. Without limiting the scope of the foregoing, upon request by the Authority, the GSA is authorized to reimburse the Authority for expenses incurred

by the Authority in connection with formation of the GSA, including, but not limited to, start-up costs and legal and bookkeeping services. Notwithstanding the foregoing, however, the Members and Participant shall not be entitled to reimbursement from the GSA for expenses incurred by the Members and Participant in connection with their individual efforts to form the GSA or enter into this Agreement.

(b) The KWB GSA shall have the right to inspect and audit the books and records of any Member or Participant which pertain to amounts for which the Member or Participant seeks reimbursement under subsection (a) above. Such inspection and audit may be requested at any time within one year after reimbursement is requested or paid. The Member and Participant shall make such books and records available for inspection within ten business days after receiving the GSA's written request to inspect or audit.

Section 4.8 Alternate Funding Sources. Without limiting the powers set forth in Section 2.5, the Board may obtain on behalf of the GSA alternative funding and contributions from third parties, including, but not limited to, grants from the State and the United States of America.

ARTICLE 5:

RELATIONSHIP OF THE GSA AND ITS MEMBERS

Section 5.1 Separate Entity. The GSA shall be a public entity separate and apart from the Members and Participant. All property, equipment, supplies, funds, and records of the GSA shall be owned by the GSA, except as otherwise provided in this Agreement. The parties to this Agreement and Participant do not intend hereby to be, and shall not be, obligated either jointly or severally for the debts, liabilities, or obligations of the GSA, except as may be specifically provided for in Gov. Code § 895.2. Provided, however, if the Members or Participant are held liable for the acts or omissions of the GSA caused by any negligent or wrongful act or omission occurring in the performance of this Agreement, such Members and Participant shall be entitled to contribution from each of the other Members and Participant pursuant to Gov. Code § 895.4 so that after said contribution each Member and Participant shall bear a portion of such liability in proportion to the Member's and Participant's Base Shares in existence at the time of occurrence of harm resulting from the subject act or omission. In accordance with Gov. Code § 6508.1, the debts, liabilities, and obligations of the GSA, other than any retirement liabilities if it contracts with a public retirement system, shall be the debts, liabilities, and obligations of the GSA alone and not of any of the Members or Participants individually or jointly.

Section 5.2 Indemnification and Insurance. The GSA and those persons, agencies, consultants, entities, and instrumentalities used by it to perform the functions authorized by this Agreement, SGMA, and other applicable law, whether by contract, employment, or otherwise, shall be exclusively liable for any and all injuries, costs, expenses, claims, suits, actions, proceedings, losses, liabilities, damages, judgments, or other obligations of whatever kind arising from or related to activities of the GSA. The GSA agrees to indemnify, defend, and hold harmless each Member and Participant, each Director and alternate Director, and each Member's and Participant's governing board, officers, officials, representatives, agents, and employees from and against any and all claims, suits, actions, arbitration proceedings, administrative proceedings,

regulatory proceedings, losses, liabilities, damages, judgments, expenses, costs, including, but not limited to, attorney's fees, consultant's fees, and expert fees, and/or other obligations of whatever kind arising from or related or attributable to the GSA or this Agreement ("Claims").

In addition to the foregoing, funds of the GSA may be used to defend, indemnify and hold harmless the GSA, each Member and Participant, each Director and alternate Director, and any officers, officials, agents, or employees of the GSA, for their actions taken within the course and scope of their duties, while acting on behalf of the GSA against any such Claims.

The GSA may procure appropriate policies of insurance, providing coverage to the GSA and its Directors, alternate Directors, officers, officials, agents, and employees for general liability, errors and omissions, property, worker's compensation, and any other coverage the Board deems appropriate. Such policies shall, if feasible, name the Members and Participant as additional insureds.

Section 5.3 Additional Parties. Additional parties may join in this Agreement and become a Member or Participant only if accepted and approved by all Initial Members and the Participant. The terms and conditions of such joinder shall be set forth in an amendment to and/or restatement of this Agreement signed by all of the then-existing and the joining Members and Participants and shall be consistent with any contracts, resolutions, indentures, or other obligations of the GSA then in effect. Notwithstanding the foregoing, however, the GSA may allow a party to participate in the GSA pursuant to a participation agreement as permitted by SGMA and consistent with Section 2.10, without the need to amend this Agreement if the Board approves such participation agreement subject to the super-majority voting requirement in Section 3.3, subsection (b), above.

Section 5.4 Withdrawal. Subject to the requirements of this section, any Member and Participant may voluntarily withdraw from this Agreement. The withdrawal of any Member or Participant either voluntarily or involuntarily pursuant to this Agreement, unless otherwise approved by all of the Initial Members and Participant, shall be conditioned as follows: (i) in the case of a voluntary withdrawal, written notice shall be given at least 180 days prior to the end of a fiscal year, (ii) withdrawal shall not relieve the Member or Participant of its proportionate share of any debts or other liabilities incurred by the GSA in the ordinary course of business prior to the effective date of the Member's or Participant's withdrawal, nor any liabilities imposed upon or incurred by the Member or Participant pursuant to this Agreement prior to the effective date of the Member's or Participant's withdrawal, and (iii) withdrawal shall result in the forfeiture of that Member's or Participant's rights to participate in the GSA. The withdrawal from or voluntary or involuntary termination of any Member or Participant from this Agreement shall not terminate this Agreement, and such Member or Participant, by withdrawing or being terminated, shall not be entitled to payment, return, or refund of any contribution, assessment, consideration, or other property paid, or donated by the Member or Participant to the GSA, or to any distribution of assets.

Section 5.5 Disposition of Property Upon Termination. Upon termination of this Agreement, any money on hand shall be used first to pay or provide reasonable reserves for the payment of all fixed and contingent debts, obligations, and liabilities of the GSA, and any balance

remaining shall be returned to the then Members and Participants of the GSA in proportion to their then existing respective Base Shares. The Board shall first offer any other property, works, rights, interests, and assets of the GSA for sale to the Members and Participants, and if no such sale is consummated, then the Board shall offer the property, works, rights, interests, and assets of the GSA for sale to any governmental agency, private entity, or persons for good and adequate consideration. The net proceeds from any sale shall be used first to pay or provide reasonable reserves for the payment of all fixed and contingent debts, obligations, and liabilities of the GSA and second distributed among the Members and Participants in proportion to their respective Base Shares.

If no such sale is consummated, then all property, works, rights, interests, assets, and obligations and liabilities of the GSA shall be allocated to the Members and Participants in the same manner as a sale, unless otherwise agreed to by all of the Members and Participants.

ARTICLE 6:

MISCELLANEOUS PROVISIONS

Section 6.1 Amendment of this Agreement. This Agreement may be amended only by a written agreement approved and executed by all Initial Members and the Participant, subject to any conditions or restrictions established by resolution or indenture authorizing the issuance of any bonds, loans, notes, or other evidences of indebtedness of the GSA (excluding warrants and checks) authorized and issued pursuant to the JPA Act. Approval of the GSA Board shall not be required for the amendment of this Agreement.

Section 6.2 Assignment; Binding on Successor. Except as otherwise expressly provided in this Agreement, the rights and duties of the Members to this Agreement and Participants may not be assigned or delegated without the advance written consent of all of the Members and any attempt to assign or delegate such rights or duties in contravention of this section shall be null and void. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Members and Participants hereto. This section does not prohibit a Member or Participant from entering into an independent agreement with another agency, person, or entity regarding the financing of that Member's or Participant's contributions to the GSA, or the disposition of proceeds which that Member or Participant receives under this Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the GSA or the Members or Participants under this Agreement.

Section 6.3 Notices. Any notice authorized or required to be given pursuant to this Agreement shall be in writing and shall be deemed to have been given when mailed, postage prepaid, or delivered during working hours to the following addresses, or to such changed addresses as are communicated to the GSA, Members, and Participants in writing:

Dudley Ridge Water District
5555 California Ave., Suite 209
Bakersfield, CA 93309

Kern County Water Agency
3200 Rio Mirada Drive
Bakersfield, CA 93308

Semitropic Water Storage District
1101 Central Avenue
Wasco, CA 93280

Tejon-Castac Water District
PO Box 478
Lebec, CA 93243

Wheeler Ridge-Maricopa Water Storage District
12109 Highway 166
Bakersfield, CA 93313

Section 6.4 Withdrawal by Operation of Law. Should the participation of any Member or Participant to this Agreement be decided by the courts or the Legislature to be illegal or in excess of that Member's or Participant's authority or in conflict with any law, the Members and Participants shall cooperate in good faith to attempt to reorganize and/or formulate another entity or arrangement in which all the Members and Participants may participate in the GSA in a manner similar to that herein provided for; provided, however, if such effort is unsuccessful and/or pending such reorganization, the validity of the Agreement as to the remaining Members and Participants shall not be affected thereby.

Section 6.5 Multiple Originals. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 6.6 Choice of Law. This Agreement shall be governed by the laws of the State of California.

Section 6.7 Severability. If one or more clauses, sentences, paragraphs, or provisions of this Agreement shall be held to be unlawful, invalid, or unenforceable, it is hereby agreed by the Members that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs, or provisions shall be deemed reformed so as to be lawful, valid, and enforced to the maximum extent possible.

Section 6.8 Dispute Resolution. It is the intent of the Members that any dispute which may arise between the Members or Participants or one or more Members or Participants and the GSA relating to this Agreement should be resolved promptly in a cost-effective manner. To that end, the following is provided for in resolving any disputes between the Members and/or between a Member(s) or Participant(s) and the GSA, which arises out of or is related to this Agreement.

(a) In event of any dispute arising out of or related to this Agreement, the Members or Participants involved in the dispute, whether among the Members or Participants and/or involving the GSA itself, shall promptly and in good faith seek to resolve the dispute through negotiations. Such negotiations shall be activated by any party giving written notice to the other Members and Participants involved, and within ten (10) days of such written notice, representatives of each of the Members involved who have the authority to act on behalf of their principals (or at least make a final recommendation to their governing bodies) shall commence

negotiations to attempt to resolve the dispute. If the matter is not resolved within twenty (20) days of the first meeting, any party may proceed to subsection (b) below. All negotiations conducted pursuant to this subsection (a) are confidential and shall be treated as compromise and settlement negotiations pursuant to Evidence Code § 1119.

(b) Following conclusion of the dispute resolution process above, any Member or Participant may pursue any judicial or administrative remedies otherwise available. Notwithstanding this Section 6.8, a Member may seek a preliminary injunction or other interlocutory judicial relief, if necessary to avoid irreparable damages or to preserve the status quo.

Section 6.9 Third Party Beneficiary. Except as expressly set forth herein, this Agreement is not intended to benefit any person or entity not a party hereto.

Section 6.10. Disclaimer. Nothing in this Agreement shall be interpreted to amend, modify, or limit in any way the rights, interests, or obligations of any party signatory to this Agreement or the Participant established by or pursuant to the KWBA JPA.

IN WITNESS WHEREOF, the Initial Members have executed this Agreement on the day and year first above-written.

By _____
Dudley Ridge Water District

By _____
Kern County Water Agency

By _____
Semitropic Water Storage District

By _____
Tejon-Castac Water District

By _____
Wheeler Ridge-Maricopa Water Storage District

◀ WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT ▶

MEMORANDUM

TO: Board of Directors

FROM: Sheridan Nicholas

DATE: November 6, 2023

SUBJECT: Consider Approval of Updated Publicly Available Pay Schedule

At its October Board meeting, the Board of Directors: 1) approved a 4% Cost of Living Adjustment (COLA) for hourly employees; 2) approved two additional paid holidays to be included in the Employee Handbook, one a “floater” and the other a set day/date to be determined by the Employee Committee; and 3) modified the salaries of management positions. With that, it is necessary to update the District’s Publicly Available Pay Schedule to reflect those adjustments. The updated Schedule is attached, and includes the additional Assistant Controller position that is included in the 2024 budget This is required per California Code of Regulations Title 2 Section 570.5.

Recommendation: It is recommended the Board adopt the Publicly Available Pay Schedule attached hereto effective October 1, 2023 with such changes, if any, as the Board deems appropriate.

Wheeler Ridge-Maricopa Water Storage District
PUBLICLY AVAILABLE PAY SCHEDULE
 per California Code of Regulations, Title 2, §§ 570.5
Effective October 1, 2023
Approved November 10, 2021

Position	Range	Salary Steps (\$/month unless shown otherwise)								No. of Positions
		1	2	3	4	5	6	7	8	
Directors		(FIXED BY BOARD) - Resolution 2006-04 \$125.00 per meeting								9
Engineer-Manager	(a)	(FIXED BY BOARD) - Range of \$180,000 to 300,000/year								1
Assistant Engineer-Manager	(a)	(FIXED BY BOARD) - Range of \$140,000 to 180,000/year								0
Director of Water Resources	(a)	(FIXED BY BOARD) - Range of \$95,000 to 165,000/year								1
Contract Administrator	34	5985	6288	6606	6940	7292	7661	8049	8456	1
Executive Assistant	30	5422	5697	5985	6288	6606	6940	7292	7661	1
Extra Help Retired Annuitant	(b)	per hour								1
Temporary Part-time		15.5000 per hour								0
Controller	(a)	(FIXED BY BOARD) - Range of \$100,000 to 163,000/year								1
Assistant Controller	(a)	(FIXED BY BOARD) - Range of \$80,000 to 120,000/year								0
Staff Accountant	34	5985	6288	6606	6940	7292	7661	8049	8456	1
Accountant	30	5422	5697	5985	6288	6606	6940	7292	7661	1
Jr. Accountant	24	4675	4912	5161	5422	5697	5985	6288	6606	1
Accounting Clerk II	16	3837	4031	4235	4450	4675	4912	5161	5422	0
Staff Engineer	(a)	(FIXED BY BOARD) - Range of \$100,000 to 186,000/year								1
Assistant Engineer	37	6445	6771	7114	7474	7853	8250	8667	9106	0
Engineering Assistant	34	5985	6288	6606	6940	7292	7661	8049	8456	1
Corrosion Technician	31	5558	5839	6135	6445	6771	7114	7474	7853	1
Engineering Technician	28	5161	5422	5697	5985	6288	6606	6940	7292	1
Temporary Part-time		13.0000 per hour								0
O&M Superintendent	(a)	(FIXED BY BOARD) - Range of \$100,000 to 140,000/year								1
Assistant O&M Superintendent	(a)	(FIXED BY BOARD) - Range of \$80,000 to 120,000/year								0
Operations Supervisor*	34	5985	6288	6606	6940	7292	7661	8049	8456	1
Assistant Ops Supervisor	33	5839	6135	6445	6771	7114	7474	7853	8250	1
Water Tender II	25	4792	5035	5290	5558	5839	6135	6445	6771	6
Water Tender I	16	3837	4031	4235	4450	4675				4
Water Tender Trainee	10	3308	3476							0
Chief Dispatcher	32	5697	5985	6288	6606	6940	7292	7661	8049	1
Asst. Chief Dispatcher	29	5290	5558	5839	6135	6445	6771	7114	7474	1
Dispatcher	22	4450	4675	4912	5161	5422	5697	5985	6288	2
Dispatcher Trainee	16	3837	4031							0
Maintenance&Pump/Electrical Supervisor	45	7853	8250	8667	9106	9567				1
Assist. Maintenance Supervisor	33	5839	6135	6445	6771	7114	7474	7853	8250	1
Lead Equipment Operator	31	5558	5839	6135	6445	6771	7114	7474	7853	1
Equipment Operator	27	5035	5290	5558	5839	6135	6445	6771	7114	1
Lead Welder	31	5558	5839	6135	6445	6771	7114	7474	7853	1
Welder	27	5035	5290	5558	5839	6135	6445	6771	7114	2
Maintenance II	25	4792	5035	5290	5558	5839	6135	6445	6771	2
Maintenance I	16	3837	4031	4235	4450	4675				1
O&M Purchasing Agent	30	5422	5697	5985	6288	6606	6940	7292	7661	1
Electrical/Pump Technician II	31	5558	5839	6135	6445	6771	7114	7474	7853	2
Electrical/Pump Technician I	29	5290	5558	5839	6135	6445	6771	7114	7474	4
Pumpman	25	4792	5035	5290	5558	5839	6135	6445	6771	0
TOTAL POSITIONS:										55

(a) Updated to reflect salary range changes authorized by the Board of Directors at its 10/11/2023 meeting
 (b) Hourly rate set by Engineer-Manager within the salary range for the position with comparable duties
 updated : 10/18/2023

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Eric McDaris

DATE: November 2, 2023

SUBJECT: Approval of Amended and Restated Rules & Regulations

This year the District has executed three amendments to the Rules and Regulations. These amendments are summarized below:

- **February 2023:** Minor edits, formatting, and typo corrections. Notable amendments included changes in language regarding connections to the District’s distribution system as shown in Rule 4.i., as well as modified language regarding delinquency in payments shown in Rule 5.
- **July 2023:** These amendments included language regarding the adoption of the Groundwater Service Charge and the collection and payment for charges not established by a Water Service Contact, shown in Rule 6.
- **October 2023:** This amendment established Rule 13. Banking And Recharge Of District Water & Water User Carryover Supplies.

Each of the amendments were approved by the Board via Resolution. As multiple iterations of the Rules and Regulations would be forthcoming, staff did not record the interim versions of the Rules and Regulations.

The Amended and Restated Rules and Regulations as modified are attached in their entirety. All changes have been tracked and are shown for reference, including those approved earlier in the year. A draft Resolution to adopt the Amended and Restated Rules and Regulations has also been prepared and is attached for review.

Recommendation: It is recommended the Board approve the attached Resolution entitled *Adopting Amended and Restated Rules and Regulations for Distribution of Water* and direct staff to record said Amended and Restated Rules and Regulations as presented, subject to review by Counsel as to form and final approval by the Engineer-Manager.

Attachments: Draft Resolution *Adopting Amended and Restated Rules and Regulations for Distribution of Water*
Draft Amended Rules And Regulations For Distribution Of Water

Filename: 8.5 Approval of Amended and Restated Rules & Regulations

**THE BOARD OF DIRECTORS OF
WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT**

IN THE MATTER OF:

RESOLUTION NO. 2023-XX

**ADOPTING AMENDED AND RESTATED RULES AND REGULATIONS
FOR DISTRIBUTION OF WATER**

WHEREAS, pursuant to Section 43003.5 of the California Water Code, the Board of Directors of this District has the power to establish and amend Rules and Regulations for Distribution and Use of Water within the District; and

WHEREAS, with adoption of Resolution No. 70-89 on July 8, 1970, this Board established Rules and Regulations for Distribution of Water (hereinafter "Rules and Regulations") which have been amended from time to time, and were last amended and restated with adoption of Resolution No. 2023-03 on February 9, 2023; and

WHEREAS, because of changing circumstances and the need to update the Rules and Regulations, it is appropriate to adopt Amended and Restated Rules and Regulations, amending and readopting said Rules and Regulations in their entirety.

NOW, THEREFORE, BE IT RESOLVED BY THIS BOARD OF DIRECTORS OF THIS DISTRICT AS FOLLOWS:

1. The foregoing recitals and findings, and each of them, are true and correct.
2. The District's Rules and Regulations are amended and restated in their entirety and supersede the prior Rules and Regulations, and shall provide as set forth in attachment "A" hereto.
3. A certified copy of this resolution together with the District's Rules and Regulations as amended and restated shall be recorded with the County Recorder of Kern County.
4. Copies of this resolution together with the District's Rules and Regulations as amended and restated shall be maintained on file and open for inspection and available to District Water Users.

ALL THE FOREGOING, BEING ON THE MOTION of Director _____, seconded by Director _____, and authorized and carried unanimously by the following vote:

AYES:

NOES:

ABSENT:

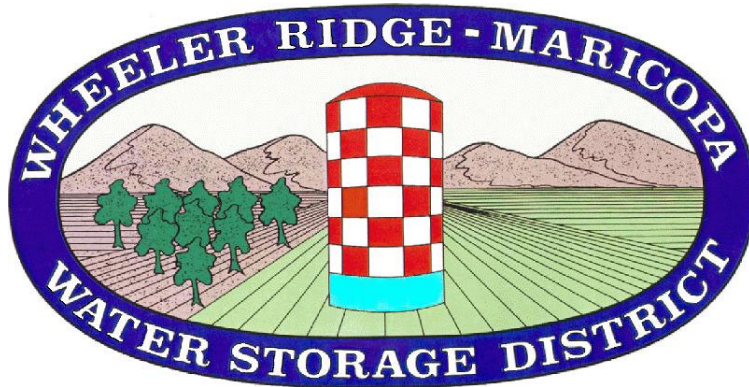
ABSTAIN:

I HEREBY CERTIFY that the foregoing is a true copy of the Resolution of the Board of Directors of WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT as duly passed and adopted by said Board of Directors on November 8, 2023.

WITNESS my hand and seal of said Board of Directors this 8th day of November 2023.

[SEAL]

Secretary of the Board of Directors



**RULES AND REGULATIONS FOR
DISTRIBUTION OF WATER**

RULES AND REGULATIONS
FOR
DISTRIBUTION OF WATER

Adopted by Resolution No. 70-89	July 8, 1970
Revised by Resolution No. 72-10	February 9, 1971
Amended by Resolution No. 73-40	September 12, 1973
Amended by Resolution No. 75-05	May 12, 1976
Amended by Resolution No. 76-14	June 9, 1976
Amended by Resolution No. 76-22	September 29, 1976
Amended by Resolution No. 76-23	September 29, 1976
Amended by Resolution No. 78-18	June 14, 1978
Amended by Resolution No. 79-35	October 10, 1979
Amended by Resolution No. 79-38	November 14, 1979
Amended by Resolution No. 81-25	October 14, 1981
Amended by Resolution No. 84-04	June 13, 1984
Amended by Resolution No. 85-03	January 9, 1985
Amended by Resolution No. 86-21	November 12, 1986
Amended by Resolution No. 88-10	April 13, 1988
Amended by Resolution No. 88-21	November 9, 1988
Interim Amend. Resolution No. 91-10	April 12, 1991
Interim Amend. Resolution No. 92-03	March 11, 1992
Interim Amend. Resolution No. 93-04	February 10, 1993
Amended by Resolution No. 93-13	June 9, 1993
Amended by Resolution No. 93-18	July 14, 1993
Amended by Resolution No. 2000-07	April 12, 2000
Amended by Resolution No. 2001-08	March 14, 2001
Amended by Resolution No. 2001-10	April 11, 2001
Amended by Resolution No. 2001-18	August 18, 2001
Amended by Resolution No. 2004-19	November 10, 2004
Amended by Resolution No. 2012-04	March 14, 2012
Amended by Resolution No. 2015-07	May 13, 2015
Amended by Resolution No. 2016-14	November 9, 2016
Amended by Resolution No. 2017-16	December 13, 2017
Amended and Restated by Resolution No. 2018-16	December 12, 2018
Amended and Restated by Resolution No. No. 2023-03	February 9, 2023
Interim Amend. Resolution No. 2023-07	July 12, 2023
Amended and Restated by Resolution No. 2023-XX	November 8, 2023

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<u>SECTION</u>	<u>PAGE</u>

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

**RULES AND REGULATIONS FOR
DISTRIBUTION OF WATER**

These Rules and Regulations are established pursuant to the requirements of the California Water Code by the Board of Directors of the Wheeler Ridge-Maricopa Water Storage District for the distribution and use of water within the District to enable the District to perform its functions most efficiently and to deliver water to Water Users at the least possible cost and are the Rules and Regulations mentioned in those certain water service contracts between the District and various landowners within the District. These Rules and Regulations were first adopted July 8, 1970, and have been amended from time to time. **This edition of the Rules and Regulations supersedes all Rules and Regulations previously adopted by the Board of Directors, and is recorded with the Official Records of Kern County pursuant to Water Code §43003.5.**

1. DEFINITIONS

Terms and expressions employed in these Rules and Regulations are as defined in the Water Service Contracts executed by the District and its landowners with the exception of certain terms or expressions used herein which do not appear in said contracts but which terms or expressions are defined or explained at the point where they are introduced in these Rules and Regulations. Where appropriate in these Rules and Regulations, words used in the singular shall include the plural and words used in the masculine shall include the feminine or an entity.

2. AUTHORITY OF THE ENGINEER-MANAGER AND EMPLOYEES

a) **Engineer-Manager:** The District's Distribution System is under the exclusive management and control of the Engineer-Manager, who is the person appointed by the Board of Directors of the District to manage the affairs of the District pursuant to its direction. No other person except the Engineer-Manager or his designee shall operate any of the facilities of the District's Distribution System

District Employees: The Engineer-Manager shall supervise the activities of all District employees in connection with operation and maintenance of the District's Distribution System and all other activities of the District. The authority of the employees of the District shall be designated by the Engineer-Manager and any controversy between a Water User and a District employee that cannot be settled directly shall be appealed to the Engineer-Manager. In the event the Engineer-Manager is unable to reach a satisfactory decision, an appeal may be made to the Board of Directors. The decision of the Board of Directors shall be final and conclusive.
~~Engineer-Manager:—The District's Distribution System is under the exclusive management and control of the Engineer-Manager, who is the person appointed by the Board of Directors of the District to manage the affairs of the District pursuant to its direction. No other person except the Engineer-Manager or his designee shall operate any of the facilities of the District's Distribution System.~~

~~District Employees: The Engineer-Manager shall supervise the activities of all District employees in connection with operation and maintenance of the District's Distribution System and all other activities of the District. The authority of the employees of the District shall be designated by the Engineer-~~

~~Manager and any controversy between a Water User and a District employee that cannot be settled directly shall be appealed to the Engineer-Manager. In the event the Engineer-Manager is unable to reach a satisfactory decision, an appeal may be made to the Board of Directors. The decision of the Board of Directors shall be final and conclusive.~~

~~b) _____.~~

~~c) **Right of Access:** District employees authorized by the Engineer-Manager shall have reasonable access to lands and irrigation facilities within the District for the purpose of conducting District business, which may include the following:~~

~~Right of Access: District employees authorized by the Engineer-Manager shall have reasonable access to lands and irrigation facilities within the District for the purpose of conducting District business, which may include the following:~~

- ~~(1)~~ Inspection of the lands upon which water delivered from the Project is being applied for the purpose of determining Water User's compliance with the terms of the Water Service Contract or other conditions of service provided by the District.
- ~~(2)~~ Operation, maintenance inspection, repair or modification of facilities of the District's water supply, conveyance and Distribution System.
- ~~(3)~~ Determination of improper use or wasting of water.
- ~~(4)~~ Measurement of ground water levels, metering of groundwater well production, and obtaining water quality samples from wells.
- ~~(5)~~ Determination of the type and area of specific crops grown.

~~(6)(5)~~ _____

~~(7)(6)~~ Except in cases of emergency or where otherwise considered impracticable by the Engineer-Manager, the landowner, lessee or person in possession shall first be contacted before entering landowner's property other than upon District easements.

3. WATER SERVICE

a) **Surface Water Service Area:** Contract Water Service will be provided only to lands in the District's Surface Water Service, which service area has been amended by the Board of Directors from time to time. The lands included in said Surface Water Service Area at any given time are those certain parcels of real property described in the Exhibits A of those certain water service contracts, which have been executed by the District and landowners and are on file in the District office. Lands within the Surface Water Service Area are shown on a map on file at the District office designated as "Surface Water Service Area," as amended from time to time. In case of a conflict between the lands described in Exhibit "A" to said certain water service contracts and said map, the description contained in said Exhibits shall govern. Pursuant to provisions of Division 14 of the California Water Code, an Original Project Assessment in the amount of the estimated costs of the District's project for providing water service to the affected lands was levied upon the lands in the Surface Water Service Area as contemplated by Resolution No. 349 and upon certain other benefitted lands in the District and said assessment became final on October 18, 1968.

- b) **Additions of lands to Surface Water Service Area:** Lands may be added to the Surface Water Service Area pursuant to an application filed with the Board therefor by the owner or owners of said lands, only if: (1) such addition is determined by the Board to be feasible and in the best interests of the District and in accordance with the criteria established in Board Resolution No. 349; (2) the owner or owners of said lands execute a contract with the District for water service for said lands generally in the form established by Board Resolution No. 69-60; (3) the owner or owners of said lands pay a charge equal to the sum of all charges which would have been paid to the District if said lands had been included within the originally adopted Surface Water Service Area unless said charges have been paid by another parcel of land; and (4) the owner or owners of said lands agree in writing to pay any special charges at such time as calls might be made as hereinafter described, which special charges would be in lieu of calls on the Original Project Assessment on said lands, which charge will be the same as the amount which would be due if the lands subject hereto had received an Original Project Assessment by the same procedures whereby the Assessment was levied on all lands in the District's Adopted Surface Water Service Area and that, at such time as the project may be reassessed, the lands would receive the same treatment as all lands within the District's Adopted Surface Water Service Area.

Lands may also be added to the Surface Water Service Area by amendment of a Water Service Contract so as to increase the area described in Exhibit "A" therein provided the Contract Amount of Water is not increased and provided further that it is determined by the Board that such additions are: (1) in the best interest of the District, and (2) are not detrimental to other District Water Users. Any such additions shall be pursuant to an application filed with the Board of Directors by the owner or owners of said lands and each such application will be considered on a case-by-case basis. Such applications will not be approved unless it is determined that the proposed change does not unduly reduce the effective return flow to the ground water basin and unless it is demonstrated that the final amount of water will be sufficient for the type of crop involved. In the event of the approval of such an application *where exclusion of lands from the SWSA is involved, the original acreage of the excluded lands shall be the acreage used in determining the allocation of water pursuant to Rule 8 of these Rules and Regulations.*

- c) **Exclusion of Lands From the Surface Water Service Area:** Lands may be excluded from the Surface Water Service Area pursuant to an application filed with the Board therefor only if: (1) the Board of Directors determines that such exclusion will not be detrimental to the best interests of the District, and (2) the obligations of the contract for water service, if any, binding said lands are assumed by other lands within the District which are added to the Surface Water Service Area as provided in Section 3(b) above. Assumption of said obligations must be under terms and conditions, which will result in no financial loss to the District.
- d) **Concurrent Additions/Exclusions:** To facilitate the addition of lands to the SWSA and exclusion of lands therefrom, the District will receive and maintain applications for the addition of lands to _____ or exclusion of lands from the SWSA.- Applications for exclusion of land from the SWSA will _____ only be processed to the extent that there are applications for an equal area of land to be added _____ to the SWSA, and applications for addition of land to the SWSA will only be processed to the _____ extent that there are applications for an equal area of land to be excluded from the SWSA. _____ Requests to add land to the SWSA will only be considered involving a minimum of 40 acres and _____ all requests to exclude land from the SWSA will be considered.

Contracts for the addition of lands to the SWSA or exclusion of land therefrom will be processed for execution with an effective date of January 1 of the year following the Board's approval of the application. Applications for addition or exclusion to the SWSA which meet all the applicable criteria herein provided will be given priority in the order in which they are received, and said priority for unfulfilled applications shall carry over from year to year. Provided, however, the Board may consider applications for lands of similar acreage independent of said priority when landowner(s) wish to transfer contract(s) from one property to another, and have agreed to all the District's terms and conditions of addition/exclusion as prescribed by the Board and including Sections 3(b) and (c) above.

The addition of land to the SWSA will be subject to the criteria set forth in Rule 3(b) and the exclusion of land will be subject to the criteria set forth in Rule 3(c). The District's costs of evaluating and preparing documents for said additions and exclusions shall be paid by the applicants.

To prevent adverse water supply impacts on other Water Users, the area of excluded land and related Contract Amount of Water (CAW) must be equal to the area of added contract land and related CAW. Provided however, that minor differences between the areas of land excluded and added will be permitted if the owner of land added agrees to accept use of the area of excluded land as the basis for allocation of water in years of water shortage as set forth in Rule 3(a).

To prevent adverse financial impacts on other Water Users, a new "NAL" category of service (Non-Sprinkler Added Land) shall be established. The bond debt obligation and the OM&R obligation from all lands excluded from the SWSA pursuant to this Rule 3(d) will be melded into this category. This category shall have separate components for bond debt and OM&R obligations in general conformance to Exhibit A of the Contracts. The bond debt obligation and the OM&R obligation of the lands added to the SWSA pursuant to this Rule 3(d) shall be equal to the melded obligation of the excluded lands, and rates applicable to the added lands shall be determined in general conformance to Exhibit A of the Contracts. From time to time, as lands are excluded under this Rule 3(d), the obligations and acreage of the "NAL" category of service will increase, and the unit rates applicable to this category of service may increase or decrease accordingly.

The Board will evaluate each request to confirm such requested addition or exclusion or concurrent addition/exclusion to the SWSA will not adversely affect, or *unequally benefit*, the District or its landowners, and may from time to time adopt further policies to implement Rules 3.b., 3.c. and 3.d.

- e) **Unscheduled Water Service:** Unscheduled water is water made available to a contract Water User in any year in excess of the Contract Amount of Water, delivered through Water User's turnout, as provided in Section 2(f) of the Contract. Such water may be made available at the request of Water User and is delivered on an interruptible and non-dependable basis. Such service will be made available if the Board determines that it is in the best interest of the District and will only be made if it does not interfere with the obligations of the District under its Water Service Contracts.
- f) **Temporary or In-Lieu Water Service:** Temporary or In-Lieu Water Service means the delivery of water on an interruptible and non-dependable basis for agricultural use to lands outside the Surface Water Service Area or a Farming Unit Operation, under conditions

established by the Board. Such Temporary or In-Lieu service will be made available if the Board determines that it is in the best interest of the District, will be for a limited period of time and will only be made if it does not interfere with the obligations of the District under its Water Service Contracts.

- g) Industrial Water Service:** Industrial Water Service means the delivery of water on an interruptible and non-dependable basis for industrial use, including construction work, and shall be made under conditions established by the Board. Industrial water service may be made pursuant to provisions for temporary water deliveries or pursuant to long-term contracts for Industrial Water Service. Such industrial water is not a potable water supply and shall not be used for domestic purposes or for human consumption unless specifically authorized by all agencies responsible for administering the Safe Drinking Water Act(s). It will be made available upon such terms as the Board determines is in the best interest of the District, will be for a limited period of time and will only be made if it does not interfere with the obligations of the District under its Water Service Contracts.

Subject to the foregoing, the District may also enter into long-term contracts to provide Industrial Water Service and/or to reserve system capacity which contracts shall be substantially uniform, which contractors are hereinafter referred to as "Industrial Water Users." Water Service pursuant to said contracts shall be subject to water being made available from the District pool established pursuant to Section 9 hereof. Upon finding that sufficient capacity exists within the District distribution system, the District may by contract reserve a portion of such capacity for the conveyance of water for industrial use, whether from supplies available to the District or supplies made available to the Industrial Water User.

Water Service Contracts may be amended to provide for delivery of water for Municipal and Industrial Use as further described in Rule 21 hereto.

- h) Supplemental Water:** Supplemental water means the water supplies acquired in addition to the water supply available under the Agency contract and includes district wells, Banking programs and water purchases. Supplemental water will be allocated pursuant to these Rules and Regulations up to the Contract Amount of Water in Water Users Water Service Contract. The quantities of Supplemental Water allocated to Water User shall only be available after Water User has submitted a signed order in a form provided by the District for such purposes in which the Water User agrees to the terms and conditions of delivery and payment for Supplemental Water.

4. DELIVERY, USE AND MEASUREMENT OF WATER

- a) Annual Water Deliveries:** Unless formally advised by Water User to the contrary, it will be assumed that Water User will desire delivery of his full contract amount of water each year. The District will make every effort to provide said contract amount of water on a demand basis as requested by Water User but does not assume any obligation if it is unable to do so. It should be recognized that the District's delivery capability is limited in the month or months of maximum demand by the capacity of the District's distribution facilities and such limitations must be considered in meeting Water User's request.

If Water User wishes to dispose of a portion of his contract amount of water, the District will attempt to do so in accordance with Article 5(k) of the Water Service Contract. If the allocation of the Contract Amount of Water in any year includes Supplemental Water and the District has

not yet acquired or produced the Supplemental Water, it shall be the first water returned to the District for disposal. To the extent Supplemental Water has not already been acquired or produced the Water User shall receive full credit for the cost of the Supplemental Water so returned. To the extent the Supplemental Water has already been acquired or produced said Supplemental Water shall be pooled in accordance with paragraph 9 hereof. If Water User wishes more than his contract amount of water, the District will attempt to meet Water User's request to the extent water can be made available.

The District will notify Water User as to the availability of water and the ability of the District to meet Water User's request from time to time, as information is available to the District to do so.

- b) **Daily Water Orders:** Orders to turn on or to turn off water, or orders to increase or decrease the rate of water delivery, shall be made at the District office through telephone communication, facsimile transmission, e-mail or personal communication from Water User or his designee as provided in these Rules and Regulations. Water orders shall be placed before 8:00 AM for water service for the following day, and water orders placed after 8:00 AM will be for water service the second succeeding day. In the event of an emergency, or when a change is in the delivery point within the service area of the same lateral, or when it may otherwise be practical to do so, changes in deliveries may be approved on lesser notice but the District assumes no obligation to do so. Although the District will make every reasonable effort to comply with the requested water orders, there may be times when, because of system capacity limitations, or limitations in the amount of water available from the Agency, such compliance may not be possible, and the District assumes no obligation therefor. Orders shall normally be made based on continuous use of water during the 24-hour period commencing between 7:00 AM and 9:00 AM. **Provided however,** that the Board may establish special conditions for short-run deliveries and/or for deliveries at lower flow rates than for normal irrigation practices.
- c) **Authorization of Agent:** In the case of leased land, or for any other reason, Water User shall provide District written notice as to its primary contact, billing address and additional contact information, if applicable, of who is authorized to place water orders; said notice shall be construed to be the consent of the Water User to all charges and the collection thereof, in any manner authorized under the Water Service Contract and by Sections 47181 to 47185 inclusive of the California Water Code. Said notice may authorize agent to receive copies of District billings and water data arising from the affected Water Service Contract. This authorization shall remain in effect until the date of termination stated thereon, or until superseded, or until revoked in writing by Water User.
- d) **Interruptions in Service:** Attention is directed to Section 3(h) of the Water Service Contracts which provides as follows: "District may temporarily discontinue or reduce the amount of water to be furnished to Water User as herein provided, for the purpose of investigation, inspection, maintenance, repair or replacement, as may be reasonably necessary, of any of the Project facilities for the furnishing of water to Water User, or of the facilities of the State Water Project, but so far as feasible, District will give Water User due notice in advance of such temporary discontinuance or reduction, except in case of emergency, in which case no notice need be given. In no event shall any liability accrue against District or any of its directors, officers, agents or employees, for any damage, direct or indirect, arising from such temporary discontinuance or reduction of water deliveries." In case of emergency shut-off by the District, an effort will be made to notify Water User as soon as possible.

- e) **Emergency Turnoffs by Water User:** Water User may in an emergency, including but not limited to Acts of God, turn off the supply of water at Water User's turnout. If Water User effects such emergency turnoff, he must notify the District office immediately by telephone or in person. Water User and anyone affecting such an emergency turnoff does thereby agree to assume the defense of and hold harmless the District and its directors, officers, agents and employees from any and all loss, damage, liability, claims or causes of action of every nature whatsoever, for damage to or destruction of property including District's property, or for injury to or death of persons, in any manner, arising out of or incidental to such emergency turnoff.
- f) **Use of Other Water Supplies:** Water User may use water furnished by District concurrently with water from other sources, provided that Water User can demonstrate to the satisfaction of the Engineer-Manager or his designee that project water is not being used on land other than that for which it is intended, as set forth in the Water Service Contracts and provided in these Rules and Regulations.
- g) **Waste of Water:** Water delivery may be discontinued by the District for any Water User found to be wasting water either willfully, carelessly, or on account of, but not limited to, defective or inadequate ditches, pipelines, inadequate tailwater facilities, inadequately prepared land or improper management; said water delivery will not be resumed until such conditions are corrected.
- h) **Farm Turnouts:** Except as hereinafter provided for temporary deliveries of water and as provided in Sections 3(c) and 3(d) of the Water Service Contracts, all deliveries will be made only through District owned and operated turnouts.
- i) **Connections:** All connections to District's system shall be ~~made installed and operated~~ in a manner ~~so as to~~ prevent damage from occurring to District's system resulting from operation of Water User's system, ~~and so as to~~ prevent water from Water User's system from entering District's system, ~~and to prevent metering inaccuracy~~. Plans for the connection of Water User's system to District's system shall be submitted to the Engineer-Manager or his designee for approval, and no such connection will be permitted until such approval has been given.

The District will take measures to ensure that meters remain within the manufacturer's standards of accuracy. The District may test specific meters upon Water User's written request. If the meter is subsequently found to be operating within the manufacturer's recommended standards of accuracy, the Water User shall reimburse the District for said test. If, however, the meter is not operating within the manufacturer's standards, the District shall pay for the test and shall either repair, replace, or recalibrate the meter at its expense, so long as the meter inaccuracy is not caused by the design and/or operation of the Water User connection. Water User may be either credited or charged for differences identified through the meter testing process.

- j) **Combined Turnouts:** In accordance with District's design criteria, water service will be provided to parcels less than twenty acres in size within the Surface Water Service Area only in conjunction with service to an adjacent larger parcel or several adjacent smaller parcels where the total combined area is twenty acres or more. Such service will be made through a single turnout designated a "Combined Turnout." Water will be furnished through such a Combined Turnout to a group of Water Users only upon condition that said group of Water Users first files with District an agreement in a form approved by the District, executed by each and every Water User in said group, and providing, among other things, the following:

- (1) Acceptance of delivery of water through the combined turnout.
 - (2) Granting of an easement to the other Water Users as necessary to convey water from the combined turnout to their respective lands.
 - (3) Authorization for one individual to represent said group in all matters relating to delivery of water by District through said combined turnout. In the event a parcel served by a single turnout is conveyed to two or more different parties, and each of the parcels is larger than 20 acres, the new owner(s) of the parcel(s) upon which the turnout is not located shall pay for the cost of constructing a new turnout, and any pipeline necessary to serve such turnout, and shall provide to the District a permanent easement in a form acceptable to the District to accommodate such new turnout and pipeline, unless the Board of Directors approves some other arrangement to serve said parcel.
- k) Temporary Water Service Deliveries:** As a condition of temporary water service, the owner of lands to be served shall have executed an agreement establishing a covenant running with the land, in a form provided by the District, wherein the landowner expressly acknowledges that the affected lands have no right to firm water service from the District. Delivery of temporary water service to lands for which such an agreement has been properly executed and recorded will be made in such a manner as may be approved by the Engineer-Manager or his designee.
- l) Industrial Water Service Deliveries:** For Industrial Water Users with long-term contracts, the District will attempt to provide the full contract amount of water each year from water supplies excess to the needs of the Surface Water Service Area from the District pool established pursuant to Section 9 hereof. To the extent such excess water supplies are not available the District shall be under no obligation to supply water for Industrial Water Service users. However, at such times water is not available from the pool, the District will make District system capacity reserved under the terms of the long-term Industrial Water Service Contract to wheel water supplied to Industrial Water Users from other sources and conveyed to District turnouts from the California Aqueduct. The District will also make its unused California Aqueduct capacity available for conveyance of water supplied by the District or by Industrial Water User under the terms of the long-term Industrial Water Service Contract to the extent such capacity is not being used for other District water deliveries.

However, at times when unused California Aqueduct capacity is not available from the District, the Industrial Water User shall be responsible for the delivery of water from the California Aqueduct into District facilities.

In the event an Industrial Water User wants to receive more or less than the quantity of water specified by the contract, it shall notify the District in writing of the difference by January 1, of the year of delivery.

If Industrial Water User orders less than the Contract Amount of Water, the District will reserve a correspondingly lower quantity of excess pool water for Industrial Water User for that year. If Industrial Water User orders more than the Contract Amount of Water the District will attempt to meet Industrial Water User's additional request to the extent water can be made available.

The District will notify Industrial Water User as to the availability of water and the ability of the District to meet Industrial Water User's request from time to time as information is available to the District. From January 1 through May 31 of the year of delivery Water Users

request for water will be provided from the monthly pools to the extent of availability. If the District is unable to provide for the balance of Industrial Water Users annual request on or before May 31 of the year of delivery Industrial Water Users may secure water from alternate sources for the balance of the year and will not be required to purchase water from subsequent pools.

Absent a long-term contract, delivery of Industrial water will be made in such a manner as may be approved by the Engineer-Manager or his designee.

m) Farming Unit Operation:

- (1) General. Water User may assign all or part of his water entitlement through designated turnouts to a Farming Unit Operation. A Farming Unit Operation is a grouping of two or more parcels of land which is under the ownership or control (by lease or otherwise) of a single Water User which includes Contract Land and may include Non-contract Land. Such assignment authorizes the Farming Unit Operator or his designee to file water schedules and order water, and authorizes District to deliver said water through, and assign water charges to, any of the several turnouts, which have been designated by all Water Users similarly assigning water to said Farming Unit Operation. Such assignment shall be made on a Farming Unit Operation Agreement provided by the District.
- (2) Non-Contract Lands. If a Farming Unit Operation includes Non-contract Lands, the owner of the Non-contract Lands shall have executed an agreement establishing a covenant running with the land, in a form provided by the District, wherein the landowner expressly acknowledges that the Non-contract Lands have no right to firm water service from the District. The Farming Unit Operation Agreement shall reference the lower priority for purchase of Unscheduled Water for Non-contract Lands as set forth at 4.n.(2) of the Rules and Regulations, and acknowledge that allocation of water and/or system capacity will be based only on the area of Contract Land. Water delivered to Non-contract Land prior to the completion or modification of Farming Unit Operation Agreements shall be made pursuant to conditions for Temporary Water Service.
- (3) Term. The assignment shall remain in effect from year to year until superseded or revoked in writing by Contributing Water User, Farming Unit Operator, or the District. Revocations and modifications made after July 1 (or other date established by the Board) in any given year shall not take effect until the following calendar year.

n) Priority of Requests: In the event the District is not able to meet all requests for water, and without detracting from the provisions of Section 3(b) of the Water Service Contracts, priority of requests shall be considered on the following basis:

- (1) Contract Water Service for the Contract Amount of Water in the Agricultural Water Service Contract of Water User, for use upon contract lands and lands within the Water User's Farming Unit Operation, shall receive the first priority.
- (2) Unscheduled water for the amount of unscheduled water requested by a Water User with the priority of such requests in the order as follows:

- (a) Unscheduled water for that portion of the requested Contract Amount of Water not allocated to Water User because of shortage of water supply provided the total water supply allocated under each of the Water Service Contracts will be in accordance with the provisions of Section 3.(1) of said Water Service Contracts.
 - (b) Additional Unscheduled Water for use in a Farming Unit Operation up to an aggregate quantity of water, including both the Contract Amount of Water and Unscheduled Water, equal to 4.0 acre-feet per acre on the contract lands within the Farming Unit Operation. Any additional water shall be prioritized as Temporary Water.
 - (c) Industrial Water Service under long-term contracts for the Contract Amount of Water requested in the annual delivery schedule submitted by an Industrial Water User.
 - (d) Temporary water service for the amount of water requested by temporary Water Users, including temporary industrial water service.
 - (e) Temporary water service for areas annexed after October 9, 1975 (other than where the annexation was coupled with a detachment of an equal number of acres) for the amount of water requested by the landowner in said area. The above priorities are applicable to the allocation of available water at any point in time when the demand exceeds the available water supply. The water supply once allocated in accordance with the above priorities shall remain so allocated notwithstanding any subsequent increase in demand of a higher priority
- o) Supplemental Water:** Supplemental Water allocated to Water Users as part of the Contract Amount of Water may be delivered by Water User through Water Users' turnout(s) pursuant to water orders submitted by Water User. Provided, however, that the Board may establish special conditions, which limit the quantities of Supplemental Water available to Water User on a monthly or seasonal basis including, but not limited to, limitation of groundwater withdrawals from District banking projects or District wells for District Water Users as a whole.
- p) Intra District Water Transfers:** In Any Year, Water User may transfer all or portions of his water supplies to a designated Water User (and designated turnouts) by completing information required on a District approved transfer form. Supplies developed through the User Input Program may not be transferred. Such transfer authorizes the District to deliver said water through, and assign appropriate Water Use charges to, any of the turnouts, which have been designated. If Water User transfers supplies to Non-contract Lands, the owner of the Noncontract Lands shall have executed an agreement establishing a covenant running with the land, in a form provided by the District, wherein the landowner expressly acknowledges that the Non-contract Lands have no right to firm water service from the District, and that the landowner of the Non-contract Lands shall pay all appropriate Water Use charges associated with the transfer. Intra District Water Transfers provides an alternate option to Water Users to dispose of excess supplies other than those provided in Rule 9: "DISPOSAL OF WATER", and Section 5(k) of the Contract.
- q) Intra Kern Water Transfers:** In any year when the District has made an additional Supplemental Water supply available to Water Users and that supply is undersubscribed (total demands are less than the supply available) and the District otherwise elects not to obtain such

unsubscribed supply, Water User may transfer all or portions of that Supplemental Water supply to other districts in Kern County subject to appropriate approvals. Such a request authorizes the District to deliver said Water, and furthermore authorizes the District to assign any appropriate charges pertaining to the transfer to the Water User.

5. PAYMENTS FOR WATER

- a) **Contract Water Service:** Under conditions of Contract Water Service, Water User shall pay the Water Availability Charge and Water Use Charge as provided in the Water Service Contract. On or before December 1 of each year, District will notify Water User in writing of the estimated total amount of these charges for the following year, and said total amount shall be paid by Water User in eight equal installments, said installments to become due and payable on the tenth day of the months of February through September. **Provided however,** the Board of Directors may elect to delay and/or consolidate the payment schedule if information for computing rates is not timely available. ~~On or before July 1 of each year or as soon thereafter as practical, District will mail to Water User a final accounting of water charges for the previous year. District will include with said final accounting either (1) a statement of credit owing to Water User for overpayment, or (2) a statement of Water User's additional payment obligation, which shall be due and payable ~~on August 1~~ per the term of the statement on which the final accounting is included. Any credit owing to the Water User for overpayment shall first be applied to cure any delinquency outstanding and then may be deducted from the Water User's next installment of Water User's payment obligation to the District. In the event such credit exceeds the amount of the next installment, then upon written request of Water User, the excess amount may be remitted to Water User. In the event of a change of ownership, the Board of Directors, upon written request by the then current and previous Water User, may authorize that the amount of such credit, refund, or additional payment due, as applicable, be remitted to or paid by the immediately previous Water User; otherwise, the credit, refund or any additional payment due shall apply to or be paid by the current Water User. If the final accounting adjustment reveals that an additional payment is due, and the previous Water User fails to timely pay such additional payment due, that obligation shall be assessed against the then current Water User.~~
- b) **Unscheduled Water Service:** Payments for unscheduled water service shall be made at the rate or rates established therefor by the Board. ~~If the request for unscheduled water service has been made before the Statement of Estimated Annual charges has been completed, the charges for said service will be included in said Statement of Estimated Charges for the year. If the request is made subsequent thereto, payments shall be made monthly. Advance payment or establishment of credit may be required.~~
- c) **Temporary or In-Lieu Water Service:** Under conditions of temporary or in-lieu water service, payment shall be made each month at the rate or rates and under conditions established by the Board of Directors for such temporary or in-lieu water service. ~~Advance payment or the establishment of credit by the Water User may be required.~~
- d) **Industrial Water Service:** (i) Payment for temporary Industrial Water Service shall be made at the rate or rates and under conditions established by the Board of Directors for such service. Advance payment or the establishment of credit may be required. ~~(ii) In such cases where Industrial Water Service is provided under a water service contract entered pursuant to Section 3(g) hereof in which capacity is made available, then the contract for Industrial Water Service shall provide, in addition to other customary terms, that the Water User annually pay a~~

wheeling fee based on the Contract Amount of Water as provided in the Water Service Contract. In years and at times in which Industrial Water is furnished by the District, Industrial Water User shall also pay the Fixed Obligation (F.O.) component of the Water Availability Charge (W.A.C.) and the Water Use Charge (W.U.C.) for water ordered and delivered as provided in the Industrial Water Service contract. Payment for water furnished in excess of the Contract Amount of Water shall be at rates for Temporary Industrial Water Service.

In those years and at times in which Industrial Water is not furnished by District the Industrial Water User shall pay only the wheeling fee for water service. The contract may provide that should the F.O. and W.U.C. exceed an indexed water cost that the Industrial Water User may secure its own water supply and the District deliver same upon paying the wheeling fee. Such wheeling fee shall, commencing in 2000, be the higher of \$100 per acre-foot of Contract Amount of Water each year of the long-term obligation to make capacity available, or \$50 per day of water delivery, adjusted annually by the Consumer Price Index, All Urban Consumers, All Items Index, Western Cities with populations of less than 1,500,000, for December of the calendar year immediately preceding utilizing the index for December 2000 as a base to determine adjustments.

On or before December 1 of each year, District will notify Industrial Water User under long-term water contract in writing of the estimated total amount of these charges for the following year and said total amount shall be paid by Industrial Water Users in four equal quarterly installments. Each installment is to become due and payable on the last day of the first month of each quarter. **Provided however** that in the event the District is unable to provide water for Industrial Water User or other credits are due to the Industrial Water User the second and subsequent quarterly installment payment for the Water Availability and Water Use Charges will be recomputed by the District and Industrial Water User will be notified of the change. On or before July 1, ~~or as soon thereafter as practical, of each year following the first year of each year following the first year~~ of Industrial Water Service, District will mail to Water User a final accounting of water charges for the previous year. District will include with said final accounting either (1) a statement of credit owing to Industrial Water User for overpayment, or (2) a statement of Water User's additional payment obligation, which shall be due and payable ~~on August 1~~ per the term of the statement on which the final accounting is included. Any credit owing to the Industrial Water User for overpayment may be deducted from the Industrial Water User's next installment of Water User's payment obligation to the District. In the event such credit exceeds the amount of the next installment, then, upon written request of Industrial Water User, it may authorize that the remaining amount of such credit be remitted to the Water User.

- e) **Supplemental Water:** Payments for Supplemental Water shall be made at the rate or rates established therefore by the Board. Payment for Supplemental Water, either allocated as part of the Contract Amount of Water or in addition thereto, for Water User and ordered by Water User shall be spread over the remaining regular monthly payments set forth in the Water Service Contract. Payment for Supplemental Water shall be subject to and a part of a final accounting of costs in the same manner as set forth in paragraph 5(a) of these Rules and Regulations. Water User shall be entitled to any credit due for overpayment and shall be responsible for any additional payment obligation as a result of underpayment identified in said final accounting adjustment.
- f) **Delinquency in Payments:** Pursuant to Section 5(g) or 5(f), as applicable, of the Water Service Contract the total amount of water charges of Water User is divided into eight equal installments, which are due and payable on the tenth day of each of the months of February through

September. If there is a delinquency in payments for water service for any turnout, the District shall impose penalties for such delinquency as follows:

- (1) If the payment for any turnout which Water User is required to make to District is not received by the District by 5:00 PM 30 days after the date it becomes due and payable, said payment is delinquent within the meaning of Section 5(j) or 5(i), as applicable, of the Water Service Contract, and delivery of water to said Water User will be discontinued. No further water deliveries will be made to said Water User until all delinquencies, plus penalties and interest if applicable, are paid, except as provided at subparagraph (3) hereof.
- (2) ~~Any payment remaining unpaid for a period of 30 days after the date it becomes due and payable (the 10th of the month) is delinquent as provided in Section 5(j) or 5(i), as applicable, of said Contract, and a penalty of 10% of the payment will be charged plus interest at 12% per year until all payments are brought up-to-date. If the delinquency payment is not received at the District by 5:00 PM on the last day of the delinquency month, any remaining water allocation will be assumed by the District. All proceeds from the assumed water will be applied to the delinquency. On the 10th of the month the District will deposit the remaining allocation of water from delinquent accounts in the current monthly pool and apply the credits therefrom to the Water Users account. Said credits will be applied before the assessment of penalty or interest on the delinquent account. In the event Water Users subsequently cures the delinquency, District will give Water User first priority upon any water in the pool remaining unsold, or water from other sources, which may be available to the District, up to that quantity of water originally placed in the pool from the delinquent account. Should a Water User be delinquent on October 10, the District will commence proceedings to collect the charges as provided in Sections 47181 to 47185, inclusive, of the Water Code. Provided, however, the District may commence such proceedings at an earlier date if the Board determines it is in the best interest of the District to do so. This may lead to a sale of the property affected by the Water Service Contract, or any other remedies available to the District, and to continued refusal of water service, all as provided in the Water User's Water Service Contract and these Rules and Regulations. Nothing herein contained shall be construed to limit in any manner of enforcing any remedy, either at law or in equity, for any breach by Water User in failing to timely pay any assessments, tolls or charges.~~
- (3) If the District is in possession of a Certificate of Sale (executed by the County Treasurer pursuant to Water Code §46761) for delinquent charges for Contract Water Service, and Water User demonstrates that he has no available means to satisfy the charges which are covered by the Certificate of Sale, water service may be provided to Water User so long as the Water User is otherwise entitled to Contract Water Service, and the Water User (and his tenant in the event Water User leases his land) enter into a form of agreement approved by the Board. Said agreement shall include the following provisions: (a) The Water User acknowledges the existence and priority of the Certificate of Sale; (b) The term of the agreement shall only be for one year and there shall be no automatic right of renewal; and (c) The Water User (and/or the tenant if the tenant as Operating Agent is paying water bills) must pay in advance contract water charges as determined by the District during the term of the agreement. Said agreement may also, at the discretion of the Board, provide for repayment of prior delinquent charges, which are the subject of the Certificate of Sale. Service to such lands subject

to a Certificate of Sale shall only be provided in accordance with terms and conditions of such agreement.

6. PAYMENT OF SPECIAL SERVICE CHARGES PAYMENT OF CHARGED NOT ESTABLISHED BY CONTRACT

- a) Special Service Charges, as provided by law and as set forth in the Water Service Contracts will be collected periodically as provided by law. Such charges may include the Administrative and General Service Charges, Project Service Charge and Deferred Service Charge, all as set forth in the contracts, and such other tolls and charges as may be provided for under Water Storage District Law.
- b) The Groundwater Service Charge will be collected on each acrefoot of groundwater consumptively used on each parcel in the District, with the exception of de minimis domestic use (defined as annual extraction by any person of less than two acre-feet for domestic purposes). The District will calculate the consumptive use of groundwater on each parcel subject to the GWSC by first using evapotranspiration data to determine total crop consumptive use on the parcel and then deducting 90% of the gross surface water supplies delivered by the District and verified imported supplies claimed by the user. The Board may approve alternative methods of measurement (water measurement devices, electricity consumption, etc.) in its discretion.
- c) Whenever the amount of any charge, penalty, or interest imposed under this section has been paid more than once, or has been erroneously or illegally collected or received by the District, it shall be refunded provided a verified claim in writing therefor, stating the specific ground upon which such claim is founded, is filed with the District within one year of the date of payment. The claim shall be filed by the person who paid the charge or such person's guardian, conservator, or executor and shall contain the information required by Government Code section 910 for claims to which that section applies. No claim may be filed on behalf of other ratepayers or a class of ratepayers. If the District approves a claim, the excess may be refunded or may be credited against any amounts then due and payable from the person from whom it was collected, and the balance may be refunded to such person, his/her guardian, conservator, or executor. Filing a timely and sufficient claim is a condition precedent to legal action for monetary relief.
- a)d) Any person dissatisfied with any decision of the District affecting his or her rights or interests under this section may submit a written appeal to the District within 60 days of the date of mailing of such decision, subject to procedures established by the District to resolve such disputes. The District may affirm, modify, or reverse such decision or dismiss the appeal, and shall prescribe such rules and regulations relating to appeals as it may deem necessary. The decision of the District will be final but subject to judicial review pursuant to Code of Civil Procedure section 1094.5. Exhausting this appeal is a condition precedent to legal action for monetary relief.

7. **PROCEDURE FOR FIXING TOLLS AND CHARGES NOT ESTABLISHED BY CONTRACT**

In accordance with Section 43003 of the Water Code, the following procedures are established for fixing Tolls and Charges authorized by Sections 43006 and 47180 other than those established by the Water Service Contract.

- a) The Groundwater Service Charge shall be set by the Board (up to the maximum amount approved in a majority protest proceeding under Article XIID, section 6 of the California Constitution) at any time and by the same procedures as the rates for the Water Service Charges

under the Water Service Contracts. The time for paying the GWSC will be fixed by the Board under Water Code section 47181, and delinquencies in payment will be subject to the penalties and interest provided for in Water Code section 47182. The District may collect delinquent charges using the procedures set forth in Water Code sections 47183 through 47185, or any other procedure lawfully available to the District.

~~a)b)~~ Before fixing any ~~such other~~ Toll ~~and or~~ Charges, the Board shall pass a resolution declaring its intent to do so and in the resolution fix a time not less than two weeks from the date of the resolution as the time when the Board will meet to consider the matter of fixing such Tolls and Charges. A copy of the Resolution of Intention shall be published in a newspaper of general circulation in Kern County once a week for at least two weeks before the time appointed by the Board for the open meeting. At the time appointed for the open meeting, the Board shall consider the matter of fixing the Tolls and Charges, hear any objections thereto and may adjourn the matter from time to time.

8. WATER SHORTAGES

Pursuant to powers granted by Section 43003 et seq., of the California Water Code, the Board has established the following policy to provide for the sharing of the burden of any shortages in the quantity of water available for distribution to Water Users and the cost thereof during any year.

- a) **Allocation of Water:** The water supplies available to the District will be allocated to the District's Agricultural Contract Water Users as follows:
- (1) If the District's available water supply in any year is less than the total of Contract Amount of Water for all Water Users, but more than two acre-feet per acre when averaged for all lands in the Surface Water Service Area, the available supply will be apportioned to all Water Users in the proportion that each Water User's Contract Amount of Water for that year bears to the total of Contract Amount of Water for all Water Users.
 - (2) If the District's available supply in any year, averaged for all lands in the Surface Water Service Area, is less than two acre-feet per acre, the available supply will be apportioned among all Surface Water Service Area lands on an equal acre-feet per acre basis provided that Water User shall not be apportioned more water under this paragraph (ii) than Water User would receive under paragraph (i) above. Notwithstanding the above, in the event of a severe long-term water shortage, the Board reserves the right to make such other allocations as it deems appropriate, taking into consideration the type of crop, critical water needs, and the economic effect of losses which may occur as a result of such allocations and may provide for adjustments of charges as a result of such allocations.
- b) **Supplemental Water:** The District during years of short supply may obtain water supplies in addition to that available under the Agency Contract, including District wells, Banking Programs and water purchases. Such water supplies shall be allocated first to provide the full Contract Amount of Water provided for in the contracts for Agricultural Water Service under terms as the Board then determines appropriate and the costs thereof borne by the beneficiaries of such supplies, Provided, however, in any year the Board may determine and limit the amount of water made available for Supplemental Water from District wells and banking programs. The method of allocation of Supplemental Water shall be as set forth in the contracts for Agricultural Water Service and recited in paragraph 8(a) above.

- c) **Industrial Water:** Apportionment of water under an Industrial Water Service Contract shall be governed by the terms of that Contract.
- d) **Conveyance of Groundwater (or User Input Program):** In any year the District declares a water shortage exists, District facilities may be used to convey ground water for use upon land within the District for agricultural purposes so long as the lands to be served are within the common ownership or Farming Operation of the land from which the water is pumped, provided the affected parties enter into an Agreement in a form provided by the District which shall include but not be limited to the following provisions:
 - (1) Nothing therein contained shall be interpreted as a waiver, relinquishment, and/or abandonment of the District's title to water stored in the underground as a result of the District's project.
 - (2) The District shall not involve itself with any disputes regarding the right of a landowner/Water User or others, nor any disputes regarding continuation of such service, nor any dispute regarding payment for such a ground water conveyed, and any landowner/Water User desiring to utilize the District's facilities for such purposes shall hold the District harmless from any such claims.
 - (3) Wheeling from one system to another generally is only possible if the water being delivered to the District system is of sufficient quality to discharge into the California Aqueduct as determined by the State. Only to the extent the District is taking delivery of surface water, may ground water be delivered to the District and "banked" for later uses with the District at times when the District would be taking delivery of surface water. Such restriction must be applied on a system by system basis unless water quality of the ground water is sufficient to discharge it into the California Aqueduct.
 - (4) The wheeling charge shall be sufficient to recover all costs to the District associated with the Storage, conveyance and delivery of ground water. The wheeling charge shall be estimated based on available information on costs and estimated quantities of ground water production. The estimated wheeling charge shall be paid by Water User within 30 days of notice. When the final costs are determined by the District, any overpayment will be credited to the Water User, and any additional charge will be paid by Water User within 30 days of notice. The cost of power and energy for pumping shall not be included in the wheeling charge and shall be charged separately based on the unit rate for transferring water between pump zones.
 - (5) Water User shall indemnify and hold the District harmless from any damages resulting from loss of pumped ground water due to causes beyond the control of the District.
 - (6) The cost of providing connections to District systems, including any protective devices required by District as a condition of such connection, shall be paid from funds deposited by Water User for this purpose in advance of construction.

9. DISPOSAL OF WATER

As provided in Section 5(k) of the Contract, the District will make reasonable efforts to dispose of any water made available to but not required by Water User, and to the extent of Water User's obligation, any net revenue from such disposal shall be credited to Water User. In disposing of any such water, District will make reasonable effort to obtain the maximum amount of credit for Water User. If in the event such water is made available to the District by Water Users in accordance with Section 5(k) of the

contract, over a period of time covering two or more calendar months, then such water will be accumulated into monthly pools which may be established by the District, and all the water from the first such pool will be sold and credits applied to its contributors before any sales are made from the second pool, and all water from the second pool will be sold before any sales are made from the third pool, etc., thus following a "first-in-first-out" policy in increments of monthly pools. **Provided however**, if any water in the second or subsequent monthly pools is sold at rates higher than any individual rate for water sold from the first pool, then the pool sales shall be adjusted so that the highest rates for water sold are credited to the first pool and successively lower rates are applied to the second and subsequent pools.

10. CONTROL, USE AND RECAPTURE OF WATER

- a) District will not be responsible for the control, carriage, handling, use, disposal or distribution of water delivered to Water User hereunder outside the facilities then being operated and maintained by District. Water User shall indemnify and shall assume the defense of and hold harmless the District and its directors, officers, agents and employees for any and all loss, damage, liability, claims or causes of action of every nature whatsoever for damage to or destruction of property, including the District's property, for injury to or death of persons, in any manner arising out of or incidental to the control, carriage, handling, use, disposal or distribution of water outside such facilities.

- b) Pursuant to the provisions of Section 3 of the Contract dealing with conditions of delivery, place of use of project water, and Water User's liability and indemnification, water delivery may be discontinued by the District for any Water User who permits water delivered by District to escape beyond the boundary of the lands described in said contract whether willfully, carelessly, or on account of defective or inadequate ditches or pipelines, or inadequate tailwater facilities, or inadequately prepared land or improper management, and said water delivery will not be resumed until such conditions are corrected. For the purposes of administration of this section, for lands included in a Farming Unit Operation as described in Section 4(m) of these Rules and Regulations, the contract lands shall be deemed to include all lands within said Farming Unit Operation; provided, however, that nothing herein contained shall limit or detract from the obligations assumed by Water User.

- c) Without obligating District to assume any responsibility therefor, District shall have the right to the use of all waste, seepage, and return flow resulting from water supplied by the District, including but not limited to Project Water, which escapes or is discharged beyond Water User's recovery facilities, if any, and nothing herein contained shall be construed as an abandonment or relinquishment of District of the right to recapture and the use of any such water; **Provided however**, that nothing herein contained shall limit or detract from the obligations assumed by Water User.

11. CARRYOVER

Carryover is the ability to use undelivered State Water Project entitlement in the year following its allocation as part of the Contract Amount of Water. Water Users are permitted to carry over undelivered State Water Project Entitlement allocated to them as part of their Contract Amount of Water and not pooled as of December 31 of the year of allocation. Water from the District's supplemental water programs and previous year carryover supplies may be carried over by Water Users. Water derived from

the User Input Program may not be carried over by Water Users. ~~In administering this rule, the first water delivered during the year will be counted as SWP entitlement up to the quantity of entitlement allocated to Water User. Other water supplies including supplemental water and pool purchases will be the last water supplies delivered to Water Users.~~ Payment for Carryover shall be at rates or rates established by the Board, to recover the costs associated with delivery of carryover water. Carryover water is subject to loss without notice, and the District shall not be responsible for losses or damages from the loss of Carryover water.

12. SECOND PRIORITY USE OF KERN WATER BANK

It is the policy of the District to manage the Kern Water Bank (KWB) for the benefit of all Water Users on a first priority basis. To the extent the District is not using KWB recharge or recovery capacity for said benefit, the District's rights and access to the KWB may be used by Water Users, on a second priority basis, to recharge and recover supplies for use upon land within the District for agricultural purposes, provided that Water User(s) enter into an agreement in a form provided by the District which shall include but not be limited to the following provisions:

- a) Water User priority to use of the KWB is secondary to the District. Use of the KWB by Water User may be superseded by the District at anytime.
- b) Water User may request to recharge and recover supplies, at District's discretion, within the KWB for in-District use only. District's consideration of requests shall take into account what is feasible and practical. Such requests shall be in writing in a form acceptable to the District. Recovery of supplies in excess of Water User's Second Priority Bank Account balance are not allowed.

Water User shall submit request for recharge/recovery to District, which has the discretion to refuse such request provided such request shall not be unreasonably refused. In certain circumstances, the District may deny requests due to reasons beyond the District's control, including but not limited to reasons of maintenance of the KWB, or due to scale, e.g. the Water User order is too small for recharge/recovery, or there is not enough time to perform the request. In some cases, it may possible or desirable to accomplish said request by exchange rather than direct recharge or recovery.

Water User may recharge specific water types as established by the Board. User Input supplies may not be banked. The Board shall from time to time establish which water types and quantities are eligible for second priority recharge to mitigate local groundwater impacts or for other purposes. It is the District's intent to manage second priority use to avoid increasing local groundwater overdraft consistent with the District Project purposes and the Sustainable Groundwater Management Act.

c)

District shall record all second priority use by Water User, maintain an accounting thereof, make adjustments thereto for losses due to conveyance, recharge, recovery, mitigation, overdraft correction, and such other losses as may occur, and provide an accounting to Water User from time to time. Such accounting shall identify the quantity of water available to Water User for second priority recovery (the Second Priority Bank Account).

d)

Water User may transfer all or part of its Second Priority Bank Account to other Water Users; provided such transfer shall not be made until Water User provides written notice thereof to the District on a form provided therefor, and further provided the District shall not involve itself with any disputes regarding the right of a landowner/Water User or others, nor any disputes regarding continuation of such service, nor any dispute regarding payment of accounts conveyed, and any landowner/Water User desiring to utilize the District's facilities for such purposes shall defend, indemnify and hold the District harmless from any such claim. Transferred Accounts must still be delivered in-District.

e)

Water User payment for second priority use of the Kern Water Bank shall include any and all conveyance, mitigation, delivery, recharge and/or recovery costs, plus any additional fees as established by the Board. Payment of all fees and charges due under the agreement, including delinquencies under the agreement, would be on the same terms and conditions, as the Water User Water Service Contract. The Board may establish a procedure for forfeiture of the Second Priority Bank Account to cure delinquency in payments not timely made and due under the agreement.

f)

Water User is subject to all the same restrictions and obligations to which the District is subject in the KWB Joint Powers Agreement, KWB Memorandum Of Understanding, and the policies of the Kern Water Bank Authority, including but not limited to water banking losses.

g)

Water User Second Priority Bank Accounts may be limited as established by the Board. Such Accounts are subject to partial or complete loss in favor of the District due to Kern Water Bank Authority policy, or because of the District's loss of recharge capability due to Water User(s) second priority recharge. Water User loss of Second Priority Bank Accounts to the District may receive some compensation at rates established by the Board, which rates may be less than Water User's costs. The District shall periodically notify Water Users of the quantities of water stored in the KWB so Water Users can periodically assess their risk of loss of said Accounts.

h)

Second priority use of recharge and recovery capacity of the Kern Water Bank by Water Users shall be allocated in proportion to Water Users' Contract Amounts of Water.

i)

The initial term of the agreement shall be until December 31, 2020, with 5-year renewals thereafter. The District reserves the right to modify the agreement during the renewal period. If a Water User finds the modified contract unacceptable, the Water User has a five-year period to either recover their Second Priority Bank Account or transfer said Account to another Water User. Until such time as that Account has been recovered or transferred, the Water User would be subject to the terms of the current agreement. If the Account has not been transferred or recovered, the Account will forfeit to the District.

i) _____

13. BANKING AND RECHARGE OF DISTRICT & WATER USER CARRYOVER

To ensure the District maximizes water supplies through the use of its groundwater banking facilities while reflecting Water Users’ carryover and access to second priority banking in the Kern Water Bank, the Board of Directors had adopted the following procedures regarding banking and recharge of District and Water User carryover supplies:

- a) Water Users may bank supplies in the Kern Water Bank, subject to the terms of Second Priority Sub-Account Program Agreement (Agreement) and Rule 12 of the District Rules and Regulations.
- b) District staff will consider ALL carryover supplies, including Water User carryover, in determining when to begin District recharge of carryover.
- c) District staff will consult with the Board in determining when to begin District recharge of carryover.
- d) Water Users may elect to exempt from that consideration any carryover supplies that were derived from a non-District supplied source. Such supplies will be subject to carryover spill without compensation.
- e) Once recharge operations begin, District staff will attempt to recharge Water User carryover supplies on behalf of Water Users in a KWB second priority account.
 - (1) Each Water User must agree to pay all appropriate costs (per the Agreement) associated with said recharge.
 - (2) If A Water User declines to either enter into said Agreement or pay appropriate costs, Water User carryover supplies will be forfeited to the District with no financial reimbursement to the Water User.
- f) Prioritization of District and Water User carryover to banking projects will be determined considering all relevant factors. If possible, reallocation of groundwater recharge that could benefit Water User banking in the second priority accounts will be considered so long as said reallocation does not harm the District. Any reallocation will include appropriate costs, to the Water Users, to reflect any increased costs borne by the District.
- a)g) Final allocation of recharge activities and/or remaining carryover will be determined through a final reconciliation. Final allocations will be determined in a manner that will benefit the District first, and Water Users second. Final allocations will be consistent with District practices and will be approved by the Board.

~~It is the policy of the District to manage the Kern Water Bank (KWB) for the benefit of all Water Users on a first priority basis. To the extent the District is not using KWB recharge or recovery capacity for said benefit, the District’s rights and access to the KWB may be used by Water Users, on a second priority basis, to recharge and recover supplies for use upon land within the District for agricultural purposes, provided that Water User(s) enter into an agreement in a form provided by the District which shall include but not be limited to the following provisions:~~

- ~~a) Water User priority to use of the KWB is secondary to the District. Use of the KWB by Water User may be superseded by the District at any time.~~

- ~~b)a) Water User may request to recharge and recover supplies, at District's discretion, within the KWB for in-District use only. District's consideration of requests shall take into account what is feasible and practical. Such requests shall be in writing in a form acceptable to the District. Recovery of supplies in excess of Water User's Second Priority Bank Account balance are not allowed. Water User shall submit request for recharge/recovery to District, which has the discretion to refuse such request provided such request shall not be unreasonably refused. In certain circumstances, the District may deny requests due to reasons beyond the District's control, including but not limited to reasons of maintenance of the KWB, or due to scale, e.g. the Water User order is too small for recharge/recovery, or there is not enough time to perform the request. In some cases, it may possible or desirable to accomplish said request by exchange rather than direct recharge or recovery.~~
- ~~e)a) Water User may recharge specific water types as established by the Board. User Input supplies may not be banked. The Board shall from time to time establish which water types and quantities are eligible for second priority recharge to mitigate local groundwater impacts or for other purposes. It is the District's intent to manage second priority use to avoid increasing local groundwater overdraft consistent with the District Project purposes and the Sustainable Groundwater Management Act.~~
- ~~d)a) District shall record all second priority use by Water User, maintain an accounting thereof, make adjustments thereto for losses due to conveyance, recharge, recovery, mitigation, overdraft correction, and such other losses as may occur, and provide an accounting to Water User from time to time. Such accounting shall identify the quantity of water available to Water User for second priority recovery (the Second Priority Bank Account).~~
- ~~e)a) Water User may transfer all or part of its Second Priority Bank Account to other Water Users; provided such transfer shall not be made until Water User provides written notice thereof to the District on a form provided therefor, and further provided the District shall not involve itself with any disputes regarding the right of a landowner/Water User or others, nor any disputes regarding continuation of such service, nor any dispute regarding payment of accounts conveyed, and any landowner/Water User desiring to utilize the District's facilities for such purposes shall defend, indemnify and hold the District harmless from any such claim. Transferred Accounts must still be delivered in District.~~
- ~~f)a) Water User payment for second priority use of the Kern Water Bank shall include any and all conveyance, mitigation, delivery, recharge and/or recovery costs, plus any additional fees as established by the Board. Payment of all fees and charges due under the agreement, including delinquencies under the agreement, would be on the same terms and conditions, as the Water User Water Service Contract. The Board may establish a procedure for forfeiture of the Second Priority Bank Account to cure delinquency in payments not timely made and due under the agreement.~~
- ~~g)a) Water User is subject to all the same restrictions and obligations to which the District is subject in the KWB Joint Powers Agreement, KWB Memorandum Of Understanding, and the policies of the Kern Water Bank Authority, including but not limited to water banking losses.~~

- ~~h)a) Water User Second Priority Bank Accounts may be limited as established by the Board. Such Accounts are subject to partial or complete loss in favor of the District due to Kern Water Bank Authority policy, or because of the District's loss of recharge capability due to Water User(s) second priority recharge. Water User loss of Second Priority Bank Accounts to the District may receive some compensation at rates established by the Board, which rates may be less than Water User's costs. The District shall periodically notify Water Users of the quantities of water stored in the KWB so Water Users can periodically assess their risk of loss of said Accounts.~~
- ~~i)a) Second priority use of recharge and recovery capacity of the Kern Water Bank by Water Users shall be allocated in proportion to Water Users' Contract Amounts of Water.~~
- ~~j)a) The initial term of the agreement shall be until December 31, 2020, with 5 year renewals thereafter. The District reserves the right to modify the agreement during the renewal period. If a Water User finds the modified contract unacceptable, the Water User has a five year period to either recover their Second Priority Bank Account or transfer said Account to another Water User. Until such time as that Account has been recovered or transferred, the Water User would be subject to the terms of the current agreement. If the Account has not been transferred or recovered, the Account will forfeit to the District.~~

143. PRESERVATION OF PUMPING RIGHTS

In order that no Water User be prejudiced by utilizing Project Water in lieu of exercising whatever rights he may have to pump ground water and in recognition of the anticipated benefit to the District's underground water supply arising from the implementation of the District's project, the Board of Directors has adopted the following policies:

- a) All Water User's contracts with the District for water service shall include a Section 3(m), which is quoted following:

*"In the interest of preserving to Water User his rights to pump ground water for use on his lands which will be served with water under this contract, it is agreed that, during all the years that District delivers water to Water User, to the extent that Water User shall reduce his pumping of ground water and shall make use of water so delivered to him by District, Water User's said use of water so delivered to him by the District shall be deemed the same as if he had pumped from the underground a quantity of water equal to the quantity of water so delivered to him by District. Water User also agrees to recognize and be bound by the pumping rights similarly preserved to other Water Users in the District pursuant to water service contracts heretofore and hereafter executed. It is further agreed that, in the event District were to carry out a program for spreading of water and percolation thereof to underground storage, District shall have the right to use of the underground storage for spreading and recovery of water in connection with supplying water service to Water User and to all other Water Users, and it is further agreed that, to the extent that District may pump water from underground supplies for furnishing to Water Users, District shall be deemed to be exercising said Water User's rights to pump water from underground water supplies; **Provided however**, that nothing herein contained shall prevent or hinder Water User from exercising his rights to pump ground water."*

- b) The District has adopted the Groundwater Service Charge, in recognition of the service provided by the District to all Water Users by importing surface water into the District to augment and

maintain limited groundwater supplies. During the lifetime of District's adopted project, District will continue to maintain records of ground water level and quality, and, in accordance with Water Storage District Law, if future conditions should indicate the need therefor, will adjust said Groundwater Service Charge or take other appropriate action ~~levy a service charge on lands irrigated from ground water and/or seek to have an Assessment Commission appointed to readjust the Original Project Assessment to reflect project benefits to lands within District irrigated from ground water; and such action will be taken in a timely manner in order to~~ maintain financial equity between the Water Users and ground water users in District.

In effecting this policy it is declared that without obligating District to assume any responsibility therefor and without limiting or detracting from the obligations assumed by Water Users in this regard, District shall have the right to the use of all waste, seepage and return flow resulting from Project Water which escapes, percolates or is discharged beyond Water User's recovery facilities, if any, and nothing herein contained shall be construed as an abandonment or relinquishment by District of the right to the recapture, use and benefit of all such water, and any use made of any resultant benefit to ground water conditions arising from project water is made with the consent of the District, which consent is revocable at any time, and such use is not to be considered a use adverse to District's rights nor shall any such use under any circumstances create an estoppel in asserting such rights at any time.

Further in effecting this policy, it is declared that, during all the years that District delivers water to a Water User, to the extent that such Water User shall have reduced his pumping of ground water and shall make use of water so delivered to him by District, any use made of the resultant benefit to ground water conditions is made with the consent of said Water User, which consent is revocable at any time, and such use is not to be considered a use adverse to his right to the continued exercise of his rights to pump and utilize ground water nor shall any use under any circumstances create an estoppel in asserting any such right at any time.

154. PROTECTION OF DISTRICT FACILITIES

Without limiting rights otherwise reserved and except for drains and waterways built by the District expressly for the conveyance of drainage water, no persons will be allowed to drain irrigation water upon District-owned property, and any person doing so will be subject to fine and damages, will be in violation of these Rules and Regulations and water service may be terminated.

It is the duty of Water User to furnish reasonable protection for the individual Farm Turnout to prevent damage to said turnout. In the event that damage occurs to Farm Turnout as a result of failure by Water User to provide such protection, the repair of such damage will be made by the District, the expense of such repair will be charged to Water User and no water will be furnished through the affected turnout until such repairs are made and the charges therefor paid to the District.

165. SUBSIDENCE

It is known that portions of the District to be served with project water consist of soil which, with continued application of water, may consolidate to a considerable degree. It is also reasonable to assume that this phenomenon may result in damage to District's facilities. This factor is recognized in the District's Project Report, which contains estimates of an amount of money necessary to pay the added cost of construction required to minimize danger and an estimate of the cost of increased maintenance on facilities in said subsidence areas. Such factors were again considered during final design of project facilities and in connection with the District's right of way program. It is also recognized that the use of

water in such areas for normal agricultural purposes may nevertheless result in unforeseen damage to District's facilities arising from this natural phenomenon. It has been suggested that paragraph 3(e) of the Water Service Contract and various portions of these Rules, particularly Rule 13, can be interpreted as rendering a Water User liable for any and all damage occurring to District's facilities by reason of the ordinary use of his lands for agricultural purposes. It is to be noted that nothing contemplated in the Water Service Contracts or these Rules and Regulations is intended to make any Water User strictly liable for damage to District's facilities attributable to subsidence; that the philosophy of the Project Report is such that the Water Users will pay the estimated cost of minimizing such damage and the increased maintenance attributable thereto as a District expense, and that the consideration paid, or to be paid, to Water Users for the acquisition of District's rights-of-way has not included an element of damage for assumption of any liability arising from such risk.

In this regard, and notwithstanding anything contained in the Water Service Contract and/or these Rules and Regulations, District will repair, at District's own expense, damage to District facilities due to subsidence occasioned by the normal, ordinary and reasonable use of land of Water User related to application of Contract Water, provided that Water User's uses incorporate every reasonable precaution to prevent, eliminate or minimize such damage; **Provided however**, nothing herein contained shall modify in any manner the provisions of Paragraph 3(h) of the Water Service Contract or in any manner render District liable for any damage to a Water User occasioned by disruption of Water Service.

176. ENCROACHMENT ON DISTRICT PROPERTY

Without limiting rights otherwise reserved, consent for encroachment will be required from the District before any drains, fences, pipelines or other encroachments from private sources will be permitted to be used upon the District's property. Consent forms will be furnished by the District to the applicant and must first be approved by the Engineer-Manager or his designee before any construction begins. Where District rights in any property are an easement, no encroachments will be permitted which will in any manner interfere with the rights under said easement, and the District's consent must first be obtained before any pipelines or other encroachments are constructed in any easement area. The work shall be constructed to specifications approved by the District at the sole expense of the permittee and maintained to the satisfaction of the District. If such consent is granted, then the permittee shall be solely responsible for and shall indemnify and shall assume the defense of and hold harmless the District and its directors, officers, agents and employees from any and all loss, damage, liability, claims or cause of action of every nature whatsoever, for damage to or destruction of property, including the District's property, or for injury to or death of persons, in any manner, arising out of permittee's exercise of the rights and privileges given in the granting of such consent. Issuance of consent does in no way grant a permanent right, and if the District determines at a future date that said works do in fact interfere with its operations, said works shall be removed and the District's property restored to its original state at the sole expense of the permittee. Granting of such consent does in no way and in no extent surrender or subordinate the District's control or supervision over the encroachment. Any person or his authorized agent who uses the property of District for the movement of equipment shall be responsible to District for any damage to District property. No livestock will be allowed to enter upon or graze on District's fee property without the specific written approval of the District. Any persons using a District rights-of-way for any purpose assumes all risks associated therewith and assumes the responsibility for any damage to District property resulting therefrom and also for any damage to private property caused by such damage to District property.

187. MODIFICATION OF THE PROJECT FACILITIES

No changes shall be made in the constructed project facilities except by District personnel or its contractors and in accordance with the District's specifications. If a modification is made at the request of a Water User, and for his benefit, the cost thereof shall be paid in advance by the Water User requesting said modification. The advance payment shall be determined by the Engineer-Manager based upon an estimate of the costs including but not limited to reasonable charges for engineering performed by the District and overhead, and after completion of the work a final accounting shall be submitted to the Water User. Within thirty (30) days after submission of said final accounting, the Water User will pay the difference between the actual cost and the estimate thereof, or the District will make a refund if the actual cost is less than the advance payment. Any additions to project facilities so constructed shall become the property of the District.

198. SALE OR TRANSFER OF TITLE TO LANDS

- a) Without limiting the provisions of Paragraph 10 of the Water Service Contracts, when land affected by a Water Service Contract is sold or title otherwise transferred to another party, District will be under no obligation to deliver water to such lands until the Water Service Contract is assumed by the new landowner. Such assumption shall be on forms provided by the District, executed and completed timely in a manner satisfactory to the District. In the event of a transfer of ownership as to a portion of the lands described in an Exhibit "A" to a Water Service Contract and in the absence of written instructions from the affected landowner, the Assumption Agreement will be prepared so as to allocate the rights and obligations under said Water Service Contract on an acreage basis.
- b) Notwithstanding any transfer or change of ownership, the District shall be entitled to administer a Water Service Contract in reliance upon and in accordance with matters in the files at the District office including but not limited to matters regarding title to land, address of Water User, authorizations, appointments, designations, credits and refunds and the like, until or unless District has received actual notice in writing that any or all of such matters are changed, modified or revoked.

2049. MISCELLANEOUS PROVISIONS REGARDING ASSIGNMENTS AND TRANSFERS

- a) The execution by the District of any assignment and/or the giving of its consent to transfer of the rights of a Water User under a Water Service Contract or to a disposal of water by the District pursuant to Rule 10 hereof, shall be without any warranty of title on the part of the District and shall not be interpreted as any representation, express or implied, by or on behalf of District, that such assignment, transfer or disposal is free and clear of outstanding encumbrances.
- b) Without attempting to establish or in any manner affect the rights of any person arising from a deed of trust, any person or entity having any interest in a deed of trust on property subject to a Water Service Contract, may file with the District a written request for notice of failure to make the payments required by such Water Service Contract or a request for notice of any specific act that the District may be requested to undertake or to consent to under the Water Service Contract or these Rules and Regulations that such person alleges will detrimentally affect its interest, including but not limited to (1) a request for exclusion from the Surface Water Service Area; (2) a request for written permission to utilize water on lands other than those described in Exhibit "A" to a Water Service Contract for a period in excess of a year; or (3) a request for assignment of rights under Water Service Contract for a period in excess of a year. Upon receipt of such notice, District shall give such person written notice of default or of any request that it take such action as is set forth in the request for notice, at least fifteen (15) days prior to foreclosure

proceedings or prior to such other specified act by the District, unless such person has given written consent to the requested action. In addition to setting forth the matters as to which notice by the District is requested, the request for such notice shall set forth a legal description of the land affected; the name of the current owner of the fee; the name and address where the requested notice is to be sent and a copy of the deed of trust showing the recording information. Any notice from the District shall be effective when deposited in the mail, postage prepaid, directed to the address shown in the notice. **Provided however**, District may disregard any request for notice which has not been re-filed within fifteen (15) days of a written demand therefor by the District mailed in the same manner and with the same effect as herein above provided for the notice by the District; **Provided further, however**, nothing herein provided shall render District liable to any person under any circumstances.

210. REAPPORTIONMENT OF ASSESSMENTS

The provisions hereof are supplementary to the provisions of Article 8 (commencing with Section 46325) of Chapter 2 or Part 9 of the Water Code.

When any tract of land upon which an assessment has been levied, has been subdivided into smaller parcels of land, the Board may, in the absence of any application being filed therefor, prior to a call on said assessment or prior to closing of the County Assessment Rolls if the alternative procedure for collecting District assessments is utilized, order that such assessments be reapportioned in the same manner as utilized in establishing the assessments on the entire tract being reapportioned without notice and hearing unless a person interested shall have filed with the Board a request for notice of hearing of reapportionment of assessments to be made pursuant to Section 46325.

Applications for reapportionment of assessments on tracts of land in the District shall be in such form as is approved by the Board; landowners' signatures shall be acknowledged in the same form as a conveyance of real property and the application shall be accompanied by certified copies of recorded deeds showing the current ownership of the entire tract to be reapportioned. If the application be signed by less than all the landowners within the subdivided tract, a hearing will be held and notice of hearing shall be by mail directed to landowners affected at the address shown on District records and only to such other persons as are interested who have filed with the Board a request for notice of reapportionment, mailed at least ten (10) days prior to the day of hearing. District may require a report as to status of title of said reapportionment tract and may require a payment of such fees and costs by the applicant as the Board may establish.

224. MUNICIPAL AND INDUSTRIAL WATER

a.—These Rules and Regulations are applicable to water served for agricultural, industrial, and municipal and industrial uses. Water will be furnished for industrial use, or municipal and industrial use, only with the written permission of the District and subject to specific terms and conditions to be imposed for the particular service involved or pursuant to contracts for Industrial Water Service. Water is in a raw, untreated condition and is considered to be unfit for human consumption without treatment. Insofar as is practicable the basic rules and regulations governing the delivery of agricultural water shall apply to delivery of water for industrial use and municipal and industrial use.

b.—**Conditions Under Which Water May be used for Municipal and Industrial Use:**

Paragraph 3(a) of the District's Water Service Contracts with individual landowners provides in part "Water furnished under this Contract shall be used by Water User for Agricultural Use only, Provided, However, that, with the written permission of District, Water User may use said water for Municipal and

Industrial Use (M&I) subject to terms and Conditions imposed by District." The terms and conditions that the District will consent to such a conversion, which would be implemented through a Contract Amendment including the affected landowner and water purveyor as parties, ("Implementation Contract"), would incorporate the following principles into such contact amendment:

- (1) Water Treatment Entity. There must be a responsible water purveyor that would be fully responsible for treatment of wholesale supplies provided by the District and distribution of those supplies. The purveyor would have to have demonstrated the technical and financial ability to perform those functions. The purveyor would most likely be another district, a County service area, or a regulated public utility.
- (2) Return Flows to Groundwater. The M&I development must be designed and implemented in such a manner so as to not unduly reduce effective return flows to the groundwater basin, as compared to continued use for irrigation under then current conditions.
- (3) M&I Development / Ag Land Use Conflicts. The M&I development must be designed and implemented in such a manner so as to not adversely impact adjacent agricultural operations, as provided for on a case by case basis.
- (4) Safe Drinking Water Act. It must be confirmed that as a result of the conversion and the activities of the water purveyor, the District will not become subject to additional regulatory constraints, such as the Safe Drinking Water Act, which would adversely affect other landowners and the District's costs.
- (5) Isolation of Delivery Systems. The delivery system from the California Aqueduct to the water purveyor would be isolated from District facilities, unless other arrangements are made.
- (6) Additional Institutional Costs. Any added costs, such as any additional charges from Department of water Resources and/or the Kern County Water Agency (KCWA), or any increase in KCWA zones of benefit assessments, will have to be paid by the converting landowner and/or water purveyor.
- (7) Additional O&M Costs. Arrangements must be made to avoid any facility conflicts, such that the M&I development does not make it more difficult or expensive for the District to access, maintain and repair and replace its facilities.
- (8) Other Cost Impacts. To the extent the Implementation Contract may adversely affect costs or unit water rates to other Water Users, such adverse impact must be mitigated to the extent deemed appropriate by the Board.
- (9) Security for Water Charges. The District's security for payment of contract water charges and any non-contract assessments and charges must be maintained, particularly upon subdivision of lands. Among other things, if the water purveyor defaults in payment of charges or assessment (for instance if the development is a failure), that notwithstanding the land may have been subdivided, that the District's security is not compromised as compared to what would be the case if the land was still in agriculture. This may take the form of an equivalent recorded contract and/or lien by the water purveyor (if it is a public agency) with similar lien rights and providing for the district being a third party beneficiary, or a security enhancement arrangement, such as a letter of credit.

(10) No Increase in Demands. The Implementation Contract will include provisions, as necessary on a case by case basis, to ensure that, as a result of the conversion to M&I use, demands for water in the District and areas immediately adjoining the District, whether from surface water or groundwater, do not increase as a result of the conversion.

(11) No Domestic Priority for Water Allocations. The Implementation Contract will include language that, notwithstanding Water Code Section 106 and any other provisions of law, the Water User and water purveyor, and their successors and customers, waive and will not assert any priority to water provided for M&I use, including domestic use, and that the allocation of water supplies under the Contract Amendment in any given year will not exceed that which would have been allocated if the water was used exclusively for Agricultural Uses.

(12) Notice to Water Purveyor Customers. A mechanism will be included in the Implementation Contract to ensure that future customers of the water purveyor are provided notice of those provisions of the Implementation Contract that the District deems appropriate on a case-by-case basis.

232. SECTION 592 OF THE PENAL CODE OF THE STATE OF CALIFORNIA

Attention is directed to the provisions of Section 592 of California Penal Code as follows:

" (a) Every person who shall, without authority of the owner or managing agent, and with intent to defraud, take water from any canal, ditch, flume or reservoir used for the purpose of holding or conveying water for manufacturing, agricultural, mining, irrigating or generation of power, or domestic uses, or who shall without like authority raise, lower or otherwise disturb any gate or other apparatus thereof, used for the control of measurement of water, or who shall empty or place or cause to be emptied or placed, into any such canal, ditch, flume or reservoir, any rubbish, filth or obstruction to the free flow of the water, is guilty of a misdemeanor.

(b) If the total retail value of all the water taken is more than nine hundred fifty dollars (\$950), or of the defendant has previously been convicted of an offense under this section, or any former section that would be an offense under this section, or of an offense under the laws of another state, or of the United States that would have been an offense under this section if committed in this state, then the violation is punishable by imprisonment in a county jail for not more than one year, or in the state prison."

243. AUTHORITY OF CONTRACTS

This District entered into a contract with the Kern County Water Agency and contracts between the District and Water Users for water service. In case of an inconsistency between these Rules and Regulations and the Water Users Contract, the Agency Contract, the Master Contract, Industrial Water Service Contract and any amendments thereto, the Contracts shall govern.

254. ENFORCEMENT OF RULES AND REGULATIONS

The Engineer-Manager of the District is authorized to do all acts necessary and proper to enforce these Rules and Regulations. Failure of a Water User to comply with any of the Rules and Regulations shall be sufficient cause for the termination of water service, and water service will not again be furnished to such Water User until full compliance has been made with all the requirements as herein set forth; Provided however, that Water User shall in no way be relieved of any responsibility for payment of any charges or obligations by reason of such termination of water service. When it is practicable to do so, advance notice of any such termination of water service will be furnished to Water User. In no event shall any liability accrue against District or any of its directors, officers, agents or employees, for damage, direct or indirect, arising from such terminations of water service. Non-enforcement of any provision of these Rules and Regulations does not constitute a waiver of the District's right of enforcement at any time.

265. APPEAL OF DECISION OF ENGINEER-MANAGER

In the event a Water User disagrees with a decision made by the Engineer-Manager in carrying out the enforcement of these Rules and Regulations, he shall have the right of appeal to the Board of Directors. Appeals shall be submitted in writing no less than five (5) days prior to a regular meeting of the Board in order to be considered at that meeting, shall specifically set forth the decision being appealed and shall give the reasons for said appeal. Decisions of the Board of Directors shall be final and conclusive.

276. CHANGES IN RULES AND REGULATIONS

The Rules and Regulations shall become effective immediately and may be added to, amended or repealed at any time by resolution of the Board of Directors of the District.

287. SEVERABILITY OF PROVISIONS

If any provision of these Rules, or the application thereof to any person or circumstance, is held invalid, the remainder of these Rules, and the application of its provisions to other persons or circumstances, shall not be affected thereby.

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Thomas Suggs

DATE: November 6, 2023

SUBJECT: Authorization to Advertise for PVC Pipe - B5X Interconnection Between 850A System and 14G System

Introduction and Background: Since 2021, the District has moved surface water amounting to about 1,800 acre-feet per year through a pipeline from Reach 16 of the California Aqueduct (i.e., through WRM14 and the 14G27X intertie) to the 850B service area, reducing the amount of water that must be pumped through the WRM10, PB-1, and PB-2 pumping plants.^(a) This arrangement does create some offsetting State Variable Charges into Reach 16.

The total capital investment in the 14G27X project was \$204,480 including all District overheads, but avoided energy and other charges saved Water Users roughly \$540,000 during the intertie’s first two years of operation^(b). Savings were melded across the 1510 charge code zone in Final Accounting, reducing District Water Use Charge (WUC) rates by about \$120 per acre-foot for Water Users in that charge code zone.

Project Budget: More recently, District staff has explored the feasibility of conveying about 500-700 acre-feet per year from Reach 16 to four turnouts located in the 850A Service Area by way of a new interconnecting pipeline and meter that would be called the B5X intertie^{(c)(d)}. The 2023 budget contains a line item in Table 12, Capital Expenditures, in the amount of \$460,000 and this was carried over into the 2024 budget as well. A slightly more refined estimate of expenses is given below including District overhead:

<u>Description</u>	<u>Amount</u>
Pipe and other materials incl. overhead burdens	\$ 140,000
District labor	\$ 135,000
Vehicles, fuel, and equipment	<u>\$ 15,000</u>
Subtotal	\$ 290,000
Plus contingency, 20%	<u>\$ 58,000</u>
Total	\$ 348,000

Economic Analysis: Staff prepared an operating cost calculator for the project taking into account avoided pumping costs at WRM 10, PA-1, and PA-2 as well as State Variable charges. As in other District pumped systems, the night Water Tender must start up a pump unit at the PA-2 Pumping Plant in the very early morning hours to charge the system, but because he cannot be at all plants at the same time, the plant tends to pump and bypass with no deliveries for three to four hours each night. The intertie will virtually eliminate this form of energy waste at PA-2 as the 14G27X intertie has done at PB-2.

The analysis looked back at six years of actual operations from 2017-2022 and assumed 500 acre-feet of intertie deliveries through B5X. Average net cost savings amounted to \$86,381 per year in this simulation. The prevailing cost component seemed to be the difference between the State

Incremental Firm Variable Rate between reaches 15 and 16 of the California Aqueduct and higher District pumping costs at WRM 10, PA-1, and PA-2. It also appeared that the PA-2 Plant could be idled for five winter months each year.

Given avoided energy costs of roughly \$86,400/year, the simple payback point on the expenditure is estimated to be about 4.0 years or less.

Advertising for Bids to Furnish Pipe Materials: The Engineer's estimate for furnishing and delivering pipeline materials is \$113,000, so a formal bid procedure is required under the Public Contracts Code as well as the Purchasing Policy. When bids for similar pipe materials were solicited for the 14G27X project in 2021, only one bid was received. In that instance, the Board rejected the bid and found that it was impractical to readvertise (as allowed under *Rule 1.F.(2)* of the Purchasing Policy) and further authorized the Engineer-Manager to make the purchase under *Rule 4, Open Market Purchase* procedures.

Right-of-Way Agreements: Staff propose placing the intertie pipeline across lands owned respectively by Tehachapi Bench Vineyard Partnership, Tejon Ranch Company, and Char Phar Investments, LLC. Accordingly, new permanent easements in favor of the District should be acquired from those three landowners. The recommended easements would comprise about 3.0 acres in total in the SW 1/4 of Section 23, Township 11 North, Range 19 West, of the SBM.

The affected landowners have polled about the idea of pipeline easements and none has expressed any particular objections, but grant deeds have not been requested yet.

Loan Agreement For On-bill Financing: It is proposed that capital expenses for this project be initially reserve funded but reimbursed to the Equipment Replacement Reserve Fund through a roughly two-year, 0% loan from PG&E's On-Bill Financing (OBF) program, with the exact loan principal amount and repayment term to be determined by PG&E based on their calculation of possible future KWH savings. OBF loan funds would be disbursed only after the connection were put into operation, very likely in 2024. Loan principal payments would be made by the District each month but recovered from Water Users in the 1510 charge code zones (the direct beneficiaries) through the District Variable Charges in Final Accounting. In this way, both capital expenses and energy cost savings flow to beneficiaries in an equitable way without the need for any other tracking mechanism^(e).

An OBF loan reservation has been requested from PG&E, but PG&E is still in the process of qualifying the project under their program guidelines.

California Environmental Quality Act (CEQA): Staff believe that the B5X project would qualify for a categorical exemption under CEQA. The proposed alignment is within an existing farm road, and although Tejon Ranch does typically conduct Native American cultural surveys whenever dirt is disturbed on its properties, it appears there are no complicating factors that would disallow a categorical exemption.

Recommendations: It is recommended that the Board do the following:

- a. Authorize District staff to advertise for bids to furnish pipeline materials as detailed above.
- b. Authorize the Engineer-Manager to pursue a zero-interest loan agreement with PG&E for an amount equal to the actual cost of the interconnection project as described above.

Endnotes:

- (a) The District's distribution system was designed to pump water from Reach 15 of the Aqueduct through the WRM10 Pumping Plant, move it down the 850 Canal, pump it through the PB-1 Pumping Plant, and pump it yet again through the PB-2 Pumping Plant to turnouts in the PB-2 Service Area. While the temporary facilities were in place, however, it was also possible to deliver water to the same turnouts by moving water from Reach 15 of the Aqueduct through the State's Wind Gap Pumping Plant into Reach 16, into the 14 Gravity System, and finally into the 850B-5 Lateral. State Incremental Pumping Charges into Reach 16 were always less than WRM10, PB-1, and PB-2 pumping charges on an acre-foot basis. The reason was that the State pays lower rates for electrical power and in addition, the State's pumps are more efficient than the District's pumps.
- (b) The computations are not simple, but they are contained in the annual Power Cost Report. Savings were \$232,134 in 2022 and \$310,114 in 2023.
- (c) Design considerations call for 2,700 linear feet of 12-inch-diameter^{(c)(d)} gasketed PVC pipe in 165 psi head class. Facility design and construction will be done in house; plans and drawings are underway. The two ends of the connection, one on the 850A-3 Lateral and the other on the 850B-D Lateral, are 15-inch diameter asbestos-concrete pipe, but hydraulic analysis suggested that flows will typically not exceed 5 CFS, so 12"-diameter pipe was specified.
- (d) The District has an unwritten understanding with Tejon Ranch that flows through the existing 14G27X Intertie will be adjusted downward as needed during the summer months to maintain adequate pressures in the 14G-1 Lateral. This consideration will continue forward with the proposed B5X Intertie.
- (e) This is the same arrangement used to finance the former 14G27X Intertie Project, which had a \$204,480 principal amount and 23-month OBF loan term. In that instance, net savings to water users essentially paid for the 14G27X project in its first year of operation as explained in the Introduction.

MEMORANDUM

TO: Board of Directors
FROM: Sheridan Nicholas
DATE: November 6, 2023

SUBJECT: Support for Pacific Legal Foundation Western Water Law Program

Since 2001, the District has provided financial support for the Pacific Legal Foundation’s Western Water Law Program (WWLP). The Program has won important court cases protecting property rights in water and limiting federal powers under the federal Endangered Species Act and federal Clean Water Act in ways that are beneficial to the District’s water supply and distribution activities. The litigations generally support reasonable beneficial uses of water for economic prosperity, and attempts to prevent expropriation of water for specious environmental or other benefits. The Pacific Legal Foundation (PLF) is a public interest law firm headquartered in Sacramento.

The District has supported PLF’s Western Water Law Program (WWLP) in the past, to wit:

2001-2008	\$5,000 per year
2009-2011	\$10,000 per year to support Delta smelt Commerce Clause litigation
2012	\$5,000
2013-22	\$10,000

In the past, PLF has filed amicus briefs in support of the District’s takings litigation (Tulare Lake case) and protecting the favorable outcome therefrom under *Casitas v. U.S.* The unfavorable ruling at the trial court in *Casitas* was reversed in 2008 to a favorable ruling in the appellate court.

The District has not yet received the litigation report specific to the Western Water Law Program that is usually included with this memorandum, we are expecting to receive it later this week. Once received, I will provide it to the Board via email, and also include it in the December Board Packet. The District does not provide financial support for other PLF programs because District funds may be expended only for District-related purposes.

Recommendation. PLF has a good track record on important water litigation. Funding for the Western Water Law Program is included in the District budget. Absent other direction from the Board, the Engineer-Manager would authorize staff to proceed with a \$10,000 payment to PLF for the Western Water Law Program for inclusion in the Accounts Payable.

November 10, 2023

Steven Anderson, President
Pacific Legal Foundation
555 Capital Mall, Suite 1290
Sacramento, CA 95814

Subject: Financial Support for Pacific Legal Foundation Western Water Law Program

Dear Mr. Anderson:

Per the May 10, 2023 letter from Bob Vice, the recent work of the Pacific Legal Foundation's Western Water Law Program was described. The legal work of the Pacific Legal Foundation on western water issues was determined to coincide with the District's water interests. Therefore, enclosed find a support check in the amount of \$10,000 to be used exclusively for the Western Water Law Program. Please keep the District informed of the activities of the Western Water Law Program.

If questions arise, please call me at extension 6075.

Sincerely,

Sheridan Nicholas
Engineer-Manager



PACIFIC LEGAL
FOUNDATION

Defending Liberty and Justice for All.

BEN W. JOHNSON

Donor Relations Officer

05/10/23

Dear Sheridan,

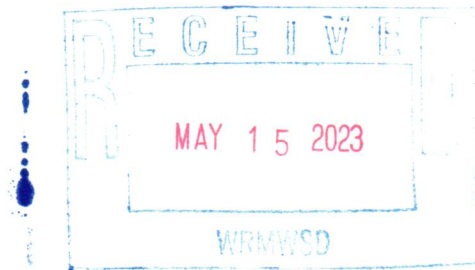
We would be honored if you'd consider a gift of \$10,000 or as much as you can possibly give.

Thank you for your wonderful 21 years of partnership!

All the Best,
Ben Johnson



**PACIFIC LEGAL
FOUNDATION**



May 10, 2023

Mr. Sheridan Nicholas, PE
Engineer-Manager
Wheeler Ridge-Maricopa Water Storage District
12109 Highway 166
Bakersfield, CA 93313-9630

Dear Mr. Nicholas,

At Pacific Legal Foundation, we believe that the right to own and use private property without undue government interference is fundamental to every individual's freedom and prosperity.

Since our founding in Sacramento in 1973, we have been at the forefront of defending this essential right. Our free legal representation empowers countless citizens to stand strong in the face of overreaching government giants and defend their constitutional right to own and reasonably use what is theirs.

The precedents we have set together protect, restore, and extend liberty, and they include 15 property rights victories at the U.S. Supreme Court—with three more decisions pending in property rights cases we litigated before the High Court this term.

I'm pleased to provide this update on the following water rights and Endangered Species Act challenges that your investment makes possible.

CLEAN WATER ACT (CWA) LITIGATION

Asking the Supreme Court for "Navigable Waters" Finality—As of this writing, the Court has not yet announced its decision in *Sackett v. EPA*. PLF argued the case on October 3, the first day of the Court's fall term, on behalf of Chantell and Mike Sackett, who've been fighting the Environmental Protection Agency (EPA) over Clean Water Act (CWA) abuses for 15 years. A win would vindicate the Sacketts' property rights and set clear limits on governmental authority by clarifying PLF's 2006 Supreme Court victory in *Rapanos v. United States*. The Court will issue its decision by the end of its term in June.

As we await the Sackett decision, we are also monitoring the Biden administration's newly drafted rule redefining "navigable waters." The rule's fourth rewrite since 2015 unfortunately promises no improvement over prior attempts. We are encouraged that federal courts in Texas and North Dakota granted preliminary injunctions of the rule's new rewrite at the request of 26 states and a number of business and agricultural associations pending the Sackett ruling. Both the outcome in Sackett and Biden's new rule will determine the next steps for our clients' active lawsuits in four states challenging illegal portions of the current rules that too broadly define areas of mostly land miles from any rivers or lakes as federally regulated navigable waters.

Protecting Property Rights from Citizen Lawsuit Abuses—When Ken Smith and his family established their small business in South Carolina, Arabella Farm, they believed their land use for a working farm and event venue fell under the agricultural exemption of the CWA. Therefore, they did not apply for a state stormwater discharge permit, despite the property's proximity to water. However, after the state informed them otherwise, the Smiths reached a consent order with regulators, agreeing to pay a fine of \$6,000 and obtain the required state permit. This did not satisfy a group of environmental organizations, led by Naturaland Trust, who launched a federal "citizen suit" against Arabella Farm.

Although Congress has allowed for citizen suits under the CWA, these suits must meet specific criteria and can only proceed if the state has not already enforced the law. However, they are often used to extract civil penalties from property owners and can be wielded as a weapon to deprive private landowners of the beneficial use of their property. This practice, sometimes referred to as "environmental ambulance chasing," is becoming increasingly common. The Fourth Circuit reversed a federal district court's rightful dismissal of the case, an alarming decision that makes citizen suits more accessible and exposes property owners across the nation to further abusive litigation and penalties, even when they comply with state regulations. This elevates citizen lawsuits above state authority and erodes states' ability to manage their water resources to protect both the environment and private property rights. The Smiths are now appealing to the Supreme Court to clarify the CWA's rules for citizen suits to safeguard property owners from abusive litigation and to maintain the states' primary role in regulating land use and water pollution.

Defending Livelihoods and Property Rights from False Pollution Claims—Like many mining enthusiasts in Idaho, Shannon Poe earns a living with his suction dredge—an engine-powered hose that extracts metals from streambeds and returns everything else to the water. Shannon began mining in 2007 and has since become the founder and president of the nonprofit American Mining Rights Association. In 2018, an environmental group sued him for adding pollutants to the South Fork River, a federally regulated "water of the United States." Although this kind of mining adds

nothing new to the river, the district court leaned on the EPA's dubious, overbroad interpretation of "pollutant," found Shannon guilty, and ordered him to pay \$150,000 in penalties. Material that is removed from and returned to the water cannot be a pollutant under the CWA as written. The implications of wordsmithing laws to expand regulatory powers over navigable waterways stretch far beyond suction dredge mining to any land use activities that stir up dirt. Shannon is now asking the Ninth Circuit to overturn the lower court's decision to restore his livelihood, protect miners' property rights, and strengthen the separation of powers by limiting courts' broad deference to agencies such as the EPA.

Challenging EPA's Unlawful In-House Prosecution—Thomas and Amy Villegas are challenging an EPA in-house enforcement action against them that violates the Constitution's Appointments Clause and due process protections. At issue is the Villageses' work to clear their undeveloped property in rural Nebraska for recreational use. Prompted by a neighbor's complaint, the EPA claims the couple's earth-moving activity caused the discharge of pollutants into wetlands and tributaries of the Platte River in violation of the CWA. The agency is also seeking \$300,000 in penalties. The EPA's administrative penalty regime is unlawful, however, as it exercised the option to keep its entire enforcement process in-house—that is, conducted by administrative "judges" who have not gone through the normal vetting process of presidential nomination and senate confirmation, denying the Villegases the rights to both trial by jury and a hearing before a neutral federal judge. Thomas and Amy are fighting back with a federal lawsuit to vindicate their own due process rights and to stop agencies from assuming judicial powers that are prohibited by the separation of powers.

ENDANGERED SPECIES ACT (ESA) LITIGATION

Holding Unelected Government Regulators to the Rule of Law—The U.S. Fish and Wildlife Service (FWS) is following a Ninth Circuit order to abide by proper rulemaking procedures to replace the Section 4(d) blanket rule of the ESA that was repealed in 2019. At the same time, the agency is defying another part of the court's order with continued illegal rulemaking under the repealed blanket provisions.

The FWS finalized one such rule in November for a lesser prairie chicken species found in Texas, Oklahoma, Colorado, and Kansas, even though the Kansas Natural Resources Commission (KNRC), local governments, and private citizens already developed a voluntary conservation program for the species that was adopted by nearly every KNRC member county. The new rule will frustrate these local cooperative efforts. It will also severely stifle land use activities such as grazing, ranching, and energy development for people like Cameron Edwards and his family, who farm, ranch cattle, and operate two oil wells on 7,000 acres of privately owned land. In addition, the rule threatens essential services, including the maintenance of roads, utility poles, and emergency radio towers; violators face civil and criminal penalties.

May 10, 2023

Page 4

The 4(d) rule upheld by the Ninth Circuit mandates that the FWS balance conservation efforts with the regulation's economic impact on private parties. Instead, the agency deliberately continues to shut down productive and responsible land use, with no corresponding benefits to the threatened species. Finalizing the lesser prairie chicken rule with complete disregard for its economic costs violates the Administrative Procedure Act, and the agency's failure to analyze the impacts on small businesses and entities violates the Regulatory Flexibility Act. With their livelihoods, voluntary conservation efforts, and property rights on the line, Cameron, Lone Butte Farms, and the KNRC are filing a federal lawsuit to hold the FWS to its obligations as intended by Congress and in a manner that respects private property rights.

We are deeply grateful for your wonderful generosity, and we hope you will extend longtime partnership with PLF through your renewed support so that we can build on the accomplishments we've achieved together. Thank you again for your steadfast support and for defending liberty and justice for all.

Sincerely,



Steven D. Anderson
President and CEO

◀ WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT ▶
◀ WHEELER RIDGE-MARICOPA GSA ▶

MEMORANDUM

TO: Board of Directors

FROM: Sheridan Nicholas

DATE: November 6, 2023

SUBJECT: EKI Proposal for 3D Geologic Model

Please find attached a October 20, 2023 memorandum to the Engineer-Manager from Anona Dutton of EKI entitled *Proposal to Develop a Three-dimensional Geologic Model for the Wheeler Ridge-Maricopa Water Storage District Service area*.

As noted within the attached EKI memorandum, the District “desires to further develop the data and information needed to improve its understanding of the aquifers and aquitards beneath its service area to facilitate the siting, development, and implementation of potential groundwater recharge projects. The proposed Scope of Work (SOW) outlined below is designed to support this objective by creating a 3-D geologic and lithologic model of the District using Seequent Leapfrog Works software”. Particularly within the WRMGSA area, the Corcoran Clay extends significantly into the area. A 3D model would assist the District/GSA in locating potential recharge areas, and could also ensure any landowner projects would be beneficial to the groundwater basin.

EKI’s estimated cost of said efforts is \$75,000, and includes the entire District service area. If the District were to only include lands within the WRMGSA, the cost would be approximately \$65,000.

Recommendation: It is recommended the Board authorize the Engineer-Manager to execute the attached Proposal *Proposal to Develop a Three-dimensional Geologic Model for the Wheeler Ridge-Maricopa Water Storage District Service area* with EKI at a total cost of \$65,000.

S:\Management\Shared_AA\Board Mailing November 8, 2023\Prep Docs\8.8
WRMGSA_Memo_2023_EKI_Task_Order_3D_Geo_Model.wpd

20 October 2023

Mr. Sheridan Nicholas
Wheeler Ridge-Maricopa Water Storage District
12109 Hwy 166
Bakersfield, CA 93313

Subject: Proposal to Develop a Three-dimensional Geologic Model for the Wheeler Ridge-Maricopa Water Storage District Service Area (EKI B70103)

Dear Mr. Nicholas:

Per your request, EKI Environment and Water, Inc. (EKI) has prepared this proposal to provide technical support services related to the development of a three-dimensional geologic model for the Wheeler Ridge-Maricopa Water Storage District (WRMWS or District) service area.

BACKGROUND

EKI understands that WRMWS desires to further develop the data and information needed to improve its understanding of the aquifers and aquitards beneath its service area to facilitate the siting, development, and implementation of potential groundwater recharge projects. The proposed Scope of Work (SOW) outlined below is designed to support this objective by creating a 3-D geologic and lithologic model of the District using Seequent Leapfrog Works software.

SCOPE OF WORK

Task 1 – Development of a Three-Dimensional Geologic Model

Under Task 1, EKI will create a three-dimensional geologic model of the aquifers and aquitards underlying the District in Leapfrog Works (Leapfrog model). The development of the Leapfrog model will be achieved through the following:

- Importing known well locations, respective depths and screen intervals, and historical water levels;
- Compiling and digitizing local well logs and DWR Airborne Electromagnetic (AEM) Survey data;
- Categorizing recorded lithologies and using Leapfrog Works to develop a three-dimensional representation of the subsurface;
- Assessing aquifer parameters and their spatial and vertical extent, hydrogeologic flow barriers, and the degree of confinement in the aquifer system;
- Mapping water level conditions and trends to assess potential storage space and volumes;
- Mapping of key water quality constituents to assess potential water quality limitations;
- Producing cross-sections and other visualizations using GIS and the Leapfrog model; and,
- Identifying key data gaps and providing recommendations to fill those data gaps to improve the model through future monitoring.

Deliverables: (1) 3-D Leapfrog model, (2) brief technical memorandum describing data sources and interpretations, and (3) selected GIS maps.

Task 2 – As-needed Model Application Support

Under Task 2, EKI will provide technical support with application of the Leapfrog model to conduct as-needed recharge suitability assessments across the District. EKI will also train District staff on how to interact with the Leapfrog model.

COMPENSATION

Inasmuch as the exact level of effort required to complete the above SOW cannot be known precisely, EKI proposes to perform the work on a time and materials expense reimbursement basis in accordance with our current Schedule of Charges (**Attachment A**). The estimated budget for this SOW is \$75,000 (**Table 1**). EKI will inform WRMWSD if the level of effort exceeds this anticipated amount.

Table 1. Estimated Budget

Tasks	Cost Estimate
Task 1 – Development of a Three-Dimensional Geologic Model	\$70,000
Task 2 – As-needed Model Application Support	\$5,000
Total:	\$75,000

SCHEDULE

EKI is prepared to start work on the above SOW immediately upon authorization to proceed. It is anticipated that Tasks 1 and 2 of the SOW will be accomplished within three to four months from the notice to proceed.

TERMS AND CONDITIONS

All work performed by EKI under this proposal will be performed pursuant to the Terms and Conditions of our existing Agreement with WRMWSD.

We are happy to discuss the proposed approach and anticipated level of effort for the proposed SOW in more detail with you and look forward to working with you on this important project. Please call if you have any questions or wish to discuss this proposal in greater detail.

Very truly yours,

Mr. Sheridan Nicholas
Wheeler Ridge-Maricopa Water Storage District
20 October 2023
Page 3 of 3

EKI ENVIRONMENT & WATER, INC.



Anona L. Dutton, PG, CHg
Vice President / Principal-In-Charge

AUTHORIZATION
WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT (CLIENT)

By _____

Title _____

Date _____

Attachment

Attachment A EKI 2023 Schedule of Charges

Client/Address: Wheeler Ridge-Maricopa Water Storage District
12109 Hwy 166
Bakersfield, CA 93313



Proposal/Agreement Date: 20 October 2023

EKI Proposal/Project # B70103

SCHEDULE OF CHARGES FOR EKI ENVIRONMENT & WATER, INC.

1 January 2023

<u>Personnel Classification</u>	<u>Hourly Rate</u>
Officer and Chief Engineer-Scientist	332
Principal Engineer-Scientist	320
Supervising I, Engineer-Scientist	309
Supervising II, Engineer-Scientist	298
Senior I, Engineer-Scientist	286
Senior II, Engineer-Scientist	275
Associate I, Engineer-Scientist	264
Associate II, Engineer-Scientist	248
Engineer-Scientist, Grade 1	231
Engineer-Scientist, Grade 2	218
Engineer-Scientist, Grade 3	200
Engineer-Scientist, Grade 4	178
Engineer-Scientist, Grade 5	157
Engineer-Scientist, Grade 6	138
Project Assistant	130
Technician	125
Senior GIS / Database Analyst	162
CADD Operator / GIS Analyst	144
Senior Administrative Assistant	159
Administrative Assistant	124
Secretary	104

Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work will be at cost plus fifteen percent (15%) for items such as:

- a. Maps, photographs, reproductions, printing, equipment rental, and special supplies related to the work.
- b. Consultants, soils engineers, surveyors, drillers, laboratories, and contractors.
- c. Rented vehicles, local public transportation and taxis, travel, and subsistence.
- d. Special fees, insurance, permits, and licenses applicable to the work.
- e. Outside computer processing, computation, and proprietary programs purchased for the work.

A Communication charge for e-mail access, web conferencing, cellphone calls, messaging and data access, file sharing, local and long distance telephone calls and conferences, facsimile transmittals, standard delivery U.S. postage, and incidental in-house copying will be charged at a rate of 4% of labor charges. Large volume copying of project documents, e.g., bound reports for distribution or project-specific reference files, will be charged as a project expense as described above.

Reimbursement for company-owned automobiles, except trucks and four-wheel drive vehicles, used in connection with the work will be at the rate of sixty cents (\$0.60) per mile. The rate for company-owned trucks and four-wheel drive vehicles will be seventy-five cents (\$0.75) per mile. There will be an additional charge of thirty dollars (\$30.00) per day for vehicles used for field work. Reimbursement for use of personal vehicles will be at the federally allowed rate plus fifteen percent (15%).

CADD and other specialized software computer time will be charged at twenty dollars (\$20.00) per hour. In-house material and equipment charges will be in accordance with the current rate schedule or special quotation. Excise taxes, if any, will be added as a direct expense.

Rate for professional staff for legal proceedings or as expert witnesses will be at a rate of one and one-half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the Agreement for the Services of EKI Environment & Water, Inc. and may be updated annually.

◀ WHEELER RIDGE - MARICOPA WATER STORAGE DISTRICT ▶
◀ WHEELER RIDGE - MARICOPA GSA ▶

MEMORANDUM

TO: Board of Directors

FROM: Sheridan Nicholas

DATE: November 6, 2023

SUBJECT: Kern Subbasin Cost Sharing Agreement

As you all know, the various groundwater sustainability plans of the Kern Subbasin were found to be inadequate by the Department of Water Resources. With that, the groundwater sustainability agencies and management areas in the Kern Subbasin are attempting to revise the multiple GSP's to satisfy the requirements of the Sustainable Groundwater Management Act to avoid a probationary designation by the State Water Resources Control Board.

In order to accomplish this, the various consultants of the GSA's are working together to revise the plan(s) to ensure the inadequacies are addressed in a uniform and consistent method. The estimated cost of said work is \$1.3 million. The various entities are proposing to share those costs through the attached working draft of the KERN SUBBASIN COST SHARING AGREEMENT FOR REVISING GROUNDWATER SUSTAINABILITY PLANS.

As noted within the draft Agreement, the parties agree to share the \$1.3 million cost to perform the revisions, with the each party sharing in 1/22 of the cost. Some of those costs could be defrayed by grant funds. The WRMGSA's share of the cost without grant funds is \$59,091.

Recommendation: It is recommended the Board authorize the Engineer-Manager to execute the final KERN SUBBASIN COST SHARING AGREEMENT FOR REVISING GROUNDWATER SUSTAINABILITY PLANS subject to the final recommendation of the South of Kern River Executive Committee, and final approval of the Engineer-Manager and District Counsel.

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WRMGSA_Memo_2023_Kern_Subbasin_Cost_Sharing_Agreement.wpd

**KERN SUBBASIN COST SHARING AGREEMENT
FOR REVISING GROUNDWATER SUSTAINABILITY PLANS**

This Cost Sharing Agreement ("Agreement") is entered into on [Date], by and among the following Groundwater Sustainability Agencies ("GSAs") located within the Kern Subbasin, each a "Party" and collectively referred to as the "Parties":

South of Kern River GSA Group

1. Arvin-Edison Water Storage District
2. Wheeler-Ridge Maricopa Water Storage District
3. Tejon-Castac Water District

Kern River GSA

4. Kern Delta Water District
5. City of Bakersfield
6. KCWA Improvement District 4

North Central Kern GSA Group

7. Southern San Joaquin Municipal Utility District
8. Shafter-Wasco Irrigation District
9. Shafter-Wasco 7th Standard Annex
10. North Kern Water Storage District
11. Cawelo Water District

Kern Groundwater Authority GSA

12. Semitropic Water Storage District
13. West Kern Water District
14. KCWA - Pioneer Project
15. Kern Water Bank Authority
16. Kern-Tulare Water District
17. Eastside Management Area
18. Westside District Water Authority
19. Rosedale-Rio Bravo Water Storage District GSA
20. Henry Miller Water District GSA
21. Olcese Water District GSA
22. Buena Vista Water Storage District GSA

RECITALS:

WHEREAS, the Parties collectively have a shared interest in revising existing Groundwater Sustainability Plans (GSPs) covering the Kern Subbasin to satisfy the requirements

of the Sustainable Groundwater Management Act, while also avoiding a probationary basin designation by the State Water Resources Control Board;

WHEREAS, several Parties will engage the services of consultants to revise the Basin GSP(s), with said consultants having separate agreements with the respective Party;

WHEREAS, the Parties estimate the cost of consultant services to revise the Basin GSP(s) will total \$1,300,000 based on the memorandum from the Kern Subbasin Plan Manager to the Parties dated November XX, 2023 (“Memo re Cost Sharing”);

WHEREAS, the Parties acknowledge that sharing the costs associated with the GSP revision process is beneficial and cost-effective;

WHEREAS, the Parties wish to appoint Buena Vista Water Storage District as the custodian of the shared funds for the purpose of this Agreement;

WHEREAS, the Parties acknowledge that there is a possibility of \$235,000 of the total cost being covered by existing grant funds;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

AGREEMENT TERMS:

- 1. Cost Sharing:** The Parties agree to collectively share, in a single cash call, the total cost of \$1,300,000 for the revision of the GSPs, with each Party contributing an equal 1/22 share of the total cost.
- 2. Payment to Buena Vista Water Storage District:** The Parties shall deposit their respective contributions with Buena Vista Water Storage District, which will serve as the custodian of the funds. In order for a Consultant’s fee to be eligible for cost sharing under this Agreement, it must be consistent with the Scope of Work and proposed budget included in the Memo re Cost Sharing, and the Consultant must be under contract with at least one Party. Consultant invoices will be sent directly to the contracting Party, and a copy of each invoice shall be forwarded to Buena Vista Water Storage District for payment following review by the Parties for consistency with the Memo re Cost Sharing. The Plan Manager will facilitate the Parties’ timely review of invoices.
- 3. Accounting:** Buena Vista Water Storage District shall maintain accurate accounting records and other documentation pertaining to all monies concerning this Agreement. Such records and documentation shall be kept at Buena Vista Water Storage District’s office during the term of this Agreement, and for a period of three (3) years from the date the final invoice is received from any of the Parties. Buena Vista Water Storage District shall, at any time during regular business hours, make available to any requesting Party the accounting records pertaining to that requesting Party.
- 4. Grant Reimbursement:** If it is determined that \$235,000 of the \$1,300,000 cost can be covered by existing grant funds, each Party shall be reimbursed equally assuming funds remain at the conclusion of the project. The reimbursement shall be made directly to each Party by Buena Vista Water Storage District.

5. Amendments: This Agreement may only be amended in writing and signed by all Parties hereto.

6. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of California.

7. Joint Ownership of Work Product: All work product generated pursuant to this Agreement shall be jointly owned by the Parties so that each will have access and ability to utilize said work product.

8. Execution in Parts or Counterparts: This Agreement shall be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the parties hereto. Electronic signatures shall be binding.

EXECUTION:

IN WITNESS WHEREOF, the Parties hereto have executed this Cost Sharing Agreement as of the date first above written.

[Signature Block for Each Entity]

Arvin-Edison Water Storage District _____

Wheeler-Ridge Maricopa Water Storage District _____

Tejon-Castac Water District _____

Kern Delta Water District _____

City of Bakersfield _____

KCWA Improvement District 4 _____

Southern San Joaquin Municipal Utility District _____

Shafter-Wasco Irrigation District _____

Shafter-Wasco 7th Standard Annex _____

North Kern Water Storage District _____

Cawelo Water District _____

Semitropic Water Storage District _____

West Kern Water District _____

KCWA - Pioneer Project _____

Kern Water Bank _____

Kern-Tulare Water District _____

Eastside Management Area _____

Westside District Water Authority _____

Rosedale-Rio Bravo Water Storage District _____

Henry Miller Water District _____

Olcese Water District _____

Buena Vista Water Storage District _____



Sites NEWS RELEASE

For Release: Nov. 2, 2023

Contact: Mary Lee Knecht, 916-978-5100, mgarrisonknecht@usbr.gov

Reclamation and Sites Project Authority finalize plans to create new water storage in Northern California

Sites Reservoir would increase California's existing water supply by providing 1.5 million acre-feet of additional storage capacity to the state during times of drought



SACRAMENTO, Calif. – Today, the Bureau of Reclamation and Sites Project Authority released final plans to create new off-stream water storage in the Sacramento Valley. The proposed reservoir—Sites—would be the second largest off-stream reservoir in the nation and would increase Northern California's water storage capacity by up to 15 percent.

"Investing in Western water infrastructure is a top priority for Reclamation and the Biden Administration as witnessed by the commitment of funding from the Bipartisan Infrastructure Law," said **Commissioner Camille Calimlim Touton**. "We are proud to support projects that will provide operational flexibility and more reliable water delivery to benefit farms, communities, and the environment. We stand in partnership with the State of California and the JPA with projects like Sites Reservoir."

"This is a really big step forward for the Sites project and another example of how state and federal agencies are working together to build our water resilience amidst climate change," said **California Natural Resources Secretary Wade Crowfoot**. "Sites Reservoir promises to help us adjust to intensifying floods and droughts by storing water in big, wet winters like we just had for use during the dry years that we know will return. The environmental review that has just been completed for the project will guide how this project can operate in alignment with existing water and environmental management, as well as other water infrastructure. We have no time to waste to put these climate solutions into place."

President Biden's [Investing in America agenda](#) represents the largest investment in climate resilience in the nation's history and is providing much-needed resources to enhance Western

communities' resilience to drought and climate change. Through the Bipartisan Infrastructure Law, Reclamation is investing a total of \$8.3 billion over five years for water infrastructure projects, including water storage and conveyance, dam safety, water purification and reuse, and desalination.

A \$30 million investment to the project under the Bipartisan Infrastructure Law was announced in [October 2022](#) and an additional \$30 million in [July 2023](#). The project was also authorized \$173.7 million from the Water Infrastructure Improvements for the Nation Act, for a total of \$233.7 million in federal contributions to date.

Located 81 miles northwest of Sacramento, Sites Reservoir would store water diverted from the Sacramento River, after all other water rights and regulatory requirements are met. Water will be released to beneficiaries throughout the state primarily during drier periods when it is needed. The proposed project includes an off-stream reservoir located north of the Sacramento-San Joaquin Delta where the majority of California's rainfall occurs.

"We are pleased to partner with Sites Project Authority on this unique off-stream storage project to create operational flexibility and additional water storage in California," said **Regional Director Ernest Conant**. "The multi-beneficial Sites Reservoir provides water supply and flood protection, plus environmental and recreation benefits for generations to come."

"Sites Reservoir is a new way of managing water that will adapt to our changing climate and provide a more reliable water supply for California's communities, farms, and environment," said **Fritz Durst, Chair of the Sites Project Authority**. "We are grateful for the ongoing support of the Bureau of Reclamation, which exemplifies the spirit of collaboration that's been a hallmark of Sites Reservoir."

View the combined final environmental impact report/environmental impact statement online at https://www.usbr.gov/mp/nepa/nepa_project_details.php?Project_ID=29024 or <https://sitesproject.org/>. To learn more about the project, visit <https://sitesproject.org>.

#

The Bureau of Reclamation is a federal agency under the U.S. Department of the Interior and is the nation's largest wholesale water supplier and second largest producer of hydroelectric power. Its facilities also provide substantial flood control, recreation opportunities, and environmental benefits. Visit www.usbr.gov and follow [@USBR](#) and [@ReclamationCVP](#) on Twitter.

Sites is an off-stream reservoir proposed north of the Sacramento-San Joaquin Delta, where it would provide unique water supply and environmental benefits during dry periods, especially during extended drought. Additional information can be found at www.sitesproject.org or on Facebook and Twitter at [@SitesProject](#).



KERN COUNTY WATER AGENCY

Stuart T. Pyle Water Resources Center
3200 Rio Mirada Drive
Bakersfield, California 93308

Notice of BOARD OF DIRECTORS MEETING

October 26, 2023

Conference Line: [+1 \(571\) 317-3122](tel:+15713173122)
Access Code: 863-465-805#
<https://global.gotomeeting.com/join/863465805>

AGENDA

- I. Call to order – 12:00 p.m.
- II. Report of the General Counsel
 - A. Authorization for Closed Session regarding:
 1. Conference with Legal Counsel – Existing Litigation (Government Code section 54956.9, subdivision (a)):
 - a. Applications Filed for Kern River Water
 - b. California Department of Water Resources v. All Persons Interested in the Matter of the Contract Extension Amendments
 - c. North Coast Rivers Alliance, et al. v. California Department of Water Resources (COA CEQA)
 - d. California Department of Water Resources v. All Persons Interested in the Matter of the Authorization of Delta Program Revenue Bonds
 - e. Rosedale-Rio Bravo Water Storage District, *et al.* v. Kern County Water Agency, *et al.* (CVC Issues)
 - f. Kern Delta Water District, *et al.* v. Rosedale-Rio Bravo Water Storage District (Onyx CEQA)
 - g. Rosedale-Rio Bravo Water Storage District v. Buena Vista Water Storage District, *et al.* (Onyx Water Rights)
 - h. California Sportfishing Protection Alliance, *et al.* v. California State Water Resources Control Board, *et al.*, Sacramento County Superior Court, Case No. 34-2021-80003761 (2021 Order Re Temporary Urgency Change Petition)

- i. California Sportfishing Protection Alliance, *et al.* v. State Water Resources Control Board, *et al.*, Sacramento County Superior Court, Case No. 34-2021-80003763 (2021 Order Re Shasta Temporary Management Plan)
 - j. California Water Impact Network v. Department of Water Resources, Sacramento County Superior Court Case No. 34-2020-80003492; North Coast Rivers Alliance v. Department of Water Resources, Sacramento County Superior Court Case No. 34-2020-80003491 (Water Management Tools)
 - k. Pacific Coast Federation of Fishermen’s Associations, *et al.* v. Ross,, E.D. Cal., Case No. 1:20-cv-00431 & California Natural Resources Agency, *et al.* v. Ross, *et al.*, E.D. Cal., Case No. 1:20-cv-00426 (Long-term Operations)
 - l. State Water Board Cases, Sacramento County Superior Court Case No. JCCP 5013 (Water Quality Control Plan Phase 1 Litigation)
 - m. Oroville Dam Cases, Sacramento County Superior Court Case No. JCCP 4974
 - n. Long-term State Water Project Operations Cases, Sacramento County Superior Court Case No. JCCP 5117
 - o. Temporary Applications Filed for Kern River Water
 - p. Bring Back the Kern, *et al.* v. City of Bakersfield, *et al.*, Kern County Superior Court Case No. BCV-22-103220
2. Conference with Legal Counsel – Anticipated Litigation: Significant exposure to litigation (Government Code section 54956.9, subdivision (d)(2)):
- a. Three potential suits

III. Directors’ Forum

IV. Public Comment

Anyone may comment on any subject within Agency jurisdiction whether or not it is on the agenda. Time for such comment may be limited.

V. Minutes of Board Meetings and Committee Meetings –

Regular Board Meeting

September 28, 2023

VI. Report of the General Manager

VII. Advisory Committee Reports

A. Cross Valley Canal Advisory Committee

B. Improvement District No. 3 Advisory Committee

C. Urban Bakersfield Advisory Committee

VIII. Board Committee Reports

The following items will be discussed in detail at the meeting and may result in appropriate action being taken relating to the subject matter (such action may or may not conform to any staff recommended action):

A. ADMINISTRATIVE COMMITTEE – Director Cattani, Chair

1. Report of the Administrative Operations Manager
2. Payment of the Bills
3. Financial Report
4. Treasury Report
5. Authorization to Sell Kern County Water Agency Surplus Equipment
6. Consideration of the Kern County Water Agency Investment Policy

B. POLICY COMMITTEE – Director Milobar, Chair

1. Update on Delta Conveyance Activities
2. Update on Legislative Activities

C. WATER RESOURCES COMMITTEE – Director Fast, Chair

1. Report of the Water Resources Manager
2. Report on the State Water Contractors Board Meeting
3. State Water Project and Central Valley Project Operations
 - a. Report on 2023 State Water Project and Central Valley Project Allocations and Operations
 - b. Report on State Water Project San Luis Carryover Storage and Spill Accounting
4. Water Delivery Operations
 - a. Report on Kern County Water Agency California Aqueduct Deliveries
 - b. Update on Water Transfers, Exchanges and Purchases
 - c. Authorization to Execute an Agreement Among the Department of Water Resources of the State of California, Santa Clarita Valley Water Agency and Kern County Water Agency for a Transfer and Storage of a Portion of Santa Clarita Valley Water Agency's State Water Project Water in Rosedale-Rio Bravo Water Storage District's Water Banking and Exchange Program, SWP #23036
 - d. Authorization to Execute an Article 55 Agreement Between the Department of Water Resources of the State of California and Kern County Water Agency for Conveyance of San Luis Water District's Central Valley Project Water, SWP #23038

- e. Authorization to Execute an Agreement Among the Department of Water Resources of the State of California, Tulare Lake Basin Water Storage District and Kern County Water Agency for a Transfer and Storage of a Portion of Tulare Lake Basin Water Storage District's State Water Project Water in Rosedale-Rio Bravo Water Storage District's Water Banking and Exchange Program, SWP #23045
- 5. Report on the Kern Groundwater Authority Meetings
- 6. Report on the Kern River
- 7. Update on the 2023 Kern County Water Agency Water Supply Program Transactions

D. WATER MANAGEMENT COMMITTEE – Director Averett, Chair

- 1. Report of the Engineering and Groundwater Services Manager
 - a. Update on Groundwater Banking Construction/Maintenance Projects
 - b. Update on Pioneer Project Recharge Facilities – Basin 11
- 2. Report on 2023 Water Operations
- 3. Authorization to Amend the 2023 Pioneer Project Budget
- 4. Authorization to Execute Amendment No. 2 to the Kern County Water Agency Agreement for the Pioneer Replacement Recovery Water Wells KCWA 38 & 39 (Wells R04 & R01) Well Equipping Project
- 5. Authorization to Execute Amendment No. 1 to the Kern County Water Agency Agreement for a Geotechnical Consultant for the Pioneer Replacement Recovery Wells KCWA 38 & 39 Well Equipping Project and the KCWA-R07 (CBK-40) Permanent Pipeline Project
- 6. Authorization to Execute Amendment No. 1 to the Kern County Water Agency Agreement for a Construction Management Services Consultant for the Pioneer Replacement Recovery Wells KCWA 38 & 39 Well Equipping Project and the KCWA-R07 (CBK-40) Permanent Pipeline Project
- 7. Report on Kern Water Bank Activities

E. CROSS VALLEY CANAL COMMITTEE – Director Lundquist, Chair

- 1. Report of the Water Resources Manager
 - a. Update on Cross Valley Canal Construction/Maintenance Projects
- 2. Report on Cross Valley Canal Operations and Deliveries
- 3. Authorization to Approve an Amendment to the 2023 Cross Valley Canal Operations and Maintenance Budget

4. Authorization to Issue the Request for Bid for the Kern County Water Agency Uninterruptible Power Supply Replacement – Contract No. KCWA 2023-010
5. Authorization to Execute Amendment No. 1 to the Kern County Water Agency Agreement for Technical Services to Repair Axial Flow Pumps for the Cross Valley Canal

F. URBAN BAKERSFIELD COMMITTEE – Director Wulff, Chair

1. Report of the Improvement District No. 4 Manager
 - a. Report on the Kern River Groundwater Sustainability Agency Meeting
2. Authorization to Publish the Notice of Public Hearing for the Decision to Become a Groundwater Sustainability Agency
3. Report on the Improvement District No. 4 2023 Water Supply and Management Plan
4. Report on the Henry C. Garnett Water Purification Plant
 - a. Authorization to Execute Amendment No. 4 to the Kern County Water Agency Agreement for Improvement District No. 4's North and East Pipeline Integrity Project
5. Authorization to Issue the Notice to Invite Bids for the Oswell Regulating Facility Recoating Project – Contract No. KCWA 2023-05

IX. Correspondence

X. Brief Report on Potential New Business

XI. Adjournment

DECLARATION OF POSTING: I declare under penalty of perjury, that I am employed by the Kern County Water Agency and that I posted the foregoing Agenda at the Agency Office on October 20, 2023.



Stephanie N. Prince, Board Secretary

Requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Secretary in advance of the meeting to ensure availability of the requested service or accommodation.



TEJON-CASTAC
WATER
DISTRICT



South of Kern River Executive Committee Regular Meeting

Friday, October 20, 2023

12:00 p.m. to 1:30 p.m.

Meeting Information Posted:

www.sokrgsp.com

<http://www.aewsd.org> * <http://www.wrmwsd.com>

<http://www.tejoncastacwd.com> * <https://www.arvincsd.com>

In Person: Arvin-Edison Water Storage District Headquarters
20401 E. Bear Mountain Blvd. Arvin, CA 93203

Via Remote (**Microsoft Teams**): <https://www.microsoft.com/microsoft-teams/join-a-meeting>

[Click here to join the meeting](#)

Meeting Number: **289 619 843 830**

Meeting Password: **ko5K35**

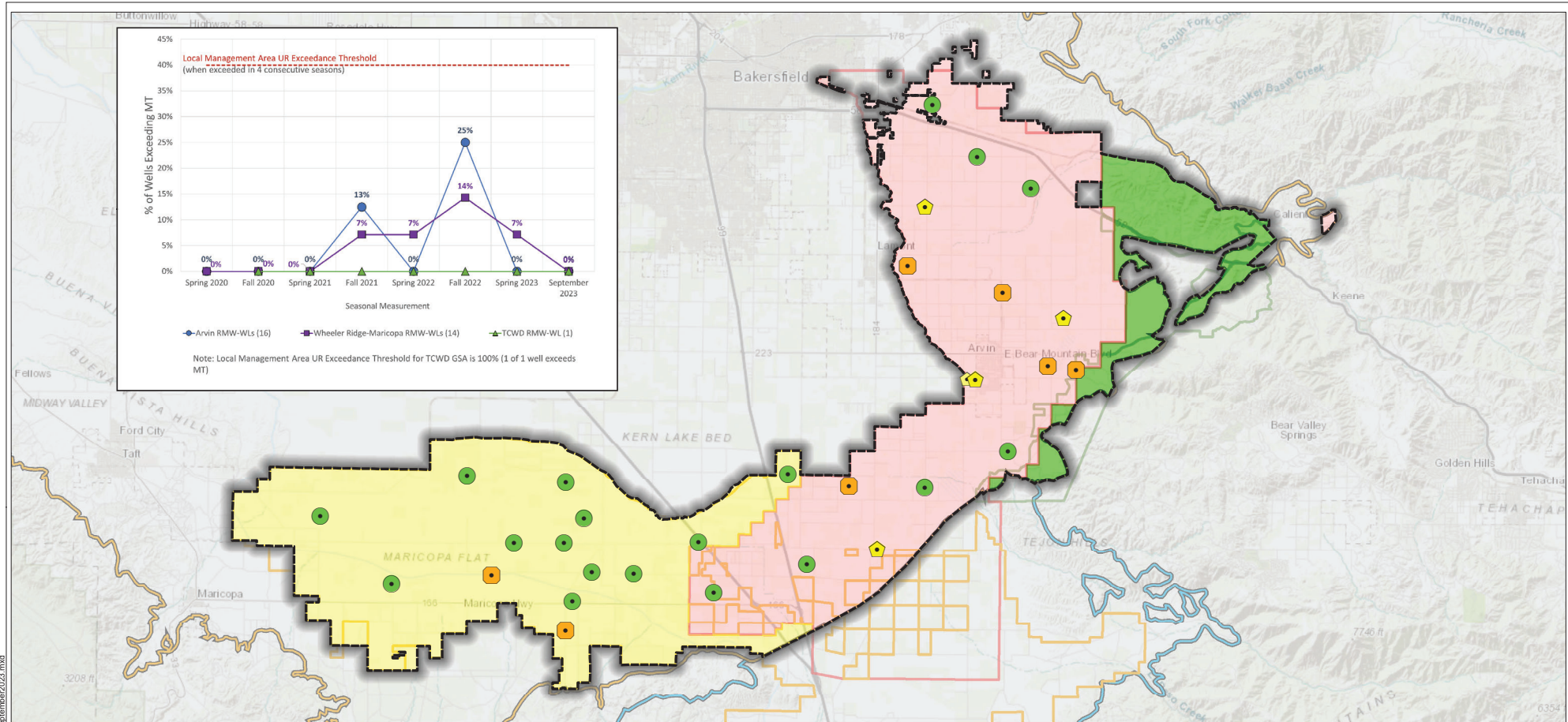
Phone: **1.213.437.9052**

Phone Meeting Number (access code): **276 512 496#**

NOTICE: Members of the public interested in participating by teleconference may do so using the call-in information above or by following [this link](#). Please note that this teleconference option is provided as a courtesy and at the participant's own risk. The Committee cannot guarantee that there will be no loss of connectivity or other technological obstacle to full participation through teleconferencing. By participating in this way, participants confirm that they understand this risk and that the Committee is not obliged to delay any portion of the meeting due to such technological obstacles and thus that teleconference participants may be unable to participate.

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF THE AGENDA
5. APPROVAL OF SEPTEMBER 14, 2023 MEETING MINUTES
6. PUBLIC COMMENT
7. REPORT ITEMS
 - a. GSP Manager Report (*Muhar*)
 - i. Basin Coordination Committee
 - b. Technical Consultant Report (*EKI*)
 - i. Technical Working Group (TWG) Update
 - ii. Key takeaways from State Water Resources Control Board (SWRCB) draft staff report on the Tulare Lake Subbasin
 - iii. SGMA Monitoring Network performance and sustainable management criteria (SMC) compliance

- c. Finance Report (*Nicholas*)
 - d. California Aqueduct Subsidence Program (CASP) update (*Nicholas*)
 - e. Management Area updates (*Muhar, Nicholas, Martin, Barraza*)
8. CLOSED SESSION
- a. Potential Litigation (Government Code §54956.9(d)(2), (e)(1); 1 item).
9. ADJOURNMENT



Legend

Representative Monitoring Well and Status as of September 2023

- Water Level Above MO (7 or more)
- ▲ Water Level Between MO and MT but closer to MO (5 or 31%)
- Water Level Between MO and MT but closer to MT (4 or 25%)
- South of Kern River Plan
- Arvin GSA
- Wheeler Ridge-Maricopa GSA
- Tejon-Castac Water District GSA

- WRMWS District Service
- AEWS District Service
- TCWD Service
- Kern County (DWR 5-022.14)
- White Wolf (DWR 5-022.18)

Abbreviations

- AEWS District = Arvin-Edison Water Storage District
- DWR = California Department of Water Resources
- GSA = Groundwater Sustainability Agency
- MO = Measurable Objective
- MT = Minimum Threshold
- RMW = Representative Monitoring Well
- SGMA = Sustainable Groundwater Management Act
- SMC = Sustainable Management Criteria
- TCWD = Tejon-Castac Water District
- UR = Undesirable Result
- WRMWS District = Wheeler Ridge-Maricopa Water Storage District

Notes

1. All locations are approximate.
2. Undesirable Results are deemed to occur if groundwater levels in 40% or more RMWs are below their respective MT for four consecutive bi-annual measurements (Spring and Fall) in any management area.

Sources

1. Basemap is ESRI's ArcGIS Online world topographic map, obtained 5 October 2023.
2. GSA boundaries obtained from SGMA GSA Map Viewer portal, accessed 6 May 2022.
3. DWR groundwater basins are based on the boundaries defined in California's Groundwater Bulletin 118 - 2019 Update.



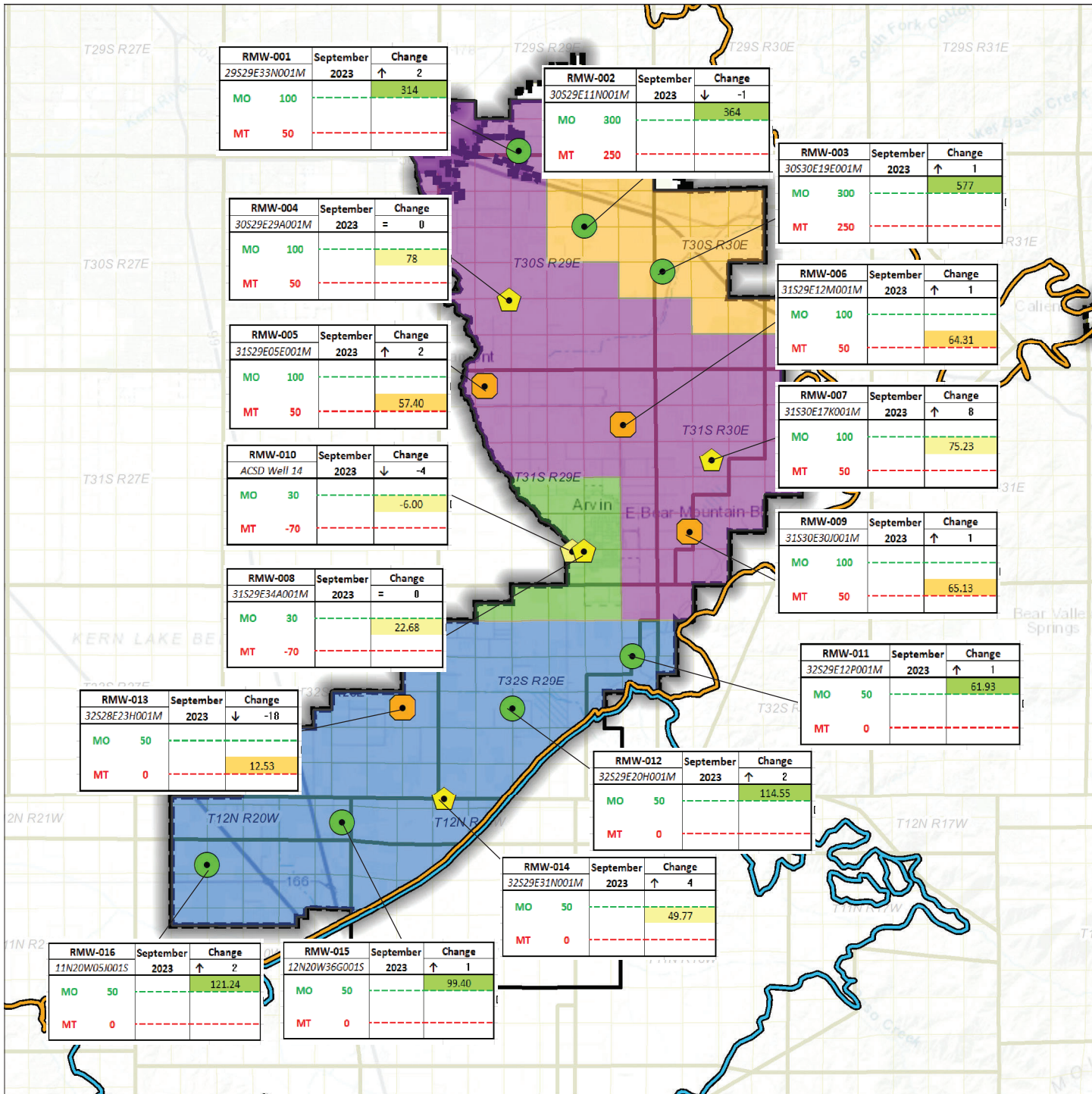
September 2023 Water Levels Relative to SMCs

South of Kern River GSP
 Kern County, CA
 August 2023
 C20055.00
Figure 1



INTERIM FIGURE - FOR INFORMATIONAL PURPOSES ONLY

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Legend

Representative Monitoring Well and Status as of September 2023

- Water Level Above MO (7 or 44%)
- ⬠ Water Level Between MO and MT but closer to MO (5 or 31%)
- ⬠ Water Level Between MO and MT but closer to MT (4 or 25%)

Sustainability Criteria Zones

- ACSD
- Edison
- North Canal
- South Canal
- Arvin GSA
- Arvin-Edison Water Storage District

Groundwater Subbasin

- Kern County (DWR 5-022.14)
- White Wolf (DWR 5-022.18)

Abbreviations

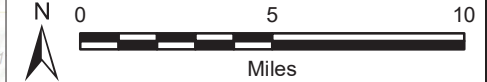
- ACSD = Arvin Community Services District
- DWR = California Department of Water Resources
- ft msl = feet above mean sea level
- GSA = Groundwater Sustainability Agency
- MO = Measurable Objective
- MT = Minimum Threshold
- RMW = Representative Monitoring Well
- SMC = Sustainable Management Criteria

Notes

1. All locations are approximate.
2. Groundwater elevations reported in units of ft msl.
3. All water levels collected during September 2023.
4. Arrow direction indicates water level change from previous month.

Sources

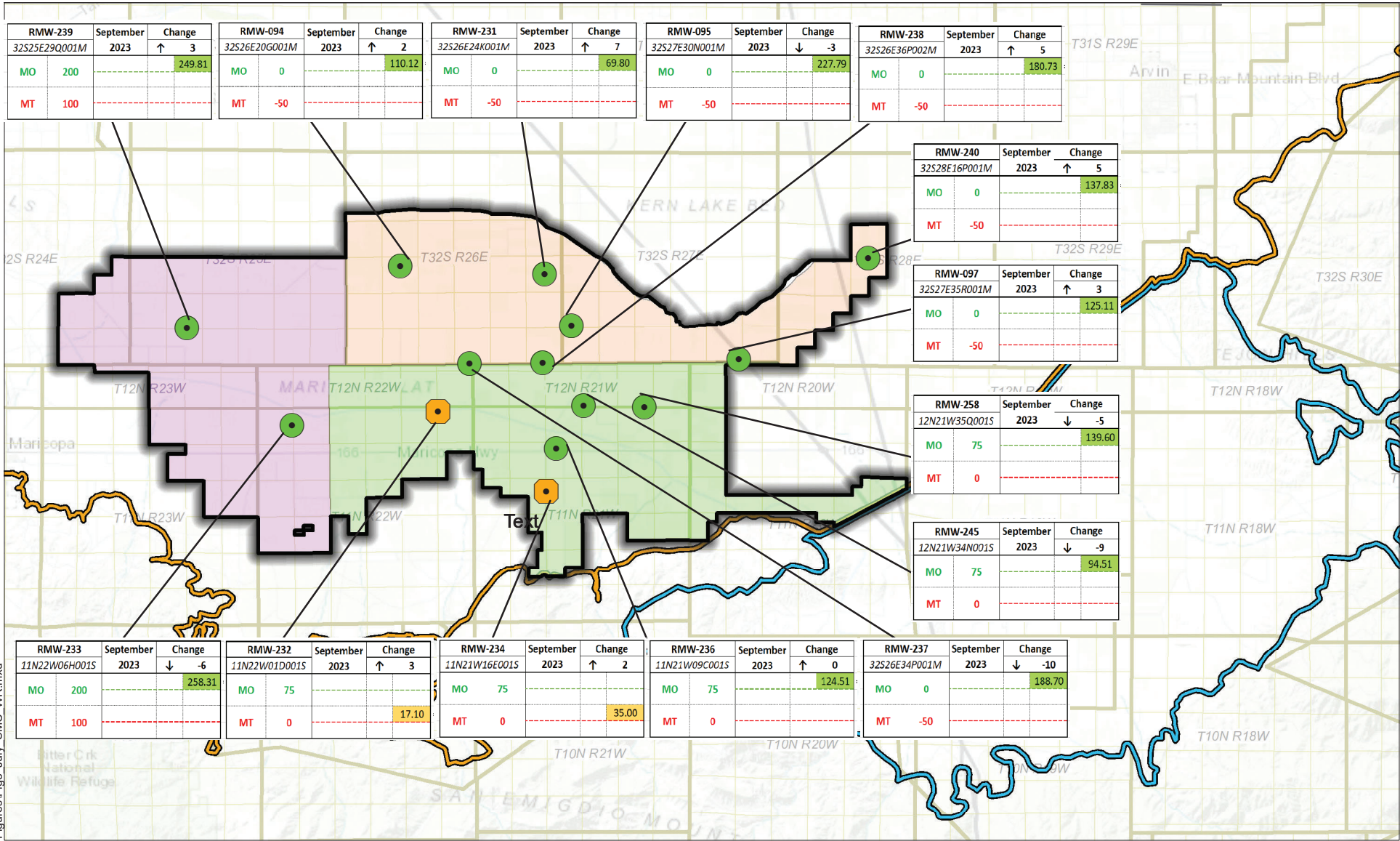
1. Basemap is ESRI's ArcGIS Online world topographic map, obtained 2 October 2023.



Groundwater Levels Relative to SMCs September 2023

Arvin GSA
Arvin-Edison Water Storage District
Kern County, California
September 2023
B60064.10

Figure 2



Path: X:\C20055.00\Maps\2023\09\SMC Figures\Fig3- July_SMC_WR.mxd

Legend

Groundwater Subbasin

- Kern County (DWR 5-022.14)
- White Wolf (DWR 5-022.18)

Sustainability Criteria Zones

- Northeast
- Southeast
- West
- Wheeler Ridge-Maricopa GSA

Representative Monitoring Well and Status as of September 2023

- Water Level Above MO (12 or 86%)
- Water Level Between MO and MT but closer to MT (2 or 14%)

- Notes**
1. All locations are approximate.
 2. Groundwater elevations reported in units of ft msl.
 3. All water levels collected during September 2023.
 4. Arrow direction indicates water level change from previous month.

- Sources**
1. Basemap is ESRI's ArcGIS Online world topographic map, obtained 4 October 2023.

- Abbreviations**
- DWR = California Department of Water Resources
 - ft msl = feet above mean sea level
 - GSA = Groundwater Sustainability Agency
 - MO = Measurable Objective
 - MT = Minimum Threshold
 - SMC = Sustainable Management Criteria

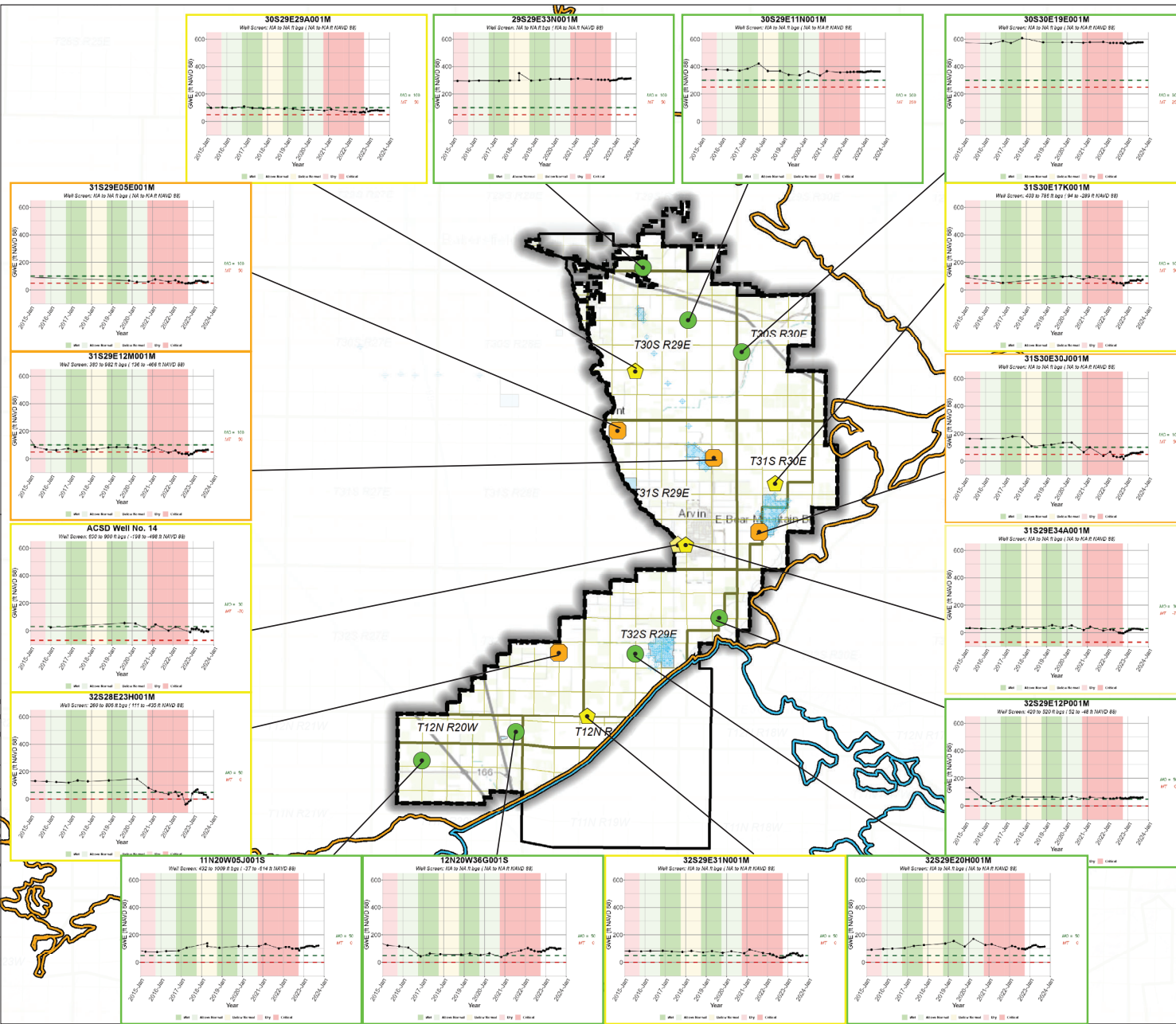


**Groundwater Levels Relative to SMCs
September 2023**

Wheeler Ridge-Maricopa GSA
 South of Kern River
 Kern County, California
 September 2023
 C20055.00

Figure 3

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Legend

Representative Monitoring Well and Status as of September 2023

- Water Level Above MO (7 or 44%)
- ⬠ Water Level Between MO and MT but closer to MO (5 or 31%)
- Water Level Between MO and MT but closer to MT (4 or 25%)
- + District Recovery Well
- AEWSD Spreading Basin
- ⬠ Arvin GSA
- ⬠ Arvin-Edison Water Storage District
- Groundwater Subbasin**
- Kern County (DWR 5-022.14)
- White Wolf (DWR 5-022.18)

Abbreviations

- AEWSD = Arvin-Edison Water Storage District
- DWR = California Department of Water Resources
- ft msl = feet above mean sea level
- GWE = groundwater elevation
- MO = measurable objective
- MT = minimum threshold
- RMW = Representative Monitoring Well

Notes

- All locations are approximate.
- Groundwater elevations are in feet mean sea level.
- Undesirable Results are deemed to occur if groundwater levels in 40% or more (7 or more) RMWs are below their respective MT for 4 consecutive bi-annual measurements (Spring and Fall).
- All RMW status based on September 2023 measurements.

Sources

- Basemap is ESRI's ArcGIS Online world topographic map, obtained 5 October 2023.
- Water level information obtained from AEWSD.



DRAFT

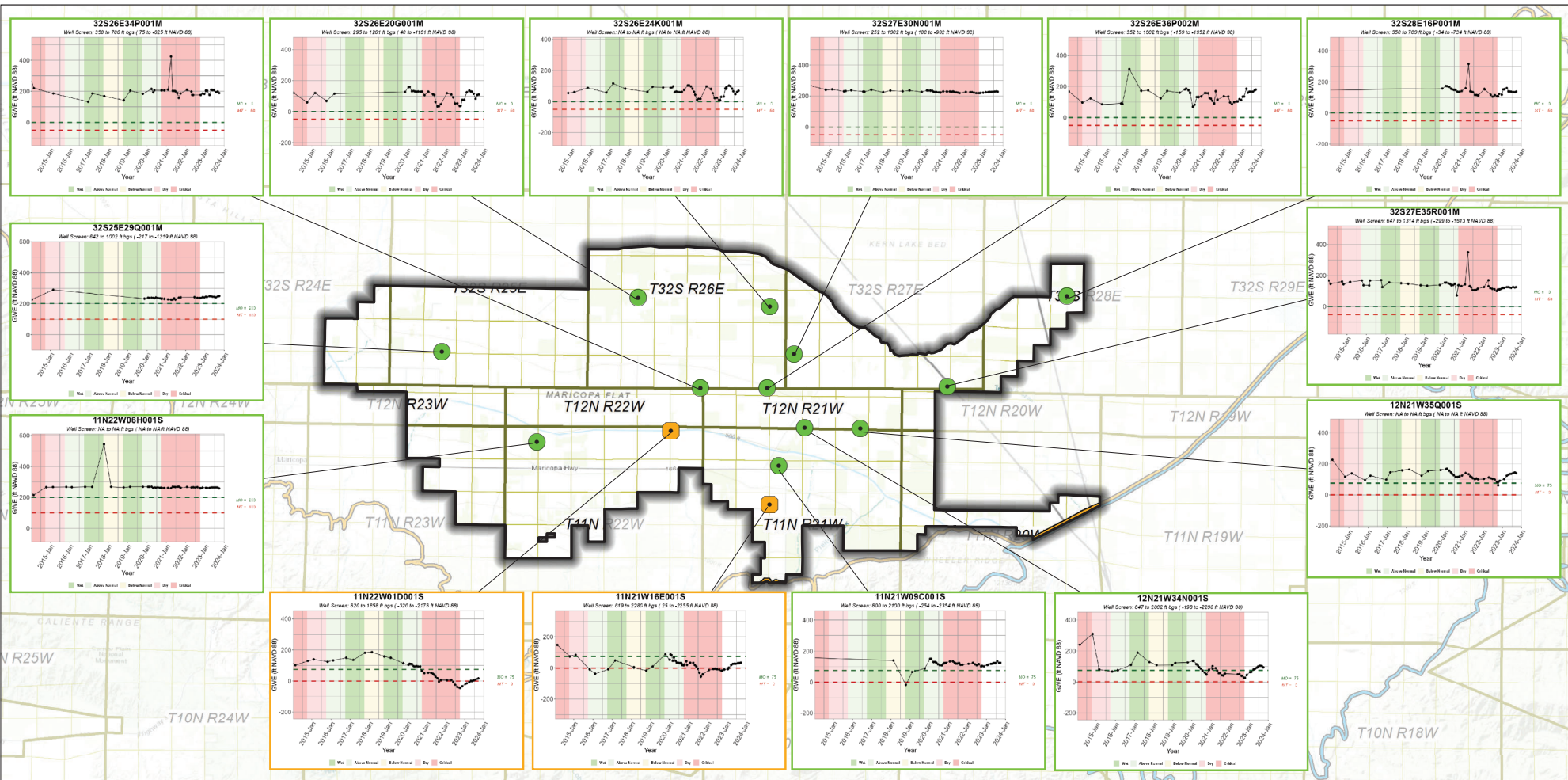
Hydrographs in Representative Monitoring Wells (Jan 2015 - September 2023)

Arvin-Edison Water Storage District
Kern County, CA
September 2023
C20055.01



Figure 4

INTERIM FIGURE - FOR INFORMATIONAL PURPOSES ONLY



Legend

Representative Monitoring Well and Status as of September 2023

- Water Level Above MO (12 or 86%)
- Water Level Between MO and MT but Closer to MT (2 or 14%)

- Wheeler Ridge-Maricopa GSA
- Kern County (DWR 5-022.14)
- White Wolf (DWR 5-022.18)

Notes

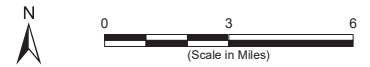
1. All locations are approximate.
2. Groundwater elevations are in feet mean sea level.
3. Undesirable Results are deemed to occur if groundwater levels in 40% or more (6 or more) RMWs are below their respective MT for 4 consecutive bi-annual measurements (Spring and Fall).
4. All RMW status based on September 2023 measurements.

Sources

1. Basemap is ESRI's ArcGIS Online world topographic map, obtained 5 October 2023.
2. Groundwater elevation data provided by WRMWS.

Abbreviations

- DWR = California Department of Water Resources
- ft msl = feet above mean sea level
- GSA = Groundwater Sustainability Agency
- MO = Measurable Objective
- MT = Minimum Threshold
- RMW = Representative Monitoring Well
- WRMWS = Wheeler Ridge-Maricopa Water Storage District



Hydrographs in Representative Monitoring Wells (January 2015 - September 2023)
Wheeler Ridge-Maricopa Water Storage District
Kern County, CA
September 2023
B70103.01



Figure 5

INTERIM FIGURE - FOR INFORMATIONAL PURPOSES ONLY

White Wolf Subbasin Groundwater Sustainability Agency Regular Board Meeting of the Board of Directors

Agenda November 7, 2023 at 1:00 p.m.

Public may attend in-person, via telephone, or Web-based service:

In Person: Wheeler Ridge-Maricopa Water Storage District Headquarters
12109 Highway 166
Bakersfield, CA 93313

Or Virtual Option:

Go To Meeting: <https://meet.goto.com/911605181>
Call by Phone: (872) 240-3311 Access Code: 911-605-181

- 1. Call to Order**
- 2. Recognition of Guests**
- 3. Approval of Minutes of the Regular Board Meeting of October 3, 2023**
- 4. Updates on actions discussed or authorized on October 3, 2023 (EKI)**
 - a. Review DWR’s Approval of the White Wolf Groundwater Sustainability Plan (GSP) and Identified Corrective Actions
 - b. Update on GSP implementation activities
 - i. October 2023 groundwater levels
 - c. Projects/Management Actions (P/MA) updates
 - i. Recharge programs contributions
 - ii. Leave behind considerations
- 5. Correspondence**
- 6. Public Comment**

At this time, the public may address the Board on any item not appearing on the agenda that is within the subject matter jurisdiction of the Board. Comments will be limited to three minutes.

- 7. Consider and provide direction on future agenda items**
- 8. Closed Session – Anticipated litigation (Government Code Section 54956.9(d)(2))—1 item.**
- 9. Report out of Closed Session**
- 10. Adjourn**

In compliance with the Americans with Disabilities Act, if you need disability-related modifications or accommodations, including auxiliary aids or services, please call Angelica Martin (661) 663-4262.



CALIFORNIA DEPARTMENT OF WATER RESOURCES

SUSTAINABLE GROUNDWATER MANAGEMENT OFFICE

715 P Street, 8th Floor | Sacramento, CA 95814 | P.O. Box 942836 | Sacramento, CA 94236-0001

October 26, 2023

Angelica Martin
Tejon-Castac Water District Groundwater Sustainability Agency
4436 Lebec Road
Lebec, CA 93243
amartin@tejonranch.com

RE: San Joaquin Valley – White Wolf Subbasin - 2022 Groundwater Sustainability Plan

Dear Angelica Martin,

The Department of Water Resources (Department) has evaluated the groundwater sustainability plan (GSP or Plan) submitted for the San Joaquin Valley – White Wolf Subbasin and has determined the GSP is approved. The approval is based on recommendations from the Staff Report, included as an exhibit to the attached Statement of Findings, which describes that the White Wolf Subbasin GSP satisfies the objectives of the Sustainable Groundwater Management Act (SGMA) and substantially complies with the GSP Regulations. The Staff Report also proposes recommended corrective actions that the Department believes will enhance the GSP and facilitate future evaluation by the Department. The Department strongly encourages the recommended corrective actions be given due consideration and suggests incorporating all resulting changes to the GSP in future updates.

Recognizing SGMA sets a long-term horizon for groundwater sustainability agencies (GSAs) to achieve their basin sustainability goals, monitoring progress is fundamental for successful implementation. GSAs are required to evaluate their GSPs at least every five years and whenever the Plan is amended, and to provide a written assessment to the Department. Accordingly, the Department will evaluate approved GSPs and issue an assessment at least every five years. The Department will initiate the first periodic review of the White Wolf Subbasin GSP no later than January 28, 2027.

Please contact Sustainable Groundwater Management staff by emailing sgmps@water.ca.gov if you have any questions related to the Department's assessment or implementation of your GSP.

Thank You,

Paul Gosselin
Paul Gosselin
Deputy Director
Sustainable Groundwater Management

Attachment:

1. Statement of Findings Regarding the Approval of the San Joaquin Valley – White Wolf Subbasin Groundwater Sustainability Plan

**STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES**

**STATEMENT OF FINDINGS REGARDING THE
APPROVAL OF THE
SAN JOAQUIN VALLEY – WHITE WOLF SUBBASIN
GROUNDWATER SUSTAINABILITY PLAN**

The Department of Water Resources (Department) is required to evaluate whether a submitted groundwater sustainability plan (GSP or Plan) conforms to specific requirements of the Sustainable Groundwater Management Act (SGMA or Act), is likely to achieve the sustainability goal for the basin covered by the Plan, and whether the Plan adversely affects the ability of an adjacent basin to implement its GSP or impedes achievement of sustainability goals in an adjacent basin. (Water Code § 10733.) The Department is directed to issue an assessment of the Plan within two years of its submission. (Water Code § 10733.4.) This Statement of Findings explains the Department's decision regarding the Plan submitted by the White Wolf Groundwater Sustainability Agency (GSA or Agency) for the San Joaquin Valley – White Wolf Subbasin (Subbasin) (Basin No. 5-022.18).

Department management has discussed the Plan with staff and has reviewed the Department Staff Report, entitled Sustainable Groundwater Management Program Groundwater Sustainability Plan Assessment Staff Report, attached as Exhibit A, recommending approval of the GSP. Department management is satisfied that staff have conducted a thorough evaluation and assessment of the Plan and concurs with staff's recommendation and all the recommended corrective actions. The Department therefore **APPROVES** the Plan and makes the following findings:

- A. The Plan satisfies the required conditions as outlined in § 355.4(a) of the GSP Regulations (23 CCR § 350 et seq.):
 1. The Plan was submitted within the statutory deadline of January 31, 2022. (Water Code § 10720.7(a); 23 CCR § 355.4(a)(1).)
 2. The Plan was complete, meaning it generally appeared to include the information required by the Act and the GSP Regulations sufficient to warrant a thorough evaluation and issuance of an assessment by the Department. (23 CCR § 355.4(a)(2).)
 3. The Plan, either on its own or in coordination with other Plans, covers the entire White Wolf Subbasin. (23 CCR § 355.4(a)(3).)
- B. The general standards the Department applied in its evaluation and assessment of the Plan are: (1) "conformance" with the specified statutory requirements, (2) "substantial compliance" with the GSP Regulations, (3) whether the Plan is likely

Statement of Findings

San Joaquin Valley – White Wolf Subbasin (No. 5-022.18)

October 26, 2023

to achieve the sustainability goal for the Subbasin within 20 years of the implementation of the Plan, and (4) whether the Plan adversely affects the ability of an adjacent basin to implement its GSP or impedes achievement of sustainability goals in an adjacent basin. (Water Code § 10733.) Application of these standards requires exercise of the Department's expertise, judgment, and discretion when making its determination of whether a Plan should be deemed "approved," "incomplete," or "inadequate."

The statutes and GSP Regulations require Plans to include and address a multitude and wide range of informational and technical components. The Department has observed a diverse array of approaches to addressing these technical and informational components being used by GSAs in different basins throughout the state. The Department does not apply a set formula or criterion that would require a particular outcome based on how a Plan addresses any one of SGMA's numerous informational and technical components. The Department finds that affording flexibility and discretion to local GSAs is consistent with the standards identified above; the state policy that sustainable groundwater management is best achieved locally through the development, implementation, and updating of local plans and programs (Water Code § 113); and the Legislature's express intent under SGMA that groundwater basins be managed through the actions of local governmental agencies to the greatest extent feasible, while minimizing state intervention to only when necessary to ensure that local agencies manage groundwater in a sustainable manner. (Water Code § 10720.1(h)) The Department's final determination is made based on the entirety of the Plan's contents on a case-by-case basis, considering and weighing factors relevant to the particular Plan and Subbasin under review.

- C. In making these findings and Plan determination, the Department also recognized that: (1) the Department maintains continuing oversight and jurisdiction to ensure the Plan is adequately implemented; (2) the Legislature intended SGMA to be implemented over many years; (3) SGMA provides Plans 20 years of implementation to achieve the sustainability goal in a Subbasin (with the possibility that the Department may grant GSAs an additional five years upon request if the GSA has made satisfactory progress toward sustainability); and, (4) local agencies acting as GSAs are authorized, but not required, to address undesirable results that occurred prior to enactment of SGMA. (Water Code §§ 10721(r); 10727.2(b); 10733(a); 10733.8.)
- D. The Plan conforms with Water Code §§ 10727.2 and 10727.4, substantially complies with 23 CCR § 355.4, and appears likely to achieve the sustainability goal for the Subbasin. It does not appear at this time that the Plan will adversely affect the ability of adjacent basins to implement their GSPs or impede achievement of sustainability goals.

Statement of Findings

San Joaquin Valley – White Wolf Subbasin (No. 5-022.18)

October 26, 2023

1. The sustainable management criteria for chronic lowering of groundwater is established using a multi-step process based on valuation of historical groundwater trends, a review of the proximity to critical infrastructure, a review of well construction information, and consideration sustainable management criterias developed in Kern County Subbasin. While Department staff have identified a recommended corrective action, the overall groundwater level and storage conditions in the Basin are generally stable based on the information included in the GSP, so this fault does not preclude plan approval. The Plan relies on credible information and science to quantify the groundwater conditions that the Plan seeks to avoid and provides an objective way to determine whether the Basin is being managed sustainably in accordance with SGMA. (23 CCR § 355.4(b)(1).)
2. The Plan demonstrates a reasonable understanding of where data gaps exist and demonstrates a commitment to eliminate those data gaps. For example, the GSAs plan to collect additional data to improve understanding of the hydrogeologic properties of the Subbasin; conduct an inventory of wells in the Subbasin and improve understanding of well construction details; and expand monitoring networks to improve characterization of interconnected surface water, address spatial variability and uncertainty in water table conditions in the eastern portion of the Subbasin, and to monitor effects of implemented projects and management actions. The GSAs intend to incorporate the additional data obtained from these data filling efforts into the Subbasin's groundwater model, to improve water budget calculations and better understand surface water and groundwater interactions. (23 CCR § 355.4(b)(2).)
3. The projects and management actions proposed are designed to achieve sustainability for the Subbasin through water supply augmentation and water demand reduction. The projects and management actions are reasonable and commensurate with the level of understanding of the Subbasin setting. The projects and management actions described in the Plan provide a feasible approach to achieving the Subbasin's sustainability goal and should provide the GSA with greater versatility to adapt and respond to changing conditions and future challenges during GSP implementation. (23 CCR § 355.4(b)(3).)
4. The Plan provides a detailed explanation of how the varied interests of groundwater uses and users in the Subbasin were considered in developing the sustainable management criteria and how those interests, including domestic wells, would be impacted by the chosen minimum thresholds. (23 CCR § 355.4(b)(4).)

Statement of Findings

San Joaquin Valley – White Wolf Subbasin (No. 5-022.18)

October 26, 2023

5. The Plan's projects and management actions appear feasible at this time and capable of preventing undesirable results and ensuring that the Subbasin is operated within its sustainable yield within 20 years. The Department will continue to monitor Plan implementation and reserves the right to change its determination if projects and management actions are not implemented or appear unlikely to prevent undesirable results or achieve sustainability within SGMA timeframes. (23 CCR § 355.4(b)(5).)
6. The Plan includes a reasonable assessment of overdraft conditions and includes reasonable means to mitigate overdraft, if present. (23 CCR § 355.4(b)(6).)
7. At this time, it does not appear that the Plan will adversely affect the ability of an adjacent subbasin to implement its GSP or impede achievement of sustainability goals in an adjacent subbasin. The Plan includes an analysis of potential impacts to adjacent subbasins related to the established minimum thresholds for each sustainability indicator. The Plan does not anticipate any impacts to adjacent subbasins resulting from the minimum thresholds defined in the Plan. (23 CCR § 355.4(b)(7).)
8. Because a single plan was submitted for the Subbasin, a coordination agreement was not required. (23 CCR § 355.4(b)(8).)
9. The GSA's member agencies provide a reasonable level of confidence, at this time, that the GSA has the legal authority and financial resources necessary to implement the Plan. (23 CCR § 355.4(b)(9)).
10. Through review of the Plan and consideration of public comments, the Department determines that the GSA adequately responded to comments that raised credible technical or policy issues with the Plan, sufficient to warrant approval of the Plan at this time. The Department also notes that the recommended corrective actions included in the Staff Report are important to addressing certain technical or policy issues that were raised and, if not addressed before future, subsequent plan evaluations, may preclude approval of the Plan in those future evaluations. (23 CCR § 355.4(b)(10).)

E. In addition to the grounds listed above, DWR also finds that:

1. The Department developed its GSP Regulations consistent with and intending to further the State's human right to water policy through implementation of SGMA and the Regulations, primarily by achieving sustainable groundwater management in a basin. By ensuring substantial compliance with the GSP Regulations, the Department has considered the state policy regarding the human right to water in its evaluation of the Plan. (Water Code § 106.3; 23 CCR § 350.4(g).)

Statement of Findings

San Joaquin Valley – White Wolf Subbasin (No. 5-022.18)

October 26, 2023

2. The Plan acknowledges and discusses interconnected surface waters within portions of the Plan area. The GSA acknowledges, and the Department agrees, that data gaps related to depletions of interconnected surface water exist. The GSA should continue filling data gaps, collecting additional monitoring data, and coordinating with resources agencies and interested parties to understand beneficial uses and users that may be impacted by depletions of interconnected surface water caused by groundwater pumping. Future updates to the Plan should aim to improve or refine the initial sustainable management criteria as more information and improved methodologies become available.
3. Projections of future Subbasin extractions are likely to stay within current and historic ranges, at least until the next periodic evaluation by the GSA and the Department. Subbasin groundwater levels and other SGMA sustainability indicators appear unlikely to substantially deteriorate while the GSA implements the Department's recommended corrective actions. The California Environmental Quality Act (Public Resources Code § 21000 *et seq.*) does not apply to the Department's evaluation and assessment of the Plan.

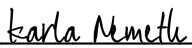
Statement of Findings

San Joaquin Valley – White Wolf Subbasin (No. 5-022.18)

October 26, 2023

Accordingly, the GSP submitted by the Agency for the San Joaquin Valley – White Wolf Subbasin is hereby **APPROVED**. The recommended corrective actions identified in the Staff Report will assist the Department’s future review of the Plan’s implementation for consistency with SGMA and the Department therefore recommends the Agency address them by the time of the Department’s periodic review, which is set to begin on January 28, 2027, as required by Water Code § 10733.8. Failure to address the Department’s recommended corrective actions before future, subsequent plan evaluations, may lead to a Plan being determined incomplete or inadequate.

Signed:



Karla Nemeth, Director
Date: October 26, 2023

Exhibit A: Groundwater Sustainability Plan Assessment Staff Report – San Joaquin Valley – White Wolf Subbasin

State of California
Department of Water Resources
Sustainable Groundwater Management Program
Groundwater Sustainability Plan Assessment
Staff Report

Groundwater Basin Name: San Joaquin Valley – White Wolf Subbasin (5-022.18)
Submitting Agency: White Wolf Groundwater Sustainability Agency
Submittal Type: Initial GSP Submission
Submittal Date: January 28, 2022
Recommendation: Approved
Date: October 26, 2023

The White Wolf Groundwater Sustainability Agency (GSA or Agency) submitted the White Wolf Groundwater Sustainability Plan (GSP or Plan) for the San Joaquin Valley – White Wolf Subbasin (Subbasin) to the Department of Water Resources (Department) for evaluation and assessment as required by the Sustainable Groundwater Management Act (SGMA)¹ and GSP Regulations.² The GSP covers the entire Subbasin for the implementation of SGMA.

After evaluation and assessment, Department staff conclude that the Plan includes the required components of a GSP, demonstrates a thorough understanding of the Subbasin based on what appears to be the best available science and information, sets well explained, supported, and reasonable sustainable management criteria to prevent undesirable results as defined in the Plan, and proposes a set of projects and management actions that will likely achieve the sustainability goal defined for the Subbasin.³ Department staff will continue to monitor and evaluate the Subbasin’s progress toward achieving the sustainability goal through annual reporting and future periodic evaluations of the GSP and its implementation.

- ***Based on the current evaluation of the Plan, Department staff recommend the GSP be approved with the recommended corrective actions described herein.***

This assessment includes five sections:

- **Section 1 – Summary**: Provides an overview of Department staff’s assessment and recommendations.

¹ Water Code § 10720 *et seq.*

² 23 CCR § 350 *et seq.*

³ 23 CCR § 350 *et seq.*

- **[Section 2 – Evaluation Criteria](#)**: Describes the legislative requirements and the Department’s evaluation criteria.
- **[Section 3 – Required Conditions](#)**: Describes the submission requirements, Plan completeness, and basin coverage required for a GSP to be evaluated by the Department.
- **[Section 4 – Plan Evaluation](#)**: Provides an assessment of the contents included in the GSP organized by each Subarticle outlined in the GSP Regulations.
- **[Section 5 – Staff Recommendation](#)**: Includes the staff recommendation for the Plan and any recommended or required corrective actions, as applicable.

1 SUMMARY

Department staff recommend approval of the White Wolf Subbasin GSP. The GSA has identified areas for improvement of its Plan (e.g., addressing data gaps related to the hydrogeological conceptual model, well construction information, and interconnected surface water, expanding monitoring networks, and refining projects and management actions). Department staff concur that those items are important and recommend the GSA address them as soon as possible. Department staff have also identified additional recommended corrective actions within this assessment that the GSA should consider addressing by the first periodic evaluation of the Plan. The recommended corrective actions generally focus on the following:

- (1) Conducting necessary investigations or studies to better understand the relationship between groundwater levels and degraded water quality and describing the potential impacts of the minimum thresholds established for chronic lowering of groundwater levels on degraded water quality;
- (2) Establishing sustainable management criteria for land subsidence based on direct measurements of land elevation changes;
- (3) Continuing to fill data gaps, collecting additional monitoring data, coordinating with resources agencies, and interested parties to understand beneficial uses and users that may be impacted by depletions of interconnected surface water caused by groundwater pumping, and potentially refine sustainable management criteria; and
- (4) Expanding the land subsidence monitoring network to provide sufficient coverage of the Subbasin.

Addressing the recommended corrective actions identified in [Section 5](#) of this assessment will be important to demonstrate, on an ongoing basis, that implementation of the Plan is likely to achieve the sustainability goal.

2 EVALUATION CRITERIA

The GSA submitted a single GSP to the Department to evaluate whether the Plan conforms to specified SGMA requirements⁴ and is likely to achieve the sustainability goal for the White Wolf Subbasin.⁵ To achieve the sustainability goal for the Subbasin, the GSP must demonstrate that implementation of the Plan will lead to sustainable groundwater management, which means the management and use of groundwater in a manner that can be maintained during the planning and implementation horizon without causing undesirable results.⁶ Undesirable results must be defined quantitatively by the GSAs.⁷ The Department is also required to evaluate whether the GSP will adversely affect the ability of an adjacent basin to implement its GSP or achieve its sustainability goal.⁸

For the GSP to be evaluated by the Department, it must first be determined that the Plan was submitted by the statutory deadline,⁹ and that it is complete and covers the entire basin.¹⁰ If these conditions are satisfied, the Department evaluates the Plan to determine whether it complies with specific SGMA requirements and substantially complies with the GSP Regulations.¹¹ Substantial compliance means that the supporting information is sufficiently detailed and the analyses sufficiently thorough and reasonable, in the judgment of the Department, to evaluate the Plan, and the Department determines that any discrepancy would not materially affect the ability of the Agency to achieve the sustainability goal for the basin, or the ability of the Department to evaluate the likelihood of the Plan to attain that goal.¹²

When evaluating whether the Plan is likely to achieve the sustainability goal for the Subbasin, Department staff reviewed the information provided and relied upon in the GSP for sufficiency, credibility, and consistency with scientific and engineering professional standards of practice.¹³ The Department's review considers whether there is a reasonable relationship between the information provided and the assumptions and conclusions made by the GSA, including whether the interests of the beneficial uses and users of groundwater in the basin have been considered; whether sustainable management criteria and projects and management actions described in the Plan are commensurate with the level of understanding of the basin setting; and whether those projects and management actions are feasible and likely to prevent undesirable results.¹⁴

⁴ Water Code §§ 10727.2, 10727.4.

⁵ Water Code § 10733(a).

⁶ Water Code § 10721(v).

⁷ 23 CCR § 354.26 *et seq.*

⁸ Water Code § 10733(c).

⁹ 23 CCR § 355.4(a)(1).

¹⁰ 23 CCR §§ 355.4(a)(2), 355.4(a)(3).

¹¹ 23 CCR § 350 *et seq.*

¹² 23 CCR § 355.4(b).

¹³ 23 CCR § 351(h).

¹⁴ 23 CCR §§ 355.4(b)(1), (3), (4), and (5).

The Department also considers whether the GSA has the legal authority and financial resources necessary to implement the Plan.¹⁵

To the extent overdraft is present in a basin, the Department evaluates whether the Plan provides a reasonable assessment of the overdraft and includes reasonable means to mitigate the overdraft.¹⁶ The Department also considers whether the Plan provides reasonable measures and schedules to eliminate identified data gaps.¹⁷ Lastly, the Department's review considers the comments submitted on the Plan and evaluates whether the GSA adequately responded to the comments that raise credible technical or policy issues with the Plan.¹⁸

The Department is required to evaluate the Plan within two years of its submittal date and issue a written assessment of the Plan.¹⁹ The assessment is required to include a determination of the Plan's status.²⁰ The GSP Regulations define the three options for determining the status of a Plan: Approved,²¹ Incomplete,²² or Inadequate.²³

Even when review indicates that the GSP satisfies the requirements of SGMA and is in substantial compliance with the GSP Regulations, the Department may recommend corrective actions.²⁴ Recommended corrective actions are intended to facilitate progress in achieving the sustainability goal within the basin and the Department's future evaluations, and to allow the Department to better evaluate whether the Plan adversely affects adjacent basins. While the issues addressed by the recommended corrective actions do not, at this time, preclude approval of the Plan, the Department recommends that the issues be addressed to ensure the Plan's implementation continues to be consistent with SGMA and the Department is able to assess progress in achieving the sustainability goal within the basin.²⁵ Unless otherwise noted, the Department proposes that recommended corrective actions be addressed by the submission date for the first periodic assessment.²⁶

The staff assessment of the GSP involves the review of information presented by the GSA, including models and assumptions, and an evaluation of that information based on scientific reasonableness, including standard or accepted professional and scientific methods and practices. The assessment does not require Department staff to recalculate or reevaluate technical information provided in the Plan or to perform its own geologic or

¹⁵ 23 CCR § 355.4(b)(9).

¹⁶ 23 CCR § 355.4(b)(6).

¹⁷ 23 CCR § 355.4(b)(2).

¹⁸ 23 CCR § 355.4(b)(10).

¹⁹ Water Code § 10733.4(d); 23 CCR § 355.2(e).

²⁰ Water Code § 10733.4(d); 23 CCR § 355.2(e).

²¹ 23 CCR § 355.2(e)(1).

²² 23 CCR § 355.2(e)(2).

²³ 23 CCR § 355.2(e)(3).

²⁴ Water Code § 10733.4(d).

²⁵ Water Code § 10733.8.

²⁶ 23 CCR § 356.4 *et seq.*

engineering analysis of that information. The staff recommendation to approve a Plan does not signify that Department staff, were they to exercise the professional judgment required to develop a GSP for the basin, would make the same assumptions and interpretations as those contained in the Plan, but simply that Department staff have determined that the assumptions and interpretations relied upon by the submitting GSA are supported by adequate, credible evidence, and are scientifically reasonable.

Lastly, the Department's review and approval of the Plan is a continual process. Both SGMA and the GSP Regulations provide the Department with the ongoing authority and duty to review the implementation of the Plan.²⁷ Also, GSAs have an ongoing duty to provide reports to the Department, periodically reassess their plans, and, when necessary, update or amend their plans.²⁸ The passage of time or new information may make what is reasonable and feasible at the time of this review to not be so in the future. The emphasis of the Department's periodic reviews will be to assess the progress toward achieving the sustainability goal for the basin and whether Plan implementation adversely affects the ability of adjacent basins to achieve their sustainability goals.

3 REQUIRED CONDITIONS

A GSP, to be evaluated by the Department, must be submitted within the applicable statutory deadline. The GSP must also be complete and must, either on its own or in coordination with other GSPs, cover the entire basin.

3.1 SUBMISSION DEADLINE

SGMA required basins categorized as high- or medium-priority and not subject to critical conditions of overdraft to submit a GSP no later than January 31, 2022.²⁹

The GSA submitted their Plan on January 28, 2022.

3.2 COMPLETENESS

GSP Regulations specify that the Department shall evaluate a GSP if that GSP is complete and includes the information required by SGMA and the GSP Regulations.³⁰

The GSA submitted an adopted GSP for the entire Subbasin. After an initial, preliminary review, Department staff found the GSP to be complete and appearing to include the

²⁷ Water Code § 10733.8; 23 CCR § 355.6.

²⁸ Water Code §§ 10728 *et seq.*, 10728.2.

²⁹ Water Code § 10720.7(a)(2).

³⁰ 23 CCR § 355.4(a)(2).

required information, sufficient to warrant a thorough evaluation by the Department.³¹ The Department posted the GSP to its website on February 14, 2022.³²

3.3 BASIN COVERAGE

A GSP, either on its own or in coordination with other GSPs, must cover the entire basin.³³ A GSP that is intended to cover the entire basin may be presumed to do so if the basin is fully contained within the jurisdictional boundaries of the submitting GSAs.

The GSP intends to manage the entire White Wolf Subbasin and the jurisdictional boundary of the submitting GSA fully contains the Subbasin.³⁴

4 PLAN EVALUATION

As stated in Section 355.4 of the GSP Regulations, a basin “shall be sustainably managed within 20 years of the applicable statutory deadline consistent with the objectives of the Act.” The Department’s assessment is based on a number of related factors including whether the elements of a GSP were developed in the manner required by the GSP Regulations, whether the GSP was developed using appropriate data and methodologies and whether its conclusions are scientifically reasonable, and whether the GSP, through the implementation of clearly defined and technically feasible projects and management actions, is likely to achieve a tenable sustainability goal for the basin. The Department staff’s evaluation of the likelihood of the Plan to attain the sustainability goal for the Subbasin is provided below.

4.1 ADMINISTRATIVE INFORMATION

The GSP Regulations require each Plan to include administrative information identifying the submitting Agency, its decision-making process, and its legal authority;³⁵ a description of the Plan area and identification of beneficial uses and users in the Plan area;³⁶ and a description of the ability of the submitting Agency to develop and implement a Plan for that area.³⁷

The White Wolf GSA was formed in 2017 through a Joint Powers Agreement and is governed by a board of directors which includes two representatives of each member district, which includes the Arvin-Edison Water Storage District (AEWSD), Tejon-Castac

³¹ The Department undertakes a preliminary completeness review of a submitted Plan under section 355.4(a) of the GSP Regulations to determine whether the elements of a Plan required by SGMA and the Regulations have been provided, which is different from a determination, upon review, that a Plan is “incomplete” for purposes of section 355.2(e)(2) of the Regulations.

³² <https://sgma.water.ca.gov/portal/gsp/preview/123>.

³³ Water Code § 10727(b); 23 CCR § 355.4(a)(3).

³⁴ White Wolf GSP, Section 5.1.1, p. 38.

³⁵ 23 CCR § 354.6 *et seq.*

³⁶ 23 CCR § 354.8 *et seq.*

³⁷ 23 CCR § 354.6(e).

Water District (TCWD), and Wheeler Ridge-Maricopa Water Storage District (WRMWSO). Kern County is the seventh, non-voting or additional entity, member of the board.³⁸ The GSP states “[k]ey GSP development and implementation decisions are made by the GSA Board of Directors,” and the “ad-hoc Technical Committee helps to guide the GSP development technical consultant team and provides feedback on draft work products.”³⁹

The Subbasin is located at the southern end of the San Joaquin Valley within Kern County and encompasses 107,532 acres (168 square miles). The Subbasin is bordered on the north by the Kern County Subbasin, with no adjacent basins located to the south, east, or west. map showing the location of the Subbasin and adjacent subbasins is presented as Figure 1 below.

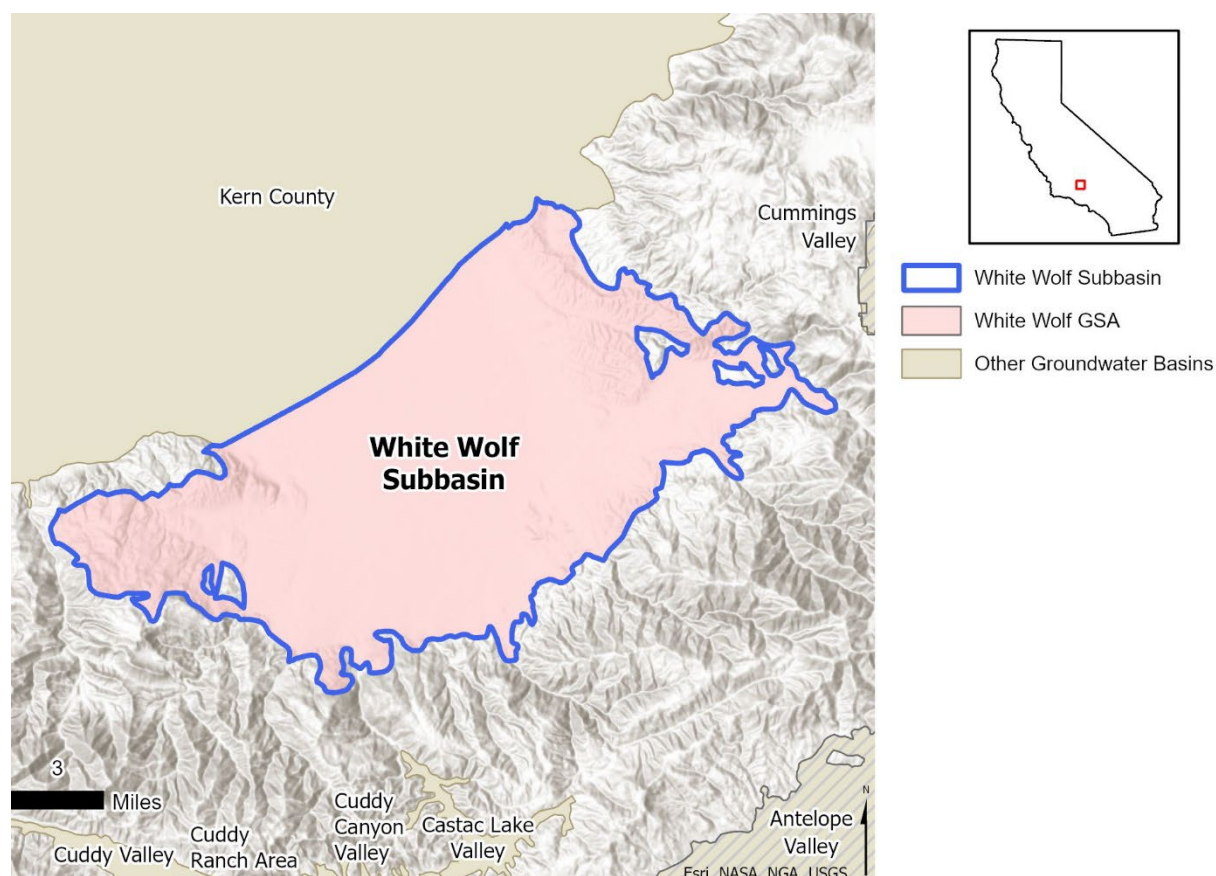


Figure 1: White Wolf Subbasin Location Map.

Based on information presented in the GSP, most of the land in the Subbasin is undeveloped (approximately 66%). Approximately 32% of the land is used for agriculture (with vineyards, fruit and nut, tree nursery, and berry being the most abundant agricultural land use) and approximately 2% is collectively used for quarry, mining, and oil fields. The

³⁸ White Wolf GSP, Executive Summary, pp. 20-21, Section 3.2, p. 35, and Appendix A, pp. 367-375.

³⁹ White Wolf GSP, Appendix B, Section 2.2, p. 382, and Appendix A, pp. 368-369.

Plan states that there are no incorporated cities within the Subbasin.⁴⁰ The Plan identifies “two small regions within the [Subbasin] that qualify as Disadvantaged Communities (DAC) or Severely Disadvantaged Communities (SDAC). Both areas are lightly populated (i.e., it is estimated that approximately 390 people currently live within the Basin [DWR, 2019]).”⁴¹ The Plan also states that “there are no tribal lands within or in the vicinity of the [Subbasin].”⁴²

Entities with water management responsibilities in the Subbasin include AEWSD, TCWD, and WRMWSD, and Kern County Water Agency (KCWA).⁴³ The GSP identifies beneficial uses and users of groundwater in the Subbasin as including agricultural users, domestic well owners, and commercial and Industrial users.⁴⁴

The GSP provides an inventory of wells and well-density maps using data from the Department’s Online System for Well Completion Report (OSWCR) dataset. Based on the information provided, there are a total of 71 wells in the Subbasin, 93% of the wells are production wells and 6% of the wells are domestic. Additionally, the GSP provides a well inventory and well density maps using data from the White Wolf Data Management System (DMS) dataset. Based on this information, there are a total of 275 wells in the Subbasin, 93% of the wells are production wells, 6% of the wells are of mixed domestic use and 1% of the wells are public supply wells.⁴⁵

The GSP includes information on existing groundwater and surface water monitoring conducted by various entities, including existing water management plans and regulatory programs currently operating in the Subbasin.⁴⁶ As detailed in the GSP, groundwater management actions have been ongoing in the Subbasin for several years. The GSA intends to coordinate with other entities in the Subbasin to support existing groundwater management efforts and build upon them to achieve sustainable groundwater management in the Subbasin.

The GSP describes in sufficient detail the organizational structure of the GSA and its legal authority to manage groundwater in the Subbasin, and finance projects and management actions. The GSA adopted a Framework Agreement in 2017, which formed the White Wolf Subbasin Sustainable Groundwater Management Agency. The GSP also provides the GSA’s funding strategy to support their GSP implementation activities and includes high-level cost estimates for the first five years of GSP implementation. The costs range from approximately \$290,000 to \$345,000 per year.⁴⁷ The GSP describes funding mechanisms that the GSA will consider for meeting the GSP implementation costs, which

⁴⁰ White Wolf GSP, Section 5.1.3.1, p. 39.

⁴¹ White Wolf GSP, Executive Summary, p. 21.

⁴² White Wolf GSP, Section 5.1.3.3., p. 39.

⁴³ White Wolf GSP, Section 5.1.3.5, p. 40.

⁴⁴ White Wolf GSP, Appendix B, Section 3.1, p. 384.

⁴⁵ White Wolf GSP, Section 5.1.5, p. 43.

⁴⁶ White Wolf GSP, Section 5.2, pp. 43-45.

⁴⁷ White Wolf GSP, Section 19.2.1, p. 355, and Table PI-1, p. 357.

include a combination of contributions from landowners, grant funding, and rate payers (if available).⁴⁸

The GSP includes a Communication and Engagement Plan which describes the GSA's communication and public engagement efforts during the development phase of the GSP, including its decision-making process. The Communication and Engagement Plan also describes the communication and public involvement approach that the GSA plans to use during the GSP implementation phase.⁴⁹ The GSA provides a list of public meetings where the GSP was discussed or considered,⁵⁰ including public comments and how they were addressed.⁵¹

Department staff conclude that the administrative information included in the GSP substantially complies with the requirements outlined in the GSP Regulations.

4.2 BASIN SETTING

GSP Regulations require information about the physical setting and characteristics of the basin and current conditions of the basin, including a hydrogeologic conceptual model; a description of historical and current groundwater conditions; and a water budget accounting for total annual volume of groundwater and surface water entering and leaving the basin, including historical, current, and projected water budget conditions.⁵²

4.2.1 Hydrogeologic Conceptual Model

The hydrogeologic conceptual model is a non-numerical model of the physical setting, characteristics, and processes that govern groundwater occurrence within a basin, and represents a local agency's understanding of the geology and hydrology of the basin that support the geologic assumptions used in developing mathematical models, such as those that allow for quantification of the water budget.⁵³ The GSP Regulations require a descriptive hydrogeologic conceptual model that includes a written description of geologic conditions, supported by cross sections and maps,⁵⁴ and includes a description of basin boundaries and the bottom of the basin,⁵⁵ principal aquifers and aquitards,⁵⁶ and data gaps.⁵⁷

⁴⁸ White Wolf GSP, Section 3.5, p. 36, Section 19.2.2, p. 356; and Table PI-2, p. 257.

⁴⁹ White Wolf GSP, Appendix B, pp. 276-399.

⁵⁰ White Wolf GSP, Section 5.5.2, pp. 58-59.

⁵¹ White Wolf GSP, Appendix C, pp. 400-444.

⁵² 23 CCR § 354.12.

⁵³ DWR Best Management Practices for the Sustainable Management of Groundwater: Hydrogeologic Conceptual Model, December 2016: https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Groundwater-Management/Sustainable-Groundwater-Management/Best-Management-Practices-and-Guidance-Documents/Files/BMP-3-Hydrogeologic-Conceptual-Model_ay_19.pdf.

⁵⁴ 23 CCR §§ 354.14 (a), 354.14 (c).

⁵⁵ 23 CCR §§ 354.14 (b)(2-3).

⁵⁶ 23 CCR § 354.14 (b)(4) *et seq.*

⁵⁷ 23 CCR § 354.14 (b)(5).

The Plan provides a comprehensive description of the hydrogeologic conceptual model (HCM) based on technical studies, maps, and cross sections that use the best available information to describe the groundwater system in the Subbasin.⁵⁸

The Plan states that the Subbasin is located at the southern end of the San Joaquin Valley and is a sedimentary trough filled with Quaternary-age alluvial deposits, Tertiary age sandstone, siltstone, shale, conglomerates, minor volcanics, and Eocene-age marine facies resting unconformably on a basement complex.⁵⁹ The GSP describes that the Subbasin is located in a tectonically active area with the recently active White Wolf Fault (WWF) on the northern border of the Subbasin, multiple high-angle normal faults creating a graben in the center of the Subbasin, and surrounding thrust faults.⁶⁰ The GSP also states that the Springs Fault in the southeastern Subbasin is a southeastern-dipping high angle fault that creates a partial hydraulic barrier between the Principal Aquifer and the shallow water-bearing zone in the southeastern Subbasin.⁶¹ The Plan describes that the Subbasin is bounded on the north by the White Wolf Fault, on the east and south by a crystalline basement complex of the Tehachapi Mountains, and on the west by Tertiary-age sedimentary rocks of the San Emigdio Mountains.⁶²

The GSP states that the Subbasin contains one principal aquifer defined as consisting of Shallow Alluvium, the Kern River Formation, and the Chanac Formation.⁶³ The GSP states that the lenticular geometry, heterogeneity of deposits, and similarity of depositional environments make it difficult to identify separate aquifer units in most of the Subbasin; therefore, the GSP combines the Shallow Alluvium, Kern River, and Chanac Formations into the Principal Aquifer.⁶⁴ The degree of confinement within the Subbasin is not well known, however, groundwater in the Subbasin is generally expected to be unconfined to semi-confined.⁶⁵ The GSP states that confinement increases with depth and is likely related to sections of poorly sorted, fine-grained deposits rather than a thick layer of lacustrine clay.⁶⁶ The GSP describes the Shallow Alluvium as Quaternary/Recent fan, terrace and alluvial deposits, the Kern River Formation as fine to coarse-grained sands and sandy clays with interbeds of poorly-sorted sands, gravels and boulders, and the Chanac Formation as loosely consolidated conglomerate with sand and clay lenses.⁶⁷ The GSP states that there is a clay rich transition zone that is approximately 50 to 100 feet thick between the Chanac and Santa Margarita Formation that may act as an aquitard to the Santa Margarita Formation aquifer.⁶⁸ The Santa Margarita Formation directly

⁵⁸ White Wolf GSP, Section 7, pp. 72-94, Figures HCM-1 to HCM-19, pp. 95-113.

⁵⁹ White Wolf GSP, Section 7.1.1, pp. 72-73, Figures HCM-11 to HCM-13, pp. 105-107.

⁶⁰ White Wolf GSP, Section 7.1.1, pp. 72-73, Figures HCM-11 to HCM-13, pp. 105-107.

⁶¹ White Wolf GSP, Section 7.1.1, pp. 72-73, Figures HCM-11 to HCM-13, pp. 105-107.

⁶² White Wolf GSP, Section 7.1.2, pp. 73-74, Figure HCM-1.

⁶³ White Wolf GSP, Section 7.1.3.4, p. 78.

⁶⁴ White Wolf GSP, Section 7.1.3.4, p. 78.

⁶⁵ White Wolf GSP, Section 7.1.3.4, p. 78.

⁶⁶ White Wolf GSP, Section 7.1.3.4, p. 78.

⁶⁷ White Wolf GSP, Section 7.1.4.1, pp. 79-80.

⁶⁸ White Wolf GSP, Section 7.1.4.1, pp. 79-80.

underlies the Chanac Formation and consists of well-sorted gray sandstone, gravel and shale, however, the Plan states that there is no documented groundwater extraction from the Santa Margarita Formation in the Subbasin.⁶⁹

The GSP states that majority of available evidence (EKI, 2016) demonstrates that the White Wolf Fault acts as a significant impediment to groundwater flow. Based on multiple scientific studies concurring that the White Wolf Fault impedes groundwater flow, the Department approved a basin boundary modification separating the Subbasin from the Kern County Subbasin in 2016 with the new northern boundary of the Subbasin represented by the White Wolf Fault.⁷⁰ The GSP describes that the Springs Fault in the southeastern Subbasin is a southeastern-dipping high angle fault that creates a hydraulic barrier between the Principal Aquifer and the shallow water-bearing zone in the southeastern Subbasin.⁷¹ Depth to groundwater levels measured in 2021 at shallow monitoring wells adjacent to and north of the Springs Fault suggests that as groundwater flows northward, the Springs Fault acts as a partial hydraulic barrier and water backs up immediately on the southern side of the fault.⁷²

According to the GSP, groundwater in the Subbasin primarily supplies irrigated agriculture, but also supplies other beneficial uses such as public water systems and private domestic wells.⁷³ Figure HCM-10 in the GSP shows the location of wells and their respective type of use with most production wells located within the northcentral portion of the Subbasin.⁷⁴

The GSP recognizes multiple data gaps in the HCM and states that the GSA will make efforts to address them, but does not identify reasonable measures or schedules to eliminate the data gaps.⁷⁵ Data gaps include uncertainty in the hydraulic gradient and groundwater flow across the White Wolf Fault and Springs Fault, uncertainty in distinguishing hydraulic properties between formations in the Principal Aquifer, uncertainties about well construction details, well use, well status, and the unknown locations of the Tut Brothers public water system wells.⁷⁶ Department staff encourage the GSA to provide a plan and schedule to address the data gaps, discuss whether the data gaps are critical to GSP implementation, and discuss how filling data gaps will impact achieving sustainability.

Department staff conclude that the information provided to characterize the hydrogeologic conceptual model substantially complies with the requirements outlined in the GSP Regulations. In general, the Plan's descriptions of the regional geologic setting, the

⁶⁹ White Wolf GSP, Section 7.1.4.1, p. 80, Section 7.1.4.2, pp. 80-81.

⁷⁰ White Wolf GSP, Section 7.1.4.3, p. 84, Figure HCM-1, p. 95.

⁷¹ White Wolf GSP, Section 7.1.4.3, p. 84, Figure HCM-13, p. 107.

⁷² White Wolf GSP, Section 7.1.4.3, p. 85, Section 8.2.1.2, p. 118.

⁷³ White Wolf GSP, Section 7.1.4.5, pp. 85-86, Figure HCM-10, p.104.

⁷⁴ White Wolf GSP, Figure HCM-10, p. 104.

⁷⁵ White Wolf GSP, Section 7.1.5, p. 86, Section 19.1.2, p. 349.

⁷⁶ White Wolf GSP, Section 7.1.5, p. 86.

Subbasin’s physical characteristics, the principal aquifer, and hydrogeologic conceptual model appear to utilize the best available information and science. Department staff are aware of no significant inconsistencies or contrary technical information to that presented in the Plan.

4.2.2 Groundwater Conditions

The GSP Regulations require a written description of historical and current groundwater conditions for each of the applicable sustainability indicators and groundwater dependent ecosystems that includes the following: groundwater elevation contour maps and hydrographs,⁷⁷ a graph depicting change in groundwater storage,⁷⁸ maps and cross-sections of the seawater intrusion front,⁷⁹ maps of groundwater contamination sites and plumes,⁸⁰ maps depicting total subsidence,⁸¹ identification of interconnected surface water systems and an estimate of the quantity and timing of depletions of those systems,⁸² and identification of groundwater dependent ecosystems.⁸³

The GSP defines “current conditions” as the period from calendar years 2015-2019. Two historical conditions periods are defined, water year (WY) 1995-2014 for calculating historical water budgets, and 1975-2019 based on the period that the Subbasin has been receiving surface water deliveries.⁸⁴ Groundwater elevation contour maps are provided for Spring and Fall 2015 and 2019.⁸⁵ Groundwater elevation contour maps were not provided in the GSP for any historical period years prior to 2015.

The GSP includes hydrographs from 6 wells with data from 1955 to 2019, and another 10 hydrographs from 1975 to 2019, which is defined as the historical period on Figure GWC-5. On Figure GWC-6, hydrographs for the same 16 wells are included for the 1995-2019 period and are described as “recent.”⁸⁶ These hydrographs show a historical decline of up to 200 feet in groundwater elevation prior to the importation of surface water in the early 1970s, followed by a recovery of approximately 50 feet until approximately 2012.

To demonstrate the differences in vertical groundwater gradient data, the GSP included groundwater elevation data from two nested wells located in the southern portion of the Subbasin that are screened within the Chanac Formation and in the underlying Santa Margarita Formation, represented on Figure GWC-3. The GSP states that the Santa Margarita Formation is largely unpumped and is not considered as part of the Principal Aquifer system⁸⁷. The GSP identifies a negative (upward) gradient from the Santa

⁷⁷ 23 CCR §§ 354.16 (a)(1-2).

⁷⁸ 23 CCR § 354.16 (b).

⁷⁹ 23 CCR § 354.16 (c).

⁸⁰ 23 CCR § 354.16 (d).

⁸¹ 23 CCR § 354.16 (e).

⁸² 23 CCR § 354.16 (f).

⁸³ 23 CCR § 354.16 (g).

⁸⁴ White Wolf GSP, Section 8, p. 114.

⁸⁵ White Wolf GSP, Figures GWC-1 and GWC-2, pp. 138-139.

⁸⁶ White Wolf GSP, Figures GWC-5 and GWC-6, pp. 142-143.

⁸⁷ White Wolf GSP, Figure GWC-3, p. 140.

Margarita Formation to the Chanac Formation, “a negative vertical gradient signifies upward flow between aquifer zones whereas a positive vertical gradient signifies downward flow between aquifer zones.”⁸⁸

The GSP reports that the depth to groundwater across the Subbasin as measured between Fall 2014 and Fall 2019 ranged from a low to 69 feet below ground surface to 982 feet below ground surface as measured in a well in the higher land elevation portion of the Subbasin. The shallowest depths to water were measured in the southwest portion of the Subbasin where the GSP states that wells in this area are reportedly screened in both the Chanac and Santa Margarita Formations.⁸⁹

The GSP describes the long-term trends to groundwater with hydrographs that have records back to 1955, which show up to a 200-foot decline in groundwater levels in the Subbasin that ceased and, in some cases, began to recover once surface water imports began between 1966 and 1975. Trends in changes to groundwater levels based on water year type are presented in the Plan on Table GWC-2. The Plan states that the climatic factor included in the analysis of long-term groundwater trends shows that groundwater levels were increasing in the Subbasin in the 1990’s, were relatively stable in the 2000’s, and then began decreasing around WY2010.⁹⁰

The GSP describes the methodology used to calculate groundwater storage change per year⁹¹ and provides net groundwater storage change in the GSA for the 1994-2015 historical period and each subsequent wet/dry period⁹². The GSP states that seasonal water level highs (Spring) were used for these calculations⁹³. Groundwater storage change per year is summarized in Figure GWC-8;⁹⁴ water use type information is not provided, nor is the cumulative change in groundwater storage included. The Plan states that the annual change in storage ranged from an increase of 55,300 AF for the period from March 1998-February 1999 to a decrease of 45,600 AF for the period between March 2013 and February 2014, with changes in storage becoming more negative in dry years and improving during wet years.

The GSP states that the Subbasin is located far from coastal areas and seawater intrusion is not considered a threat to groundwater resources and therefore not a relevant sustainability indicator.⁹⁵ Given the geographic setting of the Subbasin, Department staff regard the reasoning of the GSP as sufficient to demonstrate that sea water intrusion is not present in the Subbasin and is not likely to occur in the future.

⁸⁸ White Wolf GSP, Section 8.2.1.1, pp. 116-118.

⁸⁹ White Wolf GSP, Section 8.2.1.2 Depth to Groundwater, p. 118

⁹⁰ White Wolf GSP, Section 8.2.2 p 119.

⁹¹ White Wolf GSP, Section 8.3, p. 120.

⁹² White Wolf GSP, Table GWC-3, p. 122.

⁹³ White Wolf GSP, Section 8.3, p. 121.

⁹⁴ White Wolf GSP, Figure GWC-8, p. 145.

⁹⁵White Wolf GSP, Section 8.4, p. 122.

The Plan includes descriptions of current and historical groundwater quality conditions in the Subbasin,⁹⁶ along with maps of where groundwater quality issues are observed in the Subbasin⁹⁷ and trend graphs for constituents of concern.⁹⁸ Degradation of groundwater quality in the Subbasin is reported to be from both point and non-point sources. The Plan identifies groundwater constituents from non-point sources that have been detected above regulatory standards to include arsenic, nitrate, total dissolved solids (TDS), sulfate, iron, manganese, boron, sodium, and chromium.⁹⁹ The Plan also discusses point-source contamination sites present in the Subbasin, these sites are under the purview of the Water Quality Control Board. The GSP states “[given] the lack of open sites and the fact that the depth of groundwater is generally hundreds of feet below the land surface, the threat to groundwater from these sites is likely negligible.”¹⁰⁰ Department staff encourage the GSA to coordinate with the water quality regulatory agencies/entities overseeing the various point-source contamination sites in assessing whether groundwater management is affecting plume migration during Plan implementation.

The Plan describes the current and historical land subsidence conditions for the Subbasin¹⁰¹ and provides a map¹⁰² to show the extent of subsidence. The GSP describes regional land subsidence historically from the 1952 Arvin-Tehachapi earthquake to current conditions.¹⁰³ The Plan reports that between 1959 to 1962 groundwater level declines contributed 0.15 feet of subsidence within the Subbasin where similar declines to groundwater level north of the White Wolf Fault in the Kern County Subbasin resulted in 1.5 feet of subsidence. The GSP discusses recent subsidence measured at the two continuous monitoring stations and 34 surveyed benchmarks along the California Aqueduct, which is located on the western margin of the Subbasin. The GSP calculates an average ground surface subsidence of 0.2 inches per year as measured by the surveyed benchmarks.¹⁰⁴ The Plan states that INSAR data for the period covering October 2020 shows less than 0.1 inch of subsidence for the subbasin.

The GSP does not identify interconnected surface water systems within the Subbasin. However, the GSP does state that there may be interconnected surface waters within the area near the Springs Fault, the area is upslope of the developed part of the Subbasin and the GSP states that there is little groundwater pumping on the upgradient side of the Springs Fault. Water level data installed in co-located shallow monitoring wells show no impact from groundwater production from the principal aquifer. As a result, the GSP

⁹⁶ White Wolf GSP, Section 8.5, pp. 123-130.

⁹⁷ White Wolf GSP, Figures GWC-9 through GCW-13, pp. 146-151.

⁹⁸ White Wolf GSP, Figure SMC-7, p. 273.

⁹⁹ White Wolf GSP, Table GWC-4, p. 124.

¹⁰⁰ White Wolf GSP, Section 8.5.4, p. 129.

¹⁰¹ White Wolf GSP, Section 8.6, pp. 130-131.

¹⁰² White Wolf GSP, Figure GWC-15, p. 152.

¹⁰³ White Wolf GSP, Section 8.6.1, p. 130.

¹⁰⁴ White Wolf GSP, Section 8.6.1, p. 131.

concludes that this area is hydraulically disconnected from the principal aquifer and that it should be managed separately.

The Plan describes the process for distinguishing whether surface ecosystems are connected or disconnected from the Principal Aquifer based on depth to groundwater. Approximately 880 acres of potential groundwater dependent ecosystems (GDEs) were identified from both the Natural Communities Commonly Associated with Groundwater (NCCAG) spatial dataset and field interpretation, with approximately 435 acres ultimately included in the GSP.¹⁰⁵ The GSP states that GDEs of interest in the Basin are categorized as supported by either the shallow water-bearing zone upgradient of the Springs Fault, or as supported by the Regional Aquifer; Figure GWC-18 displays the two categories in map form.¹⁰⁶

Department staff conclude that, overall, the Plan sufficiently describes the historical and current groundwater conditions for the sustainability indicators relevant to the Subbasin, based on what seems to be the best available science and information. Additionally, the information included in the Plan substantially complies with the requirements outlined in the GSP Regulations.

4.2.3 Water Budget

GSP Regulations require a water budget for the basin that provides an accounting and assessment of the total annual volume of groundwater and surface water entering and leaving the basin, including historical; current; and projected water budget conditions,¹⁰⁷ and the sustainable yield.¹⁰⁸

The GSP provides historical water budget information derived from the White Wolf Groundwater Flow Model (WWGFM) for the Subbasin for a 25-year period spanning from WY 1995 through WY 2014.¹⁰⁹ Specifically, the GSP provides graphical and tabular historical water budgets for all inflows into and outflows from the Subbasin¹¹⁰ and the three interconnected systems used to define the hydrologic balance within the Subbasin: the groundwater system,¹¹¹ land surface system,¹¹² and surface water system.¹¹³ Additionally, the GSP quantifies the change in the annual volume of groundwater storage between seasonal high conditions, investigates for the occurrence of overdraft conditions, identifies WY types, and attempts to quantify a sustainable yield for the Subbasin for the historical period.

¹⁰⁵ White Wolf GSP, Section 8.8.2, p. 135.

¹⁰⁶ White Wolf GSP, Figure GWC-18, p. 155.

¹⁰⁷ 23 CCR §§ 354.18 (a), 354.18 (c) *et seq.*

¹⁰⁸ 23 CCR § 354.18 (b)(7).

¹⁰⁹ White Wolf GSP, Section 9, pp. 156-220.

¹¹⁰ White Wolf GSP, Table WB-8, p. 181, WB-16 and WB-17, pp. 216-217.

¹¹¹ White Wolf GSP, Table WB-5, p. 176, Figure WB-9 and WB-10.

¹¹² White Wolf GSP, Table WB-4, p. 174, Figure WB-7 and WB-8, pp. 207-208.

¹¹³ White Wolf GSP, Table WB-3, p. 169, Figure WB-3, p. 203.

The WWGFM is a numerical groundwater flow model which utilizes the United States Geological (USGS) Modular Three-Dimensional Groundwater Modeling platform (MODFLOW-NWT). The model spatial domain covers the entire extent of the Subbasin and is vertically split into four grid layers which represent the four primary foundations within the Subbasin. The WWGFM is calibrated for WY 1985 through 2015. The model's aquifer properties, general head boundary conductance, fault hydraulic characteristics, and streambed conductance were subjected to manual calibration to match simulated conditions to observed groundwater levels, estimated subsurface flows, local artesian conditions, stream stage measurements, and stream flow measurements. Model calibration relied on groundwater elevation observations collected from 36 wells between October 1985 and September 2014 and stream gauge data collected at three points along the El Paso Creek and one point on the Tunis Creek.¹¹⁴

The Plan provides three water budgets evaluated using their model, which include the following:

- A 20-year historical water budget evaluated for water years 1994 to 2015.
- A current water budget evaluated for a period covering water years 2015 to 2019.
- A 53-year future projection water budget evaluated for water years 2020 to 2072.

The water budgets generally describe an accounting of inflows and outflows for the surface water and groundwater systems, including groundwater storage changes and sustainable yield, presented in tabular and graphical format.¹¹⁵ However, the Plan provides the projected water budget for the groundwater system, but not for the surface water system, which is required by the regulations. Staff recommend the GSA include the projected water budget for the surface water system by the next periodic evaluation of the Plan (see [Recommended Corrective Action 1](#)).

The historical water budget estimates the 20-year historic water budget representing hydrologic conditions from water years 1994 to 2014, estimates the average inflow to be 56,600 acre-feet per year and the average outflow to be 53,300 acre-feet per year, resulting in a surplus in groundwater storage of 3,200 acre-feet per year.¹¹⁶

The current water budget estimates inflow into the Subbasin's groundwater system to be 49,500 acre-feet per year and the outflow to be 69,800 acre-feet per year, resulting in a decline in groundwater storage of 20,300 acre-feet year.¹¹⁷

The projected water budget is evaluated for several scenarios, including baseline conditions (for current land use conditions and projected land use conditions), and varied climate-modified scenarios, with and without projects and management actions considerations. For baseline conditions evaluated without projects and management

¹¹⁴ White Wolf GSP, Appendix L, pp. 1174-1234.

¹¹⁵ White Wolf GSP, Section 9.1 through 9.5, pp. 158-200; Figure WB-34 through WB-16, pp. 203-216.

¹¹⁶ White Wolf GSP, Table WB-1, p. 157, and Table WB-5, p 176.

¹¹⁷ White Wolf GSP, Table WB-1, p. 157, and Table WB-5, p 176.

actions, the Plan estimates a decrease in groundwater storage of up to 4,600 acre-feet per year.¹¹⁸

For the various climate-modified scenarios evaluated without considering projects and management actions, the Plan estimates a change in storage that ranges from a decline of 8,400 acre-feet per year to of 15,500 acre-feet per year. When projects and management actions are factored in for all scenarios, the Plan estimates a decline in groundwater storage of 700 to 7,200 acre-feet per year.¹¹⁹

Results of the projected annual changes in groundwater storage¹²⁰ and graphs depicting changes in groundwater elevations for the various modeled scenarios,¹²¹ show that the projects and management actions proposed in the Plan¹²² will be necessary to attain measurable objectives and achieve sustainability for the Subbasin.

The Plan provides sustainable yield estimates derived by subtracting the average annual groundwater pumped from the average annual change in groundwater storage during different periods. For the 20-year historical period (1995 to 2014) and current period (2015 to 2019), the sustainable yield is estimated to be 44,200 acre-feet per year and 38,200 acre-feet per year, respectively. For the projected period (2020 to 2072), the sustainable yield values range from 46,800 to 47,100 acre-feet per year, depending on the modeled scenario (i.e., variable climate conditions, with and without projects and management actions being implemented).¹²³

The GSP identifies data gaps that the GSA acknowledges need to be addressed to improve the reliability of the water budgets and reduce uncertainty.¹²⁴ Department staff encourage the GSA to address the relevant data gaps to reduce uncertainty in the model results at the earliest possible, including updating the sustainable yield to be the maximum quantity of water calculated over a base period representative of long-term conditions in the Subbasin, and including any temporary surplus, that can be withdrawn annually without causing undesirable results in the Subbasin.

Despite the identification of a recommended corrective action, Department staff conclude the Plan provides the majority of the required historical, current, and future accounting and assessment of the total annual volume of groundwater and surface water entering and leaving the Subbasin and projected future water demands, using the best available tools and information available at the time of preparation of the Plan. Department staff recommend the GSA work to understand the reliability of the surface water supply to the

¹¹⁸ White Wolf GSP, Table WB-1, p. 157, and Table WB-5, p. 176.

¹¹⁹ White Wolf GSP, Table WB-1, p. 157, and Table WB-5, p. 176.

¹²⁰ White Wolf GSP, Table WB-9, p. 184.

¹²¹ White Wolf GSP, Figure PMA-2, p. 345.

¹²² White Wolf GSP, Section 18, pp. 317-326.

¹²³ White Wolf GSP, Table WB-9, p. 184.

¹²⁴ White Wolf GSP, Section 9.5.3, pp 199-200.

Subbasin to develop a projected water surface water budget and revise the estimate of the sustainable yield of the Subbasin as more data becomes available.

4.2.4 Management Areas

The GSP Regulations provide the option for one or more management areas to be defined within a basin if the GSA has determined that the creation of the management areas will facilitate implementation of the Plan. Management areas may define different minimum thresholds and be operated to different measurable objectives, provided that undesirable results are defined consistently throughout the basin.¹²⁵

The GSP has not defined management areas for the Subbasin.¹²⁶

4.3 SUSTAINABLE MANAGEMENT CRITERIA

GSP Regulations require each Plan to include a sustainability goal for the basin and to characterize and establish undesirable results, minimum thresholds, and measurable objectives for each applicable sustainability indicator, as appropriate. The GSP Regulations require each Plan to define conditions that constitute sustainable groundwater management for the basin including the process by which the GSA characterizes undesirable results and establishes minimum thresholds and measurable objectives for each applicable sustainability indicator.¹²⁷

4.3.1 Sustainability Goal

GSP Regulations require that GSAs establish a sustainability goal for the basin. The sustainability goal should be based on information provided in the GSP's basin setting and should include an explanation of how the sustainability goal is likely to be achieved within 20 years of Plan implementation.¹²⁸

The GSP states that the sustainability goal for the Subbasin is to “[c]ooperatively continue to maintain an economically viable groundwater resource within the White Wolf Subbasin that supports the current and future beneficial uses of groundwater by utilizing the area’s groundwater resources within the local sustainable yield and avoiding undesirable results.”¹²⁹

The GSP describes an approach to achieve sustainability within 20 years of GSP implementation and maintain long-term sustainability, that includes implementing projects and management actions (P/MAs) using an adaptive strategy and tracking hydrologic conditions to ensure the Subbasin is operated within its sustainable yield. The proposed projects and management actions largely focus on increasing supply (referred to in the GSP as “groundwater augmentation projects”) and demand reduction. The Plan states

¹²⁵ 23 CCR § 354.20.

¹²⁶ White Wolf GSP, Section 10, p. 221.

¹²⁷ 23 CCR § 354.22 *et seq.*

¹²⁸ 23 CCR § 354.24.

¹²⁹ White Wolf GSP, Section 12, p. 224.

that the projects and management actions were developed “using a portfolio approach whereby individual P/MAs were identified and grouped into categories based on their expected benefits... [t]his approach allows for the flexible implementation of P/MAs as needed to address future conditions throughout the 50-year GSP planning and implementation horizon (i.e., out to 2072).”¹³⁰

Based on the information provided in the Plan relating to the sustainability goal, Department staff conclude that the Plan substantially complies with the GSP Regulations.

4.3.2 Sustainability Indicators

Sustainability indicators are defined as any of the effects caused by groundwater conditions occurring throughout the basin that, when significant and unreasonable, cause undesirable results.¹³¹ Sustainability indicators thus correspond with the six undesirable results – chronic lowering of groundwater levels indicating a significant and unreasonable depletion of supply if continued over the planning and implementation horizon, significant and unreasonable reduction of groundwater storage, significant and unreasonable seawater intrusion, significant and unreasonable degraded water quality, including the migration of contaminant plumes that impair water supplies, land subsidence that substantially interferes with surface land uses, and depletions of interconnected surface water that have significant and unreasonable adverse impacts on beneficial uses of the surface water¹³² – but refer to groundwater conditions that are not, in and of themselves, significant and unreasonable. Rather, sustainability indicators refer to the effects caused by changing groundwater conditions that are monitored, and for which criteria in the form of minimum thresholds are established by the agency to define when the effect becomes significant and unreasonable, producing an undesirable result.

GSP Regulations require that GSAs provide descriptions of undesirable results including defining what are significant and unreasonable potential effects to beneficial uses and users for each sustainability indicator.¹³³ GSP Regulations also require GSPs provide the criteria used to define when and where the effects of the groundwater conditions cause undesirable results for each applicable sustainability indicator. The criteria shall be based on a quantitative description of the combination of minimum threshold exceedances that cause significant and unreasonable effects in the basin.¹³⁴

GSP Regulations require that the description of minimum thresholds include the information and criteria relied upon to establish and justify the minimum threshold for each sustainability indicator.¹³⁵ GSAs are required to describe how conditions at minimum thresholds may affect beneficial uses and users,¹³⁶ and the relationship between the

¹³⁰ White Wolf GSP, Section 18, p. 317.

¹³¹ 23 CCR § 351(ah).

¹³² Water Code § 10721(x).

¹³³ 23 CCR §§ 354.26 (a), 354.26 (b)(c).

¹³⁴ 23 CCR § 354.26 (b)(2).

¹³⁵ 23 CCR § 354.28 (b)(1).

¹³⁶ 23 CCR § 354.28 (b)(4).

minimum thresholds for each sustainability indicator, including an explanation for how the GSA has determined conditions at each minimum threshold will avoid causing undesirable results for other sustainability indicators.¹³⁷

GSP Regulations require that GSPs include a description of the criteria used to select measurable objectives, including interim milestones, to achieve the sustainability goal within 20 years.¹³⁸ GSP Regulations also require that the measurable objectives be established based on the same metrics and monitoring sites as those used to define minimum thresholds.¹³⁹

The following subsections thus consolidate three facets of sustainable management criteria: undesirable results, minimum thresholds, and measurable objectives. Information, as presented in the Plan, pertaining to the processes and criteria relied upon to define undesirable results applicable to the Subbasin, as quantified through the establishment of minimum thresholds, are addressed for each applicable sustainability indicator. A submitting agency is not required to establish criteria for undesirable results that the agency can demonstrate are not present and are not likely to occur in a basin.¹⁴⁰

4.3.2.1 Chronic Lowering of Groundwater Levels

In addition to components identified in 23 CCR §§ 354.28 (a-b), for the chronic lowering of groundwater, the GSP Regulations require the minimum threshold for chronic lowering of groundwater levels to be the groundwater elevation indicating a depletion of supply at a given location that may lead to undesirable results that is supported by information about groundwater elevation conditions and potential effects on other sustainability indicators.¹⁴¹

The GSP states that undesirable results associated with chronic lowering of groundwater levels would be experienced “if and when a chronic decline in groundwater levels in the Principal Aquifer negatively affects the reasonable and beneficial use of, and access to, groundwater for beneficial uses and users within the Basin.”¹⁴² The Plan states “[s]ignificant and unreasonable effects associated with Undesirable Results would include the complete dewatering of more than 25% of existing wells.”¹⁴³

The GSP provides a basis for how significant and unreasonable effects of chronic lowering of groundwater levels are defined. The GSP explains that “[t]he primary beneficial users of groundwater from the Principal Aquifer are groundwater pumpers... As such, the definition of [undesirable results] is focused on potential well impacts.”¹⁴⁴ The GSP further explains that 78% of existing wells in the Subbasin are at least 50 years

¹³⁷ 23 CCR § 354.28 (b)(2).

¹³⁸ 23 CCR § 354.30 (a).

¹³⁹ 23 CCR § 354.30 (b).

¹⁴⁰ 23 CCR § 354.26 (d).

¹⁴¹ 23 CCR § 354.28(c)(1) *et seq.*

¹⁴² White Wolf GSP, Section 13.1, p. 231.

¹⁴³ White Wolf GSP, Section 13.1, p. 231.

¹⁴⁴ White Wolf GSP, Section 13.1, p. 231.

old and “would reasonably have to be replaced in the next 20 years due to age alone, it cannot be considered ‘significant and unreasonable’ if fewer than 25% of wells in the Basin were to be impacted due to chronic lowering of groundwater levels.”¹⁴⁵

The GSP quantitatively defines an undesirable result for chronic lowering of groundwater levels as occurring “if and when groundwater levels in the Principal Aquifer decline below the established [minimum thresholds] in 40% or more of the RMW-WLs [representative monitoring wells for chronic lowering of groundwater levels] over four consecutive seasonal measurements (i.e., measurements spanning a total of two years, including two seasonal high groundwater level periods and two seasonal low groundwater level periods).”¹⁴⁶ According to the GSP, the criteria used to define undesirable results for chronic lowering of groundwater are based on what the GSA considers as significant and unreasonable conditions of chronic lowering of groundwater levels, and “with consideration of groundwater levels and trends, well depths (i.e., in relation to impacts to groundwater pumpers as the primary beneficial user), and proximity to critical infrastructure (i.e., the California Aqueduct and the 850 Canal).”¹⁴⁷

Department staff conclude the decision to set sustainable management criteria based on evaluating both spring and fall measurements may not adequately consider the interests of beneficial uses and users. Based on a review of hydrographs from the Subbasin, groundwater levels typically decline during the peak irrigation season and hit seasonal lows in the late summer or fall period where potential impacts to beneficial uses and users will be most severe. The GSA’s decision to set sustainable management criteria for the chronic decline of groundwater levels based spanning a total of two years, including two seasonal high groundwater level periods and two seasonal low groundwater level periods, instead of focusing on the time of most impacts in late summer or fall, is flawed as it likely disregards potential impacts to beneficial uses and users from seasonal variations. Under this management decision, even if the GSA successfully maintains spring groundwater levels within the historical range, impacts to beneficial uses and users that occur during any other times of the year (as groundwater levels typically decline) appear to not be considered. The GSA should revise the sustainable management criteria to be based on seasonal low groundwater levels to ensure potential impacts to beneficial uses and users are considered (see [Recommended Corrective Action 2](#)).

The GSP identifies potential causes of undesirable results related to chronic lowering of groundwater levels which include increased groundwater use (due to conditions such as increases in water use per acre or new irrigated land) and reduced recharge (due to conditions such as improved agricultural irrigation efficiency, climate change, decreased

¹⁴⁵ White Wolf Subbasin GSP, Section 13.1, p. 231.

¹⁴⁶ White Wolf GSP, Section 13.1.2, p. 232.

¹⁴⁷ White Wolf GSP, Section 13.1.1, pp. 231-232.

surface water inflows from contributing watersheds, and/or increased evapotranspiration).¹⁴⁸

The GSP describes the methodology used to establish the minimum thresholds as being a multi-step process that was based on an evaluation of historical groundwater trends for the period from WY 1966 to WY 2019; a review of the proximity to critical infrastructure for consideration of potential land subsidence impacts; a review of well construction information to consider impacts to beneficial uses; and consideration of the effects of the sustainable management criteria developed in the adjacent Kern County Subbasin.¹⁴⁹ The GSA used the information “to develop [minimum threshold] estimates using a quantitative algorithm that accounted for trends, historical lows, and water level variability ... [which] allowed for the most complete and representative historical water level information to inform the MTs [minimum thresholds].”¹⁵⁰

The GSP describes the first step of establishing the minimum thresholds as a “Minimum Threshold Algorithm” that “included evaluation of historical groundwater elevation data, projected trends, and analysis of potential impacts to existing wells.”¹⁵¹ The Plan further describes how the three key components, described below, were utilized to calculate the minimum threshold initial estimates for the representative monitoring sites (RMSs):

1. Historical low water levels are used as a starting point for MTs “based on the fact that significant and unreasonable impacts to beneficial uses and users of groundwater due to low groundwater levels are not known to have occurred since the time when water levels were at their historical low.”¹⁵²
2. Variability in groundwater levels “is accounted for by calculating a Variability Correction Factor as the product of the observed water level range over a relevant time period and a “Range Fraction.” This Variability Correction Factor is applied to the historical low (as discussed below) and acknowledges the fact that different locations within the Basin have experienced different amounts of water level variability.”¹⁵³
3. Recent trends in groundwater levels and projected water use “are accounted for by extending the trend for a certain amount of time (the “Trend Extension Period”) to determine a Trend Continuation Factor. This factor is also applied to recent water levels in order to allow time for implementation of any Projects and/or Management Actions needed to eliminate declining trends, and thereby avoid potential rapid disruption to land uses.”¹⁵⁴

¹⁴⁸ White Wolf GSP, Section 13.1.2, p. 232.

¹⁴⁹ White Wolf GSP, Section 14.1.1.1 p. 247.

¹⁵⁰ White Wolf GSP, Section 14.1.1.1 pp. 247-248.

¹⁵¹ White Wolf GSP, Section 14.1.1.1 p. 247.

¹⁵² White Wolf GSP, Section 14.1.1.1 p. 247.

¹⁵³ White Wolf GSP, Section 14.1.1.1 p. 247.

¹⁵⁴ White Wolf GSP, Section 14.1.1.1 p. 247.

The second step included a review of areas proximal to critical infrastructure “that may be particularly sensitive to significant and unreasonable effects from land subsidence...”¹⁵⁵ In those cases “an adjustment to the initial MT estimates was applied in the algorithm to ensure that the calculated MT was no lower than the historical low groundwater levels.”¹⁵⁶ The third step (or factor) include a consideration of the effects of the sustainable management criteria developed in the adjacent Kern County Subbasin. The GSP states that the “[Subbasin’s] MTs are higher than those in the adjacent area in Kern County Subbasin, which ensures that if water levels were to reach MTs in both basins, the horizontal gradient of groundwater flow from the Basin to the Kern County Subbasin will remain within the range of current conditions.”¹⁵⁷ The final step described in the GSP is a review of well construction information to consider impacts to beneficial uses.

Based on the multi-step process, the GSP established minimum thresholds for chronic lowering of groundwater levels 14 representative monitoring wells (see Table SMC-4 and Figure SMC-4).¹⁵⁸

The impact analysis states, if groundwater levels are lowered to the proposed minimum thresholds, none of the wells evaluated would result in “complete dewatering” and are “expected to result in partial dewatering of four wells that were not already partially dewatered at the Fall 2015 groundwater elevation.”¹⁵⁹ The GSA should coordinate with well users in the Subbasin to understand if impacts are occurring to any users whose wells lack construction data or are older than 50 years. Department staff encourage the GSA to review the Department’s April 2023 guidance document titled *Considerations for Identifying and Addressing Drinking Water Well Impacts*¹⁶⁰ while working well users in the Subbasin.

Additionally, the GSP developed an action plan to proactively address exceedances of minimum threshold. The Plan states that “[i]t important to monitor compliance with MTs and Measurable Objectives (MOs) over time to understand the Basin’s likelihood of achieving sustainability and avoiding URs.”¹⁶¹ The six-step action plan includes the following:

1. Identify exceedance and investigate the RMS area,
2. Evaluate outside contributing factors,
3. Consider the need for increased or expanded monitoring,
4. Consider initiating projects and/or management actions,

¹⁵⁵ White Wolf GSP, Section 14.1.1.2 p. 249.

¹⁵⁶ White Wolf GSP, Section 14.1.1.2 p. 249.

¹⁵⁷ White Wolf GSP, Section 14.1.1.3, p. 249.

¹⁵⁸ White Wolf GSP, Table SMC-4, p. 251, Figure SMC-4, p. 270.

¹⁵⁹ White Wolf GSP, Section 14.1.1.3, p. 249.

¹⁶⁰ <https://water.ca.gov/Programs/Groundwater-Management/Drinking-Water-Well>

¹⁶¹ White Wolf GSP, Section 16, p. 264.

5. Evaluate whether GSP implementation is causing or exacerbating MT exceedance for water quality and/or interconnected surface water, and
6. Consider enforcement action.

The GSP sets the measurable objectives of chronic lowering of groundwater levels for the 14 representative monitoring wells based on the “current” period (i.e., Fall 2015 through 2019) ... [a]t each RMW-WL, the lower of either Fall 2015 or Fall 2019, measured when available or model-calculated when measured was unavailable, was set as the MO.”¹⁶²

The interim milestones for chronic lowering of groundwater levels are established such that:

- For wells where the “current” groundwater level trend is stable to increasing, the interim milestones are set “at values above the MO, the subsequent IMs are all equal to the MO. Furthermore, a “trigger threshold” has been established as the mid-point between the MO and MT. If groundwater levels in 40% or more of the RMW-WLs fall below the trigger threshold, the Groundwater Sustainability Agency (GSA) will consider whether additional groundwater management action is warranted.”¹⁶³
- For all other wells, the interim milestones are “defined based on a trajectory for groundwater levels informed by current groundwater levels, the MTs, and the MOs. This trajectory assumes a continuation of current groundwater level trends for the first 5-year period, a deviation (slowing) from that trend over the second 5-year period, a recovery to the 5-year IM in the third 5-year period, and recovery towards the MO over the fourth (last) 5-year period (Table SMC-7).”¹⁶⁴

The measurable objectives and interim milestones for chronic lowering of groundwater levels are presented in Table SMC-4 and are displayed on Figure SMC-10.

Department staff conclude that the GSP’s discussion of sustainable management criteria for groundwater levels, and “with consideration of groundwater levels and trends, well depths (i.e., in relation to impacts to groundwater pumpers as the primary beneficial user), and proximity to critical infrastructure (i.e., the California Aqueduct and the 850 Canal)”¹⁶⁵ to be a reasonable approach that will help avoid a significant and unreasonable depletion of supply in the Subbasin in the long-term. While staff have identified the proposed inclusion of spring measurements in the consideration of undesirable results to be flawed, this equates to a recommended corrective action and not a deficiency that precludes approval of the GSP. This approach should be amended and addressed by the next periodic evaluation of the GSP.

¹⁶² White Wolf GSP, Section 15.1.2, p. 261.

¹⁶³ White Wolf GSP, Section 14.2.1, pp. 252-253.

¹⁶⁴ White Wolf GSP, Section 14.2.1, pp. 252-253.

¹⁶⁵ White Wolf GSP, Section 13.1.1, pp. 231-232.

4.3.2.2 *Reduction of Groundwater Storage*

In addition to components identified in 23 CCR §§ 354.28 (a-b), for the reduction of groundwater storage, the GSP Regulations require the minimum threshold for the reduction of groundwater storage to be a total volume of groundwater that can be withdrawn from the basin without causing conditions that may lead to undesirable results. Minimum thresholds for reduction of groundwater storage shall be supported by the sustainable yield of the basin, calculated based on historical trends, water year type, and projected water use in the basin.¹⁶⁶

The GSP states that “[r]eduction of Groundwater Storage is directly correlated to Chronic Lowering of Groundwater Levels. Therefore, the potential causes of Undesirable Results due to Reduction of Groundwater Storage are generally the same as the potential causes listed above for Undesirable Results due to Chronic Lowering of Groundwater Levels (i.e., increased groundwater pumping and reduced recharge). Because of the direct correlation between groundwater elevation and groundwater storage volume, groundwater levels are used to measure conditions for this Sustainability Indicator.”¹⁶⁷

The GSP establishes sustainable management criteria for the reduction of groundwater storage indicator using groundwater levels as a proxy.¹⁶⁸ Therefore, undesirable results, minimum thresholds, and measurable objectives established for the chronic lowering of groundwater levels sustainability indicator apply to the reduction of groundwater sustainability indicator.¹⁶⁹

The GSP provides a description of the potential causes of reduction of groundwater storage undesirable results and the possible effects on beneficial uses and users in the Basin. Based on review of the GSP, Department staff are aware of no significant inconsistencies or contrary information to what was presented in the GSP and therefore have no significant concerns regarding the decision to use sustainable management criteria for the chronic lowering of groundwater levels as a proxy for the groundwater storage sustainable management criteria.

Based on the information presented to support use of groundwater levels as a proxy for the reduction of groundwater storage sustainability indicator, Department staff conclude that the GSAs’ rationale to use groundwater levels as a proxy for reduction of groundwater storage is reasonable.

4.3.2.3 *Seawater Intrusion*

In addition to components identified in 23 CCR §§ 354.28 (a-b), for seawater intrusion, the GSP Regulations require the minimum threshold for seawater intrusion to be defined

¹⁶⁶ 23 CCR § 354.28(c)(2).

¹⁶⁷ White Wolf GSP, Section 13.2.1, p. 234

¹⁶⁸ White Wolf GSP, Section 15.1.2, p. 252.

¹⁶⁹ White Wolf GSP, Section 14.2 p. 252; Section 13.2.3, p. 234; and Section 16.2, p. 262.

by a chloride concentration isocontour for each principal aquifer where seawater intrusion may lead to undesirable results.¹⁷⁰

The GSP states that the Subbasin “is not located near any saline water bodies, seawater intrusion is not present and not likely to occur. The Seawater Intrusion Sustainability Indicator is therefore not applicable to the Basin, and no URs for this Sustainability Indicator are defined [in the Plan].”¹⁷¹

As the Subbasin is located inland, away from the ocean, Department staff concur that sustainable management criteria for seawater intrusion is not applicable for the Subbasin.

4.3.2.4 *Degraded Water Quality*

In addition to components identified in 23 CCR §§ 354.28 (a-b), for degraded water quality, the GSP Regulations require the minimum threshold for degraded water quality to be the degradation of water quality, including the migration of contaminant plumes that impair water supplies or other indicator of water quality as determined by the Agency that may lead to undesirable results. The minimum threshold shall be based on the number of supply wells, a volume of water, or a location of an isocontour that exceeds concentrations of constituents determined by the Agency to be of concern for the basin. In setting minimum thresholds for degraded water quality, the Agency shall consider local, state, and federal water quality standards applicable to the basin.¹⁷²

The GSP states that “[s]ignificant and unreasonable effects associated with Undesirable Results would include an increase, on a regional basis, in concentrations of identified constituents of concern above state and federal regulatory thresholds, as a result of SGMA-related groundwater level management activities.”¹⁷³ Undesirable results for degraded water quality are quantitatively defined to occur “if and when MTs are exceeded for any of the identified constituents of concern in 25% or more of the RMW-WQs at least two (2) consecutive years as a result of SGMA-related groundwater management activities.”¹⁷⁴ The GSP explains that the criteria selected to define undesirable results for degraded water quality are justified because 25% of representative monitoring wells exceeding minimum thresholds relates to a level of impact that corresponds to a regional water quality issue rather than a well-specific water quality issue. The GSP further explains that the requirement for minimum thresholds to be exceeded for two consecutive years before considering that undesirable results are occurring is to confirm that degraded water quality conditions persist.

The GSP describes groundwater conditions that would lead to undesirable results associated with degraded water quality, which include increases in concentrations of constituents of concern due to processes related to groundwater management activities

¹⁷⁰ 23 CCR § 354.28(c)(3).

¹⁷¹ White Wolf GSP, Section 13.3, p. 235.

¹⁷² 23 CCR § 354.28(c)(4).

¹⁷³ White Wolf GSP, Section 13.4, p. 235.

¹⁷⁴ White Wolf GSP, Section 13.4.2, p. 237.

and due to processes unrelated to groundwater management activities (such as deep percolation of precipitation; seepage from natural and man-made channel; irrigation system backflow into wells and flow through well gravel packs and screens from one formation to another; and deep percolation of irrigation water and other water applied for cultural practices like soil leaching, and recharge from septic system discharge).¹⁷⁵

The GSP also describes potential effects of the undesirable results on beneficial uses and users of groundwater, which include “increased costs to treat groundwater to drinking water standards if it is to be used as a potable supply source; increased costs to blend relatively poor-quality groundwater with higher quality sources for drinking water users; and potential reduction in the usable volume of groundwater in the Basin if large areas are impaired to the point that they cannot be used to support beneficial uses and users.”¹⁷⁶

The GSP sets minimum thresholds for degraded water quality for three constituents of concern: arsenic, nitrate, and selenium at the representative monitoring wells designated for degraded water quality. The Plan states that the minimum thresholds are based on the maximum contaminant levels [MCLs], “as MCLs are appropriate to consider when establishing MTs for Degraded Water Quality, as this approach meets the requirement to consider the beneficial uses and users of groundwater.”¹⁷⁷ The minimum thresholds for arsenic, nitrate, and selenium are set at their respective primary MCLs (i.e., 10 micrograms per liter [$\mu\text{g/L}$], 10 milligrams per liter [mg/L] and 0.05 mg/L , respectively).¹⁷⁸

Measurable objectives for degraded water quality are set at 75% of the MCL for the three constituents of concern (7.5 $\mu\text{g/L}$ for arsenic, 7.5 mg/L for nitrate, and 0.375 mg/L for selenium).^{179,180}

In lieu of setting interim milestones for degraded water quality, the GSP sets trigger thresholds because concentrations of constituents of concern in the Subbasin are mostly below measurable objectives. According to the GSP, the trigger thresholds are set such that if the concentration of a constituent of concern reaches 50% of its MCL, the GSA will consider additional action if warranted. The GSP presents in Table SMC-6 of the GSP, the trigger thresholds for arsenic, nitrate, and selenium, as 5 $\mu\text{g/L}$, 5 mg/L , and 0.005 mg/L , respectively.¹⁸¹ Department staff note that the GSP does not elaborate on the additional action that the GSA will consider if concentrations of constituents of concern reach their trigger thresholds. Staff recommend the GSA explain why the tabulated trigger threshold values are higher than 50% of their respective MCLs or provide the correct values if the current tabulated values are typographical errors. In addition, staff

¹⁷⁵ White Wolf GSP, Section 13.4.1, p. 236.

¹⁷⁶ White Wolf GSP, Section 13.4.3, p. 237.

¹⁷⁷ White Wolf GSP, Section 14.4.1.2, p. 255.

¹⁷⁸ White Wolf GSP, Section 14.4.1.2, p. 255.

¹⁷⁹ White Wolf GSP, Section 14.4, pp 253-256.

¹⁸⁰ White Wolf GSP, Table SMC-5, p. 256.

¹⁸¹ White Wolf GSP, Section 15.4, pp. 262-263 and Table SMC-6, p. 256.

recommend the GSA elaborate on the additional action that will be considered if concentrations of constituents of concern reach their trigger thresholds.

Based on review of the Plan’s discussion of the established sustainable management criteria for degradation of water quality, overall, Department staff conclude that the Plan substantially covers the specific items listed in the GSP regulations in an understandable format and uses the best available information and science.

4.3.2.5 Land Subsidence

In addition to components identified in 23 CCR §§ 354.28 (a-b), the GSP Regulations require the minimum threshold for land subsidence to be the rate and extent of subsidence that substantially interferes with surface land uses and may lead to undesirable results.¹⁸² Minimum thresholds for land subsidence shall be supported by identification of land uses and property interests that have been affected or are likely to be affected by land subsidence in the basin, including an explanation of how the Agency has determined and considered those uses and interests, and the Agency’s rationale for establishing minimum thresholds in light of those effects and maps and graphs showing the extent and rate of land subsidence in the basin that defines the minimum thresholds and measurable objectives.¹⁸³

The GSP states that undesirable results for land subsidence due to groundwater level declines would be experienced in the Subbasin when it negatively affects the ability to use existing critical infrastructure with the Subbasin.¹⁸⁴ Significant and unreasonable land subsidence conditions as described in the GSP “include subsidence-related damage to critical water conveyance infrastructure (i.e., the California Aqueduct and the 850 Canal), resulting in a loss of functional capacity of the infrastructure that prevents conveyance of available volumes of water that could otherwise be conveyed if the subsidence had not occurred.”¹⁸⁵

The GSP identifies increased pumping and/or reduced groundwater recharge which result in depressurization of aquifers and aquitards and cause compaction of compressible strata and vertical displacement of the ground surface, as conditions that could lead to undesirable results associated with land subsistence.¹⁸⁶

Potential effects of land subsidence as described in the GSP include damage to the Subbasin’s critical infrastructure “including gravity-driven water conveyance infrastructure (i.e., the California Aqueduct and the 850 Canal), gas and petroleum pipelines, municipal

¹⁸² 23 CCR § 354.28(c)(5).

¹⁸³ 23 CCR §§ 354.28(c)(5)(A-B).

¹⁸⁴ White Wolf GSP, Section 13.5, p. 238.

¹⁸⁵ White Wolf GSP, Section 13.5, p. 238.

¹⁸⁶ White Wolf GSP, Section 13.5.1, p. 238.

water lines, etc. Potential effects could also include damage to other non-critical infrastructure such as groundwater well heads, discharges, and casings.”¹⁸⁷

The GSA provides an “extrapolation of the average rate of subsidence at locations along the California Aqueduct between 2016 and 2019 (i.e., approximately 0.2 inches per year).”¹⁸⁸ The Plan then states that “if the rate were allowed to continue for ten (10) years (i.e., the maximum time allowable for continuation of declining groundwater level trends by the established Chronic Lowering of Groundwater Level MTs), additional subsidence would amount to only approximately two (2) inches, which is very unlikely to negatively affect the ability to use existing critical infrastructure within the [Subbasin].”¹⁸⁹ Therefore, the GSP does not define minimum thresholds and measurable objectives for land subsidence and states that the groundwater level minimum thresholds are expected to prevent significant and unreasonable effects from land subsidence in the Subbasin.¹⁹⁰

While there is generally a correlation between chronic lowering of groundwater levels and land subsidence, the relationship between the two sustainability indicators may not exactly or necessarily be linear at every point in the Subbasin due to influences of other factors such as soil structure. Because of the limited number of global positioning system monitoring stations within the Subbasin, limited InSAR-based subsidence data, and minimum thresholds for chronic lowering of groundwater levels being established at or lower than historical lows for the Subbasin, Department staff conclude that the GSA has not demonstrated with sufficient evidence that chronic lowering of groundwater levels is a reasonable proxy for land subsidence in the Subbasin and that use of groundwater level as a proxy for land subsidence is inappropriate because of the GSA’s plan to allow continued lowering of groundwater levels. Therefore, Department staff recommend the GSA establish sustainable management criteria for land subsidence based on direct measurements of land elevation changes to assess and confirm that no significant and unreasonable land subsidence is occurring (see [Recommended Corrective Action 3](#)).

Despite the identified recommended corrective action, the GSP’s discussion of land subsidence is comprehensive and includes adequate support, justification, and information to understand the GSA’s process, analysis, and rationale. While Department staff have recommended the GSA to remove the use of groundwater levels as a proxy for land subsidence, this does not preclude the Plan for approval at this time, given that the Subbasin does not appear to have significant current or historical land subsidence. Department staff are aware of no significant inconsistencies or contrary information to that presented in the GSP and, therefore, have no significant concerns regarding the discussion of this subject in the Plan.

¹⁸⁷ White Wolf GSP, Section 13.5.3, p. 239.

¹⁸⁸ White Wolf GSP, Section 13.5.2, p. 238.

¹⁸⁹ White Wolf GSP, Section 13.5.2, p. 238.

¹⁹⁰ White Wolf GSP, Section 13.5.2, pp. 238-239.

4.3.2.6 *Depletions of Interconnected Surface Water*

SGMA defines undesirable results for the depletion of interconnected surface water as those that have significant and unreasonable adverse impacts on beneficial uses of surface water and are caused by groundwater conditions occurring throughout the basin.¹⁹¹ The GSP Regulations require that a Plan identify the presence of interconnected surface water systems in the basin and estimate the quantity and timing of depletions of those systems.¹⁹² The GSP Regulations further require that minimum thresholds be set based on the rate or volume of surface water depletions caused by groundwater use, supported by information including the location, quantity, and timing of depletions, that adversely impact beneficial uses of the surface water and may lead to undesirable results.¹⁹³

The Plan states that “there is no interconnected surface water throughout the main portion of the [Subbasin] due to the deep groundwater levels in the Principal Aquifer, typically dry streams, and no beneficial uses of surface water. However, around the periphery of the Subbasin there are beneficial uses of surface water in the form of diversions for irrigated agriculture, as well as some locations where the presence of GDEs has been confirmed.”¹⁹⁴ The Plan then states that despite the uncertainty, the GSA established minimum thresholds for interconnected surface water at three newly installed shallow monitoring wells located upgradient of the Spring Fault; these three monitoring wells are identified as representative monitoring wells for depletion of interconnected surface water. The minimum thresholds are presented in Table SMC-6.¹⁹⁵

The measurable objectives and interim milestones for interconnected surface water are presented in Table SMC-6. The Plan states that “[w]ithout historical water level data to rely on, establishing MOs for Depletions of Interconnected Surface Water is similarly challenging. The preliminary MOs have been calculated as the projected depth to groundwater at the end of October 2021 based on trends observed during June 2021.”¹⁹⁶ The further explains that the “preliminary MO values will be reevaluated, updated, and revised as appropriate upon review and analysis of data from the three RMW-ISWs to be collected over the first five years of Groundwater Sustainability Plan (GSP) implementation.”¹⁹⁷

Department staff note the GSA identifies this as a data gap and Department staff recommend that more surface water and groundwater elevation data be collected where surface water might have interconnections with groundwater to identify segments of interconnectivity. In the next periodic update to the Plan, the GSA should provide an

¹⁹¹ Water Code § 10721(x)(6).

¹⁹² 23 CCR § 354.16 (f).

¹⁹³ 23 CCR § 354.28 (c)(6).

¹⁹⁴ White Wolf GSP, Section 14.6, p. 258.

¹⁹⁵ White Wolf GSP, Table SMC-6, p. 259.

¹⁹⁶ White Wolf GSP, Table SMC-6, p. 259.

¹⁹⁷ White Wolf GSP, Table SMC-6, p. 259.

update on whether interconnected surface water exists in the Plan area. If it is determined that interconnected surface water is present, the GSA should provide an estimate of the quantity and timing of depletions of those interconnected surface water systems and establish a monitoring network and sustainable management criteria for this sustainability indicator.

4.4 MONITORING NETWORK

The GSP Regulations describe the monitoring network that must be developed for each sustainability indicator including monitoring objectives, monitoring protocols, and data reporting requirements. Collecting monitoring data of a sufficient quality and quantity is necessary for the successful implementation of a groundwater sustainability plan. The GSP Regulations require a monitoring network of sufficient quality, frequency, and distribution to characterize groundwater and related surface water conditions in the basin and evaluate changing conditions that occur through implementation of the Plan.¹⁹⁸ Specifically, a monitoring network must be able to monitor impacts to beneficial uses and users,¹⁹⁹ monitor changes in groundwater conditions relative to measurable objectives and minimum thresholds,²⁰⁰ capture seasonal low and high conditions,²⁰¹ include required information such as location and well construction and include maps and tables clearly showing the monitoring site type, location, and frequency.²⁰² Department staff encourage GSAs to collect monitoring data as specified in the GSP, follow SGMA data and reporting standards,²⁰³ fill data gaps identified in the GSP prior to the first periodic evaluation,²⁰⁴ update monitoring network information as needed, follow monitoring best management practices,²⁰⁵ and submit all monitoring data to the Department’s Monitoring Network Module immediately after collection including any additional groundwater monitoring data that is collected within the Plan area that is used for groundwater management decisions. Department staff note that if GSAs do not fill their identified data gaps, the GSA’s basin understanding may not represent the best available science for use to monitor basin conditions.

The GSP describes monitoring networks for the five sustainability indicators relevant to the Subbasin: chronic lowering of groundwater levels, reduction of groundwater storage, degraded water quality, land subsidence, and depletions of interconnected surface water.

As stated in the GSP, the objective of the Subbasin’s monitoring network is to monitor short-term, seasonal, and long-term trends in groundwater and related surface water conditions; monitor changes in groundwater conditions relative to measurable objectives

¹⁹⁸ 23 CCR § 354.32.

¹⁹⁹ 23 CCR § 354.34(b)(2).

²⁰⁰ 23 CCR § 354.34(b)(3).

²⁰¹ 23 CCR § 354.34(c)(1)(B).

²⁰² 23 CCR §§ 354.34(g-h).

²⁰³ 23 CCR § 352.4 *et seq.*

²⁰⁴ 23 CCR § 354.38(d).

²⁰⁵ Department of Water Resources, 2016, [Best Management Practices and Guidance Documents](#).

and minimum thresholds; monitor impacts to beneficial uses or users of groundwater; and quantify annual changes in water budget components.²⁰⁶

For the Principal Aquifer, the GSP proposes a groundwater level monitoring network of 14 Representative Monitoring wells and one supplemental monitoring well, all screened within the principal aquifer.²⁰⁷ The GSP calculates the minimum number of wells needed for the Subbasin area as per the Department's Best Management Practice²⁰⁸ (7 wells) and concludes that the number of wells selected for the groundwater level monitoring network (15 wells) is adequate.²⁰⁹ The GSP does not describe any process for determining if the spatial distribution of the monitoring wells is sufficient for the Subbasin. Department staff note an area of agricultural land in the eastern portion of the Subbasin that does not have any wells currently monitored for groundwater levels.²¹⁰ The GSP proposes a semiannual (Spring and Fall) groundwater elevation monitoring schedule, with Spring measurements taken January-March and Fall measurements taken September-November, intended to capture seasonal high and low groundwater elevations, respectively.²¹¹ The Plan makes no mention of RMS wells being screened across multiple aquifer zones.

The GSA plans to use the monitoring network established for the chronic lowering of groundwater levels sustainability indicator to monitor and evaluate reduction of groundwater storage.²¹²

The GSP proposes to monitor four public water system (PWS) wells within the Subbasin for degraded water quality sustainability indicators, and designates these wells as the representative monitoring wells, designated RMW-WQ PWS.²¹³ These are supplemented with eight additional wells already sampled for water quality by the WRMWS, TCWD, AEWSD, and the Irrigated Lands Regulatory Program (ILRP), designated MW-WQ²¹⁴.

The GSP proposes to obtain analytical results for Title 22 constituents for the RMW-WQ PWS wells from the Safe Drinking Water Informational System (SDWIS) Drinking Water Watch website annually, and to sample these wells directly for any other constituents deemed significant. The MW-WQ wells will be sampled annually for potential constituents of concern. For wells with ILRP data available, the data will also be obtained annually from the GeoTracker® website.²¹⁵

²⁰⁶ White Wolf GSP, Section 17.1, p. 281.

²⁰⁷ White Wolf GSP, Table MN-2, pp. 286-287.

²⁰⁸ California Department of Water Resources, Best Management Practice for the Sustainable Management of Groundwater Monitoring Networks and Identification of Data Gaps BMP, dated December 2016, p. 34.

²⁰⁹ White Wolf GSP, Section 17.1.1.1, pp. 284-285.

²¹⁰ White Wolf GSP, Figure MN-1, p. 313.

²¹¹ White Wolf GSP 17.1.1.2, p. 285.

²¹² White Wolf GSP, Section 17.1.2., p. 285.

²¹³ White Wolf GSP, Section 17.1.4, p. 288.

²¹⁴ White Wolf GSP, Section 17.1.4, p. 289.

²¹⁵ White Wolf GSP, Section 17.1.4.2, pp. 290-291.

The GSP identifies the following constituents as potentially of concern:

- Arsenic
- Nitrate as nitrogen
- Selenium
- TDS
- Boron
- Sodium
- Sulfate
- 1,2,3-Trichloropropane (1,2,3-TCP)

In addition to the above constituents, annual MW-WQ samples will also be analyzed for major ions.²¹⁶ The GSP has designated two groundwater level monitoring wells as groundwater quality monitoring wells, which will be used to detect any correlated trend between groundwater levels and groundwater quality that may affect SMCs²¹⁷.

The GSP proposes to use measurements from five wells from the groundwater level monitoring network as a proxy for the land subsidence monitoring network stating that changes in land subsidence are directly dependent on changes in groundwater levels. In addition, the GSP proposes to incorporate data from 34 checkpoints along the California Aqueduct collected by the Department, two UNAVCO GPS subsidence monitoring stations, and two checkpoints at WRMWSD stations monitored by White Wolf GSA. These subsidence monitoring points are concentrated entirely in the central and southern portions of the GSA, with no subsidence sustainability criteria monitoring proposed in the northern and northeastern portions of the GSA.²¹⁸ The GSP states that the Department checkpoint data will be obtained annually, but does not specify what time of year the data will be used from.²¹⁹ Department staff recommend the GSA to expand the land subsidence monitoring network to include additional locations to provide sufficient coverage of the Subbasin. The GSA may consider the use of additional GPS stations, extensometers, or publicly available remote sensing data (e.g., InSAR) to expand the land subsidence monitoring network in the Subbasin (see [Recommended Corrective Action 4](#)).

The GSP proposes to establish a dedicated depletions of interconnected surface water monitoring network. The GSA installed three representative monitoring wells to monitor depletion of interconnected surface water sustainability indicators in 2021, designated as RMW-ISW. These wells are screened in shallow alluvium less than 50 feet bgs upgradient of the Springs Fault²²⁰. In addition to these wells, the GSP proposes to monitor four stream gauges, two artesian spring observation points, and two domestic wells,

²¹⁶ White Wolf GSP 17.1.4.2, pp. 290-291.

²¹⁷ White Wolf GSP 17.1.4, p. 290.

²¹⁸ White Wolf GSP 17.1.5, p. 294.

²¹⁹ White Wolf GSP 17.1.5.2, p. 295.

White Wolf GSP, Section 17.1.6, pp. 298-299.

designated MW-WL²²¹. The GSP states that the RMW-ISW wells will be instrumented to record monthly groundwater elevation changes, while the MW-WL wells will be measured semiannually, with a Spring measurement from January-March and a Fall measurement from September-November. Observation points will be visited semiannually and recorded as flowing or not flowing; the GSP does not specify when the semiannual visits will take place²²².

While a recommended corrective action is identified, the description of the monitoring network included in the Plan substantially complies with the requirements outlined in the GSP Regulations. Overall, the Plan describes in sufficient detail a monitoring network that promotes the collection of data of sufficient quality, frequency, and distribution to characterize groundwater and related surface water conditions in the Subbasin and evaluate changing conditions that occur through Plan implementation. The monitoring network appears to be supported by the best available information and data and is designed to ensure adequate coverage of sustainability indicators. The Plan also describes existing data gaps and the steps that will be taken to fill data gaps and improve the monitoring network. Department staff will evaluate the GSA's progress of filling data gaps through review of Annual Reports and Periodic Evaluations of the GSP.

4.5 PROJECTS AND MANAGEMENT ACTIONS

The GSP Regulations require a description of the projects and management actions the submitting Agency has determined will achieve the sustainability goal for the basin, including projects and management actions to respond to changing conditions in the basin.²²³ Each Plan's description of projects and management actions must include details such as: how projects and management actions in the GSP will achieve sustainability, the implementation process and expected benefits, and prioritization and criteria used to initiate projects and management actions.²²⁴

The GSP states that “the Basin shows a net storage surplus over the historical period (i.e., Water Year [WY] 1995-2014), however the Basin has a storage deficit under current conditions (WY 2015-2019). Future projections without P/MAs show groundwater levels and storage changes continue to steadily decrease over the 50-year implementation horizon.”²²⁵ Therefore the “GSA anticipates that implementation of P/MAs will be necessary to ensure sustainability of the Basin under the uncertainty of future climate and land use conditions.”²²⁶ According to the GSA, the P/MAs presented in the Plan “were designed to meet the projected deficits under the 2030 Climate Change Scenario, as there is much greater uncertainty when projecting 2070 conditions. The GSA plans to

²²¹ White Wolf GSP, Section 17.1.6, p. 300.

²²² White Wolf GSP, Section 17.1.6.2, p. 300.

²²³ 23 CCR § 354.44 (a).

²²⁴ 23 CCR § 354.44 (b) *et seq.*

²²⁵ White Wolf GSP, Section 18.5, p. 336.

²²⁶ White Wolf GSP, Section 18.3, p. 335.

implement the P/MAs, as needed, to achieve the Basin Sustainability Goal in even under projected climate change conditions.”²²⁷

The GSP proposes 24 projects and management actions “to support achievement of the Sustainability Goal within the White Wolf Subbasin.”²²⁸ The Plans states that the P/MAs were developed “using a portfolio approach whereby individual P/MAs were identified and grouped into categories based on their expected benefits... [t]his approach allows for the flexible implementation of P/MAs as needed to address future conditions throughout the 50-year GSP planning and implementation horizon (i.e., out to 2072).”²²⁹

The Plan states that “[t]o the extent that information was available, the P/MAs presented herein were developed with consideration of costs, benefits, and feasibility; however, each P/MA will require significant further evaluation (i.e., engineering, economic, environmental, legal, etc.) as part of implementation.”²³⁰ The Plan presents a list of the P/MAs grouped by benefit category in Table PMA-1 (detailed P/MA Information Forms are included in Appendix N).²³¹

The GSA identified Chronic Lowering of Groundwater Levels as the relevant sustainability indicator to address existing or potential future Undesirable Results in the Subbasin. “Accordingly, the P/MAs are currently directed towards avoiding projected Undesirable Results from the Chronic Lowering of Groundwater Levels” therefore the P/MAs proposed in the Plan “pertain to management of water inflows (supplies) and outflows on (demands).”²³²

The proposed P/MAs are expected to benefit the Subbasin primarily through water supply augmentation and water demand reduction. Additionally, the P/MAs have secondary benefits, such as flood control, water management flexibility/efficiency, environmental benefits, and data gap filling.

The Plan adequately describes proposed projects and management actions in a manner that is generally consistent and substantially complies with the GSP Regulations. The projects and management actions are directly related to the sustainable management criteria and present a generally feasible approach to achieving the sustainability goal of the Basin.

4.6 CONSIDERATION OF ADJACENT BASINS/SUBBASINS

SGMA requires the Department to “...evaluate whether a groundwater sustainability plan adversely affects the ability of an adjacent basin to implement their groundwater sustainability plan or impedes achievement of sustainability goals in an adjacent

²²⁷ White Wolf GSP, Section 18.5, p. 336

²²⁸ White Wolf GSP, Section 18, p. 317.

²²⁹ White Wolf GSP, Section 18, p. 317.

²³⁰ White Wolf GSP, Section 18, p. 317.

²³¹ White Wolf GSP, Table PMA-1, pp. 327-334.

²³² White Wolf GSP, Section 18.1.1, p. 318.

basin.”²³³ Furthermore, the GSP Regulations state that minimum thresholds defined in each GSP be designed to avoid causing undesirable results in adjacent basins or affecting the ability of adjacent basins to achieve sustainability goals.²³⁴

The White Wolf Subbasin has one adjacent subbasin: the Kern County Subbasin. The Plan includes an analysis of potential impacts to adjacent basins with the defined minimum thresholds for each sustainability indicator. The Plan does not anticipate any impacts to adjacent basins resulting from the minimum thresholds defined in the Plan.

Department staff will continue to review periodic updates to the Plan to assess whether implementation of the White Wolf Subbasin GSP is potentially impacting adjacent basins.

4.7 CONSIDERATION OF CLIMATE CHANGE AND FUTURE CONDITIONS

The GSP Regulations require a GSA to consider future conditions and project how future water use may change due to multiple factors including climate change.²³⁵

Since the GSP was adopted and submitted, climate change conditions have advanced faster and more dramatically. It is anticipated that the hotter, drier conditions will result in a loss of 10% of California’s water supply. As California adapts to a hotter, drier climate, GSAs should be preparing for these changing conditions as they work to sustainably manage groundwater within their jurisdictional areas. Specifically, the Department encourages GSAs to:

1. Explore how their proposed groundwater level thresholds have been established in consideration of groundwater level conditions in the basin based on current and future drought conditions.
2. Explore how groundwater level data from the existing monitoring network will be used to make progress towards sustainable management of the basin given increasing aridification and effects of climate change, such as prolonged drought.
3. Take into consideration changes to surface water reliability and that impact on groundwater conditions.
4. Evaluate updated watershed studies that may modify assumed frequency and magnitude of recharge projects, if applicable, and
5. Continually coordinate with the appropriate groundwater users, including but not limited to domestic well owners and state small water systems, and the appropriate overlying county jurisdictions developing drought plans and establishing local drought task forces to evaluate how their Plan’s groundwater management strategy aligns with drought planning, response, and mitigation efforts within the basin.

²³³ Water Code § 10733(c).

²³⁴ 23 CCR § 354.28(b)(3).

²³⁵ 23 CCR § 354.18.

5 STAFF RECOMMENDATION

Department staff recommend approval of the GSP with the recommended corrective actions listed below. White Wolf Subbasin GSP conforms with Water Code Sections 10727.2 and 10727.4 of SGMA and substantially complies with the GSP Regulations. Implementation of the GSP will likely achieve the sustainability goal for the White Wolf Subbasin. The GSA has identified several areas for improvement of its Plan and Department staff concur that those items are important and should be addressed as soon as possible. Department staff have also identified additional recommended corrective actions that should be considered by the GSA for the first periodic assessment of the GSP. Addressing these recommended corrective actions will be important to demonstrate that implementation of the Plan is likely to achieve the sustainability goal.

The recommended corrective actions include:

RECOMMENDED CORRECTIVE ACTION 1

Develop and incorporate a projected water budget for the surface water system as required by the GSP Regulations.²³⁶

RECOMMENDED CORRECTIVE ACTION 2

Revise the sustainable management criteria to be based on seasonal low groundwater levels to ensure potential impacts to beneficial uses and users are considered.

RECOMMENDED CORRECTIVE ACTION 3

Establish sustainable management criteria for land subsidence based on direct measurements of land elevation changes to assess and confirm that no significant and unreasonable land subsidence is occurring.

RECOMMENDED CORRECTIVE ACTION 4

Expand the land subsidence monitoring network to provide sufficient coverage of the Subbasin. The GSA may consider the use of additional GPS stations, extensometers, or publicly available remote sensing data (e.g., InSAR) to expand the land subsidence monitoring network in the Subbasin.

²³⁶ 23 CCR § 354.18 (c)(3)(C).