

BOARD OF DIRECTORS  
North Kern Water Storage District  
Minutes of the Meeting of February 19, 2019

A Meeting of the Board of Directors of North Kern Water Storage District was held at the District Office, 33380 Cawelo Avenue starting at 7:00 a.m., on February 19, 2019.

President Andrew declared a quorum was present and called the meeting to order. The following Directors were present: Kevin Andrew, Winn Glende, Mike Mendes, Joel Ackerknecht and Carole Fornoff. Others present: Richard Diamond (General Manager), Ram Venkatesan (District Engineer), Fernando Rizo (O&M Superintendent), Heather Williams (Hydrographer), Marinelle Duarosan (Controller), Christy Castaneda (Administrative Assistant) and Erica Celedon (Accounting Clerk) of North Kern Water Storage District, Scott Kuney (District Counsel) Ron Eid and Larry Rodriguez (GEI – Consulting Engineers). Guests included Todd Turley (Agreserves), Tim Gobler (Wonderful) and George Cappello (Grimmway).

President Andrew called the meeting to order at 7:04 a.m. and opened the floor for public comments. At this time, there was none.

(19-12) Upon motion of Director Fornoff, seconded by Director Ackerknecht and unanimously carried, to approve the minutes from the January 15, 2019 Regular Board meeting with changes.

(Ayes: Andrew, Fornoff, Ackerknecht, Mendes & Glende, Noes: None, Absent: None, Abstain: None)

Watermaster – General Manager Diamond reported that the Isabella remediation Phase II project mobilization has started. The Corp has reported no change in construction due to the partial federal shutdown.

The Bureau of Reclamation released the contract for repayment of the dam safety modifications for a 60 day public review process on January 2, 2019.

Work is complete on the Borel Conduit abandonment upstream of the Auxiliary Dam with a three foot reinforced concrete plug poured in the conduit. The Corp indicated to the Kern River Interest that they can store water in accordance with the previous restricted pool guidelines (360,000 Acft maximum).

The Southern California Edison (SCE) power plant number 1 (KR1) is currently off for maintenance. With SCE power plant being off it eliminates the 300 cfs power flow and more water can be stored.

Kern River Watershed Coalition Authority – General Manager Diamond stated there was no meeting last month.

Kern Groundwater Authority – Larry Rodriguez indicated all chapters have to develop their own plan once it is developed it would be put under an umbrella plan. The preliminary draft plan deadline is March 22, 2019.

Operations Report – O&M Superintendent Rizo reported on District operations stating that the District's share of Isabella storage is estimated at 38,000 AF. Kern River natural inflow is averaging 645 cfs. The outflow is averaging 30 cfs. The District is averaging 300 cfs of daily storage. All District wells remain off.

CRC produced water of 14 cfs and has been diverted to the 9-2 spreading pond in anticipation of a possible spreading operation to Poso Creek. Califia Farms continues to pump into the Lerdo Canal.

Financial Matters –

(19-13) Upon motion of Director Mendes, seconded by Director Glende and unanimously carried, to receive and file the Treasurer’s Report for the North Kern Water Storage District for the month of January as printed.

(Ayes: Andrew, Fornoff, Ackerknecht, Mendes & Glende, Noes: None, Absent: None, Abstain: None)

(RR19-14) Upon motion of Director Mendes, seconded by Director Glende and unanimously carried, to receive and file the Treasurer’s Report for the Rosedale Ranch Improvement District for the month of January as printed.

(Ayes: Andrew, Fornoff, Ackerknecht, Mendes & Glende, Noes: None, Absent: None, Abstain: None)

The Financial Statement, Summary of Water Sales, Deposits and the Accounts Receivable report for the month of January were reviewed and accepted as printed.

(19-15) Upon motion of Director Mendes, seconded by Director Ackerknecht and unanimously carried, to approve for payment the Accounts Payable for the North Kern Water Storage District for the month of January as printed.

(Ayes: Andrew, Fornoff, Ackerknecht, Mendes & Glende, Noes: None, Absent: None, Abstain: None)

(RR19-16) Upon motion of Director Ackerknecht, seconded by Director Glende and unanimously carried, to approve for payment the Accounts Payable for the Rosedale Ranch Improvement District for the month of January as printed.

(Ayes: Andrew, Fornoff, Ackerknecht, Mendes & Glende, Noes: None, Absent: None, Abstain: None)

Consulting District Engineer – Consulting District Engineer Ron Eid reported:

A. High-Speed Rail Authority: Mr. Eid stated GEI has completed reviewing the California Rail Builders 90% design package for the 9-26 canal conflict. He also stated GEI continues with reimbursement invoicing and reporting.

B. Poso Creek RWMG: At the public meeting held earlier this month they reviewed some of the district’s projects proposed for the plan update. Work continues on the Plan update. There has been an extension granted for the completion of the Plan update to June 2019.

C. Grants for Projects: The District was awarded an amount of \$750,000 for construction of replacement wells and additional well connections to the Friant –Kern Canal. Environmental work has been moving forward and archeological surveys are also completed to support this award. The Bureau is currently working on drafting a contract for this award.

We have received notice that the District was awarded an amount of \$75,000 to fund the SCADA software and Land IQ ET improvements. The Bureau is currently working on drafting a contract for this award.

- D. Water Delivery Improvements: Work related to well site improvements for flow meters and telemetry. GEI is providing support to ProUsys to purchase and install equipment. In March an RFP will be out for bid.

Budget and Personnel Committee – General Manager Diamond stated that the staff is working on establishing the rate stabilization reserve fund and is also considering adding three new reserve categories to the Districts existing reserve fund policy adopted in March 2016. He indicated that staff is in process of looking into history for these reserve accounts and anticipates that information will be provided at our next board meeting.

Engineering Committee –

- (19-17) Upon motion of Director Fornoff, seconded by Director Ackerknecht and unanimously carried, to approve a Landowner Facility Agreement for 9-18 Pipeline extension with Tim Holtermann.

(Ayes: Andrew, Fornoff, Ackerknecht, Mendes & Glende, Noes: None, Absent: None, Abstain: None)

- (19-18) Upon motion of Director Fornoff, seconded by Director Ackerknecht and unanimously carried, to approve Landowner Facility Agreement for 9-18 Pipeline extension with Daniel Waterhouse.

(Ayes: Andrew, Fornoff, Ackerknecht, Mendes & Glende, Noes: None, Absent: None, Abstain: None)

\*Due to a potential conflict of interest Director Mendes left the meeting room for the discussion of the following matter and motion;

- (19-19) Upon motion of Director Mendes, seconded by Director Ackerknecht and unanimously carried, to approve Task order 19-03 with GEI Consultants in an not to exceed \$35,000 for preparing and submitting Grant applications to the Bureau of Reclamation.

(Ayes: Andrew, Fornoff, Ackerknecht & Glende, Noes: None, Absent: None, Abstain: Mendes)

- (19-20) Upon motion of Director Ackerknecht, seconded by Director Fornoff and unanimously carried, to approve an agreement with Wonderful Orchards LLC for tower space lease (subject to approval verification of insurance requirements).

(Ayes: Andrew, Fornoff, Ackerknecht, Mendes & Glende, Noes: None, Absent: None, Abstain: None)

Groundwater Ad Hoc Committee – General Manager Diamond presented Larry Rodriguez of GEI. Mr. Rodriguez gave a presentation pertaining to Sustainable Management Criteria under the Sustainable Groundwater Management Act.

Produced Water Ad Hoc Committee – General Manager Diamond stated that the District received a notice of a proposed amendment to the District's Waste Discharge Requirements (WDR) permit. Mr. Diamond mentioned that the WDR focuses on making sure the District is closely tracking food sampling under the MOU; other produced water users are proposed to receive similar permit amendments.

Negotiating Committee –

- (19-21) Upon motion of Director Mendes, seconded by Director Ackerknecht and unanimously carried, to approve a letter agreement with Kern-Tulare Water District for water banking in excess of 30,000 acre-feet and to ratify Exhibit D – Temporary Letter Agreement for additional water banking inputs.  
(Ayes: Andrew, Fornoff, Ackerknecht, Mendes & Glende, Noes: None, Absent: None, Abstain: None)

\*Due to a potential conflict of interest Director Fornoff left the meeting room for the discussion of the following matter and motion;

- (19-22) Upon motion of Director Ackerknecht, seconded by Director Glende and unanimously carried, to approve a letter agreement with Premiere Agricultural Properties LLC for District use of Premiere’s sub surface recharge project.  
(Ayes: Andrew, Mendes, Ackerknecht & Glende, Noes: None, Absent: None, Abstain: Fornoff)

Counsel of District – No Report at this Time.

Rosedale Ranch – No Report at this Time.

General Manager’s Report – No Report at This Time.

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

- A. CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION  
(Govt. Code Section 54956.9(a))
  - (i) North Kern Water Storage District v. City of Bakersfield  
(VCSC #56-2011-00408712-CU-CO-VTA)
  - (ii) Appeal of Regional Board General Order (R5-2013-0120) for Tulare Lake Basin to State Water Resources Control Board (re. Irrigated Lands Regulatory Program)
- B. CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION  
(Govt. Code Section 54956.9(b))
- C. PERSONNEL MATTERS  
(Govt. Code Section 54957)
- D. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Govt. Code Section 54956.8)—use of District facilities for various potential water management programs; negotiator, Richard Diamond

The above legal grounds were determined to exist based on advice of counsel, and discussion of such matters in an Open Session would cause prejudice to the District. The Board went into Closed Session at 9:55 a.m. The Board reconvened back into open session at 10:47 a.m. and it was noted no reportable actions were taken in closed session.

- (19-23) Upon motion of Director Ackerknecht, seconded by Director Fornoff and unanimously carried to adjourn the meeting at 10:47 a.m.  
(Ayes: Andrew, Fornoff, Ackerknecht, Mendes & Glende, Noes: None, Absent: None, Abstain: None)

Respectfully Submitted,

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Richard Diamond, General Manager

Approved by Board  
March 19, 2019

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Kevin Andrew, President