Board Meeting



WATER STORAGE DISTRICT

January

AGENDA

NORTH KERN WATER STORAGE DISTRICT BOARD OF DIRECTORS REGULAR MEETING

33380 Cawelo Avenue Bakersfield, CA 93308

Tuesday, January 21, 2020 - 7:00 a.m.

CALL TO ORDER PUBLIC COMMENT

1.	Board	Meeting	Minutes

- A. Approve Minutes of December 10, 2019 Regular Board Meeting
- 2. General Informational Items
 - A. Kern River Watermaster Report
 - B. District Groundwater Levels
 - C. District Exchange Balances
 - D. Operations Report
- 3. Financial Matters
 - A. Approve Treasurer's Report
 - 1. NKWSD
 - 2. RRID
 - B. Monthly Financial Statements
 - C. Water Sales
 - D. Accounts Receivable
 - E. Approve Accounts Payable
- 4. Consulting District Engineer
 - A. High Speed Rail*
 - B. Poso Creek RWMG*
 - C. Status of Grants*
 - D. Water Delivery Improvements*
- 5. Budget and Personnel Committee
- 6. Engineering Committee
 - A. Award of Contract for Surveying and Geotechnical Investigation for Concrete Lining the Calloway Canal
 - B. Issuance of Standard Form District License Agreement to Chevron USA, Inc.
 - C. Approve Task Order with GEI Consultants for Technical Support to the District's General Engineering Tasks
 - D. Approve Task Order with GEI Consultants for Technical Support to the District's General Counsel
 - E. Approve Second Amendment to Task Order 19-03 with GEI Consultants for Grant Applications Coordination with the Bureau of Reclamation
 - F. Approve Award of Contract to Water Associates LLC for Flowmeters Installation NK-613 Project

- 7. Groundwater Committee
 - A. Kern Groundwater Authority*
 - B. Sustainable Groundwater Management Act Status Report January 2020
- 8. Produced Water Ad Hoc Committee*
- 9. Negotiating Committee*
- 10. Counsel of District*
- 11. Rosedale Ranch Improvement District*
- 12. General Manager's Report*

OTHER BUSINESS

- 13. Closed Session Matters:
 - 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 and landowner facilities for various potential water management programs; negotiator, Richard Diamond
- 14. Adjournment

Agenda Item 1A

BOARD OF DIRECTORS

North Kern Water Storage District Minutes of the Meeting of December 10, 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 December 10, 2019.

Vice President Mendes declared a quorum was present and called the meeting to order. The following Directors were present: Mike Mendes, Carole Fornoff, Joel Ackerknecht and Winn Glende. Others present: Richard Diamond (General Manager), Ram Venkatesan (Deputy General Manager), Marinelle Duarosan (Controller), Heather Williams (Operations Superintendent), Erica Celedon (Accounting Clerk I) of North Kern Water Storage District, Scott Kuney (District Counsel - Young Wooldridge), Ron Eid (GEI – Consulting Engineer) and Dana Munn (Watermaster). Guests included: Michelle Ricker (GEI Consultants), Tim Gobler (Wonderful), George Cappello (Grimmway), Todd Turley (Agreserves) and Preston Brittain (Pacific Ag),

Vice President Mendes called the meeting to order at 7:03 a.m. and opened the floor for public comments, at this time there were none.

Board of Directors –

- Upon Motion of Directors Ackerknecht, second by Director Fornoff and unanimously carried, to approve Resolution #19-155 Authorizing the Kern Groundwater Authority to Submit the North Kern WSD Shafter Wasco ID Management Area Sustainability Plan to the State as required under the Sustainable Groundwater Management Act.

 (Ayes: Mendes, Ackerknecht, Glende & Fornoff, Noes: None, Absent: Andrew, Abstain: None)
- (19-156) Upon motion of Director Fornoff, seconded by Director Ackerknecht and unanimously carried, to approve the minutes from the November 19, 2019 Regular Board meeting.

 (Ayes: Mendes, Ackerknecht, Glende & Fornoff, Noes: None, Absent: Andrew, Abstain: None)
- Watermaster Watermaster Munn reported that the Isabella remediation Phase II project construction and blasting continues. The Corps of Engineers also continues to provide tours for small groups to the Isabella project. Corps staff met with Kern River Interest management on November 22. They indicated that they still remain on track with the schedule.

The weather modification program started November 1, 2019.

Operations Report – Operations Superintendent Williams reported on District operations stating that the District's share of Isabella storage is estimated at 38,000 AF. Kern River natural inflow and outflow are averaging 525 cfs and 500 cfs, respectively. The District began receiving an estimated 350 cfs from Kern Delta releases, beginning December 5. The District will shut down as of January 1, 2019 for our annual system maintenance.

CRC produced water continues to be diverted to Rosedale spreading through the 9-2 canal. Califia Farms continues to pump into the Lerdo Canal.

Financial Matters –

- (19-157) Upon motion of Director Glende, seconded by Director Ackerknecht and unanimously carried, to receive and file the Treasurer's Report for the North Kern Water Storage District for the month of November as printed.

 (Ayes: Mendes, Ackerknecht, Glende & Fornoff, Noes: None, Absent: Andrew, Abstain: None)
- (RR19-158) Upon motion of Director Glende, seconded by Director Ackerknecht and unanimously carried, to receive and file the Treasurer's Report for the Rosedale Ranch Improvement District for the month of November as printed.

 (Ayes: Mendes, Ackerknecht, Glende & Fornoff, Noes: None, Absent: Andrew, Abstain: None)
- The Financial Statement, Summary of Water Sales, Deposits and the Accounts Receivable report for the month of November were reviewed and accepted as printed.
- (19-159) Upon motion of Director Ackerknecht, seconded by Director Fornoff and unanimously carried, to approve for payment the Accounts Payable for the North Kern Water Storage District for the month of November as printed.

 (Ayes: Mendes, Ackerknecht, Glende & Fornoff, Noes: None, Absent: Andrew, Abstain: None)
- (RR19-160) Upon motion of Director Ackerknecht, seconded by Director Fornoff and unanimously carried, to approve for payment the Accounts Payable for the Rosedale Ranch Improvement District for the month of November as printed. (Ayes: Mendes, Ackerknecht, Glende & Fornoff, Noes: None, Absent: Andrew, Abstain: None)

Consulting District Engineer – Consulting District Engineer Ron Eid reported:

- A. High-Speed Rail Authority: Mr. Eid stated that there was limited activity during the month. They had review time for the 9-26 and the 9-22 canal conflicts.
- B. Poso Creek RWMG: Mr. Eid stated there was limited activity during the month. As per the work on the Plan update which was previously submitted to DWR, DWR has initiated a mandatory public review period for the Plan. Mr. Eid stated that the Plan needs to be posted locally on one of the RWMG websites this month.
- C. Grants for Projects: The District previously received notice that it was awarded an amount of \$75,000 to fund the SCADA software and Land IQ ET improvements. The Bureau continues working on drafting a contract for this award.

The District's submittal of the \$1.5 million grant proposal to the Bureau of Reclamation last March focused on additional lining of the Calloway Canal has also been awarded. The Bureau continues drafting a contract for this award.

The District submitted three additional grant proposals in September (to the Department of Water Resources under Prop 1 - submitted by the Poso Creek regional management group) and October (to the Bureau of Reclamation). These proposals include additional canal lining and funding assistance for deep well instrumentation. GEI continues to respond to request for information from the

Bureau of Reclamation. Mr. Eid mentioned there is no indication that the Bureau will deny the grants and that they expect approval after the first of the year.

D. Water Delivery Improvements: Mr. Eid stated the Well Instrumentation project for SCADA has been broken down to three contracts: first, flow meters – procure and install; second, electrical – procure and install; third, plc's. In regards to the PLC's we have sent out the invitations to submit quotes (quotes are due by December 16th). The District has already received one quote for the PLC's. The flow meters and electrical - procure and install will be in the sealed bids and will be scheduled to be opened in January.

Budget and Personnel Committee –

- Upon motion of Director Glende, seconded by Director Ackerknecht and unanimously carried, to approve the 2020 North Kern Water Storage District and Rosedale Ranch Improvement District budgets and direct staff to closely track Kern River watershed precipitation through the winter/spring and make recommendations to the Board to adjust water tolls as necessary to match the District's costs and revenues with anticipated River supplies.

 (Ayes: Mendes, Ackerknecht, Glende & Fornoff, Noes: None, Absent: Andrew, Abstain: None)
- Upon motion of Director Ackerknecht, seconded by Director Fornoff and unanimously carried, to authorize staff to pay membership dues for the District for 2020 to the organizations listed on Exhibit "C" in a total amount not-to-exceed \$61,000.

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

Engineering Committee –

(19-163) Upon motion of Director Ackerknecht, seconded by Director Glende and unanimously carried, to authorize the General Manager to execute the third amendment to task order 18-13 with GEI Consultants to provide environmental compliance support services for a budget amount not-to-exceed \$13,100 for the Return Capacity Improvements.

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

Upon motion of Director Glende, seconded by Director Ackerknecht and unanimously carried, to authorize the General Manager to award a contract to the lowest qualified provider for the PLC Control Panels NK-615 project in an amount not-to-exceed \$885,000.

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

Groundwater Ad Hoc Committee – No report at this time

Produced Water Ad Hoc Committee – No report at this time

Negotiating Committee – No report at this time

Counsel of District – District Counsel Kuney stated there was a lawsuit filed by several landowners with respect to groundwater management in the Indian Wells Valley in eastern Kern County. Counsel recommended the lawsuit be followed.

General Manager's Report – No report at this time

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

- A. CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION (Govt. Code Section 54956.9(a))
 - (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 8:25 a.m. The Board reconvened back into open session at 9:30 a.m. and it was noted no reportable actions were taken in closed session.

(19-165) Upon motion of Director Fornoff, seconded by Director Glende and unanimously carried to adjourn the meeting at 9:32 a.m.
(Ayes: Mendes, Ackerknecht, Glende & Fornoff, Noes: None, Absent: Andrew, Abstain: None)

	Respectfully Submitted
Richard Dia	mond, General Manager

Approved by Board January 21, 2020
Kevin Andrew, President

Agenda Item 2A

Kern River Watermaster

16294 Highway 43

P.O. Box 1168 Wasco, California 93280

> Office: (661) 758-5153 Cell (661) 201-5527

Fax: (661) 758-6167

January 13, 2020

TO: Kern River Interests

Dana S. Munn FROM:

Report of Recent Activities RF:

Isabella Dam Safety Modification Project - The January 2020 Situation Report is attached. The Phase II (dam) construction and blasting continues.

The Corp of Engineers staff indicate that they will continue to provide tours of the Isabella project for a maximum of five participants. I will continue to coordinate attendance first with Kern River Interests and then other interested parties.

Runoff and Operations

Attached is a map showing the Kern River remote snow sensors readings for the morning of January 13, 2020, along with the readings last year at the same date, and the April 1^{st} average.

The weather modification program started November 1, 2019. Attached is a report and map from January 9, 2020, operations.

Public Outreach – I continue to respond to press and public inquiries during the month.

Watermaster Records – I continue to review records and forecasted reservoir operations with City staff.

Attachments: January 2020 Situation Report

Map of Kern River Snow Sensors 1/13/20 9:00 AM

Report, 1/9/20 on Weather Modification



ISABELLA LAKE, CA CONSTRUCTION

U.S. ARMY CORPS OF ENGINEERS

BUILDING STRONG.

Location & Description

Isabella Lake Dam (consisting of a Main Dam, Auxiliary Dam and service spillway) is located about 40 miles northeast of Bakersfield in Kern County, California, and became fully operational in 1953. The Main Dam is located near the confluence of the north and south forks of the Kern River and the Auxiliary Dam is located about half a mile east of the Main Dam. The Main Dam is a 185-foot-high earth-fill dam, and the Auxiliary Dam is a 100-foot-high earth-fill dam. The service spillway is located between the two dams. The reservoir (Isabella Lake) has a gross storage capacity of 568.075 acre feet.



Construction of the new emergency spillway at Isabella Lake, looking west from between the dams toward French Gulch Marina (Photo: U.S. Army Corps of Engineers)

Advisory

- The Phase II Dams and Spillways contractor (Flatiron/Dragados/Sukut Joint Venture, or FDS JV) continues construction activities. As a result,
 - the site including Engineers Point is an active construction area and is off limits to the public.
- Corps policy prohibits public operation of unmanned aircraft systems, such as drones, on or above federal lands and waters managed by USACE. The policy is intended to ensure critical infrastructure security and public safety.

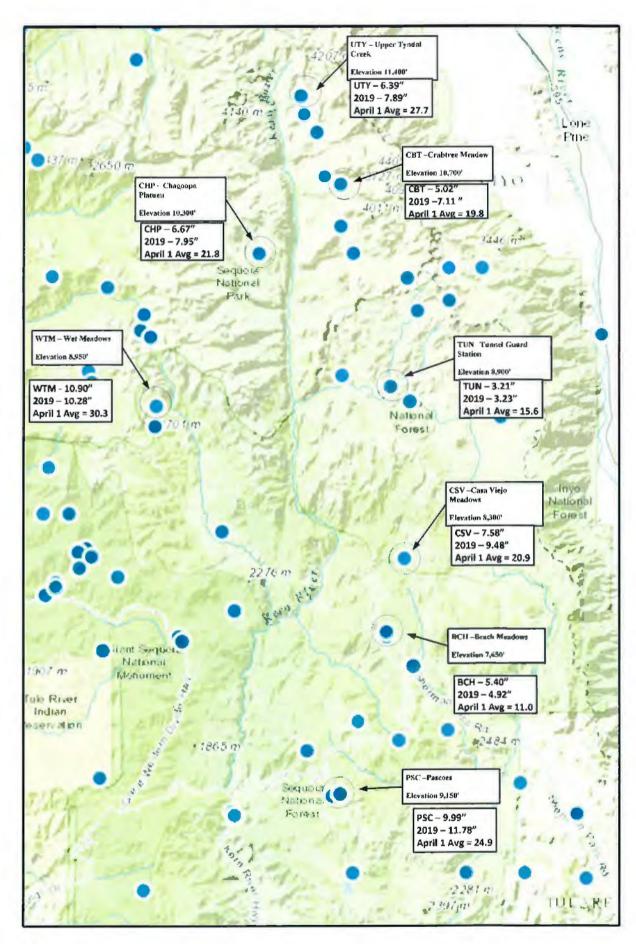
Looking Ahead (Next 30+ days)

- Construction on SR155 near the Main Dam will continue to mid-2020. The contractor has switched traffic
 to the detour and there will be periodic delays so the contractor can move equipment. USACE will provide
 updates on expected impacts via public outreach, the monthly SITREP, and the Isabella Task Force.
- Production blasting will continue in 2020. The contractor will establish a safety perimeter to restrict access during each blast, including along SR155 near the main dam, which will be temporarily closed during blasting operations.
- Work on the Old Isabella, South Fork, and Auxiliary Dam recreation areas has restarted. The contractor
 will replace or provide temporary facilities of all recreation features before demolishing existing facilities.
 The recreation areas will remain open but the contractor will mark certain areas off limits to ensure public
 safety during construction operations.

Current Lake Status (as of January 7, 2020)

The current pool resides at 169,461 acre-feet, which is 47% of restricted pool, and an elevation of 2,560.3 feet-IPD. As part of our interim risk reduction measures, Isabella Lake has a restricted elevation of 2,589 feet-IPD (361,250 acre-feet). Current lake status can be viewed at https://go.usa.gov/xE2pX

Milestones	
Pre-Construction Engineering and Design	Complete
Construction of USFS Fire Station and Admin Facilities	Complete
U.S. Forest Service Visitor's Information Center	In Planning
Dams and Spillways Construction	2018-2022



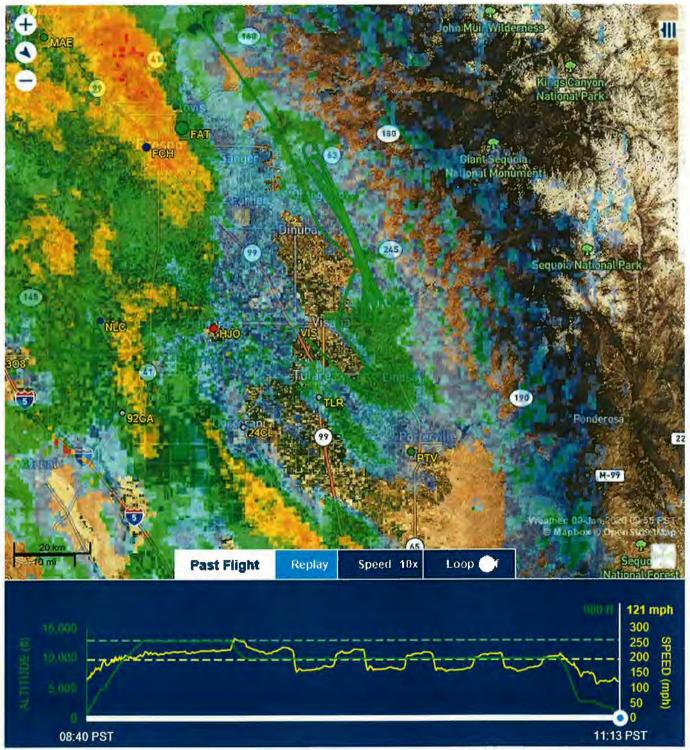


January 9, 2020 Weather Modification operation

Crew: Fisher, Shaw Aircraft: N7344L Take off: 8:40 PST Landing: 11:13 PST Time: 2.5 Altitude: 10,000-15,000 feet loing: trace to light Turbulence: smooth

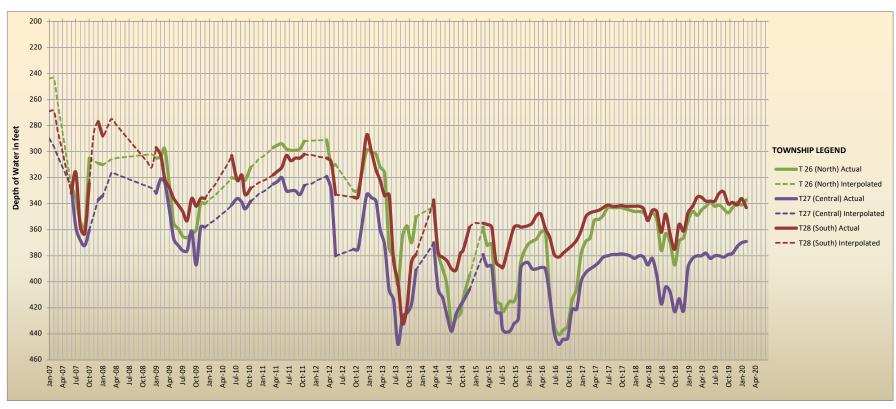
Flares: 11 200 gm end burners (2200 gms) Wind speed: 30-40 knots

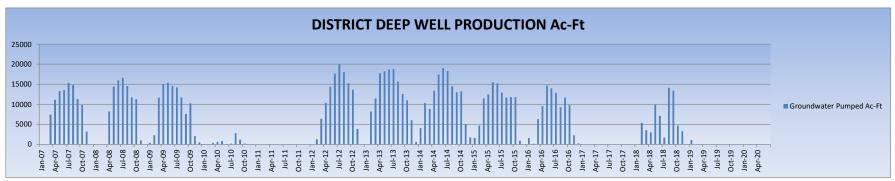
Wind direction: 260-300



Agenda Item 2B

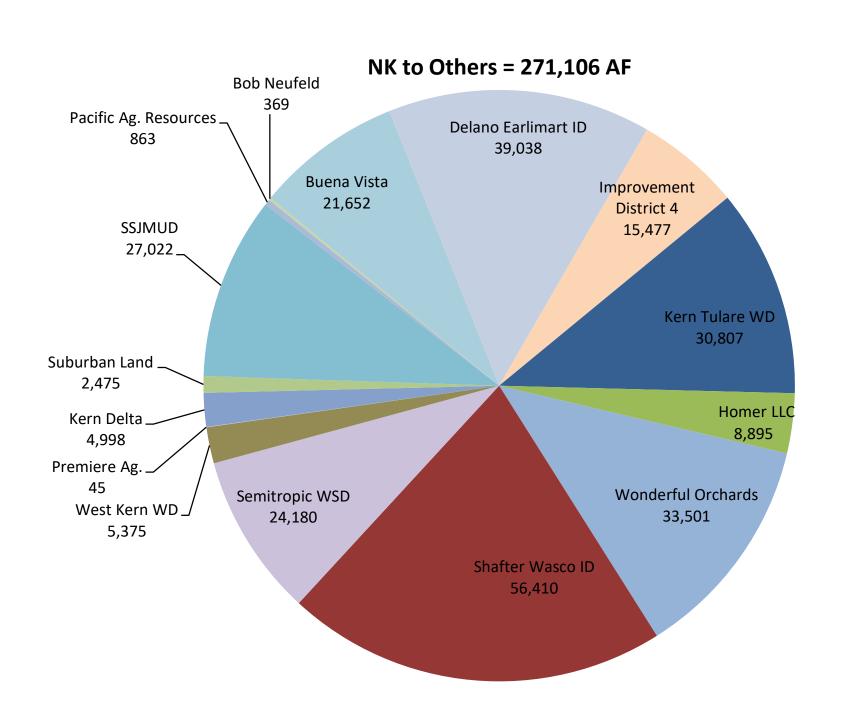
NORTH KERN WATER STORAGE DISTRICT AVERAGE MONTHLY GROUNDWATER LEVELS BY TOWNSHIP



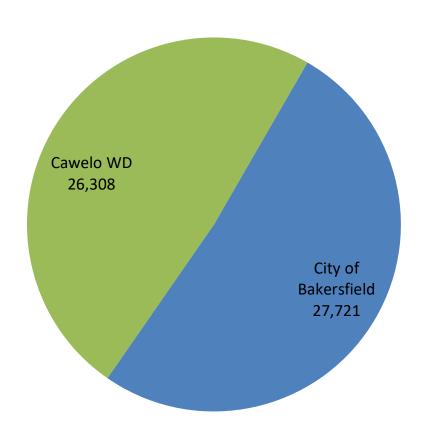


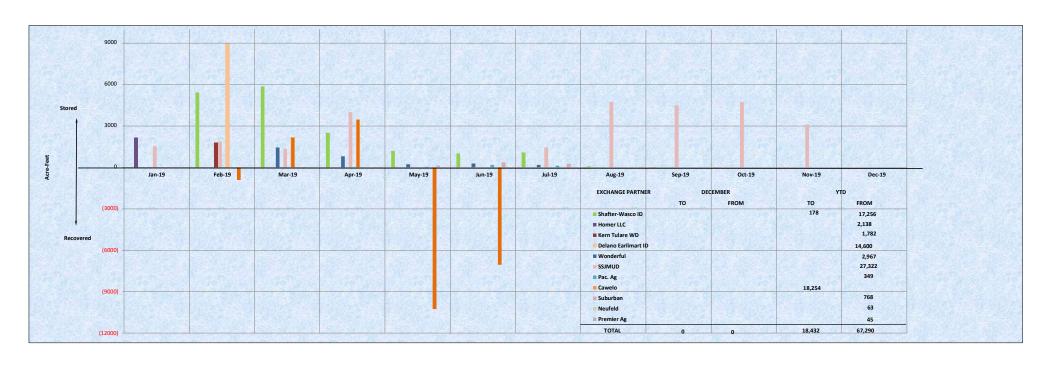
Agenda Item 2C

NORTH KERN WATER STORAGE DISTRICT EXCHANGE BALANCES AS OF DECEMBER 31, 2019









Agenda Item 2D

P.O. Box 81435 Bakersfield, CA 93380-1435 Administration Telephone: 661-393-2696

Facsimile: 661-393-6884



33380 Cawelo Avenue Bakersfield, CA 93308-9575 Water Orders and Operations Telephone: 661-393-3361 www.northkernwsd.com

NORTH KERN WATER STORAGE DISTRICT

January 21, 2020

TO: BOARD OF DIRECTORS

FROM: Heather Williams

RE: Operations Report

Operations

- 1. Lake Isabella storage levels are estimated at 170,000 Ac-Ft. The District's share of storage is estimated to be 42,500 Ac-Ft. The Natural Inflow is averaging 420 CFS and the Regulated Outflow is averaging 550 CFS.
- 2. The District shutdown is coming to an end. Beginning January 20th, Kern River flows into the District will total 200 CFS. With this water we will be refilling the system, meeting minimal demand and recharging the balance.
- 3. KDWD began their district operation January 1st, ending releases to us. By the 15th of January, they reached both Kern Island and Buena Vista entitlement caps. We are currently receiving an estimated 130 CFS of Kern Delta Releases daily.
- 4. KTWD will begin delivering 85 CFS/day to the district starting January 23rd, totaling 5,000 AF. This water will be coming from the CVC into the Calloway Canal.
- 5. CRC produced water continues to be diverted to the 9-2 spreading. Califia continues with 1 CFS into the Lerdo.

Agenda Item 6A

P.O. Box 81435 Bakersfield, CA 93380-1435 Administration

Telephone: 661-393-2696 Facsimile: 661-393-6884



33380 Cawelo Avenue Bakersfield, CA 93308-9575 Water Orders and Operations Telephone: 661-393-3361 www.northkernwsd.com

NORTH KERN WATER STORAGE DISTRICT

January 21, 2020

TO: ENGINEERING COMMITTEE

Directors Mendes and Andrew, Alternate Ackerknecht

FROM: Ram Venkatesan

RE: Award of Contract for Surveying and Geotechnical Investigation for Concrete

Lining the Calloway Canal

RECOMMENDED MOTION:

"Authorize the General Manager to enter into agreements with Pinnacle Surveying to perform Topographical Survey and with Krazan & Associates to perform Geotechnical Investigation for concrete lining the Calloway Canal (Snow Rd to 7th Standard Rd) for an amount not-to-exceed \$8,700, and \$3,800 respectively."

DISCUSSION:

As indicated at the July and August 2019 Board meetings, the District was successful in getting grant funding from The Bureau of Reclamation (Bureau) (\$1.5 million) under the 2019 WaterSMART Water and Energy Efficiency grant program to concrete line the Calloway Canal from Snow Road to 7th Standard Road and install advanced metering, SCADA and telemetry improvements for select District wells. The District applied (outcome unknown at this time) for State and Federal grants in September and October 2019 to recover the remaining local cost share requirements.

Staff requested proposals from Pinnacle Surveying ("Pinnacle") ("Exhibit "A") to perform Topographical Survey and Krazan and Associates ("Krazan") ("Exhibit "B") to perform Geotechnical Investigation that provides the elevation and soil related information necessary to design concrete lining for the Calloway Canal from Snow Rd to 7th Standard Rd.

Pinnacle and Krazan have provided an estimated budget of \$8,700, and \$3,800 respectively for their tasks.

Staff recommends Board approval for the General Manager to enter into agreements with Pinnacle and Krazan for these respective amounts.

Engineering Committee
Award of Contract for Surveying and Geotechnical Investigation for Concrete Lining the
Calloway Canal
January 21, 2020
Page 2 of 2

Attachments:

Exhibit "A" – Cost Estimate from Pinnacle Surveying Exhibit "B" – Cost Estimate from Krazan and Associates

PINNACLE SURVEYING AND ENGINEERING SERVICES

1/10/2020

20412 BRIAN WAY, SUITE 2A TEHACHAPI, CA. 93561 661-822-7273 OFFICE

NKWSD-Calloway Canal Lining Project

Dear Bill,

Thank you,

Pursuant to your request we are submitting this proposal to provide services for the referenced project. We propose to provide the following services:

	Hours	Rate	
Topographical Survey-Snow Road Conspan Crossing	8.0	150.0	\$ 1,200.0
Topographical Survey-7th Standard Road Bridge Crossing	8.0	150.0	\$ 1,200.0
Topographical Survey-Cross Section in 250ft wide strip, Approx 6500ft of Canal from			
Snow Road to 7th Standard Road	24.0	150.0	\$ 3,600.0
Locate controlling Benchmarks as requested from Olive Drive to 8-1 Ditch a mile north			
of 7th Standard Road	16.0	150.0	\$ 2,400.0
Office- Prep. And field notes reduction	4.0	75.0	\$ 300.0
			\$ 8,700.0

Additional work will be done at a hourly rate.

Our fee to provide surveying services as described above is a total of \$ 8700.0 we will make every effort to provide you with quality and timely service.

Thank you for considering *Pinnacle Surveying and Engineering Services*. If you have any questions, please call anytime.

Robert Craig		
Partner		
Client Signature:	 	
Pinnacle Signature:		

GEOTECHNICAL ENGINEERING • ENVIRONMENTAL ENGINEERING CONSTRUCTION TESTING & INSPECTION

November 12, 2019

KA Proposal No. P668-19

Mr. Ram Venkatesan North Kern Water Storage District P.O. Box 81435 Bakersfield, California 93380 ram/a/northkernwsd.com wzeiders/a zeidersconsulting.com

RE: COST ESTIMATE FOR GEOTECHNICAL ENGINEERING INVESTIGATION

PROPOSED CALLOWAY CANAL Snow Road & 7th Standard Road Bakersfield, California

Dear Mr. Venkatesan:

Thank you for the opportunity to submit this cost estimate for the Geotechnical Engineering Investigation report for the above-mentioned project.

For the purpose of this investigation, we plan to drill twelve (12) exploratory borings within the proposed site to evaluate the subsurface soil conditions. The exploratory borings will be advanced to depths ranging from approximately 10 to 15 feet or auger refusal. During drilling operations, penetration tests will be performed at regular intervals to evaluate the soil consistency and to obtain information regarding the engineering properties of the subsoils. Soil samples will be retained for laboratory testing. The soils encountered will be continuously examined and visually classified in accordance with the Unified Soil Classification System. All fieldwork will be done under the supervision of a Geotechnical Engineer or Senior Geologist.

Laboratory testing will be dependent on the results of the field testing and sampling program, as well as consideration of the foundation system most practical and cost-effective for the project. At this time, a series of dry density determinations, moisture contents, expansion tests, direct shear tests, and consolidation tests are anticipated. The results of the field exploration, laboratory testing, and engineering analysis will be presented in a formal report after thorough discussion of the project findings with the other Project Consultants.

The Geotechnical Engineering Investigation Report will address the following items:

- I. Introduction
- II. Site Description
- III. Geologic Setting
- IV. Soils Profile and Subsurface Conditions

V. Groundwater Conditions

VI. Engineering Conclusions and Recommendations of:

A. Site Preparation

- 1. Over-Excavation
- Non-Expansive Fill
- 3. Compaction Requirements
- 4. Utility Trench Requirements
- 5. Mitigation Measures for Expansive Soils

B. Structure Requirements

- 1. Bearing Capacity for Various Foundation Designs
- 2. Footing Depth Requirements
- 3. Anticipated Settlement
- 4. Floor Slab Reinforcement
- 5. Moisture Barrier Requirements
- 6. Lateral Earth Pressures
- 7. Chemically Reactive Soil Conditions Related to Construction Materials
- 8. Site Class, Site Coefficients, and Design Spectral Response Acceleration Parameters per 2016 CBC Code
- 1. Site Plan with Boring Locations
- 2. Boring Logs
- 3. Discussion of Field and Laboratory Testing Methods

The final Geotechnical Engineering Investigation Report would be ready within approximately 3 or 4 weeks after the field work is completed. However, verbal results may be provided at an earlier date. Four bound copies of the report will be provided. Additional bound copies can be provided at a cost of \$15.00 each.

We are in a position to hegin the field testing within a few days after receiving written authorization to proceed. A contract is attached for your signature.

The cost estimate for the Geotechnical Engineering Investigation Report is \$3,800. This estimate does NOT include environmental assessment costs, geologic hazards evaluation (including liquefaction potential) costs, construction testing or inspection costs, or review of plans and specifications costs. If any of the additional services are needed, please do not hesitate to contact me. This proposal is valid for a period of 90 days after which Krazan & Associates reserves the right to modify its content.

STATEMENT OF QUALIFICATIONS

Krazan & Associates, Inc. is a professional engineering firm with approximately 200 employees. We assemble project teams tailored to the project requirements. Krazan & Associates, Inc. provides comprehensive services in soils engineering, engineering geology, groundwater analysis, environmental sciences, and construction quality control.

Presently, Krazan & Associates, Inc. has offices in Sacramento, Pleasanton, Modesto, Fresno/Clovis, Bakersfield, and Los Angeles. We also have portable field offices at various job site locations. In addition, we maintain six truck-mounted drill rigs for subsurface exploration. We maintain a fleet of approximately ninety radio-dispatched vehicles including four-wheel and two-wheel drive trucks and vans. Our laboratory facilities are completely equipped for materials testing including soils, concrete, mortar, grout, building block, steel, and welding.

If you have any questions, or if we may be of further assistance, please do not hesitate to contact our office at (661) 837-9200.

Respectfully submitted,

KRAZAN & ASSOCIATES, INC.

Larry Burns Branch Manager

LB:dq

AGREEMENT FOR GEOTECHNICAL ENGINEERING SERVICES

THIS AGREEMENT is made by and between KRAZAN & ASSOCIATES, INC., hereinafter referred to as "Consultant", and North Kern Water Storage District, P.O. Box 81435, Bakersfield, CA 93380, hereinafter referred to as "Client." This Agreement between the parties consists of the TERMS AND CONDITIONS (below), the attached PROPOSAL titled "PROPOSED CALLOWAY CANAL," file number P668-19, dated November 12, 2019 ("PROPOSAL"), and any exhibits or attachments cited in the PROPOSAL, which are incorporated in full by this reference. This Agreement, executed in Bakersfield, CA, is effective as of the date this Agreement is countersigned by Krazan & Associates, Inc, or the date on which Consultant initiates services as scheduled by Client, whichever occurs earlier. The parties agree as follows:

1. DEFINITIONS

- 1.1. Contract Documents. Plans, specifications, and agreements between Client and Contractor, including addenda, amendments, supplementary instructions, and change orders.
- 1.2. Contractor. The contractor or contractors, and including its/their subcontractors of every tier, retained to construct the Project for which Consultant is providing Services under this Agreement.
 - 1.3. Day(s). Calendar day(s) unless otherwise stated.
- 1.4. Hazardous Materials. The term Hazardous Materials means any toxic substances, chemicals, radioactivity, pollutants or other materials, in whatever form or state, known or suspected to impair the environment in any way whatsoever. Hazardous Materials include, but are not limited to, those substances defined, designated or listed in any federal, state or local law, regulation or ordinance concerning hazardous materials, toxic substances or pollution.
- 1.5. Services. The professional services provided by Consultant as set forth in this Agreement, the Scope of Services and any written Change Order, Task Order or amendment to this Agreement, and where Consultant's services are to be provided during the Construction Phase of the project as scheduled by the Client's Contractor through oral or written communication.
 - 1.6. Work. The labor, materials, equipment and services of the Contractor required to complete the work described in the Contract Documents.
 - 1.7. Fee Schedule. Consultant's standard annual fee schedule unless project specific fee schedule is provided.
- 1.8 Inspection (or Observation). Visual determination of conformance with specific or, on the basis of Consultant's professional judgment, general requirements.
- 1.9 Testing. Measurement, examination, performance of tests, and any other activities to determine the characteristics or performance of materials.
- 1.10. Construction. Site improvement activities including but not limited to site clearing, demolition, excavation, grading, installation of remediation equipment, implementation of hioremediation, or construction of structures.
 - 1.11. Governmental Agencies. All federal, state and local agencies having jurisdiction over the Project.

2. SCOPE OF SERVICES

Consultant will perform the Scope of Services set forth in the attached PROPOSAL.

- 2.1. Changes in Scope. If Consultant provides Client with a writing confirming a change in the PROPOSAL or the Services, it will become an amendment to this Agreement unless Client objects in writing within 5 business days after receipt. All Services performed by Consultant on the Project, whether requested and/or authorized by Client by oral or written communication, are subject to the terms and limitations of this Agreement. If Services are performed, but the parties do not reach agreement concerning modifications to the PROPOSAL, Services or compensation, then the terms and limitations of this Agreement apply to such Services, except for the payment terms. The parties agree to resolve disputes concerning modifications to scope or compensation pursuant to Section 18, "Disputes."
 - 2.2. Licenses. Consultant will procure and maintain business and professional licenses and registrations necessary to provide its Services.
- 2.3. Excluded Services. Consultant's Services under this Agreement include only those Services specified in the PROPOSAL.
- 2.3.1. General. Client exprossly waives any claim against Consultant resulting from its failure to perform recommended additional Services that Client has not authorized Consultant to perform, and any claim that Consultant failed to perform services that Client instructs Consultant not to perform.
- 2.3.2. Biological Pollutants. Consultant's PROPOSAL specifically excludes the investigation, detection, prevention or assessment of the presence of Biological Pollutants. The term "Biological Pollutants" includes, but is not limited to, molds, fungi, spores, bacteria, viruses, and/or any of their byproducts. Consultant's PROPOSAL will not include any interpretations, recommendations, findings, or conclusions pertaining to Biological Pollutants. Client agrees that Consultant has no liability fur any claims alleging a failure to investigate, detect, prevent, assess, or make recommendations for preventing, controlling, or ahating Biological Pollutants. Furthermore, Client agrees to defend, indemnify, and hold harmless Consultant from all claims by any third party concerning Biological Pollutants, except for damages caused by Consultant's sole negligence.
- 2.4. Changes in Schedule. Because of the uncertainties inherent in the Services contemplated, time schedules are only estimated schedules and are subject to revision unless otherwise specifically stated in the PROPOSAL.
- 2.5 Sampling, Inspection & Test Locations. Unless specifically stated otherwise, the Scope of Services does not include surveying the Site or precisely identifying sampling, inspection or test locations, depths or elevations. Sampling, inspection and test locations, depths and elevations will be based on field estimates and information furnished by Client and its representatives. Unless stated otherwise in the report, such locations, depths and elevations are approximate. Company will take reasonable precautions to limit damage to the Project Site or Work due to the performance of Services, but Client understands that some damage may necessarily occur in the normal course of Services, and this Agreement does not include repair of such damage unless specifically stated in the Scope of Services.

3. PAYMENTS TO CONSULTANT

- 3.1. Basic Services. Consultant will perform all Services set forth in the attached PROPOSAL on a lump sum/fixed fee basis as set forth therein.
- 3.2. Additional Services. Any additional services performed under this Agreement will be provided on a time and materials basis above and beyond any prior quoted estimate, not-to-exceed or lump sum fee unless otherwise specifically agreed to in writing by both parties.
- 3.3. Estimate of Fees. Client recognizes that changes in scope and schedule, and unforeseen circumstances can all influence the successful completion of Services within the estimated cost. The provision of an estimate of fees or a cost estimate is not a guarantee that the Services will be completed for that amount; Consultant's Services shall continue on a time and expense basis to completion unless directed otherwise by Client, Furthermore, the provision of a "not to exceed" limitation is not a guarantee that the Services will be completed for that amount; rather, it indicates

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that Consultant will not incur fees and expenses chargeable to Client in excess of the "not to exceed" limitation amount without notifying Client in writing that the "not-to-exceed" amount has been reached and that Services will continue on a time and materials basis unless directed by Client to discontinue any further Services.

- 3.4. Rates. Client will pay Consultant at the rates set forth in the Fee Schedule.
- 3.4.1. Changes to Rates. Client and Consultant agree that the Fee Schedule is applicable only through December 31 of the year published, unless stated otherwise in the PROPOSAL, and is subject to periodic review and amendment, as appropriate to reflect Consultant's then-current fee structure. Unless otherwise provided for in the PROPOSAL, where projects are on-going heyond December 31 of the year the services were initiated, the rates presented in the PROPOSAL and Fee Schedule are subject to an annual cost of living adjustment based on the consumer price index for the geographic area where our services are being provided. Notwithstanding the foregoing, where Prevailing Wage regulations apply Consultant's labor rates are subject to revision based on determinations made by the governing agency. Where labor rates are increased during the course of the project Consultant's billing rates presented in the PROPOSAL and the Fee Schedule shall be increased proportionally with respect to any mandated labor and/or benefits rate increases unless otherwise stipulated in the PROPOSAL. In the event that the cost of fuel increases 10 percent or more over the course of the project a fuel surcharge may be imposed to recoup the added costs incurred by Consultant. Consultant will give Client at least 30 days advance notice of any changes. Unless Client objects in writing to the proposed amended fee structure within 30 days of notification, the amended fee structure will be incorporated into this Agreement and will then supersede any prior fee structure. If Client timely objects to the amended fee structure, and Consultant and Client cannot agree upon a new fee structure within 30 days after notice, Consultant may terminate this Agreement and be compensated as set forth under Section 17, "Termination."
- 3.4.2. Prevailing Wages. Unless Client specifically informs Consultant in writing that prevailing wage regulations cover the Project and the Scope of Services identifies it as covered by such regulations, Client will reimburse, defend, indemnify and hold harmless Consultant from an against any liability resulting from a subsequent determination that prevailing wage regulations cover the Project, including all costs, fines and attorneys' fees.
- 3.5. Payment Timing; Late Charge. Consultant shall invoice Client no more frequently than once per month for Services rendered. All invoices are due and payable upon receipt. Upon Consultant's approval of Client for 30-day payment terms Client shall pay undisputed portions of each progress invoice within thirty (30) days of the date of the invoice. The invoice amounts shall be presumed to be correct unless Client notifies Consultant in writing. If Client objects to all or any portion of any invoice, Client will so notify Consultant in writing within fourteen (14) calendar days of the invoice date, identify the cause of disagreement, and promptly pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice. In the absence of written notification described above, the balance as stated on the invoice will be paid. Payment thereafter will first be applied to accrued late payment charges interest on unpaid undisputed charges and then to the unpaid principal amount. Consultant reserves the right to apply payments to Client's outstanding invoices from oldest to most recent, regardless of project or invoice designation on checks received. All amounts unpaid when due will include a late payment charge from the date of the invoice, at the rate of 1-1/2% per month or the highest rate permitted by law on the unpaid balance from the invoice date until the invoice is paid. Consultant reserves the right to require payment in full on any and all invoices on Client's account regardless of project prior to releasing field notes, laboratory test data, photographs, analyses and/or reports. All undisputed amounts due to Consultant by Client shall be paid in full prior to Consultant's release of final reports or other required forms of certified or verified reports. If the account becomes delinquent, the Client will reimburse Consultant for all time spent and expenses (including fees of any attorney, collection agency, and/or court costs) incurred in connection with collecting any delinquent amount. Consultant shall not be bound by any provision or agreement conditioning Consultant's right to payment upon payment by a third party. In the event of a legal action for invoice amounts not paid, attorneys' fees, court costs, and other related expenses shall be paid to the prevailing party. Client's failure to pay Consultant when due the failure to pay will constitute a substantial failure of Client to perform under this Agreement and Consultant will have the right to stop all current work and withhold letters, reports, or any verbal consultation until the invoice is paid in full. In the event that Client fails to pay Consultant within sixty (60) days after any invoice is rendered, Client agrees that Consultant will have the right to consider the failure to pay Consultant's invoice as a breach of this Agreement. If the Client requests back-up data or changes to the format of the standard invoice, an administrative fee of \$100 per invoice may be charged plus \$1 per page of back-up data.

4. STANDARD OF PERFORMANCE; DISCLAIMER OF WARRANTIES

- 4.1. Standard of Care. Subject to the limitations inherent in the agreed Scope of Services as to the degree of care, the amount of time and expenses to be incurred, and subject to any other limitations contained in this Agreement, Consultant may perform its Services consistent with that level of care and skill ordinarily exercised by other professional Consultants practicing in the same locale and under similar circumstances at the time the Services are performed. No other representation and no warranty or guarantee, express or implied, is included or intended by this Agreement or any report, opinion, document, or other instrument of service.
- 4.2. Level of Service. Consultant offers different levels of professional consulting services to suit the desires and needs of different clients. Although the possibility of error can never be eliminated, more detailed and extensive Services yield more information and reduce the probability of error, but at increased cost. Although risk associated with site acquisition or development can never be eliminated, more detailed and extensive investigations yield more information. It is for these reasons that Client must determine the level of Services adequate for its purposes. Client has reviewed the PROPOSAL and has determined that it does not need or want a greater level of Services than that specifically identified in the PROPOSAL.
- 4.3. No Warranty. Client recognizes the inherent risks connected with property transactions and site development, and understands when signing that those risks are not entirely eliminated through the services of Consultant. Client recognizes that opinions relating to geologic or environmental conditions, including those associated with air, soil and groundwater, are based on limited data and that actual surface and subsurface conditions may vary from those observed at locations where borings, surveys, or explorations are made. Client also recognizes that site conditions may change with time, conditions may vary from those encountered at the times when and locations where the data are obtained, despite the use of due professional care. Therefore, in signing this Agreement the Client understands that Consultant is not providing a warranty or assurance as to the surface and subsurface conditions throughout the site, or the performance of the project. Consultant's tests and observations of the Work by third parties not under contract to Consultant are not a guarantee of the quality of Work and do not relieve other parties from their responsibility to perform their Work in accordance with applicable plans, specifications and requirements. This Agreement neither makes nor intends a warranty or guarantee, express or implied, of any type nor does it create a fiduciary responsibility to Client by Consultant.

5. CONSTRUCTION PHASE SERVICES

5.1. Construction Observation.

If Consultant's PROPOSAL includes observation and/or testing during the course of construction, which may include or consist of site remediation activities, Consultant may:

- 5.1.1. Site Meetings & <u>Visits</u>. Consultant will participate in job site meetings as requested by Client, and, unless otherwise requested by Client, visit the site at times specified in the PROPOSAL or, if not specified in the PROPOSAL, at intervals as Consultant deems appropriate to the various stages of construction to observe the geotechnical conditions encountered by Contractor and the progress and quality of the geotechnical aspects of the Work. Based on information obtained during such visits and on such observations, Consultant may inform Client of the progress of the geotechnical aspects of the Work. Client understands that Consultant may not be on site continuously; and, unless expressly agreed otherwise, Consultant will not observe all of the Work. Consultant will report any observed geotechnical related Work to the Client which, in Consultant's professional opinion, does not conform with plans and specifications.
- 5.1.2. Contractor's <u>Pertormance</u>. Consultant does not, and cannot, warrant or guarantee that all of the geotechnical related Work performed by Contractor meets the requirements of Consultant's recommendations or the plans and specifications for such Work; nor can Consultant be responsible for Contractor's failure to perform the Work in accordance with the plans, specifications or the recommendations of Consultant. No action of Consultant or Consultant's representative can be construed as altering any Agreement between the Client and others. Consultant has no right to reject or stop work of any agent of the Client. Such rights are reserved solely for the Client.
- 5.1.3. Contractor's Responsibilities. Consultant will not supervise, direct or have control over the Work nor will Consultant have authority over or responsibility for the means, methods, techniques, sequences or procedures selected by Contractor for the geotechnical aspects of the Project; for safety procautions and programs incident to the Work; nor for any failure of Contractor to comply with Laws and Regulations applicable to Contractor furnishing and performing its Work. Client understands and agrees that Contractor, not Consultant, has sole responsibility for the safety of persons and property at the Project Site, ands that Consultant shall not be responsible for job site safety or the evaluating and reporting of job conditions concerning health, safety or welfare.
- 5.1.4. Final Report. At the conclusion of Construction Phase Services, Consultant will provide Client with a written report summarizing the tests and observations, if any, made by Consultant.
- 5.2. Review of Contractor's Submittals. If included in the Scope of Services, Consultant will review and take appropriate action on the Contractor's submittals, such as shop drawings, product data, samples, and other required submittals. Consultant will review such submittals solely for general conformance with Consultant's design, and will not include review for the following, all of which will remain the responsibility of the Contractor; accuracy or completeness of details, quantities or dimensions; construction means, methods, sequences or procedures; coordination among trades; or construction safety.
- 5.3. Tests. Tests performed by Consultant on finished Work or Work in progress are taken intermittently and indicate the general acceptability of the Work on a statistical basis. Consultant's tests and observations of the Work are not a guarantee of the quality of Work and do not relieve other parties from their responsibility to perform their Work in accordance with applicable plans, specifications and requirements.
- 5.4. Retention of Third Party Consultant. The review of plans and specifications, and the observation and testing of earthwork related construction activities by Consultant are integral elements of the Services where Consultant is to remain in the capacity of Geotechnical Engineer-Of-Record through construction of the project. Client shall have the right to retain a party other than Consultant (Third Party Consultant) for review of plans and specifications, and the observation and testing of earthwork related construction activities. In the event that a Third Party Consultant is retained by Client for those services, Client agrees that they will require the Third Party Consultant to contractually agree to the assumption of the role of Geotechnical Engineer-Of-Record for the project including all responsibilities and liabilities. Client further agrees to indemnify and hold harmless Consultant, its subconsultants and subcontractors, and all of their respective shareholders, directors, officers, employees and agents (collectively "Consultant Entiries") from and against any and all claims, suits, liabilities, damages, expenses (including reasonable attorney's fees and costs of defense), or other losses related to the geotechnical engineering aspects of the project.

6. CLIENT'S RESPONSIBILITIES

In addition to payment for the Services performed under this Agreement, Client agrees to:

- 6.1. Cooperation. Assist and cooperate with Consultant in any manner necessary and within its ability to facilitate Consultant's performance under this Agreement.
- 6.2. Representative. Designate a representative with authority to receive all notices and information pertaining to this Agreement, communicate Client's policies and decisions, and assist as necessary in matters pertaining to the Project and this Agreement. Client's representative will be subject to change by written notice.
- 6.3. Rights of Entry. Provide access to and/or obtain permission for Consultant to enter upon all property, whether or not owned by Client, as required to perform and complete the Services. Consultant will operate with reasonable care to minimize damage to the Project Site(s) and any improvement located thereon. However, Client recognizes that Consultant's operations and the use of investigative equipment may unavoidably alter conditions or affect the environment at the existing Project Site(s). The cost of repairing such damage will be borne by Client and is not included in the fee unless otherwise stated in the PROPOSAL. If client desires or requires Consultant to restore the site to its former condition, upon written request Consultant will perform such additional work as is necessary and Client agrees to pay to Consultant the cost thereof.
- 6.4. Relevant Information. Supply Consultant with all information and documents in Client's possession or knowledge which are relevant to Consultant's Services. Client warrants the accuracy of any information supplied by it to Consultant, and acknowledges that Consultant is entitled to rely upon such information without verifying its accuracy. Prior to the commencement of any Services in connection with a specific property, Client will notify Consultant of any known potential or possible health or safety hazard existing on or near the Project Site, with particular reference to Hazardous Materials or conditions.
- 6.5. Subsurface Structures. If the Services require invasive subsurface exploratory work, Client will provide Consultant with all information in its possession regarding the location of underground utilities and structures or mark on the property, the location of all subsurface structures, such as pipes, tanks, cables and utilities within the property lines of the Project Site(s), and be responsible for any damage inadvertently caused by Consultant to any such structure or utility not so designated. Consultant is not liable to Client for any losses, damages or claims arising from damage to subterranean structures or utilities that were not correctly shown on plans furnished by Client to Consultant. Client waives any claim against Consultant, and agrees to defend, indemnify and hold Consultant harmless from all claims, suits, losses, costs and expenses, including reasonable attorney's fees, as a result of personal injury, death or property damage occurring with respect to Consultant's performance of its work and arising from subsurface or latent conditions or damage to subsurface or latent objects, structures, lines or conduits where the actual or potential presence and location thereof was not revealed to Consultant by Client.

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6.6. Project Information. Client agrees to provide Consultant within 5 days after written request, a correct statement of the recorded legal title to the property on which the Project is located and the Client and/or Owner's interest therein, and the identity and address of any construction lender.

7. CHANGED CONDITIONS

If Consultant discovers conditions or circumstances that it had not contemplated at the commencement of this Agreement ("Changed Conditions"), Consultant will notify Client in writing of the Changed Conditions. Client and Consultant agree that they will then renegotiate in good faith the terms and conditions of this Agreement. If Consultant and Client cannot agree upon amended terms and conditions within 30 days after notice, Consultant may terminate this Agreement and be compensated as set forth in Section 17, "Termination."

8. HAZARDOUS MATERIALS

Client understands that Consultant's Services under this Agreement are limited to geotechnical engineering and that Consultant has no responsibility to locate, identify, evaluate, treat or otherwise consider or deal with Hazardous Materials. Client is solely responsible for notifying all appropriate federal, state, municipal or other governmental agencies, including the potentially affected public, of the existence of any Hazardous Materials located on or in the Project site, or encountered during the performance of this Agreement.

Client warrants that a reasonable effort to inform Consultant of known or suspected hazardous materials on or near the project site has been made. Hazardous materials may exist at a site where there is no reason to believe they could or should be present. Consultant and Client agree that the discovery of unanticipated Hazardous Materials constitutes a changed condition under this Agreement mandating a renegotiation of the scope of services or termination of services. Consultant and Client also agree that the discovery of unanticipated hazardous materials may make it necessary for Consultant to take immediate measures to protect health and safety. Client agrees to compensate Consultant for any equipment decontamination or other costs incident to the discovery of unanticipated hazardous materials.

Consultant agrees to notify Client when unanticipated hazardous materials or suspected hazardous materials are encountered. Client is solely responsible for notifying all appropriate federal, state, municipal or other governmental agencies, and regulatory bodies, including the potentially affected public, of the existence of any Hazardous Materials located on or in the Project site(s), or encountered during the performance of this Agreement. Client also agrees to hold Consultant harmless for any and all consequences of disclosures made by Consultant which are required by governing law. In the event the project site is not owned by Client, Client agrees that it is the Client's responsibility to inform the property owner of the discovery of hazardous materials or suspected hazardous materials.

Notwithstanding any other provision of the Agreement, Client waives any claim against Consultant, and to the maximum extent permitted by law, agrees to defend, indemnify, and save Consultant harmless from any and all claims, liabilities, damages or expenses, including but not limited to delay of the Project, reduction of property value, fear of or actual exposure to or release of toxic or hazardous substances, and any consequential damages of whatever nature, which may arise directly or indirectly as a result of the services provided by Consultant under this Agreement.

9. CERTIFICATIONS

Client agrees not to require that Consultant execute any certification with regard to Services performed or Work tested and/or observed under this Agreement unless: 1) Consultant believes that it has performed sufficient Services to provide a sufficient basis to issue the certification; 2) Consultant believes that the Services performed or Work tested and/or observed meet the criteria of the certification; and 3) Consultant has reviewed and approved in writing the exact form of such certification prior to execution of this Agreement. Any certification by Consultant is limited to an expression of professional opinion based upon the Services performed by Consultant, and does not constitute a warranty or guarantee, either express or implied.

10. ALLOCATION OF RISK

- 10.1. Limitation of Liability. The total cumulative liability of Consultant, its subconsultants and subcontractors, and all of their respective shareholders, directors, officers, employees and agents (collectively "Consultant Entities"), to Client and its successors, all parties included as additional insured on Consultant's insurance policies and those parties granted report reliance rights by Consultant and all of their respective shareholders, directors, officers, employees and agents (collectively "Client Entities") arising from Services under this Agreement, including attorney's fees due under this Agreement, will not exceed the gross compensation received by Consultant under this Agreement or five thousand dollars (\$5,000.00), whichever is greater; provided, however, that such liability is further limited as described below. This limit is an aggregate limit with respect to all services on the project, whether provided under this, prior or subsequent agreements, unless modified in writing, agreed to and signed by authorized representatives of the parties. This limitation applies to all lawsuits, claims or actions that allege errors or omissions in Consultant's Services, whether alleged to arise in tort, contract, warranty, or other legal theory. Upon Client's written request, Consultant and Client may agree to increase the limitation to a greater amount in exchange for a negotiated increase in Consultant's fee, provided that they amend this Agreement in writing as provided in Section 19. Consultant Entities and Client Entities also agree that the Client Entities will not seek damages in excess of the limitations indirectly through suits with other parties who may join Consultant as a third-party defendant.
- 10.2. Indemnification. Client will indemnify, defend and hold harmless Consultant, its subconsultants and subcontractors, and all of their respective shareholders, directors, employees and agents (collectively "Consultant Entities") from and against any and all claims, suits, liabilities, damages, expenses (including without limitation reasonable attorney's fees and costs of defense) or other losses (collectively "Losses") to the extent caused by the negligence of Client, its employees, agents and contractors. In addition, except to the extent caused by Consultant's negligence, Client waives any claim against Consultant, and to the maximum extent permitted by law, expressly agrees to defend, indemnify and hold harmless Consultant Entities from and against any and all Losses, arising from or related to the existence, disposal, release, discharge, treatment or transportation of Hazardous Materials, or the exposure of any person to Hazardous Materials, or the degradation of the environment due to the presence, disposal, release of or exposure to Hazardous Material.
- 10.3. Consequential Damages. Neither Client nor Consultant will be liable to the other for any special, consequential, incidental or penal losses or damages of whatever nature including but not limited to losses, damages or claims related to the unavailability of property or facilities, shutdowns or service interruptions, loss of use, loss of profits, loss of revenue, or loss of inventory, or for use charges, cost of capital, or claims of the other party and/or its customers, which may arise directly or indirectly as a result of the Services provided by Consultant under this Agreement.
- 10.4. Continuing Agreement. The provisions of this Section 10, "Allocation of Risk," will survive the expiration or termination of this Agreement. If Company provides Services to Client that the parties do not confirm through execution of an amendment to this Agreement, the provisions of this Section 10 will apply to such Services as if the parties had executed an amendment.
- 10.5. No Personal Liability. Client and Consultant intend that Consultant's Services will not subject Consultant's individual employees, officers or directors to any personal liability. Therefore, and notwithstanding any other provision of this Agreement, Client agrees as its sole and exclusive remedy to direct or assert any claim, demand or suit only against the business entity identified as "Consultant" on the first page of this Agreement.

11. INSURANCE

- 11.1. Consultant's Insurance. Consultant carries Statutory Workers' Compensation and Employer's Liability Insurance; Commercial General Liability Insurance for bodily injury and property damage; Automobile Liability Insurance, including liability for all owned, hired and non-owned vehicles; and Professional Liability Insurance. Certificates of insurance can be furnished upon written request but may not be processed unless accompanied by a signed Agreement. Client agrees not to withhold payment to Consultant for Client's failure to make such a timely request and such requests may not be honored if made after final completion of authorized Services. Additional charges may apply for Waiver of Subrogation and Additional Insured Endorsements. Consultant assumes the risk of damage caused by Consultant's personnel to Consultant's supplies and equipment.
- 11.2. Contractor's Insurance. Client shall require that all Contractors and subcontractors for the Project name Consultant as an additional insured under their General Liability and Automobile Liability insurance policies. If Client is not the Project owner, Client will require the Project owner to require the owner's Contractor to purchase and maintain General Liability, Builder's Risk, Automobile Liability, Workers' Compensation, and Employer's Liability insurance with limits no less than as set forth above, and to name Consultant and its subcontractors and subconsultants as additional insureds on the General Liability insurance. Upon request, Client will provide Consultant with certificate(s) of insurance evidencing the existence of the policies required herein.

12. OWNERSHIP AND USE OF DOCUMENTS

- 12.1. Client Documents. All documents provided by Client will remain the property of Client. Consultant will return all such documents to Client upon request, but may retain file copies of such documents.
- 12.2. Consultant's Documents. Unless otherwise agreed in writing, all documents and information prepared by Consultant or obtained by Consultant from any third party in connection with the performance of Services, including, but not limited to, Consultant's reports, boring logs, maps, field data, field notes, drawings and specifications, laboratory test data and other similar documents (collectively "Documents") are instruments of professional service, not products, and are the property of Consultant. Consultant has the right, in its sole discretion, to dispose of or retain the Documents. Consultant reserves the right to copyright such documents; however, such copyright is not intended to limit the Client's use of the services provided under this Agreement other than as described below.
- 12.3. Use of Documents. All Documents prepared by Consultant are solely for use by Client and will not be provided by either party to any other person or entity without Consultant's prior written consent.
- 12.3.1. Use by Client. Client has the right to reuse the Documents for purposes reasonably connected with the Project for which the Services are provided, including without limitation design and licensing requirements of the Project.
- 12.3.2. Use by Consultant. Consultant retains the right of ownership with respect to any patentable concepts or copyrightable materials arising from its Services and the right to use the Documents for any purpose.
- 12.4. Electronic Media. Consultant may agree at Client's request to provide Documents and information in an electronic format. Client recognizes that Documents or other information recorded on or transmitted as electronic media are subject to undetectable alteration due to (among other causes) transmission, conversion, media degradation, software error, or human alteration. Accordingly, all Documents and information provided by Consultant in electronic media are for informational purposes only and not as final documentation; the paper original issued by Consultant will remain the final documentation of the Services.
- 12.5. Unauthorized Reuse. No party other than Client may rely, and Client will not represent to any other party that it may rely on Documents without Consultant's express prior written consent and receipt of additional compensation. Client will not permit disclosure, mentiou, or communication of, or reference to the Documents in any offering circular, securities offering, loan application, real estate sales documentation, or similar promotional material without Consultant's express prior written consent. Client waives any and all claims against Consultant resulting in any way from the unauthorized reuse or alteration of Documents by itself or anyone obtaining them through Client. Client will defend, indemnify and hold harmless Consultant from and against any claim, action or proceeding brought by any party claiming to rely upon information or opinions contained in Documents provided to such person or entity, published, disclosed or referred to without Consultant's prior written consent.

13. SAMPLES AND CUTTINGS

- 13.1. Sample Retention. If Consultant provides laboratory testing or analytic Services, Consultant will preserve such soil, rock, water, or other samples as it deems necessary for the Project, but no longer than 30 days after issuance of any Documents that include the data obtained from these samples. All samples shall remain the property of the Client and in the absence of evidence of contamination Consultant shall dispose of samples for the Client. All samples will be disposed of or destruyed after the thirty (30) day period unless Consoltant is otherwise advised. Client will promptly pay and be responsible for the removal and lawful disposal of all contaminated samples, cuttings, Hazardous Materials, and other hazardous substances. Upon request, Consultant will deliver samples to the Client or will store them for an agreed delivery or storage charge.
- 13.2. Monitoring Wells. Client will take enstody of all monitoring wells and probes installed during an investigation by Consultant, and will take any and all necessary steps for the proper maintenance, repair or closure of such wells or probes at Client's expense.
- 13.3. Cuttings. All cuttings, drilling floid and wash water shall remain the property of the Client, and Client shall be responsible for and promptly pay for the removal and lawful disposal of cuttings, drilling fluids, wash water and hazardous materials, unless otherwise agreed in writing.

14. RELATIONSHIP OF THE PARTIES

Consultant will perform Services under this Agreement as an independent contractor.

15. ASSIGNMENT AND SUBCONTRACTS

During the term of this Agreement and following its expiration or termination for any reason, neither party may assign this Agreement or any right or claim under it, in whole or in part, without the prior written consent of the other party, except for an assignment of proceeds for financing purposes. Any assignment that fails to comply with this paragraph will be void and of no effect. Consultant may subcontract for the services of others without obtaining Client's consent if Consultant deems it necessary or desirable for others to perform certain Services.

16. SUSPENSION AND DELAYS

16.1. Procedures. Client may, at any time by 10 days written notice suspend performance of all or any part of the Services by Consultant. Consultant may terminate this Agreement if Client suspends Consultant's Services for more than 60 days and Client will pay Consultant as set forth under Section 17, "Termination." If Client suspends Consultant's Services, or if Client or others delay Consultant's Services, Client and Consultant agree to equitably adjust: (1) the time for completion of the Services; and (2) Consultant's compensation in accordance with Consultant's then current Fee Schedule for the additional labor, equipment, and other charges associated with maintaining its workforce for Client's benefit during the delay or suspension, or charges incurred by Consultant for demobilization and subsequent remobilization.

16.2. Liability. Consultant is not liable to Client for any failure to perform or delay in performance due to circumstances beyond Consultant's control, including but not limited to pollution, contamination, or release of hazardous substances, strikes, lockouts, riots, wars, fires, flood, explosion, "acts of God," adverse weather conditions, acts of government, labor disputes, delays in transportation or inability to obtain material and equipment in the open market.

17. TERMINATION

- 17.1. Termination for Convenience. Consultant and Client may terminate this Agreement for convenience upon 30 days written notice delivered or mailed to the other party.
- 17.2. Termination for Cause. In the event of material breach of this Agreement, the non-breaching party may terminate this Agreement if the breaching party fails to cure the breach within 5 days following delivery of the non-breaching party's written notice of the breach to the breaching party. The termination notice must state the basis for the termination. The Agreement may not be terminated for cause if the breaching party cures the breach within the 5-day period.
- 17.3. Payment on Termination. Following termination other than for Consultant's material breach of this Agreement, Client will pay Consultant for Services performed prior to the termination notice date, and for any necessary Services and expenses incurred in connection with the termination of the Project, including but not limited to, the costs of completing analysis, records and reports necessary to document job status at the time of termination and costs associated with termination of subcontractor contracts in accordance with Consultant's then current Fee Schedule.

18. DISPUTES

- 18.1. Mediation. All disputes between Consultant and Client, except those involving Client's failure to pay undisputed invoices as provided herein, are subject to mediation. Either party may demand mediation by serving a written notice stating the essential nature of the dispute, amount of time or money claimed, and requiring that the matter be mediated within 45 days of service of notice. The mediation shall be administered by the American Arbitration Association or by such other person or organization as the parties may agree upon, in accordance with the rules of the American Arbitration Association.
- 18.2. Precondition to Other Action. No action or suit, except those involving Client's failure to pay undisputed invoices as provided herein, may be commenced unless the mediation did not occur within 45 days after service of notice; or the mediation occurred but did not resolve the dispute; or a statute of limitation would elapse if suit was not filed prior to 45 days after service of notice. If the matter is referred to arbitration, the arbitration shall be conducted in Kern County, California. The arbitrator shall be appointed within 60 days of the arbitrators' receipt of a written request to arbitrate the dispute. The arbitrator shall be authorized to provide all recognizable remedies available in law or equity for any cause of action that is the basis of the arbitration (to the extent such remedy is not otherwise precluded under this Agreement), provided that (i) the arbitrator shall not have the authority to award punitive damages, and (ii) each party shall bear its own costs and attorney's fees related to the arbitration.
- 18.3. Choice of Law; Venue. This Agreement will be construed in accordance with and governed by the laws of the state of California. Except for actions, such as for enforcement of mechanic's liens, which are required by statute to be brought in a specific venue, or unless the parties agree otherwise, any mediation or other legal proceeding will occur in Kern County, California. Client waives the right to have the suit brought, or tried in, or removed to, any other county or judicial jurisdiction. The prevailing party will be entitled to recovery of all reasonable costs incorred, including court costs, reasonable attorney's fees, and other claim related direct expenses.
- 18.4. Statutes of Limitations. Any applicable statute of limitations will be deemed to commence running on the earlier of the date of substantial completion of Consultant's Services under this Agreement or the date on which claimant knew, or should have known, of facts giving rise to its claims.

19. MISCELLANEOUS

- 19.1. Integration and Severability. This Agreement reflects the entire agreement of the parties with respect to its terms and conditions, and supersedes all prior agreements, whether written or oral. If any portion of this Agreement is void or voidable, such portion will be deemed stricken and the Agreement reformed to as closely approximate the stricken portions as the law allows. If any of the provisions contained in this Agreement are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions will not be impaired.
- 19.2. Modification of This Agreement. This Agreement may not be modified or altered, except by a written agreement signed by authorized representatives of both parties and referring specifically to this Agreement.
- 19.3. Notices. Any and all notices, requests, instructions, or other communications given by either party to the other must be in writing and either hand delivered to the recipient or delivered by first-class mail with return receipt (postage prepaid) or express mail (billed to sender) at the addresses given in this Agreement.
 - 19.4. Headings. The headings used in this Agreement are for convenience only and are not a part of this Agreement.
- 19.5. Waiver. The waiver of any term, conditions or breach of this Agreement will not operate as a subsequent waiver of the same term, condition, or breach. One or more waivers of any term, condition or covenant by either party shall not be construed as a waiver of any other term, condition or covenant.
- 19.6. Survival. These terms and conditions survive the completion of the Services and/or the termination of this Agreement, whether for cause or for convenience.
- 19.7. Warranty Of Authority To Sign, Personal Guarantee. The person signing this contract warrants that he/she has authority to sign on the behalf of the Client for whose benefit Consultant's services are rendered. If such person does not have such authority, he/she agrees that he/she is personally liable for obligations under this Agreement and all breaches of this contract and that in any action against him/her for breach of such warranty, reasonable attorney's fees shall be included in any judgment rendered. Further, if Client fails to perform and is in breach of this Agreement the person signing this Agreement agrees that he/she is personally liable for obligations under this Agreement and all breaches of this contract and that in any action against him/her for breach of such warranty, reasonable attorney's fees shall be included in any judgment rendered.
- 19.8. Precedence. These Terms and Conditions take precedence over any inconsistent or contradictory provisions contained in any other agreement term, proposal, purchase order, requisition, notice to proceed, or other document regarding Consultant's Services.
- 19.9. Incorporation of Provisions Required By Law. Each provision and clause required by law to be inserted in this Agreement is included herein, and the Agreement should be read and enforced as though each were set forth in its entirety herein.

20. HAZARDOUS MATERIALS RISKS

Client recognizes that, while necessary for subsurface investigations, commonly used exploration methods, such as drilling horings, pushing probes or excavating trenches, involve an inherent risk. These exploration methods may penetrate through an aquifer of contaminated fluid and serve as a connecting passageway between the contaminated aquifer and an uncontaminated aquifer or groundwater, inducing cross-contamination. While backfilling with grout or by other means, according to the state of practice, is intended to provide a seal against such passageway, it is

recognized that such a seal may be imperfect and there is an inherent risk of cross-contamination when drilling borings, pushing probes excavating trenches or implementing other methods of exploration in connection with a contaminated site. Client recognizes that the state of practice, particularly with respect to contaminated site and materials conditions, is changing and evolving. While Consultant is required to perform in reasonable accordance with the standards in effect at the time the services are performed, it is recognized that those standards may subsequently change because of improvements in the state of practice.

Client recognizes that Consultant's failure to detect the presence of hazardous materials at a site, even though hazardous materials may be assumed or expected to exist through the use of appropriate and mutually agreed upon sampling techniques, does not guarantee that hazardous materials do not exist at the site. Similarly, Client recognizes that Consultant's subsurface explorations may not encounter hazardous materials at a site, which may later be affected by hazardous materials due to natural phenomena or human intervention. Client recognizes that the state of practice, particularly with respect to contaminated site and materials conditions, is changing and evolving. While Consultant is required to perform in reasonable accordance with the standards in effect at the time the services are performed, it is recognized that those standards may subsequently change because of improvements in the state of practice. Client agrees to waive any claim against Consultant and agrees to defend, indemnify, and hold Consultant harmless from claims or liability for injury or loss arising from Consultant's failure to detect the presence of hazardous materials through techniques commonly employed for the purpose.

All laboratory and field equipment contaminated in performing Consultant's services will be cleaned at Client's expense. Contaminated consumables will be disposed of and replaced at Client's expense. Equipment (including tools) which cannot be reasonably decontaminated shall become the property and responsibility of Client. All such equipment shall be delivered to Client or disposed of in a manner similar to that indicated for hazardous samples. Client agrees to pay the fair market value of any such equipment which cannot reasonably be decontaminated.

21. ENTIRE AGREEMENT

This Agreement between the parties consists of these Terms and Conditions, the PROPOSAL by the Consultant, and any exhibits or attachments noted in the PROPOSAL. Together, these elements will constitute the entire Agreement superseding any and all prior negotiations, correspondence, or agreements either written or oral. The Parties have read the foregoing, understand completely the terms, and willingly enter into this Agreement. This Agreement was developed to be fair and reasonable to both parties. The terms of this Agreement will prevail over any different or additional terms in Client's purchase order or other forms provided by Client to Consultant as part of the authorization process unless agreed in writing by Consultant. The parties acknowledge that there has been an opportunity to negotiate the terms and conditions of this Agreement and agree to be bound accordingly. Consultant's acceptance of this Agreement is pending credit review and a retainer fee may be required.

Client: NORTH KERN WATER STORAGE DISTRICT		Consultant: Krazan & Associates, Inc.		
Signature	Date	Signature	Date	
Name (Please Print)		Name (Please Print)		
Title				

Agenda Item 6B

P.O. Box 81435 Bakersfield, CA 93380-1435 Administration

Telephone: 661-393-2696 Facsimile: 661-393-6884



33380 Cawelo Avenue Bakersfield, CA 93308-9575 Water Orders and Operations Telephone: 661-393-3361 www.northkernwsd.com

NORTH KERN WATER STORAGE DISTRICT

January 21, 2020

TO: ENGINEERING COMMITTEE

Directors Mendes and Andrew, Alternate Ackerknecht

FROM: Ram Venkatesan

RE: Issuance of Standard Form District License Agreement to Chevron U.S.A Inc.,

RECOMMENDED MOTION:

"Authorize the execution of a standard form District license agreement to Chevron U.S.A Inc., for constructing, operating and maintaining a thirty-two-inch diameter carrier pipeline across the Beardsley Canal west of China Grade Loop."

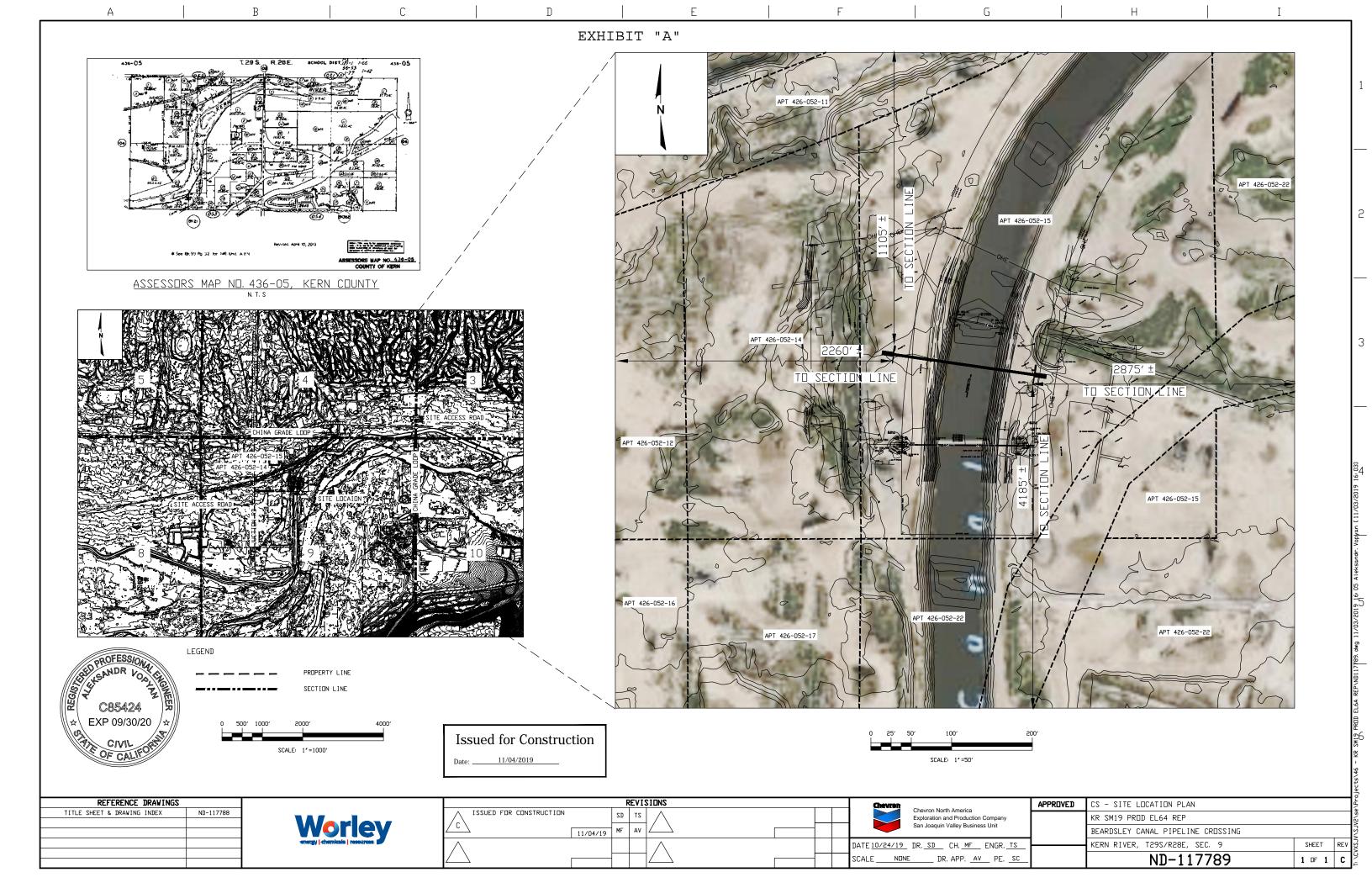
DISCUSSION:

Chevron U.S.A Inc., ("Chevron") has requested approval to install a thirty-two-inch diameter carrier pipeline containing one ten-inch production pipeline across the Beardsley Canal west of China Grade Loop as shown on Exhibit "A". Chevron's engineer has submitted a legal description and a plat (Exhibit "B") which District staff has reviewed and finds acceptable. A certificate of insurance has also been provided by Chevron that meets District license agreement requirements. Staff recommends the execution of a standard form District license agreement (Exhibit "B") to Chevron subject to legal counsel approval.

Attachments:

Exhibit "A" – Proposed Pipeline Location

Exhibit "B" – License Agreement



"EXHIBIT B" LICENSE AGREEMENT

THIS AGREEMENT, dated	, between North Kern Water
Storage District, a water storage district	duly organized and existing under and by
virtue of the laws of the State of California	i, hereinafter called "District, and Chevron
U.S.A. Inc., a Pennsylvania corporation	, hereinafter called "Licensee".

WITNESSETH THAT:

Description of premises. District, as the owner of that certain conal known as the Beardsley Canal, and as the owner of an easement and right of way therefore, insofar as it has the right so to do, hereby gives Licensee a nonexclusive license, terminable as hereinafter provided, to use for the purpose and subject to the covenants, conditions and provisions hereinafter set forth, to each and all of which the parties hereby mutually agree, the pontion or portions of said easement and right of way, hereinafter called the "premises", situated in Kern County, California, as described as follows:

Section 9, Township 29 South, Range 28 East, MDB&M, the centerline and facility boundary of which are particularly described in Exhibit "A", attached hereto and made a part hereof.

- 2. Use of Premises. Licensee may use the premises for the purpose of constructing, operating and maintaining one thirty-two-inch carner pipeline containing one ten-inch production pipeline hereinafter called the "facility", and for no other purpose of purposes whatever. District reserves the right to use the premises for all purposes incidental to the operation, maintenance and improvement of the canals or ditches and such other purposes which do not preclude such use of the premises by Licensee and, without limiting the generality of the foregoing, District reserves the right to lay, construct and install pipelines, roads, ditches, tences, pole lines and other facilities in, upon, across, or along the premises.
- No Warranty of Title-License Subject to Existing Rights of Others. District makes no warranty of title whatever. The rights of Licensee hereunder are subject to all existing rights of others in the premises, whether of record or not.
- 4. <u>Termination—Term.</u> This license shall continue in effect for a period of 20 years from and after the date hereof and thereafter or until terminated by District as provided for under paragraph 11. Licensee may, at any time and from time to time by delivering a quilclaim deed to District, terminate this license as to all of the premises, and this license shall automatically terminate if Licensee shall not use or maintain its facilities for a period of two (2) years.
- Access. Licensee shall be entitled to access to and from the premises as
 may be necessary over and upon the easement and right-of-way, provided such access
 does not interfere with any of the rights of the District to use the facility.

- Installation and Maintenance of Facility. The facility shall be used and maintained at such time and in such manner as approved by District's Manager, and under no circumstances shall Licensee interfere in any way with District's canal or ditch or the operation, maintenance or improvement thereof. If the facility is a pipeline or a pole line, such pipeline or pole line shall be constructed, installed and maintained at depths or elevations which will not interfere with the operation and maintenance, improvement, widening, deepening or enlarging of the canal or ditch by District. Trenches and other excavations made by Licensee upon the easement and right of way at any time shall be promptly backfilled and the contour of the canal or ditch restored to a condition satisfactory to said Manager. Licensee shall, upon request, furnish District with a map or maps showing the exact location of its facility and appurtenances upon the premises. Licensee shall at all times maintain its facility in a safe and sound condition of repair and in conformity with any and all applicable laws, ordinances, rules, regulations, requirements and orders of the nations, state, county or municipal governments.
- Insurance, Licensee, at its expense, shall carry public liability insurance with liability limits of not less than \$5,000,000 for the injury or death of one person and \$10,000,000 for the injury or death of more than one person in any one accident, and property damage liability insurance in the amount of not less than \$5,000,000. All such insurance shall be carried with insurance companies satisfactory to District, and shall cover not only liability of Licensee for bodily injury to or death of persons and property damage, but also such liability which has been assumed by Licensee under the provisions of the indemnity agreements of this license. Licensee shall forthwith procure and cause to be furnished to District, certificates from the insurance carriers stating that the insurance is in full force and effect, that the premiums have been paid thereon and that the insurance carrier will give District at least ten (10) days prior written notice of any termination, cancellation or modification of the terms of such insurance. In lieu of the above insurance requirements. Licensee may self-insure and rely on its Self-Administered Claims Program provided that the Licensee demonstrates to Licensor an ability to maintain self-insurance substantially similar to the requirements of this paragraph as determined by the sole discretion of the Licenson.
- b. Indemnification. (1) Licensee shall use the premises at its own risk. (2) In this connection Licensee shall, at its sole cost and expense, comply with all laws, rules, ordinances and regulations of all governing bodies having jurisdiction over the work and uses which are the subject of this easement including, without limitation, any applicable safety orders and obtain all necessary permits and licenses therefore and shall at all times preserve and protect the facilities installed and the work performed pursuant hereto and assume full responsibility for the condition thereof. If Licensee shall at any time damage or destroy District's canal or ditch or any other improvement or personal property on the premises, it shall promptly pay to the owner thereof the full amount of damage thereto. District shall not be liable for any injury or death of any person or persons or damage to or destruction of any property arising out of or in connection with either in whole or in part and whether directly or indirectly, the existence or use of Licensee's facility or any operations by or on behalf of Licensee hereunder. (3)

Licensee shall assume the defense of and indemnify and save harmless District, its officers, servants, 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 the property of said indemnitees, or for injury to or death of persons, including Licensee's employees or agents, in any manner, including that alleged to have been caused by the negligence of the indemnitees or any of them, arising out of or incident to the use or uses herein authorized; provided, however, that Licensee shall have no such obligation with respect to such of the foregoing if caused by the negligence, willful misconduct, or other liability of the indemnitees or any of them. In particular and without limiting the generality of the foregoing, the parties recognize that District cannot undertake to make known the existence of any buried facility to persons entering upon the premises, and Licensee waives any claim against District for damages to such buried facility arising out of District's failure to make known the existence of such buried facility to person or persons causing such damage, even though such person or persons may have entered upon the premises pursuant to express authority from District, and Licensee further agrees that District shall be entitled to the benefit of the foregoing indemnification provisions notwithstanding any failure, negligent or otherwise. of District to make known the presence of any buried facility. Licensee shall keep the premises free from any lien arising out of Licensee's holding of this license or its operations hereunder. (4) Licensee shall at its sole cost and expense, comply with all laws, rules, ordinances and regulations regarding the removal, restoration and clean-up of adjacent property, and disposal of any and all portions of licensee's facilities currently existing within the District's right-ol-way and which is to be abandoned and replaced with the herein licensed facilities. Licensee shall indenmify, defend and hold harmless District, its officers, servants, agents and employees, from any and all loss, damage, injury, liability, claim or cause of action of every nature whatsoever arising from the existence, operation, maintenance and removal of any and all portions of licensee's facilities currently existing within the District's nont-of-way.

- 9. <u>Taxes</u>. Licensee shall pay when due all taxes and assessments revied or assessed against or referable to its facilities or its right hereunder, and Licensee shall reimburse District for any sums paid by District to protect its title from the tien of any such tax or assessment.
- 10. Quitclaim and Restoration of the Premises. In the event this license shall lerminate in any manner as to all or any part of the premises, such termination shall not relieve Licensee from any obligation or liability theretofore accrued hereunder, nor prejudice or in any way affect the right of District to enforce any right or remedy it may have had before such termination. Upon any such termination Licensee shall promptly execute, acknowledge and deliver to District a good and sufficient quitclaim deed of its rights hereunder in and to the land to which such termination applies and Licensee shall, within thirty (30) days remove the facility from the premises and restore them to a contour and condition satisfactory to District. If Licensee shall fail within such period to remove its facility and restore the premises, then the facility and appurtenances shall be and become the property of District absolutely, and District, at its option, may leave the same in its location or remove the same and restore the ground for the account of

Licensee and Licensee agrees to reimburse District for the reasonable cost thereof upon demand.

- II. Default by Licensee. Licensee agrees that it will keep, perform and observe all the covenants, conditions and provisions of this agreement on its part to be kept, performed and observed. In addition to any other remedies available to District, in the event Licensee shall fail to keep, perform and observe any covenant, condition or provision of this agreement, and such failure shall continue for a period of thirty (30) days after written notice thereof given by District to Licensee, then District may at its option by further written notice to Licensee, terminate this license and all rights and interest of Licensee hereunder. In the event of default by licensee, licensee shall pay upon demand all reasonable costs and expenses (including attorneys' fees in a reasonable amount) incurred by District to enforce any of the coverants, conditions and provisions of this agreement, or to dispossess Licensee, irrespective of whether or not coun action shall be brought. All amounts of money payable by Licensee to District hereunder, if not paid when due, shall bear interest from due date until paid at the rate of eight per cent (6%) per annum, compounded semiannually.
- 12. Paragraph Heading-No Waiver-Notices. The use of paragraph headings in this agreement is solely for convenience, and they shall be wholly disregarded in the construction of this agreement. The waiver by District of any breach by Licensee of any provision of this agreement shall not be or be deemed to be a waiver of such provision or a waiver of any other or prior or subsequent breach thereof, or a waiver of any breach of any other provision of this agreement. Any notice or demand by either party to the other in connection with this agreement shall be deemed to be fully given or made when written and deposited in a sealed envelope in the United States mail, registered or certified and postage prepaid, and addressed to the party to whom given at the address specified apposite its signature to this agreement. Either party may change its address by giving the other party written notice of its new address as herein provided.
- 13. Assignments. This agreement shall bind and inure to the benefit of the respective heirs, administrators, executors, successors and assigns of the parties hereto; provided, however, that Licensee shall not assign or otherwise transfer this license or any of Licensee's rights hereunder, either voluntarily or involuntarily or by operation of law, without the prior written consent of District, which consent shall not be unreasonably withheld, and any assignment or other transfer of attempted assignment or other transfer contrary to the provisions hereof shall be absolutely null and void and of no effect whatever. In the event of any such assignment or other transfer or attempted assignment or other transfer contrary to the provisions hereof. District may terminate this license at once by giving written notice to Licensee.
- 14. <u>District Cost Reimbursement</u>. Licensee agrees to reimburse District for all reasonable and necessary engineering, staff and construction expenses incurred by District, including those incurred prior to the execution of this Agreement, in regard to the preparation of this Agreement and District's performance under provisions of this

Agreement, incurred by District pursuant to this Agreement subject to Licensee's approval, such approval not to be unreasonably withheld.

15. Special Provisions and Exhibits. The following special provisions and exhibits if any, have been attached to this license prior to its execution and are hereby made a part of this license:

Exhibit A - Drawing of Facility
Exhibit B - Certificate of Insurance

A consideration of \$ 10,500 payable to North Kern Water Storage District is to accompany the properly executed License Agreement to cover costs and legal fees.

IN WITNESS WHEREOF, the parties have executed this instrument the day and year hereinabove written.

	NORTH KERN WA	FER STORAGE DISTRICT
Address: P.O. Box 81435 Bakersfield, CA 93380-1435	By	President
		Secretary
	CHEVRON U.S.A.	NG.
Address	By	
9525 Camino Media Bakersfield, CA 93311	Earn	a Burton, Attorney-in-Fact

(SEAL)
ALL SIGNATURES MUST BE NOTARIZED, LICENSEE RECORDING REQUIRED AT EXPENSE OF APPLICANT.

EXHIBIT

BEARDSLEY CANAL PIPELINE EASEMENT (CHEVRON, INC.)

BEING AN EASEMENT FOR A PIPELINE, 10 FEET IN WIDTH, ACROSS A PORTION OF SECTION 9, TOWNSHIP 29 SOUTH, RANGE 28 EAST, MOUNT DIABLO MERIDIAN, IN THE COUNTY OF KERN, STATE OF CALIFORNIA, THE SIDELINES OF WHICH ARE MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH QUARTER CORNER OF SECTION 9, TOWNSHIP 29 SOUTH, RANGE 28 EAST, MOUNT DIABLO MERIDIAN;

THENCE, ON AND ALONG THE EAST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 9, S 00°07'32" E, A DISTANCE OF 1138.75 FEET TO A POINT ON SAID EAST LINE;

THENCE LEAVING SAID EAST LINE, N 89°52′28" W, A DISTANCE OF 218.49 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY OF THE BEARDSLEY CANAL, SAID POINT BEING THE POINT OF BEGINNING;

THENCE LEAVING SAID EASTERLY RIGHT OF WAY LINE, N 81°44′17″ W, A DISTANCE OF 164.00 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF THE BEARDSLEY CANAL, SAID POINT BEING THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE SOUTHEAST; THENCE NORTHEASTERLY ALONG SAID CURVE, HAVING A RADIUS OF 824.00 FEET, THE RADIAL LINE OF WHICH BEARS S 81°23′26″ E THROUGH A CENTRAL ANGLE OF 00°41′43″, AN ARC LENGTH OF 10.00 FEET;

THENCE LEAVING SAID WESTERLY LINE, S 81°44'17" E, A DISTANCE OF 164.00 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF THE BEARDSLEY CANAL, SAID POINT BEING THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE SOUTHEAST; THENCE ALONG SAID CURVE, HAVING A RADIUS OF 660.00 FEET, THE RADIAL LINE OF WHICH BEARS S 82°10'22" E, THROUGH A CENTRAL ANGLE OF 00°52'05", AN ARC LENGTH OF 10.00 FEET, TO THE POINT OF BEGINNING.

CONTAINING +/- 1640 SQFT

Oscar G. Carrillo

Date:

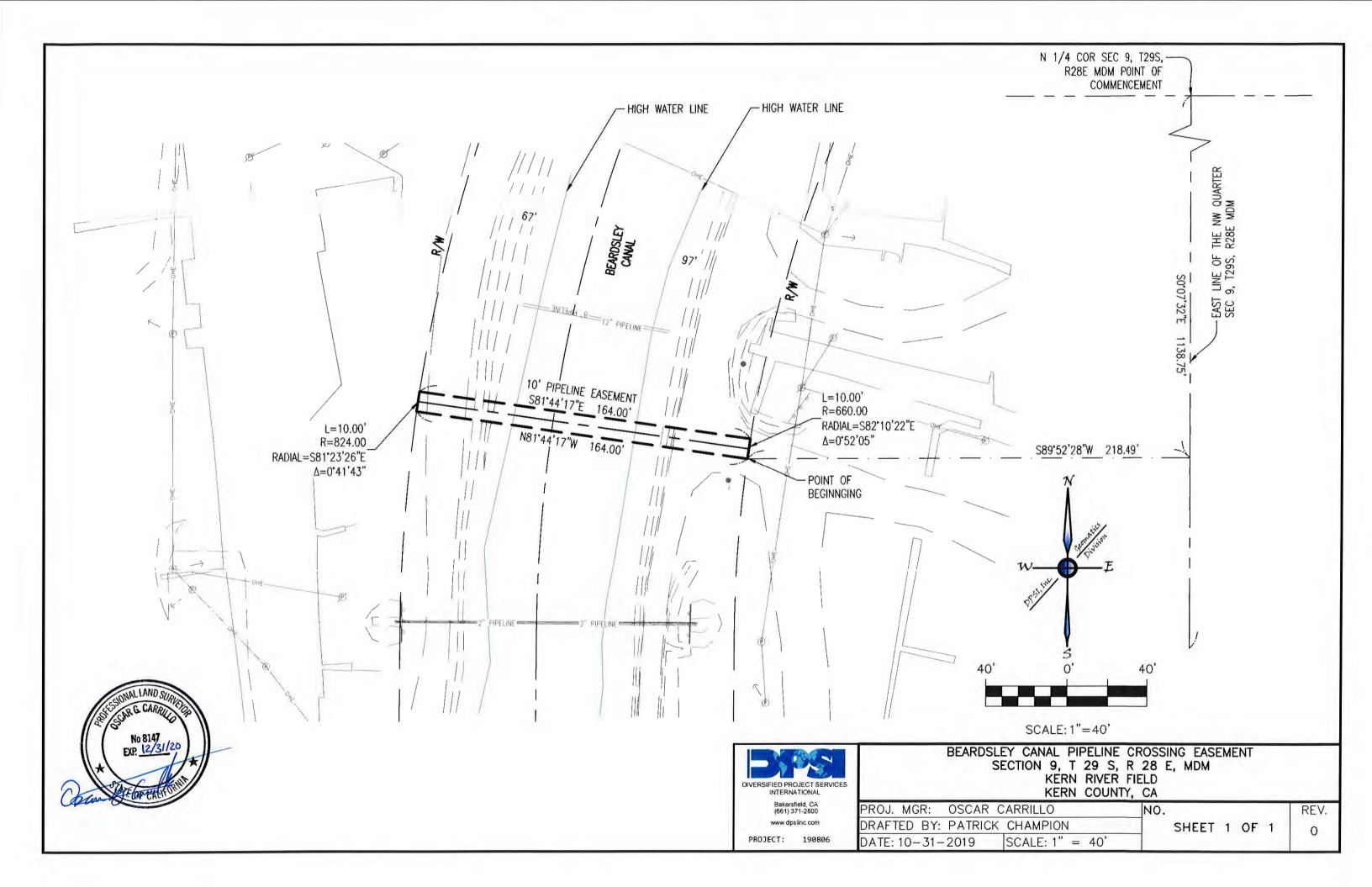


EXHIBIT B - CERTIFICATE OF INSURANCE



Months, 2018

Flam Verikklesen Vordt Kern Weier-Stompe District P.O. Box #1435 Bekersfield, CA (9300) 1435

Licenser Agreement between North Kenn Weier Storage District and Chevron U.S.A., Inc.

Dear Mr. Vonkalesan:

Chevron Products Company, a division of Energy U.S.A. Inc. ("Chevron"), the covered for properly and fluidilly exposures through a worldwide incurance program with large dischabilities. Lossins that fall within these deductible levels, including those for which Chevron is contrappeally liable, are coll-administered and glild through the financial resources of Chevron.

This is to confirm that the insurance requirements of the subject agreement fall within Chawon's insulatible levels. Therefore, leases for which Chevren is required to been a under the agreement will be covered to the extent of the agreement's minimum insurance requirements and administered as described above.

His further confirms that Workers' Compensation insurance requirements for Chevron are suitabled through insuredself-insured programs depending upon the location of the employed's workplace.

This listial is in the caralizate of (asurance and will remain valid until the expiration or remember and including of the subject agreement (or may renewal the reof).

Medi Jones

Secretary 2 1 Secretary Construction (Construction Construction Constr

END OF EXHIBIT B

NORTH KERN WATER STORAGE DISTRCT Board Meeting

Agenda Item 6C

P.O. Box 81435 Bakersfield, CA 93380-1435 Administration

Telephone: 661-393-2696 Facsimile: 661-393-6884



33380 Cawelo Avenue Bakersfield, CA 93308-9575 Water Orders and Operations Telephone: 661-393-3361 www.northkernwsd.com

NORTH KERN WATER STORAGE DISTRICT

January 21, 2020

TO: ENGINEERING COMMITTEE

Directors Mendes and Andrew, Alternate Ackerknecht

FROM: Richard Diamond and Ram Venkatesan

RE: Approve Task Order with GEI Consultants for Technical Support to the District's

General Engineering Tasks

RECOMMENDED MOTION:

"Authorize the General Manager to execute Task Order 20-01 with GEI Consultants for providing technical support to the District's General Engineering Tasks for a budget amount not-to-exceed \$60,000."

DISCUSSION:

GEI Consultants ("GEI") from time to time provides technical support for the District's general engineering tasks such as tasks related to water resources management, facilities and infrastructure, general consultation meetings, Board meetings etc., Staff requested GEI provide a task order (Exhibit "A") that will cover activities related to providing general engineering services for calendar-year 2020 and GEI has provided the Task Order 20-01 with an estimated budget of \$60,000.

Staff recommends Board approval for the General Manager to execute Task Order 20-01 with GEI Consultants for providing technical support to the District's General Engineering Tasks for a budget amount not-to-exceed \$60,000.

Attachments:

Exhibit "A": Task Order 20-01 from GEI Consultants



Geotechnical Environmental Water Resources Ecological December 5, 2019

Mr. Richard A. Diamond General Manager North Kern Water Storage District (661) 393-2696 (office) rdiamond@northkernwsd.com

PROFESSIONAL SERVICES AGREEMENT BETWEEN GEI CONSULTANTS, INC. AND NORTH KERN WATER STORAGE DISTRICT

TASK ORDER NO. NK 20-01 GENERAL ENGINEERING SERVCES

This Task Order is for work to be completed by GEI Consultants, Inc. during calendar-year 2020 in support of the District's general engineering needs per the terms and conditions of the Professional Services Agreement dated November 16, 2017, except as amended herein.

SCOPE OF SERVICES

Many tasks are of sufficient scope, duration, and budget to warrant a standalone Task Order which involves a unique GEI Project No. and invoice. This Task Order is intended to provide a budget authorization to fund relatively smaller requests for engineering services from time to time with minimal or no additional "paperwork" or delay at the time of the request. By definition, as-requested tasks are not known at this time; however, it is anticipated that they would be generally related to supporting the District's various water resource management activities, including the performance of specific technical tasks; participation in meetings; and general consulting. Participation in the District's Board Meetings would also be included under this Task Order. It is recognized that as-requested work may lead to the establishment of separate budget authorizations and separate project numbers as appropriate.

SCHEDULE

This Task Order is intended to cover activities related to providing general engineering services in calendar-year 2020. The schedule for completion of any given assignment will be coordinated with District staff.

BUDGET

Based on expenditures in 2019, a budget of \$60,000 is proposed for calendar-year 2020. This is a budget to work against in responding to District requests for engineering assistance; it is <u>not</u> a cost estimate for a pre-determined scope of work. Billing for all work completed under this Task Order will be in accordance with the terms of the Professional Services Agreement, with labor billed at 3.05 times labor rate, and expenses billed at cost. The cost is to be tracked using a unique GEI project number. The total budget amount shall not be exceeded without written authorization from the District.

AUTHORIZATION

This Task Order No. NK 20-01 is authorized and made an attachment to the above-identified Professional Services Agreement through the signatures below.

	Authorized by:		Accepted by:
	NORTH KERN WATER STORAGE DISTRICT		GEI CONSULTANTS, INC.
By:		By:	Stephanie Her
			Stephanie Hearn, Branch Manager
Date:		Date:	12/5/2019
		By:	Roll J. E.D
			Ronald J. Eid, Principal Engineer
		Date:	12/5/2019

ACCOUNTING CODES

All work will be billed under a newly-assigned GEI Project Number and titled "General Engineering Services". Separate task numbers can be assigned under the Project number to track the effort and costs for separate requests/assignments.

NORTH KERN WATER STORAGE DISTRCT Board Meeting

Agenda Item 6D

P.O. Box 81435 Bakersfield, CA 93380-1435 Administration

Telephone: 661-393-2696 Facsimile: 661-393-6884



33380 Cawelo Avenue Bakersfield, CA 93308-9575 Water Orders and Operations Telephone: 661-393-3361 www.northkernwsd.com

NORTH KERN WATER STORAGE DISTRICT

January 21, 2020

TO: ENGINEERING COMMITTEE

Directors Mendes and Andrew, Alternate Ackerknecht

FROM: Richard Diamond and Ram Venkatesan

RE: Approve Task Order with GEI Consultants for Technical Support to the District's

General Counsel

RECOMMENDED MOTION:

"Authorize the General Manager to execute Task Order 20-02 with GEI Consultants for providing technical support to the District's General Counsel for a budget amount not-to-exceed \$75,000."

DISCUSSION:

GEI Consultants ("GEI") provides technical support to the District's General Counsel on matters related to the District's Kern River water rights. In particular, activities include support for settlement discussions, matters before the State Water Resources Control Board, and any other matters related to litigation that requires technical support. GEI was providing the necessary technical support based on the previously approved Task Order 19-05 (\$50,000). Since the budget authorized on the prior task order has been exhausted (primarily due to the work related to the State Board Kern River "Water Availability Analysis"), staff requested GEI provide a new task order (Exhibit "A") to replenish the budget so they can continue to provide the necessary technical support.

Staff recommends Board approval for the General Manager to execute Task Order 20-02 with GEI Consultants for providing technical support to the District's General Counsel for a budget amount not-to-exceed \$75,000.

Attachments:

Exhibit "A": Task Order 20-02 from GEI Consultants





December 5, 2019

Mr. Richard A. Diamond General Manager North Kern Water Storage District (661) 393-2696 (office) rdiamond@northkernwsd.com

PROFESSIONAL SERVICES AGREEMENT BETWEEN GEI CONSULTANTS, INC. AND NORTH KERN WATER STORAGE DISTRICT

TASK ORDER NO. NK 20-02 LEGAL COUNSEL SUPPORT

This Task Order is for work in support of the District's General Counsel specifically and water rights matters generally, to be performed per the terms and conditions of the Professional Services Agreement dated November 16, 2017.

SCOPE OF SERVICES

The scope of services is "as-requested". To date, most of the engineering services requested by legal counsel have been related to the District's Kern River water rights. In particular, activities may involve support for settlement discussions; matters before the State Water Resources Control Board; and any other matters of existing or prospective litigation requiring engineering support.

SCHEDULE

At this time, there is no schedule; rather, work will be performed on an as-requested basis, with the schedule to be developed at the time of the request.

BUDGET

Billing for all work completed under this Task Order will be in accordance with the terms of the Professional Services Agreement dated November 16, 2017, with labor billed at 3.05 times labor rate, and expenses billed at cost. As noted hereinabove, work will be performed on an as-requested basis. Accordingly, the authorized budget amount should be considered as an amount to work against on an as-requested basis and is proposed to be set at \$75,000.

AUTHORIZATION

This Task Order No. NK 20-02 is authorized and made an attachment to the above-identified Professional Services Agreement through the signatures below.

	Authorized by:		Accepted by:
	NORTH KERN WATER STORAGE DISTRICT		GEI CONSULTANTS, INC.
By:		By:	Roll J. E.O
			Ronald J. Eid, Principal Engineer
Date:		Date:	12/5/2019
		By:	Stephanie Her
			Stephanie Hearn, Branch Manager
		Date:	12/5/2019

ACCOUNTING CODE

All work for this scope will be billed under GEI Project No. 1611225; however, it will be assigned a unique Task number which will identify this Task Order. Our invoices will reference North Kern's assigned Accounting Code.

NORTH KERN WATER STORAGE DISTRCT Board Meeting

Agenda Item 6E

P.O. Box 81435 Bakersfield, CA 93380-1435 Administration

Telephone: 661-393-2696 Facsimile: 661-393-6884



33380 Cawelo Avenue Bakersfield, CA 93308-9575 Water Orders and Operations Telephone: 661-393-3361 www.northkernwsd.com

NORTH KERN WATER STORAGE DISTRICT

January 21, 2020

TO: ENGINEERING COMMITTEE

Directors Mendes and Andrew, Alternate Ackerknecht

FROM: Ram Venkatesan

RE: Approve Second Amendment to Task Order 19-03 with GEI Consultants for

Grant Applications Coordination with the Bureau of Reclamation

RECOMMENDED MOTION:

"Authorize the General Manager to execute the second amendment to Task Order 19-03 with GEI Consultants to continue grant applications coordination with the Bureau of Reclamation to continue concrete lining the Calloway Canal, implement Phase 3 of the Water Delivery Improvements project and construct replacement groundwater extraction wells for a budget amount not-to-exceed \$15,000."

DISCUSSION:

At the February 2019 meeting, the Board approved Task Order 19-03 with GEI Consultants to prepare grant applications with the Bureau of Reclamation ("Bureau") under the 2019 WaterSMART program to continue concrete lining the Calloway Canal, implement Phase 3 of the Water Delivery Improvements project ("Lining and WDI Project") and construct replacement groundwater extraction wells in an amount not-to-exceed \$35,000. The District was successful in getting grant funding of \$1.5 million for the Lining and WDI project, but was not successful in getting grant funding for the replacement of extraction wells.

At the October 2019 meeting, the Board approved the first amendment to Task Order 19-03 to prepare grant applications with the Bureau under the 2020 WaterSMART program for the Lining and WDI Project and construction of replacement wells project in an amount not-to-exceed \$25,000. The outcome for the applications submitted in October is expected in early February.

Staff and GEI are working with the Bureau in answering several questions related to contracting the \$1.5 million grant that was awarded and also the grant applications that were submitted in October. Since the budget authorized on the prior task orders has been exhausted (primarily due to the amount of coordination that is required to get grants contracted), staff requested GEI provide a new task order (Exhibit "A") to replenish the budget so they can continue to provide the necessary grant application support.

Engineering Committee
Approve Second Amendment to Task Order 19-03 with GEI Consultants for Grant Applications
Coordination with the Bureau of Reclamation
January 21, 2020
Page 2 of 2

Staff recommends Board approval for the General Manager to execute the second amendment to Task Order 19-03 with GEI consultants to continue grant applications coordination with the Bureau to continue concrete lining the Calloway Canal, implement Phase 3 of the Water Delivery Improvements project and construct replacement groundwater extraction wells for a budget amount not-to-exceed \$15,000

Attachments:

Exhibit "A" – Second Amendment to Task Order 19-03 from GEI Consultants



Geotechnical Environmental Water Resources Ecological December 5, 2019

Mr. Ram Venkatesan, PE District Engineer North Kern Water Storage District (661) 393-2696 (office) (661) 302-3530 (cell) ram@northkernwsd.com

PROFESSIONAL SERVICES AGREEMENT BETWEEN GEI CONSULTANTS, INC. AND NORTH KERN WATER STORAGE DISTRICT

TASK ORDER NO. NK 19-03 (REV 2) FEDERAL FUNDING APPLICATIONS AND RESPONSES TO RECLAMATION

This Task Order defines a Scope of Services, Schedule, and Budget for work to be completed by GEI Consultants, Inc. for North Kern Water Storage District (District) per the terms and conditions of the Consultant Agreement Services dated November 16th, 2017, except as amended herein.

This Task Order includes activities to be performed by GEI in support of project applications to funding opportunity announcements (FOAs) in 2019 and responses to Reclamation requests for information regarding signing funding agreements for the awards received in 2018, 2019, and into 2020.

SCOPE OF SERVICES

The scope of this Task Order includes a technical review of grant applications due in October of 2019 in accordance with Reclamation's FOAs and respond to requests for information regarding signing funding agreements for the awards in 2018, 2019, and 2020.

FOAs included:

1) October 3: Calloway Canal Lining and WDI for BOR-DO-20-F001, WaterSMART Grants: Water and Energy Efficiency Grants (WEEG) for 2020 and 2021. Group II: Up to \$1,500,000.

2) October 16: Recharge and Recovery Facilities for BOR-DO-20-F002, WaterSMART Drought Response Program: Drought Resiliency Projects (DRP) for Fiscal Year 2020. Group II: Up to \$750,000.

The District will have up to two to three years to complete the projects under these programs.

Responses to Reclamation include:

- 1) Agreement No. R18AP00165: SCADA Automation and Evapotranspiration Measurement Improvements Project. Awarded Fall 2018. Signing of this agreement has taken more time than estimated as Reclamation has done an extended level of review prior to executing the agreement. Most recently, in November of 2019, a scope and budget modification was submitted to Reclamation for review.
- 2) <u>Agreement No R19AP00140:</u> Calloway Canal Lining (north of Snow Road) and Water Delivery Improvements. Awarded Fall 2019. GEI and District personnel had an Initial Recipient Clarification Call with Reclamation on November 14 and have since submitted a response to their request for information.

Additional budget under this Task Order is requested to get Agreements R18AP00165 and R19AP00140 signed. A separate Task Order will be prepared for the implementation phases of both agreements once the agreements are signed

SCHEDULE

GEI met the application deadlines in October based on the District's received approval of the Project definitions. Responses to Reclamation's request for information for the agreements listed above happens on short notice and requires the District to reply timely, typically within two weeks or less. Most response periods last a few months, however as evidenced by Agreement No. R19AP00140, some last much longer.

<u>BUDGET</u>

An additional budget request of \$15,000 is requested for the work described above. Billing for all work completed under this Task Order is in accordance with the terms of the Professional Services Agreement dated November 16, 2017, with labor billed at 3.05 times labor rate, and expenses billed at cost. As noted hereinabove, work will be performed on an as-requested, per application and agreement basis. Accordingly, the authorized total budget amount is an estimated budget to work against on an as-requested basis. The total budget amount shall not be exceeded without written authorization from the District.

AUTHORIZATION

This Task Order No.19-03 Revision 2 is authorized as an add-on to GEI project and made an attachment to the above-identified Professional Services Agreement through the signatures below.

	Authorized by:		Accepted by:
	NORTH KERN WATER STORAGE DISTRICT		GEI CONSULTANTS, INC.
By:		By:	Sem Schoofer
			Sam Schaefer, Senior Engineer
Date:		Date:	12/5/2019
		By:	Drew H. Doza
			Oscar Daza, Senior Engineer
		Date:	12/5/2019

ACCOUNTING CODES

All work will be billed under GEI Project Number 1800140.

NORTH KERN WATER STORAGE DISTRCT Board Meeting

Agenda Item 6F

P.O. Box 81435 Bakersfield, CA 93380-1435 Administration

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NORTH KERN WATER STORAGE DISTRICT

January 21, 2020

TO: ENGINEERING COMMITTEE

Directors Mendes and Andrew, Alternate Ackerknecht

FROM: Richard Diamond and Ram Venkatesan

RE: Award of Contract to Water Associates LLC for Flowmeters Installation NK-613

Project

RECOMMENDED MOTION:

"Authorize the General Manager to award a contract to Water Associates LLC for Flowmeters Installation NK-613 Project in an amount not-to-exceed \$631,160.31."

DISCUSSION:

At the October 15, 2019 meeting, the Board authorized the General Manger to reject the bid for the second time from A-C Electric Company for the work related to the Phase 2 of the Water Delivery Improvements project and directed staff to rebid the project. Phase 2 of the project includes installation of water meters, groundwater level sensors, power usage measurement devices and canal water level sensors and the necessary instrumentation and SCADA system to transmit the data back to the District office.

Staff worked with the District's legal counsel and directed GEI Consultants ("GEI") to rebid for the third time the WDI project in three parts (PLC-NK-615, Flowmeters-NK-613 and Electrical-NK-614) to get better pricing and construct a portion of the project (such as flowmeters) if the price is favorable.

At the December 10, 2019 meeting, the Board authorized staff to award a contract to the lowest qualified provider for the NK-615 PLC Control panels project. Subsequent to the December meeting, staff awarded the contract for NK-615 project to South Coast Controls and their estimated price to complete the project was \$731,000 (about \$154,000 lower than the authority provided by the Board).

Bid specifications for the Flowmeters-NK-613 project was published on December 11th, 2019 and the bid pricing from the contractors was publicly opened on January 15th, 2020.

Engineering Committee Award of Contract to Water Associates LLC for Flowmeters Installation NK-613 Project January 21, 2020 Page 2 of 2

GEI and the District's legal counsel reviewed the proposals for correctness and completeness. Exhibit "A" is the "Analysis and Recommendation of Award of Contract" provided by GEI. Staff recommends that the Board concur with GEI's recommendation and award the contract to Water Associates LLC for the Flowmeters-NK -613 project in an amount not-to-exceed \$631,160.31 (\$24,000 lower than the engineers estimate).

Exhibit "A" – Analysis and Recommendation of Award of Contract from GEI



Geotechnical Environmental Water Resources

Ecological

January 16, 2020

Board of Directors

North Kern Water Storage District

33380 Cawelo Extended Bakersfield, CA 93308

Members of the Board:

Re: Analysis and Recommendation for Award of Contract North Kern Water Storage District Specifications No. NK-613 Procurement and Installation of Flowmeters

GEI has reviewed six (6) bid proposals for the subject project which were received and publicly opened at the District's office on January 15th, 2020. The project was advertised for sealed bids from December 11th, 2019 through January 15th, 2020. GEI's analysis and recommendation for award is presented herein.

The six (6) proposals received are shown in detail on the attached abstract of bids and are summarized as follows:

<u>Bidder</u>	Bid Amount
Water Associates LLC	\$ 631,160.31
Zim Industries, Inc. dba	
Bakersfield Well and Pump Co.	\$ 660,355.00
Cal Prime, Inc.	\$ 695,446.00
S.A. Camp Pump & Drilling Co.	\$ 760,780.00
W.M. Lyles Co.	\$ 786,436.00
Cora Contractors, Inc.	\$ 796,300.00

As part of the proposal evaluation process, GEI reviewed Water Associates LLC's (Water Associates) proposal to determine if they submitted a "responsive" bid and to determine whether they are a "responsible" bidder. With regards to the evaluation of bid "responsiveness", Water Associates' bid proposal documents were reviewed and determined that all required forms were submitted and appear to be properly completed. In this regard, Water Associates' bid proposal is in conformance with the bidding provisions of the Contract Documents and is a "responsive" bid.

With regards to "bidder responsibility", the subject project Contract documents require that the Contractor list at least three projects completed in the last ten years that are similar in scope and complexity. Water Associates listed three project references and based upon inspection of the list of projects, GEI confirmed that the projects were relevant to the scope of this project.

One of their referenced projects was with neighboring Semitropic Water Storage District, performing very similar work, if not on a larger scale, which indicates a capability to do the work well in conjunction with public entities. All references contacted were satisfied with the work that Water Associates had provided and would recommend them for future projects.

Accordingly, GEI is not aware of any reason that Water Associates should not be able to perform satisfactorily on the subject Project. In this regard, it is recommended that Water Associates be awarded the Contract.

Sincerely,

Sam Schaefer Enclosure

cc: Alan Doud, Young Wooldridge, LLP

Samuel W. Schaefer

NORTH KERN WATER STORAGE DISTRCT Board Meeting

Agenda Item 7A



Sustainable Groundwater Management Act (SGMA) Status Update

January 2020

Kern Groundwater Authority (KGA)

See attached KGA Memorandum – Accomplishments and Forward Work Plan (January 15, 2020)(Exhibit "A").

Groundwater Sustainability Plan (GSP) (must be submitted to State by January 31, 2020)

The draft of the North Kern/Shafter-Wasco (SWID) "Management Area Plan" (MAP) was approved by both districts Boards in early December and was subsequently adopted by the KGA Board for inclusion in the KGA GSP on December 18th. At their meeting on January 15th, the KGA Board held a public hearing and adopted the KGA GSP for submittal to DWR.

Staff, SWID and GEI have been working with KGA and other districts to complete actions necessary to submit the MAP and GSP. These actions include completion of "templates" required by DWR and uploading monitoring network information (including well construction information). Initial discussions regarding plan implementation tracking and coordination are also occurring.

We are also working with GEI to develop information necessary for the initial annual report submittal by April 1st (Todd Groundwater is under contract to prepare the annual report for all of the GSAs in the Kern Subbasin). This information focuses on providing local water supply and use data for water years 2016 to 2019.

Finally, we have had some initial discussions with the cities (Shafter and Wasco) on the MAP implementation process and coordination.

Communications

The North Kern Landowner Advisory Committee last met on November 12th. The Committee generally decided to continue to hold meetings during Plan implementation, potentially on a quarterly basis.

Kern River Miller-Haggin Groundwater Group

Certain Kern River interests are working collaboratively on developing additional information to assist their implementation of SGMA.



Memorandum

To:

Kern Groundwater Authority Board of Directors

From:

Patty Poire, Planning Manager

Date:

January 15, 2020

Subject:

Accomplishments and Forward Work Plan

Accomplishments

- Continued to hold manager/GSAs meetings finalizing and coordinating all the required items under SGMA for GSAs to move forward with approvals from their Boards in December.
- Held managers/GSA meeting on beginning the process of submitting GSPs for the Kern subbasin
- Attended DWR/State Water Board workshop on submittal process and implementation of the GSPs
- SGMA Presentation to Building Healthy Communities
- Prepared and held a KGA Executive Committee meeting on the Coordination Agreement and Appendices
- Conference Call with DWR Taryn Ravazzini Coordination Agreement
- Prepared and held the Kern SGMA GSA Coordination Committee Meeting
- Conference call with DWR Matt Owens to discuss the submittal process of the KGA GSP
- Continue to work with water districts/members to update the non-districted lands map reflecting the KGA boundary resulting from the letters mailed at the end of May
- Continued handling calls from non-districted landowners who received the KGA letter
- Presentation to the Kern County Farm Bureau on SGMA, management area plans, and modeling results
- · Participated in the San Joaquin Valley Water Blueprint Meeting
- Receipt of Prop 1 Grant funds first submittal. Working with Marinelle on setting up distribution to members when checks are received.
- Water Efficiency Grant submittal for extension and amendment for remote sensing dataset

Forward Work Plan

- Begin work on the boundary adjustment including Arvin-Edison, Wheeler Ridge and Tejon Castac formation of GSAs
- Continue the conversation with Bill Lyons, Ag Liaison to Governor Newsom on SGMA issues
- Hold regular monthly Stakeholder meetings to encourage engagement with the implementation of the GSP