

BOARD OF DIRECTORS
North Kern Water Storage District
Minutes of the Regular Board Meeting of October 21, 2025

A Meeting of the Board of Directors of North Kern Water Storage District was in person - commencing at 7:00 a.m., on October 21, 2025.

President Andrew declared a quorum was present and called the meeting to order. The following Directors were present: Kevin Andrew, Joel Ackerknecht, Robert Holtermann and Monte Mitchell Others present: David Hampton (General Manager), Ram Venkatesan (Deputy General Manager), Marinelle Duarosan (Controller) and Christy Castaneda (Administrative Assistant) of North Kern Water Storage District, Scott Kuney, Brett Stroud, Mark Bateman and Alan Doud of Young Wooldridge, Guests present: Stephanie Hearn, Art Chianello and John Gaugel.

President Andrew called the meeting to order at 7:01 am and opened the floor for Public Comments. At this time, there were none.

Board of Directors –

- (25-97) Upon motion of Director Holtermann, seconded by Director Ackerknecht and unanimously carried, to approve the minutes from September 16, 2025, Regular Board Meeting.
(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)

Consent Calendar –

Consent Calendar included the following:

- A. District Groundwater Levels
- B. PG&E Monthly Analysis
- C. District Exchange Balances
- D. Operations Report

- (25-98) Upon motion of Director Ackerknecht, seconded by Director Holtermann and unanimously carried, to approve the Consent Calendar.
(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)

General Informational Items –

Watermaster Chianello reported that Onyx Ranch irrigation activities had halted and Rosedale Rio-Bravo WSD contacted the City of Bakersfield to inform them that the water exchange operation was suspended for 7 days due to rainfall on October 14th. Mr. Chianello also indicated that work on an annual ditch cleaning with the Department of Fish and Wildlife has been scheduled and are expecting to be off for a couple of weeks for maintenance. Further, Mr. Chianello stated that, on behalf of Buena Vista Water Storage District, he sent Jenifer Fromm with U.S. Army Corps of Engineers a request for additional Lake Isabella winter storage carry-over on October 6th and has not received a response.

Kern River Watershed Coalition Authority/Kern Water Collaborative Update – No report at this time.

Financial Matters –

- (25-99) Upon motion of Director Mitchell, 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 September as presented.
(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)

- (RR25-100) Upon motion of Director Mitchell, 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 September as presented.
(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)

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

- (25-101) Upon motion of Director Mitchell, seconded by Director Ackerknecht and unanimously carried, to approve payment of the Accounts Payable balance for the North Kern Water Storage District for the month of September as presented.
(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)
- (RR25-102) Upon motion of Director Mitchell, seconded by Director Ackerknecht and unanimously carried, to approve payment of the Accounts Payable balance for the Rosedale Ranch Improvement District for the month of September as noted.
(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)

Consulting District Engineer – Mrs. Hearn provided an update on the following:

Project Summary – the design team is in process of completing the 90% Design for the 2022 DRP program and closing out the project for the 2018/2020 DRP.

Status of Grants – Mrs. Hearn stated that with respect to the IRWMP program, DWR is officially transitioning to a Watershed Grant Program. She indicated that they still must continue to work to stay in compliance with IRWMP for the next year so that they can transition that compliance to the Watershed Program.

Mrs. Hearn reported that they are waiting to receive more information on Prop 4 grant guidelines. She indicated that obtaining funding for this program has been more challenging than expected.

Budget & Personnel Committee –

- (24-103) Upon motion of Director Ackerknecht, seconded by Director Mitchell and unanimously carried, to approve the 2024 RRID Final "True-Up" reconciliation as presented. The District will maintain the current monthly estimated Allocations reimbursements of \$16,000 per month and RRID to reimburse NKWSD for additional 2024 costs.
(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)

Controller Duarosan discussed and presented an updated calculation of the Rate Stabilization Reserve account reflecting actuals from the 2024 audit. She indicated that, based on actual net variable revenue over variable costs (Revenue minus Expenses), there would be a potential addition to the Reserve of \$7.4M for 2024. She reported that the District's current operational unrestricted account balance has sufficient balance to fund the entire \$7.4M and transfer it to the Rate Stabilization Reserve. The Directors proposed transferring the full \$7.4M of available funds to the Rate Stabilization Reserve. In addition, Controller Duarosan also noted and reminded the Board that for 2023, the District was unable to fund a total of \$860K out of the calculated \$8.860M of additional reserve due to cash flow restrictions due to the TCP project. It was discussed that the \$860K, which was previously collected through water toll charges, be characterized

and transferred to offset the 2025 Base Service Charges to minimize the impact of increased BSC rates.

- (24-104) Upon motion of Director Ackerknecht, seconded by Director Mitchell and unanimously carried, to approve Controller Duarosan to transfer \$7.4M to the Rate Stabilization Reserve account and to offset \$860K against increases in the 2025 BSC rates.

(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)

- (25-105) Upon motion of Director Ackerknecht, seconded by Director Holtermann and unanimously carried, to approve the Engineers Report – Year 2025 Base Service Charges for NKWSD and to approve Resolution #25-105 Fixing Base Service Charges to be collected for the services rendered by the District, ordering adoption of a preliminary roll and rates and setting of noticed hearing, and the mailing of letter to landowners with respect to the 2025 Base Service Charges.

(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)

- (RR25-106) Upon motion of Director Ackerknecht, seconded by Director Holtermann and unanimously carried, to approve the Engineers Report – Year 2025 Base Service Charges for RRID and to approve Resolution #RR25-106 Fixing Base Service Charges to be collected for the services rendered by the District, ordering adoption of a preliminary roll and rates and setting of noticed hearing, and the mailing of letter to landowners with respect to the 2025 Base Service Charges with noted correction on the Engineering Report.

(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)

Engineering Committee –

- (25-107) Upon motion of Director Mitchell, seconded by Director Ackerknecht and unanimously carried to Approve the General Manager to execute the second amendment to Task Order 21-11 with GEI Consultants for construction management and well improvement support services for the Long-Term TCP project for a budget amount not-to-exceed \$10,000.

(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)

- (25-108) Upon motion of Director Ackerknecht, seconded by Director Mitchell and unanimously carried to Approve the General Manager to execute an amendment to Task Order 24-08 with GEI Consultants for the completion of the Water Delivery Improvements Project for a budget amount not-to-exceed \$55,000.

(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)

Groundwater Committee –

General Manager Hampton stated that The State Board adopted the resolution sending the Kern Subbasin back to DWR, provided that the final adopted GSPs were consistent with the changes represented to the plans. When DWR officially receives a letter notification regarding the State Board's determination, the Kern Subbasin will work with DWR during their review process and upload the final documents to the DWR SGMA Portal.

The Subbasin will need to complete several items that include completing certain data gap tasks, such as updating the well inventory and selecting existing wells to fill data gaps by the end of 2025. Also, the Annual reports are due by April 1, 2026. These are the next critical milestones.

(25-109) Upon motion of Director Ackerknecht, seconded by Director Holtermann and unanimously carried to Approve the Kern Subbasin technical consultant scopes of work (SOWs) to complete GSP related tasks for the remainder of the 2025 calendar year and certain 2026 first quarter tasks, for a total of \$726,925 and authorize North Kern WSD GSA's cost share not to exceed 1/22nd of the total which is \$33,042.

(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)

(25-110) Upon motion of Director Ackerknecht, seconded by Director Holtermann, and unanimously carried to Approve the Land IQ scope of work (SOW) for Evapotranspiration (ET) analysis services for a period of three years, beginning April 2025 through March 2028, for an average monthly fee of \$4,667 per month.

(Ayes: Andrew, Ackerknecht, Mitchell & Holtermann, Noes: None, Absent: Glende, Abstain: None)

Produced Water Ad Hoc Committee – No report at this time.

Negotiating Committee – No report at this time.

Counsel of District – No report at this time.

Rosedale Ranch – No report at this time.

General Manager's Report – No report at this time.

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

A. CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION

(Govt. Code Section 54956.9(a) and (d)(1))

- (i) North Kern Water Storage District v. City of Bakersfield
(VCSC #56-2011-00408712-CU-CO-VTA)
- (ii) State Water Resources Control Board, Administrative Hearing Office
Adjudicative Hearing on Pending Applications 31673, 31674, 31675, 31676,
31677, and 31819
- (iii) North Kern Water Storage District v. Rosedale Estates
(BCV-24-101361)
- (iv) Bring Back the Kern et al. v. City of Bakersfield (Defendant/Respondent) and
Buena Vista Water Storage District et al. (Real Parties in Interest)
(BCV-22-1030220)

B. CONFERENCE WITH LEGAL COUNSEL -ANTICIPATED LITIGATION

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: two case

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, David Hampton

The above legal grounds were determined to exist based on advice of counsel, and discussion of such matters in an Open Session would cause prejudice to the District. The Board went into Closed Session at 8:25 a.m. The Board reconvened back into the open session at 9:20 a.m.

Respectfully Submitted,

David Hampton, General Manager

Approved by Board
November 18, 2025

Kevin Andrew, President