KERN COUNTY WATER AGENCY

Stuart T. Pyle Water Resources Center
3200 Rio Mirada Drive
Bakersfield, California 93308

CORRECTED VERSION TO ADD WATER RESOURCES COMMITTEE ITEM 5.A. REGARDING GROUNDWATER BANKING, WHICH WAS INADVERTENTLY DELETED FROM THE FINAL DRAFT AGENDA

Notice of
BOARD OF DIRECTORS MEETING

July 23, 2026

Conference Line: +1(669)444-9171
Meeting ID: 915 6345 2292
Passcode: 524037

Join Zoom Meeting
https://kcwa.zoom.us/j/91563452292
Meeting ID: 915 6345 2292

AGENDA

I. Call to order – 12:00 p.m.

II. Report of the General Counsel

A. Authorization for Closed Session regarding:

1. Conference with Legal Counsel – Existing Litigation
(Government Code section 54956.9, subdivision (a)):

a. Applications Filed for Kern River Water

b. California Department of Water Resources v. All Persons Interested in the Matter of the Contract Extension Amendments

c. North Coast Rivers Alliance, et al. v. California Department of Water Resources (COA CEQA)

d. Rosedale-Rio Bravo Water Storage District, *et al.* v. Kern County Water Agency, *et al.* (CVC Issues)

e. Kern Delta Water District, *et al.* v. Rosedale-Rio Bravo Water Storage District (Onyx CEQA)

f. Rosedale-Rio Bravo Water Storage District v. Buena Vista Water Storage District, *et al.* (Onyx Water Rights)

g. California Sportfishing Protection Alliance, *et al*. v. California State Water Resources Control Board, *et al*., Sacramento County Superior Court, Case No. 34-2021-80003761 (2021 Order Re Temporary Urgency Change Petition)

h. California Sportfishing Protection Alliance, *et al*. v. State Water Resources Control Board, *et al*., Sacramento County Superior Court, Case No. 34-2021-80003763 (2021 Order Re Shasta Temporary Management Plan)

i. California Water Impact Network v. Department of Water Resources, Sacramento County Superior Court Case No. 34-2020-80003492; North Coast Rivers Alliance v. Department of Water Resources, Sacramento County Superior Court Case No. 34-2020-80003491 (Water Management Tools)

j. Pacific Coast Federation of Fishermen's Associations, *et al*. v. Ross,., E.D. Cal., Case No. 1:20-cv-00431 & California Natural Resources Agency, *et al*. v. Ross, *et al*., E.D. Cal., Case No. 1:20-cv-00426 (Long-term Operations)

k. State Water Board Cases, Sacramento County Superior Court Case No. JCCP 5013 (Water Quality Control Plan Phase 1 Litigation)

l. Oroville Dam Cases, Sacramento County Superior Court Case No. JCCP 4974

m. Temporary Applications Filed for Kern River Water

n. Bring Back the Kern, *et al.* v. City of Bakersfield, *et al.*, Kern County Superior Court Case No. BCV-22-103220

o. Delta Conveyance Project Litigation, Court Case No. 24WM000017

p. California Sportsfishing Alliance, et al. v. California Department of Water Resources and California Department of Fish and Wildlife, et al., Sacramento County Superior Court Case No. 24WM000181; Tehama-Colusa Canal Authority, et al. v. California Department of Water Resources and California Department of Fish and Wildlife, et al., Sacramento County Superior Court Case No. 24WM000183; San Francisco Baykeeper, et al. v. California Department of Water Resources, Sacramento County Superior Court Case No. 24WM000185; and Central Delta Water Agency and South Delta Water Agency v. California Department of Water Resources, Sacramento County Superior Court Case No. 24WM000186 (2024 Incidental Take Permit Litigation)

q. Mass X, Inc. v. Kern County Water Agency, et al., Kern County Superior Court Case No. BCV-24-104394

2. Conference with Legal Counsel – Anticipated Litigation: Significant exposure to litigation: (Government Code section 54956.9, subdivision (d)(2)):

a. Four potential suits

3. Conference with Real Property Negotiator (Government Code section 54956.8):

a. Negotiator: General Manager / Water Resources Manager
Property: State Water Project Water
Parties: California Department of Water Resources and State Water Project Contractors
Under Negotiation: Price & Terms

III. Closed Session Report

IV. Directors' Forum

V. Public Comment
Anyone may comment on any subject within Agency jurisdiction whether or not it is on the agenda. Time for such comment may be limited.

VI. Consent Agenda Items
The following items are routine and will be approved collectively without discussion, unless a Board member or staff member (who has raised that issue with the Board President prior to the start of the meeting) requests that an item be removed for separate consideration:

A. <u>CONSENT AGENDA</u>

1. Minutes of Board Meetings and Committee Meetings –
Regular Board Meeting June 25, 2026
Special Board Meeting July 1, 2026

2. Payment of the Bills

3. Authorization to Publish the Notice of Public Hearing for the Fiscal Year 2027-28 Zones of Benefit

4. Authorization to Execute Amendment No. 1 to Agreement Among the Department of Water Resources of the State of California, Antelope Valley East-Kern Water Agency, Kern County Water Agency and the Metropolitan Water District of Southern California for a Short-Term Transfer and Storage of a Portion of Antelope Valley East-Kern Water Agency's State Water Project Table A Water in Irvine Ranch Water District's Groundwater Banking Program, SWP #23024-A

5. Authorization to Adopt a New Resolution Requesting Consolidation of Kern County Water Agency Election with the Kern County General Elections

6. Adoption of an Electronic Records Policy and Amendment to the Records Retention Schedule

7. Consideration of the Kern County Water Agency Travel, Expense and Vehicle Use Policy

8. Setting of the Financial Reserves for Fiscal Year 2026-27

VII. Board Committee Reports

The following items will be discussed in detail at the meeting and may result in appropriate action being taken relating to the subject matter (such action may or may not conform to any staff recommended action):

A. **ADMINISTRATIVE OPERATIONS COMMITTEE** – Director Johnson, Chair

1. Financial Report

2. Treasury Report

3. Report of the General Manager

   a. Kern County Water Agency Strategic Plan

   b. 2026 Goals and Objectives for the Kern County Water Agency

   c. Kern County Water Agency Strategic Staffing Plan

B. **STATE WATER PROJECT POLICY COMMITTEE** – Director Cattani, Chair

1. Update on Delta Conveyance Activities

   a. Consideration and possible Approval of Resolution No. 45-26, a Resolution of the Board of Directors of Kern County Water Agency: (1) Authorizing the General Manager to Enter into Amendment No. 2 to the Contract Between Kern County Water Agency and its Member Units for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project; (2) Authorizing the General Manager to Enter into a Funding Agreement with the Department of Water Resources for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project; and (3) Authorizing the General Manager to Execute a Letter Setting Forth the Agency's Agreement to Advance or Contribute Additional Money to the Department of Water Resources for the Agency's Share of the Delta Conveyance Project Planning and Pre-Construction Costs for Calendar Years 2026-2027 including its 8,000 acre-feet share with funds expended from the Water Management Fund

2. Update on Legislative Activities

3. State Water Project Policy Activities

   a. Report on the State Water Contractors Board Meeting

   b. Report on the State Water Contractor Meetings

   c. Report on 2026 State Water Project and Central Valley Project Allocations and Operations

4. Authorization to Execute an Agreement for the State Water Project Audit for Fiscal Year 2026-27

C. **WATER RESOURCES COMMITTEE** – Director Fast, Chair

1. Report of the Water Resources Manager

2. Consideration and Possible Approval of Water Supply Agreement with Western Hills Water District and Authorizing the General Manager to Execute that Agreement

3. Update on Golden Mussels

   a. Emergency Action Regarding Golden Mussels

   b. Update on the Kern County Water Agency's Response to Local Golden Mussel Detections

4. Local State Water Project

   a. Report on 2026 Local State Water Project Operations and Water Transfers, Exchanges and Purchases

   b. Setting of the Fiscal Year 2026-27 Zones of Benefit Assessments

5. Groundwater Banking

   a. Report on 2026 Water Banking Operations

D. **CROSS VALLEY CANAL COMMITTEE** – Director Lundquist, Chair

1. Report of the Water Resources Manager

2. Report on the Cross Valley Canal Advisory Committee

3. Report on Cross Valley Canal Operations and Deliveries

E. **IMPROVEMENT DISTRICT NO. 4 COMMITTEE** – Director Wulff, Chair

1. Report on Urban Bakersfield Advisory Committee

2. Report on the Kern River Groundwater Sustainability Agency Meeting

3. Report on Kern Water Bank Activities

4. Report on the Improvement District No. 4 2026 Water Supply and Management Plan

5. Report on the Henry C. Garnett Water Purification Plant

F. **ENGINEERING AND GROUNDWATER SERVICES COMMITTEE** – Director Kroeker, Chair

1. Update on Construction/Maintenance Projects

VIII. Correspondence

IX. Brief Report on Potential New Business

X. Adjournment

DECLARATION OF POSTING: I declare under penalty of perjury, that I am employed by the Kern County Water Agency and that I posted the foregoing Corrected Agenda at the Agency Office on July 21, 2026.

Stephanie N. Prince, Board Secretary

Requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Secretary in advance of the meeting to ensure availability of the requested service or accommodation.

Consent Agenda

Minutes of Board Meetings and Committee Meetings

June 25, 2026

The Board of Directors (Board) of the Kern County Water Agency (Agency) conducted its regular meeting of the Board at the hour of 12:00 p.m., at the Stuart T. Pyle Water Resources Center, 3200 Rio Mirada Drive, in Bakersfield, California and via teleconference and Zoom.

Present Directors:	President Martin Milobar, Vice President Gene A. Lundquist, Directors Royce Fast, Charles (Bill) W. Wulff, Jr., Laura Cattani, Tamara Johnson and Jay Kroeker
Absent Directors:	None
Present for the Agency:	Eric Averett, General Manager Craig Wallace, Assistant General Manager, participated via Zoom Stephanie N. Prince, Board Secretary James D. Ciampa, Lagerlof, LLP
Present for the Member Units:	Mark Gilkey, Belridge Water Storage District, Berrenda Mesa Water District and Lost Hills Water District Jamie Marquez, Belridge Water Storage District, Berrenda Mesa Water District and Lost Hills Water District Amrit Mangat, Buena Vista Water Storage District Dave Halopoff, Cawelo Water District Wes Shryock, Improvement District No. 4 Richard Iger, Kern Delta Water District Steven Teglia, Kern Delta Water District Dan Bartel, Rosedale-Rio Bravo Water Storage District Gary Unruh, Rosedale-Rio Bravo Water Storage District Barry Watts, Rosedale-Rio Bravo Water Storage District Jason Gianquinto, Semitropic Water Storage District Larry Rodriguez, Semitropic Water Storage District Greg Hammett, West Kern Water District Eric McDaris, Wheeler Ridge-Maricopa Water Storage District

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President Milobar called the meeting to order at 12:01 p.m.

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DRAFT

Subject: Report of the General Counsel

General Counsel, Jim Ciampa of Lagerlof, LLP, advised the Board of the need for closed session, and the following motion was made:

Action: Director Wulff made a motion and Director Kroeker seconded that, upon advice of legal counsel, the Board finds that there is need for discussion of items as stated in the agenda pursuant to the authorities set forth in the agenda and therefore approves a closed session to be convened on this day at the beginning of the Board meeting.

Ayes:	Fast, Wulff, Lundquist, Cattani, Johnson, Kroeker and Milobar
Noes:	None
Absent:	None

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President Milobar adjourned the meeting to closed session at 12:03 p.m.

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President Milobar adjourned closed session at 12:59 p.m.

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President Milobar reconvened the meeting to open session at 1:06 p.m.

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Subject: Closed Session Report

Mr. Ciampa reported that no reportable actions were taken in closed session.

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Subject: Public Hearing

The public hearing on Vacancy Disclosure within the Kern County Water Agency (AB 2561), originally noticed for June 25, 2026, was continued to July 1, 2026.

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DRAFT

Subject: Public Hearing

The public hearing on Continued Public Hearing and Adoption of the Proposed Fiscal Year 2026-27 Budget originally noticed for June 25, 2026, was continued to July 1, 2026.

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Subject: Directors' Forum

None.

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Subject: Public Comment

Kelly Damian, President of Bring Back the Kern, voiced concerns regarding flows in the Kern River and discussed the importance of maintaining adequate river flows.

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Subject: Consent Agenda Items

The Consent Agenda items are routine and will be approved collectively without discussion, unless a Board member or staff member (who has raised that issue with the Board prior to the start of the meeting) requests that an item be removed for separate consideration.

Action: Director Lundquist made a motion and Director Kroeker seconded to approve the Consent Agenda as presented, including Resolution Nos. 25-26 through 29-26, and 34-26 through 35-26 with a roll call vote taken for the resolutions as required.

Roll call vote:	Ayes:	Fast, Wulff, Lundquist, Cattani, Johnson, Kroeker and Milobar
	Noes:	None
	Absent:	None

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Subject: Administrative Operations Committee

Nick Pavletich provided an update on the Financial Report.

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DRAFT

Action: Director Johnson made a motion and Director Lundquist seconded to adopt Resolution No. 30-26 authorizing a $750,000 withdrawal from the Kern County Water Agency's account in the California Employers' Retiree Benefit Trust Fund to offset costs associated with the Kern County Water Agency's Other Post-Employment Benefits.

Roll call vote: Ayes: Fast, Wulff, Lundquist, Cattani, Johnson, Kroeker and Milobar

Noes: None

Absent: None

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Action: Director Fast made a motion and Director Lundquist seconded to adopt Resolution No. 31-26 authorizing a $5,000,000 deposit into the California Employers' Pension Prefunding Trust Fund for the purpose of setting aside and investing money toward the unfunded liability associated with the Kern County Water Agency's employer contributions to Kern County Employees Retirement Association defined benefit pension system.

Roll call vote: Ayes: Fast, Wulff, Lundquist, Cattani, Johnson, Kroeker and Milobar

Noes: None

Absent: None

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Eric Averett presented an overview of the Kern County Water Agency's Fiscal Year 2026–2029 Workforce Staffing Plan.

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Subject: State Water Project Policy Committee

Craig Wallace provided an update on Delta Conveyance activities.

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Craig Wallace provided an update on Legislative Activities.

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Craig Wallace provided an update on State Water Contractors Board and Contractor meetings.

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Craig Wallace provided a report on 2026 State Water Project and Central Valley Project allocations and operations.

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Action: Director Cattani made a motion and Director Fast seconded to authorize the General Manager to sign and submit a letter supporting the Association of California Water Agencies' *Vision for Our Water Future* recommendations and affirming the Kern County Water Agency's commitment to advancing reliable, affordable, and resilient water supplies, as described in the June 25, 2026 Staff Memorandum to the State Water Project Policy Committee, Agenda Item No. 4.

Ayes: Fast, Wulff, Lundquist, Cattani, Johnson, Kroeker and Milobar

Noes: None

Absent: None

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Subject: Water Resources Committee

Lauren Bauer provided an update on local operations and deliveries, including water quality monitoring and water level testing.

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Action: Director Fast made a motion and Director Johnson seconded to continue the emergency action regarding golden mussels, as outlined in the June 25, 2026 staff memorandum to the Water Resources Committee, Agenda Item No. 2a.

Ayes: Fast, Wulff, Lundquist, Cattani, Johnson, Kroeker and Milobar

Noes: None

Absent: None

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Monica Tennant provided an update on the Kern County Water Agency's Response to Local Golden Mussel Detections.

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Chelsea Palmer provided a report on 2026 Local State Water Project Operations and Water Transfers, Exchanges and Purchases.

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Micah Clark provided a status report on 2026 water operations, and Michelle Anderson provided information regarding the current water levels in the aquifer.

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Action: Director Fast made a motion and Director Cattani seconded to authorize the Water Resources Manager to consent to Revision No. 2 to the Pioneer Project Recharge Plan, contingent upon the prior approval of the Revision by the Recharge Participants, subject to approval of General Counsel as to legal form, as outlined in the June 25, 2026, staff memorandum to the Water Resources Committee, Agenda Item No. 4b.

Ayes: Fast, Wulff, Lundquist, Cattani, Johnson, Kroeker and Milobar

Noes: None

Absent: None

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Michelle Anderson provided an update on the Pioneer Groundwater Sustainability Agency.

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Action: Director Fast made a motion and Director Lundquist seconded to adopt the Kern Subbasin Exceedance Policy and associated Action Plan for Land Subsidence – Version 2.0 (June 2026) on behalf of the Pioneer Groundwater Sustainability Agency as outlined in the June 25, 2026, staff memorandum to the Board of Directors, Agenda Item No. 5b.

Ayes: Fast, Wulff, Lundquist, Cattani, Johnson, Kroeker and Milobar

DRAFT

Noes: None

Absent: None

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Michelle Anderson provided an update on the Kern Non-Districted Lands Authority meeting

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Action: Director Fast made a motion and Director Wulff seconded to approve the following actions, subject to approval of General Counsel as to legal form, as outlined in the June 25, 2026 staff memorandum to the Water Resources Committee, Agenda Item No. 6: a) Approve a membership in the South Valley Water Resources Authority for the Kern County Water Agency and Improvement District No. 4; b) Approval of the associated Admission Agreements for Kern County Water Agency and Improvement District No. 4; and c) Approval of the South Valley Water Resources Authority Activity Agreement for the Feasibility Analysis of the Fish Friendly Diversions Project.

Ayes: Fast, Wulff, Lundquist, Cattani, Johnson, Kroeker and Milobar

Noes: None

Absent: None

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Subject: Cross Valley Canal Committee

Lauren Bauer reported that Field Operations staff completed extensive Golden Mussel inspection and cleaning activities throughout the Cross Valley Canal (CVC).

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Lauren Bauer reported that the CVC Advisory Committee met on Wednesday, June 24, 2026, and Directors Fast, Kroeker, Lundquist, Milobar, and Wulff attended the meeting.

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Kayla Hickey provided a report on CVC operations and deliveries.

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DRAFT

Action: Director Lundquist made a motion and Director Wulff seconded to terminate the emergency action regarding the Cross Valley Canal River Turnout No. 3 Secondary Turnout, as outlined in the June 25, 2026 staff memorandum to the Cross Valley Canal Committee, Agenda Item No. 4.

Ayes: Fast, Wulff, Lundquist, Cattani, Johnson, Kroeker and Milobar

Noes: None

Absent: None

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Subject: Improvement District No. 4 Committee

Mr. Shryock provided updates on federal funding for the expansion of the laboratory at the Henry C. Garnett Water Purification Plant, the Property Improvement Plan, and the Golden Mussel Strategy.

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Wes Shryock reported that the Urban Bakersfield Advisory Committee met on Wednesday, June 24, 2026, and Directors Kroeker, Lundquist, Milobar, and Wulff attended the meeting.

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Wes Shryock reported on the Kern River Groundwater Sustainability Agency meeting.

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Wes Shryock provided a report on Kern Water Bank Activities.

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Wes Shryock provided an update on the Improvement District No. 4 Water Education Program.

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Veronica Arreola provided a report on the Improvement District No. 4 2026 water supply and management plans.

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Gabriel Ornelas provided a report on the Henry C. Garnett Water Purification Plant.

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DRAFT

Action: Director Wulff made a motion and Director Fast seconded to adopt Resolution No. 32-26, which adopts the Revised Improvement District No. 4 Financial Plan and directs Kern County Water Agency staff to implement the guidelines contained therein.

Roll call vote: Ayes: Fast, Wulff, Lundquist, Cattani, Johnson, Kroeker and Milobar

Noes: None

Absent: None

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Subject: Engineering and Groundwater Services Committee

J.T. Gardiner provided an update on construction/maintenance projects.

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Action: Director Kroeker made a motion and Director Lundquist seconded to authorize execution of a contract for the design of the Input/Output Card Modernization Project at the Cross Valley Canal Pumping Plants for an amount not to exceed $400,000, subject to approval of General Counsel as to legal form, as outlined in the June 25, 2026 staff memorandum to the Engineering and Groundwater Services Committee, Agenda Item No. 2.

Ayes: Fast, Wulff, Lundquist, Cattani, Johnson, Kroeker and Milobar

Noes: None

Absent: None

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Action: Director Kroeker made a motion and Director Cattani seconded to adopt Resolution No. 33-26 authorizing the Water Resources Manager to execute the Notice of Award for the North Pioneer West Basin Levee Reconstruction Project – Contract No. KCWA 2026-02.

Roll call vote: Ayes: Fast, Wulff, Lundquist, Cattani, Johnson, Kroeker and Milobar

Noes: None

Absent: None

DRAFT

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Subject: Correspondence

A California Farm Water Coalition report was included in the board packet for review.

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Subject: New Business

None.

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President Milobar adjourned the meeting at 2:57 p.m.

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Minutes approved by the Board of Directors of the Kern County Water Agency this 23rd day of July, 2026.

BOARD OF DIRECTORS OF THE
KERN COUNTY WATER AGENCY

By: _____
President

ATTEST:

By: _____
Board Secretary

DRAFT

The Board of Directors (Board) of the Kern County Water Agency (Agency) conducted its special meeting of the Board at the hour of 9:00 a.m., at the Stuart T. Pyle Water Resources Center, 3200 Rio Mirada Drive, in Bakersfield, California and via teleconference and Zoom.

Present Directors:	President Martin Milobar, Vice President Gene A. Lundquist, Directors Royce Fast, Charles (Bill) W. Wulff, Jr., Laura Cattani (participated remotely from 14600 Malaga Rd., Bakersfield, CA 93307), and Jay Kroeker
Absent Directors:	Director Tamara Johnson
Present for the Agency:	Eric Averett, General Manager Craig Wallace, Assistant General Manager, participated via Zoom Stephanie N. Prince, Board Secretary James D. Ciampa, Lagerlof, LLP, participated via Zoom
Present for the Member Units:	Wes Shryock, Improvement District No. 4 Steven Teglia, Kern Delta Water District Becky Ortiz, Semitropic Water Storage District

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President Milobar called the meeting to order at 9:01 a.m.

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Subject: Directors' Forum

None.

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Subject: Public Comment

None.

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Subject: Public Hearing

A public hearing was held in compliance with Assembly Bill 2561, which took effect January 1, 2025. The hearing was continued from June 25, 2026. Christina Van Meter, Human Resources Manager, provided a presentation on the Agency's Annual Vacancy Report Pursuant to Government Code Section 3502.3. No public comments were received in response to that report.

The Directors then discussed the proposed Annual Vacancy Report, including Agency vacancies, recruitment and retention efforts, and potential changes to policies, procedures, and recruitment activities. Staff responded to Director inquiries and provided additional clarification.

DRAFT

Action: Director Fast made a motion and Director Kroeker seconded to close the public hearing on the Agency's vacancy disclosure report pursuant to AB 2561, all offered evidence having been received, and to receive and file that report, as presented.

Roll call vote:	Ayes:	Fast, Wulff, Lundquist, Cattani, Kroeker and Milobar
	Noes:	None
	Absent:	Johnson

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Subject: Public Hearing

A continued public hearing was held by the Board of Directors of the Kern County Water Agency regarding the Proposed Fiscal Year 2026-27 Kern County Water Agency Budget. The hearing was continued from June 25, 2026. Audrey Garcia, Business Manager for the Agency, presented some minor changes to the Proposed Budget, which had previously been admitted as Exhibit 2 on this matter. Those changes were marked as "Exhibit A" to Resolution No. 24-26 and were marked as Exhibit 3 to the hearing. No public comments were received and there were no questions from the Board of Directors.

Action: Director Wulff made a motion and Director Lundquist seconded to close the hearing and adopt Resolution No. 24-26 approving the Kern County Water Agency's Fiscal Year 2026-27 Budget.

Roll call vote:	Ayes:	Fast, Wulff, Lundquist, Cattani, Kroeker and Milobar
	Noes:	None
	Absent:	Johnson

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President Milobar adjourned the meeting at 9:19 a.m.

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Minutes approved by the Board of Directors of the Kern County Water Agency this 23rd day of July, 2026.

BOARD OF DIRECTORS OF THE
KERN COUNTY WATER AGENCY

By: _____
President

ATTEST:

By: _____
Board Secretary

DRAFT

Payment of the Bills

MINUTE ORDER
APPROVAL PAGE

July 23, 2026

Total Amounts Approved for Payment:

Exhibit	"A"	$46,102,218.80
Exhibit	"B"	

REVIEWED AND APPROVED BY:

PRESIDENT

DIRECTOR

MINUTE ORDER

July 23, 2026
EXHIBIT "A"
Page One

It was moved by Director and seconded by Director .
Motion to approve the claims for the claimants set forth on Exhibit A attached
hereto and to approve payment of the bills therefore in the amount of: $46,102,218.80

VENDOR NAME	COMMENTS	TOTAL		GENERAL FUND	STATE CONTRACT PAYMENT FUND	CROSS VALLEY CANAL FUND	PIONEER PROJECT FUND	OTHER FUNDS	NAME OF OTHER FUNDS
Department of Water Resources	State Water Project Costs	44,065,538.78			44,065,538.78				
Payroll Costs	Pay Periods 26-13, 26-14	952,435.19	[1]					952,435.19	Multiple Funds
Nicholas Construction Inc.	Nord Turnout Project	391,500.00	*				391,500.00		
Pacific Gas & Electric	May-June Charges	384,565.54	*	9,619.26		350,938.32	1,032.99	22,974.97	KCWA/BM
Electric Motor Works	Motor Repair	44,283.04	*			44,283.04			
Badger Daylighting Corp	Forebay Cleaning	33,083.00	*			33,083.00			
Buena Vista Groundwater Sustainability Agency	Pioneer GSA - SGMA	32,055.26					32,055.26		
Lagerlof LLP	Legal Services	21,600.00						21,600.00	Multiple Funds
New Horizons	Employee Training	20,500.00		20,500.00					
US Bank	See Exhibit "C"	16,125.80						16,125.80	Multiple Funds
T. Ravazzini Consulting LLC	Strategic Consulting	15,801.51			15,801.51				
Secure Systems	Wireless Gate Access	13,228.71		13,228.71					
The Gualco Group Inc.	State Legislative Analyst	12,671.08		506.84	12,164.24				
ACWA JPIA	Cyber Liability Insurance Dues	11,921.35						11,921.35	Multiple Funds
California Special Districts Association	Membership Dues	10,323.00	*	10,323.00					
Belridge Water Storage District	Recharge Reimbursement	8,943.00				6,000.00	2,943.00		
Dee Jaspar & Associates Inc.	Engineering Consulting	8,611.75					8,611.75		
Provost & Pritchard Consulting Group	Engineering Consulting	8,435.10					8,435.10		
California Farm Water Coalition	Membership Dues	7,000.00	*		7,000.00				
Amarok LLC	Electric Fencing	6,385.70		6,385.70					
North Kern Water Storage Distrcit	Golden Mussels Campaign & Watermaster Charges	5,607.28	*					5,607.28	Lower River
Nomos LLP	Legal Services	5,215.00	*					5,215.00	Multiple Funds
Meyer Civil Engineering Inc.	Engineering Consulting	4,266.00	*				2,133.00	2,133.00	KWB
Somach Simmons & Dunn	Legal Services	4,220.00	*					4,220.00	Lower River
Nossaman LLP	Legal Services	3,965.50			3,965.50				
Providence Strategic Consulting Inc.	Public Information Consulting	3,787.50						3,787.50	Multiple Funds
Soils Engineering Inc.	Engineering Consulting	3,141.00				2,094.00	1,047.00		
Northern Digital Inc.	Engineering Consulting	2,755.25				2,755.25			
Sagaser, Watkins & Wieland PC	Legal Services	2,212.50				2,212.50			
Employee Expense Claims	See Exhibit "C"	881.42	*					881.42	Multiple Funds
Petty Cash	Petty Cash Reimbursement	644.11						644.11	Multiple Funds
South Valley Biology Consulting LLC	Biological Consulting	372.93					372.93		
Liebert Cassidy Whitmore	Legal Services	142.50		142.50					
PAGE TOTALS		$46,102,218.80		$60,706.01	$44,104,470.03	$441,366.11	$448,131.03	$1,047,545.62	

[1] Invoice Previously Paid
[*] Invoice added after Board mailout
Note: An expense reimbursement report pursuant to Government Code Section 53065.5 is available.

MINUTE ORDER SUPPLEMENT July 23, 2026
EMPLOYEES AND DIRECTORS CLAIMS EXHIBIT "C"

	EMPLOYEE PAID AGENCY EXPENDITURES		AGENCY PAID CREDIT CARD PURCHASES	TOTAL EXPENDITURES
Ansolabehere, Martin			140.00	140.00
Averett, Eric L.			2,254.25	2,254.25
Bauer, Lauren			72.02	72.02
Downs, David			140.00	140.00
Fanucchi, Dominic	35.82	*		35.82
Gardiner, James			1,695.75	1,695.75
Milobar, Martin	442.00			442.00
Pavletich, Nick			11,181.51	11,181.51
Shryock, Wes			346.56	346.56
Tennant, Monica			175.24	175.24
Wallace, Craig	403.60		120.47	524.07
TOTAL EMPLOYEE REIMBURSEMENTS	881.42			
TOTAL CREDIT CARD PURCHASES			16,125.80	
TOTAL EMPLOYEE & CREDIT CARD PURCHASES				17,007.22

MINUTE ORDER
APPROVAL PAGE

July 23, 2026

Total Amounts Approved for Payment:

Exhibit	"A"	$3,346,603.27

REVIEWED AND APPROVED BY:

PRESIDENT _____

DIRECTOR _____

MINUTE ORDER

July 23, 2026
EXHIBIT "A"
Page One

It was moved by Director and seconded
by Director that the following claims
for the claimants hereinafter set forth be approved; $3,346,603.27

VENDOR NAME	COMMENTS	IMPROVEMENT DISTRICT #4	
Kern Water Bank Authority	June 2026 Charges	1,757,492.00	
Pacific Gas & Electric	May-June Charges	1,070,396.72	*
Wesco	MCC Replacement	151,949.07	
Buena Vista Water Storage District	Water Deliveries	142,380.00	
JCI Jones Chemicals Inc.	Chemicals	43,252.67	*
City of Bakersfield	Kern River Groundwater Sustainability Plan	35,000.00	*
Enviroclear Technologies	Chemicals	33,891.80	
Brenntag Pacific LLC	Chemicals	31,298.35	*
Lower Tule River Irrigation District	CVC O&M Charges	19,935.24	*
Core & Main	Pump Repairs	17,807.13	
Amarok	Electric Fencing	15,094.30	
Schwebel Petroleum Company	Service Entrance Generator Fuel	12,705.32	
Sarah Clayton	Water Education Consulting	4,845.84	
North Kern Water Storage District	Golden Mussels Campaign	4,782.28	
Provost & Pritchard	Engineering Consulting	3,321.70	*
Dee Jaspar & Associates Inc.	Engineering Consulting	2,450.85	
PAGE TOTALS		3,346,603.27	

[1] Invoice Previously Paid
[*] Invoice added after Board mailout
Note: An expense reimbursement report pursuant to Government Code Section 53065.5 is available

Kern County Water Agency

Payment Summary by Amount

06/01/2026-06/30/2026

Payee Name	Check Number	Check Date	Amount
Department of Water Resources	135389	06/25/2026	$ 6,933,615.00
CALPERS	Wire Transfer	06/26/2026	5,000,000.00
Department of Water Resources	135260	06/09/2026	1,746,695.00
Pacific Gas and Electric	135326	06/17/2026	315,566.95
Kern Water Bank Authority	135408	06/25/2026	222,808.00
Asure-Payroll	ACH Debit	06/22/2026	221,454.98
Asure-Payroll	ACH Debit	06/08/2026	192,786.03
ACWA JPIA	135248	06/09/2026	176,349.65
State Water Contractors	135282	06/09/2026	169,942.00
KCERA	County EFT	06/22/2026	157,758.38
KCERA	County EFT	06/09/2026	154,558.15
Kern Machinery	135191	06/01/2026	132,706.23
IRS/EDD - Payroll Tax Deposit	ACH Debit	06/09/2026	99,772.63
IRS/EDD - Payroll Tax Deposit	ACH Debit	06/23/2026	95,843.09
Carney's Business Technology Center	135376	06/25/2026	94,495.99
City of Bakersfield	135162	06/01/2026	80,195.23
Brenntag Pacific LLC	135299	06/17/2026	58,026.20
Kern Delta Water District	135405	06/25/2026	50,834.25
JCI Jones Chemicals Inc.	135317	06/17/2026	43,184.94
Amarok LLC	135140	06/01/2026	42,389.61
Provost & Pritchard Inc.	135431	06/25/2026	38,950.44
Enviroclear Technologies	135172	06/01/2026	34,667.80
JCI Jones Chemicals Inc.	135354	06/18/2026	34,653.23
Enviroclear Technologies	135392	06/25/2026	34,124.60
Pacific Gas and Electric	135216	06/01/2026	27,016.13
Pacific Gas and Electric	135418	06/25/2026	26,577.64
Lagerlof LLP	135192	06/01/2026	23,407.50
Flyers Energy LLC	135395	06/25/2026	22,484.67
T.Ravazzini Consulting LLC	135440	06/25/2026	22,228.22
Securitas Security Services USA Inc.	135433	06/25/2026	21,627.17
Amarok LLC	135363	06/25/2026	21,480.00
ECO Services Operations Corp.	135308	06/17/2026	20,810.40
Securitas Security Services USA Inc.	135229	06/01/2026	20,224.40
Carney's Business Technology Center	135255	06/09/2026	20,000.00
PFM Asset Management	135328	06/17/2026	20,000.00
JCI Jones Chemicals Inc.	135184	06/01/2026	17,550.95
AECOM Water	135293	06/17/2026	16,235.45
Somach Simmons & Dunn Attorneys at Law	135232	06/01/2026	15,654.10
T.Ravazzini Consulting LLC	135235	06/01/2026	15,527.59
U.S. Bank	ACH Debit	06/12/2026	14,450.75
ECO Services Operations Corp.	135171	06/01/2026	13,956.12
ECO Services Operations Corp.	135390	06/25/2026	13,877.79
Univar Solutions USA Inc.	135444	06/25/2026	13,717.20
Gualco Group,The	135397	06/25/2026	12,839.70

Kern County Water Agency

Payment Summary by Amount

06/01/2026-06/30/2026

Payee Name	Check Number	Check Date	Amount
Hector's Iron Painting	135180	06/01/2026	12,825.00
Gualco Group,The	135178	06/01/2026	12,726.20
Coastline Equipment	135165	06/01/2026	12,569.75
Ernst & Young	135393	06/25/2026	12,500.00
Kern Delta Water District	135190	06/01/2026	12,500.00
Semitropic Water Storage District	135335	06/17/2026	12,477.00
Electrical Power Systems Inc.	135391	06/25/2026	12,392.00
Sun Life Financial	135339	06/17/2026	12,308.57
Badger Daylighting Corp	135151	06/01/2026	11,917.00
Pacific Gas and Electric	135416	06/25/2026	11,866.12
Sagaser Watkins & Wieland PC	135228	06/01/2026	11,100.00
Empower Retirement	ACH Debit	06/15/2026	11,085.80
Brenntag Pacific LLC	135155	06/01/2026	10,555.33
Valley Ag Water Coalition	135445	06/25/2026	10,000.00
Water Blueprint for SJV Education	135357	06/18/2026	10,000.00
Pacific Gas and Electric	135417	06/25/2026	9,972.47
AECOM Water	135361	06/25/2026	9,412.50
San Joaquin Valley Railroad Co.	135333	06/17/2026	9,397.28
Providence Strategic Consulting Inc	135430	06/25/2026	8,826.50
Carney's Business Technology Center	135160	06/01/2026	7,721.32
Flyers Energy LLC	135174	06/01/2026	7,701.89
Grainger	135177	06/01/2026	7,600.72
BSK Associates	135300	06/17/2026	7,414.60
Flyers Energy LLC	135310	06/17/2026	7,215.03
Pacific Gas and Electric	135420	06/25/2026	7,193.39
Dee Jaspar & Associates Inc.	135387	06/25/2026	7,076.29
Univar Solutions USA Inc.	135239	06/01/2026	6,872.80
Electrical Power Systems Inc.	135309	06/17/2026	6,840.00
DXP Enterprises Inc.	135307	06/17/2026	6,767.16
Hillcrest Air Conditioning & Sheet Metal	135315	06/17/2026	6,727.02
Pacific Gas and Electric	135217	06/01/2026	6,606.79
Dee Jaspar & Associates Inc.	135305	06/17/2026	6,336.45
American Business Machines Co.	135295	06/17/2026	6,266.36
Clayton, Sarah	135380	06/25/2026	6,110.27
Providence Strategic Consulting Inc	135225	06/01/2026	6,037.00
Hamilton Resource Economics	135179	06/01/2026	5,958.00
Dale Fye DBA Developing Solutions	135169	06/01/2026	5,610.00
Dale Fye DBA Developing Solutions	135386	06/25/2026	5,582.50
Mr. Fix-It Professional Handyman Services	135412	06/25/2026	5,412.55
Provost & Pritchard Inc.	135329	06/17/2026	5,333.30
Meyer Civil Engineering Inc.	135321	06/17/2026	5,245.50
Pacific Gas and Electric	135324	06/17/2026	4,935.54
Zack's Big Trees & Nursery	135450	06/25/2026	4,867.68
Life Saver Safety	135193	06/01/2026	4,755.53

Kern County Water Agency

Payment Summary by Amount

06/01/2026-06/30/2026

Payee Name	Check Number	Check Date	Amount
Prestige Worldwide Inc.	135224	06/01/2026	4,689.00
Crystal Clean LLC	135168	06/01/2026	4,682.11
Hillcrest Air Conditioning & Sheet Metal	135181	06/01/2026	4,648.50
Senator Seagate L.P.	135435	06/25/2026	4,470.00
Pacific Gas and Electric	135419	06/25/2026	4,286.12
Unum Life Insurance Co. of America	135288	06/09/2026	4,158.40
Unum Life Insurance Co. of America	135345	06/17/2026	4,158.40
Economy Truck School	135261	06/09/2026	4,100.00
AT&T Mobility	135369	06/25/2026	4,077.14
AT&T Mobility	135149	06/01/2026	4,034.27
Stinson's	135234	06/01/2026	3,656.85
Pacific Gas and Electric	135215	06/01/2026	3,634.12
Amazon Capital Services	135364	06/25/2026	3,631.43
Soils Engineering Inc.	135337	06/17/2026	3,560.00
Abate-A-Weed	135291	06/17/2026	3,441.68
Woodard & Curran Inc.	135449	06/25/2026	3,388.75
Jerry and Keith's Inc.	135185	06/01/2026	3,319.06
McCormick Landscape Service Inc.	135194	06/01/2026	3,135.00
Grainger	135313	06/17/2026	3,053.81
Stinson's	135439	06/25/2026	2,808.74
Shar-Craft Incorporated	135231	06/01/2026	2,763.83
McCormick Landscape Service Inc.	135409	06/25/2026	2,670.00
TechnoFlo Systems	135236	06/01/2026	2,586.53
Water Association of Kern County	135243	06/01/2026	2,500.00
Airgas USA LLC	135294	06/17/2026	2,420.17
WESCO Distribution Inc.	135351	06/17/2026	2,349.25
Vestis	135446	06/25/2026	2,223.98
Woodard & Curran Inc.	135353	06/17/2026	2,168.75
AT&T	135368	06/25/2026	2,159.90
Arbitrage Compliance Specialists Inc.	135367	06/25/2026	2,000.00
AT&T	135144	06/01/2026	1,933.06
Bank of New York Mellon,The	135152	06/01/2026	1,890.00
Vestis	135241	06/01/2026	1,872.37
VWR International Inc.	135349	06/17/2026	1,686.99
Global CTI Group	135176	06/01/2026	1,663.18
WESCO Distribution Inc.	135358	06/18/2026	1,585.95
SEIU	135334	06/17/2026	1,582.15
SEIU	135434	06/25/2026	1,581.38
WESCO Distribution Inc.	135447	06/25/2026	1,519.36
SEIU	135230	06/01/2026	1,509.69
White Cap L.P.	135448	06/25/2026	1,487.71
WESCO Distribution Inc.	135350	06/17/2026	1,433.23
City of Bakersfield	135258	06/09/2026	1,394.25
Gold Standard Diagnostics Horsham LLC	135312	06/17/2026	1,329.49

Kern County Water Agency

Payment Summary by Amount

06/01/2026-06/30/2026

Payee Name	Check Number	Check Date	Amount
Kern Print Services	135406	06/25/2026	1,245.92
McMaster-Carr Supply Co.	135320	06/17/2026	1,245.45
Wheeler Ridge-Maricopa WSD	135290	06/09/2026	1,223.00
Control Fire Protection Inc.	135384	06/25/2026	1,200.00
Budget Bolt Inc.	135370	06/25/2026	1,162.60
Home Depot Credit Services	135182	06/01/2026	1,131.21
South Valley Biology Consulting LLC	135233	06/01/2026	1,112.88
AgSpray Equipment	135139	06/01/2026	1,105.54
Senator Seagate L.P.	135135	06/01/2026	1,077.64
Airgas USA LLC	135362	06/25/2026	1,062.19
Touch of Glass Cleaning	135441	06/25/2026	1,050.00
PerkinElmer US LLC	135222	06/01/2026	1,032.27
Varner Brothers Inc.	135240	06/01/2026	1,011.59
Varner Brothers Inc.	135347	06/17/2026	1,011.59
D & H Water Systems	135303	06/17/2026	968.02
White Cap L.P.	135246	06/01/2026	956.94
Semitropic Water Storage District	135281	06/09/2026	950.00
Personal Pest Prevention	135327	06/17/2026	945.00
TPx Communications	135356	06/18/2026	930.66
Wallace, Craig	135242	06/01/2026	916.74
Kern County Public Works	135404	06/25/2026	878.28
North Kern Water Storage District	135196	06/01/2026	866.25
City of Bakersfield	135378	06/25/2026	859.89
Vestis	135348	06/17/2026	803.80
Home Depot Credit Services	135399	06/25/2026	788.38
Pieper, David	135280	06/09/2026	777.73
Mr. Fix-It Professional Handyman Services	135195	06/01/2026	777.00
Amazon Capital Services	135141	06/01/2026	771.26
Office Depot	135413	06/25/2026	758.90
Railroad Management Co. LLC	135355	06/18/2026	708.64
Shar-Craft Incorporated	135436	06/25/2026	704.32
Meyer Civil Engineering Inc.	135411	06/25/2026	690.00
Coastline Equipment	135382	06/25/2026	671.34
Analytichem	135365	06/25/2026	666.10
Belridge Water Storage District	135252	06/09/2026	643.00
City of Bakersfield	135163	06/01/2026	639.59
Lost Hills Water District	135267	06/09/2026	630.00
Berrenda Mesa Water District	135253	06/09/2026	608.00
Kern County Superintendent of Schools	135189	06/01/2026	594.89
Home Depot Credit Services	135398	06/25/2026	562.02
Wulff,Charles W.	135247	06/01/2026	544.54
South Valley Biology Consulting LLC	135438	06/25/2026	544.42
Pacific Gas and Electric	135423	06/25/2026	539.99
Home Depot Credit Services	135316	06/17/2026	522.44

Kern County Water Agency

Payment Summary by Amount

06/01/2026-06/30/2026

Payee Name	Check Number	Check Date	Amount
David Janes Company	135170	06/01/2026	509.90
David Janes Company	135304	06/17/2026	506.37
Unum Life Insurance Co. of America	135287	06/09/2026	503.60
Unum Life Insurance Co. of America	135344	06/17/2026	503.60
Milobar, Martin	135359	06/25/2026	477.49
Pacific Gas and Electric	135421	06/25/2026	446.18
Pacific Gas and Electric	135273	06/09/2026	441.48
Core & Main LP	135166	06/01/2026	438.41
Home Depot Credit Services	135183	06/01/2026	432.57
Kern River Power Equipment	135319	06/17/2026	429.70
HD Supply Formerly Home Depot Pro	135314	06/17/2026	420.37
Jim Burke Ford	135186	06/01/2026	414.48
California Water Service Company	135374	06/25/2026	414.39
Personal Pest Prevention	135223	06/01/2026	407.00
Personal Pest Prevention	135429	06/25/2026	407.00
Anderson, Michelle	135250	06/09/2026	403.10
Avadine	135150	06/01/2026	400.00
Avadine	135298	06/17/2026	400.00
Car Wash Partners Inc. dba Mister Car Wash	135375	06/25/2026	392.00
Comcast	135383	06/25/2026	370.59
Tennant, Monica	135285	06/09/2026	361.49
Trinity Safety Company	135237	06/01/2026	353.56
Valley Instrument Service	135346	06/17/2026	352.12
Jim Burke Ford	135403	06/25/2026	346.07
U.S. Bank	135341	06/17/2026	339.45
U.S. Bank	135238	06/01/2026	337.95
Brady PLUS	135153	06/01/2026	337.00
A-1 Battery Co.	135360	06/25/2026	327.83
Service Caster Corporation	135336	06/17/2026	320.27
Bauer,Lauren	135251	06/09/2026	317.05
Red Wing Business Advantage Account	135330	06/17/2026	314.99
Grainger	135396	06/25/2026	313.85
Motion Industries Inc	135322	06/17/2026	305.45
Safety-Kleen Systems Inc.	135227	06/01/2026	302.48
Null, Brian	135323	06/17/2026	299.95
Advanced Data Storage	135138	06/01/2026	298.00
Charter Communications	135377	06/25/2026	293.53
Hydraulic Controls Inc.	135401	06/25/2026	291.84
Champs BBQ & Catering	135451	06/30/2026	281.68
Colonial Life Insurance	135259	06/09/2026	273.28
CoreLogic Solutions LLC	135167	06/01/2026	258.33
CoreLogic Solutions LLC	135385	06/25/2026	258.33
Pavletich,Nick	135279	06/09/2026	236.30
Trinity Safety Company	135340	06/17/2026	231.27

Kern County Water Agency

Payment Summary by Amount

06/01/2026-06/30/2026

Payee Name	Check Number	Check Date	Amount
Charter Communications	135161	06/01/2026	230.00
Soils Engineering Inc.	135437	06/25/2026	230.00
Rain for Rent Irrigation	135432	06/25/2026	226.75
Henry Miller Water District	135265	06/09/2026	221.00
City of Bakersfield	135256	06/09/2026	215.98
Clerou Tire Company Inc.	135381	06/25/2026	205.14
AT&T	135145	06/01/2026	202.72
United Rentals Inc.	135342	06/17/2026	196.22
AT&T	135143	06/01/2026	193.53
Suburban Propane	135338	06/17/2026	190.00
Clerou Tire Company Inc.	135164	06/01/2026	188.81
Kern County Public Works	135318	06/17/2026	184.27
Allen, Maegan	135249	06/09/2026	180.00
Gardiner, James	135175	06/01/2026	180.00
Kern County Construction Inc.	135187	06/01/2026	178.75
Kern County Public Works	135188	06/01/2026	168.13
West Kern Water District	135289	06/09/2026	166.00
Kern Delta Water District	135266	06/09/2026	159.00
SAMBA Holdings Inc.	135332	06/17/2026	153.32
Galvan III, Enrique	135264	06/09/2026	150.00
Advanced Data Storage	135292	06/17/2026	149.00
Jerry and Keith's Inc.	135402	06/25/2026	136.85
Core & Main LP	135302	06/17/2026	135.31
Buena Vista Water SD	135254	06/09/2026	132.00
Open & Shut Enterprises	135197	06/01/2026	130.00
Open & Shut Enterprises	135414	06/25/2026	130.00
GCI Equipment Rental	135311	06/17/2026	124.49
Kern Turf Supply	135407	06/25/2026	119.28
Royal Industrial Solutions	135331	06/17/2026	115.50
Applied Technology Group Inc.	135142	06/01/2026	110.00
United Site Services	135343	06/17/2026	109.70
Tennant, Monica	135286	06/09/2026	108.46
Fanucchi, Dominic	135262	06/09/2026	107.91
Clerou Tire Company Inc.	135301	06/17/2026	106.13
Tehachapi-Cummings CWD	135283	06/09/2026	106.00
Fleming, Jim	135263	06/09/2026	105.00
California Water Service Company	135159	06/01/2026	103.72
California Water Service Company	135373	06/25/2026	103.72
ACCO Cable Splicing	135137	06/01/2026	100.00
Brady PLUS	135154	06/01/2026	99.47
Pacific Gas and Electric	135277	06/09/2026	95.83
Rain for Rent Irrigation	135226	06/01/2026	95.66
AT&T	135147	06/01/2026	94.18
WestAir Gases & Equipment Inc.	135245	06/01/2026	93.47

Kern County Water Agency

Payment Summary by Amount

06/01/2026-06/30/2026

Payee Name	Check Number	Check Date	Amount
Ameriflex	ACH Debit	06/12/2026	92.70
Pacific Gas and Electric	135220	06/01/2026	91.21
Pacific Gas and Electric	135427	06/25/2026	89.44
Pacific Gas and Electric	135219	06/01/2026	89.34
Trinity Safety Company	135443	06/25/2026	88.15
Pacific Gas and Electric	135428	06/25/2026	87.85
McMaster-Carr Supply Co.	135410	06/25/2026	87.15
Pacific Gas and Electric	135203	06/01/2026	85.84
Pacific Gas and Electric	135268	06/09/2026	80.32
AT&T	135148	06/01/2026	78.89
Pacific Gas and Electric	135221	06/01/2026	78.02
Pacific Gas and Electric	135200	06/01/2026	77.65
Pacific Gas and Electric	135270	06/09/2026	77.59
Pacific Gas and Electric	135275	06/09/2026	71.76
Pacific Gas and Electric	135269	06/09/2026	71.22
FedEX	135173	06/01/2026	67.17
WestAir Gases & Equipment Inc.	135352	06/17/2026	66.41
AT&T	135146	06/01/2026	66.06
Pacific Gas and Electric	135210	06/01/2026	59.27
Applied Technology Group Inc.	135296	06/17/2026	55.00
Applied Technology Group Inc.	135366	06/25/2026	55.00
Budget Bolt Inc.	135156	06/01/2026	53.10
Pacific Gas and Electric	135272	06/09/2026	51.20
Pacific Gas and Electric	135424	06/25/2026	50.09
Pacific Gas and Electric	135271	06/09/2026	49.85
Pacific Gas and Electric	135204	06/01/2026	48.09
Palm Tree Circle HOA	135278	06/09/2026	45.00
Pacific Gas and Electric	135218	06/01/2026	44.88
FedEX	135394	06/25/2026	44.73
City of Bakersfield	135257	06/09/2026	43.18
Pacific Gas and Electric	135208	06/01/2026	42.95
Pacific Gas and Electric	135199	06/01/2026	42.03
Pacific Gas and Electric	135202	06/01/2026	41.99
Pacific Gas and Electric	135274	06/09/2026	41.99
Pacific Gas and Electric	135425	06/25/2026	41.99
Pacific Gas and Electric	135426	06/25/2026	41.98
Pacific Gas and Electric	135276	06/09/2026	41.57
Pacific Gas and Electric	135422	06/25/2026	41.57
Howard Supply Company LLC	135400	06/25/2026	41.53
Pacific Gas and Electric	135209	06/01/2026	41.33
California Water Service Company	135157	06/01/2026	36.20
Pacific Gas and Electric	135213	06/01/2026	35.35
Pacific Gas and Electric	135212	06/01/2026	34.77
California Water Service Company	135372	06/25/2026	34.32

Kern County Water Agency

Payment Summary by Amount

06/01/2026-06/30/2026

Payee Name	Check Number	Check Date	Amount
Delta Liquid Energy	135306	06/17/2026	30.29
Tejon-Castac Water District	135284	06/09/2026	30.00
Delta Liquid Energy	135388	06/25/2026	28.70
Tractor Supply Credit Plan	135442	06/25/2026	27.05
California Water Service Company	135158	06/01/2026	26.80
California Water Service Company	135371	06/25/2026	26.80
A-1 Battery Co.	135136	06/01/2026	25.93
Pacific Gas and Electric	135211	06/01/2026	14.70
Clark, Micah	135379	06/25/2026	13.78
Pacific Gas and Electric	135214	06/01/2026	13.74
Pacific Gas and Electric	135325	06/17/2026	9.84
Pacific Gas and Electric	135415	06/25/2026	9.84
Auto Zone	135297	06/17/2026	7.42
Pacific Gas and Electric	135198	06/01/2026	5.49
Pacific Gas and Electric	135201	06/01/2026	5.45
Pacific Gas and Electric	135207	06/01/2026	5.45
Pacific Gas and Electric	135206	06/01/2026	5.39
		Total	$ 17,070,291.99

Legend:

County EFT (Electronic Funds Transfer)

- Transfer from the Agency account to the County General account.

ACH Debit (Automated Clearing House)

- Automatic withdrawal from the Agency's checking account by the vendor.

Wire Transfer

- Transfer from the Agency checking account to the vendor.

MEMORANDUM

TO: Board of Directors
Agenda Item No. 3

FROM: Lauren Bauer

DATE: July 23, 2026

SUBJECT: Authorization to Publish the Notice of Public Hearing for the Fiscal Year 2027-28 Zones of Benefit

Issue:
Consider adopting Resolution No. 36-26 authorizing the Board Secretary to publish the Notice of Public Hearing for the Fiscal Year 2027-28 Zones of Benefit.

Recommended Motion:
Adopt Resolution No. 36-26 authorizing the Board Secretary to publish the Notice of Public Hearing for the Fiscal Year 2027-28 Zones of Benefit.

Discussion:
The first step in the Zones of Benefit cycle for a given year is to authorize the Kern County Water Agency (Agency) Board Secretary to publish the required Notice of Public Hearing in a newspaper of general circulation within Kern County. It is now time to begin that cycle for the Fiscal Year 2027-28 Zones of Benefit.

The attached resolution authorizes the Agency Board Secretary to publish the required notice in The Bakersfield Californian. In 2025, the hearing will be held at 1:00 p.m. on September 24, 2026, in the Board Room of the Stuart T. Pyle Water Resources Center located at 3200 Rio Mirada Drive, Bakersfield, California and via Zoom:

Conference Line: +1(669)444-9171
Meeting ID: 915 6345 2292
Passcode: 524037

Join Zoom Meeting
https://kcwa.zoom.us/j/91563452292
Meeting ID: 915 6345 2292

BEFORE THE BOARD OF DIRECTORS

OF THE

KERN COUNTY WATER AGENCY

In the matter of:

SCHEDULE PUBLIC HEARING FOR *
ESTABLISHING THE ZONES OF *
BENEFIT FOR FISCAL YEAR 2027-28 *

I, Stephanie N. Prince, Secretary of the Board of Directors of the Kern County Water Agency, of the County of Kern, State of California, do hereby certify that the following resolution proposed by Director _____, and seconded by Director _____, was duly passed and adopted by said Board of Directors at an official meeting hereof this 23rd day of July, 2026, by the following vote, to wit:

Ayes:

Noes:

Absent:

_____
Secretary of the Board of Directors
of the Kern County Water Agency

Resolution No. 36-26

WHEREAS, section 14.2 of the Kern County Water Agency (Agency) Act authorizes the Agency to establish Zones of Benefit and make assessments apportioned in accordance with benefits for the purpose of making payments to the State of California as required by the November 15, 1963 Water Supply Contract between the Agency and the State; and

WHEREAS, Agency staff has prepared a report for the Board of Directors (Board) setting forth the basis for the establishment of Fiscal Year 2027-28 Zones of Benefit in 2026 in order to raise funds to enable the Agency to make its payments to the State of California under the Water Supply Contract in 2028; and

WHEREAS, the Board has determined that it will be necessary to establish Zones of Benefit and levy assessments in order to make the payments that will be due in 2028; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Kern County Water Agency that:

1. The foregoing recitals are true and correct.

2. The Board is establishing Zones of Benefit for Fiscal Year 2027-28 using the process adopted in 1983 for Fiscal Year 1984-85 and to levy the assessments necessary to make payments to the State of California as required by the November 15, 1963 Water Supply Contract between the Agency and the State.

3. Agency staff is directed to prepare a report to be presented to the Board on or before the August 27, 2026 regular Board meeting and thereafter to make the report available to the public. The report will briefly present items regarding water supply, costs of water and benefits that are required for the Board's deliberations for establishing Zones of Benefit for Fiscal Year 2027-28.

4. A public hearing on the establishment of Zones of Benefit and the levying of assessments therein for Fiscal Year 2027-28 will be held at 1:00 p.m. on September 24, 2026, in the Board Room of the Stuart T. Pyle Water Resources Center located at 3200 Rio Mirada Drive, Bakersfield, California and via Conference Line: +1(669)444-9171, Meeting ID: 915 6345 2292, Passcode: 524037, at which time all interested persons may appear and be heard.

5. The Secretary of the Board is hereby instructed to give proper notice of the hearing as required by law.

MEMORANDUM

20.2.1

TO: Board of Directors
Agenda Item No. 4

FROM: Lauren Bauer

DATE: July 23, 2026

SUBJECT: Authorization to Execute Amendment No. 1 to Agreement Among the Department of Water Resources of the State of California, Antelope Valley East-Kern Water Agency, Kern County Water Agency and the Metropolitan Water District of Southern California for a Short-Term Transfer and Storage of a Portion of Antelope Valley East-Kern Water Agency's State Water Project Table A Water in Irvine Ranch Water District's Groundwater Banking Program, SWP #23024-A

Issue:
Consider adopting Resolution No. 37-26 authorizing the Water Resources Manager to execute Amendment No. 1 to Agreement Among the Department of Water Resources of the State of California, Antelope Valley East-Kern Water Agency, Kern County Water Agency and the Metropolitan Water District of Southern California for a Short-Term Transfer and Storage of a Portion of Antelope Valley East-Kern Water Agency's State Water Project Table A Water in Irvine Ranch Water District's Groundwater Banking Program, SWP #23024-A.

Recommended Motion:
Adopt Resolution No. 37-26 authorizing the Water Resources Manager to execute Amendment No. 1 to Agreement Among the Department of Water Resources of the State of California, Antelope Valley East-Kern Water Agency, Kern County Water Agency and the Metropolitan Water District of Southern California for a Short-Term Transfer and Storage of a Portion of Antelope Valley East-Kern Water Agency's State Water Project Table A Water in Irvine Ranch Water District's Groundwater Banking Program, SWP #23024-A.

Discussion:
In 2023, Irvine Ranch Water District (Irvine) entered into an agreement with Rosedale-Rio Bravo Water Storage District (Rosedale) for a water banking and exchange program. Irvine receives its State Water Project (SWP) water supplies from Municipal Water District of Orange County, a member agency of Metropolitan Water District of Southern California (Metropolitan).

Rosedale requested that the Kern County Water Agency (Agency) facilitate the transfer of up to 20,000 acre-feet of Antelope Valley-East Kern Water Agency's (AVEK) SWP Table A water to the

Agency for temporary storage in the Strand Ranch and Stockdale Water Banking Projects. For every two acre-feet of AVEK's SWP Table A water delivered to storage, one acre-foot will be stored for future recovery and return to AVEK and one acre-foot will be stored for future recovery and return to Metropolitan, on behalf of Irvine.

To facilitate the transfer, the Agency, AVEK and Metropolitan entered into an agreement with the California Department of Water Resources (DWR) (Agreement).

The Agreement expires December 31, 2026 and the Agency, AVEK and Metropolitan desire to extend the termination date. In order to facilitate delivery and return of AVEK's SWP Table A water, the Agency, AVEK and Metropolitan must enter into an amendment to the Agreement with DWR to extend the termination date to December 31, 2029 (Amendment).

The Amendment is provided as Exhibit A. Agency staff have reviewed the Amendment and recommend its approval.

BEFORE THE BOARD OF DIRECTORS

OF THE

KERN COUNTY WATER AGENCY

In the matter of:

AUTHORIZING THE EXECUTION OF AMENDMENT	*
NO. 1 TO AGREEMENT AMONG THE DEPARTMENT	*
OF WATER RESOURCES OF THE STATE OF	*
CALIFORNIA, ANTELOPE VALLEY EAST-KERN	*
WATER AGENCY, KERN COUNTY WATER AGENCY	*
AND THE METROPOLITAN WATER DISTRICT OF	*
SOUTHERN CALIFORNIA FOR A SHORT-TERM	*
TRANSFER AND STORAGE OF A PORTION OF	*
ANTELOPE VALLEY-EAST KERN WATER AGENCY'S	*
STATE WATER PROJECT TABLE A WATER IN IRVINE	*
RANCH WATER DISTRICT'S GROUNDWATER	*
BANKING PROGRAM, SWPAO #23024-A	*

I, Stephanie N. Prince, Secretary of the Board of Directors of the Kern County Water Agency, of the County of Kern, State of California, do hereby certify that the following resolution proposed by Director _____, and seconded by Director _____, was duly passed and adopted by said Board of Directors at an official meeting hereof this 23rd day of July, 2026 by the following vote, to wit:

Ayes:

Noes:

Absent:

_____
Secretary of the Board of Directors of the
Kern County Water Agency

Resolution No. 37-26

WHEREAS, on January 13, 2009, Irvine Ranch Water District (Irvine) and Rosedale-Rio Bravo Water Storage District (Rosedale) entered into an Agreement entitled “Agreement between Rosedale-Rio Bravo Water Storage District and Irvine Ranch Water District for a Water Banking and Exchange Program”; and

WHEREAS, the Agreement provides for the integration of Irvine's water banking project, located adjacent to Rosedale, into Rosedale's water banking program; and

WHEREAS, Irvine receives its State Water Project (SWP) water supplies from Municipal Water District of Orange County, a member agency of Metropolitan Water District of Southern California (Metropolitan); and

WHEREAS, on March 5, 2019 Irvine and Antelope Valley-East Kern Water Agency (AVEK) entered into an agreement entitled, "Long-Term Exchange Program Agreement Between Irvine Ranch Water District and Antelope Valley-East Kern Water Agency" (Agreement); and

WHEREAS, the Agreement provides for the delivery of up to 20,000 af of AVEK's SWP Table A water to Irvine for storage in the Irvine Ranch Water District Water Bank, for every two acre-feet of AVEK's SWP water delivered for storage, one acre-foot of that water will be stored for future recovery and return to AVEK and one acre-foot will be stored for future recovery and return to Metropolitan on behalf of Irvine.

WHEREAS, Rosedale, in consultation with Irvine, prepared and approved California Environmental Quality Act (CEQA) documents as a lead agency under CEQA (SCH #2007041080 & SCH #2013091076); and

WHEREAS, AVEK has requested the California Department of Water Resources' (DWR) approval for the temporary storage of a portion of AVEK's SWP Table A water in the Irvine Ranch Water District Water Bank within Kern County and for a transfer of one-half of the water to Metropolitan, as provided in the Agreement; and

WHEREAS, in 2023, the Agency, AVEK, Metropolitan and DWR entered into an agreement titled, "Agreement Among The Department Of Water Resources of the State Of California, Antelope Valley-East Kern Water Agency, Kern County Water Agency, and the Metropolitan Water District of Southern California for a Short-Term Transfer And Storage of a Portion of Antelope Valley-East Kern Water Agency's State Water Project Table A Water in Irvine Ranch Water District's Groundwater Banking Program" where recovery of supplies expires December 31, 2026; and

WHEREAS, the Agency, AVEK and Metropolitan desire to extend the recovery termination date to December 31, 2029, requiring an amendment to the agreement;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Kern County Water Agency, that:

1. The foregoing recitals are true and correct.
2. The Water Resources Manager is authorized, subject to approval of General Counsel as to legal form, to execute the Amendment No. 1 to Agreement Among the Department of Water Resources of the State of California, Antelope Valley East-Kern Water Agency, Kern County Water Agency and the Metropolitan Water District of Southern California for a Short-Term Transfer and Storage of a Portion of Antelope Valley East-Kern Water Agency's State Water Project Table A Water in Irvine Ranch Water District's Groundwater Banking Program, SWP #23024-A, attached hereto as Exhibit A.
3. The Water Resources Manager is further authorized, subject to approval of General Counsel as to legal form, to execute any necessary related agreements to effectuate the delivery of AVEK's SWP Table A water supplies to Irvine.

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State of California
California Natural Resources Agency
DEPARTMENT OF WATER RESOURCES

AMENDMENT NO. 1
TO
AGREEMENT AMONG
THE DEPARTMENT OF WATER RESOURCES OF THE STATE OF CALIFORNIA,
ANTELOPE VALLEY EAST-KERN WATER AGENCY,
KERN COUNTY WATER AGENCY
AND
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
FOR A SHORT-TERM TRANSFER AND STORAGE OF A PORTION OF
ANTELOPE VALLEY-EAST KERN WATER AGENCY'S
STATE WATER PROJECT TABLE A WATER
IN
IRVINE RANCH WATER DISTRICT'S
GROUNDWATER BANKING PROGRAM

SWP #23024-A

THIS AMENDMENT to the "Agreement among the Department of Water Resources, Antelope Valley-East Kern Water Agency, Kern County Water Agency, and The Metropolitan Water District of Southern California for a Short-Term Transfer and Storage of a Portion of Antelope Valley-East Kern Water Agency's State Water Project Table A Water in Irvine Ranch Water District's Groundwater Banking Program" (SWP #23024) is made under the provisions of the California Water Resources Development Bond Act, and other applicable laws of the State of California, among the Department of Water Resources of the State of California, herein referred to as "DWR", Antelope Valley-East Kern Water Agency, herein referred to as "AVEK", Kern County Water Agency, herein referred to as "KCWA", and The Metropolitan Water District of Southern California, herein referred to as "Metropolitan." DWR, AVEK, KCWA, and Metropolitan may be referred to individually as "Party" or collectively as "Parties."

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RECITALS

A. On October 2, 2023, the Parties entered into the "Agreement among the Department of Water Resources, Antelope Valley-East Kern Water Agency, Kern County Water Agency, and The Metropolitan Water District of Southern California for a Short-Term Transfer and Storage of a Portion of Antelope Valley-East Kern Water Agency's State Water Project Table A Water in Irvine Ranch Water District's Groundwater Banking Program" (SWP #23024), which sets forth the terms and conditions for the delivery of up to 20,000 acre-feet of AVEK's Table A Water to KCWA's service area, through October 2, 2024, for temporary storage in Irvine Ranch Water District's (IRWD) Strand Ranch Water Bank and Stockdale Water Bank (collectively referred to as IRWD Water Bank) and later recovery, by December 31, 2026, of 50 percent of such delivered water for use within AVEK's service area, and the transfer of 50 percent of AVEK's Table A Water, up to 10,000 acre-feet, to Metropolitan upon delivery into storage in the IRWD Water Bank.

B. In order to continue implementation of this agreement for better water supply management and water reliability, the following changes have been requested and agreed to by the Parties and are being made to SWP #23024 via this Amendment No. 1:

   i. AVEK has requested DWR's approval for an extension to the term of recovery of AVEK's stored water to December 31, 2029.

   ii. Metropolitan and AVEK have requested a revision allowing the charges and credits associated with the delivery of AVEK's Table A water to KCWA to be applied to Metropolitan instead of AVEK.

   iii. The Parties have agreed to remove a recovery mechanism allowing an exchange of KCWA's Table A Water or Article 56 Carryover Water with AVEK's stored water.

   iv. The Parties have agreed to a revision allowing the agreement to become effective on September 1, 2023, rather than on the execution date of October 2, 2023, to accommodate deliveries under this agreement in the month of September 2023.

C. In compliance with California Environmental Quality Act (CEQA), Rosedale-Rio Bravo Water Storage District (RRBWSD), as the lead agency, in consultation with IRWD, as a responsible agency prepared and approved final Environmental Impact Reports (EIRs), including addenda, to address the environmental consequences associated with the development and operation of the Strand Ranch Water Bank and Stockdale Water Bank, concluding that, with mitigation measures, both projects would not have a significant impact on the environment. RRBWSD filed a Notice of Determination (NOD) with the State Clearinghouse (SCH) for the Strand Ranch Water Bank on May 29, 2008 (SCH #2007041080)

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and for the Stockdale Water Bank on December 9, 2015 (SCH #2013091076). The three-year extension to the term of recovery under SWP #23024 is within the scope of the EIRs and Addenda prepared by RRBWSD for the IRWD Water Bank project, and no further CEQA review is required. DWR will file an NOE with the SCH upon execution of this Amendment.

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NOW, THEREFORE, IT IS AGREED that the following changes are hereby made to SWP #23024:

Paragraph 1 is deleted in its entirety and replaced with the following text:

This Agreement shall be effective on September 1, 2023 and shall terminate on December 31, 2029 or upon final payment to DWR by AVEK, Metropolitan and KCWA of all costs attributable to this Agreement, whichever occurs later. However, the liability, hold harmless and indemnification obligations in this Agreement shall remain in effect until the expiration of the applicable statute of limitations, or until any claim or litigation concerning this Agreement asserted to DWR, Metropolitan, KCWA, or AVEK within the applicable statute of limitations is finally resolved, whichever occurs later.

Paragraph 10 is deleted in its entirety and replaced with the following text:

AVEK shall recover all of AVEK's Stored Water, up to 10,000 acre-feet, minus applicable losses as specified in the IRWD/AVEK Exchange Agreement, by December 31, 2029, using any of the following mechanisms:

<u>By Exchange of Metropolitan's Table A Water and/or Article 56 Carryover Water</u>

a. Metropolitan may retain a portion of AVEK's Stored Water in exchange for a like amount of Metropolitan's approved Table A water and/or Article 56 Carryover Water delivered by DWR to AVEK's turnout(s) located at Reaches 18A through 22B of the California Aqueduct.

   i. The portion of AVEK's Stored Water retained in the IRWD Water Bank by Metropolitan will be reclassified by DWR as Metropolitan's approved Table A water delivered to the IRWD Water Bank for storage under SWP #23012.

<u>By Pump-in to the California Aqueduct</u>

b. KCWA may pump in and introduce AVEK's Stored Water into Reach 12E of the California Aqueduct for delivery by DWR to AVEK's turnout(s) located at Reaches 18A through 22B of the California Aqueduct.

   i. Any turn-in facility used to pump in and introduce AVEK's Stored Water into the California Aqueduct must have an executed agreement with DWR for such an action to be allowed.

   ii. Pump-in water shall meet DWR's water quality standards in effect when the water is pumped in and introduced into the California Aqueduct. The quality of AVEK's Stored Water introduced into the California Aqueduct under this Agreement shall be in conformance with DWR's water quality document entitled "Department of Water

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Resources Water Quality Policy and Implementation Process for Acceptance of Non-Project Water into the State Water Project," dated October 13, 2012 or a later date if modified by DWR. KCWA shall submit such data to:

Water Quality and Special Project Section Staff
Email: OMHQ_WaterQuality@water.ca.gov

Paragraph 21 is deleted in its entirety and replaced with the following text:

AVEK, Metropolitan and KCWA shall pay the following charges to DWR for the water delivered under this Agreement, including all future adjustments, which shall be calculated in the same manner as charges are calculated for SWP Table A deliveries and shall be in accordance with the provisions of AVEK's, Metropolitan's and KCWA's respective Water Supply Contracts. Charges/credits shall be determined for the year the water is delivered to AVEK, Metropolitan and/or KCWA.

Delivery of AVEK's Table A Water to KCWA

a. When DWR delivers AVEK's Table A Water to KCWA, Metropolitan shall pay to DWR the charges associated with the delivery of each acre-foot of water under this Agreement from the Delta to KCWA's turnout(s) at Reach 12E of the California Aqueduct. Metropolitan shall pay to DWR the Variable Operation, Maintenance, Power, and Replacement Component of the Transportation Charge and the Off-Aqueduct Power Facilities cost that are in effect during the year water is delivered to KCWA.

Recovery of AVEK's Stored Water by Exchange of Metropolitan's Table A Water and/or Article 56 Carryover Water and delivery to AVEK's Service Area

b. When DWR delivers Metropolitan's approved SWP Table A water and/or Article 56 Carryover Water to AVEK's service area in exchange for Metropolitan retaining a like amount of AVEK's Stored Water, the following charges/credits shall apply:

i. AVEK shall pay to DWR the charges associated with the delivery of Metropolitan's approved SWP Table A water and/or Article 56 Carryover Water from the Delta to AVEK's turnout(s). AVEK shall pay to DWR the Variable Operation, Maintenance, Power, and Replacement Component of the Transportation Charge and the Off-Aqueduct Power Facilities cost that are in effect for each acre-foot of water delivered.

Recovery of AVEK's Stored Water by Exchange of Metropolitan's Table A Water and/or Article 56 Carryover Water and delivery to San Luis Reservoir

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c. When DWR delivers Metropolitan's approved SWP Table A water and/or Article 56 Carryover Water for temporary storage in San Luis Reservoir on AVEK's behalf in exchange for Metropolitan retaining a like amount of AVEK's Stored Water, the following charges/credits shall apply:

i. AVEK shall pay to DWR the charges associated with the delivery of Metropolitan's approved SWP Table A water and/or Article 56 Carryover Water from the Delta to San Luis Reservoir. AVEK shall pay to DWR the Variable Operation, Maintenance, Power, and Replacement Component of the Transportation Charge and the Off-Aqueduct Power Facilities cost that are in effect for each acre-foot of water delivered.

<u>Recovery of AVEK's Stored Water by Pump-in and Introduction of AVEK's Stored Water into the California Aqueduct and delivery to AVEK's Service Area</u>

d. When KCWA pumps in and introduces AVEK's Stored Water into the California Aqueduct at Reach 12E for delivery to AVEK's service area, the following charges/credits shall apply:

i. AVEK shall pay to DWR the charges associated with the delivery of water from the Delta to AVEK's turnout(s). AVEK shall pay to DWR the Variable Operation, Maintenance, Power, and Replacement Component of the Transportation Charge and the Off-Aqueduct Power Facilities cost that are in effect for each acre-foot of water delivered.

ii. Metropolitan shall receive from DWR a credit for each acre-foot of AVEK's Stored Water introduced into the California Aqueduct at Reach 12E for the Variable Operation, Maintenance, Power and Replacement Component of the Transportation Charge and Off-Aqueduct Power Facilities cost from the Delta to Reach 12E of the California Aqueduct.

<u>Recovery of AVEK's Stored Water by Pump-in and Introduction of AVEK's Stored Water into the California Aqueduct and delivery to San Luis Reservoir</u>

e. When KCWA pumps in and introduces AVEK's Stored Water into the California Aqueduct at Reach 12E and DWR delivers a like amount for temporary storage in San Luis Reservoir on AVEK's behalf, the following charges/credits shall apply:

i. AVEK shall pay to DWR the charges associated with the delivery of water from the Delta to San Luis Reservoir. AVEK shall pay to DWR the Variable Operation, Maintenance, Power, and Replacement Component of the Transportation Charge and the Off-

Docusign Envelope ID: 100C81C1-F68E-844D-83E8-13DA88C45CDF

Aqueduct Power Facilities cost that are in effect for each acre-foot of water delivered.

ii. Metropolitan shall receive from DWR a credit for each acre-foot of AVEK's Stored Water introduced into the California Aqueduct at Reach 12E for the Variable Operation, Maintenance, Power and Replacement Component of the Transportation Charge and Off-Aqueduct Power Facilities cost from the Delta to Reach 12E of the California Aqueduct.

Delivery of AVEK's Stored Water from Temporary Storage in San Luis Reservoir to AVEK's Service Area

f. When DWR delivers AVEK's Stored Water from temporary storage in San Luis Reservoir to AVEK's service area, the following charges/credits shall apply:

i. AVEK shall pay to DWR the charges associated with the delivery of water from the Delta to AVEK's turnout(s) located on the California Aqueduct. AVEK shall pay to DWR the Variable Operation, Maintenance, Power, and Replacement Component of the Transportation Charge and the Off-Aqueduct Power Facilities cost that are in effect for each acre-foot of water delivered.

ii. AVEK shall receive a credit from DWR for each acre-foot of AVEK's Stored Water delivered from temporary storage in San Luis Reservoir to AVEK's service area for the Variable Operation, Maintenance, Power and Replacement Component of the Transportation Charge and the Off-Aqueduct Power Facilities cost that are in effect for each acre-foot of water from the Delta to San Luis Reservoir.

All other provisions of SWP #23024 remain in effect.

The signatories represent that they have been appropriately authorized to enter into this Amendment on behalf of the Party for whom they sign.

The Parties agree that this Amendment will be executed using DocuSign by electronic signature, which shall be considered an original signature for all purposes and shall have the same force and effect as an original signature. All Parties will receive an executed copy of the Amendment via DocuSign after all Parties have signed.

Docusign Envelope ID: 100C81C1-F68E-844D-83E8-13DA88C45CDF

IN WITNESS WHEREOF, the Parties hereto have entered into this Amendment.

Approved as to Legal Form
and Sufficiency

_____
Ann K. B. Carroll
General Counsel
Department of Water Resources

_____
Date

STATE OF CALIFORNIA DEPARTMENT OF
WATER RESOURCES

_____
Molly White
Assistant Division Manager, Water Management
Division of Operations and Maintenance
State Water Project

_____
Date

ANTELOPE VALLEY-EAST KERN
WATER AGENCY

MATTHEW KNUDSON
Name

General Manager
Title

6/17/2026
Date

KERN COUNTY WATER AGENCY

_____
Name

Water Resources Manager
Title

_____
Date

Docusign Envelope ID: 100C81C1-F68E-844D-83E8-13DA88C45CDF

Approved as to Legal Form
and Sufficiency

Michael Hughes
Name

Senior Deputy General Counsel
Title

6/17/2026
Date

THE METROPOLITAN WATER
DISTRICT OF SOUTHERN CALIFORNIA

Brandon Goshi
Name

Group Manager of Water Resources Management
Title

6/24/2026
Date

Certificate Of Completion

Envelope Id: 100C81C1-F68E-844D-83E8-13DA88C45CDF
Status: Sent
Subject: Please Docusign: SWP #23024-A
FormID:
Optional 1:
Source Envelope:
Document Pages: 9
Signatures: 3
Envelope Originator:
Certificate Pages: 6
Initials: 0
SWP Contracts
AutoNav: Enabled
715 P Street
EnvelopeId Stamping: Enabled
Sacramento, CA 95814
Time Zone: (UTC-08:00) Pacific Time (US & Canada)
SWPContracts@water.ca.gov
IP Address: 136.200.53.20

Record Tracking

Status: Original
May 27, 2026 | 13:57
Holder: SWP Contracts
SWPContracts@water.ca.gov
Location: DocuSign
Security Appliance Status: Connected
Pool: StateLocal

Signer Events	Signature	Timestamp
Jessica Arm jarm@mwdh2o.com Security Level: Email, Account Authentication (None)	**Completed** Using IP Address: 144.166.53.174	Sent: May 27, 2026 | 16:02 Viewed: May 29, 2026 | 15:05 Signed: June 17, 2026 | 12:48
Electronic Record and Signature Disclosure: Accepted: May 29, 2026 | 15:05 ID: e7be715b-fd61-4ddf-bb12-2474ddd112d3		
Michael Hughes mhughes@mwdh2o.com Security Level: Email, Account Authentication (None)	 Signature Adoption: Pre-selected Style Using IP Address: 144.166.53.175	Sent: June 17, 2026 | 12:48 Viewed: June 17, 2026 | 12:54 Signed: June 17, 2026 | 12:55
Electronic Record and Signature Disclosure: Accepted: June 17, 2026 | 12:54 ID: 3b852430-d3ce-436e-bb06-1014739e8284		
Brandon Goshi bgoshi@mwdh2o.com Group Manager, Water Resource Management Security Level: Email, Account Authentication (None)	 Signature Adoption: Pre-selected Style Using IP Address: 2603:8002:c440:36c7:a967:76f4:c813:4732	Sent: June 17, 2026 | 12:55 Viewed: June 24, 2026 | 11:29 Signed: June 24, 2026 | 11:29
Electronic Record and Signature Disclosure: Accepted: June 24, 2026 | 11:29 ID: 83acac94-00b9-4dd1-808c-c7cc0be8044d		
Lauren Bauer lbauer@kcwa.com Water Resources Manager Security Level: Email, Account Authentication (None)		Sent: June 17, 2026 | 12:55 Viewed: July 1, 2026 | 14:30
Electronic Record and Signature Disclosure: Accepted: July 1, 2026 | 14:30 ID: ca4422a3-d77f-4ded-9d62-138900f9b8c2		

Signer Events	Signature	Timestamp
MATTHEW KNUDSON mknudson@avek.org General Manager Security Level: Email, Account Authentication (None)	 Signature Adoption: Pre-selected Style Using IP Address: 2603:8001:7842:abf8:d93e:37d7:e580:af98	Sent: June 17, 2026 | 12:55 Viewed: June 17, 2026 | 13:55 Signed: June 17, 2026 | 13:56
Electronic Record and Signature Disclosure: Accepted: May 14, 2023 | 16:23 ID: c9ba2af4-db80-4074-81f0-7ada97693a4b		
Katerina Deaver katerina.deaver@water.ca.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign		
Laura Boosalis laura.boosalis@water.ca.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign		
Ann K. B. Carroll Ann.carroll@water.ca.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign		
Molly White Molly.White@water.ca.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign		

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
SWP Contracts SWPContracts@water.ca.gov Department of Water Resources Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign		

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	May 27, 2026 | 16:02

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Department of Water Resources (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a $0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Department of Water Resources:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:
To contact us by phone call: (916) 653-5791
To contact us by paper mail, please send correspondence to:
Department of Water Resources
P.O. Box 942836
Sacramento, CA 95236-0001

To advise Department of Water Resources of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at don.davis@water.ca.gov and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from Department of Water Resources
To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to don.davisi@water.ca.gov and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.
To withdraw your consent with Department of Water Resources

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an e-mail to and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account

Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	• Allow per session cookies • Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify Department of Water Resources as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by Department of Water Resources during the course of my relationship with you.

MEMORANDUM

20.2.1

TO: Board of Directors
Agenda Item No. 5

FROM: James Ciampa

DATE: July 23, 2026

SUBJECT: Authorization to Adopt a New Resolution Requesting Consolidation of Kern County Water Agency Election with the Kern County General Elections

Issue:
Consider adopting Resolution No. 38-26 requesting the consolidation of the Kern County Water Agency's November 3, 2026 General Election with the Kern County General Elections.

Recommended Motion:
Adopt Resolution No. 38-26 requesting the consolidation of the Kern County Water Agency's November 3, 2026 General Election with the Kern County General Elections.

Discussion:
The Kern County Elections Office has requested that the Kern County Water Agency (Agency) adopt a new resolution, to replace prior Resolution No. 10-17, stating that the Agency wishes to consolidate its November 3, 2026 general election with the County's General Election, and that the Agency will reimburse the County of Kern for costs to conduct the elections. Under the County's new structure for these elections, moving forward, the Agency will adopt and provided to the County a specific resolution every two years in connection with the Agency's general election.

BEFORE THE BOARD OF DIRECTORS

OF THE

KERN COUNTY WATER AGENCY

In the matter of:

CONSOLIDATION OF NOVEMBER 3, 2026 *
GENERAL ELECTION OF KERN COUNTY *
WATER AGENCY WITH THE KERN *
COUNTY GENERAL ELECTIONS *

I, Stephanie N. Prince, Secretary of the Board of Directors of the Kern County Water Agency, of the County of Kern, State of California, do hereby certify that the following resolution proposed by Director _____, and seconded by Director_____, was duly passed and adopted by said Board of Directors at an official meeting hereof this 23rd day of July, 2026, by the following vote, to wit:

Ayes:

Noes:

Absent:

_____

Secretary of the Board of Directors
of the Kern County Water Agency

Resolution No. 38-26

WHEREAS, sections 7.1 and 2(k) of the Kern County Water Agency (Agency) Act provide that Directors be elected at the Agency election held in every even-numbered year and consolidated with the general election as defined in section 23 of the California Elections Code; and

WHEREAS, the Agency wishes to consolidate its November 3, 2026 general election with the Kern County general elections; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Kern County Water Agency that:

1. The foregoing recitals are true and correct.

2. The Kern County Water Agency wishes to consolidate its November 3, 2026 election with the Kern County general election as per the provisions of the District Request for Consolidated Election Services attached hereto as Exhibit A, including reimbursing the County of Kern for the costs of conducting any election on behalf of the Kern County Water Agency.

3. This resolution shall remain in effect until rescinded by the Kern County Water Agency Board of Directors.

KERN COUNTY County Clerk Elections

Aimee X. Espinoza
AUDITOR-CONTROLLER-COUNTY CLERK

District Request for Consolidated Election Services

(For Schools and Special Districts)

District Responsibilities:	Elections Division Services:

• Notify the Elections Division of any vacancies prior to the deadline of June 26, 2026 (E-130).
• Prepare a resolution calling for the election on special measures and submit it to the Kern County Elections Division no later than August 7, 2026 (E-88).
• Reimburse the County of costs allocated in accordance with the County billing policy for consolidated elections (Elections Code 10002).
• Return the following to the Kern County Elections Division no later than July 1, 2026 (E-125):
  ○ Notice of Elective Offices to be filled.
  ○ District Request for Consolidated Election Services Form.
	• Prepare a calendar of events and due dates for election.
	• Publish the Notice of Election
	• Prepare and process the filing of nomination documents and signatures.
	• Establish polling places and recruit election workers.
	• Arrange for Spanish translations of all materials for all voters.
	• Prepare and arrange for printing sample ballot booklets, candidate statements, and ballots.
	• Conduct the Vote by Mail and canvass processes.
	• Provide a copy of the election certification and final results.
	• Furnish Certificates and Oaths of Office.
	If a measure is to be consolidated with the election:
	• Prepare a calendar of events and due dates for election
	• Publish measure information (notice to submit arguments, etc.)
	• Determine all argument information, e.g. dates, max number of words, format, etc.

Authorized Representative	

The undersigned request for the above election services to be performed by the Kern County Elections Official.

District Seal:

_____ _____

SIGNATURE OF SECRETARY *Date*

MEMORANDUM

20.2.1

TO: Board of Directors
Agenda Item No. 6

FROM: Nick Pavletich

DATE: July 23, 2026

SUBJECT: Adoption of an Electronic Records Policy and Amendment to the Records Retention Schedule

Issue:
Consider adopting Resolution No. 39-26 establishing an Electronic Records Policy and amending the Records Retention Schedule

Recommended Motion:
Adopt Resolution No. 39-26 establishing an Electronic Records Policy and amending the Records Retention Schedule in the forms attached to the July 23, 2026 staff memorandum to the Board of Directors, Agenda Item No. 6.

Discussion:
The Kern County Water Agency (Agency) maintains public records in both paper and electronic formats. Staff has been reviewing Agency record culling and destruction processes and the procedures used to identify, review and document records eligible for destruction.

As part of the Agency's ongoing review, staff has prepared an Electronic Records Policy (Exhibit A) to establish a framework for the conversion of paper records to electronic records and the destruction of the original paper records following compliant imaging. This Policy authorizes the use of an Agency-approved electronic records system and allows original paper records to be destroyed after they have been properly imaged, verified, indexed and stored, unless an exception applies.

The proposed action also includes an amendment to the Records Retention Schedule (Exhibit B). The only change proposed at this time to the schedule is to revise the Personnel Files legal retention period from Termination +3 to Termination +4. All other portions of the Records Retention Schedule remain unchanged.

BEFORE THE BOARD OF DIRECTORS

OF THE

KERN COUNTY WATER AGENCY

In the matter of:

ADOPTION OF AN ELECTRONIC *
RECORDS POLICY AND *
AMENDMENT TO THE RECORDS *
RETENTION SCHEDULE *

I, Stephanie N. Prince, Secretary of the Board of Directors of the Kern County Water Agency, of the County of Kern, State of California, do hereby certify that the following resolution proposed by Director _____, and seconded by Director _____, was duly passed and adopted by said Board of Directors at an official meeting hereof this 23rd day of July, 2026 by the following vote, to wit:

Ayes:

Noes:

Absent:

_____

Secretary of the Board of Directors
of the Kern County Water Agency

Resolution No. 39-26

WHEREAS, the Kern County Water Agency ("Agency") maintains an extensive volume of paper public records necessary for its operations, historical tracking and legal compliance; and

WHEREAS, maintaining physical paper records requires significant storage space, administrative oversight and financial resources, while exposing records to potential degradation or loss from physical disasters; and

WHEREAS, California Government Code Section 60203 provides that the Board of Directors of a special district may, by resolution, authorize the destruction of any duplicate record, paper or document if it has been photographed, microfilmed, or electronically imaged onto a trusted system that accurately and legibly reproduces the original; and

WHEREAS, California Government Code Section 12168.7 establishes the uniform statewide standards for the recording and preservation of public records in electronic media, requiring systems to prevent unauthorized modification or deletion; and

WHEREAS, the Agency desires to implement a digital records system ("Trusted System") that complies with all federal, state and industry standards—including the California Secretary of State's regulations—to ensure the integrity, accessibility and permanent preservation of Agency public records;

WHEREAS, pursuant to California Evidence Code Section 1550, electronic reproductions of public records made in the regular course of business using a Trusted System are admissible in court to the same extent as the original physical writing; and

WHEREAS, General Counsel has advised that personnel files must be retained for at least four (4) years after employment ends, and the Agency desires to amend its Records Retention Schedule to reflect that requirement.

NOW, THEREFORE, BE IT RESOLVED, by the Kern County Water Agency Board of Directors that:

1. The foregoing recitals are true and correct;
2. Exhibit A to this Resolution is adopted as the Kern County Water Agency Electronic Records Reproduction and Destruction Policy;
3. The General Manager, or designee, is authorized to implement and administer the Electronic Records Reproduction and Destruction Policy and any administrative procedures necessary to carry out its purposes; and

4. Exhibit B to this Resolution is adopted as an amendment to the Agency Records Retention Schedule. The Personnel Files record series legal retention period is revised from "Termination + 3" to "Termination + 4." All other provisions of the Records Retention Schedule shall remain unchanged.

KERN COUNTY WATER AGENCY

ELECTRONIC RECORDS POLICY

1. Purpose.

The Kern County Water Agency (Agency) maintains public records necessary to support Agency operations, legal compliance, historical preservation and public accountability. The use of electronic records can improve records accessibility, reduce physical storage requirements, enhance disaster recovery capabilities and improve the efficiency of records management processes.

This Policy establishes the Agency's requirements for the creation, management, retention, storage, and preservation of electronic records and provides standards for the destruction of original paper records following compliant imaging, verification, and storage in an Agency-approved electronic records system. All electronic records maintained under this Policy shall remain subject to the retention requirements established in the Agency's Records Retention Schedule.

2. Authorized Electronic Records System.

The Agency shall implement and maintain an electronic document management system designated as the Agency's official "Trusted System." This system must meet the following criteria:

A. It must utilize "write-once" or equivalent security protocols that prevent any unauthorized addition, deletion, alteration/ or modification of the imaged documents.

B. It must provide visual clarity and resolution sufficient to accurately and legibly reproduce every detail of the original document.

C. It must organize and index files with comprehensive metadata to ensure they remain fully searchable and accessible for public inspection under the California Public Records Act (CPRA).

D. It must maintain a redundant, true copy of all electronic media stored in a safe, separate physical or digital location to guarantee disaster recovery.

3. Destruction of Original Paper Records.

Upon successful conversion of a paper document into the Agency's compliant Trusted System, and after verified quality control measures confirm the digital copy is a true and legible duplicate, the original paper record may be destroyed via secure shredding or recycling, except under the following conditions:

A. The physical record is expressly required by federal or state law, bond covenants, or funding agreements to be preserved in its original paper form.

B. The record is currently subject to a pending or reasonably foreseeable Litigation Hold or a California Public Records Act request.

C. The record possesses unique historical, architectural, or cultural value to the Agency that warrants physical archiving, as determined by the General Manager or his or her designee.

4. Digital Record Status and Retention.

Any electronic record produced and verified under this policy shall immediately become the official public record of the Agency. The digital file shall inherit, carry over, and be subject to the exact same retention periods established in the Agency's formally adopted Records Retention Schedule.

5. Implementation.

The General Manager is authorized and directed to develop specific administrative procedures, scanning guidelines, and staff training protocols necessary to implement this Policy in accordance with California law.

Kern County Water Agency
Records Retention Schedule

EXHIBIT B

Please note: Retention Schedule applies to all records in possession of KCWA regardless of format or media.
Definition of a record in regards to this Retention Schedule: Information recorded on any media with the intent to preserve information that reflects the position or official business of the Agency.
Not considered to be a record: Unexecuted contracts, drafts, notes, duplicates, advertising and junk mail.
Expiration date: July 31, 2031 for the purpose of review and revision as needed.

Record Series	Legal Group	Class	Legal Retention	Operational Retention	Responsible Area and/or Party
Correspondence - General	0	Short Term	0*	2	General Services / Support Services
Accounting Files	ACC000	Short Term	6	6	Accounting & Finance / Controller
Accounts Payable	ACC010	Short Term	6	10	A/P & Finance / Controller
Daily Treasurer's Report	ACC010	Short Term	6	6	Accounting & Finance / Controller
Inventory Records	ACC010	Short Term	6	6	Finance / General Services
Petty Cash Records	ACC010	Short Term	6	10	A/P & Finance / Controller
Purchase Orders	ACC010	Short Term	6	10	A/P & Finance / Controller
Travel & Expense Records	ACC010	Short Term	6	10	A/P & Finance / Controller
Accounts Receivable (including Cash Receipts)	ACC020	Short Term	6	6	A/R & Finance / Controller
Bank Statements	ACC030	Vital	6	6	Accounting & Finance / Controller
Bank Reconciliations	ACC030	Vital	6	6	Accounting & Finance / Controller
Bonds	ACC040	Vital	Indefinite	Permanent	Accounting & Finance / Controller
KCWA Audit Reports	ACC040	Historical, Vital	10	Permanent	Accounting & Finance / Controller
Non-KCWA Audit Reports (KWBA, Ernst & Young)	ACC070	Vital	0*	Indefinite	Accounting & Finance / Controller
Trust Funds	ACC070	Vital	Indefinite	Indefinite	Accounting & Finance / Controller
Budget Files & Work Papers	ACC080	Short Term	Active + 5	Active + 5	Accounting & Finance / Business Services
KCWA Budget Report - Final	ACC080	Vital	Active + 5	Permanent	Accounting & Finance / Business Services
Surplus Sale Records	ACC080	Short Term	Active + 5	Active + 5	Finance / General Services

Retention period is provided in years.
* Legal Retention Not Specified

Record Series	Legal Group	Class	Legal Retention	Operational Retention	Responsible Area and/or Party
Property Tax Files	ACC090	Short Term	0*	6	Accounting & Finance / Controller
Tax Records	ACC090	Vital	6	6	Accounting & Finance / Controller
Non-KCWA Audit Reports (Other)	ACC100	Short Term	0*	6	Accounting & Finance / Controller
Financial Reports (GL, EOM-DTR, JE Spreadsheets)	ACC110	Historical, Vital	6	Indefinite	Accounting & Finance / Controller
Cost Allocations	ACC110	Historical, Vital	6	Indefinite	Accounting & Finance / Controller
Numeric A/R Invoices	ACC110	Vital	6	Indefinite	A/R & Finance / Controller
KCWA Audit Back-up Schedules	ACC120	Vital	3	10	Accounting & Finance / Controller
Fixed Assets	ACC130	Vital	6	15	Accounting & Finance / Controller
Journal Entry Back-up Documentation	ACC130	Vital	3	15	Accounting & Finance / Controller
Annual / Biennial Reports	AGE000	Historical	Indefinite	Indefinite	Agency Directors / General Manager
KCWA Meeting Minutes (CVC, UBAC, ID-3)	AGE000	Historical, Vital	0*	Indefinite	All Departments
Sales, Marketing, Advertising	AGE000	Historical	0*	Indefinite	Agency Directors / General Manager
Agency / Board Correspondence	AGE010	Historical, Vital	0*	Indefinite	Agency Directors / General Manager
Board Documents	AGE010	Historical, Vital	0*	Indefinite	Agency Directors / General Manager
Meeting Minutes - Board of Directors	AGE010	Historical, Vital	0*	Indefinite	Agency Directors / General Manager
Legislation Files	AGE020	Historical	Indefinite	Indefinite	Legal Services / General Counsel
Member Units (General)	AGE020	Historical, Vital	Indefinite	Indefinite	Water Resources Operations
Public Information (PR, Scholarship, Education, etc)	AGE020	Historical	0*	Indefinite	Public Affairs / General Manager
Computer Resources	COM000	Short Term	0*	Active + 1	Computer Services / Technical Services
Technology Projects	COM000	Short Term	0*	Active + 1	Computer Services / Technical Services
Equal Employment / Affirmative Action	EMP000	Vital	Closed + 3	Closed + 3	Human Resources

Retention period is provided in years.
* Legal Retention Not Specified

Record Series	Legal Group	Class	Legal Retention	Operational Retention	Responsible Area and/or Party
Administration - Benefits Plans	EMP010	Historical, Vital	Closed + 1	Closed + 1	Human Resources
Administration - Retirement Plans	EMP020	Historical, Vital	5	Closed + 5	Human Resources
Payroll Records / Attendance Reports	EMP030	Historical, Vital	Termination + 3	Indefinite	Human Resources
Personnel Files	EMP030	Historical, Vital	Termination + 4	Indefinite	Human Resources
Timekeeping Records	EMP030	Historical, Vital	Termination + 3	Indefinite	Human Resources
Workers' Compensation	EMP040	Short Term	Closed + 1	Termination + 3	Human Resources
Salary Survey	EMP050	Historical, Vital	0*	Indefinite	Human Resources
Construction Project Files / Drawings	ENG000	Historical	Current Year + 10	Indefinite	Engineering Services / Operations
Geo-Technical Records	ENG000	Vital	Closed + 10	Indefinite	Engineering Services / Operations
Reports & Studies	ENG000	Historical	Current Year + 10	Indefinite	Engineering Services / Operations
Calculations	ENG010	Vital	0*	Indefinite	Engineering Services / Operations
Drawings	ENG010	Historical, Vital	Indefinite	Indefinite	Engineering Services / Operations
Maps	ENG010	Historical, Vital	Indefinite	Indefinite	Engineering Services / Operations
Surveys	ENG010	Historical	Indefinite	Indefinite	Engineering Services / Operations
Underground Utilities	ENG010	Historical, Vital	Indefinite	Indefinite	Engineering Services / Operations
Corrosion Control	ENG020	Historical, Vital	Indefinite	Indefinite	Engineering Services / Operations
Emergency Generators	ENG020	Vital	Indefinite	Indefinite	Engineering Services / Operations
Recording Charts (Stream Gauging)	ENG020	Historical, Vital	Indefinite	Indefinite	Engineering Services / Operations
Work Orders	ENG030	Vital	Current Year + 10	Current Year + 10	Engineering Services / Operations
Air Quality	ENV000	Short Term	10	10	Environmental Services Operations
Hazardous Materials	ENV010	Short Term	6	6	Environmental Services Operations

Retention period is provided in years.
* Legal Retention Not Specified

Record Series	Legal Group	Class	Legal Retention	Operational Retention	Responsible Area and/or Party
Hazardous Waste	ENV010	Short Term	6	6	Environmental Services Operations
Environmental Reports	ENV020	Historical, Vital	10	Indefinite	Environmental Services Operations
Environmental Cultural Resources	ENV020	Historical	6	Indefinite	Environmental Services Operations
Telephone Message Books	GEN000	Short Term	0*	1	General Services
Visitor Logs	GEN000	Short Term	0*	1	Security / General Services
Vehicle Operating Records	GEN010	Short Term	0*	Closed + 1	General Services
Confined Space Tests	HEA000	Short Term	5	5	Health & Safety / All Departments
Incident/Accident Records (Non-W. Comp)	HEA000	Short Term	5	5	Risk Management / General Services
Security Records	HEA000	Short Term	0*	5	Security / General Services
Pesticide Records	HEA000	Short Term	5	5	Engineering Services / Operations
Safety Records / Meetings	HEA000	Short Term	5	5	Security / General Services
Inspection Reports	HEA010	Historical, Vital	5	10	Engineering Services / Operations
Emergency Procedures & Disaster Plans	HEA020	Vital	Indefinite	Indefinite	General Services / Support Services
Material Safety Data Sheets	HEA020	Vital	Indefinite	Indefinite	All Departments
Insurance Certificates	INS000	Short Term	Closed + 5	Closed + 5	General Services / Support Services
Insurance Policies	INS000	Short Term	Closed + 5	Closed + 5	General Services / Support Services
Liability & KCWA Property Losses	INS010	Historical	0*	Closed + 10	Finance / General Services
Contracts / Agreements / Leases	LEG000	Vital	Expired + 10	Indefinite	Legal Services / General Counsel
Deeds & Easements	LEG010	Historical, Vital	Indefinite	Indefinite	Legal Services / General Counsel
Legal Opinions	LEG010	Vital	Indefinite	Indefinite	Legal Services / General Counsel
Notices	LEG010	Historical	0*	Indefinite	Legal Services / General Counsel

Retention period is provided in years.
* Legal Retention Not Specified

Record Series	Legal Group	Class	Legal Retention	Operational Retention	Responsible Area and/or Party
Real Estate Ownership Files	LEG020	Historical, Vital	Indefinite	Permanent	Legal Services / General Counsel
Public Records Request	LEG030	Short Term	Closed + 10	Closed + 10	Legal Services / General Counsel
Briefs, Appeals, Litigations	LEG040	Historical, Vital	Closed + 10	Indefinite	Agency General Manager / Executive Secretary
Proposals (Legal)	LEG050	Short Term	10	10	Legal Services / General Counsel
Submittals (Legal)	LEG050	Short Term	10	10	Legal Services / General Counsel
Permits, Licenses	LEG060	Vital	Expired + 10	Expired + 10	Legal Services / General Counsel
Newsletters	LIB000	Historical	0*	Indefinite	General Services / Support Services
News Clippings	LIB000	Historical	0*	Indefinite	General Services / Support Services
Photographs	LIB000	Historical	0*	Indefinite	General Services / Support Services
Reference Materials	LIB000	Historical	0*	Indefinite	General Services / Records Mgmt.
Equipment Calibration	OPE000	Vital	Closed + 10	Closed + 10	Engineering Services / Operations
Equipment Maintenance	OPE000	Vital	Closed + 10	Closed + 10	Engineering Services / Operations
Equipment Trouble & Repair	OPE000	Vital	Closed + 10	Closed + 10	Engineering Services / Operations
Equipment Use	OPE000	Vital	Closed + 10	Closed + 10	Engineering Services / Operations
Energy Usage Files	OPE000	Short Term	Closed + 10	Closed + 10	Engineering Services / Operations
Operating Logs	OPE010	Short Term	Current Year + 10	Current Year + 10	Engineering Services / Operations
Test Records	OPE010	Historical	Current Year + 10	Current Year + 10	Engineering Services / Operations
Work Reports	OPE010	Short Term	Current Year + 10	Current Year + 10	Engineering Services / Operations
Operating Manuals	OPE020	Vital	0*	Indefinite	Engineering Services / Operations
Recording Charts (Strip Charts)	OPE020	Short Term	Current Year + 10	Indefinite	Engineering Services / Operations
Records Retention Schedules	RIM000	Historical	0*	Indefinite	General Services / Records Mgmt.

Retention period is provided in years.
* Legal Retention Not Specified

Record Series	Legal Group	Class	Legal Retention	Operational Retention	Responsible Area and/or Party
Records Inventory	RIM010	Historical	0*	Indefinite	General Services / Records Mgmt.
Water Resources (SWP, Bay-Delta, Lower Kern, Misc.)	WAT000	Vital	5	Indefinite	Water Resources Operations
Water Delivery Records	WAT000	Vital	5	Indefinite	Water Resources Operations
Pumping Plant Records	WAT010	Historical, Vital	5	30	Engineering Services / Operations
Chemical Inventory	WAT020	Vital	40	40	Operations Division / Water Quality
Filtration Plant	WAT030	Vital	Indefinite	Indefinite	Operations Division / Water Quality
Groundwater Storage	WAT030	Vital	Indefinite	Indefinite	Engineering Services / Operations
Underground Storage Tanks	WAT030	Vital	Indefinite	Indefinite	Engineering Services / Operations
Bacteria Analysis	WAT040	Vital	12	12	Operations Division / Water Quality
Chemical Analysis	WAT040	Vital	12	12	Operations Division / Water Quality
Laboratory Records / Analysis / Samples	WAT040	Vital	12	12	Engineering Services / Operations
Water Quality Analysis / Records	WAT040	Vital	12	12	Engineering Services / Operations
Flood Control Districts	WAT050	Historical, Vital	0*	Indefinite	Engineering Services / Operations
Water Districts	WAT050	Historical, Vital	0*	Indefinite	Engineering Services / Operations
Water Annual Costs & Water Allocation	WAT070	Vital	5	Indefinite	Water Resources Operations
Water Production Payments	WAT070	Historical, Vital	5	Indefinite	Water Resources Operations

Retention period is provided in years.
* Legal Retention Not Specified

MEMORANDUM

20.2.1

TO: Board of Directors
Agenda Item No. 7

FROM: Nick Pavletich

DATE: July 23, 2026

SUBJECT: Consideration of the Kern County Water Agency Travel, Expense and Vehicle Use Policy

Issue:
Consider adopting the Kern County Water Agency Travel, Expense and Vehicle Use Policy

Recommended Motion:
Adopt Resolution No. 41-26 approving the Kern County Water Agency Travel, Expense and Vehicle Use Policy.

Discussion:
The Kern County Water Agency (Agency) has historically addressed travel, meal reimbursement, mileage reimbursement, expense reimbursement and vehicle use through provisions contained in the Employee Handbook, related policies and administrative practices. Staff has prepared a Travel, Expense and Vehicle Use Policy (Exhibit A) to consolidate and update these requirements within a single Board-adopted policy. The proposed Policy establishes standards governing travel, reimbursement of business expenses and authorized vehicle use incurred while conducting Agency business. The Policy consolidates existing handbook provisions and administrative practices into a single Board-adopted policy intended to promote consistency, accountability and the efficient administration of Agency operations.

BEFORE THE BOARD OF DIRECTORS

OF THE

KERN COUNTY WATER AGENCY

In the matter of:

ADOPTION OF THE KERN *
COUNTY WATER AGENCY *
TRAVEL, EXPENSE AND *
VEHICLE USE POLICY *

I, Stephanie N. Prince, Secretary of the Board of Directors of the Kern County Water Agency, of the County of Kern, State of California, do hereby certify that the following resolution proposed by Director _____, and seconded by Director _____, was duly passed and adopted by said Board of Directors at an official meeting hereof this 23rd day of July, 2026 by the following vote, to wit:

Ayes:

Noes:

Absent:

_____

Secretary of the Board of Directors
of the Kern County Water Agency

Resolution No. 41-26

WHEREAS, the Board of Directors (Board) of the Kern County Water Agency (Agency) has historically addressed travel, meal reimbursement, mileage reimbursement, expense reimbursement and vehicle use through provisions contained in the Employee Handbook, related policies and administrative practices; and

WHEREAS, the Agency desires to consolidate and update those provisions into a single Travel, Expense and Vehicle Use Policy to provide clear and consistent standards for Agency business expenses and vehicle use; and

WHEREAS, the proposed Policy is intended to promote accountability, administrative consistency and the efficient use of public funds while supporting Agency operations; and

WHEREAS, the Board finds it appropriate to adopt the Travel, Expense and Vehicle Use Policy attached as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED, by the Kern County Water Agency Board of Directors that:

1. The foregoing recitals are true and correct.
2. Exhibit A to this Resolution is adopted as the Kern County Water Agency Travel, Expense and Vehicle Use Policy, and supersedes any inconsistent provisions regarding travel, meal reimbursement, mileage reimbursement, expense reimbursement or vehicle use previously contained in the Employee Handbook, related policies or administrative practices; and
4. The General Manager, or designee is authorized to administer, interpret and implement the Policy and to establish forms, procedures and guidelines consistent with the Policy and applicable law.

Kern County Water Agency Employee Travel, Expense and Vehicle Use Policy

I. Purpose and Scope

This Employee Travel, Expense and Vehicle Use Policy (Policy) establishes standards for authorizing, documenting and regulating travel, meals, transportation, vehicle use and other expenses incurred for official Kern County Water Agency (Agency) business by Agency employees. It applies to all Agency employees and to all Agency payment methods, including purchasing cards, purchase orders, direct payments, travel advances and reimbursement claims. The Policy shall constitute an IRS Accountable Plan, as specified in Exhibit A hereto.

This Policy supports lawful, reasonable and efficient use of public funds while preserving the Agency's administrative flexibility. Expenses may be paid directly or reimbursed when they are actual, necessary, reasonable, adequately documented, serve an Agency purpose and are not prohibited by law or this Policy. Wherever possible, Authorized Representatives shall use government and group rates offered for travel and lodging.

Expenses not specifically listed in this Policy may be allowed when approved by the proper authority, adequately documented and meeting all the following standards:

- Serve a documented public purpose;
- Are reasonable in amount and related to Agency business;
- Comply with the requirements of this Policy; and
- Are not otherwise prohibited by law.

This Policy shall be administered consistent with applicable California law, including requirements for local agency reimbursement practices, public records, misuse of public resources and gifts of public funds. The General Manager and authorized designees may approve reasonable expenses and address circumstances not expressly described in this Policy when the expense serves an Agency purpose and adequate documentation is maintained.

II. Definitions

A. Authorized Representative

An individual authorized by the Agency to conduct official Agency business that requires travel, vehicle use or the incurrence of expenses. This term includes employees and other individuals as approved by the General Manager or designee, but does not include Agency Directors, who are covered under a separate policy.

B. Business Meal

A meal incurred or provided for official Agency business that supports a documented Agency purpose and is reasonable under the circumstances. Business meals may occur during travel, meetings, trainings, negotiations, emergency response, interagency coordination or other activities that facilitate Agency business.

Documentation substantiating the expense must be provided for all Business Meals. Documentation shall be maintained in a form approved by the Agency and identify the date, amount, business purpose and attendees or group served, when practicable.

C. Employee

An individual employed by the Agency.

D. Headquarters

The geographic area reasonably considered the Employee's Place of Employment or commuting area as determined by the Agency.

E. Place of Employment

The primary office or facility where an Employee performs assigned duties or reports for work.

F. Travel

Any authorized trip with a destination exceeding twenty (20) miles from the Place of Employment or requiring an overnight stay.

G. Travel Advance

An advance of up to one hundred percent (100%) of estimated travel, conference or training expenses, including registration fees, approved in advance by the General Manager or the relevant Department Head.

III. Travel, Meal and Expense Reimbursement

A. Approval Authority and Travel Authorization

1. Staff Travel

The General Manager, relevant Department Head or designee may approve travel necessary or appropriate for Agency business by Agency employees. Travel should use a reasonable and economical mode, route and rate when practicable in accordance with the provisions of this Policy. A higher-cost option may be approved when supported by a documented Agency business need.

Out-of-state travel requires written approval from the General Manager or designee. Overnight travel, conferences and organized training may require approval from the General Manager, Department Head or designee in a manner established by Agency procedures.

2. *Positional Preauthorization*

Positions that routinely require field work, inspections, local meetings, interagency coordination or travel between Agency facilities are preauthorized for ordinary and necessary travel. Positional preauthorization does not include out-of-state travel, overnight travel, formal conferences or organized training, which must be separately approved.

3. *Emergency Travel*

In emergency, urgent or time-sensitive circumstances, the General Manager, relevant Department Head or designee may authorize travel and related expenditures without prior written approval when necessary for Agency business. Such expenditures shall be documented as soon as practicable.

B. Transportation and Vehicle Use Expenses

1. *Personal Vehicle Use*

Authorized Representatives using a privately owned vehicle for approved Agency business may be reimbursed at the applicable Internal Revenue Service standard mileage rate. Employees receiving a vehicle or car allowance may be reimbursed at a different rate to avoid duplicate compensation. Mileage reimbursement covers ordinary vehicle operating costs unless a specific additional expense is separately authorized and documented.

Mileage reimbursement for employees applies only to business mileage incurred in excess of the employee's normal commute, unless otherwise approved for an Agency business reason.

Mileage reimbursement claims submitted by the General Manager shall be reviewed and approved by the Controller.

2. *Agency Pool Vehicles*

Fuel, parking, tolls and other reasonable operating costs incurred in connection with authorized use of an Agency pool vehicle may be paid directly or reimbursed when supported by receipts or other acceptable documentation.

3. *Rental Vehicles and Ride-Sharing*

Rental vehicles, ride-sharing, taxis, shuttles and reasonable related gratuities are reimbursable when incurred for Agency business, reasonable under the circumstances and properly documented. Rental vehicles should only be used for activities located at least fifty (50) miles from the Headquarters. Vehicle class should be reasonable for the business need.

4. *Commercial Air Travel*

Economy-class airfare shall be used whenever reasonably feasible. Upgraded airfare may be approved when supported by a documented Agency business need.

5. *Parking*

At airports, long-term parking is encouraged for travel exceeding 24 hours, subject to time constraints, safety concerns, and inclement weather. At hotels and for other parking, self-parking is encouraged, subject to time constraints, safety concerns, and inclement weather.

6. *Communication Expenses*

Telephone, facsimile, Internet, overnight, and/or courier expenses incurred in connection with approved Agency business will be reimbursed in accordance with this policy.

C. Lodging, Meals and Incidental Expenses

1. *Lodging*

The Agency may pay or reimburse actual and necessary lodging expenses for authorized travel at a location that is situated at least fifty (50) miles from the Headquarters. Government, group, conference or comparable rates should be used when available and practical. Higher rates may be approved with a brief business justification.

2. *Business Meals During Travel*

Actual and necessary meals incurred during authorized travel are reimbursable when reasonable in amount, related to Agency business and supported by itemized receipts or other acceptable documentation. Meal expenses incurred for any person not essential to the Agency business being conducted will not be subject to reimbursement or otherwise allowed. Gratuities are reimbursable when reasonable and customary, generally not to exceed eighteen percent (18%) of the pre-tax meal cost unless circumstances support a different amount.

3. *Operational and Working Business Meals*

Meals may be provided, paid for directly or reimbursed outside of travel status when they serve a documented Agency purpose, support Agency business and are reasonable. Examples include working meetings, trainings, emergency or operational activities, interagency coordination, negotiations, and similar Agency business.

4. *Incidental Expenses*

Incidental expenses related to Agency business may be paid or reimbursed when reasonable, necessary and supported by receipts or other acceptable documentation.

5. *Consolidated Reimbursement*

An Authorized Representative may pay authorized group expenses on behalf of other approved participants when the expense serves an Agency purpose. The claim for reimbursement of such expenses shall identify the attendees or group served, business purpose and itemized costs.

When practicable, the highest-ranking Authorized Representative present should pay group expenses. Claims must be approved by an individual with appropriate authority (i.e., Department Head or General Manager) and should not be approved solely by the claimant. Claims submitted by the General Manager shall be reviewed and approved by the Controller or other individual designated by the Board or Agency procedure.

6. *Unauthorized Expenses*

The following expenses are not allowed or reimbursable unless expressly authorized by law and approved by the Board or other authority required by law:

- Alcoholic beverages, tobacco, cannabis products or recreational substances;
- Costs incurred for personal guests or companions who do not contribute to the documented Agency purpose;
- Personal entertainment, recreation, sightseeing or similar personal activities;
- Expenses that are excessive, extravagant or unreasonable under the circumstances; and
- Expenses that provide no identifiable benefit to the Agency or are otherwise prohibited by law or this Policy.

7. *Documentation and Timing*

Expense claims and supporting documentation should be submitted within thirty (30) days of the expense unless a later submission is approved by the Controller or designee. Documentation must support review for authorization, Agency business purpose, reasonableness and compliance with this Policy. Late claims may be denied if the delay prevents adequate review or compliance. The following procedures shall be followed with respect to any expense reimbursements:

- Expense Report Forms. Director reimbursements shall be requested using Agency expense report forms or other approved documentation.
- Receipts and Documentation. Expense reports shall include receipts or other required documentation sufficient to demonstrate that the expense was actual, necessary, reasonable and incurred in the performance of official Agency duties.
- Public Records. Documents related to reimbursable Agency expenditures are public records and are subject to disclosure in accordance with the California Public Records Act, unless a lawful exemption applies.

IV. Vehicle Use and Authorization

This section establishes operational rules for the authorization and use of Agency-owned and privately owned vehicles while conducting official Agency business. Vehicle use must be authorized, limited to Agency business and conducted in a safe, lawful and responsible manner. The General Manager or designee may establish procedures for vehicle reservations, keys, logs, parking, fuel cards, maintenance reporting and other operational requirements.

An Authorized Representative may operate a vehicle for Agency business only when authorized under this Policy and any related administrative procedures.

A. Authorized Vehicle Use

1. Agency-Owned Vehicles

Agency-owned vehicles may be used solely for official Agency business by individuals authorized to operate them. Use must comply with this Policy, Agency procedures, applicable law and any requirements established by the Agency's insurer.

Personal use of Agency vehicles is prohibited except for incidental or de minimis use directly connected to Agency business or use specifically authorized by the General Manager or designee.

2. Privately Owned Vehicles

Privately owned vehicles may be used for Agency business with prior approval or other authorization established by Agency procedures. Drivers are responsible for ensuring the vehicle is safe, legally operable and properly insured.

Use of a privately owned vehicle for Agency business must comply with applicable licensing, insurance, reporting and safety requirements.

B. Driver Eligibility and Responsibility

Any person operating a vehicle for Agency business shall:

- Maintain a valid driver's license appropriate for the vehicle operated;
- Operate vehicles in compliance with all applicable federal, state and local laws, including all restrictions on cell phone use and prohibitions on texting while driving;
- Use seat belts and follow all safety requirements;
- Report any collision, damage, citation or safety incident occurring during Agency business as soon as practicable; and
- Always exercise reasonable care and judgment.

The Agency may require verification of license status, driving eligibility, insurance coverage or other information necessary to confirm continued authorization to operate a vehicle for Agency business.

C. Private Vehicle Insurance

Drivers using privately owned vehicles for Agency business must maintain valid liability insurance in amounts required by California law and acceptable to the Agency based on the nature and frequency of Agency-related use.

The Agency may request proof of insurance and may establish recommended or minimum coverage thresholds by administrative procedure. Unless otherwise determined by the Agency's insurer or applicable law, the driver's personal vehicle insurance is primary for claims involving a privately owned vehicle.

D. Accidents, Incidents and Damage

Drivers must report any vehicle accident, incident, citation, damage or safety concern occurring during Agency business to Agency management as soon as practicable and in accordance with applicable procedures.

The Agency may require completion of incident reports, photographs, insurance information, law enforcement reports or other documentation necessary for claim, insurance, safety or administrative review.

E. Limitation or Removal of Vehicle Authorization

The Agency may condition, limit, suspend or revoke authorization to operate Agency-owned or privately owned vehicles when continued authorization presents a safety, legal, insurance, risk-management, operational or compliance concern.

F. Restoration of Vehicle Authorization

The General Manager or designee may restore vehicle authorization when the Agency determines that the concern has been addressed and continued authorization is appropriate. Restoration is discretionary and may be conditioned on additional requirements.

G. Administration and Interpretation

The General Manager or designee may administer, interpret and implement this Policy, including issuing guidelines, forms, procedures and approval workflows. This Policy shall be interpreted to maintain public accountability, audit readiness and safety while allowing reasonable flexibility for operational needs and circumstances not expressly described herein.

H. Conflicts and Related Policies

This Policy complements other applicable Agency policies, procedures, contracts, insurance requirements and legal obligations. In the event of conflict or ambiguity, the General Manager or designee may determine the appropriate administrative application consistent with applicable law, Board direction, Agency procedures and the public purpose served.

I. Review and Amendment

The Board of Directors may amend, suspend or rescind this Policy by action taken in a public meeting. Administrative forms, procedures and guidelines used to implement this Policy may

be updated by the General Manager or designee as necessary, provided they remain consistent with this Policy and applicable law.

EXHIBIT A

INTERNAL REVENUE SERVICE ACCOUNTABLE PLAN

General Rules for "Expense Reimbursement" Plans

The primary question regarding an employee reimbursement is whether the payment constitutes additional cash compensation that should be taxed as ordinary salary or wages, or whether it qualifies as a business-related "expense reimbursement" that can be excluded from reportable income.

Under IRS Code, Section 62(c), an arrangement is treated as an "expense reimbursement" if it requires the employee to:

(a) Substantiate the reimbursement, and
(b) Refund any reimbursement in excess of substantiated expenses.

This means that to qualify, a "reimbursement arrangement" must comply with both of the above Code provisions.

If all of the above rules and regulations are met, amounts paid are treated as paid under an "accountable expense reimbursement plan" (See below). If there is any conflict between this document and IRS statutes, regulations, or guidance, they shall prevail over this document.

Accountable Expense Reimbursement Plans

Governmental employees often receive reimbursements for a variety of business expenses, including automobile expenses (where employees use their own autos for government business) other travel costs, hotel and motel costs, meals and entertainment, etc. In such cases, the employee may receive reimbursement for actual costs incurred, a per diem allowance (e.g., a flat rate per day), or a monthly allowance or advance. If the expense reimbursements or allowances are not made in accordance with the IRS rules below, they may be considered "wages" subject to payroll tax withholding.

In order to qualify as an "accountable" plan, the reimbursement must meet the following two requirements:

1. **Substantiation Requirement (Per Regulation 1.274-5T):**

   The governmental agency must require the employee to substantiate expenses incurred. That is, the employee should submit the following for each business related expense:

   a. The **amount** of the expenditure.

   b. The **time** and **place** of travel or entertainment.

   c. The **business purpose** of the expenditure.

d. The **business relationship** to the person entertained, and the individuals' names.

Accountable Expense Reimbursement Plans (continued)

The following **documentation** should be attached to each expense report (per Regulation 1.274-5 (c)(2)(iii):

a. Receipts, paid bills, etc. for any lodging (hotel bills, etc.) regardless of amount, and

b. Receipts for any "nonlodging" travel or entertainment expenditure of $75.00 or more. (See Regulation 1.274-5(c)(2)(iii)(A)(2), IRS Notice 95-50 and Letter Ruling 200343025).

To ensure compliance and reduce risk of misuse, the District requires receipts for all expenses, unless impracticable (e.g., incidental expenses, public transit fares without receipt, etc.) Under these rules, generally, business expenses must be "substantiated" within 60 days after the expense is paid or incurred.

Observation: Because travel and entertainment expenses of government officials and employees can have a very high "political profile," it may be prudent to require documentation on all travel and entertainment expenditures, regardless of amount. The District reserves the right to deny expenses that were not approved or do not qualify for reimbursement under the District's Employee Reimbursement of Expenses Policy.

2. Requirement to Return Unsubstantiated Advances:

The employee must be required to return to the governmental agency any amount in excess of substantiated expense within a "reasonable period of time." A reasonable period of time depends on the facts and circumstances. Under the regulations, the Treasury has established a **"safe harbor"** for returning unsubstantiated advances:

- Excess advances must be returned within **120 days** after the expense is paid or incurred.
- In the case of allowances or advances, the expense must be incurred (to come under the safe harbor) within **30 days** after the allowance or advance is paid to the employee. (Code Sec. 62(c); Reg. 1.62-2(c)(2)(i); Reg. 1.62-2(d)(i); Reg. 1.62-2(e); Reg. 1.62-2(f)).

To the extent amounts are not paid under an "accountable plan" they constitute "wages" and are subject to income and payroll tax withholding when paid. If the government agency established an "accountable plan" but the employee fails to substantiate the expenses or return advances within a reasonable period, only the unsubstantiated or unreturned will be treated as taxable "wages."

MEMORANDUM

TO: Board of Directors
Agenda Item No. 8

FROM: Nick Pavletich

DATE: July 23, 2026

SUBJECT: Setting of the Financial Reserves for Fiscal Year 2026-27

Issue:
Setting the Kern County Water Agency financial reserves for Fiscal Year 2026-27.

Recommended Motion:
Adopt Resolution No. 41-26 setting the Kern County Water Agency financial reserves for Fiscal Year 2026-27.

Discussion:
The recommended financial reserve changes for Fiscal Year 2026-27 are listed on the attached Resolution 41-26. Kern County Water Agency (Agency) staff recommends these changes based on the needs of the various funds and the amount of available funds. The recommended reserve changes are consistent with the Fiscal Year 2026-27 Budget approved by the Agency Board of Directors on July 1, 2026.

BEFORE THE BOARD OF DIRECTORS

OF THE

KERN COUNTY WATER AGENCY

In the Matter of:

SETTING FINANCIAL *
RESERVES FOR FISCAL *
YEAR 2026-27 *

I, Stephanie N. Prince, Secretary of the Board of Directors of the Kern County Water Agency, of the County of Kern, State of California, do hereby certify that the following resolution proposed by Director _____, and seconded by Director _____, was duly passed and adopted by said Board of Directors at an official meeting here of this 23rd day of July, 2026, by the following vote, to wit:

Ayes:

Noes:

Absent:

_____
Secretary of the Board of Directors
of the Kern County Water Agency

Resolution No. 41-26

WHEREAS, the Kern County Water Agency's (Agency) Board of Directors (Board) finds it necessary and prudent to set financial reserves for various Agency funds; and

WHEREAS, the Board wishes to establish the existing Agency financial reserves for Fiscal Year 2026-27 to become effective July 1, 2026, except for the following changes; and

WHEREAS, the Agency has funds available for these financial reserves and such financial reserves are deemed advisable:

a. The General Fund's Contingent Tax Liability reserve shall be increased by $198,000 to $1,167,000;

b. The Zone of Benefit No. 7 Fund's Contingent Tax Liability reserve shall be decreased by $30,000 to $372,000;

c. The Zone of Benefit No. 17 Fund's Contingent Tax Liability reserve shall be decreased by $200,000 to $1,059,000;

d. The Zone of Benefit No. 18 Fund's Contingent Tax Liability reserve shall be increased by $2,000 to $431,000;

e. The Zone of Benefit No. 19 Fund's Contingent Tax Liability reserve shall be decreased by $94,000 to $301,000;

f. The Improvement District No. 1 Fund's General reserve shall be increased by $99,685 to $665,981;

g. The Improvement District No. 1 Fund's Contingent Tax Liability reserve shall be decreased by $3,000 to $5,000; and

h. The Improvement District No. 4 Fund's Additional Water Acquisition reserve shall be decreased by $215,293 to $0.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Kern County Water Agency that:

1. The foregoing recitals are true and correct.

2. The existing Agency reserves are hereby reestablished and approved together with the stated reserve changes listed above.

3. Agency staff is directed to transfer the amounts for the changes so approved.

Administrative Operations Committee

Financial Report

Presented to:

KCWA
Board of Directors

June 2026

Prepared by:

Administrative Operations Department

July 23, 2026

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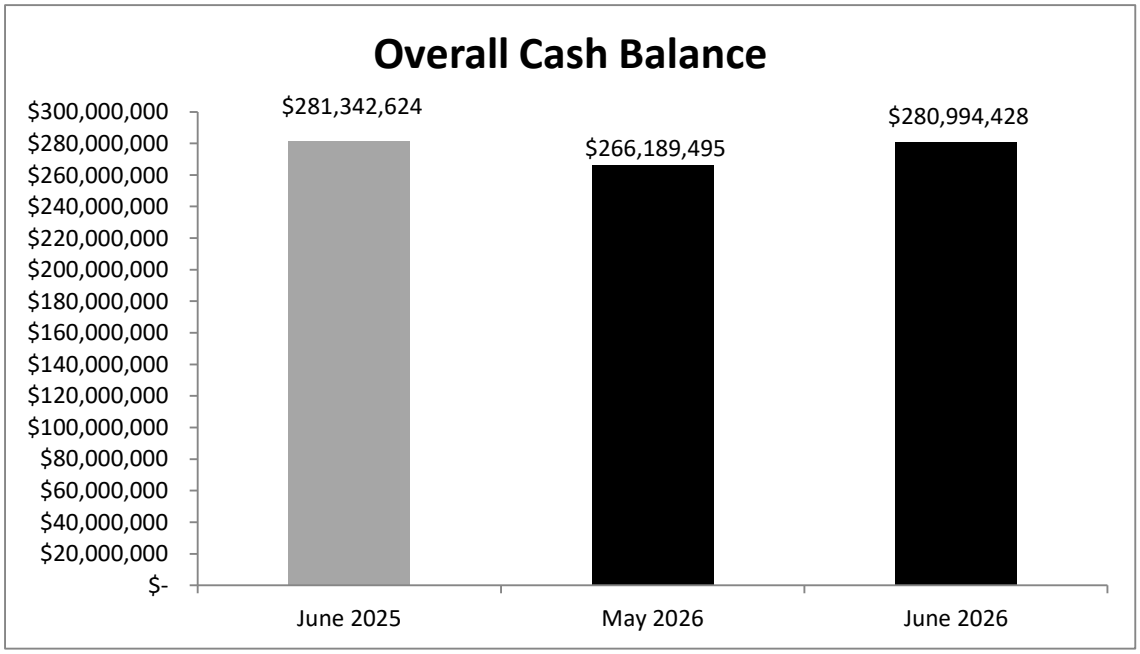
June 30, 2026
Cash Report
(All funds combined)

	June 2025	May 2026	June 2026
Beginning Cash Balance:	$ 259,819,355	$ 257,022,536	$ 266,189,495
Total Cash Receipts:	$ 38,883,155	$ 20,662,759	$ 31,875,225
Total Cash Disbursements:	$ (17,359,886)	$ (11,495,800)	$ (17,070,292)
Ending Cash Balance:	$ 281,342,624	$ 266,189,495	$ 280,994,428



KERN COUNTY WATER AGENCY
CASH BALANCES - ALL FUNDS [1]
June 30, 2026

FUND NAME	REGULAR CASH	RESTRICTED CASH	FOOT-NOTE	ADD: ACCOUNTS RECEIVABLE	LESS:LIABILITIES/ ENCUMBRANCES	NET NON-DISCRETIONARY	NET DISCRETIONARY
General Fund	36,621,628	$312,281	[B]	$0	$23,709	$0	$36,910,200
State Contract Payment	57,714,587	368,876	[A]	26,417,838	84,501,301	0	0
Kern Fan Monitoring Comm	(123,216)	0		13,619	0	(109,597)	0
Kern Water Bank	(74,734)	0		14,957	20	(59,797)	0
Zone of Benefit #7	50,978,990	7,090,303	[C]	0	0	58,069,292	0
Zone of Benefit #17	35,196,646	0		0	0	35,196,646	0
Zone of Benefit #18	4,209,857	0		0	0	4,209,857	0
Zone of Benefit #19	30,857,650	0		0	0	30,857,650	0
Western Hills	(841,389)	0		11,223,249	57	10,381,804	0
Lower Kern River	1,355,776	0		539,442	13,469	1,881,749	0
Entitlement Retention	(2,261,953)	0		(2,069)	0	0	(2,264,022)
Water Management	27,867,797	1,000,000	[D]	0	0	1,000,000	27,867,797
Improvement District No. 1	830,596	0		0	0	830,596	0
Improvement District No. 3	(57,837)	0		0	50	(50)	(57,837)
Improvement District No.4	5,231,704	0		4,274,638	442,351	9,063,990	0
Imp. District No.4 Bonds	3,160,852	0		2,923,061	89,185	5,994,728	0
CVC Operations	5,879,514	0		359,965	247,294	5,992,184	0
CVC Power	(681,873)	0		31,317	137,016	(787,573)	0
CVC Replacement	198,117	0		5,471	0	203,588	0
CVC Third Party	757,588	0		0	0	757,588	0
KCWA/BMWD Jt. Banking	1,860,774	0		(22,992)	3,351	1,834,431	0
Pioneer Project	10,256,906	0		55,292	24,456	10,287,742	0
Westlands Payback	1,659,894	0		0	0	1,659,894	0
MU Participation in CVC	(564,206)	0		167,507	0	(396,699)	0
Section 125 Plan	28,618	0		0	0	28,618	0
Unallocated Interest	2,160,687	0		0	0	0	2,160,687
TOTAL KCWA CASH	$272,222,968	$8,771,460		$46,001,296	$85,482,260	$176,896,643	$64,616,825

Total	$ 280,994,428

[1] This schedule is intended only to provide the cash balances for each fund administered by KCWA, increased by accounts receivable and reduced by liabilities and encumbrances. Since reserves are not considered, it does not reflect cash available for appropriations.

[A] ZOB 14, 15 & 16 restricted cash
[B] Remainder of the 1996 KCWA Pool Program $3 million transfer from Allocation Settlement Fund.
[C] Per Resolution 6-96 : Water Replacement Account for the acquisition of additional water supplies for ID4.
[D] Chevron Pipeline Settlement

Kern County Water Agency
Accounts Receivable Aging
June 30, 2026

	Total	Current	1-30 Days	31-60 Days	61-90 Days	Over 90 Days
State Contract Payment Fund						
Belridge WSD	$6,126,888.00	$6,126,888.00	$0.00	$0.00	$0.00	$0.00
Berrenda Mesa WD	$5,508,538.00	$5,508,538.00	$0.00	$0.00	$0.00	$0.00
Buena Vista WSD	$800.00	$800.00	$0.00	$0.00	$0.00	$0.00
Cawelo WD	$1,714,509.00	$1,714,509.00	$0.00	$0.00	$0.00	$0.00
Henry Miller WD	$1,594,651.00	$1,594,651.00	$0.00	$0.00	$0.00	$0.00
Lost Hills WD	$5,636,865.00	$5,636,865.00	$0.00	$0.00	$0.00	$0.00
Semitropic WSD	$5,629,254.00	$5,629,254.00	$0.00	$0.00	$0.00	$0.00
Tejon-Castac WD	$205,895.00	$205,895.00	$0.00	$0.00	$0.00	$0.00
Wheeler Ridge-Maricopa WSD	$438.00	$438.00	$0.00	$0.00	$0.00	$0.00
State Contract Payment Fund Total:	**$26,417,838.00**	**$26,417,838.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**
Kern Fan Monitoring Committee						
Buena Vista WSD	$13,196.81	$0.00	$0.00	$13,196.81	$0.00	$0.00
Kern Delta WD	$422.33	$0.00	$0.00	$422.33	$0.00	$0.00
Kern Fan Monitoring Committee Total:	**$13,619.14**	**$0.00**	**$0.00**	**$13,619.14**	**$0.00**	**$0.00**
Kern Water Bank						
Buena Vista WSD	$1,500.00	$0.00	$0.00	$1,500.00	$0.00	$0.00
Kern Delta WD	$300.00	$0.00	$0.00	$300.00	$0.00	$0.00
Kern Water Bank Authority	$13,157.00	$13,157.00	$0.00	$0.00	$0.00	$0.00
Kern Water Bank Total:	**$14,957.00**	**$13,157.00**	**$0.00**	**$1,800.00**	**$0.00**	**$0.00**
Western Hills Fund						
Western Hills WD	$11,223,249.00	$865,157.00	$0.00	$0.00	$0.00	$10,358,092.00
Western Hills Fund Total:	**$11,223,249.00**	**$865,157.00**	**$0.00**	**$0.00**	**$0.00**	**$10,358,092.00**
Lower Kern River Fund						
Belridge WSD	$116,648.00	$116,648.00	$0.00	$0.00	$0.00	$0.00
Berrenda Mesa WD	$88,896.00	$88,896.00	$0.00	$0.00	$0.00	$0.00
Cawelo WD	$36,672.00	$36,672.00	$0.00	$0.00	$0.00	$0.00
Henry Miller WD	$34,080.00	$34,080.00	$0.00	$0.00	$0.00	$0.00
Lost Hills WD	$114,346.00	$114,346.00	$0.00	$0.00	$0.00	$0.00
Semitropic WSD	$148,800.00	$148,800.00	$0.00	$0.00	$0.00	$0.00
Lower Kern River Fund Total:	**$539,442.00**	**$539,442.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**

Kern County Water Agency
Accounts Receivable Aging
June 30, 2026

	Total	Current	1-30 Days	31-60 Days	61-90 Days	Over 90 Days
Entitlement Retention Fund						
Belridge WSD	($754.00)	($754.00)	$0.00	$0.00	$0.00	$0.00
Berrenda Mesa WD	($575.00)	($575.00)	$0.00	$0.00	$0.00	$0.00
Lost Hills WD	($740.00)	($740.00)	$0.00	$0.00	$0.00	$0.00
Entitlement Retention Fund Total:	**($2,069.00)**	**($2,069.00)**	**$0.00**	**$0.00**	**$0.00**	**$0.00**
Impr. Dist. No. 4 Operations						
City of Bakersfield DWR	$37,209.81	$37,209.81	$0.00	$0.00	$0.00	$0.00
California Water Service	$155,625.40	$155,625.40	$0.00	$0.00	$0.00	$0.00
East Niles CSD	$1,953,745.17	$1,893,576.05	$0.00	$60,169.12	$0.00	$0.00
North of the River MWD	$2,128,057.75	$2,098,422.73	$0.00	$29,635.02	$0.00	$0.00
Impr. Dist. No. 4 Operations Total:	**$4,274,638.13**	**$4,184,833.99**	**$0.00**	**$89,804.14**	**$0.00**	**$0.00**
Impr. Dist. No. 4 Bonds						
City of Bakersfield DWR	$809,531.00	$809,531.00	$0.00	$0.00	$0.00	$0.00
East Niles CSD	$915,384.00	$915,384.00	$0.00	$0.00	$0.00	$0.00
North of the River MWD	$1,198,146.00	$1,198,146.00	$0.00	$0.00	$0.00	$0.00
Impr. Dist. No. 4 Bonds Total:	**$2,923,061.00**	**$2,923,061.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**
Cross Valley Canal Operations						
Cawelo WD	$333,043.00	$302,393.00	$0.00	$30,650.00	$0.00	$0.00
Kern Delta WD	$36,800.00	$0.00	$0.00	$36,800.00	$0.00	$0.00
Pixley ID	$26,880.00	$26,880.00	$0.00	$0.00	$0.00	$0.00
Tejon-Castac WD	$30.00	$0.00	$0.00	$30.00	$0.00	$0.00
Cross Valley Canal Operations Total:	**$396,753.00**	**$329,273.00**	**$0.00**	**$67,480.00**	**$0.00**	**$0.00**
KCWA/BM Banking Program						
Belridge WSD	($6,265.00)	($6,265.00)	$0.00	$0.00	$0.00	$0.00
Berrenda Mesa WD	($11,239.00)	($11,239.00)	$0.00	$0.00	$0.00	$0.00
Lost Hills WD	($5,488.00)	($5,488.00)	$0.00	$0.00	$0.00	$0.00
KCWA/BM Banking Program Total:	**($22,992.00)**	**($22,992.00)**	**$0.00**	**$0.00**	**$0.00**	**$0.00**
Pioneer Project						
Belridge WSD	($19,830.00)	($19,830.00)	$0.00	$0.00	$0.00	$0.00
Berrenda Mesa WD	($5,525.00)	($5,525.00)	$0.00	$0.00	$0.00	$0.00
Henry Miller WD	$167,478.00	$167,478.00	$0.00	$0.00	$0.00	$0.00
Lost Hills WD	($54,398.00)	($54,398.00)	$0.00	$0.00	$0.00	$0.00
Semitropic WSD	($31,431.00)	($31,431.00)	$0.00	$0.00	$0.00	$0.00
Tejon-Castac WD	($1,002.00)	($1,002.00)	$0.00	$0.00	$0.00	$0.00
Pioneer Project Total:	**$55,292.00**	**$55,292.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**

Kern County Water Agency
Accounts Receivable Aging
June 30, 2026

	Total	Current	1-30 Days	31-60 Days	61-90 Days	Over 90 Days
Agency Participation in CVC						
Belridge WSD	$20,179.50	$20,179.50	$0.00	$0.00	$0.00	$0.00
Berrenda Mesa WD	$19,081.90	$19,081.90	$0.00	$0.00	$0.00	$0.00
Buena Vista WSD	$637.50	$637.50	$0.00	$0.00	$0.00	$0.00
Cawelo WD	$7,473.11	$7,473.11	$0.00	$0.00	$0.00	$0.00
Henry Miller WD	$60,693.57	$6,933.57	$53,760.00	$0.00	$0.00	$0.00
Kern Delta WD	$763.50	$763.50	$0.00	$0.00	$0.00	$0.00
Lost Hills WD	$19,781.28	$19,781.28	$0.00	$0.00	$0.00	$0.00
Rosedale-Rio Bravo WSD	$891.00	$891.00	$0.00	$0.00	$0.00	$0.00
Semitropic WSD	$29,853.94	$29,853.94	$0.00	$0.00	$0.00	$0.00
Tehachapi-Cummings CWD	$509.00	$509.00	$0.00	$0.00	$0.00	$0.00
Tejon-Castac WD	$954.95	$954.95	$0.00	$0.00	$0.00	$0.00
West Kern WD	$801.50	$801.50	$0.00	$0.00	$0.00	$0.00
Wheeler Ridge-Maricopa WSD	$5,886.50	$5,886.50	$0.00	$0.00	$0.00	$0.00
Agency Participation in CVC Total:	**$167,507.25**	**$113,747.25**	**$53,760.00**	**$0.00**	**$0.00**	**$0.00**
Report Total:	**$46,001,295.52**	**$35,416,740.24**	**$53,760.00**	**$172,703.28**	**$0.00**	**$10,358,092.00**

Kern County Water Agency
Summary of Consultant Fees
(Cash Basis)

CONSULTANT	TWELVE MONTHS ENDED JUNE 30, 2026												
	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	TOTAL
CONSULTING ENGINEERS													
Black & Veatch Corporation	-	320	8,699	16,331	7,262	13,414	10,401	15,180	11,737	-	9,808	13,413	106,565
AECOM Water	4,985	-	-	-	70,623	22,008	-	-	-	-	-	-	97,615
Dee Jaspar & Associates, Inc.	-	-	8,147	4,172	2,263	-	-	10,978	4,888	-	10,551	44,284	85,283
Meyer Civil Engineering Inc.	738	-	7,698	5,004	6,751	5,700	3,103	4,710	25,804	-	7,153	5,936	72,596
Provost & Pritchard Inc.	-	-	-	-	-	-	-	-	-	-	-	25,648	25,648
Soils Engineering Inc.	-	-	-	-	-	1,435	3,165	7,285	-	-	-	3,790	15,675
SUBTOTAL	5,723	320	24,544	25,507	86,899	42,557	16,669	38,153	42,429	-	27,512	93,070	403,382
									.				
AUDIT SERVICES													
Ernst & Young	-	-	81,625	32,650	-	48,975	-	-	-	-	-	12,500	175,750
Daniells Phillips Vaughan & Bock	-	-	-	-	-	-	40,000	825	32,225	-	-	-	73,050
SUBTOTAL	-	-	81,625	32,650	-	48,975	40,000	825	32,225	-	-	12,500	248,800
OTHER CONSULTANTS													
Northern Digital Inc.	10,000	-	20,000	20,000	20,000	-	20,000	-	20,000	-	-	82,250	192,250
Woodard & Curran Inc.	-	45,299	55,307	14,088	21,689	12,436	1,960	5,115	10,630	-	10,319	-	176,842
Carney's Business Technology Center	-	-	89,655	26,896	-	-	11,156	-	-	-	14,455	5,558	147,720
The Gualco Group	-	-	25,511	12,642	12,647	12,831	12,640	-	12,833	-	12,669	25,566	127,340
Providence Strategic Consulting	10,048	-	23,845	12,114	14,787	7,135	7,658	8,790	9,223	-	7,338	14,864	115,800
Sarah Clayton	-	-	-	-	-	-	5,468	26,865	9,030	-	21,938	37,756	101,057
T.Ravazzini Consulting LLC	7,085	6,619	7,594	11,756	12,244	6,338	4,781	13,819	9,525	7,631	8,363	4,538	100,291
TerraVerde Energy LLC	-	-	45,000	-	-	-	-	-	-	-	-	-	45,000
GEI Consultants Inc.	-	-	11,274	7,876	19,320	5,520	-	-	-	-	-	-	43,990
Seaco Technologies Inc.	4,370	-	2,400	910	-	9,612	-	3,488	-	-	-	19,232	40,012
Nations Roof LLC	-	-	5,000	5,000	5,000	10,000	5,000	-	-	-	-	-	30,000
Electrical Power Systems Inc.	-	-	13,743	-	-	-	-	-	13,743	-	-	-	27,486
Highland Economics LLC	3,163	-	4,208	-	-	-	-	-	-	-	-	11,193	18,563
South Valley Biology Consulting	-	-	-	16,698	-	-	-	-	-	-	-	-	16,698
Land IQ	-	790	662	2,661	1,519	593	-	-	2,469	-	3,960	1,657	14,312
Hamilton Resource Ecoomics	-	-	-	-	-	-	-	-	-	-	9,703	-	9,703
Dale Fye dba Developing Solutions LLC	-	-	-	-	-	-	-	-	-	-	-	5,958	5,958
Arbitrage Compliance Specialists	-	-	-	-	-	-	-	-	5,736	-	-	-	5,736
Milliman	-	-	-	-	-	-	-	-	-	3,480	-	-	3,480
Pacific West Sound Inc.	-	-	-	-	-	-	-	-	-	-	3,000	-	3,000
KNN Public Finance LLC	-	-	-	-	-	-	240	-	2,363	-	-	-	2,603
Zanjero	-	-	-	-	-	-	-	-	-	-	-	2,000	2,000
SUBTOTAL	34,665	52,708	304,198	130,641	107,206	64,464	68,904	58,077	95,552	11,111	91,744	210,570	1,229,839
TOTAL CONSULTANT FEES	$ 40,388	$ 53,028	$ 410,366	$ 188,797	$ 194,105	$ 155,997	$ 125,573	$ 97,055	$ 170,205	$ 11,111	$ 119,256	$ 316,140	$ 1,882,021

Fund 001 General Fund
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Prop. Tax/Assess	449,536	247,500	202,036	181	8,559,905	8,235,000	324,905	103	8,235,000	103
Reimbursements	296,126	296,116	9	100	3,553,512	3,577,224	(23,712)	99	3,577,225	99
Interest Income	15,779	350,000	(334,221)	4	1,212,858	1,400,000	(187,142)	86	1,400,000	86
Other Revenue	644	0	644		6,089	0	6,089		0	
Total Revenues	762,085	893,616	(131,531)	85	13,332,364	13,212,224	120,139	100	13,212,225	100
Expenditures										
Labor Costs	(56,371)	247,200	303,571	(22)	3,374,788	3,215,630	(159,158)	104	3,215,630	104
Operations	(42,479)	1,475	43,954	(2,879)	5,623	5,700	77	98	5,700	98
Maintenance	(151,180)	24,150	175,330	(626)	329,747	320,200	(9,547)	102	320,200	102
Administration	43,195	43,830	635	98	497,770	490,973	(6,796)	101	490,974	101
Prof Services	75,444	9,332	(66,111)	808	409,026	395,449	(13,576)	103	395,450	103
Capital Outlays	2,263	0	(2,263)		167,461	425,000	257,539	39	425,000	39
Other Expenses	10,797	7,275	(3,522)	148	184,166	186,000	1,834	99	186,000	99
Total Expenditures	(118,331)	333,263	451,594	(35)	4,968,581	5,038,953	70,372	98	5,038,954	98
Interfund Transfers										
Transfers Out	0	7,837,271	7,837,271		8,500,000	7,837,271	(662,729)	108	7,837,271	108
Net Transfers	0	(7,837,271)	7,837,271		(8,500,000)	(7,837,271)	(662,729)	108	(7,837,271)	108
Net After Transfers	880,415	(7,276,917)	8,157,333	(12)	(136,208)	336,000	(472,208)	(40)	336,000	(40)

Fund 001 General Fund

Core 01 General Fund Revenues

Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Prop. Tax/Assess	449,536	247,500	202,036	181	8,559,905	8,235,000	324,905	103	8,235,000	103
Reimbursements	296,126	296,116	9	100	3,553,512	3,553,399	112	100	3,553,400	100
Interest Income	15,779	350,000	(334,221)	4	1,212,858	1,400,000	(187,142)	86	1,400,000	86
Other Revenue	0	0	0		0	0	0		0	
Total Revenues	761,441	893,616	(132,175)	85	13,326,275	13,188,399	137,875	101	13,188,400	101
Expenditures										
Administration	0	0	0		4	100	96	4	100	4
Prof Services	514	525	11	97	5,601	17,200	11,599	32	17,200	32
Other Expenses	0	0	0		42,424	80,000	37,576	53	80,000	53
Total Expenditures	514	525	11	97	48,029	97,300	49,271	49	97,300	49
Interfund Transfers										
Transfers Out	0	7,837,271	7,837,271		8,500,000	7,837,271	(662,729)	108	7,837,271	108
Net Transfers	0	(7,837,271)	7,837,271		(8,500,000)	(7,837,271)	(662,729)	108	(7,837,271)	108
Net After Transfers	760,927	(6,944,179)	7,705,106	(10)	4,778,246	5,253,828	(475,582)	90	5,253,828	90

Fund 001 General Fund
Core 05 Budget & Treasury
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	14,055	13,890	(165)	101	127,756	178,360	50,604	71	178,360	71
Administration	2,153	2,600	447	82	10,774	10,150	(624)	106	10,150	106
Prof Services	4,510	225	(4,285)	2,004	15,506	12,500	(3,006)	124	12,500	124
Capital Outlays	0	0	0		131	0	(131)		0	
Other Expenses	0	100	100		35,590	1,200	(34,390)	2,965	1,200	2,965
Total Expenditures	20,718	16,815	(3,903)	123	189,757	202,210	12,453	93	202,210	93
Net After Transfers	(20,717)	(16,815)	(3,902)	123	(189,754)	(202,210)	12,455	93	(202,210)	93

Fund 001 General Fund
Core 06 Administrative Facilities
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	5,165	7,610	2,445	67	100,159	97,960	(2,199)	102	97,960	102
Operations	0	250	250		441	500	59	88	500	88
Maintenance	6,298	16,000	9,702	39	172,960	181,000	8,040	95	181,000	95
Administration	7,970	10,750	2,780	74	137,712	141,220	3,508	97	141,220	97
Prof Services	0	250	250		3,353	2,500	(853)	134	2,500	134
Capital Outlays	0	0	0		70,196	260,000	189,804	26	260,000	26
Other Expenses	600	900	300	66	13,070	3,600	(9,470)	363	3,600	363
Total Expenditures	20,033	35,760	15,727	56	497,891	686,780	188,889	72	686,780	72
Net After Transfers	(20,034)	(35,760)	15,725	56	(497,890)	(686,780)	188,889	72	(686,780)	72

Fund 001 General Fund
Core 10 Board Policy
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	11,358	0	(11,358)		68,235	0	(68,235)		0	
Administration	4,186	0	(4,186)		25,161	0	(25,161)		0	
Prof Services	0	0	0		1,003	0	(1,003)		0	
Capital Outlays	0	0	0		0	0	0		0	
Other Expenses	0	0	0		(39,552)	0	39,552		0	
Total Expenditures	15,544	0	(15,544)		54,847	0	(54,847)		0	
Net After Transfers	(15,542)	0	(15,542)		(54,847)	0	(54,847)		0	

Fund 001 General Fund
Core 11 KCWA Management
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	21,216	0	(21,216)		169,271	0	(169,271)		0	
Administration	0	0	0		13,842	0	(13,842)		0	
Prof Services	0	0	0		14,912	0	(14,912)		0	
Capital Outlays	0	0	0		0	0	0		0	
Other Expenses	0	0	0		800	0	(800)		0	
Total Expenditures	21,216	0	(21,216)		198,825	0	(198,825)		0	
Net After Transfers	(21,215)	0	(21,215)		(198,823)	0	(198,823)		0	

Fund 001 General Fund
Core 14 Non SWP/Non MU Water Mgmt
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	2,148	8,510	6,362	25	50,518	116,310	65,792	43	116,310	43
Operations	0	0	0		0	100	100		100	
Maintenance	0	0	0		0	100	100		100	
Administration	10,000	1,077	(8,923)	928	17,665	16,250	(1,415)	108	16,250	108
Prof Services	4,940	2,687	(2,253)	183	66,830	32,250	(34,580)	207	32,250	207
Capital Outlays	0	0	0		60	0	(60)		0	
Other Expenses	0	0	0		2,300	0	(2,300)		0	
Total Expenditures	17,088	12,274	(4,814)	139	137,373	165,010	27,637	83	165,010	83
Net After Transfers	(17,088)	(12,274)	(4,814)	139	(137,372)	(165,010)	27,637	83	(165,010)	83

Fund 001 General Fund

Core 52 Operations Group Home Cost Ctr

Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	(366,850)	0	366,850		(4,234)	0	4,234		0	
Operations	(43,896)	0	43,896		258	0	(258)		0	
Maintenance	(165,096)	0	165,096		2,322	0	(2,322)		0	
Administration	(54,139)	0	54,139		3,303	0	(3,303)		0	
Prof Services	0	0	0		0	0	0		0	
Capital Outlays	(495)	0	495		(495)	0	495		0	
Other Expenses	(370)	0	370		0	0	0		0	
Total Expenditures	(630,846)	0	630,846		1,154	0	(1,154)		0	
Net After Transfers	630,844	0	630,844		(1,153)	0	(1,153)		0	

Fund 001 General Fund
Core 85 Water Well Ordinance
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Reimbursements	0	0	0		0	23,825	(23,825)		23,825	
Total Revenues	0	0	0		0	23,825	(23,825)		23,825	
Expenditures										
Labor Costs	1,022	1,790	768	57	5,347	23,810	18,463	22	23,810	22
Administration	0	0	0		793	415	(378)	191	415	191
Total Expenditures	1,022	1,790	768	57	6,140	24,225	18,085	25	24,225	25
Net After Transfers	(1,021)	(1,790)	768	57	(6,139)	(400)	(5,739)	1,534	(400)	1,534

Fund 001 General Fund
Core 86 EGS Home Code
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	35,824	0	(35,824)		282,908	0	(282,908)		0	
Operations	222	0	(222)		532	0	(532)		0	
Maintenance	40	0	(40)		854	0	(854)		0	
Administration	614	0	(614)		5,165	0	(5,165)		0	
Prof Services	0	0	0		120	0	(120)		0	
Capital Outlays	41	0	(41)		898	0	(898)		0	
Other Expenses	0	0	0		180	0	(180)		0	
Total Expenditures	36,741	0	(36,741)		290,657	0	(290,657)		0	
Net After Transfers	(36,739)	0	(36,739)		(290,655)	0	(290,655)		0	

Fund 001 General Fund
Core 87 Groundwater Activities
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	30,120	28,320	(1,800)	106	398,936	399,650	714	99	399,650	99
Operations	1,066	1,000	(66)	106	3,430	3,400	(30)	100	3,400	100
Maintenance	3,079	0	(3,079)		4,692	3,300	(1,392)	142	3,300	142
Administration	1,133	0	(1,133)		8,487	10,790	2,303	78	10,790	78
Prof Services	110	0	(110)		1,844	10,750	8,906	17	10,750	17
Capital Outlays	0	0	0		760	0	(760)		0	
Other Expenses	0	0	0		3,011	4,400	1,389	68	4,400	68
Total Expenditures	35,508	29,320	(6,188)	121	421,160	432,290	11,130	97	432,290	97
Net After Transfers	(35,510)	(29,320)	(6,190)	121	(421,158)	(432,290)	11,131	97	(432,290)	97

Fund 001 General Fund
Core 88 Intertie Activities
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	0	170	170		0	2,180	2,180		2,180	
Administration	0	0	0		27	100	73	27	100	27
Total Expenditures	0	170	170		27	2,280	2,253	1	2,280	1
Net After Transfers	0	(170)	170		(26)	(2,280)	2,253	1	(2,280)	1

Fund 001 General Fund
Core 89 Indian Wells Valley
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	3,357	5,300	1,943	63	18,420	72,320	53,900	25	72,320	25
Maintenance	0	0	0		5	0	(5)		0	
Administration	0	300	300		753	2,400	1,647	31	2,400	31
Other Expenses	0	0	0		611	800	189	76	800	76
Total Expenditures	3,357	5,600	2,243	59	19,789	75,520	55,731	26	75,520	26
Net After Transfers	(3,357)	(5,600)	2,242	59	(19,789)	(75,520)	55,730	26	(75,520)	26

Fund 001 General Fund
Core 93 Risk Management and Safety
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	24,160	5,250	(18,910)	460	71,375	67,500	(3,875)	105	67,500	105
Administration	91	100	9	91	1,276	2,500	1,224	51	2,500	51
Prof Services	0	0	0		0	6,000	6,000		6,000	
Capital Outlays	0	0	0		4,133	0	(4,133)		0	
Total Expenditures	24,251	5,350	(18,901)	453	76,784	76,000	(784)	101	76,000	101
Net After Transfers	(24,250)	(5,350)	(18,900)	453	(76,785)	(76,000)	(785)	101	(76,000)	101

Fund 001 General Fund
Core 94 Human Resources
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	56,514	56,950	436	99	695,394	729,360	33,966	95	729,360	95
Operations	129	125	(4)	103	962	1,500	538	64	1,500	64
Maintenance	8	150	142	5	1,468	1,800	332	81	1,800	81
Administration	202	1,645	1,443	12	59,291	66,289	6,998	89	66,289	89
Prof Services	0	3,125	3,125		31,491	52,500	21,009	59	52,500	59
Capital Outlays	0	0	0		1,052	0	(1,052)		0	
Other Expenses	830	775	(55)	107	41,201	29,650	(11,551)	138	29,650	138
Total Expenditures	57,683	62,770	5,087	91	830,859	881,099	50,240	94	881,099	94
Net After Transfers	(57,682)	(62,770)	5,087	91	(830,860)	(881,099)	50,238	94	(881,099)	94

Fund 001 General Fund
Core 95 Accounting and Finance
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	61,496	56,740	(4,756)	108	694,027	729,540	35,513	95	729,540	95
Maintenance	0	0	0		23,312	26,000	2,688	89	26,000	89
Administration	759	250	(509)	303	13,305	37,650	24,345	35	37,650	35
Prof Services	0	0	0		73,450	80,000	6,550	91	80,000	91
Capital Outlays	0	0	0		6,598	5,000	(1,598)	131	5,000	131
Other Expenses	0	0	0		2,500	350	(2,150)	714	350	714
Total Expenditures	62,255	56,990	(5,265)	109	813,192	878,540	65,348	92	878,540	92
Net After Transfers	(62,255)	(56,990)	(5,265)	109	(813,188)	(878,540)	65,351	92	(878,540)	92

Fund 001 General Fund
Core 96 Administrative Grounds Maint
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	1,125	5,070	3,945	22	28,077	64,020	35,943	43	64,020	43
Maintenance	2,670	5,000	2,330	53	94,119	90,000	(4,119)	104	90,000	104
Administration	0	14,050	14,050		4,043	17,870	13,827	22	17,870	22
Prof Services	0	0	0		2,099	2,000	(99)	104	2,000	104
Other Expenses	0	0	0		2,426	0	(2,426)		0	
Total Expenditures	3,795	24,120	20,325	15	130,764	173,890	43,126	75	173,890	75
Net After Transfers	(3,794)	(24,120)	20,325	15	(130,768)	(173,890)	43,121	75	(173,890)	75

Fund 001 General Fund
Core 97 General Support Services
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Other Revenue	644	0	644		6,089	0	6,089		0	
Total Revenues	644	0	644		6,089	0	6,089		0	
Expenditures										
Labor Costs	42,919	57,600	14,681	74	668,599	734,620	66,021	91	734,620	91
Operations	0	100	100		0	200	200		200	
Maintenance	1,821	3,000	1,179	60	30,015	18,000	(12,015)	166	18,000	166
Administration	70,226	13,058	(57,167)	537	196,169	185,239	(10,929)	105	185,240	105
Prof Services	65,370	2,520	(62,849)	2,593	192,817	179,749	(13,067)	107	179,750	107
Capital Outlays	2,717	0	(2,717)		84,128	160,000	75,872	52	160,000	52
Other Expenses	9,737	5,500	(4,237)	177	79,605	66,000	(13,605)	120	66,000	120
Total Expenditures	192,790	81,779	(111,010)	235	1,251,333	1,343,809	92,476	93	1,343,810	93
Net After Transfers	(192,145)	(81,779)	(110,366)	234	(1,245,240)	(1,343,809)	98,569	92	(1,343,809)	92

Fund 002 State Contract Payment Fund
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Water Sales	46,851,238	0	46,851,238		221,751,163	208,845,308	12,905,855	106	208,845,308	106
Reimbursements	32,941	19,000	13,941	173	355,645	8,122,500	(7,766,855)	4	8,122,500	4
Interest Income	0	250,000	(250,000)		828,977	1,080,000	(251,023)	76	1,080,000	76
Total Revenues	46,884,179	269,000	46,615,179	17,429	222,935,785	218,047,808	4,887,977	102	218,047,808	102
Expenditures										
Labor Costs	168,891	211,230	42,339	79	2,213,963	2,806,980	593,017	78	2,806,980	78
Wtr Purch & Fees	8,660,521	1,080,000	(7,580,521)	801	169,930,343	217,768,308	47,837,965	78	217,768,308	78
Operations	4,470	95,000	90,530	4	48,199	96,500	48,301	49	96,500	49
Maintenance	0	0	0		6,303	0	(6,303)		0	
Administration	90,557	113,780	23,223	79	2,835,046	2,954,321	119,275	95	2,954,321	95
Prof Services	59,744	30,440	(29,304)	196	646,057	607,800	(38,257)	106	607,800	106
Capital Outlays	0	0	0		54,879	6,000	(48,879)	914	6,000	914
Other Expenses	0	0	0		66,786	4,500	(62,286)	1,484	4,500	1,484
Total Expenditures	8,984,183	1,530,450	(7,453,733)	587	175,801,576	224,244,409	48,442,833	78	224,244,409	78
Interfund Transfers										
Transfers In	0	6,054,601	(6,054,601)		8,500,000	6,196,601	2,303,399	137	6,196,601	137
Net Transfers	0	6,054,601	(6,054,601)		8,500,000	6,196,601	2,303,399	137	6,196,601	137
Net After Transfers	37,899,995	4,793,151	33,106,844	790	55,634,207	0	55,634,207		0	

Fund 002 State Contract Payment Fund
Core 12 Sacramento Office
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	0	0	0		9,509	0	(9,509)		0	
Operations	4,470	0	(4,470)		48,199	0	(48,199)		0	
Maintenance	0	0	0		6,303	0	(6,303)		0	
Administration	990	0	(990)		11,998	0	(11,998)		0	
Capital Outlays	0	0	0		39,796	0	(39,796)		0	
Other Expenses	0	0	0		5,746	0	(5,746)		0	
Total Expenditures	5,460	0	(5,460)		121,551	0	(121,551)		0	
Net After Transfers	(5,460)	0	(5,460)		(121,550)	0	(121,550)		0	

Fund 002 State Contract Payment Fund
Core 16 State Activities
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Water Sales	0	0	0		153,267	0	153,267		0	
Reimbursements	541	0	541		234,419	196,500	37,919	119	196,500	119
Total Revenues	541	0	541		387,686	196,500	191,186	197	196,500	197
Expenditures										
Labor Costs	65,021	92,010	26,989	70	837,192	1,233,860	396,668	67	1,233,860	67
Wtr Purch & Fees	0	0	0		63,104	0	(63,104)		0	
Operations	0	75,000	75,000		0	75,000	75,000		75,000	
Administration	36,707	57,420	20,713	63	1,437,841	1,515,082	77,241	94	1,515,082	94
Prof Services	43,437	11,950	(31,487)	363	444,157	349,900	(94,257)	126	349,900	126
Capital Outlays	0	0	0		1,829	0	(1,829)		0	
Other Expenses	0	0	0		56,052	4,500	(51,552)	1,245	4,500	1,245
Total Expenditures	145,165	236,380	91,215	61	2,840,175	3,178,342	338,167	89	3,178,342	89
Interfund Transfers										
Transfers In	0	2,981,842	(2,981,842)		8,500,000	2,981,842	5,518,158	285	2,981,842	285
Net Transfers	0	2,981,842	(2,981,842)		8,500,000	2,981,842	5,518,158	285	2,981,842	285
Net After Transfers	(144,625)	2,745,462	(2,890,087)	(5)	6,047,510	0	6,047,510		0	

Fund 002 State Contract Payment Fund

Core 17 Local Activities

Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Reimbursements	32,400	19,000	13,400	170	121,226	225,000	(103,774)	53	225,000	53
Total Revenues	32,400	19,000	13,400	170	121,226	225,000	(103,774)	53	225,000	53
Expenditures										
Labor Costs	87,459	80,530	(6,929)	108	1,155,657	1,057,130	(98,527)	109	1,057,130	109
Operations	0	0	0		0	1,500	1,500		1,500	
Administration	29,270	30,370	1,100	96	443,626	467,580	23,954	94	467,580	94
Prof Services	0	3,125	3,125		38,021	71,500	33,479	53	71,500	53
Capital Outlays	0	0	0		10,241	6,000	(4,241)	170	6,000	170
Other Expenses	0	0	0		4,700	0	(4,700)		0	
Total Expenditures	116,729	114,025	(2,704)	102	1,652,245	1,603,710	(48,535)	103	1,603,710	103
Interfund Transfers										
Transfers In	0	1,378,710	(1,378,710)		0	1,378,710	(1,378,710)		1,378,710	
Net Transfers	0	1,378,710	(1,378,710)		0	1,378,710	(1,378,710)		1,378,710	
Net After Transfers	(84,329)	1,283,685	(1,368,014)	(6)	(1,531,019)	0	(1,531,019)		0	

Fund 002 State Contract Payment Fund
Core 18 Bay-Delta Activities
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	16,411	38,690	22,279	42	211,605	515,990	304,385	41	515,990	41
Operations	0	20,000	20,000		0	20,000	20,000		20,000	
Administration	23,590	25,990	2,400	90	941,581	971,659	30,078	96	971,659	96
Prof Services	16,307	15,365	(942)	106	163,879	186,400	22,521	87	186,400	87
Capital Outlays	0	0	0		3,013	0	(3,013)		0	
Other Expenses	0	0	0		288	0	(288)		0	
Total Expenditures	56,308	100,045	43,737	56	1,320,366	1,694,049	373,683	77	1,694,049	77
Interfund Transfers										
Transfers In	0	1,694,049	(1,694,049)		0	1,694,049	(1,694,049)		1,694,049	
Net Transfers	0	1,694,049	(1,694,049)		0	1,694,049	(1,694,049)		1,694,049	
Net After Transfers	(56,306)	1,594,004	(1,650,310)	(3)	(1,320,366)	0	(1,320,366)		0	

Fund 002 State Contract Payment Fund

Core 19 State Contract Payment

Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Water Sales	46,851,238	0	46,851,238		221,597,896	208,845,308	12,752,588	106	208,845,308	106
Reimbursements	0	0	0		0	7,701,000	(7,701,000)		7,701,000	
Interest Income	0	250,000	(250,000)		828,977	1,080,000	(251,023)	76	1,080,000	76
Total Revenues	46,851,238	250,000	46,601,238	18,740	222,426,873	217,626,308	4,800,565	102	217,626,308	102
Expenditures										
Wtr Purch & Fees	8,660,521	1,080,000	(7,580,521)	801	169,867,239	217,768,308	47,901,069	78	217,768,308	78
Total Expenditures	8,660,521	1,080,000	(7,580,521)	801	169,867,239	217,768,308	47,901,069	78	217,768,308	78
Interfund Transfers										
Transfers In	0	0	0		0	142,000	(142,000)		142,000	
Net Transfers	0	0	0		0	142,000	(142,000)		142,000	
Net After Transfers	38,190,717	(830,000)	39,020,717	(4,601)	52,559,633	0	52,559,633		0	

Fund 007 Kern Fan Monitoring Committee
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	0	39,028	(39,028)		89,448	165,208	(75,760)	54	165,208	54
Interest Income	0	(900)	900		0	(3,600)	3,600		(3,600)	
Total Revenues	0	38,128	(38,128)		89,448	161,608	(72,160)	55	161,608	55
Expenditures										
Labor Costs	8,216	6,950	(1,266)	118	62,318	92,840	30,522	67	92,840	67
Operations	3,019	0	(3,019)		9,355	3,400	(5,955)	275	3,400	275
Maintenance	2,739	400	(2,339)	684	3,438	800	(2,638)	429	800	429
Administration	4,291	3,500	(791)	122	42,618	42,210	(408)	100	42,210	100
Prof Services	0	0	0		766	0	(766)		0	
Capital Outlays	0	0	0		352	0	(352)		0	
Other Expenses	0	0	0		733	960	227	76	960	76
Total Expenditures	18,265	10,850	(7,415)	168	119,580	140,210	20,630	85	140,210	85
Net After Transfers	(18,265)	27,278	(45,543)	(66)	(30,134)	21,398	(51,532)	(140)	21,398	(140)

Fund 008 Kern Water Bank
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Reimbursements	13,157	235,715	(222,558)	5	881,598	1,767,410	(885,812)	49	1,767,410	49
Interest Income	0	0	0		1,430	0	1,430		0	
Total Revenues	13,157	235,715	(222,558)	5	883,028	1,767,410	(884,382)	49	1,767,410	49
Expenditures										
Labor Costs	37,653	23,185	(14,468)	162	175,068	365,660	190,592	47	365,660	47
Wtr Purch & Fees	0	100,100	100,100		203,798	623,599	419,801	32	623,600	32
Operations	3,691	3,091	(599)	119	7,025	31,389	24,364	22	31,390	22
Maintenance	10,662	2,904	(7,757)	367	15,749	26,029	10,280	60	26,030	60
Administration	15,349	13,069	(2,279)	117	149,520	162,569	13,049	91	162,570	91
Prof Services	20	0	(20)		26,169	153,000	126,831	17	153,000	17
Capital Outlays	0	0	0		526,214	405,000	(121,214)	129	405,000	129
Other Expenses	0	0	0		0	75,286	75,286		75,287	
Total Expenditures	67,375	142,350	74,975	47	1,103,543	1,842,536	738,993	59	1,842,537	59
Net After Transfers	(54,216)	93,364	(147,580)	(58)	(220,511)	(75,126)	(145,384)	293	(75,126)	293

Fund 008 Kern Water Bank
Core 81 KWB Recharge Operations
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Reimbursements	5,101	235,715	(230,614)	2	719,333	1,414,390	(695,057)	50	1,414,390	50
Interest Income	0	0	0		1,430	0	1,430		0	
Total Revenues	5,101	235,715	(230,614)	2	720,763	1,414,390	(693,627)	50	1,414,390	50
Expenditures										
Labor Costs	3,269	23,185	19,916	14	47,196	142,070	94,874	33	142,070	33
Wtr Purch & Fees	0	100,100	100,100		203,798	601,200	397,402	33	601,200	33
Operations	0	3,091	3,091		0	18,549	18,549		18,550	
Maintenance	0	2,904	2,904		137	17,429	17,292		17,430	
Administration	5,713	7,356	1,643	77	73,830	81,639	7,809	90	81,640	90
Prof Services	20	0	(20)		24,170	148,500	124,330	16	148,500	16
Capital Outlays	0	0	0		525,294	405,000	(120,294)	129	405,000	129
Total Expenditures	9,002	136,637	127,635	6	874,425	1,414,389	539,964	61	1,414,390	61
Net After Transfers	(3,899)	99,077	(102,976)	(3)	(153,660)	0	(153,661)	(54,878,92	0	(54,878,92

Fund 008 Kern Water Bank
Core 83 Kern Water Bank Recovery
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Reimbursements	8,056	0	8,056		162,265	353,020	(190,755)	45	353,020	45
Total Revenues	8,056	0	8,056		162,265	353,020	(190,755)	45	353,020	45
Expenditures										
Labor Costs	34,384	0	(34,384)		127,872	223,590	95,718	57	223,590	57
Wtr Purch & Fees	0	0	0		0	22,399	22,399		22,400	
Operations	3,691	0	(3,691)		7,025	12,839	5,814	54	12,840	54
Maintenance	10,662	0	(10,662)		15,612	8,599	(7,012)	181	8,600	181
Administration	9,636	5,713	(3,923)	168	75,690	80,929	5,239	93	80,930	93
Prof Services	0	0	0		1,999	4,500	2,501	44	4,500	44
Capital Outlays	0	0	0		920	0	(920)		0	
Other Expenses	0	0	0		0	75,286	75,286		75,287	
Total Expenditures	58,373	5,713	(52,660)	1,021	229,118	428,146	199,028	53	428,147	53
Net After Transfers	(50,317)	(5,713)	(44,604)	880	(66,850)	(75,126)	8,276	88	(75,126)	88

Fund 014 Zone of Benefit No. 7
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Prop. Tax/Assess	0	451,000	(451,000)		18,619,298	18,286,000	333,298	101	18,286,000	101
Interest Income	0	375,000	(375,000)		1,327,001	1,500,000	(172,999)	88	1,500,000	88
Total Revenues	0	826,000	(826,000)		19,946,299	19,786,000	160,299	100	19,786,000	100
Expenditures										
Wtr Purch & Fees	0	51,419,098	51,419,098		12,042,163	62,391,098	50,348,935	19	62,391,098	19
Other Expenses	0	0	0		46,284	50,000	3,716	92	50,000	92
Total Expenditures	0	51,419,098	51,419,098		12,088,447	62,441,098	50,352,651	19	62,441,098	19
Net After Transfers	0	(50,593,098)	50,593,098		7,857,852	(42,655,098)	50,512,950	(18)	(42,655,098)	(18)

Fund 019 Zone of Benefit No. 17
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Prop. Tax/Assess	0	329,000	(329,000)		8,801,126	15,163,000	(6,361,874)	58	15,163,000	58
Interest Income	0	325,000	(325,000)		934,701	1,300,000	(365,299)	71	1,300,000	71
Total Revenues	0	654,000	(654,000)		9,735,827	16,463,000	(6,727,173)	59	16,463,000	59
Expenditures										
Wtr Purch & Fees	0	43,207,403	43,207,403		9,137,249	58,370,403	49,233,154	15	58,370,403	15
Other Expenses	0	0	0		23,608	0	(23,608)		0	
Total Expenditures	0	43,207,403	43,207,403		9,160,857	58,370,403	49,209,546	15	58,370,403	15
Net After Transfers	0	(42,553,403)	42,553,403		574,970	(41,907,403)	42,482,373	(1)	(41,907,403)	(1)

Fund 020 Zone of Benefit No. 18
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Prop. Tax/Assess	0	41,100	(41,100)		986,731	1,727,000	(740,269)	57	1,727,000	57
Interest Income	0	45,000	(45,000)		110,487	180,000	(69,513)	61	180,000	61
Total Revenues	0	86,100	(86,100)		1,097,218	1,907,000	(809,782)	57	1,907,000	57
Expenditures										
Wtr Purch & Fees	0	4,959,453	4,959,453		1,040,896	6,686,453	5,645,557	15	6,686,453	15
Other Expenses	0	0	0		2,624	5,000	2,376	52	5,000	52
Total Expenditures	0	4,959,453	4,959,453		1,043,520	6,691,453	5,647,933	15	6,691,453	15
Net After Transfers	0	(4,873,353)	4,873,353		53,697	(4,784,453)	4,838,150	(1)	(4,784,453)	(1)

Fund 021 Zone of Benefit No. 19
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Prop. Tax/Assess	0	435,000	(435,000)		7,249,942	13,436,000	(6,186,058)	53	13,436,000	53
Interest Income	0	300,000	(300,000)		832,407	1,200,000	(367,593)	69	1,200,000	69
Total Revenues	0	735,000	(735,000)		8,082,349	14,636,000	(6,553,651)	55	14,636,000	55
Expenditures										
Wtr Purch & Fees	0	39,447,588	39,447,588		8,096,352	52,883,588	44,787,236	15	52,883,588	15
Other Expenses	0	0	0		19,863	40,000	20,137	49	40,000	49
Total Expenditures	0	39,447,588	39,447,588		8,116,215	52,923,588	44,807,373	15	52,923,588	15
Net After Transfers	0	(38,712,588)	38,712,588		(33,865)	(38,287,588)	38,253,722		(38,287,588)	

Fund 025 Western Hills Fund
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Water Sales	865,157	0	865,157		2,473,105	1,526,500	946,605	162	1,526,500	162
Interest Income	0	0	0		(5,457)	0	(5,457)		0	
Total Revenues	865,157	0	865,157		2,467,648	1,526,500	941,148	161	1,526,500	161
Expenditures										
Labor Costs	4,359	2,400	(1,959)	181	74,882	31,630	(43,252)	236	31,630	236
Wtr Purch & Fees	0	11,647,188	11,647,188		740,598	13,541,788	12,801,190	5	13,541,788	5
Administration	2,025	2,025	0	100	29,364	26,730	(2,634)	109	26,730	109
Prof Services	57	418	361	13	17,277	5,000	(12,277)	345	5,000	345
Capital Outlays	0	0	0		466	0	(466)		0	
Other Expenses	0	0	0		370,875	383,350	12,475	96	383,350	96
Total Expenditures	6,441	11,652,031	11,645,590		1,233,462	13,988,498	12,755,036	8	13,988,498	8
Net After Transfers	858,716	(11,652,031)	12,510,747	(7)	1,234,186	(12,461,998)	13,696,184	(9)	(12,461,998)	(9)

Fund 026 Lower Kern River Fund
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	0	0	0		101,767	0	101,767		0	
Reimbursements	856,113	0	856,113		1,150,401	588,577	561,824	195	588,577	195
Interest Income	0	7,500	(7,500)		34,275	30,000	4,275	114	30,000	114
Other Revenue	0	0	0		13,815	1,009,634	(995,819)	1	1,009,634	1
Total Revenues	856,113	7,500	848,613	11,414	1,300,258	1,628,211	(327,953)	79	1,628,211	79
Expenditures										
Labor Costs	985	4,130	3,145	23	34,070	55,080	21,010	61	55,080	61
Wtr Purch & Fees	0	3,316,420	3,316,420		1,547	3,316,420	3,314,873		3,316,420	
Administration	5,117	5,950	833	86	64,063	73,550	9,487	87	73,550	87
Prof Services	13,469	1,458	(12,011)	923	177,115	213,200	36,085	83	213,200	83
Other Expenses	0	0	0		557,426	557,850	424	99	557,850	99
Total Expenditures	19,571	3,327,958	3,308,387		834,221	4,216,100	3,381,879	19	4,216,100	19
Interfund Transfers										
Transfers In	0	0	0		0	180,000	(180,000)		180,000	
Transfers Out	0	71,350	71,350		0	1,149,400	1,149,400		1,149,400	
Net Transfers	0	(71,350)	71,350		0	(969,400)	969,400		(969,400)	
Net After Transfers	836,540	(3,391,808)	4,228,348	(24)	466,037	(3,557,289)	4,023,326	(13)	(3,557,289)	(13)

Fund 027 Entitlement Retention Fund
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Water Sales	(3,292)	0	(3,292)		(27,985)	1,696,342	(1,724,327)	(1)	1,696,342	(1)
Interest Income	0	0	0		(44,151)	0	(44,151)		0	
Total Revenues	(3,292)	0	(3,292)		(72,136)	1,696,342	(1,768,478)	(4)	1,696,342	(4)
Expenditures										
Labor Costs	115	1,090	975	10	381	14,630	14,249	2	14,630	2
Wtr Purch & Fees	0	0	0		1,311,431	1,696,342	384,911	77	1,696,342	77
Administration	517	517	0	100	6,815	8,700	1,885	78	8,700	78
Prof Services	0	0	0		1,669	1,700	31	98	1,700	98
Total Expenditures	632	1,607	975	39	1,320,296	1,721,372	401,076	76	1,721,372	76
Interfund Transfers										
Transfers In	0	25,030	(25,030)		0	167,030	(167,030)		167,030	
Transfers Out	0	0	0		0	142,000	142,000		142,000	
Net Transfers	0	25,030	(25,030)		0	25,030	(25,030)		25,030	
Net After Transfers	(3,923)	23,423	(27,346)	(16)	(1,392,433)	0	(1,392,433)		0	

Fund 029 Water Management Fund
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Interest Income	15,779	187,500	(171,721)	8	804,626	750,000	54,626	107	750,000	107
Other Revenue	0	0	0		1,010,973	0	1,010,973		0	
Total Revenues	15,779	187,500	(171,721)	8	1,815,599	750,000	1,065,599	242	750,000	242
Expenditures										
Wtr Purch & Fees	0	75,777,390	75,777,390		0	75,777,390	75,777,390		75,777,390	
Administration	75	75	0	100	900	900	0	100	900	100
Total Expenditures	75	75,777,465	75,777,390		900	75,778,290	75,777,390		75,778,290	
Interfund Transfers										
Transfers In	0	3,993,000	(3,993,000)		0	3,993,000	(3,993,000)		3,993,000	
Transfers Out	0	1,329,400	1,329,400		0	1,471,400	1,471,400		1,471,400	
Net Transfers	0	2,663,600	(2,663,600)		0	2,521,600	(2,521,600)		2,521,600	
Net After Transfers	15,703	(72,926,365)	72,942,068	( )	1,814,698	(72,506,690)	74,321,388	(2)	(72,506,690)	(2)

Fund 031 Improvement District No. 1
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Prop. Tax/Assess	0	2,000	(2,000)		142,029	123,300	18,729	115	123,300	115
Interest Income	0	4,800	(4,800)		20,103	16,000	4,103	125	16,000	125
Total Revenues	0	6,800	(6,800)		162,132	139,300	22,832	116	139,300	116
Expenditures										
Labor Costs	201	1,820	1,619	11	5,133	24,420	19,287	21	24,420	21
Wtr Purch & Fees	0	0	0		0	0	0		0	
Administration	1,642	1,700	58	96	19,964	20,100	136	99	20,100	99
Prof Services	0	1,000	1,000		10,966	31,000	20,034	35	31,000	35
Capital Outlays	0	0	0		0	150,000	150,000		150,000	
Other Expenses	0	0	0		1,166	1,500	334	77	1,500	77
Total Expenditures	1,843	4,520	2,677	40	37,229	227,020	189,791	16	227,020	16
Net After Transfers	(1,843)	2,280	(4,123)	(80)	124,904	(87,720)	212,624	(142)	(87,720)	(142)

Fund 033 Improvement District No. 3
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Prop. Tax/Assess	0	1,000	(1,000)		15,131	14,500	631	104	14,500	104
Interest Income	0	0	0		(655)	0	(655)		0	
Total Revenues	0	1,000	(1,000)		14,476	14,500	(24)	99	14,500	99
Expenditures										
Labor Costs	716	1,840	1,124	38	25,571	27,480	1,909	93	27,480	93
Maintenance	0	0	0		95	0	(95)		0	
Administration	3,434	3,385	(49)	101	41,591	43,270	1,679	96	43,270	96
Prof Services	0	0	0		3,154	7,000	3,846	45	7,000	45
Other Expenses	0	0	0		1,284	190	(1,094)	675	190	675
Total Expenditures	4,150	5,225	1,075	79	71,695	77,940	6,245	91	77,940	91
Interfund Transfers										
Transfers In	0	63,440	(63,440)		0	63,440	(63,440)		63,440	
Net Transfers	0	63,440	(63,440)		0	63,440	(63,440)		63,440	
Net After Transfers	(4,150)	59,215	(63,365)	(7)	(57,217)	0	(57,217)		0	

Fund 034 Impr. Dist. No. 4 Operations
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Water Sales	7,734,300	0	7,734,300		19,676,741	12,136,665	7,540,076	162	12,136,665	162
User Charges	1,265,914	564,100	701,813	224	6,623,444	10,588,448	(3,965,004)	62	10,588,448	62
Grnd Wtr Charges	5,854	992,860	(987,006)		1,457,289	2,482,150	(1,024,861)	58	2,482,150	58
Reimbursements	0	0	0		270,894	425,000	(154,106)	63	425,000	63
Interest Income	0	51,250	(51,250)		124,601	205,000	(80,399)	60	205,000	60
Other Revenue	0	0	0		17,295	0	17,295		0	
Total Revenues	9,006,068	1,608,210	7,397,857	560	28,170,264	25,837,263	2,333,000	109	25,837,263	109
Expenditures										
Labor Costs	415,097	404,781	(10,315)	102	5,539,046	5,227,879	(311,166)	105	5,227,880	105
Wtr Purch & Fees	162,248	190,208	27,960	85	3,356,372	4,015,010	658,638	83	4,015,010	83
Operations	114,120	252,687	138,567	45	2,034,797	3,030,999	996,202	67	3,031,000	67
Power	382,429	904,532	522,103	42	4,555,366	8,421,064	3,865,698	54	8,421,064	54
Maintenance	12,750	77,708	64,958	16	332,947	891,999	559,052	37	892,000	37
Administration	143,672	116,247	(27,424)	123	1,752,812	1,881,472	128,660	93	1,881,473	93
Prof Services	61,144	48,666	(12,477)	125	471,480	605,799	134,319	77	605,800	77
Capital Outlays	112,211	9,166	(103,044)	1,224	781,961	2,386,999	1,605,038	32	2,387,000	32
Debt Repayment	0	0	0		9,990	178,400	168,410	5	178,400	5
Other Expenses	36,258	17,866	(18,391)	202	394,039	294,049	(99,989)	134	294,050	134
Total Expenditures	1,439,929	2,021,864	581,935	71	19,228,810	26,933,676	7,704,866	71	26,933,677	71
Interfund Transfers										
Transfers Out	0	0	0		788,779	788,780	1	99	788,780	99
Net Transfers	0	0	0		(788,779)	(788,780)	1	99	(788,780)	99
Net After Transfers	7,566,136	(413,653)	7,979,790	(1,829)	8,152,673	(1,885,192)	10,037,865	(432)	(1,885,192)	(432)

Fund 034 Impr. Dist. No. 4 Operations
Core 42 Maintenance Dept Home Code
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Expenditures										
Labor Costs	35,356	0	(35,356)		219,167	0	(219,167)		0	
Operations	5,286	0	(5,286)		17,421	0	(17,421)		0	
Maintenance	1,092	0	(1,092)		10,585	0	(10,585)		0	
Administration	1,734	0	(1,734)		15,039	0	(15,039)		0	
Prof Services	0	0	0		0	0	0		0	
Capital Outlays	0	0	0		0	0	0		0	
Other Expenses	0	0	0		105	0	(105)		0	
Total Expenditures	43,468	0	(43,468)		262,317	0	(262,317)		0	
Net After Transfers	(43,466)	0	(43,466)		(262,317)	0	(262,317)		0	

Fund 034 Impr. Dist. No. 4 Operations
Core 43 ID#4 Water Sup.- Groundwater
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	0	0	0		1,170,000	3,562,000	(2,392,000)	32	3,562,000	32
Reimbursements	0	0	0		270,894	425,000	(154,106)	63	425,000	63
Total Revenues	0	0	0		1,440,894	3,987,000	(2,546,106)	36	3,987,000	36
Expenditures										
Labor Costs	2,624	12,461	9,837	21	14,007	162,849	148,842	8	162,850	8
Wtr Purch & Fees	111,404	135,833	24,429	82	818,564	1,449,120	630,556	56	1,449,120	56
Operations	0	250	250		0	3,000	3,000		3,000	
Power	0	406,775	406,775		10,093	2,448,000	2,437,907		2,448,000	
Maintenance	124	7,750	7,626	1	7,714	95,000	87,286	8	95,000	8
Administration	38,875	3,429	(35,445)	1,133	161,671	81,660	(80,010)	197	81,660	197
Prof Services	0	4,166	4,166		0	49,999	49,999		50,000	
Capital Outlays	111,404	0	(111,404)		393,002	0	(393,002)		0	
Total Expenditures	264,431	570,665	306,234	46	1,405,051	4,289,630	2,884,579	32	4,289,630	32
Net After Transfers	(264,432)	(570,665)	306,232	46	35,841	(302,630)	338,471	(11)	(302,630)	(11)

Fund 034 Impr. Dist. No. 4 Operations
Core 44 Impr. District No. 4 Admin
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Reimbursements	0	0	0		0	0	0		0	
Interest Income	0	51,250	(51,250)		124,601	205,000	(80,399)	60	205,000	60
Total Revenues	0	51,250	(51,250)		124,601	205,000	(80,399)	60	205,000	60
Expenditures										
Labor Costs	83,484	36,090	(47,394)	231	966,385	495,090	(471,295)	195	495,090	195
Operations	0	75	75		0	150	150		150	
Maintenance	0	150	150		1,589	1,800	211	88	1,800	88
Administration	10,548	10,803	255	97	155,754	167,679	11,925	92	167,679	92
Prof Services	34,481	10,625	(23,856)	324	149,721	132,500	(17,221)	112	132,500	112
Capital Outlays	0	0	0		852	2,500	1,648	34	2,500	34
Other Expenses	1,573	2,500	927	62	48,761	30,000	(18,761)	162	30,000	162
Total Expenditures	130,086	60,243	(69,842)	215	1,323,062	829,719	(493,342)	159	829,719	159
Interfund Transfers										
Transfers Out	0	0	0		788,779	788,780	1	99	788,780	99
Net Transfers	0	0	0		(788,779)	(788,780)	1	99	(788,780)	99
Net After Transfers	(130,085)	(8,993)	(121,091)	1,446	(1,987,241)	(1,413,499)	(573,742)	140	(1,413,499)	140

Fund 034 Impr. Dist. No. 4 Operations
Core 45 ID#4 Surface Water Supply
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	0	150,000	(150,000)		81,415	150,000	(68,585)	54	150,000	54
Total Revenues	0	150,000	(150,000)		81,415	150,000	(68,585)	54	150,000	54
Expenditures										
Labor Costs	4,326	13,400	9,074	32	117,831	176,510	58,679	66	176,510	66
Wtr Purch & Fees	50,844	54,375	3,531	93	2,537,808	2,565,890	28,082	98	2,565,890	98
Maintenance	0	0	0		17,919	0	(17,919)		0	
Administration	3,767	3,854	87	97	47,142	132,594	85,452	35	132,595	35
Prof Services	0	416	416		16,741	21,799	5,058	76	21,800	76
Other Expenses	0	100	100		3,777	200	(3,577)	1,888	200	1,888
Total Expenditures	58,937	72,145	13,208	81	2,741,218	2,896,994	155,776	94	2,896,995	94
Net After Transfers	(58,937)	77,854	(136,791)	(75)	(2,659,804)	(2,746,994)	87,189	96	(2,746,994)	96

Fund 034 Impr. Dist. No. 4 Operations
Core 46 Impr. Dist. No. 4 Groundwater
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Grnd Wtr Charges	5,854	992,860	(987,006)		1,457,289	2,482,150	(1,024,861)	58	2,482,150	58
Total Revenues	5,854	992,860	(987,006)		1,457,289	2,482,150	(1,024,861)	58	2,482,150	58
Expenditures										
Labor Costs	4,850	14,490	9,640	33	71,415	189,240	117,825	37	189,240	37
Operations	0	258	258		0	2,599	2,599		2,600	
Power	541	656	115	82	6,190	7,875	1,685	78	7,875	78
Maintenance	0	666	666		967	2,999	2,032	32	3,000	32
Administration	3,829	4,460	631	85	88,517	161,544	73,027	54	161,545	54
Prof Services	825	624	(200)	132	19,851	7,499	(12,351)	264	7,500	264
Other Expenses	0	166	166		11,788	1,999	(9,788)	589	2,000	589
Total Expenditures	10,045	21,323	11,278	47	198,728	373,759	175,031	53	373,760	53
Net After Transfers	(4,193)	971,536	(975,729)	( )	1,258,564	2,108,390	(849,826)	59	2,108,390	59

Fund 034 Impr. Dist. No. 4 Operations
Core 47 Impr. Dist. No. 4 Treated Watr
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Water Sales	7,734,300	0	7,734,300		19,676,741	12,136,665	7,540,076	162	12,136,665	162
Total Revenues	7,734,300	0	7,734,300		19,676,741	12,136,665	7,540,076	162	12,136,665	162
Expenditures										
Labor Costs	255,634	293,375	37,741	87	3,755,947	3,750,040	(5,907)	100	3,750,040	100
Operations	108,834	251,312	142,478	43	2,014,109	3,015,749	1,001,640	66	3,015,750	66
Power	59,070	83,000	23,930	71	720,695	996,000	275,305	72	996,000	72
Maintenance	9,792	54,216	44,424	18	259,845	648,099	388,254	40	648,100	40
Administration	75,404	80,833	5,429	93	1,025,682	1,134,813	109,131	90	1,134,814	90
Prof Services	25,838	32,416	6,578	79	175,108	388,999	213,891	45	389,000	45
Capital Outlays	0	2,500	2,500		386,185	1,779,500	1,393,315	21	1,779,500	21
Other Expenses	31,815	12,600	(19,215)	252	293,583	222,850	(70,733)	131	222,850	131
Total Expenditures	566,387	810,254	243,867	69	8,631,154	11,936,053	3,304,899	72	11,936,054	72
Net After Transfers	7,167,911	(810,254)	7,978,166	(884)	11,045,587	200,611	10,844,975	5,505	200,611	5,505

Fund 034 Impr. Dist. No. 4 Operations
Core 48 Impr. Dist. No. 4 Distribution
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	1,265,914	414,100	851,813	305	5,372,029	6,876,448	(1,504,419)	78	6,876,448	78
Other Revenue	0	0	0		17,295	0	17,295		0	
Total Revenues	1,265,914	414,100	851,813	305	5,389,324	6,876,448	(1,487,124)	78	6,876,448	78
Expenditures										
Labor Costs	28,823	34,965	6,142	82	394,294	454,150	59,856	86	454,150	86
Operations	0	791	791		3,267	9,499	6,232	34	9,500	34
Power	322,818	414,100	91,282	77	3,818,388	4,969,189	1,150,801	76	4,969,189	76
Maintenance	1,742	14,925	13,183	11	34,328	144,100	109,772	23	144,100	23
Administration	9,515	12,866	3,351	73	259,007	203,179	(55,827)	127	203,180	127
Prof Services	0	416	416		110,059	4,999	(105,059)	2,201	5,000	2,201
Capital Outlays	807	6,666	5,859	12	1,922	604,999	603,077		605,000	
Debt Repayment	0	0	0		9,990	178,400	168,410	5	178,400	5
Other Expenses	2,870	2,500	(370)	114	36,025	39,000	2,975	92	39,000	92
Total Expenditures	366,575	487,232	120,657	75	4,667,280	6,607,518	1,940,238	70	6,607,519	70
Net After Transfers	899,339	(73,131)	972,471	(1,229)	722,044	268,929	453,114	268	268,929	268

Fund 036 Impr. Dist. No. 4 Bonds
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	5,031,462	0	5,031,462		13,405,322	8,373,860	5,031,462	160	8,373,860	160
Interest Income	0	42,500	(42,500)		176,922	170,000	6,922	104	170,000	104
Total Revenues	5,031,462	42,500	4,988,962	11,838	13,582,244	8,543,860	5,038,384	158	8,543,860	158
Expenditures										
Prof Services	2,000	0	(2,000)		5,000	3,000	(2,000)	166	3,000	166
Debt Repayment	0	0	0		4,086,514	9,162,640	5,076,126	44	9,162,640	44
Other Expenses	0	0	0		8,529	10,000	1,471	85	10,000	85
Total Expenditures	2,000	0	(2,000)		4,100,043	9,175,640	5,075,597	44	9,175,640	44
Interfund Transfers										
Transfers In	0	0	0		788,779	788,780	(1)	99	788,780	99
Net Transfers	0	0	0		788,779	788,780	(1)	99	788,780	99
Net After Transfers	5,029,462	42,500	4,986,962	11,834	10,270,979	157,000	10,113,979	6,542	157,000	6,542

Fund 051 Cross Valley Canal Operations
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	1,299,530	1,278,900	20,630	101	10,839,148	15,549,700	(4,710,552)	69	15,549,700	69
Reimbursements	0	0	0		187,742	0	187,742		0	
Interest Income	0	30,575	(30,575)		140,626	197,300	(56,674)	71	197,300	71
Other Revenue	0	0	0		8,919	0	8,919		0	
Total Revenues	1,299,530	1,309,475	(9,945)	99	11,176,435	15,747,000	(4,570,565)	70	15,747,000	70
Expenditures										
Labor Costs	411,443	167,014	(244,429)	246	2,118,666	2,210,980	92,314	95	2,210,980	95
Wtr Purch & Fees	0	0	0		545	0	(545)		0	
Operations	42,018	9,167	(32,851)	458	77,946	110,000	32,054	70	110,000	70
Power	28,898	1,278,900	1,250,002	2	5,346,675	8,007,000	2,660,325	66	8,007,000	66
Maintenance	195,859	31,792	(164,067)	616	619,976	681,500	61,524	90	681,500	90
Administration	95,500	58,925	(36,575)	162	902,103	922,310	20,207	97	922,310	97
Prof Services	18,322	0	(18,322)		269,455	1,988,250	1,718,795	13	1,988,250	13
Capital Outlays	280,841	0	(280,841)		406,275	590,000	183,725	68	590,000	68
Other Expenses	0	590,797	590,797		6,260	603,813	597,553	1	603,813	1
Total Expenditures	1,072,881	2,136,595	1,063,714	50	9,747,901	15,113,853	5,365,952	64	15,113,853	64
Net After Transfers	226,652	(827,120)	1,053,772	(27)	1,428,535	633,147	795,388	225	633,147	225

Fund 051 Cross Valley Canal Operations
Core 55 Cross Valley Canal Operations
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	1,116,775	0	1,116,775		4,401,266	7,403,500	(3,002,234)	59	7,403,500	59
Reimbursements	0	0	0		187,742	0	187,742		0	
Interest Income	0	25,000	(25,000)		137,257	175,000	(37,743)	78	175,000	78
Other Revenue	0	0	0		8,919	0	8,919		0	
Total Revenues	1,116,775	25,000	1,091,775	4,467	4,735,184	7,578,500	(2,843,316)	62	7,578,500	62
Expenditures										
Labor Costs	411,443	167,014	(244,429)	246	2,118,666	2,210,980	92,314	95	2,210,980	95
Wtr Purch & Fees	0	0	0		545	0	(545)		0	
Operations	42,018	9,167	(32,851)	458	77,946	110,000	32,054	70	110,000	70
Maintenance	195,859	31,792	(164,067)	616	619,976	681,500	61,524	90	681,500	90
Administration	95,500	58,925	(36,575)	162	902,103	922,310	20,207	97	922,310	97
Prof Services	18,322	0	(18,322)		269,455	1,988,250	1,718,795	13	1,988,250	13
Capital Outlays	280,841	0	(280,841)		406,275	590,000	183,725	68	590,000	68
Other Expenses	0	453,797	453,797		6,260	466,813	460,553	1	466,813	1
Total Expenditures	1,043,983	720,695	(323,288)	144	4,401,226	6,969,853	2,568,627	63	6,969,853	63
Net After Transfers	72,794	(695,695)	768,489	(10)	333,961	608,647	(274,685)	54	608,647	54

Fund 051 Cross Valley Canal Operations
Core 56 Cross Valley Canal Power
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	182,755	1,278,900	(1,096,145)	14	6,239,011	8,007,000	(1,767,989)	77	8,007,000	77
Interest Income	0	0	0		(19,949)	0	(19,949)		0	
Total Revenues	182,755	1,278,900	(1,096,145)	14	6,219,062	8,007,000	(1,787,938)	77	8,007,000	77
Expenditures										
Power	28,898	1,278,900	1,250,002	2	5,346,675	8,007,000	2,660,325	66	8,007,000	66
Total Expenditures	28,898	1,278,900	1,250,002	2	5,346,675	8,007,000	2,660,325	66	8,007,000	66
Net After Transfers	153,857	0	153,857		872,385	0	872,385		0	

Fund 051 Cross Valley Canal Operations
Core 57 Cross Valley Canal Replacement
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	0	0	0		13,164	19,200	(6,036)	68	19,200	68
Interest Income	0	1,325	(1,325)		5,306	5,300	6	100	5,300	100
Total Revenues	0	1,325	(1,325)		18,470	24,500	(6,030)	75	24,500	75
Net After Transfers	0	1,325	(1,325)		18,469	24,500	(6,030)	75	24,500	75

Fund 051 Cross Valley Canal Operations
Core 58 Cross Valley Canal Third Party
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	0	0	0		185,707	120,000	65,707	154	120,000	154
Interest Income	0	4,250	(4,250)		18,012	17,000	1,012	105	17,000	105
Total Revenues	0	4,250	(4,250)		203,719	137,000	66,719	148	137,000	148
Expenditures										
Other Expenses	0	137,000	137,000		0	137,000	137,000		137,000	
Total Expenditures	0	137,000	137,000		0	137,000	137,000		137,000	
Net After Transfers	0	(132,750)	132,750		203,719	0	203,719		0	

Fund 070 KCWA/BM Banking Program
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Water Sales	0	30,600	(30,600)		0	183,600	(183,600)		183,600	
User Charges	(27,126)	41,070	(68,196)	(66)	848,122	3,028,149	(2,180,027)	28	3,028,150	28
Interest Income	0	10,250	(10,250)		46,940	41,000	5,940	114	41,000	114
Other Revenue	0	0	0		82,275	0	82,275		0	
Total Revenues	(27,126)	81,920	(109,046)	(33)	977,337	3,252,749	(2,275,412)	30	3,252,750	30
Expenditures										
Labor Costs	14,212	9,392	(4,820)	151	73,550	213,810	140,260	34	213,810	34
Wtr Purch & Fees	0	62,670	62,670		161,641	485,460	323,819	33	485,460	33
Operations	1,134	260	(874)	436	1,986	19,860	17,874	10	19,860	10
Power	488	0	(488)		4,635	1,629,300	1,624,665		1,629,300	
Maintenance	8,059	987	(7,072)	816	70,962	345,450	274,488	20	345,450	20
Administration	10,789	9,605	(1,184)	112	133,090	132,599	(490)	100	132,600	100
Prof Services	0	0	0		12,068	34,000	21,932	35	34,000	35
Capital Outlays	0	0	0		293	150,000	149,707		150,000	
Other Expenses	0	0	0		183	1,487,726	1,487,543		1,487,726	
Total Expenditures	34,682	82,914	48,232	41	458,408	4,498,205	4,039,797	10	4,498,206	10
Net After Transfers	(61,811)	(994)	(60,817)	6,218	518,925	(1,245,455)	1,764,381	(41)	(1,245,455)	(41)

Fund 070 KCWA/BM Banking Program
Core 70 BMWD/KCWA Administration
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	22,630	0	22,630		271,480	196,290	75,190	138	196,290	138
Interest Income	0	10,250	(10,250)		46,940	41,000	5,940	114	41,000	114
Total Revenues	22,630	10,250	12,380	220	318,420	237,290	81,130	134	237,290	134
Expenditures										
Labor Costs	138	2,245	2,107	6	7,864	32,440	24,576	24	32,440	24
Maintenance	0	0	0		62,000	80,000	18,000	77	80,000	77
Administration	9,583	9,583	0	100	117,290	117,610	320	99	117,610	99
Prof Services	0	0	0		1,142	7,000	5,858	16	7,000	16
Other Expenses	0	0	0		183	240	57	76	240	76
Total Expenditures	9,721	11,828	2,107	82	188,479	237,290	48,811	79	237,290	79
Net After Transfers	12,907	(1,578)	14,485	(817)	129,940	0	129,940		0	

Fund 070 KCWA/BM Banking Program
Core 71 BMWD/KCWA Recovery
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	(23,250)	0	(23,250)		351,427	2,523,939	(2,172,512)	13	2,523,940	13
Total Revenues	(23,250)	0	(23,250)		351,427	2,523,939	(2,172,512)	13	2,523,940	13
Expenditures										
Labor Costs	13,943	0	(13,943)		49,778	138,180	88,402	36	138,180	36
Wtr Purch & Fees	0	0	0		0	109,440	109,440		109,440	
Operations	1,134	0	(1,134)		1,986	18,300	16,314	10	18,300	10
Power	488	0	(488)		4,635	1,629,300	1,624,665		1,629,300	
Maintenance	8,059	0	(8,059)		8,647	259,730	251,083	3	259,730	3
Administration	1,206	0	(1,206)		15,770	13,459	(2,310)	117	13,460	117
Prof Services	0	0	0		10,926	25,000	14,074	43	25,000	43
Capital Outlays	0	0	0		293	150,000	149,707		150,000	
Other Expenses	0	0	0		0	1,487,486	1,487,486		1,487,486	
Total Expenditures	24,830	0	(24,830)		92,035	3,830,895	3,738,860	2	3,830,896	2
Net After Transfers	(48,079)	0	(48,079)		259,389	(1,306,955)	1,566,345	(19)	(1,306,955)	(19)

Fund 070 KCWA/BM Banking Program
Core 72 BMWD/KCWA Recharge
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Water Sales	0	30,600	(30,600)		0	183,600	(183,600)		183,600	
User Charges	(26,506)	41,070	(67,576)	(64)	225,215	307,920	(82,705)	73	307,920	73
Other Revenue	0	0	0		82,275	0	82,275		0	
Total Revenues	(26,506)	71,670	(98,176)	(36)	307,490	491,520	(184,030)	62	491,520	62
Expenditures										
Labor Costs	131	7,147	7,016	1	15,908	43,190	27,282	36	43,190	36
Wtr Purch & Fees	0	62,670	62,670		161,641	376,020	214,379	42	376,020	42
Operations	0	260	260		0	1,560	1,560		1,560	
Maintenance	0	987	987		315	5,720	5,405	5	5,720	5
Administration	0	22	22		30	1,530	1,500	1	1,530	1
Prof Services	0	0	0		0	2,000	2,000		2,000	
Total Expenditures	131	71,086	70,955		177,894	430,020	252,126	41	430,020	41
Net After Transfers	(26,639)	584	(27,223)	(4,561)	129,595	61,500	68,095	210	61,500	210

Fund 075 Pioneer Project
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Water Sales	0	168,000	(168,000)		0	1,224,000	(1,224,000)		1,224,000	
User Charges	369,797	379,907	(10,110)	97	7,019,550	14,445,220	(7,425,670)	48	14,445,220	48
Reimbursements	0	0	0		111,061	300,000	(188,939)	37	300,000	37
Interest Income	0	71,457	(71,457)		242,487	207,000	35,487	117	207,000	117
Other Revenue	0	0	0		224,044	0	224,044		0	
Total Revenues	369,797	619,364	(249,567)	59	7,597,142	16,176,220	(8,579,078)	46	16,176,220	46
Expenditures										
Labor Costs	128,220	48,378	(79,842)	265	775,051	869,620	94,569	89	869,620	89
Wtr Purch & Fees	0	371,340	371,340		697,944	2,659,680	1,961,736	26	2,659,680	26
Operations	10,644	2,266	(8,377)	469	19,560	105,379	85,819	18	105,380	18
Power	22,711	28,567	5,856	79	61,702	4,521,400	4,459,698	1	4,521,400	1
Maintenance	32,075	5,424	(26,650)	591	200,481	699,199	498,718	28	699,200	28
Administration	46,942	37,931	(9,010)	123	548,554	680,609	132,055	80	680,610	80
Prof Services	22,736	0	(22,736)		317,637	967,850	650,213	32	967,850	32
Capital Outlays	0	0	0		1,309,819	4,219,000	2,909,181	31	4,219,000	31
Other Expenses	0	13	13		17,323	6,288,464	6,271,141		6,288,465	
Total Expenditures	263,328	493,921	230,593	53	3,948,071	21,011,204	17,063,133	18	21,011,205	18
Net After Transfers	106,470	125,442	(18,971)	84	3,649,076	(4,834,984)	8,484,061	(75)	(4,834,984)	(75)

Fund 075 Pioneer Project
Core 74 Pioneer Recharge - Reserve
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	68	12,000	(11,932)		7,536	72,000	(64,464)	10	72,000	10
Total Revenues	68	12,000	(11,932)		7,536	72,000	(64,464)	10	72,000	10
Net After Transfers	68	12,000	(11,932)		7,536	72,000	(64,464)	10	72,000	10

Fund 075 Pioneer Project

Core 75 Pioneer Proj - Administration

Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	190,721	0	190,721		1,616,121	1,213,240	402,881	133	1,213,240	133
Reimbursements	0	0	0		44,827	0	44,827		0	
Interest Income	0	71,457	(71,457)		242,487	207,000	35,487	117	207,000	117
Total Revenues	190,721	71,457	119,264	266	1,903,435	1,420,240	483,195	134	1,420,240	134
Expenditures										
Labor Costs	11,229	9,050	(2,179)	124	171,399	128,540	(42,859)	133	128,540	133
Operations	0	475	475		0	6,230	6,230		6,230	
Maintenance	0	83	83		144,000	150,369	6,369	95	150,370	95
Administration	33,833	36,627	2,794	92	512,861	634,049	121,188	80	634,050	80
Prof Services	3,389	0	(3,389)		163,357	266,250	102,893	61	266,250	61
Capital Outlays	0	0	0		24	234,000	233,976		234,000	
Other Expenses	0	0	0		14,987	800	(14,187)	1,873	800	1,873
Total Expenditures	48,451	46,235	(2,215)	104	1,006,628	1,420,239	413,611	70	1,420,240	70
Net After Transfers	142,269	25,221	117,048	564	896,810	0	896,810	1,121,013,	0	1,121,013,

Fund 075 Pioneer Project
Core 76 Pioneer Project - Recharge
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Water Sales	0	168,000	(168,000)		0	1,224,000	(1,224,000)		1,224,000	
User Charges	105,783	367,907	(262,124)	28	1,367,611	2,207,440	(839,829)	61	2,207,440	61
Other Revenue	0	0	0		223,250	0	223,250		0	
Total Revenues	105,783	535,907	(430,124)	19	1,590,861	3,431,440	(1,840,579)	46	3,431,440	46
Expenditures										
Labor Costs	24,445	26,320	1,875	92	137,969	159,230	21,261	86	159,230	86
Wtr Purch & Fees	0	371,340	371,340		697,944	2,444,040	1,746,096	28	2,444,040	28
Operations	3,119	1,791	(1,327)	174	6,050	10,749	4,699	56	10,750	56
Power	406	28,567	28,161	1	20,213	171,400	151,187	11	171,400	11
Maintenance	9,012	5,341	(3,670)	168	12,180	62,599	50,419	19	62,600	19
Administration	3,315	959	(2,355)	345	6,837	9,339	2,502	73	9,340	73
Prof Services	9,091	0	(9,091)		31,355	4,000	(27,355)	783	4,000	783
Capital Outlays	0	0	0		1,009	271,000	269,991		271,000	
Other Expenses	0	13	13		0	79	79		80	
Total Expenditures	49,388	434,333	384,945	11	913,557	3,132,439	2,218,882	29	3,132,440	29
Net After Transfers	56,394	101,573	(45,179)	55	677,308	299,000	378,308	226	299,000	226

Fund 075 Pioneer Project

Core 77 Pioneer Project - Recovery

Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	(142,296)	0	(142,296)		765,222	6,697,140	(5,931,918)	11	6,697,140	11
Reimbursements	0	0	0		0	300,000	(300,000)		300,000	
Other Revenue	0	0	0		794	0	794		0	
Total Revenues	(142,296)	0	(142,296)		766,016	6,997,140	(6,231,124)	10	6,997,140	10
Expenditures										
Labor Costs	79,026	0	(79,026)		223,537	412,720	189,183	54	412,720	54
Wtr Purch & Fees	0	0	0		0	215,640	215,640		215,640	
Operations	7,525	0	(7,525)		13,510	87,999	74,489	15	88,000	15
Power	22,305	0	(22,305)		41,489	4,350,000	4,308,511		4,350,000	
Maintenance	21,900	0	(21,900)		42,679	486,229	443,550	8	486,230	8
Administration	7,999	0	(7,999)		23,417	26,449	3,032	88	26,450	88
Prof Services	135	0	(135)		5,051	96,500	91,449	5	96,500	5
Capital Outlays	0	0	0		5,368	390,000	384,632	1	390,000	1
Other Expenses	0	0	0		2,336	6,287,584	6,285,248		6,287,585	
Total Expenditures	138,890	0	(138,890)		357,387	12,353,124	11,995,737	2	12,353,125	2
Net After Transfers	(281,187)	0	(281,187)		408,625	(5,355,984)	5,764,610	(7)	(5,355,984)	(7)

Fund 075 Pioneer Project

Core 78 Pioneer Project - Development

Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	215,521	0	215,521		3,263,060	4,105,400	(842,340)	79	4,105,400	79
Reimbursements	0	0	0		66,234	0	66,234		0	
Total Revenues	215,521	0	215,521		3,329,294	4,105,400	(776,106)	81	4,105,400	81
Expenditures										
Labor Costs	13,520	13,008	(512)	103	242,146	169,130	(73,016)	143	169,130	143
Operations	0	0	0		0	400	400		400	
Maintenance	1,163	0	(1,163)		1,622	0	(1,622)		0	
Administration	1,795	344	(1,450)	520	5,439	10,769	5,330	50	10,770	50
Prof Services	10,121	0	(10,121)		117,874	601,100	483,226	19	601,100	19
Capital Outlays	0	0	0		1,303,418	3,324,000	2,020,582	39	3,324,000	39
Total Expenditures	26,599	13,352	(13,246)	199	1,670,499	4,105,399	2,434,900	40	4,105,400	40
Net After Transfers	188,925	(13,352)	202,278	(1,414)	1,658,796	0	1,658,796	1,382,330,	0	1,382,330,

Fund 075 Pioneer Project

Core 79 Pioneer Project - Recovery Res

Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	0	0	0		0	150,000	(150,000)		150,000	
Total Revenues	0	0	0		0	150,000	(150,000)		150,000	
Net After Transfers	0	0	0		0	150,000	(150,000)		150,000	

Fund 097 Westlands Payback Fund
Jun 30, 2026

	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
Interest Income	0	0	0		44,936	0	44,936		0	
Total Revenues	0	0	0		44,936	0	44,936		0	
Net After Transfers	0	0	0		44,936	0	44,936		0	

Fund 102 Agency Participation in CVC
Jun 30, 2026

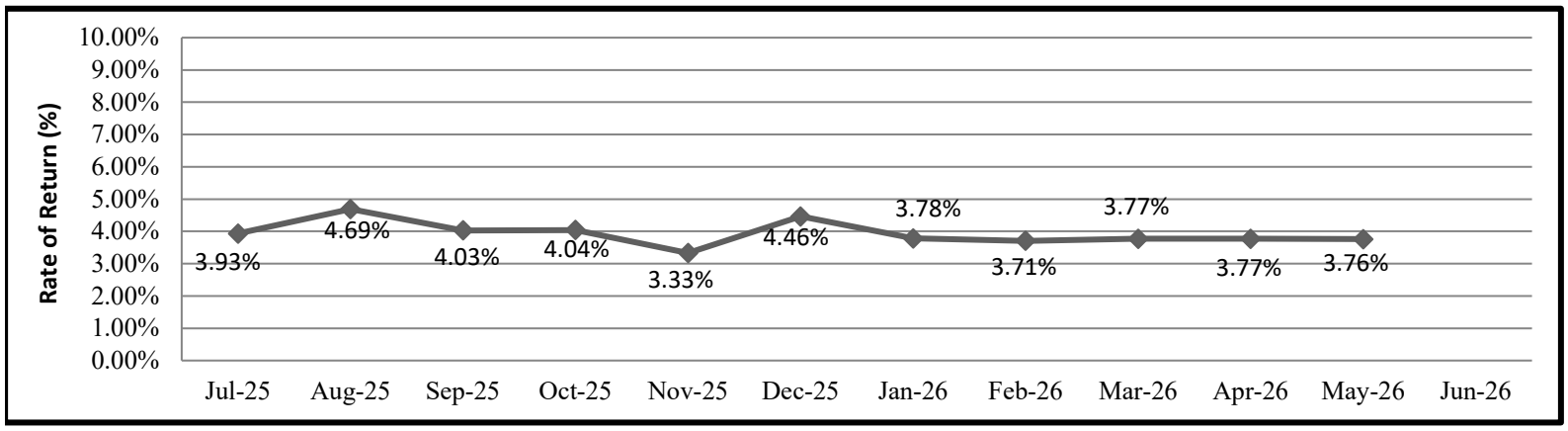
	Current Month Actuals	Current Month Budget	Variance Better (Worse)	% of Budget	YTD Actuals	YTD Budget	Variance Better (Worse)	% of Budget	Total Annual Budget	% of Annual Budget
Revenues										
User Charges	166,178	0	166,178		2,156,183	838,130	1,318,053	257	838,130	257
Reimbursements	0	0	0		68,955	0	68,955		0	
Interest Income	0	2,400	(2,400)		(23,307)	2,400	(25,707)	(971)	2,400	(971)
Total Revenues	166,178	2,400	163,778	6,924	2,201,831	840,530	1,361,301	261	840,530	261
Expenditures										
Labor Costs	0	0	0		0	630	630		630	
Wtr Purch & Fees	0	0	0		1,643,817	835,300	(808,517)	196	835,300	196
Administration	350	350	0	100	5,302	4,600	(702)	115	4,600	115
Total Expenditures	350	350	0	100	1,649,119	840,530	(808,589)	196	840,530	196
Net After Transfers	165,828	2,050	163,778	8,089	552,712	0	552,712		0	

Treasury Report

April-June 2026

July 23, 2026

GENERAL ACCOUNT - AVERAGE RETURN



INVESTMENT BALANCES AND RESULTS

Report No. 1 Kern County Water Agency - General Account	Total Principal^	Percent of Portfolio	Average Return*
Kern County Treasury Pool	$2,766,148	1.06%	n/a
US Bank Custody Account (PFM Investment)	$41,122,626	15.74%	3.87%
US Bank Money Market	$18,658,440	7.14%	3.25%
California Asset Management Pool	$124,275,337	47.57%	3.77%
Local Agency Investment Fund	$74,436,110	28.49%	3.82%
Subtotal Investments	$261,258,661	100.00%	n/a
U.S. Bank@	$19,384,468		
KCWA General Account Total	$280,643,129		

Report No. 2 Kern County Water Agency - Rate Management Trust[1]	Total Principal^	Percent of Portfolio	Average Return*
Kern County Treasury Pool	$76,000	100.00%	n/a

Notes:

[1] The Trust amount reported is for informational purposes only and is not part of the Agency's discretionary funds.

^ Month-end balance.

* The "Average Return" is the monthly yield reported by the respective investment pools for the period reported.

@ This balance reflects the checking account accrual balance, not a cash balance.

QUARTERLY SUMMARY OF INVESTMENTS

June 30, 2026

Type of Investment	Issuer	Date of Maturity	Par Value	Book Value	Market Value
Gvt Pool	California Asset Management Pool (CAMP)	July 1, 2026	$124,275,337	$124,275,337	$124,275,337
Gvt Pool	California State Treasurer (LAIF)#	July 1, 2026	74,436,110.00	74,436,110	$74,436,110
Gvt Pool	K.C. Treasurer (G.A.)#	July 1, 2026	2,766,148	2,766,148	2,766,148
Investment	U.S. Bank Custody (PFM Investment)	July 1, 2026	41,120,000.00	41,132,182	41,122,626
U.S. Bank	U.S. Bank, N.A.^	July 1, 2026	19,384,468	19,384,468	19,384,468
Money Market	US Bank Money Market	July 1, 2026	18,658,440	18,658,440	18,658,440
Money Market	ID4 SRF Loan Reserve Fund	July 1, 2026	351,299	351,299	351,299
Gvt Pool & MM	Ag Rate Management Trust Fund	July 1, 2026	76,000	76,000	76,000
		Total	**281,067,802.00**	**$281,079,984**	**$281,070,428**

SUMMARY OF INVESTMENT ACTIVITY AND CASH OBLIGATIONS

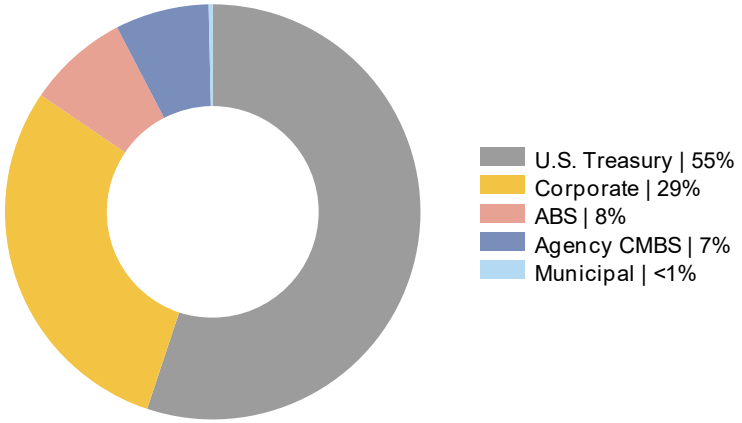
Funds were invested according to and in compliance with the Agency's Investment Policy and the Government Code. Sufficient cash flows are expected to be available to meet the Agency's anticipated cash obligations over the next six months.

Portfolio Snapshot - KERN COUNTY WATER AGENCY[1]

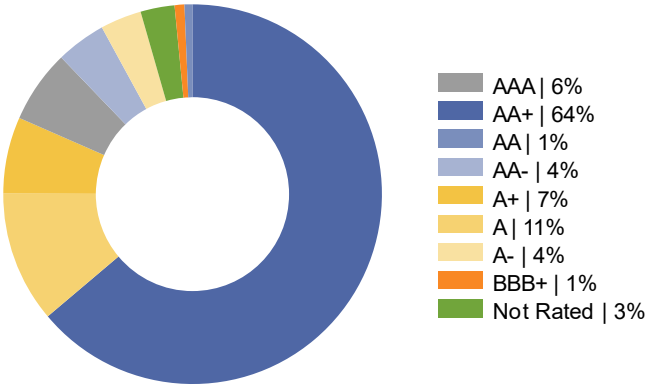
Portfolio Statistics

Total Market Value	$41,119,238.73
Securities Sub-Total	*$40,682,770.58*
Accrued Interest	*$378,767.86*
Cash	*$57,700.29*
Portfolio Effective Duration	2.56 years
Benchmark Effective Duration	2.46 years
Yield At Cost	3.95%
Yield At Market	4.36%
Portfolio Credit Quality	AA

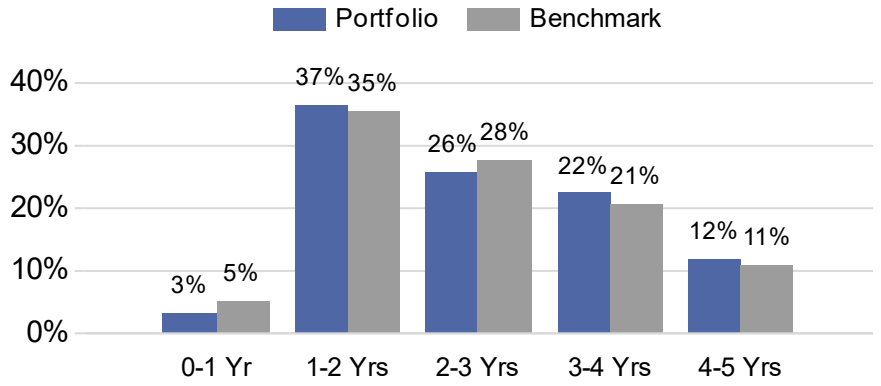
Sector Allocation



Credit Quality - S&P



Duration Distribution



1. *Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. The portfolio's benchmark is the ICE BofA 1-5 Year U.S. Treasury Index. Source: Bloomberg Financial LP. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.*

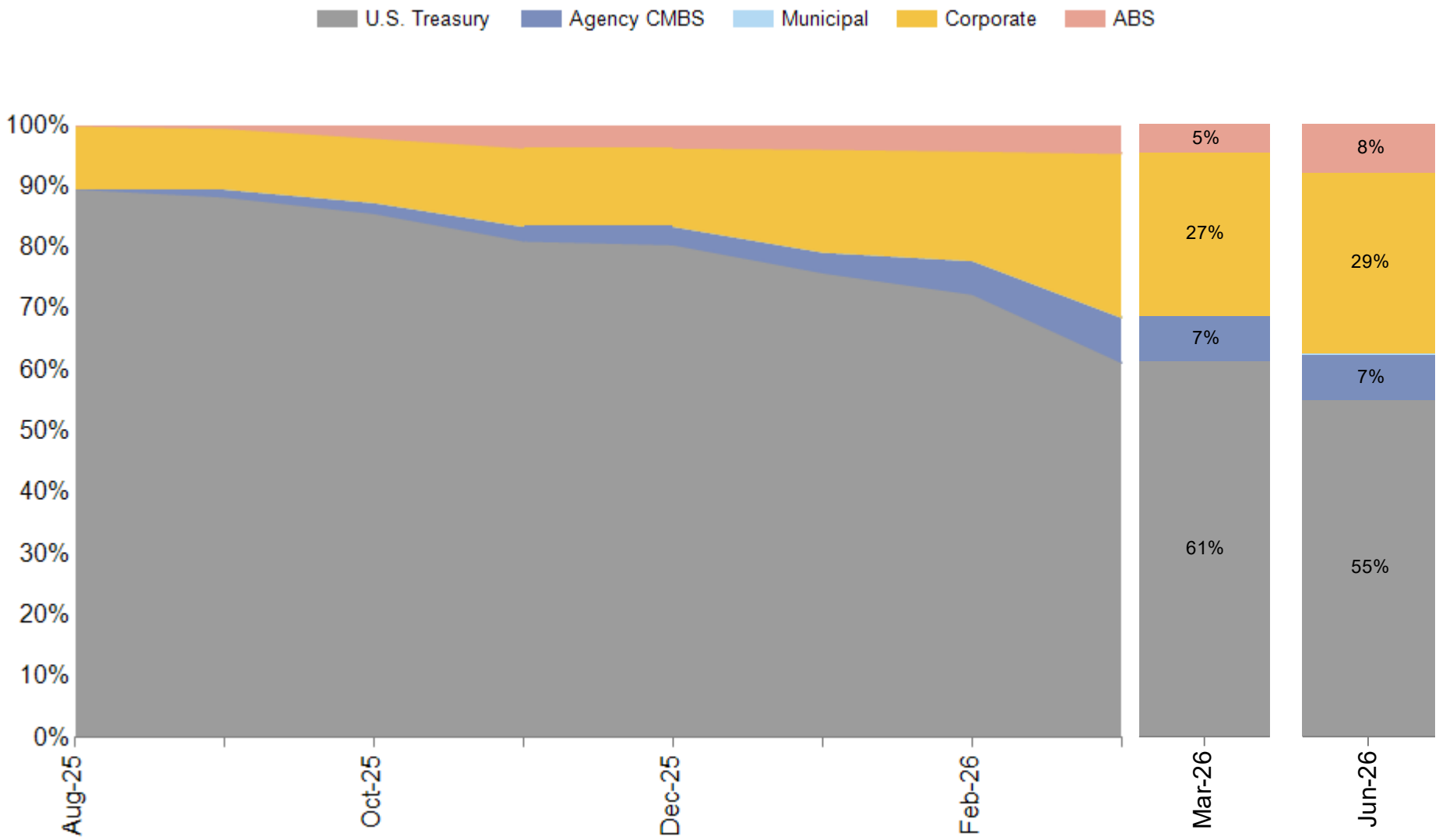
Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
U.S. Treasury	**55.2%**	
United States Treasury	55.2%	AA / Aa / AA
Agency CMBS	**7.2%**	
Federal Home Loan Mortgage Corp	7.2%	AA / Aa / AA
Municipal	**0.3%**	
State of Hawaii	0.3%	AA / Aa / AA
Corporate	**29.5%**	
Adobe Inc	0.5%	A / A / NR
Alphabet Inc	1.2%	AA / Aa / NR
American Express Co	0.6%	A / A / A
AstraZeneca PLC	1.0%	A / A / NR
Bank of America Corp	1.0%	A / A / AA
Bank of New York Mellon Corp	0.6%	AA / Aa / AA
Bristol-Myers Squibb Co	1.0%	A / A / NR
Caterpillar Inc	1.5%	A / A / A
Charles Schwab Corp	0.2%	A / A / A
Cisco Systems Inc	1.5%	AA / A / NR
Citigroup Inc	0.6%	A / Aa / AA
Deere & Co	1.5%	A / A / A
General Electric Co	0.5%	A / A / NR
Goldman Sachs Group Inc	0.5%	BBB / A / A
Home Depot Inc	1.0%	A / A / A
Intuit Inc	1.0%	A / A / NR
JPMorgan Chase & Co	1.8%	A / A / AA
Lockheed Martin Corp	0.5%	A / A / A
Mastercard Inc	1.0%	A / Aa / NR
Meta Platforms Inc	1.2%	AA / Aa / NR

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
Corporate	**29.5%**	
Morgan Stanley	1.6%	A / Aa / AA
National Rural Utilities Cooperative Fi	1.2%	NR / A / A
Novartis AG	1.0%	AA / Aa / NR
NVIDIA Corp	0.7%	AA / Aa / NR
PACCAR Inc	0.2%	A / A / NR
PepsiCo Inc	0.5%	A / A / NR
PNC Financial Services Group Inc	1.0%	A / A / A
Salesforce Inc	1.0%	A / A / NR
ServiceNow Inc	0.1%	A / A / NR
State Street Corp	0.6%	A / Aa / AA
Toyota Motor Corp	0.5%	A / A / A
Truist Financial Corp	1.2%	A / A / A
Walt Disney Co	1.0%	A / A / NR
Wells Fargo & Co	0.3%	BBB / A / A
ABS	**7.8%**	
Ally Auto Receivables Trust	0.2%	AAA / NR / AAA
BMW Vehicle Lease Trust	0.5%	AAA / NR / AAA
Capital One Financial Corp	0.3%	AAA / NR / AAA
Ford Credit Auto Owner Trust	1.6%	AAA / Aaa / AAA
Honda Auto Receivables Owner Trust	1.3%	AAA / Aaa / AAA
Hyundai Auto Receivables Trust	0.9%	AAA / NR / AAA
Mercedes-Benz Auto Receivables Trust	0.7%	AAA / NR / AAA
Nissan Auto Receivables Owner Trust	0.7%	NR / Aaa / AAA
Toyota Auto Receivables Owner Trust	1.2%	AAA / Aaa / AAA
Volkswagen Auto Loan Enhanced Trust	0.4%	NR / Aaa / AAA
Total	**100.0%**	

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

Historical Sector Allocation - KERN COUNTY WATER AGENCY

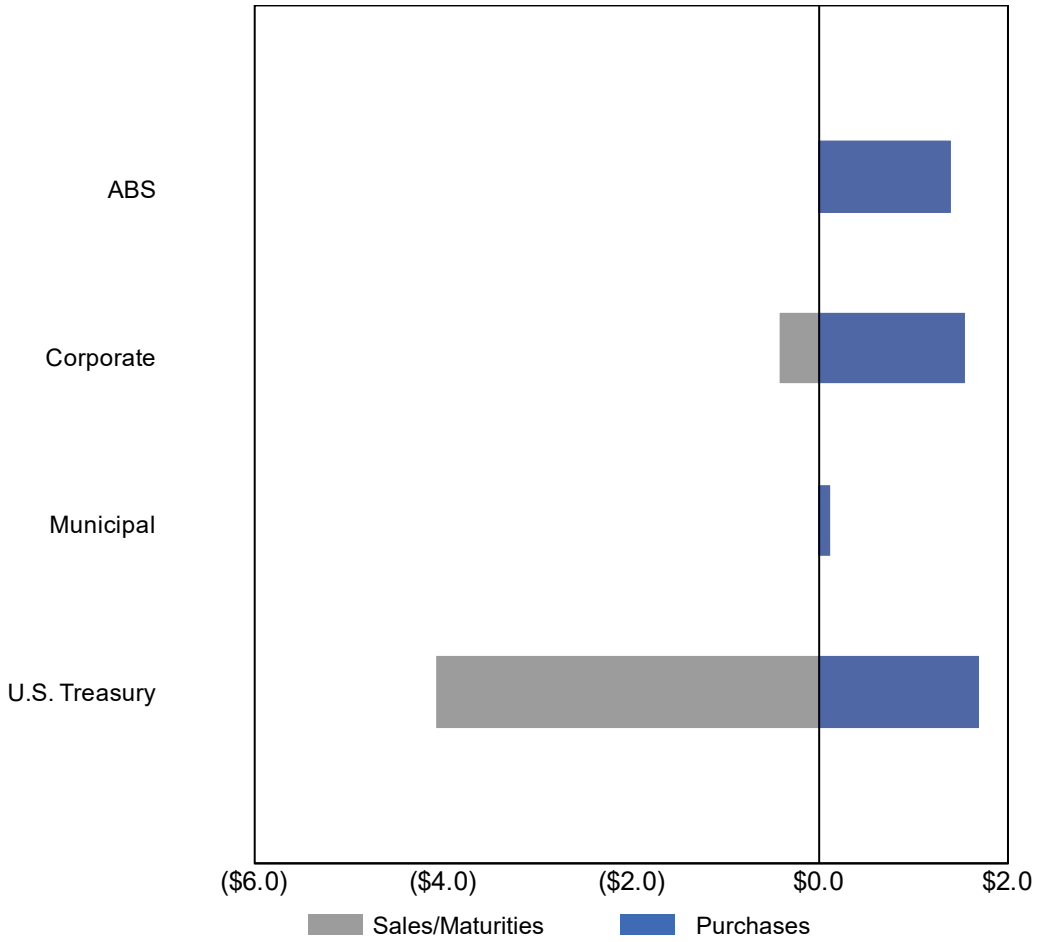


Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM.

Portfolio Activity - KERN COUNTY WATER AGENCY

Net Activity by Sector

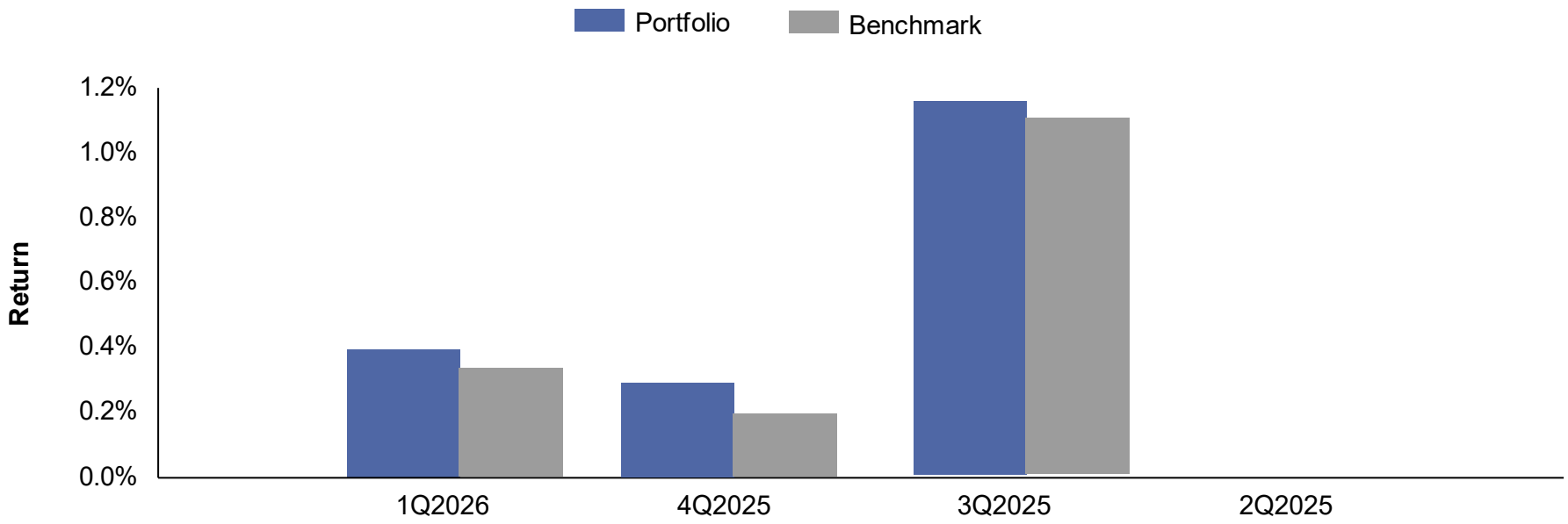
($ millions)



Sector	Net Activity
ABS	$1,399,840
Corporate	$1,139,539
Municipal	$110,000
U.S. Treasury	($2,365,537)
Total Net Activity	**$283,842**

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

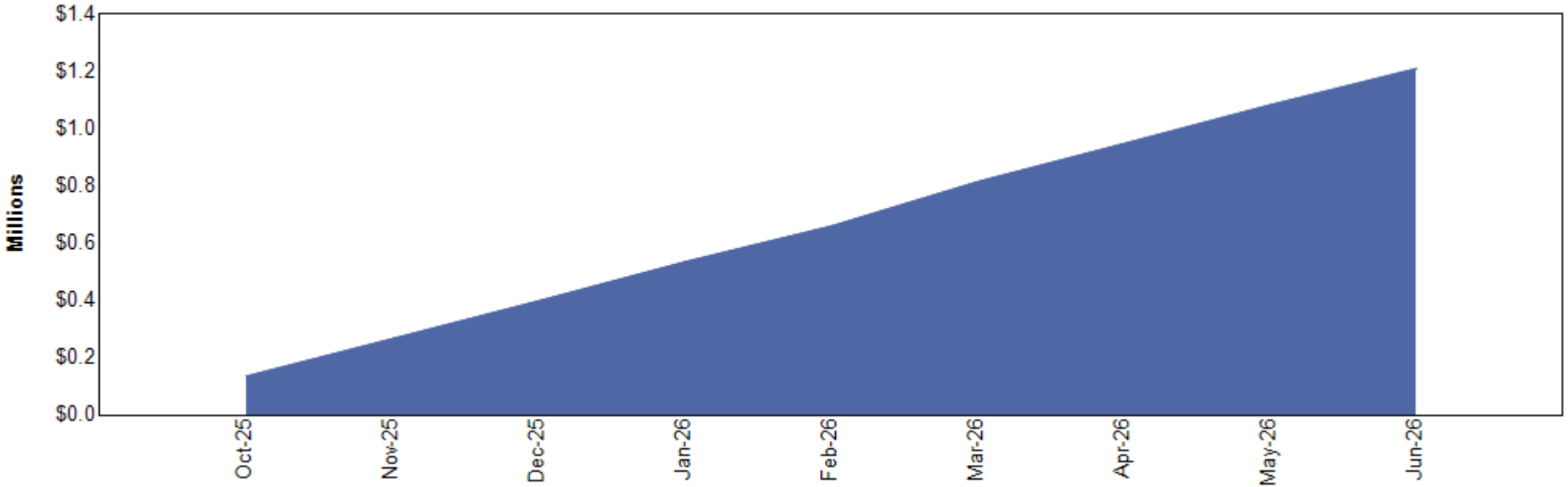
Portfolio Performance



Market Value Basis Earnings	2Q2026	1Q2026	4Q2025	3Q2025
Interest Earned[1]	$396,915	$381,467	$377,745	-
Change in Market Value	($236,726)	-	-	-
Total Dollar Return	**$160,189**	**$381,467**	**$377,745**	**-**
Total Return[2]				
Portfolio	0.39%	0.23%	1.15%	-
Benchmark[3]	0.23%	0.19%	1.12%	-

1. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.
2. Returns are presented on a periodic basis.
3. The portfolio's benchmark is the ICE BofA 1-5 Year U.S. Treasury Index. Source: Bloomberg Financial LP.

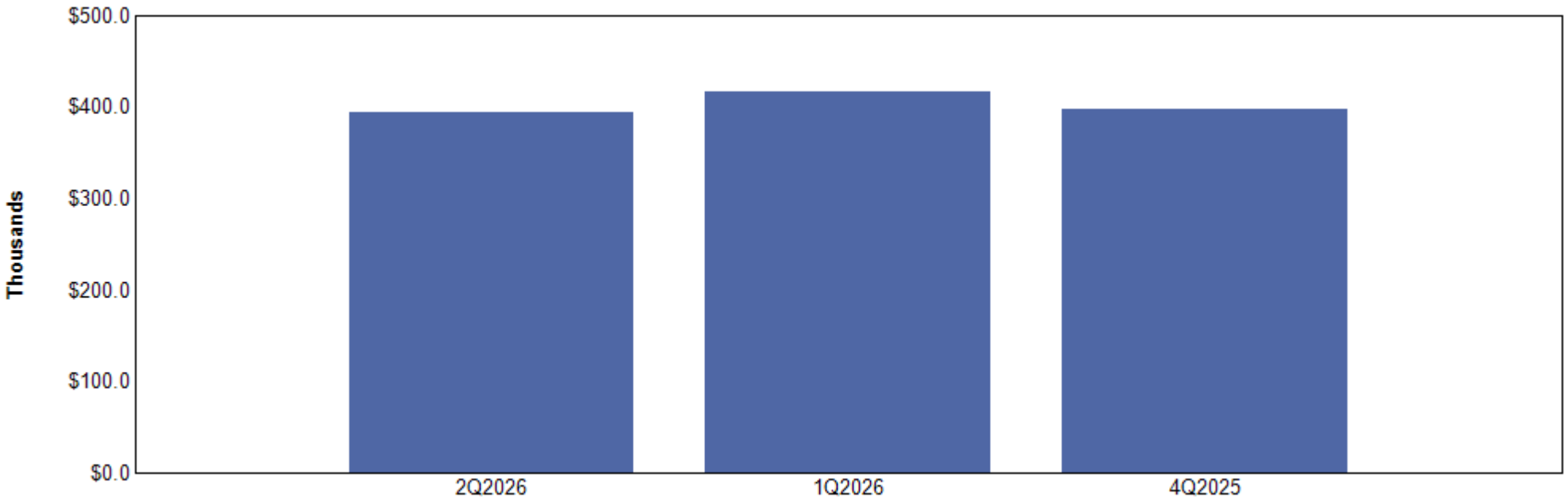
Accrual Basis Earnings - KERN COUNTY WATER AGENCY



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	Since Inception[1]
Interest Earned[2]	$396,915	-	-	-	$1,156,128
Realized Gains / (Losses)[3]	($5,872)	-	-	-	$35,347
Change in Amortized Cost	$3,961	-	-	-	$17,688
Total Earnings	**$395,004**	**-**	**-**	**-**	**$1,209,163**

1. The lesser of 10 years or since inception is shown. Performance inception date is September 30, 2025.
2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.
3. Realized gains / (losses) are shown on an amortized cost basis.

Accrual Basis Earnings - KERN COUNTY WATER AGENCY



Accrual Basis Earnings	2Q2026	1Q2026	4Q2025	3Q2025
Interest Earned[1]	$396,915	$381,467	$377,745	-
Realized Gains / (Losses)[2]	($5,872)	$29,929	$11,291	-
Change in Amortized Cost	$3,961	$4,544	$9,183	-
Total Earnings	**$395,004**	**$415,940**	**$398,219**	**-**

1. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.
2. Realized gains / (losses) are shown on an amortized cost basis.

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 06/02/2025 3.875% 05/31/2027	91282CNE7	890,000.00	AA+	Aa1	8/21/2025	8/22/2025	890,730.08	3.82	2,921.07	890,383.58	888,164.82
US TREASURY N/B DTD 08/15/2024 3.750% 08/15/2027	91282CLG4	2,500,000.00	AA+	Aa1	8/25/2025	8/26/2025	2,500,976.56	3.73	35,220.99	2,500,566.97	2,489,257.50
US TREASURY N/B DTD 01/15/2025 4.250% 01/15/2028	91282CMF5	2,000,000.00	AA+	Aa1	8/25/2025	8/26/2025	2,024,687.50	3.70	39,212.71	2,016,172.02	2,002,188.00
US TREASURY N/B DTD 04/15/2025 3.750% 04/15/2028	91282CMW8	1,700,000.00	AA+	Aa1	8/25/2025	8/26/2025	1,702,390.63	3.69	13,411.89	1,701,647.67	1,687,914.70
US TREASURY N/B DTD 06/01/2021 1.250% 05/31/2028	91282CCE9	2,500,000.00	AA+	Aa1	8/25/2025	8/26/2025	2,341,113.28	3.69	2,646.86	2,388,130.58	2,367,187.50
US TREASURY N/B DTD 08/15/2025 3.625% 08/15/2028	91282CNU1	2,500,000.00	AA+	Aa1	8/25/2025	8/26/2025	2,495,800.78	3.68	34,046.96	2,496,952.94	2,472,657.50
US TREASURY N/B DTD 01/31/2024 4.000% 01/31/2029	91282CJW2	1,500,000.00	AA+	Aa1	8/25/2025	8/26/2025	1,514,296.88	3.70	25,027.62	1,510,934.20	1,493,554.50
US TREASURY N/B DTD 04/01/2024 4.125% 03/31/2029	91282CKG5	595,000.00	AA+	Aa1	9/2/2025	9/3/2025	604,413.08	3.65	6,169.47	602,345.31	594,302.66
US TREASURY N/B DTD 04/30/2024 4.625% 04/30/2029	91282CKP5	1,500,000.00	AA+	Aa1	8/22/2025	8/25/2025	1,543,710.94	3.77	11,688.18	1,534,139.43	1,517,929.50
US TREASURY N/B DTD 07/01/2024 4.250% 06/30/2029	91282CKX8	685,000.00	AA+	Aa1	8/25/2025	8/26/2025	697,763.48	3.72	79.11	695,106.34	686,552.21
US TREASURY N/B DTD 08/31/2022 3.125% 08/31/2029	91282CFJ5	1,500,000.00	AA+	Aa1	8/25/2025	8/26/2025	1,466,425.78	3.73	15,667.46	1,473,119.20	1,453,711.50
US TREASURY N/B DTD 12/02/2024 4.125% 11/30/2029	91282CMA6	1,500,000.00	AA+	Aa1	8/25/2025	8/26/2025	1,522,031.25	3.75	5,240.78	1,517,929.51	1,497,657.00
US TREASURY N/B DTD 01/31/2023 3.500% 01/31/2030	91282CGJ4	1,000,000.00	AA+	Aa1	8/21/2025	8/22/2025	986,406.25	3.84	14,599.45	988,856.81	977,539.00
US TREASURY N/B DTD 04/30/2025 3.875% 04/30/2030	91282CMZ1	295,000.00	AA+	Aa1	8/21/2025	8/22/2025	295,368.75	3.84	1,925.92	295,306.18	291,808.10
US TREASURY N/B DTD 06/30/2025 3.875% 06/30/2030	91282CNK3	700,000.00	AA+	Aa1	4/1/2026	4/6/2026	698,578.13	3.93	73.71	698,652.69	691,906.60

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 09/30/2025 3.625% 09/30/2030	91282CPA3	15,000.00	AA+	Aa1	10/1/2025	10/6/2025	14,954.88	3.69	136.68	14,961.06	14,669.53
US TREASURY N/B DTD 02/02/2026 3.750% 01/31/2031	91282CPW5	600,000.00	AA+	Aa1	3/13/2026	3/18/2026	596,882.81	3.87	9,385.36	597,053.00	588,679.80
US TREASURY N/B DTD 04/30/2026 3.875% 04/30/2031	91282CQK0	720,000.00	AA+	Aa1	5/27/2026	5/29/2026	711,056.25	4.16	4,700.54	711,205.99	709,650.00
Security Type Sub-Total		**22,700,000.00**					**22,607,587.31**	**3.75**	**222,154.76**	**22,633,463.48**	**22,425,330.42**
Municipal											
HAWAII ST-TXBL-GP (CALLABLE) DTD 04/30/2026 4.212% 04/01/2031	419792S23	110,000.00	AA+	Aa2	4/16/2026	4/30/2026	110,000.00	4.21	785.07	110,000.00	108,849.40
Security Type Sub-Total		**110,000.00**					**110,000.00**	**4.21**	**785.07**	**110,000.00**	**108,849.40**
Corporate											
GOLDMAN SACHS GROUP INC (CALLABLE) DTD 04/23/2025 4.937% 04/23/2028	38141GC77	200,000.00	BBB+	A2	8/20/2025	8/21/2025	201,978.00	4.54	1,865.09	200,976.39	200,569.80
SERVICENOW INC DTD 05/15/2026 4.250% 05/15/2028	81762PAF9	35,000.00	A	A2	5/12/2026	5/15/2026	34,873.30	4.44	190.07	34,881.17	34,882.89
PNC BANK NA (CALLABLE) DTD 07/21/2025 4.429% 07/21/2028	69353RFZ6	250,000.00	A	A2	8/21/2025	8/22/2025	250,445.00	4.36	4,921.11	250,250.03	249,581.00
TRUIST BANK (CALLABLE) DTD 07/24/2025 4.420% 07/24/2028	89788JAF6	250,000.00	A	A3	8/21/2025	8/22/2025	250,352.50	4.37	4,819.03	250,198.71	249,709.50
LOCKHEED MARTIN CORP (CALLABLE) DTD 07/28/2025 4.150% 08/15/2028	539830CK3	200,000.00	A-	A2	8/21/2025	8/22/2025	200,468.00	4.06	3,135.56	200,335.22	199,109.40
PACCAR FINANCIAL CORP DTD 11/07/2025 4.000% 11/07/2028	69371RU20	90,000.00	A+	A1	11/5/2025	11/7/2025	89,949.60	4.02	540.00	89,960.04	89,407.98
CATERPILLAR FINL SERVICE DTD 11/14/2025 3.950% 11/14/2028	14913UBD1	400,000.00	A	A1	11/10/2025	11/14/2025	399,788.00	3.97	2,062.78	399,830.70	396,087.60
MORGAN STANLEY BANK NA (CALLABLE) DTD 01/21/2025 5.016% 01/12/2029	61690DK72	250,000.00	A+	Aa3	8/21/2025	8/22/2025	253,880.00	4.52	5,886.83	252,531.91	251,536.50

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
JPMORGAN CHASE & CO (CALLABLE) DTD 01/24/2025 4.915% 01/24/2029	46647PEU6	400,000.00	A	A1	8/20/2025	8/21/2025	406,628.00	4.39	8,573.94	404,350.47	401,940.80
PNC FINANCIAL SERVICES (CALLABLE) DTD 01/26/2026 4.075% 01/26/2029	693475CG8	160,000.00	A-	A3	1/21/2026	1/26/2026	160,000.00	4.08	2,807.22	160,000.00	158,685.76
AMERICAN EXPRESS CO (CALLABLE) DTD 02/10/2026 4.009% 02/09/2029	025816EN5	225,000.00	A-	A2	2/3/2026	2/10/2026	225,000.00	4.01	3,532.93	225,000.00	223,010.55
ALPHABET INC (CALLABLE) DTD 02/13/2026 3.700% 02/15/2029	02079KBJ5	80,000.00	AA+	Aa2	2/9/2026	2/13/2026	79,709.60	3.83	1,134.67	79,744.93	78,701.36
CATERPILLAR FINL SERVICE DTD 02/24/2026 3.750% 02/23/2029	14913UBJ8	200,000.00	A	A1	2/18/2026	2/24/2026	199,736.00	3.80	2,645.83	199,765.68	196,776.00
WALT DISNEY COMPANY/THE DTD 02/12/2026 3.750% 03/14/2029	254687GC4	410,000.00	A	A2	3/2/2026	3/3/2026	409,221.00	3.82	5,936.46	409,301.32	403,519.54
SALESFORCE INC (CALLABLE) DTD 03/13/2026 4.650% 03/15/2029	79466LAR5	405,000.00	A+	A2	3/11/2026	3/13/2026	404,910.90	4.66	5,649.75	404,919.58	404,790.21
BANK OF NEW YORK MELLON (CALLABLE) DTD 04/22/2025 4.729% 04/20/2029	06405LAH4	250,000.00	AA-	Aa2	8/21/2025	8/22/2025	253,522.50	4.31	2,331.66	252,427.76	251,054.00
BANK OF AMERICA CORP (CALLABLE) DTD 05/09/2025 4.623% 05/09/2029	06051GMT3	400,000.00	A-	A1	8/20/2025	8/21/2025	403,908.00	4.33	2,671.07	402,716.83	399,807.20
MASTERCARD INC (CALLABLE) DTD 06/08/2026 4.425% 06/08/2029	57636QBK9	405,000.00	A+	Aa3	6/4/2026	6/8/2026	404,923.05	4.43	1,144.97	404,924.97	404,457.71
TRUIST BANK (CALLABLE) DTD 10/23/2025 4.136% 10/23/2029	89788JAH2	250,000.00	A	A3	10/20/2025	10/23/2025	250,000.00	4.14	1,953.11	250,000.00	247,077.25
MORGAN STANLEY (CALLABLE) DTD 01/20/2026 4.238% 01/09/2030	61748UAR3	150,000.00	A-	A1	1/15/2026	1/20/2026	150,000.00	4.24	2,842.99	150,000.00	148,040.85
ADOBE INC (CALLABLE) DTD 01/17/2025 4.950% 01/17/2030	00724PAJ8	200,000.00	A+	A1	8/21/2025	8/22/2025	206,738.00	4.10	4,510.00	205,492.07	202,722.60
WELLS FARGO & COMPANY (CALLABLE) DTD 01/23/2026 4.182% 01/23/2030	95000U4D2	140,000.00	BBB+	A1	1/15/2026	1/23/2026	140,000.00	4.18	2,569.61	140,000.00	138,164.88
MORGAN STANLEY PVT BANK (CALLABLE) DTD 02/02/2026 4.213% 02/08/2030	61776NU43	250,000.00	A+	Aa3	1/29/2026	2/2/2026	250,000.00	4.21	4,359.28	250,000.00	246,734.50

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
CISCO SYSTEMS INC (CALLABLE) DTD 02/24/2025 4.750% 02/24/2030	17275RBX9	200,000.00	AA-	A1	8/20/2025	8/21/2025	204,696.00	4.17	3,351.39	203,847.69	201,739.60
STATE STREET CORP (CALLABLE) DTD 02/28/2025 4.729% 02/28/2030	857477CW1	250,000.00	A	Aa3	8/21/2025	8/22/2025	254,060.00	4.33	4,039.35	253,332.75	251,743.25
JPMORGAN CHASE & CO (CALLABLE) DTD 04/23/2026 4.408% 04/23/2030	46647PFL5	320,000.00	A	A1	4/15/2026	4/23/2026	320,000.00	4.41	2,664.39	320,000.00	317,278.40
TOYOTA MOTOR CREDIT CORP DTD 05/15/2025 4.800% 05/15/2030	89236TNJ0	200,000.00	A+	A1	8/20/2025	8/21/2025	204,160.00	4.31	1,226.67	203,465.03	201,179.20
CHARLES SCHWAB CORP (CALLABLE) DTD 05/21/2026 4.744% 05/21/2030	808513CQ6	100,000.00	A-	A2	5/18/2026	5/21/2026	100,000.00	4.74	527.11	100,000.00	100,188.50
CITIBANK NA (CALLABLE) DTD 05/29/2025 4.914% 05/29/2030	17325FBP2	250,000.00	A+	Aa3	8/20/2025	8/21/2025	255,680.00	4.38	1,092.00	254,722.34	253,084.75
JOHN DEERE CAPITAL CORP DTD 06/05/2025 4.550% 06/05/2030	24422EYE3	200,000.00	A	A1	8/20/2025	8/21/2025	202,218.00	4.29	657.22	201,852.45	200,252.00
PEPSICO INC (CALLABLE) DTD 07/23/2025 4.300% 07/23/2030	713448GH5	200,000.00	A+	A1	8/21/2025	8/22/2025	200,188.00	4.28	3,774.44	200,157.04	199,731.20
GENERAL ELECTRIC CO (CALLABLE) DTD 07/29/2025 4.300% 07/29/2030	369604BZ5	200,000.00	A-	A2	8/20/2025	8/21/2025	200,146.00	4.28	3,631.11	200,122.89	198,196.40
NOVARTIS CAPITAL CORP (CALLABLE) DTD 11/05/2025 4.100% 11/05/2030	66989HAY4	400,000.00	AA-	Aa3	11/5/2025	11/6/2025	399,104.00	4.15	2,551.11	399,212.55	392,982.40
META PLATFORMS INC (CALLABLE) DTD 11/03/2025 4.200% 11/15/2030	30303MAB8	500,000.00	AA-	Aa3	1/7/2026	1/8/2026	502,365.00	4.09	2,683.33	502,147.38	492,156.50
NATIONAL RURAL UTIL COOP (CALLABLE) DTD 12/10/2025 4.300% 12/10/2030	63743HGC0	500,000.00	NR	A2	1/7/2026	1/8/2026	501,840.00	4.22	1,254.17	501,674.17	493,209.00
BRISTOL-MYERS SQUIBB CO (CALLABLE) DTD 11/13/2023 5.750% 02/01/2031	110122DY1	385,000.00	A	A2	3/3/2026	3/4/2026	412,554.45	4.12	9,223.96	410,830.50	402,505.95
ALPHABET INC (CALLABLE) DTD 02/13/2026 4.100% 02/15/2031	02079KBK2	410,000.00	AA+	Aa2	3/2/2026	3/3/2026	410,861.00	4.05	6,443.83	410,808.45	402,857.80
CISCO SYSTEMS INC (CALLABLE) DTD 02/26/2024 4.950% 02/26/2031	17275RBS0	395,000.00	AA-	A1	3/3/2026	3/4/2026	410,203.55	4.09	6,789.06	409,265.14	401,506.04

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
ASTRAZENECA FINANCE LLC (CALLABLE) DTD 03/02/2026 4.000% 03/02/2031	04636NAQ6	410,000.00	A+	A1	3/2/2026	3/3/2026	409,024.20	4.05	5,421.11	409,084.17	400,145.65
JOHN DEERE CAPITAL CORP DTD 03/10/2026 4.200% 03/10/2031	24422EYL7	405,000.00	A	A1	3/10/2026	3/11/2026	406,105.65	4.14	5,244.75	406,045.20	398,190.74
HOME DEPOT INC (CALLABLE) DTD 01/07/2021 1.375% 03/15/2031	437076CF7	470,000.00	A	A2	3/17/2026	3/18/2026	408,383.00	4.32	1,902.85	411,585.42	407,167.11
INTUIT INC (CALLABLE) DTD 06/11/2026 4.950% 06/15/2031	46124HAK2	405,000.00	A	A3	6/16/2026	6/17/2026	407,284.20	4.82	1,113.75	407,269.21	404,990.69
NVIDIA CORP (CALLABLE) DTD 06/18/2026 4.500% 06/15/2031	67066GAR5	280,000.00	AA	Aa1	6/15/2026	6/18/2026	279,468.00	4.54	455.00	279,472.34	279,008.80
Security Type Sub-Total		**12,080,000.00**					**12,114,372.50**	**4.25**	**140,130.56**	**12,102,502.50**	**11,974,481.86**
Agency CMBS											
FHMS K546 A2 DTD 09/01/2025 4.361% 05/01/2030	3137HN4R6	250,000.00	AA+	Aa1	9/9/2025	9/18/2025	253,746.50	4.01	908.54	253,168.39	248,751.50
FHMS K547 A2 DTD 09/01/2025 4.421% 05/01/2030	3137HN6B9	255,000.00	AA+	Aa1	9/23/2025	9/29/2025	258,817.10	4.06	939.46	258,302.24	254,232.96
FHMS K548 A2 DTD 10/01/2025 4.320% 09/01/2030	3137HNN46	205,000.00	AA+	Aa1	10/7/2025	10/16/2025	207,253.77	4.07	738.00	206,959.31	203,685.95
FHMS K549 A2 DTD 11/01/2025 4.340% 09/01/2030	3137HNNC8	410,000.00	AA+	Aa1	3/31/2026	4/6/2026	411,601.56	4.24	1,482.83	411,524.96	407,380.92
FHMS K552 A2 DTD 12/01/2025 4.092% 11/01/2030	3137HPEX7	225,000.00	AA+	Aa1	12/16/2025	12/23/2025	224,991.90	4.09	767.25	224,992.74	221,373.22
FHMS K551 A2 DTD 12/01/2025 4.165% 11/01/2030	3137HNWV6	260,000.00	AA+	Aa1	11/25/2025	12/5/2025	262,294.50	3.97	902.42	262,053.99	256,533.16
FHMS K553 A2 DTD 01/01/2026 4.070% 12/01/2030	3137HPU50	190,000.00	AA+	Aa1	1/7/2026	1/15/2026	190,237.69	4.04	644.42	190,217.77	186,724.59
FHMS K555 A2 DTD 02/01/2026 4.050% 01/01/2031	3137HQ4U2	405,000.00	AA+	Aa1	2/4/2026	2/12/2026	403,634.74	4.13	1,366.88	403,731.79	397,561.37
FHMS K557 A2 DTD 03/01/2026 3.936% 01/01/2031	3137HQSP7	190,000.00	AA+	Aa1	3/3/2026	3/12/2026	189,996.39	3.94	623.20	189,996.82	185,607.96

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Agency CMBS											
FHMS K556 A2 DTD 02/01/2026 3.948% 01/01/2031	3137HQDM0	410,000.00	AA+	Aa1	2/18/2026	2/26/2026	409,811.81	3.96	1,348.90	409,821.54	400,703.66
FHMS K558 A2 DTD 03/01/2026 4.130% 03/01/2031	3137HQSV4	205,000.00	AA+	Aa1	3/17/2026	3/26/2026	205,533.00	4.07	705.54	205,515.38	201,891.79
Security Type Sub-Total		**3,005,000.00**					**3,017,918.96**	**4.06**	**10,427.44**	**3,016,284.93**	**2,964,447.08**
ABS											
BMWLT 2025-2 A3 DTD 10/15/2025 3.970% 09/25/2028	05594HAD5	215,000.00	AAA	NR	10/8/2025	10/15/2025	214,999.40	3.97	142.26	214,999.54	214,300.82
ALLYA 2025-1 A3 DTD 10/16/2025 3.960% 03/15/2030	02008KAC7	85,000.00	AAA	NR	10/7/2025	10/16/2025	84,987.86	3.96	149.60	84,989.76	84,674.28
VALET 2025-2 A3 DTD 11/25/2025 3.920% 03/20/2030	92869QAD1	145,000.00	NR	Aaa	11/18/2025	11/25/2025	144,975.67	3.92	173.68	144,978.96	143,753.00
FORDO 2025-B A3 DTD 09/26/2025 3.910% 04/15/2030	34532BAG6	155,000.00	NR	Aaa	9/23/2025	9/26/2025	154,983.28	3.91	269.36	154,986.37	153,821.85
FORDO 2025-C A3 DTD 11/25/2025 3.900% 06/15/2030	34535LAD8	155,000.00	AAA	NR	11/18/2025	11/25/2025	154,975.82	3.90	268.67	154,979.01	153,519.91
HAROT 2025-4 A3 DTD 11/12/2025 3.980% 06/17/2030	43814XAD5	170,000.00	AAA	NR	11/5/2025	11/12/2025	169,967.09	3.98	300.71	169,971.39	168,740.81
TAOT 2025-D A3 DTD 10/23/2025 3.840% 06/17/2030	89231GAD0	210,000.00	AAA	NR	10/15/2025	10/23/2025	209,975.85	3.84	358.40	209,979.20	208,423.95
COPAR 2025-1 A3 DTD 11/05/2025 3.850% 07/15/2030	14043YAD7	140,000.00	AAA	NR	10/28/2025	11/5/2025	139,970.35	3.85	239.56	139,974.38	138,735.24
HART 2025-D A3 DTD 11/12/2025 3.990% 09/16/2030	44891XAD9	180,000.00	AAA	NR	11/5/2025	11/12/2025	179,984.77	3.99	319.20	179,986.77	178,656.66
TAOT 2026-A A3 DTD 01/21/2026 3.860% 09/16/2030	89240KAD0	100,000.00	AAA	Aaa	1/13/2026	1/21/2026	99,991.48	3.86	171.56	99,992.24	99,039.70
HAROT 2026-1 A3 DTD 02/18/2026 3.780% 09/23/2030	43815CAD0	105,000.00	NR	Aaa	2/10/2026	2/18/2026	104,983.27	3.78	110.25	104,984.84	103,772.23
FORDO 2026-A A3 DTD 03/24/2026 4.050% 10/15/2030	34532WAD7	165,000.00	AAA	Aaa	3/17/2026	3/24/2026	164,968.47	4.05	297.00	164,970.81	163,812.33
MBART 2026-1 A3 DTD 05/20/2026 4.360% 10/15/2030	58769MAD2	285,000.00	AAA	NR	5/12/2026	5/20/2026	284,937.93	4.37	552.27	284,939.90	284,464.49

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
ABS											
HAROT 2026-2 A3 DTD 05/13/2026 4.300% 11/15/2030	43814YAD3	265,000.00	AAA	Aaa	5/5/2026	5/13/2026	264,992.34	4.30	506.44	264,992.62	264,322.40
TAOT 2026-B A3 DTD 04/21/2026 4.130% 12/16/2030	89240QAD7	165,000.00	AAA	Aaa	4/14/2026	4/21/2026	164,965.20	4.14	302.87	164,967.13	164,037.72
NAROT 2026-A A3 DTD 05/27/2026 4.470% 12/16/2030	65479YAD2	285,000.00	NR	Aaa	5/20/2026	5/27/2026	284,974.78	4.47	566.20	284,975.85	285,259.92
FORDO 2026-B A3 DTD 06/23/2026 4.390% 02/15/2031	34536DAD5	205,000.00	AAA	NR	6/16/2026	6/23/2026	204,992.83	4.39	199.99	204,993.15	204,857.73
HART 2026-B A3 DTD 06/17/2026 4.510% 02/18/2031	44935KAD5	195,000.00	AAA	NR	6/9/2026	6/17/2026	194,976.46	4.51	342.01	194,977.22	195,468.78
Security Type Sub-Total		**3,225,000.00**					**3,224,602.85**	**4.12**	**5,270.03**	**3,224,639.14**	**3,209,661.82**
Managed Account Sub Total		**41,120,000.00**					**41,074,481.62**	**3.95**	**378,767.86**	**41,086,890.05**	**40,682,770.58**
Securities Sub Total		**$41,120,000.00**					**$41,074,481.62**	**3.95%**	**$378,767.86**	**$41,086,890.05**	**$40,682,770.58**
Accrued Interest											**$378,767.86**
Total Investments											**$41,061,538.44**

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
BUY									
3/31/2026	4/6/2026	410,000.00	3137HNNC8	FHMS K549 A2	4.34%	9/1/2030	411,848.70	4.24%	
4/1/2026	4/6/2026	700,000.00	91282CNK3	US TREASURY N/B	3.87%	6/30/2030	705,771.50	3.93%	
4/14/2026	4/21/2026	165,000.00	89240QAD7	TAOT 2026-B A3	4.13%	12/16/2030	164,965.20	4.14%	
4/15/2026	4/23/2026	320,000.00	46647PFL5	JPMORGAN CHASE & CO (CALLABLE)	4.40%	4/23/2030	320,000.00	4.41%	
4/16/2026	4/30/2026	110,000.00	419792S23	HAWAII ST-TXBL-GP (CALLABLE)	4.21%	4/1/2031	110,000.00	4.21%	
5/5/2026	5/13/2026	265,000.00	43814YAD3	HAROT 2026-2 A3	4.30%	11/15/2030	264,992.34	4.30%	
5/12/2026	5/15/2026	35,000.00	81762PAF9	SERVICENOW INC	4.25%	5/15/2028	34,873.30	4.44%	
5/12/2026	5/20/2026	285,000.00	58769MAD2	MBART 2026-1 A3	4.36%	10/15/2030	284,937.93	4.37%	
5/18/2026	5/21/2026	100,000.00	808513CQ6	CHARLES SCHWAB CORP (CALLABLE)	4.74%	5/21/2030	100,000.00	4.74%	
5/20/2026	5/27/2026	285,000.00	65479YAD2	NAROT 2026-A A3	4.47%	12/16/2030	284,974.78	4.47%	
5/27/2026	5/29/2026	1,000,000.00	91282CQK0	US TREASURY N/B	3.87%	4/30/2031	990,631.80	4.16%	
6/4/2026	6/8/2026	405,000.00	57636QBK9	MASTERCARD INC (CALLABLE)	4.42%	6/8/2029	404,923.05	4.43%	
6/9/2026	6/17/2026	195,000.00	44935KAD5	HART 2026-B A3	4.51%	2/18/2031	194,976.46	4.51%	
6/15/2026	6/18/2026	280,000.00	67066GAR5	NVIDIA CORP (CALLABLE)	4.50%	6/15/2031	279,468.00	4.54%	
6/16/2026	6/17/2026	405,000.00	46124HAK2	INTUIT INC (CALLABLE)	4.95%	6/15/2031	407,618.33	4.82%	
6/16/2026	6/23/2026	205,000.00	34536DAD5	FORDO 2026-B A3	4.39%	2/15/2031	204,992.83	4.39%	
Total BUY		**5,165,000.00**					**5,164,974.22**		**0.00**

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
4/1/2026	4/25/2026		3137HQSP7	FHMS K557 A2	3.93%	1/1/2031	623.20		
4/1/2026	4/25/2026		3137HQ4U2	FHMS K555 A2	4.05%	1/1/2031	1,366.88		
4/1/2026	4/25/2026		3137HNN46	FHMS K548 A2	4.32%	9/1/2030	738.00		
4/1/2026	4/25/2026		3137HN4R6	FHMS K546 A2	4.36%	5/1/2030	908.54		
4/1/2026	4/25/2026		3137HQSV4	FHMS K558 A2	4.13%	3/1/2031	705.54		
4/1/2026	4/25/2026		3137HN6B9	FHMS K547 A2	4.42%	5/1/2030	939.46		
4/1/2026	4/25/2026		3137HPU50	FHMS K553 A2	4.07%	12/1/2030	644.42		
4/1/2026	4/25/2026		3137HQDM0	FHMS K556 A2	3.94%	1/1/2031	1,348.90		
4/1/2026	4/25/2026		3137HNWV6	FHMS K551 A2	4.16%	11/1/2030	902.42		
4/1/2026	4/25/2026		3137HPEX7	FHMS K552 A2	4.09%	11/1/2030	767.25		
4/1/2026	4/1/2026		MONEY0002	MONEY MARKET FUND	0.00%		988.04		
4/15/2026	4/15/2026		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	672.00		
4/15/2026	4/15/2026		34535LAD8	FORDO 2025-C A3	3.90%	6/15/2030	503.75		
4/15/2026	4/15/2026		43814XAD5	HAROT 2025-4 A3	3.98%	6/17/2030	563.83		
4/15/2026	4/15/2026		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	280.50		
4/15/2026	4/15/2026		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	505.04		
4/15/2026	4/15/2026		14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	449.17		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
4/15/2026	4/15/2026		34532WAD7	FORDO 2026-A A3	4.05%	10/15/2030	389.81		
4/15/2026	4/15/2026		91282CMW8	US TREASURY N/B	3.75%	4/15/2028	31,875.00		
4/15/2026	4/15/2026		89240KAD0	TAOT 2026-A A3	3.86%	9/16/2030	321.67		
4/15/2026	4/15/2026		44891XAD9	HART 2025-D A3	3.99%	9/16/2030	598.50		
4/20/2026	4/20/2026		06405LAH4	BANK OF NEW YORK MELLON (CALLABLE)	4.72%	4/20/2029	5,911.25		
4/20/2026	4/20/2026		92869QAD1	VALET 2025-2 A3	3.92%	3/20/2030	473.67		
4/21/2026	4/21/2026		43815CAD0	HAROT 2026-1 A3	3.78%	9/23/2030	330.75		
4/23/2026	4/23/2026		89788JAH2	TRUIST BANK (CALLABLE)	4.13%	10/23/2029	5,170.00		
4/23/2026	4/23/2026		38141GC77	GOLDMAN SACHS GROUP INC (CALLABLE)	4.93%	4/23/2028	4,937.00		
4/25/2026	4/25/2026		05594HAD5	BMWLT 2025-2 A3	3.97%	9/25/2028	711.29		
4/30/2026	4/30/2026		91282CKP5	US TREASURY N/B	4.62%	4/30/2029	34,687.50		
4/30/2026	4/30/2026		91282CMZ1	US TREASURY N/B	3.87%	4/30/2030	5,715.63		
5/1/2026	5/1/2026		MONEY0002	MONEY MARKET FUND	0.00%		869.11		
5/1/2026	5/25/2026		3137HQ4U2	FHMS K555 A2	4.05%	1/1/2031	1,366.88		
5/1/2026	5/25/2026		3137HPU50	FHMS K553 A2	4.07%	12/1/2030	644.42		
5/1/2026	5/25/2026		3137HQDM0	FHMS K556 A2	3.94%	1/1/2031	1,348.90		
5/1/2026	5/25/2026		3137HPEX7	FHMS K552 A2	4.09%	11/1/2030	767.25		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
5/1/2026	5/25/2026		3137HNWV6	FHMS K551 A2	4.16%	11/1/2030	902.42		
5/1/2026	5/25/2026		3137HQSP7	FHMS K557 A2	3.93%	1/1/2031	623.20		
5/1/2026	5/25/2026		3137HN6B9	FHMS K547 A2	4.42%	5/1/2030	939.46		
5/1/2026	5/25/2026		3137HN4R6	FHMS K546 A2	4.36%	5/1/2030	908.54		
5/1/2026	5/25/2026		3137HNNC8	FHMS K549 A2	4.34%	9/1/2030	1,482.83		
5/1/2026	5/25/2026		3137HNN46	FHMS K548 A2	4.32%	9/1/2030	738.00		
5/1/2026	5/25/2026		3137HQSV4	FHMS K558 A2	4.13%	3/1/2031	705.54		
5/5/2026	5/5/2026		66989HAY4	NOVARTIS CAPITAL CORP (CALLABLE)	4.10%	11/5/2030	8,200.00		
5/7/2026	5/7/2026		69371RU20	PACCAR FINANCIAL CORP	4.00%	11/7/2028	1,800.00		
5/9/2026	5/9/2026		06051GMT3	BANK OF AMERICA CORP (CALLABLE)	4.62%	5/9/2029	9,246.00		
5/14/2026	5/14/2026		14913UBD1	CATERPILLAR FINL SERVICE	3.95%	11/14/2028	7,900.00		
5/15/2026	5/15/2026		89240QAD7	TAOT 2026-B A3	4.13%	12/16/2030	454.30		
5/15/2026	5/15/2026		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	505.04		
5/15/2026	5/15/2026		34535LAD8	FORDO 2025-C A3	3.90%	6/15/2030	503.75		
5/15/2026	5/15/2026		44891XAD9	HART 2025-D A3	3.99%	9/16/2030	598.50		
5/15/2026	5/15/2026		30303MAB8	META PLATFORMS INC (CALLABLE)	4.20%	11/15/2030	11,200.00		
5/15/2026	5/15/2026		89236TNJ0	TOYOTA MOTOR CREDIT CORP	4.80%	5/15/2030	4,800.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
5/15/2026	5/15/2026		89240KAD0	TAOT 2026-A A3	3.86%	9/16/2030	321.67		
5/15/2026	5/15/2026		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	672.00		
5/15/2026	5/15/2026		34532WAD7	FORDO 2026-A A3	4.05%	10/15/2030	556.88		
5/15/2026	5/15/2026		43814XAD5	HAROT 2025-4 A3	3.98%	6/17/2030	563.83		
5/15/2026	5/15/2026		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	280.50		
5/15/2026	5/15/2026		14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	449.17		
5/20/2026	5/20/2026		92869QAD1	VALET 2025-2 A3	3.92%	3/20/2030	473.67		
5/21/2026	5/21/2026		43815CAD0	HAROT 2026-1 A3	3.78%	9/23/2030	330.75		
5/25/2026	5/25/2026		05594HAD5	BMWLT 2025-2 A3	3.97%	9/25/2028	711.29		
5/29/2026	5/29/2026		17325FBP2	CITIBANK NA (CALLABLE)	4.91%	5/29/2030	6,142.50		
5/31/2026	5/31/2026		91282CNE7	US TREASURY N/B	3.87%	5/31/2027	30,321.88		
5/31/2026	5/31/2026		91282CCE9	US TREASURY N/B	1.25%	5/31/2028	15,625.00		
5/31/2026	5/31/2026		91282CMA6	US TREASURY N/B	4.12%	11/30/2029	30,937.50		
6/1/2026	6/1/2026		MONEY0002	MONEY MARKET FUND	0.00%		631.29		
6/1/2026	6/25/2026		3137HQ4U2	FHMS K555 A2	4.05%	1/1/2031	1,366.88		
6/1/2026	6/25/2026		3137HPEX7	FHMS K552 A2	4.09%	11/1/2030	767.25		
6/1/2026	6/25/2026		3137HNN46	FHMS K548 A2	4.32%	9/1/2030	738.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
6/1/2026	6/25/2026		3137HQDM0	FHMS K556 A2	3.94%	1/1/2031	1,348.90		
6/1/2026	6/25/2026		3137HQSP7	FHMS K557 A2	3.93%	1/1/2031	623.20		
6/1/2026	6/25/2026		3137HPU50	FHMS K553 A2	4.07%	12/1/2030	644.42		
6/1/2026	6/25/2026		3137HQSV4	FHMS K558 A2	4.13%	3/1/2031	705.54		
6/1/2026	6/25/2026		3137HNNC8	FHMS K549 A2	4.34%	9/1/2030	1,482.83		
6/1/2026	6/25/2026		3137HN6B9	FHMS K547 A2	4.42%	5/1/2030	939.46		
6/1/2026	6/25/2026		3137HNWV6	FHMS K551 A2	4.16%	11/1/2030	902.42		
6/1/2026	6/25/2026		3137HN4R6	FHMS K546 A2	4.36%	5/1/2030	908.54		
6/5/2026	6/5/2026		24422EYE3	JOHN DEERE CAPITAL CORP	4.55%	6/5/2030	4,550.00		
6/10/2026	6/10/2026		63743HGC0	NATIONAL RURAL UTIL COOP (CALLABLE)	4.30%	12/10/2030	10,750.00		
6/15/2026	6/15/2026		34535LAD8	FORDO 2025-C A3	3.90%	6/15/2030	503.75		
6/15/2026	6/15/2026		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	280.50		
6/15/2026	6/15/2026		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	672.00		
6/15/2026	6/15/2026		89240QAD7	TAOT 2026-B A3	4.13%	12/16/2030	567.88		
6/15/2026	6/15/2026		44891XAD9	HART 2025-D A3	3.99%	9/16/2030	598.50		
6/15/2026	6/15/2026		89240KAD0	TAOT 2026-A A3	3.86%	9/16/2030	321.67		
6/15/2026	6/15/2026		58769MAD2	MBART 2026-1 A3	4.36%	10/15/2030	862.92		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
6/15/2026	6/15/2026		43814YAD3	HAROT 2026-2 A3	4.30%	11/15/2030	1,012.89		
6/15/2026	6/15/2026		34532WAD7	FORDO 2026-A A3	4.05%	10/15/2030	556.88		
6/15/2026	6/15/2026		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	505.04		
6/15/2026	6/15/2026		43814XAD5	HAROT 2025-4 A3	3.98%	6/17/2030	563.83		
6/15/2026	6/15/2026		65479YAD2	NAROT 2026-A A3	4.47%	12/16/2030	636.98		
6/15/2026	6/15/2026		14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	449.17		
6/20/2026	6/20/2026		92869QAD1	VALET 2025-2 A3	3.92%	3/20/2030	473.67		
6/21/2026	6/21/2026		43815CAD0	HAROT 2026-1 A3	3.78%	9/23/2030	330.75		
6/25/2026	6/25/2026		05594HAD5	BMWLT 2025-2 A3	3.97%	9/25/2028	711.29		
6/30/2026	6/30/2026		91282CNK3	US TREASURY N/B	3.87%	6/30/2030	13,562.50		
6/30/2026	6/30/2026		91282CKX8	US TREASURY N/B	4.25%	6/30/2029	14,556.25		
Total INTEREST		**0.00**					**311,444.99**		**0.00**
SELL									
3/31/2026	4/1/2026	410,000.00	91282CKE0	US TREASURY N/B	4.25%	3/15/2027	412,822.93		487.53
4/1/2026	4/2/2026	700,000.00	91282CKE0	US TREASURY N/B	4.25%	3/15/2027	704,900.47		839.74
4/15/2026	4/16/2026	100,000.00	91282CKE0	US TREASURY N/B	4.25%	3/15/2027	100,838.32		111.26
4/16/2026	4/17/2026	350,000.00	91282CNE7	US TREASURY N/B	3.87%	5/31/2027	355,593.00		267.17

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
SELL									
4/20/2026	4/21/2026	10,000.00	91282CNE7	US TREASURY N/B	3.87%	5/31/2027	10,166.40		10.02
5/6/2026	5/7/2026	380,000.00	912828V98	US TREASURY N/B	2.25%	2/15/2027	377,623.28		6.92
5/13/2026	5/14/2026	200,000.00	91282CKE0	US TREASURY N/B	4.25%	3/15/2027	202,190.56		148.68
5/19/2026	5/20/2026	100,000.00	91282CNE7	US TREASURY N/B	3.87%	5/31/2027	101,796.96		-71.87
5/21/2026	5/22/2026	250,000.00	91282CKE0	US TREASURY N/B	4.25%	3/15/2027	252,822.70		60.42
5/27/2026	5/29/2026	150,000.00	91282CNE7	US TREASURY N/B	3.87%	5/31/2027	152,815.72		-129.54
5/27/2026	5/29/2026	840,000.00	91282CKE0	US TREASURY N/B	4.25%	3/15/2027	850,163.32		264.92
6/5/2026	6/8/2026	300,000.00	91282CNE7	US TREASURY N/B	3.87%	5/31/2027	300,172.07		-220.11
6/10/2026	6/11/2026	175,000.00	91282CNE7	US TREASURY N/B	3.87%	5/31/2027	175,039.75		-243.94
6/15/2026	6/18/2026	280,000.00	91282CQK0	US TREASURY N/B	3.87%	4/30/2031	277,561.89		-440.23
6/16/2026	6/17/2026	405,000.00	92826CAZ5	VISA INC (CALLABLE)	4.10%	2/12/2031	407,343.38		-6,261.11
6/17/2026	6/18/2026	200,000.00	91282CNE7	US TREASURY N/B	3.87%	5/31/2027	200,256.15		-214.51
Total SELL		**4,850,000.00**					**4,882,106.90**		**-5,384.65**

MEMORANDUM

20.2.1

TO: Administrative Operations Committee
Agenda Item No. 3

FROM: Eric Averett, General Manager

DATE: July 23, 2026

SUBJECT: Summary of the Development of the Kern County Water Agency Strategic Plan, Including the Vision and Values, 2026 Goals and Objectives, and Workforce Staffing Plan

Issue:
Informational summary of the process used to develop the elements of the Kern County Water Agency Strategic Plan, including the Mission, Vision and Values, the 2026 Goals and Objectives, and the Workforce Staffing Plan, and of the solicitation of stakeholder input and the presentation of the final documents to the Board of Directors.

Recommended Motion:
None - information only.

Discussion:
Beginning in mid 2025, the Kern County Water Agency (Agency) undertook a strategic planning effort organized into three elements: a foundational Mission, Vision and Values statement; annual Goals and Objectives to translate the Vision into measurable priorities; and a Workforce Staffing Plan to ensure the Agency is properly resourced to accomplish them. Each element was developed through an iterative process involving the Board of Directors (Board), Agency staff, Member Units, and other stakeholders, and each has now been presented to the Board in final form. The three documents are compiled, under the attached cover page, as the Agency's Strategic Plan and are incorporated by reference as Exhibits A through C to this memorandum.
The Mission, Vision and Values statement (Exhibit A) was developed through Board workshops and staff review sessions held between June and September 2025. Initial workshops identified the words and concepts that should define the Agency, including service, leadership, trust, and transparency, and those concepts were distilled into draft statements refined through successive Board and staff redline reviews. The final statement was presented on September 25, 2025 and adopted by the Board as the foundation of the Strategic Plan.

The 2026 Goals and Objectives (Exhibit B) were developed under a phased schedule beginning in January 2026. Agency departments first drafted goals and objectives internally, and the drafts were then presented to external stakeholders, including Member Unit managers and participants in the Cross Valley Canal, Pioneer, and Improvement District No. 4 programs, at meetings held in

February 2026. Stakeholder input was incorporated into revised drafts that were reviewed with the Board, Member Units, and Advisory Committee members during the spring of 2026.

The Workforce Staffing Plan for Fiscal Years 2026 through 2029 (Exhibit C) was developed in parallel, with draft organizational charts prepared beginning in January 2026 and the plan refined through review in May and June 2026. The plan establishes the organizational structure, staffing requirements, phased hiring timeline, and budget projections needed to implement the Strategic Plan, and was presented to the Board, with the accompanying organizational chart, at its June 25, 2026 meeting as an information item.

With these presentations, the foundational elements of the Strategic Plan are complete. Staff will report periodically on progress and will update the Goals and Objectives and the Workforce Staffing Plan annually to reflect changing conditions and Board direction.

Exhibits (incorporated by reference):

Exhibit A:
Mission, Vision and Values of the Kern County Water Agency (adopted September 25, 2025)

Exhibit B:
2026 Goals and Objectives (presented July 23, 2026)

Exhibit C:
Workforce Staffing Plan, Fiscal Years 2026 to 2029, with organizational chart (presented June 25, 2026)

KERN COUNTY WATER AGENCY

Strategic Plan

2025 to 2030

This Strategic Plan compiles the following documents, each developed with input from the Board of Directors, Agency staff, Member Units, and stakeholders, and presented to the Board of Directors in final form:

Mission, Vision and Values – Exhibit A

Adopted by the Board of Directors, September 25, 2025

2026 Goals and Objectives – Exhibit B

Presented to the Board of Directors, July 23, 2026

Workforce Staffing Plan, Fiscal Years 2026 to 2029 – Exhibit C

Presented to the Board of Directors, June 25, 2026

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

Exhibit A

KERN COUNTY WATER AGENCY

STRATEGIC PLAN

2025-2030

Our Mission

To assure that reliable, adequate, and affordable water supplies are available for beneficial use by the people, economy and lands of Kern County.

Our Vision

The Kern County Water Agency's (Agency) primary purpose is to serve its Member Units by securing a safe, reliable and sustainable State Water Project water supply for Kern County's economic vitality through proactive leadership, advocacy and innovative water management. The Agency will actively engage with local, state and federal partners to develop and implement forward-thinking solutions that align with and serve the collective water interests of Kern County.

KERN COUNTY WATER AGENCY

STRATEGIC PLAN

2025-2030

Our Values

1. **Honesty and Integrity.** The Agency demonstrates the highest standards of personal integrity and truthfulness in its character. In this way, the Agency inspires public confidence and trust in the organization.

2. **Transparency.** The Agency prioritizes transparency and strives to make informed decisions and maintain a reputation of openness through the active engagement of those it serves.

3. **Fiduciary Responsibility.** The Agency is committed to efficiently managing and preserving Agency resources to create value, deliver quality service and maintain accountability to those it serves.

4. **Excellence.** The Agency is committed to a culture of collaborative leadership and excellence by encouraging creativity and maintaining a high level of respect, professionalism and responsiveness.

5. **Safety & Security.** The Agency prioritizes the safety and security of its employees, facilities, water supplies and information.

Kern County Water Agency

2026 Goals and Objectives

Jan. 2026 to Dec. 2026

To continue advancing the Kern County Water Agency ("Agency") Vision and Values, my highest-priority and overarching goals for 2026 include:

- Establish the Agency as an effective and respected voice on State Water Project issues with a focus on developing and advancing policy positions benefitting water supply reliability for and in Kern County.
- Implement and execute on an organizational plan designed to fully resource the Agency with an emphasis on supporting State Water Project operations and the Agency vision.
- Build a strong, inclusive, and effective local water agency/member unit coalition to develop and promote a long-term water supply plan for Kern County. In partnership with local water interests, develop a detailed roadmap for its implementation.
- Successfully advocate for increased State investment in surface water storage, conveyance, and groundwater banking in and on behalf of Kern County. Seek funding opportunities through Prop 4 investments, state budget change proposals, as well as new policies or legislation.
- Support staff professional development in growing capacities and skillsets aligned both with their own interests and with Agency priorities and goals.

More specific annual goals are categorized below by department.

General Manager

Estimated Time Allocation: 100%*

#	Core Accountability	% of Time	Annual Goals & Objectives	Timeline
1	Increase Agency Presence & Representation in Sacramento. Serves as an effective spokesperson. Represents the organization to member units, government agencies, elected officials, media, and the general public. Establishes working relationships with organizations and individuals in the field.	45%	• Build relationships with local water districts, Agency member units, and key policy makers to ensure these interests see a clear avenue and value to engaging with the Agency.	• 2026
			• Serve as an effective representative/ambassador by speaking at a minimum of 4 public events and/or conferences well-attended by thought leadership across California's water management and regulatory community.	• 2026
			• Establish working relationships with at least 4 key legislative representatives and/or regulatory staff to educate and update them on the Agency, our work, and the value of affordable water supplies for Kern County.	• 2026

*Percentages listed for goals/objectives are approximate and may not total 100% due to overlap among responsibilities, shared activities, or the ongoing nature of duties within this area.

#	Core Accountability	% of Time	Annual Goals & Objectives	Timeline
2	Administration and Human Resources. Maintains appropriate balance between programs/projects and administration. Encourages and demonstrates a culture of positivity, inclusion, and respect. Leads staff in maintaining a climate of excellence and accountability.	**5%**	• Support staff professional growth, including exploring university partnerships and graduate student projects that give staff management opportunities, and by supporting participation in educational and skill development. • Develop a 5-year growth plan and vision for the Agency describing the critical paths and staffing resources necessary for pursuing strategic priorities and advancing organizational goals, with a prioritized staff development plan for the next 1–2 years.	• 2026 • Mid 2026
3	Stakeholder Involvement. Maintains appropriate balance between programs/projects and administration. Encourages a culture of positivity, inclusion, and respect.	**15%**	• Support staff professional growth, including exploring university partnerships and graduate student projects that give staff management opportunities, and by supporting participation in educational and skill development. • Develop a 5-year growth plan and vision for the Agency describing critical paths and staffing resources for strategic priorities and organizational goals, with a prioritized staff development plan for the next 1–2 years.	• 2026 • Mid 2026
4	Financial Sustainability and Mission. Works with staff, organizational committee, and the Board to prepare budgets, monitor progress, and initiate changes as appropriate. Develops realistic, ambitious plans for acquiring funds and involves others in securing legislative language to support water supply objectives for Kern County.	**25%**	• In collaboration with the Administration and Operations Department, develop an updated budget model with reserve and funding targets for the Agency.	• Mid 2026
5	Board of Directors. Provides appropriate leadership to the Board and effectively solicits input and facilitates discussions. Ensures Board members are kept fully informed in a timely way on the condition of the organization. Ensures Board committees are appropriately supported.	**10%**	• Prepare Board updates and materials well in advance of Board meetings, framed in terms of relevance to goals and intended outcomes. • Meet monthly with the Board Chair and Vice Chair to ensure meetings are well planned and meet Board timelines and needs. • Convene Board Committees and Working Groups as needed to advance critical work items. • Meet quarterly with Agency staff and bring relevant input on final goals and objectives back to the Board.	• 2026 • 2026 • 2026 • 2026

*Percentages listed for goals/objectives are approximate and may not total 100% due to overlap among responsibilities, shared activities, or the ongoing nature of duties within this area.

Assistant General Manager (Sacramento)

Estimated Time Allocation: 100%*

#	Core Accountability	% of Time	Annual Goals & Objectives	Timeline
1	Fully staff Sacramento Office and complete role transition.	10%	• Hire Infrastructure and Energy Planner. • Hire Regulatory and Legislative Manager. • Complete budget for Sacramento transition.	• 2026 • 2026 • Mid 2027
2	Increase water supply to Kern County by exploring partnerships within and outside the region.	20%	• Stand up Yield Committee, define charter and develop goals. • Work through Yield Committee to develop a plan identifying short-term and long-term studies, solutions, and policies to achieve an increase in water supply to Kern County. • Develop a model to evaluate water supply alternatives regarding DCP, subsidence, and Water Management Programs. • Develop strategy to increase engagement with CDFW and implementation of environmental permits and regulatory compliance. • Healthy Rivers and Landscapes (HRL) adoption to KCWA and State Water Contractors satisfaction.	• Mid 2026 • 2026 • Mid 2027 • 2026 • 2026
3	Improve affordability, increase transparency, and maintain cost control on SWP costs while acknowledging local aging infrastructure needs.	25%	• Complete Debt Service Billing Project. • Secure funding for subsidence and develop strategy with DWR and other Contractors on programmatic subsidence plan. • Develop strategy with other Contractors on non-reimbursable costs. • Stand up Funding Committee, define charter, and develop goals. • Develop strategy with other Contractors on energy market opportunities to manage SWP costs. • Increase transparency on DWR's 3- to 5-year budgeting process. • Develop "shovel ready" projects database for state and federal funding advocacy.	• 2026 • 2026 • 2026 • 2026 • 2026 • Mid 2027 • 2026
4	Finalize decision on DCP Planning Funding.	20%	• Elect DCP Planning Participation Level. • Sign Funding Agreement with offramp language. • Sign Member Unit Funding Agreement. • Complete JEPA amendment negotiations. • Finalize Contract Amendment on DCP operations.	• Mid 2026 • Mid 2026 • Mid 2026 • 2026 • 2026

*Percentages listed for goals/objectives are approximate and may not total 100% due to overlap among responsibilities, shared activities, or the ongoing nature of duties within this area.

#	Core Accountability	% of Time	Annual Goals & Objectives	Timeline
5	Develop materials and tools to aid decision on DCP Participation.	15%	• Understand Article 21 operations. • Define affordability for agriculture. • Understand financing and secure outside funding.	• 2026 • 2026 • Mid 2027
6	Increase leadership and legislative presence.	10%	• Develop short-term State legislative priorities and strategy. • Develop long-term State legislative priorities and strategy. • Develop short-term Federal legislative priorities and strategy. • Develop long-term Federal legislative priorities and strategy.	• Mid 2026 • 2026 • Mid 2027 • Ongoing

*Percentages listed for goals/objectives are approximate and may not total 100% due to overlap among responsibilities, shared activities, or the ongoing nature of duties within this area.

Engineering and Groundwater Services Department

Estimated Time Allocation: 80%*

#	Core Accountability	% of Time	Annual Goals & Objectives	Timeline
1	Deliver completed studies and improvement projects on time and within budget.	40%	• Support both the Water Resources Department and Improvement District 4 by executing and completing facility improvement projects and studies within established timeframes and budgets. • Complete engineering and/or construction for Water Resources Department projects: East Basin Turnout; West Basin Weir Plan; Nord Siphon Turnout Replacement; West Basin Levee Repair; South Pioneer Interbasin Structures; CVC Pumping Plant I/O Card Upgrade; CVC/Pioneer Meter Study; CVC Pump Equipment Storage Area; KCWA 40, 41 & BK 13 New Wells (pending land issues). • Complete engineering and/or construction for ID 4 projects: Sedimentation Basin No. 3 Channel Replacement; Train A Concrete Repairs; Sodium Hypochlorite Tanks C & F Repairs; Precipitated Solids Removal from Beds 2 & 5; North & East Pipelines Continuity Repairs. • Maintain resource leveling so staff workload is balanced.	• 2026 • 2026–2027 • 2026–2027 • 2026
2	Modernize how we analyze the Agency's groundwater supplies.	5%	• Expand analysis and improve presentation of water level and water quality data. • Identify gaps in data and fill gaps as possible. • Expand use of the Groundwater Data Management (GWDM) system. • Work with database consultant to add production back to GWDM. • Incorporate WCR and other background information into each asset in GWDM. • Expand and utilize surface water functionality in GWDM. • Add Kern Fan Ops data (recharge/recovery by source/well and project) into GWDM.	• 2026 • 2026 • 2026 • 2026 • 2028 • 2028 • 2026
3	Add an electrical engineer to EGS staff.	5%	• Review and edit job description with input from all departments. • Work with HR to recruit candidates. • Hire electrical engineer.	• 5/31/26 • Mid 2026 • 10/31/26

*Percentages listed for goals/objectives are approximate and may not total 100% due to overlap among responsibilities, shared activities, or the ongoing nature of duties within this area.

#	Core Accountability	% of Time	Annual Goals & Objectives	Timeline
4	Budget projects that can be accomplished during the budget year based on priorities, timing, staff availability, and resources.	**10%**	• Develop a standard annual timeline where EGS initiates project planning and budgeting with WR Dept and ID4 ahead of annual budget preparation. • Include resource leveling in determining staff availability for project execution and management. • Work with WR Dept and ID4 on timeline for multi-year projects.	• 3/31/26 • 2026 • 10/31/26
5	Create a standard KCWA library of Specifications and Front End Documents in CSI format for use on construction projects.	**15%**	• Prepare first draft, update and cross-reference all front end and technical specification sections for review by staff and legal counsel. • Address review comments, finalize all sections, and set up library.	• 7/31/26 • 11/30/26
6	Add a second geologist to EGS staff (longer term).	**5%**	• Review and edit job description. • Work with HR to recruit candidates. • Hire geologist.	• 2026 • Mid 2027 • 6/30/27

*Percentages listed for goals/objectives are approximate and may not total 100% due to overlap among responsibilities, shared activities, or the ongoing nature of duties within this area.

Administrative Operations Department

Estimated Time Allocation: 80%*

#	Core Accountability	% of Time	Annual Goals & Objectives	Timeline
1	Modernize Procurement & Payment Methods.	30%	• Draft and adopt the revised Credit Card Policy. • Implement a receipt management program for credit card reconciliations. • Conduct a procurement workshop for all staff.	• 4/30/26 • 6/30/26 • 7/31/26
2	Enhance Director, Employee & Stakeholder Experience.	20%	• Execute the "Zoom Project," integrating Zoom Room hardware in the Board Room. • Deploy a permanent "One-Click" participation link on the Agency website. • Enhance the FY 2026–27 Budget by including a "Budget-at-a-Glance" section. • Investigate software solutions for Agency-wide administrative efficiencies. • Deploy an internal IT helpdesk. • Organize quarterly staff events.	• 4/30/26 • 8/31/26 • 5/31/26 • 11/30/26 • 10/31/26 • Quarterly
3	Strengthen Physical, Digital, and Long-Term Infrastructure.	15%	• Decommission legacy IT servers. • Scope and plan for future STPWRC maintenance. • Install and test access and security control hardware across Agency facilities. • Complete an informal feasibility study of the records platform and deliver a records digitization strategy.	• 9/30/26 • 2026 • 5/31/26 • 2026
4	Upgrade Accounting Software and Financial Model.	15%	• Scope and plan for accounting software upgrade. • Refine Agency financial (cash flow) model.	• 11/30/26 • 11/30/26

*Percentages listed for goals/objectives are approximate and may not total 100% due to overlap among responsibilities, shared activities, or the ongoing nature of duties within this area.

Water Resources Department – Groundwater Banking

Estimated Time Allocation: 75%*

#	Core Accountability	% of Time	Annual Goals & Objectives	Timeline
1	Develop and implement a comprehensive asset management program for the Berrenda Mesa and Pioneer Projects to transition from run-to-failure to a reliability-based operating model.	20%	• Develop a comprehensive facility, equipment, and replacement parts inventory. • Develop an initial outline/template for an asset management database including maintenance components, lifecycle assessments, QR/barcode inventory management, and location/photo references. • Develop a capital asset management plan incorporating strategic facility improvements, lifecycle assessments, critical redundancies, and budget projections. • Implement asset management program beginning no later than the 2028 budget cycle.	• 5/31/26 • 8/31/26 • 8/31/27 • 11/30/27
2	Modernize and expand groundwater banking facility metering to ensure complete and accurate measurements.	10%	• Complete the groundwater banking meter study. • Engage with the Berrenda Mesa and Pioneer Project Participants to develop a meter modernization implementation plan, including a meter maintenance plan. • Implement the meter modernization plan beginning in the 2027 budget cycle. • Identify and onboard a consultant and/or new Agency staff member to implement the meter maintenance plan.	• 7/31/26 • 11/30/26 • 11/30/26 • TBD
3	Improve recharge and recovery facility security to reduce expenses, operational downtime, and safety risks associated with trespass and vandalism.	5%	• Continue work with the City of Bakersfield to implement final phase of fencing on Pioneer North along the bike path. • Implement electrified fencing at identified strategic well sites (Well Security Phase 1). • Evaluate effectiveness and plan additional security improvements for 2028+ (Well Security Phase 2).	• 2026 • 2026 • 2027
4	Develop a construction and financing plan for new and replacement groundwater wells for the Pioneer Project.	10%	• Develop updated well spacing guidelines for new and replacement wells. • Engage Pioneer Recovery Participants to develop a funding strategy for new and replacement groundwater wells; implement in 2026 and beyond.	• 2026 • 7/31/26
5	Renegotiate the Pioneer Agreement prior to its expiration in 2035.	20%	• Develop an outline of recommended changes to the Pioneer Agreement to equitably realign access to recharge and recovery operations. • Initiate renegotiation process with Pioneer Participants, including timeline, subcommittees, and meeting schedule. • Complete first draft of a new and/or amended Pioneer Agreement, including Recharge and Recovery Plans. • Execute a new and/or amended Pioneer Agreement.	• 2026 • 1/31/27 • 2027 • 7/31/28

*Percentages listed for goals/objectives are approximate and may not total 100% due to overlap among responsibilities, shared activities, or the ongoing nature of duties within this area.

#	Core Accountability	% of Time	Annual Goals & Objectives	Timeline
6	Complete groundwater banking optimization studies, including developing an operational model, to enhance and expand groundwater banking facilities.	10%	• Complete the groundwater recharge optimization study and engage participants to develop implementation plans. • Implement recommended projects consistent with participant recommendations, beginning in the 2027 budget cycle. • Develop an operations model for system optimization assessments and identification of potential new banking projects and programs.	• 9/30/26 • 2027 • 2027

*Percentages listed for goals/objectives are approximate and may not total 100% due to overlap among responsibilities, shared activities, or the ongoing nature of duties within this area.

Water Resources Department – Cross Valley Canal

Estimated Time Allocation: 75%*

#	Core Accountability	% of Time	Annual Goals & Objectives	Timeline
1	Develop and implement a comprehensive asset management program for the CVC to transition from run-to-failure to a reliability-based operating model.	20%	• Develop a comprehensive facility, equipment, and replacement parts inventory. • Develop an initial outline/template for an asset management database including maintenance components, lifecycle assessments, QR/barcode inventory management, and location/photo references. • Develop a capital asset management plan incorporating strategic facility improvements, lifecycle assessments, critical redundancies, and budget projections. • Implement asset management program beginning no later than the 2028 budget cycle.	• 5/31/26 • 8/31/26 • 8/31/27 • 11/30/27
2	Modernize and expand CVC facility flow meters to ensure complete and accurate delivery measurements.	10%	• Complete the CVC meter study. • Engage with CVC Participants to develop a meter modernization implementation plan, including a maintenance plan. • Implement the CVC meter modernization plan beginning in the 2027 budget cycle. • Identify and onboard a consultant and/or new staff member to implement the meter maintenance plan.	• 7/31/26 • 11/30/26 • 11/30/26 • TBD
3	Modernize and secure the SCADA infrastructure to improve system reliability and redundancy.	15%	• Evaluate the CVC SCADA system and design a comprehensive upgrade that eliminates obsolete hardware/software, incorporates improved alarm handling and event logging, bifurcates the CVC SCADA from ID 4's system, and integrates pumping plant security upgrades. • Develop and implement an internal training program to promote operational self-reliance.	• 2027 • TBD
4	Modernize the electrical infrastructure at each CVC pumping plant.	15%	• Complete an assessment of electrical infrastructure at each CVC pumping plant. • Develop a modernization plan that updates critical electrical infrastructure, enables independent operation during failures, improves failover strategies, and mitigates critical dependencies.	• 8/31/26 • 2027
5	Perform a hydraulic assessment of the CVC and develop a system-wide mitigation plan to reduce/eliminate hydraulic impairments.	15%	• Develop a request for proposals for a hydraulic assessment of the CVC. • Complete hydraulic assessment and engage CVC Participants to develop a hydraulic improvement plan. • Implement the hydraulic improvement plan consistent with timelines and budgets developed with CVC Participants.	• 7/31/26 • 2027 • 2028

*Percentages listed for goals/objectives are approximate and may not total 100% due to overlap among responsibilities, shared activities, or the ongoing nature of duties within this area.

Water Resources Department – Other

Estimated Time Allocation: 45%*

#	Core Accountability	% of Time	Annual Goals & Objectives	Timeline
1	Develop and implement a comprehensive database integrating operational, financial, and water resources-related records.	25%	• Identify and onboard a consultant and/or new staff member to map and build the database. • Develop an outline and phased development plan that prioritizes Metro database migration, integrates existing operational data, integrates data from other departments, and expands Member Unit and participant access. • Develop and implement the database consistent with the implementation schedule. • Develop a Member Unit portal for submitting/viewing operational data, paying invoices, and executing/viewing agreements. • Develop a fully integrated network of Water Resources and EGS Department files and Agency records, including staff records retention training.	• 2026 • 2027 • 2027+ • TBD • TBD
2	Facilitate and participate in a regional plan to address Golden Mussel management.	20%	• Develop a Kern County Golden Mussel task force. • Facilitate and participate on the task force, including coordinating meetings, disseminating information, and participating in planning and implementation projects.	• 2026 • 2026

*Percentages listed for goals/objectives are approximate and may not total 100% due to overlap among responsibilities, shared activities, or the ongoing nature of duties within this area.

Improvement District No. 4

Estimated Time Allocation: 100%*

#	Core Accountability	% of Time	Annual Goals & Objectives	Timeline
1	Permanent Site Security & Employee Safety.	10%	• Implement electric fencing; construct Phase 1 permanent physical barrier fencing as a pilot/test area ($200k budgeted in 26/27). • Evaluate Phase 1 performance; develop a comprehensive District-wide fencing and security master plan; define full buildout costs, phasing, and complementary security measures. • Implement plan; start planning use for dilapidated property (maintenance yard/building); funding from reserve fund increases via new programs and asset shifting.	• Year 1 • Year 2 • Year 3
2	Sustainable Capital Reserve Program.	25%	• Onboard District Engineer to support asset management, planning, and capital forecasting; complete comprehensive asset inventory; develop preliminary replacement schedules based on useful life, cost, and criticality. • Secure purveyor agreement on reserve funding methodology; refine cost estimates and replacement assumptions; implement initial reserve contributions. • Finalize District-wide capital replacement and reserve funding plan (budget in 27/28). • Fully fund and implement the capital replacement plan on a rolling basis.	• Year 1 • Year 2 • Year 3 • Years 3–10
3	Strengthen Kern River & Surface Water Supply.	20%	• Evaluate and restructure existing Kern River and exchange agreements; negotiate and execute long-term supply and exchange partnerships; maximize routine surface water utilization; establish groundwater as a drought-only backup supply.	• Year 1
4	Fully Staff and Modernize Plant Operations.	25%	• Fill all critical vacancies including Plant Supervisor; stabilize staffing and shift coverage; detach Superintendent from day-to-day constraints to focus on planning and optimization. • Implement optimized processes and standardized operating procedures; expand training and leadership development; deploy enhanced monitoring and data-driven operations tools. • Implement formal workforce development program with local community college; integrate AI-assisted tools for compliance, maintenance planning, and process optimization.	• Year 1 • Year 2 • Year 3

*Percentages listed for goals/objectives are approximate and may not total 100% due to overlap among responsibilities, shared activities, or the ongoing nature of duties within this area.

#	Core Accountability	% of Time	Annual Goals & Objectives	Timeline
5	Solar Plant Rehabilitation & Energy Cost Reduction.	10%	• Complete technical assessment and rehabilitation plan; secure funding and approvals (potentially zero-cost option through lease). • Implement rehabilitation projects; achieve approximately 40% increase in solar output. • Confirm ROI under 10 years; extend useful life at least 10 years beyond ROI.	• Year 1 • Year 2 • Year 3
6	In-District Recharge & Solids Management.	10%	• Define water availability and solids management costs with engineering study; negotiate and execute long-term contract trading water supply for maintenance cost; apply revenues to solids handling, plant maintenance, and reliability.	• Year 1

*Percentages listed for goals/objectives are approximate and may not total 100% due to overlap among responsibilities, shared activities, or the ongoing nature of duties within this area.

KERN COUNTY WATER AGENCY

Workforce Staffing Plan | FY 2026–2029

Agency Restructuring | Prepared June 2026 | DRAFT FOR REVIEW

1. Executive Summary

The Kern County Water Agency (Agency) is undertaking a comprehensive organizational restructuring to support existing operational units with a focus on expanded levels of service. This Workforce Staffing Plan establishes the organizational structure, staffing requirements, phased hiring timeline and budget projections needed to fully staff the Office of the Assistant General Manager (Bakersfield), the Assistant General Manager (Sacramento) and the Agency's core departments: Stater Water Project, Engineering and Groundwater Services, Administrative Operations, Water Resources and Improvement District No. 4.

The plan targets a fully staffed complement of 74 full-time equivalent (FTE) positions over a 36-month period (FY 2026–FY 2029). Hiring will occur in three phases to ensure operational readiness, fiscal prudence, and leadership depth.

2. Organizational Structure

The Agency is governed by a Board of Directors and led by a General Manager who is responsible for overall administration, policy implementation, and strategic direction. Reporting directly to the General Manager are two Assistant General Managers: the Assistant General Manager (Bakersfield), who oversees the Agency's core operational departments in Kern County; and the Sacramento Office, comprised of the Assistant General Manager (Sacramento), the Assistant General Manager — Strategic Initiatives, and a dedicated Management Assistant. The Sacramento Office leads the Agency's Sacramento-based advocacy, regulatory and state policy functions.

The AGM (Bakersfield) includes three cross-cutting functions — Safety, Compliance & Regulatory Affairs; Data and Analysis; and Human Resources — that provide Agency-wide services to all departments. The remaining departments report through the AGM (Bakersfield) and are organized into two categories: service departments and operational departments. Engineering and Groundwater Services and Administrative Operations serve as service departments, supporting the Agency's capital infrastructure and financial programs. Water Resources and Improvement District No. 4 function as operational departments, carrying out the Agency's water operations programs. It should be noted that Improvement District No. 4 operates as a semi-autonomous unit within the Agency structure, reporting to the AGM (Bakersfield), focused on district-specific groundwater sustainability obligations and water supply management.

This organizational structure reflects the Agency's dual mandate: to deliver and manage water supplies reliably and cost-effectively at the local level, while actively protecting and advancing Agency's water rights, State Water Project (SWP) entitlements and regulatory interests at the state level. The table below summarizes the departments and senior leadership positions that comprise the Agency's organizational structure.

Division / Department	Dept. Head	Current Filled Positions	Current Unfilled Positions	New Proposed Positions
Agency General Manager	Eric Averett	2	0	0
Assistant General Manager (Sacramento)	Craig Wallace	1	0	2
Assistant General Manager (Bakersfield)	TBD	3	1	2
Administrative Operations	Nick Pavletich	6	1	2
Engineering & Groundwater Services	J.T. Gardiner	6	1	1
Improvement District No. 4	Wes Shyrock	20	1	4
Water Resources	Lauren Bauer	16	2	2
	Total FTE	54	6	13
			Grand Total FTE	73

2a. Assistant General Manager (Sacramento)

The Assistant General Manager (AGM) (Sacramento) leads the Agency's Sacramento office and serves as the Agency's principal representative before state government, regulatory bodies and the broader California water policy community. This position reports directly to the Agency General Manager and operates independently from the Bakersfield-based operational structure, reflecting the distinct and critically important role that state-level advocacy and regulatory engagement play in protecting Agency's long-term water supply interests.

The Sacramento office monitors and actively participates in proceedings before the State Water Resources Control Board (SWRCB), the Department of Water Resources (DWR), the California Legislature and other state and federal agencies with jurisdiction over water supply, water quality, and environmental regulations affecting Agency operations. The AGM (Sacramento) coordinates with the Agency's legal counsel, State Water Project-related water rights consultants and fellow SWP contractors to advance positions that protect Agency's Table A entitlements, Delta conveyance interests and regulatory standing.

2.1 New Staffing Positions

	Position Title	Salary Range	Target Hire Date	Phase
2.2	**AGM — Strategic Initiatives**	**TBD**	**2026**	**1***
2.3	Infrastructure and Energy Planner	68.0 – 69.5 $150k - $200k	2026	1
2.4	Executive Assistant – AGM Support	TBD	2026	1

***Note: Bolded position titles indicate filled positions.**

2.2 AGM — Strategic Initiatives — Key Responsibilities

- **State Government & Policy Leadership**
  - Serve as the Agency's principal representative before state government, regulatory bodies, and the California water policy community.
  - Develop and advance the Agency's strategic positions at the state level, with a focus on Table A entitlements, Delta conveyance, and regulatory standing.
  - Assume responsibility for regulatory and legislative affairs previously contemplated for the Regulatory & Legislative Manager position, including matters before SWRCB, DWR, Delta Stewardship Council, and other relevant agencies.
  - Coordinate and approve comment letters, regulatory filings, and policy recommendations.

- **Legislative & Stakeholder Engagement**
  - Track and analyze state and federal legislation affecting the Agency and the State Water Project — water supply reliability, water quality, and environmental compliance.
  - Represent the Agency in legislative hearings, regulatory workshops, and water policy forums.
  - Engage with fellow SWP contractors, member units, and regional stakeholders to advance Agency positions.
  - Develop policy positions and advocacy strategies on key issues affecting the Agency and SWP.

- **Executive Leadership & Reporting**
  - Serve as a member of Executive Management, reporting directly to the General Manager; translate complex policy developments into clear, concise updates and recommendations.
  - Prepare regular legislative, regulatory, and strategic reports for the Board of Directors and Local Legislative Committee.
  - Support preparation of testimony, presentations, and briefing materials.

2.3 Infrastructure and Energy Planner— Key Responsibilities

- Assist with or lead activities related to the Agency's infrastructure (Operation and Maintenance, Capital Improvements, and subsidence) and energy interests in the State Water Project and Kern County water-related facilities.
- Represent the Agency on various committees.
- Participate with representatives of other federal, State and local agencies in meetings and processes that affect the Agency's infrastructure and energy interests in the State Water Project and Kern County water-related facilities

2.4 Executive Assistant — AGM Support — Key Responsibilities

- Provides comprehensive administrative and executive support to the General Manager, Assistant General Managers (including Sacramento Office leadership), and the Board of Directors, as directed by the General Manager
- Monitors calendars, schedules meetings, coordinates travel arrangements, and manages meeting logistics across multiple leadership offices
- Supports Board-related functions, including preparation of Board materials and may serve as Acting Board Secretary, coordinating Board activities as assigned
- Coordinates preparation, tracking, and distribution of legislative briefings, regulatory filings, and other policy-related documents originating from Agency offices
- Serves as a liaison between Sacramento Office leadership and Bakersfield-based departments to ensure effective communication and coordination of cross-functional matters
- Maintains records and tracking systems for state and federal policy engagements, ensuring accurate documentation and institutional knowledge retention
- Reviews documents, processes invoices, and supports general document management and correspondence
- Coordinates responses with relevant staff on Public Records Act requests
- Supports public education and outreach activities, including press releases and media communications, as directed
- Performs Notary Public services for the Agency
- Provides back-up support to the Office Assistant as needed

3. Assistant General Manager (Bakersfield)

The Assistant General Manager (AGM) (Bakersfield) serves as the second-in-command of the Agency, overseeing day-to-day Agency operations, interdepartmental coordination and strategic initiative implementation on behalf of the General Manager. Three direct-report functions — Safety, Compliance & Regulatory Affairs; Data and Analysis; and Human Resources — are housed within the AGM (Bakersfield), providing cross-cutting Agency-wide services that support all departments.

3.1 New Staffing Positions

	Position Title	Salary Range	Target Hire Date	Phase
3.2	Assistant General Manager	TBD by General Manager	2026	1
3.3	Data and Analysis Manager	64.5	2026	1

3.2 Assistant General Manager (Bakersfield) — Key Responsibilities

- Oversight of daily Agency operations and interdepartmental coordination
- Implementation of Board-adopted strategic plans, policies, and initiatives
- Supervision of Safety, Compliance & Regulatory Affairs; Data and Analysis; and Human Resources functions
- Acting General Manager in the absence of the General Manager
- Lead negotiator for labor relations, interagency agreements and key vendor contracts

3.3 Data and Analysis — Key Responsibilities

- Agency-wide data governance, standards, and analytics infrastructure management
- Development of dashboards, performance metrics and operational reporting for leadership
- Water delivery, billing, and operational data quality assurance and integration
- Support for grant reporting, regulatory submissions, and board reporting through data analysis
- Coordination with IT on data systems, database management and business intelligence tools

4. Engineering and Groundwater Services Department

The Engineering and Groundwater Services Department is responsible for the planning, design and delivery of the Agency's capital infrastructure program(s). This includes the engineering and construction of open-channel and closed conveyance, groundwater banking and water treatment and storage facilities and associated infrastructure and appurtenances. In close coordination with the initiating department, the department manages all phases of capital project delivery — from feasibility and design through procurement, construction management and commissioning — and provides technical engineering oversight for the Cross Valley Canal, Henry C. Garnett Water Purification Plant and their appurtenant facilities, as well as infrastructure in support of the Agency's groundwater recharge and extraction programs. Day-to-day operations and maintenance of these facilities are the responsibility of other departments.

4.1 New Staffing Positions

	Position Title	Salary Range	Target Hire Date	Phase
4.2	Electrical Engineer I/II/III	57.0 - 64.5	9/30/26	1
4.3	Geologist I/II/III	57.0 - 64.5	6/30/27	2

4.2 Electrical Engineer - Key Responsibilities

- Power and energy systems monitoring, analysis, testing– CVC, Pioneer, ID4
- Design and construction support and oversight of various electrical and controls projects on CVC, Pioneer, ID4
- SCADA system management - CVC, Pioneer, ID4
- Automation development – engineering of advanced control systems, PLC logic, system integration, planning
- Photovoltaic (PV) system management – system monitoring, testing, analysis, design and construction oversight – ID4, AOD (future)
- Anticipated split of time is 80% to ID4, 20% CVC/Pioneer

4.3 Geologist - Key Responsibilities

- Address/assist with increased regulatory & reporting requirements due to SGMA, adjudication processes and expansion of reporting tasks
- Essential field and data collection: groundwater levels, water quality, lithologic logging, data compilation into database
- Support development of Enterprise Data Management System
- Support for current & upcoming projects: SGMA reports, data uploads, groundwater extraction data validation, monitoring well maintenance & sampling, basin model updates, and well permitting / ordinance administration.
- Assist with review and quality control of groundwater-related datasets, including hydrographs, water quality trends and well construction information
- Support preparation of technical exhibits, tables and figures for reports, Board materials and agency submittals
- Assist with evaluation of specific capacity data, pump test summaries and basic aquifer performance indicators under direction of senior staff
- Support data migration, validation, and alignment between legacy databases, GIS and emerging enterprise systems
- Assist with research and technical summaries to support policy discussions, planning efforts and management decisions
- This position is scheduled in phase 2 for succession planning

5. Administrative Operations Department

The Administrative Operations Department provides the fiscal, procurement, information technology and administrative support functions essential to Agency-wide operations.

5.1 New Staffing Positions

	Position Title	Salary Range	Target Hire Date	Phase
5.2	Records Analyst	57.0 ($90,000 - $115,000)	03/31/2027	1
5.3	IT Coordinator	59.0 ($100,000 - $125,000	12/31/2027	2
5.4	Administrative Services Coordinator I/II	54.5 - 57.0 ($90,000 - $115,000)	07/01/2028	3

5.2 Records Analyst – Key Responsibilities

- Maintain, organize and control Agency physical and electronic records storage systems
- Maintain and update records retention schedule; prepare destruction letters
- Oversee culling of Agency physical records per the retention schedule
- Provide backup to the Office Assistant

5.3 IT Coordinator – Key Responsibilities

- Manage the Agency’s IT network including all hardware, software and peripherals
- Coordinate and provide IT-related support and training to Agency staff.
- Lead procurement of IT equipment and cell phones; maintain IT equipment inventory
- Manage and maintain the Agency's IT security infrastructure

5.4 Administrative Services Coordinator – Key Responsibilities

- Lead the overall annual budget process and assist with the development of long-range budget and cash flow analyses
- Perform cash management, debt processing, wire transfers and other banking activities
- Lead the procurement of goods and services and the coordination of maintenance and repairs related to Agency facilities

6. Water Resources Department

The Water Resources Department is responsible for the administration and operation of the Cross Valley Canal, the Pioneer Project, the Berrenda Mesa Banking Project, Improvement District No. 3 and the Agency's Kern River water rights, and provides oversight of Improvement District No. 1 activities. The department also serves as the primary point of coordination and communication with Member Units for the delivery of water supplies, including SWP water. This department is central to the Agency's mission and requires highly specialized professionals with expertise in hydrology, water operations, environmental science, financial management and integrated resource management.

6.1 New Staffing Positions

	Position Title	Salary Range	Target Hire Date	Phase
6.2	**Water Resources Planner I/II/III**	**57.0 – 64.5**	**6/30/26**	**1***
6.3	**Water Resources Planner I/II/III**	**57.0 – 64.5**	**6/30/26**	**1***
6.4	Asset Manager	TBD	8/30/26	1
6.5	Automation Specialist	TBD	8/30/26	1

***Note: Bolded position titles indicate filled positions.**

6.2 - 6.3 Water Resources Planner – Key Responsibilities

- Assist with or lead implementing various water management and related contracts
- Assist with or lead collecting, developing, reviewing and analyzing financial, operational and hydrological data
- Assist with or lead developing financial and water related information and preparing memoranda and reports
- Assist with or lead assigned cost centers/funds annual budget processes
- Represent the Agency at various meetings
- May assist with or lead developing, reviewing and commenting on environmental documents and local and statewide water plans, policies, regulations and declarations
- May assist with or lead monitoring grant funding opportunities
- May assist with or perform field surveys and inspections to monitor property and facility conditions

6.4 Asset Manager – Key Responsibilities

- Develop and implement of a comprehensive asset management program for the Cross Valley Canal, Pioneer Project and Berrenda Mesa Project, including maintenance and capital improvement programs

- Direct and oversee maintenance activities by Water Resources Field Operations staff and consultants
- Communicate and coordinate operational activities with capital improvement activities conducted by the Engineering and Groundwater Services Department
- Assist with the development of short- and long-term budget projections for the CVC, Pioneer Project and Berrenda Mesa Project
- Participate in the identification and development of new regional water management projects, as needed
- Coordinate review and construction of California Aqueduct turnouts in Kern County
- Lifecycle and data management — Maintain an asset registry with condition assessments, useful life estimates, and replacement cost data for CVC, Pioneer, and Berrenda Mesa assets. This is the backbone of any real asset management program and drives your capital planning.

6.5 Automation Specialist – Key Responsibilities

- Oversee the development and implementation of a comprehensive upgrade of the Cross Valley Canal's Supervisory Contral and Data Acquisition (SCADA) system, including coordination with and/or oversight of other Agency staff and consultants
- Develop and implement a long-term expansion of the SCADA system to incorporate groundwater banking facilities, additional security systems and other functions as identified
- Develop and implement a comprehensive maintenance plan in coordination with the Asset Manager and other Agency staff
- Maintain the SCADA system to ensure its function and security
- Integration and interoperability - Ensure SCADA system integration with other Agency technology platforms, including GIS, asset management software, and any hydraulic modeling tools. Coordinate with the Asset Manager to ensure real-time operational data feeds into lifecycle and condition tracking.
- Alarming and telemetry — Design and maintain alarm management protocols, remote telemetry units (RTUs), and programmable logic controller (PLC) programming across CVC, Pioneer, and Berrenda Mesa facilities. Develop escalation procedures for critical alarms.
- Data management and reporting — Develop data historian configurations and automated reporting dashboards to support operational decision-making, regulatory compliance, and performance tracking by the Asset Manager and department leadership.
- Redundancy and disaster recovery — Develop backup communication pathways, failover systems, and disaster recovery plans for SCADA infrastructure to maintain operational continuity during outages or emergencies.

7. Improvement District No. 4

Improvement District No. 4 (ID4) is responsible for securing, managing and delivering supplemental water supplies for the metropolitan Bakersfield area, primarily through the State Water Project. As a member unit of the Kern County Water Agency, ID4 operates with its own advisory board, bringing focused local oversight to the district's operations and priorities. ID4 imports and distributes water among local purveyors, recharges groundwater basins and operates the Henry C. Garnett Water Purification Plant. It also collaborates with partner agencies on water quality, resource management, conservation and long-term planning to ensure reliable supplies for the municipal, industrial, and residential users it serves.

7.1 New Staffing Positions

	Position Title	Salary Range	Target Hire Date	Phase
7.2	Asset Manager	TBD	7/1-8/1	2
7.3	Maintenance Worker	46.0	7/1/27	2
7.4	Management Assistant I/II	46.0 – 48.0	7/1/26	1
7.5	Operations Supervisor	64.5	7/1/26	1
7.6	Laboratory Analyst I/II/III	46.0 – 53.0	2028 - 2029	2 or 3

7.2 Asset Manager – Key Responsibilities

The Asset Manager serves as a key liaison between ID4 and its project consulting and project management partners, coordinating efforts to assess, document and plan for the long-term stewardship of ID4's infrastructure. This position is responsible for inventorying and quantifying all major infrastructure assets, capturing critical data points including time in service, original cost, and estimated replacement cost. Using this information, the Asset Management Engineer develops comprehensive funding plans and budget timelines to ensure the district maintains adequate reserves for future capital needs. This role requires a forward-looking approach to financial planning, balancing near-term operational realities with long-term infrastructure sustainability. In addition to asset planning responsibilities, the Asset Management Engineer provides support to operations, lending technical expertise to help bridge the gap between day-to-day infrastructure performance and long-range capital planning goals.

7.3 Maintenance Worker – Key Responsibilities

The Maintenance Worker is a foundational support role within the ID4 Maintenance Group, responsible for performing the bulk of general maintenance work that falls outside the scope of licensed distribution activities. This position handles a wide range of hands-on tasks essential to keeping ID4 facilities, equipment and infrastructure in good working order. While this role does not require a distribution license or certification, it demands a strong mechanical aptitude, reliability and a willingness to work across a variety of maintenance disciplines. In addition to

general maintenance duties, the Maintenance Worker provides support to Maintenance Mechanics by assisting with lower-level tasks, helping to ensure that day-to-day operations run smoothly and efficiently. This is an entry-level position.

7.4 Management Assistant – ID4 – Key Responsibilities

The Management Assistant in ID4 is a dedicated administrative support position serving exclusively within the ID4 department. Currently a shared resource with the EGS Department, ID4 is advocating for this role to be fully dedicated to ID4, reflecting the growing volume and complexity of administrative needs that require consistent, focused attention. This position carries forward all existing Management Assistant duties while expanding its scope to better align with the operational and organizational demands specific to ID4. The Management Assistant supports ID4 leadership with scheduling, correspondence, record keeping, document management and coordination of meetings and communications. In an expanded capacity, this role would take on greater responsibility in supporting project tracking and interdepartmental coordination — ensuring that ID4's administrative functions are handled efficiently and without competing priorities from other departments. This dedicated structure allows for stronger continuity, institutional knowledge and responsiveness to the day-to-day needs of ID4 staff, management and stakeholders.

7.5 Operations Supervisor – Key Responsibilities

The Operations Supervisor is the direct supervisor for the Water Purification Plant Operators and reports directly to the Water Purification Plant Superintendent. This position is primarily responsible for assisting with the oversight of the operations, monitoring and maintenance of the Kern County Water Agency's water purification plant and distribution system to ensure conformance with the regulations set forth by the California State Water Resources Control Board, Division of Drinking Water and United States Environmental Protection Agency.

7.6 Laboratory Analyst – Key Responsibilities

The Laboratory Analyst position performs a variety of laboratory functions in conformance with the regulations set forth by the State Water Resources Control Board, Division of Drinking Water and United States Environmental Protection Agency.

8. Phased Hiring Timeline

The Agency will execute hiring in three structured phases to ensure that leadership infrastructure is established before operational teams are built. Each phase includes defined milestones and success criteria before advancing to the next.

Phase	Timeline	Key Hires	Milestone
1	2026/27 FY		
2	2027/28 FY		
3	2028/29 FY		

State Water Project Policy Committee

MEMORANDUM

20.2.1

TO: State Water Project Policy Committee
Agenda Item No. 1

FROM: Eric Averett

DATE: July 23, 2026

SUBJECT: Update on Delta Conveyance Activities

Issue:
Update on Delta Conveyance Activities.

Recommended Motion:
None – information only.

Discussion:
The California Department of Water Resources (DWR) certified the Final Environmental Impact Report (EIR) for the Delta Conveyance Project (DCP) on December 21, 2023. The DCP would construct a tunnel under the Sacramento-San Joaquin Delta (Delta) to deliver water from the Sacramento River to State Water Project facilities in the South Delta.

On May 16, 2024, DWR released the updated cost estimate for the DCP. The total project cost for the 6,000 cubic feet per second Bethany Reservoir Alignment is $20.12 billion in 2023 dollars.

DWR's Delta Conveyance Office is responsible for the EIR and other permitting activities and is coordinating with the Delta Conveyance Design and Construction Authority (DCA). DWR is continuing to take the next steps to pursue numerous state and federal permits for authorizations, including those required by the State Water Resources Control Board (SWB), the Delta Stewardship Council (DSC), and compliance with state and federal Endangered Species acts. The SWB hearing process started on February 18, 2025 and will continue into August 2026.

The California Department of Fish and Wildlife signed an Incidental Take Permit for the Delta Conveyance Project on February 14, 2025. The permit addresses construction, operations, and maintenance of the project. DWR has received Biological Opinions from the U.S. Fish and Wildlife Service and National Marine Fisheries Service for Delta Conveyance Project construction and construction-related maintenance activities. This important milestone marks the completion of the ESA process for construction.

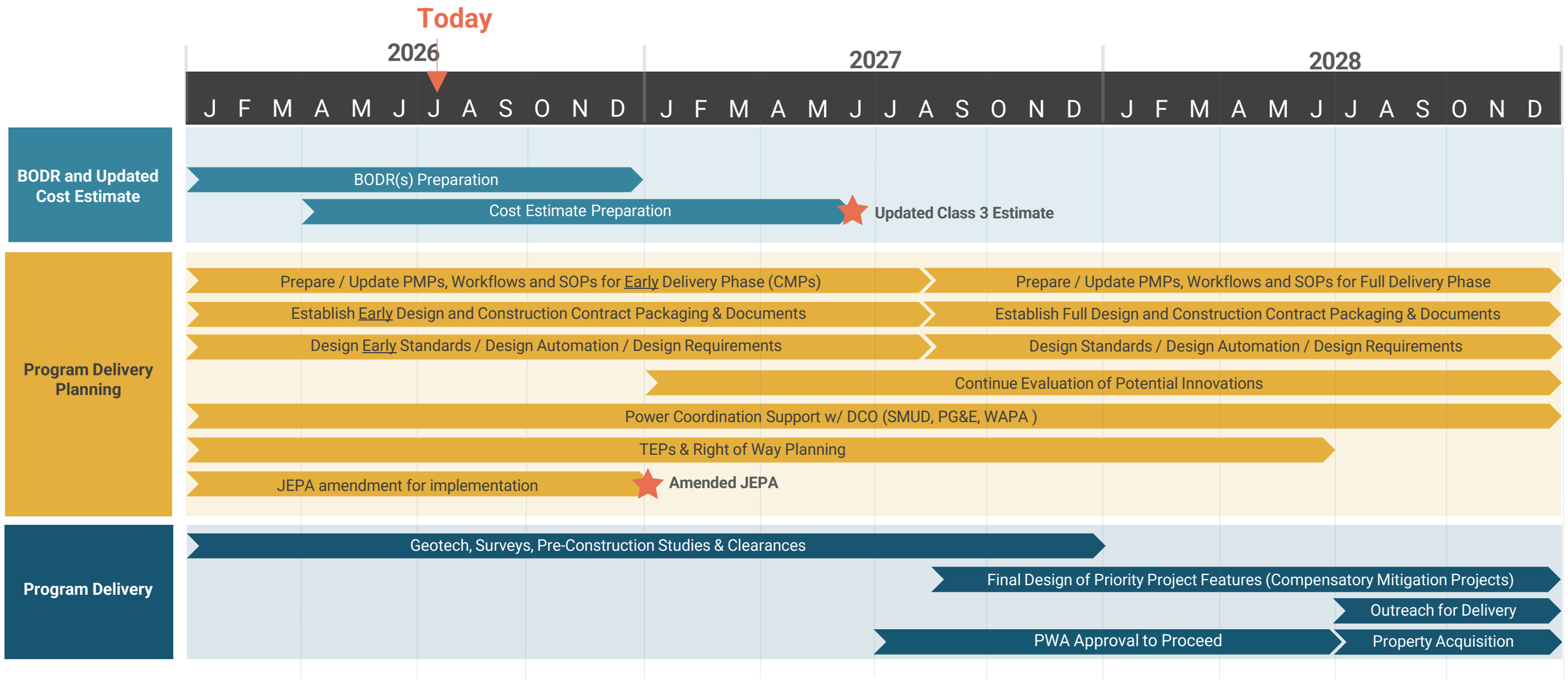
The project schedule is further described in Attachment 1. The U.S. Army Corps of Engineers (USACE) published the Delta Conveyance Project Final Programmatic Environmental Impact Statement (EIS) in the Federal Register on November 21, 2025. Completion of the National Environmental Policy Act process positions the USACE to issue a Record of Decision and make associated federal permit determinations, representing critical regulatory milestones that must be achieved prior to the commencement of project construction.

On October 17, 2025, DWR submitted a Certification of Consistency with the Delta Plan to the DSC for the DCP, as required by the Delta Reform Act. This process ensures that any state or local agency proposing a "covered action" certifies that the action complies with the Delta Plan's policies and regulations by submitting a formal Certification of Consistency to the DSC. The DSC adopted a decision on the DCP's consistency with the Delta Plan on April 23, 2026. The DSC dismissed or denied the vast majority of the appeals, with a limited remand to DWR for further clarification on two policy areas. Remands are a standard part of the Delta Plan's Certification of Consistency and appeals process and provide an opportunity to supplement or clarify portions of the record. DWR will work promptly to address the DSC's direction and resubmit the relevant materials.

The DCA Board of Directors (Board) did not meet in July. The next regular Board meeting is scheduled for August 20, 2026. All regular DCA Board meetings are open to the public and are held on the third Thursday of every other month starting at 2:00 p.m.

DCA Roadmap Through 2028

Attachment 1



DCA

MEMORANDUM

TO: State Water Project Policy Committee
Agenda Item No. 1a

FROM: Jim Ciampa

DATE: July 23, 2026

SUBJECT: Consideration and possible Approval of Resolution No. 45-26, a Resolution of the Board of Directors of Kern County Water Agency: (1) Authorizing the General Manager to Enter into Amendment No. 2 to the Contract Between Kern County Water Agency and its Member Units for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project; (2) Authorizing the General Manager to Enter into a Funding Agreement with the Department of Water Resources for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project; and (3) Authorizing the General Manager to Execute a Letter Setting Forth the Agency's Agreement to Advance or Contribute Additional Money to the Department of Water Resources for the Agency's Share of the Delta Conveyance Project Planning and Pre-Construction Costs for Calendar Years 2026-2027 including its 8,000 acre-feet share with funds expended from the Water Management Fund

Issue:
Consider adopting Resolution No. 45-26 which authorizes the General Manager to send a letter to the Department of Water Resources committing the Agency to provide additional funding for planning and pre-construction work costs of the Delta Conveyance Project, authorizes the General Manager to execute a funding agreement with the Department of Water Resources for that additional funding (subject to final revisions approved by the General Manager and General Counsel), and authorizes the General Manager to execute an amendment to the Agency's funding agreement with the participating Member Units relative to that additional funding (subject to final revisions approved by the General Manager and General Counsel).

Recommended Motion:
Adopt Resolution No. 45-26 authorizing the General Manager to send a letter to the Department of Water Resources committing the Agency to provide additional funding for planning and pre-construction work costs of the Delta Conveyance Project, authorizing the General Manager to execute a funding agreement with the Department of Water Resources for that additional funding (subject to final revisions approved by the General Manager and General Counsel), and authorizing the General Manager to execute an amendment to the Agency's funding agreement with the participating Member Units relative to that additional funding (subject to final revisions approved by the General Manager and General Counsel).

Discussion:

A. Background – Member Unit Participation. In November 2020, the Agency took action to provide initial funding for pre-construction activities relating to a potential Delta Conveyance project ("DCP"). That initial funding was to cover costs through 2024, but prudent management and unfortunate project delays due to litigation allowed those funds to be used through 2025. The Department of Water Resources ("DWR") is now requesting entities participating in the DCP to provide funds for additional planning and pre-construction work totaling $300 million for 2026 and 2027.

In March 2025, the Board approved the authorization to commit funds to the planning and pre-construction work, but new information was released after the votes that made the Member Units reconsider their participation. Over the past few months, some of the Agency's Member Units have taken action to re-approve their participation in this next round of funding for the DCP. A table identifying the Member Units' participation levels and the total Agency participation level is provided as Attachment 1.

One of the actions being recommended to be taken at this meeting is approval of Amendment No. 2 to the Contract Between Kern County Water Agency and its Member Units for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project, Exhibit B of which will set forth each Member Unit's commitment to participating in this next round of DCP funding (final revisions to this amendment are pending review by some Member Units' counsel). Another action under consideration at this meeting is approval of the Agency's Funding Agreement with DWR for those preliminary planning and design costs. It must be emphasized that this funding being provided under those agreements relates only to planning and pre-construction work and is not an approval of the overall DCP.

B. Funding Commitment to DWR. The Agency's funding commitment will consist of the cumulative participation by those Member Units who opt to participate in this round of funding for those pre-construction costs and the Agency's Improvement District No. 4. That commitment will initially be memorialized in a letter the Agency will send to DWR, which will be in the form of Exhibit B to the 2020 initial funding agreement between the Agency and DWR (a draft of that letter is attached to this memorandum). The Agency's Funding Agreement with DWR includes various provisions relating to DCP funding, including possible funding deferrals, DCP planning milestones, potential off-ramps and potential opportunities to increase participation. The Agency is awaiting final approval by DWR of recent changes relating to the invoicing process.

Although DWR has approved the Delta Conveyance Project, **the Agency is not approving or committing to the broader Delta Conveyance Project at this time**. Instead, the narrow approval action before the Agency's Board of Directors today is the provision of funding (revised from the funding previously approved in March 2025), at DWR's request, that would allow DWR to undertake continued Pre-Construction Work. Thus, the Board of Directors is being presented with a potential action to authorize funding for that purpose.

The resolution that would approve an expenditure of funds for the Pre-Construction Work, authorize the General Manager to execute a letter in accordance with the Agency's existing funding agreement with DWR to commit to contribute additional funding for the DCP (existing funding agreement and that letter are included for the Board's consideration), authorize the General Manager to execute a funding agreement with the DWR for that additional funding, and authorize the General Manager to execute the second amendment to the Agency's contract with the Member Units for preliminary planning costs.

Attachments:

- Attachment 1 – Table identifying the Member Units' participation level and the total Agency participation level;
- Attachment 2 – Agreement for the Advance or Contribution of Money to the Department of Water Resources by the Kern County Water Agency for Preliminary Planning and Design Costs related to a Potential Delta Conveyance Project [executed in 2020];
- Attachment 3 – Letter regarding Agency's advancement of additional funds in accordance with Section 5 of the above-referenced agreement;
- Attachment 4 – Amendment No. 2 to the Contract Between Kern County Water Agency and its Member Units for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project; and
- Attachment 5 - Second Amendment to Agreement for the Advance or Contribution of Money to the Department of Water Resources by the Kern County Water Agency.
- Attachment 6 - Memorandum to Member Units regarding 2026/2027 Delta Conveyance Project Funding — Pass-Through of Participation Rights and Benefits; Water Home Capacity

Delta Conveyance Project -- Planning and Design Costs			**EXHIBIT B**
Kern County Water Agency			
Member Unit Participation (Maximum)			
	(1)	(2)	(3)
	Firm	***DCP Participation***	
	Table 1		
Member Unit	***(af)***	***(af)***	***(%)***
Belridge Water Storage District	121,508	7,290	6.0000%
Berrenda Mesa Water District	92,600	5,556	6.0000%
Buena Vista Water Storage District	21,300	213	1.0000%
Cawelo Water District	38,200	382	1.0000%
Henry Miller Water District	35,500	0	0.0000%
Improvement District No. 4	82,946	82,946	100.0000%
Kern County Water Agency	8,000	8,000	100.0000%
Kern Delta Water District	25,500	0	0.0000%
Lost Hills Water District	119,110	7,147	6.0000%
Rosedale-Rio Bravo Water Storage District	29,900	5,000	16.7200%
Semitropic Water Storage District	155,000	10,850	7.0000%
Tehachapi-Cummings County Water District	19,300	19,300	100.0000%
Tejon-Castac Water District	5,278	5,278	100.0000%
West Kern Water District	31,500	4,999	15.8700%
Wheeler Ridge-Maricopa Water Storage District	197,088	1,971	1.0000%
Total	**982,730**	**158,932**	**16.1725%**

State of California
California Natural Resources Agency
DEPARTMENT OF WATER RESOURCES

AGREEMENT FOR THE ADVANCE OR CONTRIBUTION OF MONEY TO THE DEPARTMENT OF WATER RESOURCES BY THE KERN COUNTY WATER AGENCY

FOR PRELIMINARY PLANNING AND DESIGN COSTS RELATED TO A POTENTIAL DELTA CONVEYANCE PROJECT

THIS AGREEMENT is made, pursuant to the provisions of all applicable laws of the State of California, between the State of California, acting by and through its Department of Water Resources ("Department" or "DWR"), and the Kern County Water Agency ("Contractor"), each herein referred to individually as a "Party" and collectively as the "Parties".

Recitals

WHEREAS, DWR and the Contractor listed on the signature page hereto have entered into and subsequently amended a long-term water supply contract, herein referred to as a "Water Supply Contract," providing that DWR will supply certain quantities of water to the Contractor, providing that Contractor shall make certain payments to DWR, and setting forth the terms and conditions of such supply and such payments; and

WHEREAS, the Bay Delta Conservation Plan ("BDCP") process was initiated in 2005-2006 and the Delta Habitat Conservation and Conveyance Program ("DHCCP") was initiated in 2008; and

WHEREAS, the Bay Delta Conservation Plan ("BDCP") and ("DHCCP") resulted in development of a project known as the California WaterFix ("WaterFix"); and

WHEREAS, on July 21, 2017, DWR approved the California WaterFix project; and

WHEREAS, certain Contractors have entered into that certain Joint Powers Agreement dated May 14, 2018 forming the Delta Conveyance Design and Construction Authority ("DCA"); and

WHEREAS, DWR and DCA have entered into that certain Joint Powers Agreement ("JEPA"), dated May 22, 2018, as amended and restated, and as the same has or may be further amended, wherein the DCA will provide preliminary design, planning and other preconstruction activities to

assist the environmental planning process for a potential Delta conveyance project under the supervision of DWR (the "Work" as defined in the JEPA); and

WHEREAS, a copy of the resolution of the Board of Directors of Contractor authorizing its General Manager to execute this Agreement is attached hereto as Exhibit A; and

WHEREAS, a State Agency may advance or contribute funds to DWR for SWP purposes pursuant to Water Code section 11135 and (ii) DWR may accept such advanced or contributed funds and thereafter use such funds in accordance with the terms of this Agreement pursuant to Water Code section 11141; and

WHEREAS, DWR and Contractor desire to enter into this funding Agreement to provide for the contribution or advance of funds to DWR and authorize the use of the contributed funds for purposes related to environmental review, planning and design of a Delta conveyance project as described below.

AGREEMENT

NOW, THEREFORE, it is mutually agreed by the Parties as follows:

1. When used in this Agreement, terms defined in the Water Supply Contract (as defined herein) shall be defined by reference to the Water Supply Contractor. In addition, the following definitions shall apply:

    a. "**Calendar Year**" means the period January 1 through December 31.

    b. "**Contributed Funds**" means money contributed or advanced to DWR by Contractor pursuant to this Agreement. The total initial amount Contractor agrees to provide is [amount] and is comprised of the following annual amounts to be paid to DWR in the manner described in Section 5 of this Agreement are [amount] for 2020, [amount] 2021…

    c. "**Contribution Payment(s)**" means the payments of Contributed Funds that Contractor agrees to provide to DWR pursuant this Agreement

    d. "**Contractor**" means a State Agency that is a party to a Water Supply Contract with DWR.

    e. "**Department**" or "**DWR**" means the California Department of Water Resources.

    f. "**Effective Date**" has the meaning ascribed to it in section 11 hereof.

    g. "**JEPA**" means the Joint Exercise of Powers Agreement between DWR and the DCA dated May 22, 2018, as amended and restated and as may be further amended from time to time.

h. "**Pay-Go Charge**" means the charge included on Contractor's Statements of Charges for the purpose of collecting Contributed Funds that Contractor agrees to advance or contribute to DWR pursuant to this Agreement.

i. "**Party**" or "**Parties**" means DWR, the undersigned Contractor, or all signatories to this Agreement.

j. "**State Agency**" has the meaning ascribed to it by Water Code section 11102.

k. "**SWP**" or "**State Water Project**" means the State Water Project operated by DWR. The SWP generally includes the State Water Facilities, as defined in California Water Code section 12934(d), and certain facilities authorized by the Central Valley Project Act at section 11100 *et. seq*.

l. "**Water Supply Contract**" means the long-term water supply contract, as amended and as may be amended in the future, between Contractor and DWR.

m. "**Work**" has the meaning ascribed to it in the Recitals to this Agreement.

2. Effect of Agreement. DWR and Contractor agree that nothing in this Agreement supersedes previous funding agreements or the obligations under those funding agreements unless specifically addressed in this Agreement.

3. Purposes of Agreement. This Agreement documents Contractor's agreement to provide Contributed Funds to DWR for the purposes set forth in Section 4, the manner of providing those funds as set forth in Section 5, and the means by which future contributions may be made.

4. Use of Funds. DWR shall use the Contributed Funds and any future Contributed Funds collected from Contractor pursuant to section 5 hereof, for the payment of DCA invoices submitted to DWR on or after October 1, 2020 for the Work done or costs incurred by DCA, or for Delta conveyance project planning work done by DWR through the Delta Conveyance Office ("DCO") and any other purpose consistent with the JEPA, as the same has been, and may be, amended from time to time. DWR will not use funds provided under this Agreement for the activities described in the Mitigated Negative Declaration for Soil Investigations for Data Collection in the Delta adopted by DWR on July 9, 2020.

5. Charge Procedure. Contractor shall pay its Pay-Go Charge on the date(s) and in the amount(s) set forth on the revised Statement of Charges for 2021, and subsequent Statements of Charges issued to Contractor by DWR. The annual amounts will be paid in twelve monthly installments. Contractor may agree, without amending this Agreement, to advance additional funds after the Effective Date, which shall be considered Contributed Funds, by delivery to DWR of a letter in substantially the form attached hereto as Exhibit B, which letter shall specify the amount to be advanced or contributed, whether the payments will be in the form of one or more lump sums or in 12 equal installments, and together with such other information the Parties deem necessary or desirable to effectuate

the advance or contribution. A copy of the resolution, or other Board authorization, of Contractor's Board of Directors approving the subject contribution shall be enclosed with the letter. Upon receipt of a contribution letter DWR shall indicate its agreement by returning a counter signed copy of the letter to Contractor. The agreed upon advance or contribution shall thereafter be included in Contractor's Statement of Charges or a revised Statement of Charges, as appropriate. The charge shall be designated by reference to the year in which the charge is to begin, followed, if there be more than one such subsequent advance or contribution in a year by a dash and an integer followed by the words Pay-Go Charge.

6. Limitation. With respect to the Work and the DCA, nothing in this Agreement imposes any duty or obligation either expressly or by implication on DWR other than the duty to use Contributed Funds to pay the undisputed portion of DCA invoices submitted to DWR during the term of this Agreement in accordance with the terms of this Agreement and the JEPA if, as and when Contributed Funds have been received by DWR under this Agreement and other similar agreements or arrangements with other Contractors for purposes substantially the same as those described herein and is available for the payment thereof.

7. Reporting. DWR, through its DCO and in coordination with its State Water Project Analysis Office (SWPAO), shall annually prepare a report summarizing the advances or contributions received, and expenditures made pursuant to, this Agreement. The first such report shall be completed not later than March 31, 2021 and thereafter not later than March 31 of each subsequent year. Contractor may request in writing a summary of the advances, contributions, and expenditures at any time during the term of this Agreement and DWR shall provide such within thirty (30) days of such written request.

8. Status of Project. Contractor recognizes that the funds contributed pursuant to this Agreement are for the planning activities in support of DWR's environmental review and permitting process, including but not limited to the Work, for a potential Delta Conveyance project. The advance or contribution of Contributed Funds is not contingent on, or in exchange for, DWR's agreement to exercise its discretion in future to approve a Delta conveyance project.

9. Unspent Funds. Upon termination of this Agreement, it is the intent of the Parties that any unspent Contributed Funds remaining after payment of all costs for which the funds were contributed will be returned to Contractor as a credit on Contractor's Statement of Charges in proportion to its percentage share of advances or contributions made by all Contractors that entered into Agreements similar to this Agreement.

10. Reimbursement of Contributed Funds. If a Delta conveyance project is approved by DWR and is implemented it is the intent of the Parties hereto that the Contributed Funds spent in accordance with this Agreement be reimbursed or credited to Contractor according to the relative amount each such Contractor paid pursuant to this Agreement, upon the issuance and sale of revenue bonds by either the Department or a Joint Powers Authority established, whichever occurs earlier, for the purpose of, among other things, funding a future Delta conveyance facility. The Department shall be under no obligation to issue and sell bonds

for the purpose(s) described in the foregoing sentence or to undertake any reimbursement or credit as so described, unless a determination is first made by DWR in its sole discretion that such issuance and sale of revenue bonds, such reimbursement, or such credit as applicable is consistent with applicable law, applicable judicial rulings, and applicable contractual obligations of DWR, and the Parties have negotiated and executed such further agreements as may be necessary to accomplish such credit or reimbursement on terms acceptable to DWR.

11. Effective Date and Term. This Agreement shall become effective on the date the last Party hereto signs the Agreement as set forth on the signature page(s) hereto ("Effective Date") and shall continue in effect until terminated in writing by the Parties. The Parties obligations under Section 10 shall survive termination of this Agreement.

12. Invoices, Notices or Other Communications. All invoices, notices, or other communications required under this Agreement will be in writing, and will be deemed to have been duly given upon the date of service, if: (i) served personally on the Party to whom notice is to be given; (ii) sent by electronic mail, and the Party to whom notice is to be given confirms receipt; or (iii) on the third day after mailing, if mailed to the Party to whom invoice, notice or other communication is directed, by first-class mail, postage prepaid, and properly addressed to the designated representative(s) of the Party set forth below.

DWR:
Pedro Villalobos
Chief, State Water Project Analysis Office
Department of Water Resources
1416 Ninth Street, Room 1620
Post Office Box 94236
Sacramento, California 94236-0001

Copy to:
Anthony Meyers
Executive Director, Delta Conveyance Office
Department of Water Resources
901 P Street, Room 413
Sacramento, California 94236-0001

Copy to:
Christopher Martin
Office of the Chief Counsel
Department of Water Resources
1416 Ninth Street, Room 1620
Post Office Box 94236
Sacramento, California 94236-0001

Contractor: Thomas McCarthy
General Manager
Kern County Water Agency
3200 Rio Mirada Drive
Bakersfield, CA 93308

Copy to:
Holly Melton
Water Resources Manager
Kern County Water Agency
3200 Rio Mirada Drive
Bakersfield, CA 93308

13. No Delegation of Authority. Nothing in this Agreement constitutes a delegation by any Party of its existing authority to make any decision it is mandated to make. Nothing in this Agreement shall limit DWR's final decision-making authority at the time of consideration of future Delta conveyance facility related approvals. All provisions of this Agreement are intended to be, and shall to the extent reasonable be interpreted to be, consistent with all applicable provisions of State and federal law. The undersigned recognize that the Parties are public agencies and have specific statutory responsibilities, and that actions of these public agencies must be consistent with applicable procedural and substantive requirements of State and federal law. Nothing in this Agreement is intended to, nor will have the effect of, constraining or limiting any public agency in carrying out its statutory responsibilities or requiring an agency to take any action inconsistent with applicable law. Nothing in this Agreement constitutes an admission by any Party as to the proper interpretation of any provision of law, nor will it have the effect of, waiving or limiting any public entity's rights and remedies under applicable law except as expressly provided elsewhere in this Agreement. Execution of this Agreement does not constitute pre-approval of any project or preferred project alternative, or waive or otherwise abridge responsible trustee duties required, or discretion authorized or granted by, State and federal law.

14. Amendment. Except as otherwise set forth above, this Agreement may only be amended or modified by a subsequent written agreement approved and executed by both Parties.

15. Applicable Law. This Agreement will be construed under and will be deemed to be governed by the laws of the United States and the State of California.

16. Integration. This Agreement constitutes the sole, final, complete, exclusive and integrated expression and statement of the terms of this Agreement among the Parties concerning the subject matter, and supersedes all prior negotiations, representations or agreement, either oral or written, that may be related to the subject matter of this Agreement.

17. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which shall constitute one and the same agreement. Each signing Party shall have received a copy of the signature page signed by every other Party.

Exhibits attached and incorporated herein:

Exhibit A Board Resolution or other Board Authorization
Exhibit B Form of Letter Regarding Future Contributions

IN WITNESS WHEREOF, the Parties hereto, by their authorized representatives, have executed this Agreement on the date(s) set forth below.

Approved as to Legal Form
and Sufficiency

_____
Spencer Kenner, Chief Counsel

_____
Date

State of California
Department of Water Resources

_____
Karla A. Nemeth,
Director

_____
Date

Approved as to Legal Form
and Sufficiency

_____
Amelia T. Minaberrigarai,
General Counsel

_____
Date

Kern County Water Agency

_____
Holly Melton,
Water Resources Manager

_____
Date

Exhibit A

Resolution of the Board of Directors of Contractor

Exhibit B

Form of Contribution Letter

[date]
[address]

Re: Contribution or Advance of Money for Delta Conveyance Planning Activities

Dear Mr. Villalobos:

This letter is sent pursuant to section 5 of the Agreement for the Advance of Contribution of Money to the Department of Water Resources for Preliminary Planning and Design Costs Related to a Potential Delta conveyance Project dated _____, 2019 between Department of Water Resources and the [agency] ("Funding Agreement").

On [date] the Board of Directors of [agency] approved the contribution or advance of $[amount] to the Department for use in accordance with the terms of the Funding Agreement. A copy of the Board's resolution is enclosed with this letter. The contribution or advance will be collected from [agency] in [a lump sum][equal monthly installments] by inclusion of a charge [on its Statement of Charges for [year]][on a revised Statement of Charges for [year] that Department will issue to [agency]]. The charge shall be referred to as the [year] Pay-go Charge. As provided by section 5 of the Agreement the contribution or advance described herein will be subject to the terms and conditions of the Agreement.

Please confirm your agreement to the foregoing by countersigning in the space provided below and returning an original copy of this letter agreement to [agency] at [address].

[signature blocks for agency and Department]

Enclosure(s)

cc: Anthony Meyers, Executive Director of Delta Conveyance Office

[AGENCY LETTERHEAD]

July xx, 2026

[address]

Re: Contribution or Advance of Money for Delta Conveyance Planning Activities

Dear Ms. Lin:

This letter is sent pursuant to section 5 of the Agreement for the Advance of Contribution of Money to the Department of Water Resources for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project approved on November 18, 2020 between Department of Water Resources and the Kern County Water Agency ("Funding Agreement").

On July 23, 2026, the Board of Directors of the Kern County Water Agency approved the contribution or advance of $11,754,802 to the Department for use in accordance with the terms of the Funding Agreement. A copy of the Board's resolution is enclosed with this letter. The contribution or advance will be collected from Kern County Water Agency by inclusion of charges on its Statement of Charges in 2027 for the 2026 and 2027 years that Department will issue to the Agency. The charge shall be referred to as Pay-go Charges for 2026 and 2027. As provided by section 5 of the Agreement the contribution or advance described herein will be subject to the terms and conditions of the Funding Agreement.

Please confirm your agreement to the foregoing by countersigning in the space provided below and returning an original copy of this letter agreement to Kern County Water Agency at 3200 Rio Mirada Drive, Bakersfield, California 93308.

_____

Eric Averett, General Manager

Department of Water Resources

By_____

Its_____

Enclosure

cc: Carrie Buckman, Delta Conveyance Office

AMENDMENT NO. 2 TO CONTRACT BETWEEN KERN COUNTY WATER AGENCY AND ITS MEMBER UNITS FOR PRELIMINARY PLANNING AND DESIGN COSTS RELATED TO A POTENTIAL DELTA CONVEYANCE PROJECT

This Amendment No. 2 to the Contract Between Kern County Water Agency and its Member Units for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project ("Amendment") is made by and between the KERN COUNTY WATER AGENCY ("Agency") on behalf of itself and its IMPROVEMENT DISTRICT NO. 4, and BELRIDGE WATER STORAGE DISTRICT, BERRENDA MESA WATER DISTRICT, BUENA VISTA WATER STORAGE DISTRICT, CAWELO WATER DISTRICT, LOST HILLS WATER DISTRICT, ROSEDALE-RIO BRAVO WATER STORAGE DISTRICT, SEMITROPIC WATER STORAGE DISTRICT on behalf of itself and its BUTTONWILLOW IMPROVEMENT DISTRICT and POND-POSO IMPROVEMENT DISTRICT, TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT, TEJON-CASTAC WATER DISTRICT, WEST KERN WATER DISTRICT AND WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT (each, a "Member Unit" and collectively, "Member Units"). The Agency and the Member Units are referred to individually as a "Party" and collectively as "Parties."

WHEREAS, the Agency and the State of California, Department of Water Resources ("Department" or "DWR") have entered into and subsequently amended a long-term water supply contract providing that DWR shall supply certain quantities of water to the Agency, providing that the Agency shall make certain payments to the Department, and setting forth the terms and conditions of such supply and payments ("Master Contract"); and

WHEREAS, the Agency and each Member Unit have entered into and subsequently amended a water supply contract, (the "Member Unit's Contract") wherein the Agency agreed to deliver a portion of the annual water supply it receives from the Department under the Master Contract, and in return the Member Unit agreed to annually pay the Agency a percentage of the Agency's obligation to pay the Department for that water; and

WHEREAS, on December 15, 2020 the Agency and the Member Units entered into the Contract Between Kern County Water Agency and its Member Units for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project ("MU Agreement") to provide the Agency's share of funding for the environmental review, planning and design of a potential Delta conveyance project ("DCP") for the first two years; and

WHEREAS, on January 6, 2021 the Agency entered into a funding agreement with the Department (the "DWR Funding Agreement") to pay for the Agency's share of

environmental review, planning and design costs associated with the potential DCP for the first two years, out of the four years of required funding; and

WHEREAS, on June 2, 2022, the Agency submitted a contribution letter to the Department indicating that the Agency's Board of Directors approved contributing funds for certain pre-construction work on the proposed project for calendar years 2023-2024, which monies have been conserved and were expended through 2025; and

WHEREAS, the Agency and the Member Units entered into Amendment No. 1 to the MU Agreement (the "First Amendment") with respect to the additional funding discussed in the preceding paragraph; and

WHEREAS, the Department is requesting each contractor who intends to participate in the potential DCP to provide additional funding for environmental review, planning, and design costs of the proposed project for 2026 and 2027; and

WHEREAS, based on feedback and conditional commitments from the Member Units, on July 23, 2026, the Agency's Board of Directors approved an additional contribution or advance of $11,754,802 for pre-construction work on the potential DCP planned for calendar years 2026-2027; and

WHEREAS, the Agency has provided the Member Units with monthly updates on the environmental review, planning and design of a potential Delta conveyance project, including budget and progress updates when available as required by Article 5 of the Agreement; and

WHEREAS, prior to the Agency's submittal of a letter and Board resolution to the Department committing to provide any additional contributed funds for 2026 and 2027, the Agency has reviewed with the Member Units, as required by Article 5 of the Agreement, the progress of the potential DCP, including its environmental review, planning and design, to determine whether the Member Units will contribute additional funds; and

WHEREAS, in order for the Agency to be able to provide its remaining share of the funding for the environmental review, planning and design of a potential DCP, the Agency must receive additional funding from its Member Units.

NOW, THEREFORE, it is hereby mutually agreed by the Parties hereto as follows:

1. The following subparagraph (a) is added to Article 1 - Definitions, to read as follows:

   "(a) "Major Permits" means Biological Opinions from the U.S. Fish and Wildlife Service and National Marine Fisheries Service under the federal

Endangered Species Act; an Incidental Take Permit from the California Department of Fish and Wildlife under the California Endangered Species Act; an order from the State Water Resources Control Board (SWRCB) approving a change in points of diversion for the State Water Project's water rights under the California Water Code; and Delta Reform Act compliance, which includes a certification of consistency with the Delta Plan under the Delta Reform Act to be submitted to and, if appealed, adjudicated by the Delta Stewardship Council."

II. The following sentence is added to the end of Article 2 – EFFECT OF AGREEMENT (the remainder of that article to remain unchanged):

"The funding provided by each Member Unit under this Agreement, as amended, relates to funding approved for work during the planning phase for calendar years 2026 and 2027, not any such Member Unit's participation in the construction, operation, maintenance and benefits of the Delta Conveyance Project. The purpose of this Agreement is not to establish or otherwise determine a Member Unit's right to the DCP or those benefits associated therewith."

III. The following provision is added as a new subparagraph following the existing Article 4 – MEMBER UNIT'S FINANCIAL OBLIGATIONS:

"Notwithstanding the foregoing provisions of this Article 4, each Member Unit will be billed by the Agency for its proportionate share of costs based on the funding commitment specified on Exhibit B hereto. The billing will consist of two (2) 2027 rebills, with the first to be issued on or about December 1, 2027 for the 2026 charges, which shall be payable in two (2) installments of 60 percent due January 4, 2027 and 40 percent due July 1, 2027. The second rebill will occur in June 2027 for the 2027 payments and shall be payable in two installments of 60 percent due July 1, 2027 and 40 percent due January 4, 2028.

If the 2027 State Water Project Allocation percentage triggers the deferral process under Article 5, as set forth below, then each Member Unit and the Agency will identify the payment schedule based on this Agreement, including interest. Conversely, if the 2027 State Water Project Allocation percentage does not trigger the deferral process under Article 5, as set forth below, or a Member Unit elects not to defer payment, the Agency will rebill the Member Unit in June 2027 to include the full year of payments as specified above.

If a Member Unit is satisfied with applicable DCP conditions and if capacity for additional participation in the DCP is then available, a Member Unit may increase its level of participation in DCP as otherwise permitted under applicable agreements. The Agency will invoice each Member Unit for its annual contribution payment, as adjusted, in the manner specified above. The amount to be invoiced will not be revised if the Department issues a revised SWP water supply allocation on or after May 31st of the year. A portion of each Member Unit's annual contribution payable hereunder may be deferred at the election of the Member Unit depending upon the annual SWP water supply allocation forecast and the amount payable in such year correspondingly reduced ("Reduced Annual Contribution"); provided, however, that the amount deferred ("Deferred Amount") shall be due and payable to the Agency no later than July 1, 2029, and shall accrue interest at the State of California Surplus Money Investment Fund rate from July 1st of the applicable year until payment has been made by the Member Unit. The Member Unit shall provide the Agency at least 30 days advance notice of its election to pay any amount deferred under this Agreement.

If, in any year, the calculated "Cost per AF" is greater than $55.00 ("First Formula"), then, for a Member Unit electing to pay any amount deferred under this Agreement, the Member Unit's annual contribution for that year shall be reduced ("Second Formula") and a portion deferred ("Third formula").

Formula to determine if a reduction is in order (First Formula):

Annual Contribution/(Member Unit's Table 1 * SWP Allocation Percentage) = Cost per AF

Formula to determine the Member Unit's reduced annual contribution (Second Formula):

Reduced Annual Contribution = $55 (Member Unit's Table 1 * SWP Allocation Percentage)

Formula to determine deferred amount (Third Formula):

Deferred Amount = Annual Contribution – Reduced Annual Contribution

provided that if DWR does not obtain all Major Permits on or before December 31, 2026, or if anything occurs that results in a material adverse change, individually or cumulatively, in the benefits or costs of the DCP relative to the 2024 Cost Estimate and 2024 Benefit-Cost Analysis, or the projected capital costs of the SWP, a Member Unit may request that the

Agency pause or adjust payments or terminate the DWR Funding Agreement in the Agency's sole discretion as follows:

If a Member Unit determines there has been a material adverse change, the Member Unit shall provide written notice to the Agency, the other Member Units, and DWR. The Agency, the Member Unit, and any other interested Member Units shall promptly meet and confer in good faith with one another to resolve the Member Unit's concern(s), as applicable. The Agency shall thereafter meet and confer with DWR. If, after meeting and conferring, DWR and the Agency are unable to reach agreement regarding how to address the Member Unit's concern(s) regarding delay in Major Permits or the material adverse change to the DCP to the satisfaction of the Member Unit who made said determination of material adverse change, then the Member Unit may, in its sole discretion, pause or adjust payments under or terminate participation in this Agreement, and in such event the effective date of the pause in payments, adjustment of payments, or termination shall be the date upon which the Member Unit provided the Agency and DWR with notice of determination of a material adverse change.

Upon such decision by the Member Unit, DWR, the Agency, other State Water Project contractors funding the 2026-2027 pre-construction work and the DCA shall enter into a written agreement or other instrument ("plan") to accommodate the Agency's pause in payments, adjustment of payments, or termination of the DWR Funding Agreement in a manner that ensures DWR's and the DCA's abilities to fund any outstanding contractual obligations and liabilities incurred prior to the pause or adjustment in funding or termination of this Agreement and the Agency will use its best efforts to ensure that pause or termination occurs as early as possibly in relation to the date upon which the Member Unit provided the Agency and DWR with notice of determination of a material adverse change; provided however that the Agency and the Member Units shall not be responsible for the funding of any new obligations and liabilities incurred by DWR and the DCA after the pause or adjustment in funding or termination of that Agreement, , except as otherwise provided in the aforementioned plan if any such exception has been agreed to by the Member Unit(s) providing notice of intent to pause payments under or terminate their participation under this Agreement. In no instance shall any pause, adjustment, or termination by a Member Unit relieve that Member Unit from any obligation to pay for costs incurred prior to the good faith completion of the required consultation and delivery of subsequent written notice of pause, adjustment, or termination. No costs incurred or otherwise obligated prior to that time shall be shifted to other participants because of a Member Unit's pause, adjustment, or termination.

The Member Units agree that new actions or obligations may be needed to minimize DCA and DWR total obligations incurred prior to the pause in or adjustment in funding or termination of the DWR Funding Agreement or to facilitate an orderly termination or suspension of the work, and in either case so as to ensure their full payment and that such actions would facilitate an orderly pause or adjustment in funding or termination of that Agreement. The Agency will use its best efforts to ensure that any financial obligations to the Member Unit in connection with the pause or termination occurs as minimized to the greatest extent possible. All scheduled Agency payments to DWR, and corresponding Member Unit payments to the Agency, shall continue to be made for obligations and liabilities incurred prior to the pause or adjustment in funding or termination of the DWR Funding Agreement. If, under the plan, there are Agency contributed funds remaining in DWR's account after satisfying DWR's and the DCA's existing obligations and liabilities as well as those relating to such new actions or obligations, DWR shall refund that amount to the Agency and the Agency shall refund those monies to the Member Units in proportion to their prior payments.

If the process for pausing or adjusting funding under or terminating the DWR Funding Agreement requires the Agency to make additional payment(s) to DWR of contributed funds, the Agency shall make such payment(s) consistent with the negotiated plan and shall collect any unpaid amounts from the Member Units in proportion to their respective payment obligations.

Examples of events that may result in a material adverse change, individually or cumulatively, in a Member Unit's ability to participate in the DCP include, without limitation, Major Permit conditions that diminish the DCP's water supply benefits or that impose costly additional mitigation measures, delay in obtaining one or more Major Permits that incurs significant cost escalation, changes DWR makes to the DCP or the DCP Final Environmental Impact Report, adopted Findings, or the Statement of Overriding Considerations and Mitigation and Monitoring and Reporting Program in response to any court order in litigation, adoption of or amendment to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta Plan) resulting in limits on SWP exports beyond those contemplated in the Agreements to Support Healthy Rivers and Landscapes (formerly known as the Voluntary Agreements), other conditions arise that materially impact the SWP's ability to convey DCP water, and discovery of new information by the DCA about soil or other conditions in the DCP alignment and project footprint that significantly increases the cost of construction.

In addition, if DWR is prohibited by court order from conducting any geotechnical work planned for calendar years 2026 or 2027, the Agency will meet and confer with DWR to revise the Pay-Go Charge such that the costs to

perform such work shall not be due until the court order enjoining such work is lifted and the Member Units' charges will be adjusted accordingly.

IV. The following sentence is added to the end of Article 5 of the Agreement (the remainder of that article to remain unchanged):

"The Agency will promptly provide the Member Units with updated information the Agency receives from DWR regarding the status of the work and the DCP overall, including updated yield projections for the DCP and timelines for its implementation when DWR becomes aware of material changes concerning yield assumptions or regarding changes to the DCP timeline."

V. Exhibit B to the Contract Between Kern County Water Agency and its Member Units for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project dated December 15, 2020 is hereby replaced with the attached Exhibit B which has been updated to establish each participating Member Unit's share of the Agency's funding commitment for 2026 and 2027.

VI. All other provisions of the Contract Between Kern County Water Agency and its Member Units for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project dated December 15, 2020 shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date(s) set forth below.

KERN COUNTY WATER AGENCY
on behalf of itself and its IMPROVEMENT
DISTRICT NO. 4

_____
Eric Averett, General Manager

_____
Date

BELRIDGE WATER STORAGE DISTRICT

_____
Justin Rowe, General Manager

_____
Date

BERRENDA MESA WATER DISTRICT

_____

Justin Rowe, General Manager

_____

Date

BUENA VISTA WATER STORAGE DISTRICT

_____

Tim Ashlock, Engineer-Manager

_____

Date

CAWELO WATER DISTRICT

_____

David Ansolabehere, General Manager

_____

Date

LOST HILLS WATER DISTRICT

_____

Justin Rowe, General Manager

_____

Date

ROSEDALE-RIO BRAVO WATER STORAGE DISTRICT

_____

Dan Bartel, Engineer-Manager

_____

Date

SEMITROPIC WATER STORAGE DISTRICT on behalf of itself and its BUTTONWILLOW IMPROVEMENT DISTRICT and POND-POSO IMPROVEMENT DISTRICT

_____

Jason Gianquinto, General Manager

_____

Date

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

_____

Tom Neisler, General Manager

_____

Date

TEJON-CASTAC WATER DISTRICT

_____

Angelica Martin, Secretary

_____

Date

WEST KERN WATER DISTRICT

_____

Greg Hammett, General Manager

_____

Date

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

_____

Sheridan Nicholas, Engineer-Manager

_____

Date

Delta Conveyance Project -- Planning and Design Costs			**EXHIBIT B**
Kern County Water Agency			
Member Unit Participation (Maximum)			
	(1)	(2)	(3)
	Firm	***DCP Participation***	
	Table 1		
Member Unit	***(af)***	***(af)***	***(%)***
Belridge Water Storage District	121,508	7,290	6.0000%
Berrenda Mesa Water District	92,600	5,556	6.0000%
Buena Vista Water Storage District	21,300	213	1.0000%
Cawelo Water District	38,200	382	1.0000%
Henry Miller Water District	35,500	0	0.0000%
Improvement District No. 4	82,946	82,946	100.0000%
Kern County Water Agency	8,000	8,000	100.0000%
Kern Delta Water District	25,500	0	0.0000%
Lost Hills Water District	119,110	7,147	6.0000%
Rosedale-Rio Bravo Water Storage District	29,900	5,000	16.7200%
Semitropic Water Storage District	155,000	10,850	7.0000%
Tehachapi-Cummings County Water District	19,300	19,300	100.0000%
Tejon-Castac Water District	5,278	5,278	100.0000%
West Kern Water District	31,500	4,999	15.8700%
Wheeler Ridge-Maricopa Water Storage District	197,088	1,971	1.0000%
Total	**982,730**	**158,932**	**16.1725%**

Second Amendment to Agreement for the Advance or Contribution of Money to the Department of Water Resources by the Kern County Water Agency

This SECOND AMENDMENT TO AGREEMENT FOR THE ADVANCE OR CONTRIBUTION OF MONEY TO THE DEPARTMENT OF WATER RESOURCES (DWR) BY THE KERN COUNTY WATER AGENCY (Contractor), which shall be effective on the date the last Party hereto signs the Amendment, is entered into by and between DWR and CONTRACTOR. DWR and Contractor are referred to individually as a "Party" and collectively as the "Parties."

Whereas, on January 6, 2021, the Parties executed that certain Agreement for the Advance or Contribution of Money to the Department of Water Resources by Contractor for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project (DCP) (Original Agreement) for calendar years 2021-2022. The Original Agreement is referred to herein as the Agreement.

Whereas, on June 2, 2022, Contractor submitted a Form of Contribution Letter pursuant to Section 5 of the Agreement (Contribution Letter) indicating that Contractor's legislative body (Contractor's Board) approved an additional contribution of funds for preconstruction work on the DCP planned for calendar years 2023-2024.

Whereas, on July 23, 2026, Contractor's Board approved an additional contribution or advance of $4,583,587 for preconstruction work on the DCP planned for calendar year 2026and $6,875,383 for calendar year 2027.

Whereas, each Contribution Letter is an amendment to the Agreement. The Original Agreement and all amendments constitute the Agreement.

Whereas, the Parties agree to amend the terms of the Agreement to reflect certain conditions for the expenditure of Contractor's share of funding. All capitalized terms and specialized words of art used herein shall have the same meaning as that provided in the Agreement, unless specifically defined otherwise herein.

Now, therefore, the Parties agree that the following provisions of the main body of the Agreement are amended as follows:

Section 1.b. The definition of "Contributed Funds" is amended and restated in its entirety: "Contributed Funds" means money contributed or advanced to DWR by Contractor pursuant to this Agreement. The total amount Contractor agrees to provide for calendar years 2026-2027 is $$11,458,970and is comprised of the following annual amounts to be paid to be paid to DWR in the manner described in Section 5 of this Agreement, $4,583,587 for 2026, and $6,875,383 for 2027.

Section 1.n Section 1.n is added and provides the definition of "Major Permits:" Major Permits means Biological Opinions from the U.S. Fish and Wildlife Service and National Marine Fisheries Service under the federal Endangered Species Act; an Incidental Take Permit from the California Department of Fish and Wildlife under the California Endangered Species Act; an order from the State Water Resources Control Board (SWRCB) approving a change in points of diversion

for the State Water Project's water rights under the California Water Code; and Delta Reform Act compliance, which may include a certification of consistency with the Delta Plan under the Delta Reform Act to be submitted to and, if appealed, adjudicated by the Delta Stewardship Council.

Section 3 Section 3 of the Agreement is amended to add: "The purpose of this Agreement is not to establish or otherwise determine Contractor's right to the DCP or those benefits associated therewith."

Section 4 Section 4 is amended to add the following after the last sentence: DWR will not use funds provided under this Agreement to construct the DCP, since Contractor's Board has only approved funding for Work during the planning phase for calendar years 2026 and 2027, not its participation in the construction, operation, maintenance and benefits of the DCP.

Section 5 Section 5 is deleted and replaced with the following: DWR will invoice Contractor for two (2) 2027 rebills, with the first to be issued on or about _____, 2027 for the 2026 payments, which shall be payable in twelve (12) equal installments within thirty (30) days of the date of the invoice rendered by DWR. The second rebill will occur in June 2027 for the 2027 payments and shall be payable through seven (7) monthly payments due within thirty (30) days of the date of the invoice rendered by DWR. If Contractor is satisfied with applicable DCP conditions and if capacity for additional participation in the DCP is then available, Contractor may increase its level of participation in DCP as otherwise permitted under applicable agreements. DWR will invoice Contractor for its annual Contribution Payments as specified above. The amount to be invoiced will not be revised if the Department issues a revised SWP water supply allocation on or after May 31st of the year. A portion of the Contractor's annual Contribution for 2026 and 2027 may be deferred depending upon the annual SWP water supply allocation forecast and the amount payable in such year correspondingly reduced (Reduced Annual Contribution); provided, however, that the amount deferred (Deferred Amount) shall be due and payable to DWR no later than July 1, 2029, and shall accrue interest at the State of California Surplus Money Investment Fund rate from July 1st of the applicable year until payment has been made by Contractor. Contractor shall provide Department 30 days advance notice of intention to pay any amount deferred under the Agreement.

If the 2027 State Water Project Allocation percentage triggers the deferral process under Article 5, as set forth below, then Contractor and DWR will identify the payment schedule based on this Agreement, including interest. Conversely, if the 2027 State Water Project Allocation percentage does not trigger the deferral process under Article 5, as set forth below, and Contractor elects not to defer payment, then DWR will rebill the Agency in June 2027 to include the full year of payments over seven (7) months.

If, in any year, the calculated "Cost per AF" is greater than $55.00 (first formula), then Contractors annual contribution for that year shall be reduced (second formula) and a portion deferred (third formula)

Formula to determine if a reduction is in order:

Annual Contribution/(Contractor's Table A * SWP Allocation Percentage) = Cost per AF

Formula to determine Contractor's reduced annual contribution:

Reduced Annual Contribution = $55 (Contractor's Table A * SWP Allocation Percentage)

Formula to determine deferred amount:

Deferred Amount = Annual Contribution – Reduced Annual Contribution provided that if DWR does not obtain all Major Permits on or before December 31, 2026, or if anything occurs that results in a material adverse change, individually or cumulatively, in the benefits or costs of the DCP relative to the 2024 Cost Estimate and 2024 Benefit-Cost Analysis or the projected capital costs of the SWP, Contractor may pause or adjust payments or terminate the Agreement in its sole discretion as follows: If Contractor determines there has been a material adverse change, it shall provide written notice to DWR, and the Parties shall meet and confer in good faith with one another and with the other State Water Project contractors that have entered into agreements with DWR to contribute funds for 2026-2027 Work to resolve Contractor's concerns. If, after meeting and conferring, DWR and Contractor are unable to reach agreement regarding how to address Contractor's concerns regarding delays in Major Permits or the material adverse change, Contractor may in its sole discretion give written notice of its intent to pause payments under or terminate this Agreement.

Upon such written notice, DWR, Contractor, other State Water Project contractors funding the 2026-2027 Work and the DCA shall enter into a written agreement or other instrument ("plan") to accommodate Contractor's orderly pause or adjustment in funding or termination of this Agreement in a manner that ensures DWR's and the DCA's abilities to fund any outstanding contractual obligations and liabilities incurred prior to the pause or adjustment in funding or termination of this Agreement; provided however that the Contractor shall not be responsible for the funding of any new obligations and liabilities incurred by DWR and the DCA after the pause or adjustment in funding or termination of the Agreement, except as otherwise provided in the aforementioned written agreement or other instrument. In no instance shall any pause, adjustment, or termination by Contractor relieve Contractor from any obligation to pay for costs incurred prior to the good faith completion of the required consultation and delivery of subsequent written notice of pause, adjustment, or termination. No costs incurred or otherwise obligated prior to that time shall be shifted to other participants because of Contractor's pause, adjustment, or termination.

The Parties agree that new actions or obligations may be needed to minimize DCA and DWR total obligations incurred prior to the pause or adjustment in funding or termination of this Agreement or to facilitate an orderly termination

or suspension of the Work, and in either case so as to ensure their full payment and that such actions would facilitate an orderly pause or adjustment in funding or termination of this Agreement. All scheduled Contractor payments shall continue to be made for obligations and liabilities incurred by DWR or the DCA prior to the pause or adjustment in funding or termination of this Agreement. If, under the plan, there are Contractor-Contributed Funds remaining in DWR's account after satisfying DWR's and the DCA's existing obligations and liabilities as well as those relating to such new actions or obligations, DWR shall refund that amount to Contractor. If the process for pausing or adjusting funding under or terminating this Agreement requires Contractor to make additional payment(s) of Contributed Funds, Contractor shall make such payment(s) consistent with the negotiated plan.

Examples of events that may result in a material adverse change, individually or cumulatively, in the Contractor's ability to participate in the DCP include, without limitation, Major Permit conditions that diminish the DCP's water supply benefits or that impose costly additional mitigation measures, delay in obtaining one or more Major Permits that incurs significant cost escalation, changes DWR makes to the DCP or the DCP Final Environmental Impact Report, adopted Findings, or the Statement of Overriding Considerations and Mitigation and Monitoring and Reporting Program in response to any court order in litigation, adoption of or amendment to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta Plan) resulting in limits on SWP exports beyond those contemplated in the Agreements to Support Healthy Rivers and Landscapes (formerly known as the Voluntary Agreements), other conditions arise that materially impact the SWP's ability to convey DCP water, and discovery of new information by the DCA about soil or other conditions in the DCP alignment and project footprint that significantly increases the cost of construction.

In addition, if DWR is prohibited by court order from conducting any geotechnical work planned for calendar years 2026 or 2027, the Parties shall meet and confer to revise the Pay-Go Charge such that the costs to perform such work shall not be due until the court order enjoining such work is lifted.

Section 8 Section 8 is amended to read: "Status of Project. Contractor recognizes that that the initial funds contributed pursuant to this Agreement from 2021 to 2024 are for the planning activities in support of DWR's environmental review and permitting process, including but not limited to the Work, for a potential Delta conveyance project. Contractor recognizes that the funds contributed in calendar years 2026 and 2027 are for the Preconstruction Work, which includes advancing the design and engineering of the DCP, further planning and permitting, and any additional environmental review. The advance or contribution of Contributed Funds is not contingent on, or in exchange for, DWR's agreement to exercise its discretion in future to approve a Delta conveyance project or any changes to the approved DCP. DWR does, however, agree to periodically provide Contractor with updated information regarding the status of the Work and the DCP overall. DWR will provide Contractor with updated yield projections for the DCP and timelines for its implementation,

promptly upon DWR becoming aware of material changes concerning yield assumptions or regarding such changes to the DCP timeline.”.

Section 12 [update designated representative where appropriate]

This Second Amendment does not amend any other provision of the Agreement.

Kern County Water Agency Date

_____ _____

Eric Averett, General Manager
Kern County Water Agency

Department of Water Resources Date

_____ _____

Hong Lin
State Water Project Financial Manager
California Department of Water Resources

Attachment 6

MEMORANDUM

TO: KCWA Member Units

FROM: Eric Averett, General Manager

DATE: July 23, 2026

SUBJECT: 2026/2027 Delta Conveyance Project Funding — Pass-Through of Participation Rights and Benefits; Water Home Capacity

Issue:
This memorandum is intended to respond to concerns raised by the Member Units regarding the Kern County Water Agency's ("Agency") execution of the Delta Conveyance Project ("DCP") funding agreement ("Agreement") and affirms the Agency's intent regarding the pass-through of all rights and obligations in connection with the Agreement as well as the preservation and application of the 2006 policy commonly referred to as Water, Home and Capacity ("WHC").

Recommended Motion:
None – information only.

Discussion:
This memorandum is intended to introduce and guide the discussion at the June 11, 2026 Member Unit Managers meeting as well as the development of an memorandum of agreement ("MOA") or other formal agreement between the Agency and its Member Units.

Background
Upon execution of the DCP funding agreement, the Agency will participate as a single contractor with one allocation factor; Department of Water Resources has no visibility into the Agency's individual Member Units. Internally, the Agency determines how the rights, benefits, and costs of its participation are distributed among its Member Units. The Agreement is an interim step in the overall DCP Project that preserves the Agency's position and options while project economics and Member Unit support continue to develop.

1. Pass-Through of All Participation Rights and Benefits

The Agency confirms that it is passing through to its Member Units all rights and benefits associated with its participation in the DCP funding agreement. Specifically:

- **Funding does not fix ultimate participation.** The Agreement funding allocations are interim and do not establish or limit any Member Unit's ultimate DCP participation percentage.

- **Member Units retain the Agency's flexibility.** Member Units retain the same flexibility afforded to the Agency with respect to future adjustments in participation levels — including the right to reduce and/or increase participation — as the Agency pursues upward and downward adjustment provisions in the funding agreement at defined intervals. The Agency participation is determined by the sum of Member Unit & Agency participation, as adjusted.
- **Reallocation of unclaimed shares.** Where a Member Unit elects not to take its full share, that unclaimed portion remains available to participating Member Units, preserving the ability to pick up additional participation as opportunities arise.
- **No additional financial burden.** The Agency will pursue these adjustments collaboratively and, to the greatest extent possible, without renegotiation or penalty to the Member Units.

2. Water Home Capacity and Maximizing Water Into Kern County

The Agency recognizes the importance of high-flow (Interruptible) water to the Member Units' banking projects and to their financial viability, and it reaffirms the central role of the Agency's WHC policy in protecting those interests.

The WHC policy, adopted by the Agency in November 2006, governs the orderly scheduling of deliveries when there is competition for water supplies, points of delivery, or conveyance capacity. Importantly, the policy does not affect any district's rights to water supplies, points of delivery, or conveyance; it provides a fair, rights-based mechanism for scheduling that water. As such, WHC is a foundational component of the Agency's focus on maximizing the volume of water delivered into Kern County.

Accordingly, the Agency commits to:

- work collaboratively and in good faith to protect the Water Home Capacity of the Member Units' banking projects; and
- maximize the beneficial use of Article 21 and DCP Interruptible Water within Kern County, in a manner that avoids imposing additional financial burdens on the Member Units.
- To the extent that DCP interruptible Water is declared "unallocated" (exceeds the demands of the DCP participants), the Agency shall then allocate such supply based upon "Home", recognizing the Member Units priority rights to each facility and/or banking project available to it, consistent with the existing WHC policy.

3. Next Steps

If requested by the Member Units, the Agency will work with the Member Units to memorialize these commitments in an MOA or other formal agreement.

BEFORE THE BOARD OF DIRECTORS

OF THE

KERN COUNTY WATER AGENCY

In the matter of:

(1) AUTHORIZATION OF THE GENERAL	*
MANAGER TO ENTER INTO AMENDMENT	*
NO. 2 TO THE CONTRACT BETWEEN KERN	*
COUNTY WATER AGENCY AND ITS MEMBER	*
UNITS FOR PRELIMINARY PLANNING AND	*
DESIGN COSTS RELATED TO A POTENTIAL	*
DELTA CONVEYANCE PROJECT;	*
(2) AUTHORIZING THE GENERAL MANAGER	*
TO ENTER INTO A FUNDING AGREEMENT WITH	*
THE DEPARTMENT OF WATER RESOURCES	*
FOR PRELIMINARY PLANNING AND DESIGN	*
COSTS RELATED TO A POTENTIAL DELTA	*
CONVEYANCE PROJECT; AND	*
(3) AUTHORIZING THE GENERAL MANAGER	*
TO EXECUTE A LETTER SETTING FORTH	*
THE AGENCY'S AGREEMENT TO ADVANCE	*
OR CONTRIBUTE ADDITIONAL MONEY TO	*
THE DEPARTMENT OF WATER RESOURCES	*
FOR THE AGENCY'S SHARE OF THE DELTA	*
CONVEYANCE PROJECT PLANNING AND	*
PRE-CONSTRUCTION COSTS FOR CALENDAR	*
YEARS 2026-2027 INCLUDING ITS 8,000	*
ACRE-FEET SHARE WITH FUNDS	*
EXPENDED FROM THE WATER MANAGEMENT	*
FUND	*

I, Stephanie N. Prince, Secretary of the Board of Directors of the Kern County Water Agency, of the County of Kern, State of California, do hereby certify that the following resolution proposed by Director _____, and seconded by Director _____, was duly passed and adopted by said Board of Directors at an official meeting hereof this 23rd day of July, 2026, by the following vote, to wit:

Ayes:

Noes:

Absent:

_____
Secretary of the Board of Directors
of the Kern County Water Agency

Resolution No. 45-26

WHEREAS, the Kern County Water Agency (Agency) has a long-term water supply contract with the State of California Department of Water Resources (DWR) for the delivery of State Water Project (SWP) water; and

WHEREAS, on July 21, 2017, DWR approved the project known as the California WaterFix, which was a dual conveyance project that involved two new diversion points and two tunnels moving water from the Sacramento River north of the Sacramento-San Joaquin Delta (Delta) under the Delta to SWP and Central Valley Project water pumping facilities in the South Delta; and

WHEREAS, the purpose of the WaterFix was to improve the reliability of SWP water for the Agency and other SWP contractors; and

WHEREAS, the Agency previously expressed interest in participating in WaterFix and participated in a funding agreement to pay a share of preconstruction planning activities associated with the WaterFix; and

WHEREAS, in 2019, Governor Newsom announced that he did not support the WaterFix but he instead supported a one tunnel conveyance project and DWR subsequently rescinded its approvals of the WaterFix and began planning for a single tunnel option; and

WHEREAS, DWR previously requested that the Agency identify the level of its desired participation in a potential Delta Conveyance Project (DCP) assuming a 6,000 cubic feet per second (cfs) facility, which will be used to inform the percentage of DCP planning funding allocated to the Agency; and

WHEREAS, by Resolution No. 46-20 adopted on November 13, 2020, the Agency provided its initial authorization for participation in the DCP and by Resolution No. 08-20, adopted on March 27, 2025, the Agency further authorized its participation in the DCP and agreed to proportionately fund planning and design costs for the DCP for calendar years 2026 and 2027; and

WHEREAS, since the last Agency action regarding DCP participation was taken on March 27, 2025, the desired participation by certain Agency Member Units has changed and further negotiations have occurred between the Agency and DWR with respect to the Funding Agreement to provide payment by the Agency to DWR of additional monies to be used for planning and design work on the DCP for calendar years 2026 and 2027, and between the Agency and its Member Units with respect to the amendment to the previous agreement under which the Member Units provided funding to the Agency for those DCP funding and design costs; and

WHEREAS, by taking this action, the Agency is not approving or committing to the broader Delta Conveyance Project at this time; and

WHEREAS, by this resolution, the Board of Directors desires to authorize the Agency's General Manager to enter into Amendment No. 2 to the Contract Between Kern County Water Agency and its Member Units for preliminary planning and design costs related to a potential Delta Conveyance Project; to authorize the General Manager to enter into a Funding Agreement with the Department of Water Resources for preliminary planning and design costs related to a potential Delta Conveyance Project; and to authorizing the General Manager to execute a letter setting forth the Agency's agreement to advance or contribute additional money to the Department of Water Resources for the Agency's share of the Delta Conveyance Project planning and pre-construction costs for calendar years 2026-2027 including its 8,000 acre-feet share with funds expended from the Water Management Fund; and

WHEREAS, previous actions taken with respect to payment of the contemplated planning and design costs were reviewed under CEQA and the actions taken by this resolution will not result in any material changes that would alter the conclusions under those prior CEQA analyses and therefore no further review under CEQA is necessary.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Kern County Water Agency that:

1. The foregoing recitals are true and correct.

2. The General Manager is authorized, subject to any final revisions to be approved by the General Manager and by General Counsel, to (a) execute the Amendment No. 2 to the Contract Between Kern County Water Agency and its Member Units for preliminary planning and design costs related to a potential Delta Conveyance Project in the form attached hereto as Exhibit A; (b) to enter into a Funding Agreement with the Department of Water Resources for preliminary planning and design costs related to a potential Delta Conveyance Project in the form attached hereto as Exhibit B; and (c) to execute a letter setting forth the Agency's agreement to advance or contribute additional money to the Department of Water Resources for the Agency's share of the Delta Conveyance Project planning and pre-construction costs for calendar years 2026-2027 including its 8,000 acre-feet share with funds expended from the Water Management Fund, in the form attached hereto as Exhibit C.

AMENDMENT NO. 2 TO CONTRACT BETWEEN KERN COUNTY WATER AGENCY AND ITS MEMBER UNITS FOR PRELIMINARY PLANNING AND DESIGN COSTS RELATED TO A POTENTIAL DELTA CONVEYANCE PROJECT

This Amendment No. 2 to the Contract Between Kern County Water Agency and its Member Units for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project ("Amendment") is made by and between the KERN COUNTY WATER AGENCY ("Agency") on behalf of itself and its IMPROVEMENT DISTRICT NO. 4, and BELRIDGE WATER STORAGE DISTRICT, BERRENDA MESA WATER DISTRICT, BUENA VISTA WATER STORAGE DISTRICT, CAWELO WATER DISTRICT, LOST HILLS WATER DISTRICT, ROSEDALE-RIO BRAVO WATER STORAGE DISTRICT, SEMITROPIC WATER STORAGE DISTRICT on behalf of itself and its BUTTONWILLOW IMPROVEMENT DISTRICT and POND-POSO IMPROVEMENT DISTRICT, TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT, TEJON-CASTAC WATER DISTRICT, WEST KERN WATER DISTRICT AND WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT (each, a "Member Unit" and collectively, "Member Units"). The Agency and the Member Units are referred to individually as a "Party" and collectively as "Parties."

WHEREAS, the Agency and the State of California, Department of Water Resources ("Department" or "DWR") have entered into and subsequently amended a long-term water supply contract providing that DWR shall supply certain quantities of water to the Agency, providing that the Agency shall make certain payments to the Department, and setting forth the terms and conditions of such supply and payments ("Master Contract"); and

WHEREAS, the Agency and each Member Unit have entered into and subsequently amended a water supply contract, (the "Member Unit's Contract") wherein the Agency agreed to deliver a portion of the annual water supply it receives from the Department under the Master Contract, and in return the Member Unit agreed to annually pay the Agency a percentage of the Agency's obligation to pay the Department for that water; and

WHEREAS, on December 15, 2020 the Agency and the Member Units entered into the Contract Between Kern County Water Agency and its Member Units for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project ("MU Agreement") to provide the Agency's share of funding for the environmental review, planning and design of a potential Delta conveyance project ("DCP") for the first two years; and

WHEREAS, on January 6, 2021 the Agency entered into a funding agreement with the Department (the "DWR Funding Agreement") to pay for the Agency's share of

environmental review, planning and design costs associated with the potential DCP for the first two years, out of the four years of required funding; and

WHEREAS, on June 2, 2022, the Agency submitted a contribution letter to the Department indicating that the Agency's Board of Directors approved contributing funds for certain pre-construction work on the proposed project for calendar years 2023-2024, which monies have been conserved and were expended through 2025; and

WHEREAS, the Agency and the Member Units entered into Amendment No. 1 to the MU Agreement (the "First Amendment") with respect to the additional funding discussed in the preceding paragraph; and

WHEREAS, the Department is requesting each contractor who intends to participate in the potential DCP to provide additional funding for environmental review, planning, and design costs of the proposed project for 2026 and 2027; and

WHEREAS, based on feedback and conditional commitments from the Member Units, on July 23, 2026, the Agency's Board of Directors approved an additional contribution or advance of $11,754,802 for pre-construction work on the potential DCP planned for calendar years 2026-2027; and

WHEREAS, the Agency has provided the Member Units with monthly updates on the environmental review, planning and design of a potential Delta conveyance project, including budget and progress updates when available as required by Article 5 of the Agreement; and

WHEREAS, prior to the Agency's submittal of a letter and Board resolution to the Department committing to provide any additional contributed funds for 2026 and 2027, the Agency has reviewed with the Member Units, as required by Article 5 of the Agreement, the progress of the potential DCP, including its environmental review, planning and design, to determine whether the Member Units will contribute additional funds; and

WHEREAS, in order for the Agency to be able to provide its remaining share of the funding for the environmental review, planning and design of a potential DCP, the Agency must receive additional funding from its Member Units.

NOW, THEREFORE, it is hereby mutually agreed by the Parties hereto as follows:

1. The following subparagraph (a) is added to Article 1 - Definitions, to read as follows:

   "(a) "Major Permits" means Biological Opinions from the U.S. Fish and Wildlife Service and National Marine Fisheries Service under the federal

Endangered Species Act; an Incidental Take Permit from the California Department of Fish and Wildlife under the California Endangered Species Act; an order from the State Water Resources Control Board (SWRCB) approving a change in points of diversion for the State Water Project's water rights under the California Water Code; and Delta Reform Act compliance, which includes a certification of consistency with the Delta Plan under the Delta Reform Act to be submitted to and, if appealed, adjudicated by the Delta Stewardship Council."

II. The following sentence is added to the end of Article 2 – EFFECT OF AGREEMENT (the remainder of that article to remain unchanged):

"The funding provided by each Member Unit under this Agreement, as amended, relates to funding approved for work during the planning phase for calendar years 2026 and 2027, not any such Member Unit's participation in the construction, operation, maintenance and benefits of the Delta Conveyance Project. The purpose of this Agreement is not to establish or otherwise determine a Member Unit's right to the DCP or those benefits associated therewith."

III. The following provision is added as a new subparagraph following the existing Article 4 – MEMBER UNIT'S FINANCIAL OBLIGATIONS:

"Notwithstanding the foregoing provisions of this Article 4, each Member Unit will be billed by the Agency for its proportionate share of costs based on the funding commitment specified on Exhibit B hereto. The billing will consist of two (2) 2027 rebills, with the first to be issued on or about December 1, 2027 for the 2026 charges, which shall be payable in two (2) installments of 60 percent due January 4, 2027 and 40 percent due July 1, 2027. The second rebill will occur in June 2027 for the 2027 payments and shall be payable in two installments of 60 percent due July 1, 2027 and 40 percent due January 4, 2028.

If the 2027 State Water Project Allocation percentage triggers the deferral process under Article 5, as set forth below, then each Member Unit and the Agency will identify the payment schedule based on this Agreement, including interest. Conversely, if the 2027 State Water Project Allocation percentage does not trigger the deferral process under Article 5, as set forth below, or a Member Unit elects not to defer payment, the Agency will rebill the Member Unit in June 2027 to include the full year of payments as specified above.

If a Member Unit is satisfied with applicable DCP conditions and if capacity for additional participation in the DCP is then available, a Member Unit may increase its level of participation in DCP as otherwise permitted under applicable agreements. The Agency will invoice each Member Unit for its annual contribution payment, as adjusted, in the manner specified above. The amount to be invoiced will not be revised if the Department issues a revised SWP water supply allocation on or after May 31st of the year. A portion of each Member Unit's annual contribution payable hereunder may be deferred at the election of the Member Unit depending upon the annual SWP water supply allocation forecast and the amount payable in such year correspondingly reduced ("Reduced Annual Contribution"); provided, however, that the amount deferred ("Deferred Amount") shall be due and payable to the Agency no later than July 1, 2029, and shall accrue interest at the State of California Surplus Money Investment Fund rate from July 1st of the applicable year until payment has been made by the Member Unit. The Member Unit shall provide the Agency at least 30 days advance notice of its election to pay any amount deferred under this Agreement.

If, in any year, the calculated "Cost per AF" is greater than $55.00 ("First Formula"), then, for a Member Unit electing to pay any amount deferred under this Agreement, the Member Unit's annual contribution for that year shall be reduced ("Second Formula") and a portion deferred ("Third formula").

Formula to determine if a reduction is in order (First Formula):

Annual Contribution/(Member Unit's Table 1 * SWP Allocation Percentage) = Cost per AF

Formula to determine the Member Unit's reduced annual contribution (Second Formula):

Reduced Annual Contribution = $55 (Member Unit's Table 1 * SWP Allocation Percentage)

Formula to determine deferred amount (Third Formula):

Deferred Amount = Annual Contribution – Reduced Annual Contribution

provided that if DWR does not obtain all Major Permits on or before December 31, 2026, or if anything occurs that results in a material adverse change, individually or cumulatively, in the benefits or costs of the DCP relative to the 2024 Cost Estimate and 2024 Benefit-Cost Analysis, or the projected capital costs of the SWP, a Member Unit may request that the

Agency pause or adjust payments or terminate the DWR Funding Agreement in the Agency's sole discretion as follows:

If a Member Unit determines there has been a material adverse change, the Member Unit shall provide written notice to the Agency, the other Member Units, and DWR. The Agency, the Member Unit, and any other interested Member Units shall promptly meet and confer in good faith with one another to resolve the Member Unit's concern(s), as applicable. The Agency shall thereafter meet and confer with DWR. If, after meeting and conferring, DWR and the Agency are unable to reach agreement regarding how to address the Member Unit's concern(s) regarding delay in Major Permits or the material adverse change to the DCP to the satisfaction of the Member Unit who made said determination of material adverse change, then the Member Unit may, in its sole discretion, pause or adjust payments under or terminate participation in this Agreement, and in such event the effective date of the pause in payments, adjustment of payments, or termination shall be the date upon which the Member Unit provided the Agency and DWR with notice of determination of a material adverse change.

Upon such decision by the Member Unit, DWR, the Agency, other State Water Project contractors funding the 2026-2027 pre-construction work and the DCA shall enter into a written agreement or other instrument ("plan") to accommodate the Agency's pause in payments, adjustment of payments, or termination of the DWR Funding Agreement in a manner that ensures DWR's and the DCA's abilities to fund any outstanding contractual obligations and liabilities incurred prior to the pause or adjustment in funding or termination of this Agreement and the Agency will use its best efforts to ensure that pause or termination occurs as early as possibly in relation to the date upon which the Member Unit provided the Agency and DWR with notice of determination of a material adverse change; provided however that the Agency and the Member Units shall not be responsible for the funding of any new obligations and liabilities incurred by DWR and the DCA after the pause or adjustment in funding or termination of that Agreement, , except as otherwise provided in the aforementioned plan if any such exception has been agreed to by the Member Unit(s) providing notice of intent to pause payments under or terminate their participation under this Agreement. In no instance shall any pause, adjustment, or termination by a Member Unit relieve that Member Unit from any obligation to pay for costs incurred prior to the good faith completion of the required consultation and delivery of subsequent written notice of pause, adjustment, or termination. No costs incurred or otherwise obligated prior to that time shall be shifted to other participants because of a Member Unit's pause, adjustment, or termination.

The Member Units agree that new actions or obligations may be needed to minimize DCA and DWR total obligations incurred prior to the pause in or adjustment in funding or termination of the DWR Funding Agreement or to facilitate an orderly termination or suspension of the work, and in either case so as to ensure their full payment and that such actions would facilitate an orderly pause or adjustment in funding or termination of that Agreement. The Agency will use its best efforts to ensure that any financial obligations to the Member Unit in connection with the pause or termination occurs as minimized to the greatest extent possible. All scheduled Agency payments to DWR, and corresponding Member Unit payments to the Agency, shall continue to be made for obligations and liabilities incurred prior to the pause or adjustment in funding or termination of the DWR Funding Agreement. If, under the plan, there are Agency contributed funds remaining in DWR's account after satisfying DWR's and the DCA's existing obligations and liabilities as well as those relating to such new actions or obligations, DWR shall refund that amount to the Agency and the Agency shall refund those monies to the Member Units in proportion to their prior payments.

If the process for pausing or adjusting funding under or terminating the DWR Funding Agreement requires the Agency to make additional payment(s) to DWR of contributed funds, the Agency shall make such payment(s) consistent with the negotiated plan and shall collect any unpaid amounts from the Member Units in proportion to their respective payment obligations.

Examples of events that may result in a material adverse change, individually or cumulatively, in a Member Unit's ability to participate in the DCP include, without limitation, Major Permit conditions that diminish the DCP's water supply benefits or that impose costly additional mitigation measures, delay in obtaining one or more Major Permits that incurs significant cost escalation, changes DWR makes to the DCP or the DCP Final Environmental Impact Report, adopted Findings, or the Statement of Overriding Considerations and Mitigation and Monitoring and Reporting Program in response to any court order in litigation, adoption of or amendment to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta Plan) resulting in limits on SWP exports beyond those contemplated in the Agreements to Support Healthy Rivers and Landscapes (formerly known as the Voluntary Agreements), other conditions arise that materially impact the SWP's ability to convey DCP water, and discovery of new information by the DCA about soil or other conditions in the DCP alignment and project footprint that significantly increases the cost of construction.

In addition, if DWR is prohibited by court order from conducting any geotechnical work planned for calendar years 2026 or 2027, the Agency will meet and confer with DWR to revise the Pay-Go Charge such that the costs to

perform such work shall not be due until the court order enjoining such work is lifted and the Member Units' charges will be adjusted accordingly.

IV. The following sentence is added to the end of Article 5 of the Agreement (the remainder of that article to remain unchanged):

"The Agency will promptly provide the Member Units with updated information the Agency receives from DWR regarding the status of the work and the DCP overall, including updated yield projections for the DCP and timelines for its implementation when DWR becomes aware of material changes concerning yield assumptions or regarding changes to the DCP timeline."

V. Exhibit B to the Contract Between Kern County Water Agency and its Member Units for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project dated December 15, 2020 is hereby replaced with the attached Exhibit B which has been updated to establish each participating Member Unit's share of the Agency's funding commitment for 2026 and 2027.

VI. All other provisions of the Contract Between Kern County Water Agency and its Member Units for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project dated December 15, 2020 shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date(s) set forth below.

KERN COUNTY WATER AGENCY
on behalf of itself and its IMPROVEMENT
DISTRICT NO. 4

_____
Eric Averett, General Manager

_____
Date

BELRIDGE WATER STORAGE DISTRICT

_____
Justin Rowe, General Manager

_____
Date

BERRENDA MESA WATER DISTRICT

_____

Justin Rowe, General Manager

_____

Date

BUENA VISTA WATER STORAGE DISTRICT

_____

Tim Ashlock, Engineer-Manager

_____

Date

CAWELO WATER DISTRICT

_____

David Ansolabehere, General Manager

_____

Date

LOST HILLS WATER DISTRICT

_____

Justin Rowe, General Manager

_____

Date

ROSEDALE-RIO BRAVO WATER STORAGE DISTRICT

_____

Dan Bartel, Engineer-Manager

_____

Date

SEMITROPIC WATER STORAGE DISTRICT on behalf of itself and its BUTTONWILLOW IMPROVEMENT DISTRICT and POND-POSO IMPROVEMENT DISTRICT

_____

Jason Gianquinto, General Manager

_____

Date

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

_____

Tom Neisler, General Manager

_____

Date

TEJON-CASTAC WATER DISTRICT

_____

Angelica Martin, Secretary

_____

Date

WEST KERN WATER DISTRICT

_____

Greg Hammett, General Manager

_____

Date

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

_____

Sheridan Nicholas, Engineer-Manager

_____

Date

Delta Conveyance Project -- Planning and Design Costs			**EXHIBIT B**
Kern County Water Agency			
Member Unit Participation (Maximum)			
	(1)	(2)	(3)
	Firm	***DCP Participation***	
	Table 1		
Member Unit	***(af)***	***(af)***	***(%)***
Belridge Water Storage District	121,508	7,290	6.0000%
Berrenda Mesa Water District	92,600	5,556	6.0000%
Buena Vista Water Storage District	21,300	213	1.0000%
Cawelo Water District	38,200	382	1.0000%
Henry Miller Water District	35,500	0	0.0000%
Improvement District No. 4	82,946	82,946	100.0000%
Kern County Water Agency	8,000	8,000	100.0000%
Kern Delta Water District	25,500	0	0.0000%
Lost Hills Water District	119,110	7,147	6.0000%
Rosedale-Rio Bravo Water Storage District	29,900	5,000	16.7200%
Semitropic Water Storage District	155,000	10,850	7.0000%
Tehachapi-Cummings County Water District	19,300	19,300	100.0000%
Tejon-Castac Water District	5,278	5,278	100.0000%
West Kern Water District	31,500	4,999	15.8700%
Wheeler Ridge-Maricopa Water Storage District	197,088	1,971	1.0000%
Total	**982,730**	**158,932**	**16.1725%**

Second Amendment to Agreement for the Advance or Contribution of Money to the Department of Water Resources by the Kern County Water Agency

This SECOND AMENDMENT TO AGREEMENT FOR THE ADVANCE OR CONTRIBUTION OF MONEY TO THE DEPARTMENT OF WATER RESOURCES (DWR) BY THE KERN COUNTY WATER AGENCY (Contractor), which shall be effective on the date the last Party hereto signs the Amendment, is entered into by and between DWR and CONTRACTOR. DWR and Contractor are referred to individually as a "Party" and collectively as the "Parties."

Whereas, on January 6, 2021, the Parties executed that certain Agreement for the Advance or Contribution of Money to the Department of Water Resources by Contractor for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project (DCP) (Original Agreement) for calendar years 2021-2022. The Original Agreement is referred to herein as the Agreement.

Whereas, on June 2, 2022, Contractor submitted a Form of Contribution Letter pursuant to Section 5 of the Agreement (Contribution Letter) indicating that Contractor's legislative body (Contractor's Board) approved an additional contribution of funds for preconstruction work on the DCP planned for calendar years 2023-2024.

Whereas, on July 23, 2026, Contractor's Board approved an additional contribution or advance of $4,583,587 for preconstruction work on the DCP planned for calendar year 2026and $6,875,383 for calendar year 2027.

Whereas, each Contribution Letter is an amendment to the Agreement. The Original Agreement and all amendments constitute the Agreement.

Whereas, the Parties agree to amend the terms of the Agreement to reflect certain conditions for the expenditure of Contractor's share of funding. All capitalized terms and specialized words of art used herein shall have the same meaning as that provided in the Agreement, unless specifically defined otherwise herein.

Now, therefore, the Parties agree that the following provisions of the main body of the Agreement are amended as follows:

Section 1.b. The definition of "Contributed Funds" is amended and restated in its entirety: "Contributed Funds" means money contributed or advanced to DWR by Contractor pursuant to this Agreement. The total amount Contractor agrees to provide for calendar years 2026-2027 is $$11,458,970and is comprised of the following annual amounts to be paid to be paid to DWR in the manner described in Section 5 of this Agreement, $4,583,587 for 2026, and $6,875,383 for 2027.

Section 1.n Section 1.n is added and provides the definition of "Major Permits:" Major Permits means Biological Opinions from the U.S. Fish and Wildlife Service and National Marine Fisheries Service under the federal Endangered Species Act; an Incidental Take Permit from the California Department of Fish and Wildlife under the California Endangered Species Act; an order from the State Water Resources Control Board (SWRCB) approving a change in points of diversion

for the State Water Project's water rights under the California Water Code; and Delta Reform Act compliance, which may include a certification of consistency with the Delta Plan under the Delta Reform Act to be submitted to and, if appealed, adjudicated by the Delta Stewardship Council.

Section 3 Section 3 of the Agreement is amended to add: "The purpose of this Agreement is not to establish or otherwise determine Contractor's right to the DCP or those benefits associated therewith."

Section 4 Section 4 is amended to add the following after the last sentence: DWR will not use funds provided under this Agreement to construct the DCP, since Contractor's Board has only approved funding for Work during the planning phase for calendar years 2026 and 2027, not its participation in the construction, operation, maintenance and benefits of the DCP.

Section 5 Section 5 is deleted and replaced with the following: DWR will invoice Contractor for two (2) 2027 rebills, with the first to be issued on or about _____, 2027 for the 2026 payments, which shall be payable in twelve (12) equal installments within thirty (30) days of the date of the invoice rendered by DWR. The second rebill will occur in June 2027 for the 2027 payments and shall be payable through seven (7) monthly payments due within thirty (30) days of the date of the invoice rendered by DWR. If Contractor is satisfied with applicable DCP conditions and if capacity for additional participation in the DCP is then available, Contractor may increase its level of participation in DCP as otherwise permitted under applicable agreements. DWR will invoice Contractor for its annual Contribution Payments as specified above. The amount to be invoiced will not be revised if the Department issues a revised SWP water supply allocation on or after May 31st of the year. A portion of the Contractor's annual Contribution for 2026 and 2027 may be deferred depending upon the annual SWP water supply allocation forecast and the amount payable in such year correspondingly reduced (Reduced Annual Contribution); provided, however, that the amount deferred (Deferred Amount) shall be due and payable to DWR no later than July 1, 2029, and shall accrue interest at the State of California Surplus Money Investment Fund rate from July 1st of the applicable year until payment has been made by Contractor. Contractor shall provide Department 30 days advance notice of intention to pay any amount deferred under the Agreement.

If the 2027 State Water Project Allocation percentage triggers the deferral process under Article 5, as set forth below, then Contractor and DWR will identify the payment schedule based on this Agreement, including interest. Conversely, if the 2027 State Water Project Allocation percentage does not trigger the deferral process under Article 5, as set forth below, and Contractor elects not to defer payment, then DWR will rebill the Agency in June 2027 to include the full year of payments over seven (7) months.

If, in any year, the calculated "Cost per AF" is greater than $55.00 (first formula), then Contractors annual contribution for that year shall be reduced (second formula) and a portion deferred (third formula)

Formula to determine if a reduction is in order:

Annual Contribution/(Contractor's Table A * SWP Allocation Percentage) = Cost per AF

Formula to determine Contractor's reduced annual contribution:

Reduced Annual Contribution = $55 (Contractor's Table A * SWP Allocation Percentage)

Formula to determine deferred amount:

Deferred Amount = Annual Contribution – Reduced Annual Contribution provided that if DWR does not obtain all Major Permits on or before December 31, 2026, or if anything occurs that results in a material adverse change, individually or cumulatively, in the benefits or costs of the DCP relative to the 2024 Cost Estimate and 2024 Benefit-Cost Analysis or the projected capital costs of the SWP, Contractor may pause or adjust payments or terminate the Agreement in its sole discretion as follows: If Contractor determines there has been a material adverse change, it shall provide written notice to DWR, and the Parties shall meet and confer in good faith with one another and with the other State Water Project contractors that have entered into agreements with DWR to contribute funds for 2026-2027 Work to resolve Contractor's concerns. If, after meeting and conferring, DWR and Contractor are unable to reach agreement regarding how to address Contractor's concerns regarding delays in Major Permits or the material adverse change, Contractor may in its sole discretion give written notice of its intent to pause payments under or terminate this Agreement.

Upon such written notice, DWR, Contractor, other State Water Project contractors funding the 2026-2027 Work and the DCA shall enter into a written agreement or other instrument ("plan") to accommodate Contractor's orderly pause or adjustment in funding or termination of this Agreement in a manner that ensures DWR's and the DCA's abilities to fund any outstanding contractual obligations and liabilities incurred prior to the pause or adjustment in funding or termination of this Agreement; provided however that the Contractor shall not be responsible for the funding of any new obligations and liabilities incurred by DWR and the DCA after the pause or adjustment in funding or termination of the Agreement, except as otherwise provided in the aforementioned written agreement or other instrument. In no instance shall any pause, adjustment, or termination by Contractor relieve Contractor from any obligation to pay for costs incurred prior to the good faith completion of the required consultation and delivery of subsequent written notice of pause, adjustment, or termination. No costs incurred or otherwise obligated prior to that time shall be shifted to other participants because of Contractor's pause, adjustment, or termination.

The Parties agree that new actions or obligations may be needed to minimize DCA and DWR total obligations incurred prior to the pause or adjustment in funding or termination of this Agreement or to facilitate an orderly termination

or suspension of the Work, and in either case so as to ensure their full payment and that such actions would facilitate an orderly pause or adjustment in funding or termination of this Agreement. All scheduled Contractor payments shall continue to be made for obligations and liabilities incurred by DWR or the DCA prior to the pause or adjustment in funding or termination of this Agreement. If, under the plan, there are Contractor-Contributed Funds remaining in DWR's account after satisfying DWR's and the DCA's existing obligations and liabilities as well as those relating to such new actions or obligations, DWR shall refund that amount to Contractor. If the process for pausing or adjusting funding under or terminating this Agreement requires Contractor to make additional payment(s) of Contributed Funds, Contractor shall make such payment(s) consistent with the negotiated plan.

Examples of events that may result in a material adverse change, individually or cumulatively, in the Contractor's ability to participate in the DCP include, without limitation, Major Permit conditions that diminish the DCP's water supply benefits or that impose costly additional mitigation measures, delay in obtaining one or more Major Permits that incurs significant cost escalation, changes DWR makes to the DCP or the DCP Final Environmental Impact Report, adopted Findings, or the Statement of Overriding Considerations and Mitigation and Monitoring and Reporting Program in response to any court order in litigation, adoption of or amendment to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta Plan) resulting in limits on SWP exports beyond those contemplated in the Agreements to Support Healthy Rivers and Landscapes (formerly known as the Voluntary Agreements), other conditions arise that materially impact the SWP's ability to convey DCP water, and discovery of new information by the DCA about soil or other conditions in the DCP alignment and project footprint that significantly increases the cost of construction.

In addition, if DWR is prohibited by court order from conducting any geotechnical work planned for calendar years 2026 or 2027, the Parties shall meet and confer to revise the Pay-Go Charge such that the costs to perform such work shall not be due until the court order enjoining such work is lifted.

Section 8 Section 8 is amended to read: "Status of Project. Contractor recognizes that that the initial funds contributed pursuant to this Agreement from 2021 to 2024 are for the planning activities in support of DWR's environmental review and permitting process, including but not limited to the Work, for a potential Delta conveyance project. Contractor recognizes that the funds contributed in calendar years 2026 and 2027 are for the Preconstruction Work, which includes advancing the design and engineering of the DCP, further planning and permitting, and any additional environmental review. The advance or contribution of Contributed Funds is not contingent on, or in exchange for, DWR's agreement to exercise its discretion in future to approve a Delta conveyance project or any changes to the approved DCP. DWR does, however, agree to periodically provide Contractor with updated information regarding the status of the Work and the DCP overall. DWR will provide Contractor with updated yield projections for the DCP and timelines for its implementation,

promptly upon DWR becoming aware of material changes concerning yield assumptions or regarding such changes to the DCP timeline.”.

Section 12 [update designated representative where appropriate]

This Second Amendment does not amend any other provision of the Agreement.

Kern County Water Agency Date

_____ _____

Eric Averett, General Manager
Kern County Water Agency

Department of Water Resources Date

_____ _____

Hong Lin
State Water Project Financial Manager
California Department of Water Resources

Exhibit C

[AGENCY LETTERHEAD]

July xx, 2026

[address]

Re: Contribution or Advance of Money for Delta Conveyance Planning Activities

Dear Ms. Lin:

This letter is sent pursuant to section 5 of the Agreement for the Advance of Contribution of Money to the Department of Water Resources for Preliminary Planning and Design Costs Related to a Potential Delta Conveyance Project approved on November 18, 2020 between Department of Water Resources and the Kern County Water Agency ("Funding Agreement").

On July 23, 2026, the Board of Directors of the Kern County Water Agency approved the contribution or advance of $11,754,802 to the Department for use in accordance with the terms of the Funding Agreement. A copy of the Board's resolution is enclosed with this letter. The contribution or advance will be collected from Kern County Water Agency by inclusion of charges on its Statement of Charges in 2027 for the 2026 and 2027 years that Department will issue to the Agency. The charge shall be referred to as Pay-go Charges for 2026 and 2027. As provided by section 5 of the Agreement the contribution or advance described herein will be subject to the terms and conditions of the Funding Agreement.

Please confirm your agreement to the foregoing by countersigning in the space provided below and returning an original copy of this letter agreement to Kern County Water Agency at 3200 Rio Mirada Drive, Bakersfield, California 93308.

_____

Eric Averett, General Manager

Department of Water Resources

By_____

Its_____

Enclosure

cc: Carrie Buckman, Delta Conveyance Office

MEMORANDUM

20.2.1

TO: State Water Project Policy Committee
Agenda Item No. 2

FROM: Taryn Ravazzini

DATE: July 23, 2026

SUBJECT: Update on Legislative Activities

Issue:
Current legislative activities in which Kern County Water Agency staff and/or consultants have been involved during the past month.

Recommended Motion:
None – information only.

Discussion:
The Bill Summary List is provided as Attachment 1.

Kern County Water Agency
Board of Directors Legislative Tracking Report

Positions Adopted by the ACWA State Legislative Committee
Report Prepared by: The Gualco Group, Inc.
July 10, 2026

AB 35 **(Alvarez D) Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedure Act: exemption: program guidelines and selection criteria.**

Current Text: Enrolled: 7/7/2026 html pdf

Last Amend: 6/11/2026

Status: 7/2/2026-Senate amendments concurred in. To Engrossing and Enrolling. (Ayes 68. Noes 0.).

Location: 7/2/2026-A. ENROLLMENT

Summary: The Administrative Procedure Act sets forth the requirements for the adoption, publication, review, and implementation of regulations by state agencies. The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (act), approved by the voters as Proposition 4 at the November 5, 2024, statewide general election, authorized the issuance of bonds in the amount of $10,000,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate-smart, sustainable, and resilient farms, ranches, and working lands, park creation and outdoor access, and clean air programs. Existing law authorizes certain regulations needed to effectuate or implement programs of the act to be adopted as emergency regulations in accordance with the Administrative Procedure Act, as provided. Existing law requires the emergency regulations to be filed with the Office of Administrative Law and requires the emergency regulations to remain in effect until repealed or amended by the adopting state agency. This bill, notwithstanding the above, would exempt the adoption of regulations needed to effectuate or implement programs of the act from the requirements of the Administrative Procedure Act, as provided. The bill would require a state entity that receives funding to administer a competitive grant program established using the Administrative Procedure Act exemption to do certain things, including, among other things, to develop draft project solicitation and evaluation guidelines, to transmit copies of those guidelines to the fiscal committees and to the appropriate policy committees of the Legislature, to hold a noticed public meeting on those guidelines, and to submit those guidelines to the Secretary of the Natural Resources Agency, except as provided.

ACWA Position
Support

AB 706 **(Aguiar-Curry D) Forest Organic Residue, Energy, and Safety Transformation (FOREST) and Wildfire Prevention Fund Act.**

Current Text: Amended: 7/2/2026 html pdf
Last Amend: 7/2/2026
Status: 7/2/2026-From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 17. Noes 0.) (June 30). Read second time and amended. Re-referred to Com. on APPR.
Location: 6/30/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair
Summary: Existing law establishes in the Natural Resources Agency the Department of Forestry and Fire Protection (CAL-FIRE) and makes CAL-FIRE responsible for, among other things, fire protection and prevention, as provided. Existing law establishes the State Board of Forestry and Fire Protection in CAL-FIRE to represent the state's interest in the acquisition and management of state forests and requires the board to maintain an adequate forest policy. Former Governor Edmund G. Brown, Jr., issued a proclamation of a state of emergency on October 30, 2015, that required CAL-FIRE, the Natural Resources Agency, the Department of Transportation, and the State Energy Resources Conservation and Development Commission (Energy Commission), among other things, to identify areas of the state that represent high hazard zones for wildfire and falling trees, known as Tier 1 and Tier 2 high hazard zones. This bill would, upon appropriation by the Legislature, make moneys from the Timber Regulation and Forest Restoration Fund or from the Greenhouse Gas Reduction Fund available to the state board to establish the Forest Organic Residue Energy and Safety Transformation (FOREST) program in order to maintain and expand biomass power generation in the state, to revitalize idle facilities for biomass power generation, and to support biomass power generation facilities by creating additional capacity for power generation or feedstock utilization in strategically located regions of the state. The bill would make a facility's solid fuel biomass electrical generation eligible for reimbursement at an incentive rate determined by the state board if, among other things, the facility uses solid fuel biomass or forest biomass waste, as defined, to generate electricity and the electricity is sold to specified retail sellers. The bill would require, among other things, that no less than 60% of the feedstock used by a facility originate from Tier 1 and Tier 2 high hazard zones, as defined.

ACWA Position
Favor

AB 1704 (González, Mark D) **Greenhouse gases: embodied carbon building materials.**
Current Text: Amended: 6/23/2026 html pdf
Last Amend: 6/23/2026
Status: 6/23/2026-Read second time and amended. Re-referred to Com. on APPR.
Location: 6/17/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair
Summary: Existing law requires, by December 31, 2026, the State Air Resources Board, in consultation with relevant stakeholders, as provided, to develop a framework for measuring the average carbon intensity of the materials used in the construction of new buildings, including those for residential uses. Existing law requires, by December

31, 2028, the state board to develop a comprehensive strategy for the state's building sector to achieve a 40% net reduction in greenhouse gas emissions of building materials, as specified, as soon as possible, but no later than December 31, 2035. Existing law authorizes the state board to establish an embodied carbon trading system, as defined, in compliance with these requirements, as provided. This bill would require the state board to determine whether using building materials with lower embodied carbon would be cost effective during the first 2-year period of their use compared to using conventional building materials before implementing the above-described provisions.

ACWA Position
Favor

AB 1754 **(Pacheco D) State general obligation bonds: requirements.**
Current Text: Amended: 6/15/2026 html pdf
Last Amend: 6/15/2026
Status: 6/23/2026-From committee: Do pass and re-refer to Com. on APPR. (Ayes 14. Noes 0.) (June 23). Re-referred to Com. on APPR.
Location: 6/23/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair
Summary: The State General Obligation Bond Law generally sets forth the procedures for the issuance and sale of bonds governed by its provisions and for the disbursal of the proceeds of the sale of those bonds. Existing law specifies various provisions required for inclusion in a bond act. Existing law requires any state bond measure approved on or after January 1, 2004, to be subject to an annual reporting process, with the head of the lead state agency administering the bond proceeds reporting certain information about the projects being funded to the Legislature and the Department of Finance. Existing law permits this information to be provided on the agency's internet website or the state's open data portal under certain circumstances. Existing law authorizes the costs of the report to be included in the cost of administering the bond act unless prohibited by the bond act. Existing law defines various terms for these purposes, including "board." Existing law defines "board" to mean the state board, department, or agency authorized by a bond act to request the committee to cause bonds to be issued for the purpose of creating a fund that is to be expended by the board for the purposes specified in the bond act. For any state general obligation bond measure that is approved by voters on and after January 1, 2027, this bill would require a bond act to include specified information about the objectives of the bond expenditure and related data. The bill would also require the board to post on its internet website a notification that contains, among other information, details about the programs and projects authorized to be funded by the bond. The bill would require the board to provide a short, one page, executive summary style written report to the Department of Finance, the Legislative Analyst, and specified legislative committees that contains certain information regarding the general obligation bond, in accordance with the above-described provision permitting this information to be provided on the board's internet website or the state's online data portal. The bill would require the report to include, among other information, whether the project, grant, or other expenditure of bond proceeds has been done in a timely manner.

ACWA Position
Not Favor Unless Amended

AB 1772 **(Papan D) Fish and wildlife: invasive species: invasive mussels.**
Current Text: Amended: 6/25/2026 html pdf
Last Amend: 6/25/2026
Status: 7/1/2026-From committee: Do pass and re-refer to Com. on APPR. (Ayes 13. Noes 0.) (June 30). Re-referred to Com. on APPR.
Location: 7/1/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair
Summary: Existing law, until January 1, 2030, generally prohibits a person from possessing, importing, shipping, or transporting in the state, or from placing, planting, or causing to be placed or planted in any water in the state, invasive mussels, and authorizes the Director of Fish and Wildlife or the director's designee to engage in various enforcement activities, including ordering the areas in conveyance that contain water be drained, dried, or decontaminated, as provided. Existing law requires a public or private agency that operates a water supply system to cooperate with the Department of Fish and Wildlife to implement measures to avoid infestation by invasive mussels and to control or eradicate any infestation that may occur in a water supply system. Existing law requires, on or before December 31, 2026, the department to review all approved plans and require all plans that do not specifically address all invasive mussel species known to be present in bodies of water in the state as of January 1, 2026, to be updated or revised appropriately to include all invasive mussel species, on or before September 30, 2027. Existing law requires every invasive mussel species to be addressed in a plan no later than 180 days from the date that the species is listed in a certain regulation. Existing law defines "invasive mussel" for these purposes as any nonnative detrimental mussel, as provided. This bill would prohibit a conveyance from being launched until a specified drying period has completed, as provided. By expanding the scope of a crime, this bill would impose a state-mandated local program. The bill would require the department to require water supply system operators to update their plans to address all invasive mussel species present in the operator's water system as of January 1, 2026, as provided.

ACWA Position
Support If Amended

AB 1881 **(Ramos D) California Indian Freedom Act of 2026.**
Current Text: Amended: 5/19/2026 html pdf
Last Amend: 5/19/2026
Status: 7/1/2026-From committee: Do pass and re-refer to Com. on APPR. (Ayes 10. Noes 1.) (June 30). Re-referred to Com. on APPR.
Location: 7/1/2026-S. APPR.

Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair

Summary: Existing law establishes various protections for California Native American tribes, including prohibiting a public agency or private party using or occupying public property or operating on public property from interfering with the free expression or exercise of Native American religion as provided in the United States Constitution and the California Constitution. Existing law also requires a local government to provide formal notification to each California Native American tribe that is traditionally and culturally affiliated with the project site as an invitation to consult on the proposed project, as provided. Existing law requires the local government, during the consultation, to give deference to the tribal information, tribal knowledge and customs, and the significance of the resource to the California Native American tribe. Existing law prohibits any information, as described, that is submitted by a California Native American tribe during the environmental review process from being included in the environmental document or otherwise disclosed by the lead agency or any other public agency to the public, as specified, without the prior consent of the tribe that provided the information. This bill, the California Indian Freedom Act of 2026, would prohibit a governmental agency from substantially burdening a California Indian or California Native American tribe's exercise of religious beliefs or spiritual practices on state lands, including their access to and use of sacred sites and objects, and their ability to perform religious ceremonies and rites, even if the burden results from a rule of general applicability, unless the governmental agency demonstrates that application of the burden is in furtherance of a compelling governmental interest and is in the least restrictive means of furthering that interest.

ACWA Position
Oppose Unless Amended

AB 1894 **(Rubio, Blanca D) Fish and wildlife: invasive mussels: imported water.**

Current Text: Amended: 5/28/2026 html pdf

Last Amend: 5/28/2026

Status: 6/23/2026-Read second time. Ordered to third reading.

Location: 6/23/2026-S. THIRD READING

Summary: Existing law, until January 1, 2030, generally prohibits a person from possessing, importing, shipping, or transporting in the state, or from placing, planting, or causing to be placed or planted in any water within the state, invasive mussels, and authorizes the Director of Fish and Wildlife, or the director's designee, to engage in various enforcement activities with regard to invasive mussels. Existing law, until January 1, 2030, requires a public or private agency that operates a water supply system to cooperate with the Department of Fish and Wildlife to implement measures to avoid infestation by invasive mussels and to control or eradicate any infestation that occurs in a water supply system. Existing law requires any person, or federal, state, or local agency, district, or authority that owns or manages a reservoir, where specified activities are permitted, except as specified, to develop and implement a program designed to prevent the introduction of invasive mussel species, as provided. Existing law requires any entity that discovers invasive mussels within the state to immediately

report the discovery to the department. This bill would prohibit a public agency from prohibiting imported water deliveries for groundwater replenishment, as defined, due to invasive mussels if the importation complies with a specified invasive mussel control plan and unless there is substantial, documented evidence of a proven health and safety risk as a result of the invasive mussels.

ACWA Position
Watch

AB 1997 **(Lee D) Land use: housing development approvals: timelines and processes.**
Current Text: Amended: 6/18/2026 html pdf
Last Amend: 6/18/2026
Status: 7/1/2026-From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 1.) (June 30). Re-referred to Com. on APPR.
Location: 6/30/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair
Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. The Permit Streamlining Act sets forth various procedures for the review and approval of development project applications. Among other things, the act requires a public agency that is the lead agency or a responsible agency for a development project to approve or disapprove the project within a specified period of time, which varies depending on the project's phase in the CEQA process. The act defines "development project" to include specified housing development projects, as provided. This bill would additionally require approval or disapproval of a housing development project within 30 days from the date of certification by the lead agency of the environmental impact report (EIR), if the EIR is prepared pursuant to specified provisions of CEQA if certain other conditions are met. The bill would also define "housing development project" for the purposes of the Permit Streamlining Act and make additional conforming changes. By imposing additional duties on local agencies, the bill would impose a state-mandated local program.

ACWA Position
Oppose

AB 2026 **(Aguiar-Curry D) Water diversion: groundwater recharge: permit.**
Current Text: Amended: 7/2/2026 html pdf
Last Amend: 7/2/2026
Status: 7/2/2026-From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 5. Noes 0.) (July 1). Read second time and amended. Re-referred to Com. on APPR.
Location: 7/2/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair

Summary: Existing law declares that all water within the state is the property of the people of the state, but the right to the use of the water may be acquired by appropriation in the manner provided by law. Existing law requires the appropriation to be for some useful or beneficial purpose. Existing law provides, however, that the diversion of floodflows for groundwater recharge does not require an appropriative water right if certain conditions are met, including that a local or regional agency that has adopted a local plan of flood control or has considered flood risks as part of its most recently adopted general plan has given notice, as provided, of imminent risk of flooding and inundation of lands, roads, or structures. Existing law defines "floodflow" for these purposes to include circumstances in which flows would inundate ordinarily dry areas in the bed of a terminal lake to a depth that floods dairies and other ongoing agricultural activities, or areas with substantial residential, commercial, or industrial development. Existing law applies those requirements to diversions commenced before January 1, 2029. Existing law prohibits an entity from substantially diverting or obstructing the natural flow of, or substantially changing or using any material from the bed, channel, or bank of, any river, stream, or lake, or from depositing or disposing of certain material where it may pass into any river, stream, or lake, without first notifying the Department of Fish and Wildlife of that activity, and entering into a lake or streambed alteration agreement if required by the department to protect fish and wildlife resources, except as specified. This bill would revise and recast those conditions required for the appropriative water right exemption for a diversion of floodflows for groundwater recharge, would apply the requirements to a diversion commenced before January 1, 2034, and would further exempt those diversions from the requirements of CEQA and requirements relating to lake or streambed alteration agreements, subject to conducting tribal consultation, as provided.

ACWA Position
Support/Amend

AB 2032 **(Ransom D) Fish and wildlife: golden mussels.**
Current Text: Amended: 6/11/2026 html pdf
Last Amend: 6/11/2026
Status: 7/2/2026-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 7. Noes 0.) (July 1). Re-referred to Com. on APPR.
Location: 7/2/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair
Summary: Existing law, until January 1, 2030, generally prohibits a person from possessing, importing, shipping, or transporting in the state, or from placing, planting, or causing to be placed or planted in any water within the state, invasive mussels, as defined. Existing law requires a public or private agency that operates a water supply system to cooperate with the Department of Fish and Wildlife to implement measures to avoid infestation by invasive mussels and to control or eradicate any infestation that may occur in a water supply system, and, if invasive mussels are detected, to prepare and implement a plan, as specified, to control or eradicate invasive mussels within the system (control plan). Existing law prohibits the importation, transportation, possession, or live release of specified wild animals, except under a revocable, nontransferable

permit, known as a restricted species permit, issued by the department, in cooperation with the Department of Food and Agriculture, and only if certain requirements are met. Existing law authorizes the department to issue permits, commonly known as scientific collecting permits, to take or possess any form of plant or animal life for scientific, educational, or propagation purposes. This bill would exempt from the requirement to obtain a restricted species permit for golden mussels a public or private agency that operates a water supply system and has submitted a control plan to the department for maintenance and operational activities in the water supply system, as specified.

ACWA Position
Favor

AB 2125 **(Bennett D) Groundwater basin adjudication: notice.**
Current Text: Amended: 3/25/2026 html pdf
Last Amend: 3/25/2026
Status: 7/2/2026-Read second time. Ordered to Consent Calendar.
Location: 7/1/2026-S. CONSENT CALENDAR
Summary: Existing law requires a plaintiff who files an action to comprehensively determine rights to extract groundwater from a basin to provide the court a draft notice of commencement of groundwater basin adjudication and a draft form answer to adjudication complaint, as specified. Existing law also requires a plaintiff to file, within a specified timeframe, a motion for approval of the draft notice and draft form answer. Under existing law, once the court approves the draft notice, the plaintiff is required to serve the notice, as specified. Following a court order approving both the notice and draft form answer and authorizing service thereof, existing law requires the plaintiff to take additional steps to provide notice to defendants including, but not limited to, mailing, by registered mail or certified mail, return receipt requested, the notice, complaint, and form answer to all holders of fee title to real property in the basin. Under existing law, if a return receipt is not received for a parcel of real property, the plaintiff must post a copy of the notice, complaint, and form answer in a conspicuous place on the real property. After completing these notice procedures, existing law requires the plaintiff to file a notice of completion of the mailing with the court. Existing law permits a court to authorize any other procedures it finds appropriate and necessary to provide notice to persons who may hold groundwater rights in basin. This bill would impose additional requirements on a plaintiff when filing the notice of completion of mailing. The bill would require the plaintiff to include with the notice of completion an affidavit of the person who mailed the notice and the certified or registered mail delivery receipt for each parcel stating the date, time, and place of mailing. The bill would further require the notice to include as an attachment any certified or registered mail delivery receipts received as of the date of the filing.

ACWA Position
Watch

AB 2180 **(Ward D) Local government: Proposition 218 Omnibus Implementation Act: proportional cost of service.**
Current Text: Amended: 5/22/2026 html pdf

Last Amend: 5/22/2026
Status: 6/11/2026-Read second time. Ordered to third reading.
Location: 6/11/2026-S. THIRD READING
Summary: The California Constitution specifies various requirements with respect to the levying of assessments and property-related fees and charges by a local agency. As part of those requirements, the California Constitution mandates that such fees or charges that are extended, imposed, or increased satisfy certain requirements, including, but not limited to, that the amount of the fee or charge imposed upon any parcel or person as an incident of property ownership not exceed the proportional cost of the service attributable to the parcel. Existing law, known as the Proposition 218 Omnibus Implementation Act (act), prescribes specific procedures and parameters for local jurisdictions to comply with these requirements and, among other things, authorizes an agency providing water, wastewater, sewer, or refuse collection services to adopt a schedule of fees or charges authorizing automatic adjustments that pass through increases in wholesale charges for water, sewage treatment, or wastewater treatment or adjustments for inflation under certain circumstances. This bill would authorize a local government to demonstrate the proportional cost of the service attributable to the parcel by any method that reasonably allocates the ascertainable cost of providing service to all parcels, if substantiated as provided. The bill would, however, provide that for water or sewer service fee or charge impositions, a local government is not required to provide an exact measure of the cost of the service at each parcel and may instead impose uniform or tiered rates to parcel or customer classes that are defined based on common characteristics indicative of likely water or sewer use.

ACWA Position
Support/Sponsor

AB 2216 **(Aguiar-Curry D) Sacramento-San Joaquin Delta Conservancy.**
Current Text: Amended: 6/25/2026 html pdf
Last Amend: 6/25/2026
Status: 6/25/2026-Read second time and amended. Re-referred to Com. on APPR.
Location: 6/23/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair
Summary: Existing law establishes in the Natural Resources Agency the Sacramento-San Joaquin Delta Conservancy. Existing law requires the conservancy to act as a primary state agency to implement ecosystem restoration in the Delta and to support efforts that advance environmental protection and the economic well-being of Delta residents. Existing law specifies the composition of the governing board of the conservancy, including 11 voting members, and requires liaison advisers to serve in an advisory, nonvoting capacity. Existing law requires the conservancy to prepare and adopt a strategic plan to achieve the goals of the conservancy and requires the strategic plan to be consistent with certain plans. Existing law authorizes the conservancy to engage in partnerships with nonprofit organizations, local public agencies, and landowners, and authorizes the conservancy to provide grants and loans to state agencies, local public agencies, and nonprofit organizations to further the goals of the conservancy. Existing law establishes the Sacramento-San Joaquin Delta Conservancy Fund in the State Treasury. Existing law makes moneys in the fund available, upon appropriation by the Legislature, for purposes of these provisions. This

bill would expand the area covered by the conservancy to include the Valley and Lake, as defined. The bill would rename the conservancy the Valley, Lake, and Delta Conservancy and make conforming changes. The bill would rename the Sacramento-San Joaquin Delta Conservancy Fund the Delta Conservancy Fund and create the Valley and Lake Conservancy Fund in the State Treasury, moneys in which would be available upon appropriation by the Legislature for purposes of the conservancy in the Valley and Lake. The bill would add to the governing board one additional voting member who is appointed by the Lake County Board of Supervisors and one who is a tribal representative appointed by the Governor, subject to confirmation by the Senate. By imposing additional requirements on the Lake County Board of Supervisors, the bill would impose a state-mandated local program.

ACWA Position
Watch

AB 2218 **(Kalra D) Water policy: California Native American tribes.**
Current Text: Amended: 7/2/2026 html pdf
Last Amend: 7/2/2026
Status: 7/2/2026-From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 4. Noes 0.) (July 1). Read second time and amended. Re-referred to Com. on APPR.
Location: 7/2/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair
Summary: Would require the state government to support California Native Americans to maintain cultural and linguistic traditions, practice ecosystem stewardship, and engage in good faith government-to-government consultations with all California Native American tribes regarding policies that may affect tribal communities.

ACWA Position
Oppose Unless Amended

AB 2322 **(Papan D) Water discharge: commercial, industrial, or institutional sites.**
Current Text: Amended: 4/6/2026 html pdf
Last Amend: 4/6/2026
Status: 7/2/2026-From committee: Do pass and re-refer to Com. on APPR. (Ayes 5. Noes 2.) (July 1). Re-referred to Com. on APPR.
Location: 7/2/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair
Summary: The State Water Resources Control Board and the 9 California regional water quality control boards prescribe waste discharge requirements for the discharge of stormwater by municipalities and industries in accordance with the federal national pollutant discharge elimination system (NPDES) permit program, established by the

federal Clean Water Act and the Porter-Cologne Water Quality Control Act. Under existing law, the state board and the 9 regional water quality control boards issue permits for the discharge of stormwater from municipal separate storm sewer systems (MS4s). For purposes of issuing permits for the discharge of stormwater from MS4s, this bill define "commercial, industrial, or institutional site" or "CII site" as a privately owned parcel or contiguous parcels of land that are commercial, industrial, or institutional based on the appropriate county tax assessor land use codes, as specified.

ACWA Position
Watch

AB 2410 **(Ellis R) Wildfire safety: fuels reduction projects: California Environmental Quality Act: California Coastal Act.**

Current Text: Amended: 4/22/2026 html pdf

Last Amend: 4/22/2026

Status: 7/1/2026-VOTE: Do pass as amended, but first amend, and re-refer to the Committee on [Appropriations] (PASS)

Location: 7/1/2026-S. APPR.

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA exempts from its requirements certain projects. This bill would, until January 1, 2030, exempt from CEQA critical fuels reduction projects conducted in communities located in high fire threat districts or very high fire hazard severity zones, as provided. Because a lead agency would be required to determine whether a project qualifies for this exemption, the bill would impose a state-mandated local program.

ACWA Position
Favor

AB 2469 **(Papan D) Data centers: water use disclosures.**

Current Text: Amended: 7/2/2026 html pdf

Last Amend: 7/2/2026

Status: 7/2/2026-From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 5. Noes 2.) (July 1). Read second time and amended. Re-referred to Com. on APPR.

Location: 7/1/2026-S. APPR.

Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair

Summary: The Planning and Zoning Law authorizes the legislative body of any county or city to adopt ordinances that, among other things, regulate the use of buildings, structures, and land as between industry, businesses, residences, and open space, as specified. This bill would prohibit a city, county, or city and county from approving a discretionary or ministerial permit or other entitlement that would result in the construction, or an expansion that increases the maximum peak water use, of a data

center unless specified conditions are satisfied, including, among others, that the applicant provides the city, county, or city and a county prescribed information. The bill would include in this prescribed information a water scarcity plan, a water supply assessment, and a water use assessment, each as provided. The bill would also include in the specified conditions that the applicant assumes responsibility for the full cost of any required water conveyance, treatment or storage, or distribution infrastructure improvements necessary to serve the project, as determined by the Department of Water Resources or the applicable water supplier.

ACWA Position
Watch and Amend

AB 2521 **(Papan D) California Council on Science and Technology: water availability study: Central Valley.**
Current Text: Amended: 7/2/2026 html pdf
Last Amend: 7/2/2026
Status: 7/2/2026-Read second time and amended. Re-referred to Com. on APPR.
Location: 7/1/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair
Summary: Existing law establishes the Department of Water Resources within the Natural Resources Agency and vests it with various powers and duties related to water. Existing law requires the State Water Resources Control Board to administer a water rights program pursuant to which the board grants and revokes permits and licenses to appropriate water. Existing law authorizes any person who has an urgent need to divert and use water to apply for, and authorizes the board to issue, a conditional, temporary permit, as prescribed. Existing law finds and declares that the California Council on Science and Technology (CCST) was organized as a nonprofit corporation at the request of the Legislature for the specific purpose of offering expert advice to the state government on public policy issues significantly related to science and technology. This bill would, on or before January 1, 2028, require the Department of Water Resources, in consultation with the State Water Resources Control Board and the Department of Fish and Wildlife, to select 2 watersheds that are within, or drain into, the Central Valley to conduct a watershedwide water availability study. The bill would, subject to an appropriation by the Legislature, request CCST to, in consultation with the Department of Water Resources and the board, undertake and complete a comprehensive study of water availability in the selected watersheds. The bill would require the study to, among other things, determine daily flow rates in rivers, streams, and creeks in the watersheds over the past 30 years to the extent data is available.

ACWA Position
Watch/Amend

AB 2568 **(Johnson R) Water district directors: compensation.**
Current Text: Amended: 4/27/2026 html pdf
Last Amend: 4/27/2026

Status: 6/18/2026-Read second time. Ordered to third reading.
Location: 6/18/2026-S. THIRD READING
Summary: Existing law authorizes a water district, as defined, to adopt an ordinance that provides compensation to members of the governing board, as specified. Existing law prohibits a water district from adopting an ordinance that compensates members of the governing board for more than a total of 10 days in any calendar month. This bill would, until January 1, 2032, authorize a water district that has at least 90,000 residents within its jurisdiction to adopt an ordinance that compensates members of the governing board for up to a total of 15 days in any calendar month, but would require the members of the governing board of a water district that compensates its members for more than 10 days in a calendar month to annually adopt a written policy describing, based on a finding supported by substantial evidence, why providing compensation for more than 10 days per calendar month is necessary for the effective operation of the water district.

ACWA Position
Favor

AB 2619 **(Papan D) Water resources: data centers.**
Current Text: Amended: 7/2/2026 html pdf
Last Amend: 7/2/2026
Status: 7/2/2026-From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 5. Noes 1.) (July 1). Read second time and amended. Re-referred to Com. on APPR.
Location: 7/1/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair
Summary: Existing law authorizes the legislative body of an incorporated city and the county board of supervisors to license businesses carried on within their respective jurisdictions and to set license fees, as specified. This bill would require a person who owns or operates a data center, prior to applying to a city or a county for an initial business license, equivalent instrument, or permit, to provide its water supplier, under penalty of perjury, a good faith estimate of the expected water use, the anticipated source of water, and the data center's projected water use volume for the maximum day, maximum month, and average year. When applying to a city or county for an initial business license, the bill would require a person who owns or operates a data center to report, under penalty of perjury, on the application, a good faith estimate of the expected water use, the anticipated source of water, and the data center's projected water use volume for the maximum day, maximum month, and average year. When applying to a city or county for a renewal of a business license, equivalent instrument, or permit, the bill would require a person who owns or operates a data center to report, under penalty of perjury, on the application, the data center's annual water use for the preceding calendar year, including total water and direct water use, as prescribed.

ACWA Position
Not Favor Unless Amended

AB 2728 **(Soria D) Groundwater: de minimis extractors: fees: exemption.**
Current Text: Amended: 6/11/2026 html pdf
Last Amend: 6/11/2026
Status: 7/2/2026-Read second time. Ordered to Consent Calendar.
Location: 7/2/2026-S. CONSENT CALENDAR
Summary: Existing law authorizes a groundwater sustainability agency to impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity, to fund the costs of a groundwater sustainability program, and investigations, inspections, compliance assistance, enforcement, and program administration, as provided. Existing law prohibits a groundwater sustainability agency from imposing those fees on a de minimis extractor, as defined, unless the agency has regulated the user, as provided. This bill would authorize a local government, including, but not limited to, a groundwater sustainability agency, that imposes a fee, levy, charge, or exaction for groundwater monitoring or management, upon making specified findings, to exempt de minimis extractors, including the above-described regulated users, from the payment of the fee, levy, charge, or exaction, as provided.

ACWA
Position
Watch

AB 2739 **(Soria D) Water: affordability and system stabilization.**
Current Text: Amended: 7/2/2026 html pdf
Last Amend: 7/2/2026
Status: 7/2/2026-From committee: Amend, and do pass as amended and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 7. Noes 0.) (July 1). Read second time and amended. Re-referred to Com. on APPR.
Location: 7/2/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair
Summary: Existing law establishes in the Natural Resources Agency the Department of Water Resources. Existing law vests in the department powers, duties, purposes, responsibilities, and jurisdiction in matters pertaining to water or dams. Existing law declares the responsibility of the state to assist local governments in providing certain essential services and facilities where water resource construction projects financed, in whole or in part, by the state or by the state jointly with the federal government create an undue burden on a local area's ability to provide these services and facilities. Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. This bill would establish in the State Treasury the Water Affordability and System Stabilization Fund for holding the principal and income of the Water Affordability and System Stabilization Trust, which the bill would create.

ACWA
Position

Support

AB 2777 **(Committee on Environmental Safety and Toxic Materials) State Water Pollution Control Revolving Fund program: loans: outdoor eating areas: water reuse.**
Current Text: Amended: 3/26/2026 html pdf
Last Amend: 3/26/2026
Status: 6/17/2026-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (June 17). Re-referred to Com. on APPR.
Location: 6/17/2026-S. APPR.
Calendar: 8/3/2026 10 a.m. - 1021 O Street, Room 2200 SENATE APPROPRIATIONS, CERVANTES, SABRINA, Chair
Summary: Existing law establishes the State Water Pollution Control Revolving Fund program, pursuant to which state and federal funds are continuously appropriated from the State Water Pollution Control Revolving Fund to the State Water Resources Control Board for loans and other financial assistance for purposes related to the federal Clean Water Act. Existing law establishes the State Water Pollution Control Revolving Fund Administration Fund (administration fund) to provide funds, upon appropriation by the Legislature, to be expended by the state board for payment of the reasonable costs of administering the State Water Pollution Control Revolving Fund. Existing law authorizes the state board to assess an annual charge for financial assistance services, not to exceed 1% of the financial assistance repayment amount and computed according to the true interest cost method, as provided, and requires those annual charges to be deposited into the administration fund. Existing law authorizes the financial service rate to be applied at any time during the term of the financial assistance and requires the rate to remain unchanged for the duration of the financial assistance. Existing law prohibits the financial assistance rate from increasing the financial assistance repayment amount after being applied. Existing law requires the state board to, at least once each fiscal year, adjust the financial assistance service rate. Existing law requires the state board to set the total amount of revenue collected each year through the annual charges at an amount that is equal as practicable to the appropriation amount set forth in the annual Budget Act. This bill would additionally authorize the state board to assess fees in place of an annual charge for financial assistance and would authorize the fees or annual charge to be assessed at any rate as permitted by federal law.

ACWA Position
Favor

SB 239 **(Arreguín D) Crimes: criminal threats.**
Current Text: Amended: 7/2/2026 html pdf
Last Amend: 7/2/2026
Status: 7/2/2026-Read second time and amended. Re-referred to Com. on APPR.
Location: 7/1/2026-A. APPR.
Summary: Existing law makes it a crime to willfully threaten to commit a crime that will result in death or great bodily injury to another person, as specified. Under existing law, this crime is punishable as a misdemeanor or by imprisonment in state prison as a felony. Existing law, for the purposes of sentencing for a felony violation of these provisions, authorizes the court to consider, as a factor in aggravation, that the

defendant willfully threatened to commit a crime that would result in the death or great bodily injury of a state constitutional officer, a Member of the Legislature, or a judge or court commissioner, as specified. This bill would additionally authorize the court to consider, as a factor in aggravation, that the defendant willfully threatened to commit a crime that would result in the death or great bodily injury of an elections official of a city, county, city and county, or public district, or an elected local agency official, as specified.

ACWA Position
Favor

SB 872 **(McNerney D) Delta Levees and Canal Subsidence Fund.**
Current Text: Amended: 7/2/2026 html pdf
Last Amend: 7/2/2026
Status: 7/2/2026-Read second time and amended. Re-referred to Com. on APPR.
Location: 6/30/2026-A. APPR.
Summary: Existing law, the Sacramento-San Joaquin Delta Reform Act of 2009, declares that the Sacramento-San Joaquin Delta (Delta) is a critically important natural resource for California and the nation and it serves as both the hub of the California water system and the most valuable estuary and wetland ecosystem on the west coast of North and South America. Existing law establishes in the Natural Resources Agency the Department of Water Resources (department). Existing law requires the department and the Department of Fish and Wildlife to determine the principal options for the Delta and requires the department to evaluate and comparatively rate each option for its ability to do specified things, including, among others, to maintain Delta water quality for Delta users, and to preserve, protect, and improve Delta levees. Existing law establishes in the agency the Sacramento-San Joaquin Delta Conservancy. Existing law requires the conservancy to act as a primary state agency to implement ecosystem restoration in the Delta and to support efforts that advance environmental protection and the economic well-being of Delta residents. Existing law provides for the preservation of specified management areas of the Suisun Marsh, pursuant to a protection plan prepared and adopted by the San Francisco Bay Conservation and Development Commission, as provided. Existing law establishes the Delta Stewardship Council, and requires the council to develop, adopt, and implement a comprehensive long-term management plan for the Delta, known as the Delta Plan, as provided. Existing law requires the department, upon appropriation, to reimburse an eligible local agency for costs incurred for the maintenance or improvement of specified levees, in an amount not to exceed 75% of costs incurred in excess of a set amount per mile, as provided. This bill would require the department to reimburse 100% of the excess costs if a local agency demonstrates economic hardship and the reimbursement is for a project that addresses a threat to life, property, water supply, or habitat.

ACWA Position
Support

SB 952 **(Laird D) State Water Project: renewable energy resources and zero-carbon resources.**

Current Text: Amended: 5/18/2026 html pdf
Last Amend: 5/18/2026
Status: 6/11/2026-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To consent calendar. (Ayes 18. Noes 0.) (June 10). Re-referred to Com. on APPR.
Location: 6/10/2026-A. APPR.
Summary: This bill would require the Department of Water Resources , in procuring electricity to serve all state agencies, to consider portfolio diversity, resource type, location, and hours of typical peak operation. The bill would expand the scope of the department's authorization to defer the procurement of those resource quantities to apply to an existing contract to procure fossil generation entered into before January 1, 2011, rather than January 1, 2010. The bill would authorize, on and after January 1, 2036, excess procurement, as defined, of eligible renewable energy resources and zero-carbon resources in one year to be applied to any subsequent year's obligation, as provided.

ACWA Position
Favor

SB 1014 **(Grayson D) Development projects: preliminary estimate of required improvements: onsite and offsite improvements.**
Current Text: Amended: 6/3/2026 html pdf
Last Amend: 6/3/2026
Status: 6/25/2026-From committee: Do pass and re-refer to Com. on APPR. (Ayes 11. Noes 0.) (June 24). Re-referred to Com. on APPR.
Location: 6/24/2026-A. APPR.
Summary: The Permit Streamlining Act sets forth various procedures for the review and approval of development project applications, including, among other things, requiring each public agency to compile one or more lists that specify in detail the information that will be required from any applicant for a development project. The act also requires a city, county, or city and county to deem an applicant for a housing development project to have submitted a preliminary application upon providing specified information about the proposed project to the city, county, or city and county from which approval for the project is being sought. This bill would permit an applicant who submits a preliminary application for a housing development project, as specified, or an application if a preliminary application is not submitted, to include in the preliminary application or application a request for a preliminary estimate of required improvements, as provided. The bill would require a city, county, or city and county that receives a request under these provisions to provide the preliminary estimate within 30 business days of the submission of the request, as provided. The bill would authorize, for improvements required by a public agency, as specified, the applicant to request, within 30 days of submission, a list of the types of improvements that may be required, as provided. The bill, within 30 business days of deeming an application for a postentitlement phase permit complete, would additionally require the city, county, or city and county to provide the applicant with an itemized list of all onsite and offsite improvements that will be required prior to issuance of, or otherwise in connection with, that permit, as provided.

ACWA Position
Not Favor Unless Amended

SB 1055 (Laird D) **Pajaro Regional Flood Management Agency: contracts.**
Current Text: Amended: 6/23/2026 html pdf
Last Amend: 6/23/2026
Status: 7/2/2026-Read second time. Ordered to third reading.
Location: 7/2/2026-A. THIRD READING
Summary: The Local Agency Public Construction Act governs public works contracts awarded by counties and requires the work of construction or repair of specified public buildings to be done by contract, if the estimated cost exceeds $4,000, as prescribed. Existing law, in counties containing a population of 500,000 or more, exempts that work from the above-described requirement if the estimated cost of the work is less than $6,500. This bill would, until January 1, 2035, authorize the Pajaro Regional Flood Management Agency, upon approval of its governing body, to use specified alternative project delivery methods, in addition to other contracting methods allowable by law, and require a contract awarded pursuant to these provisions to be awarded on a best value basis or to the lowest responsible bidder. Because the bill would expand the crime of perjury, it would impose a state-mandated local program. The bill would require the agency to follow specified procedures if its governing body approves the use of Job Order contracting, as defined, and limit the maximum total dollar amount that may be awarded under a single Job Order contract and the term of a Job Order contract. The bill would require the agency to prepare an independent cost estimate for each individual job order developed under a Job Order contract. The bill would prohibit an agency from using job order contracting unless it enters into a project labor agreement, as specified.

ACWA Position
Favor

SB 1085 (Durazo D) **Water supply planning: housing developments.**
Current Text: Amended: 6/17/2026 html pdf
Last Amend: 6/17/2026
Status: 7/2/2026-From committee: Do pass and re-refer to Com. on APPR. (Ayes 10. Noes 0.) (July 1). Re-referred to Com. on APPR.
Location: 7/2/2026-A. APPR.
Summary: The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to be responsible for determining whether a project is exempt from CEQA and whether an environmental impact report, a negative declaration, or a mitigated negative declaration is required. Existing law requires a city or county that determines a certain type of project is subject to the requirements of CEQA to identify any public water system that may supply water for the project and to request those public water systems to prepare a specified water supply assessment, as provided. This bill, among other things, would instead require a city or county, upon receipt of a preliminary

application for a housing development project that meets certain conditions, or upon a development application for certain projects being determined as complete or deemed complete, to make that identification of public water systems. The bill would require a city or county, within 15 days of receiving an application that meets either of the above-mentioned criteria, to request each identified public water system to determine whether the projected water demand associated with the proposed project was included in the most recently adopted urban water management plan.

ACWA Position
Favor

SB 1125 **(Menjivar D) Water Rate Assistance Program.**
Current Text: Amended: 6/9/2026 html pdf
Last Amend: 6/9/2026
Status: 6/25/2026-Coauthors revised. From committee: Do pass and re-refer to Com. on APPR. (Ayes 13. Noes 1.) (June 24). Re-referred to Com. on APPR.
Location: 6/24/2026-A. APPR.
Summary: Existing law requires the State Water Resources Control Board to develop a plan for the funding and implementation of the Low-Income Water Rate Assistance Program. Existing law requires the plan to include, among other things, a description of the method for collecting moneys to support and implement the program and a description of the method for determining the amount of moneys that may need to be collected from water ratepayers to fund the program. This bill would establish the Water Rate Assistance Program. As part of the program, the bill would establish the Water Rate Assistance Fund in the State Treasury, available upon appropriation by the Legislature, to provide water affordability assistance for residential water services to low-income residential ratepayers, as specified. The bill would require the state board to take various actions in administering the fund, including, among other things, tracking and managing revenue in the fund separately from all other revenue. The bill would require the state board, in consultation with relevant agencies and after a public hearing, to adopt guidelines for implementation of the program and to adopt an annual report to be posted on the state board's internet website identifying how the fund has performed, as specified. The bill would require the guidelines to include minimum requirements for eligible systems, including the ability to confirm eligibility for enrollment through a request for self-certification of eligibility under penalty of perjury. By expanding the crime of perjury, the bill would impose a state-mandated local program.

ACWA Position
Support If Amended

SB 1139 **(Laird D) Monterey Peninsula Water Management District: nonfunctional turf: noncompliance and enforcement.**
Current Text: Enrolled: 7/1/2026 html pdf
Last Amend: 3/23/2026
Status: 7/1/2026-Enrolled and presented to the Governor at 3 p.m.
Location: 7/1/2026-S. ENROLLED

Summary: The Monterey Peninsula Water Management District Law establishes the Monterey Peninsula Water Management District. The act authorizes the district to, among other things, prohibit the use of district water during an emergency caused by drought, or other threatened or existing water shortage, for specific uses that the district finds to be nonessential. Existing law prohibits the use of potable water for the irrigation of nonfunctional turf located on commercial, industrial, and institutional properties, other than a cemetery, and on properties of homeowners' associations, common interest developments, and community service organizations or similar entities, as specified. Existing law requires a person or entity to be subject to civil liability or penalties by the State Water Resources Control Board, as prescribed, or to civil liability and penalties imposed by an urban water supplier, pursuant to a locally adopted ordinance or policy. Existing law authorizes a public water system, city, county, or city and county to enforce the provisions relating to the prohibition, as specified. This bill would require a person or entity to be subject to civil liability or penalties imposed by the Monterey Peninsula Water Management District pursuant to a locally adopted ordinance or policy.

ACWA Position
Favor

SB 1153 **(Caballero D) Disaster preparedness: urban retail water suppliers and public water systems: wildfire.**

Current Text: Amended: 6/22/2026 html pdf

Last Amend: 6/22/2026

Status: 7/1/2026-From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 0.) (June 30). Re-referred to Com. on APPR.

Location: 6/30/2026-A. APPR.

Summary: The California Emergency Services Act requires all public water systems, as defined, with 10,000 or more service connections to review and revise their disaster preparedness plans in conjunction with related agencies, including, but not limited to, local fire departments and the Office of Emergency Services, to ensure that the plans are sufficient to address possible disaster scenarios. This bill, beginning January 1, 2028, would require all urban retail water suppliers, as defined, serving a high or very high fire hazard severity zone to include incident-specific response procedures for wildfires as part of their disaster preparedness plans, including any applicable emergency response plan as required by federal law. The bill would require these plans to include, among other things, mitigation actions, including actions, procedures, and equipment, that can obviate or significantly lessen the impact of a wildfire on the water system and the supply of drinking water provided by the water supplier.

ACWA Position
Support/Sponsor

SB 1326 **(Wahab D) California Environmental Quality Act: tribal cultural resources: mitigation measures.**

Current Text: Amended: 6/11/2026 html pdf

Last Amend: 6/11/2026

Status: 6/23/2026-From committee: Do pass and re-refer to Com. on APPR. (Ayes 13. Noes 0.) (June 22). Re-referred to Com. on APPR.

Location: 6/22/2026-A. APPR.
Summary: The California Environmental Quality Act (CEQA) requires a lead agency, before releasing an environmental review document for a project, to begin consultation with a California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed project, as provided. CEQA authorizes the parties, as a part of the consultation, to propose mitigation measures capable of avoiding or substantially lessening potential significant impacts to a tribal cultural resource or alternatives that would avoid significant impacts to a tribal cultural resource. CEQA defines a tribal cultural resource as including, among other things, a site, feature, place, cultural landscape, sacred place, or object with cultural value to a California Native American tribe that is included or determined to be eligible for inclusion in the California Register of Historical Resources or included in a local register of historical resources, as provided. This bill would modify the definition of tribal cultural resource to, among other things, include a site, feature, place, cultural landscape, sacred place, or object with cultural value to a California Native American tribe that is identified by the Native American Heritage Commission as a sacred place, as provided, or included in a local tribal register and provided to the lead agency by a consulting California Native American tribe.

ACWA Position
Not Favor Unless Amended

SB 1417 **(Pérez D) Mutual water companies: assessments and water charges: notice.**
Current Text: Amended: 6/29/2026 html pdf
Last Amend: 6/29/2026
Status: 7/2/2026-Withdrawn from committee pursuant to Assembly Rule 96. Ordered to second reading.
Location: 7/2/2026-A. SECOND READING
Summary: Would prohibit a mutual water company from charging, issuing a bill, or otherwise seeking to hold tenants of shareholders responsible for the costs of water or its delivery, except for specified tenants, and would require all notices of charges for water to be sent to the last known address of the shareholder or tenant, as applicable, or by electronic mail if the shareholder or tenant, as applicable, has provided and verified the use of an electronic mail address to the company within the last year.

ACWA Position
Oppose Unless Amended

SB 1425 **(Cortese D) High-Speed Rail Authority: property: operating right-of-way.**
Current Text: Amended: 7/2/2026 html pdf
Last Amend: 7/2/2026
Status: 7/2/2026-From committee: Do pass as amended and re-refer to Com. on APPR. (Ayes 11. Noes 3.) (July 1). Read second time and amended. Re-referred to

Com. on APPR.

Location: 7/1/2026-A. APPR.

Summary: The California High-Speed Rail Act creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties, including the power to acquire rights-of-way through purchase or eminent domain, as specified. This bill would establish a permit program, administered by the authority, for encroachments on the authority's operating right-of-way. The bill would make any person who installs or performs an encroachment within the authority's operating right-of-way, without a permit, guilty of a misdemeanor, except as provided. The bill would also make any person who willfully damages any feature of the high-speed train system or any portion of the authority's operating right-of-way guilty of a misdemeanor. The bill would provide for civil penalties for specified categories of encroachment and, unless authorized by law or an encroachment permit, would make it unlawful to manage water flows in certain ways that impact the high-speed train system or the authority's operating right-of-way, as specified. The bill would authorize the authority or the Attorney General to recover these civil penalties. The bill would require all moneys, including moneys from permit fees and civil penalties, collected pursuant to its provisions to be deposited into the High-Speed Rail Property Fund, except for the award of any reasonable attorney's fees and costs provided to the recovering agency to recoup the cost of litigation, as provided.

ACWA
Position
Not Favor

MEMORANDUM

TO: State Water Project Policy Committee
Agenda Item No. 3a

FROM: Eric Averett

DATE: July 23, 2026

SUBJECT: Report on the State Water Contractors Board Meeting

Issue:
Report on July 16, 2026 regular meeting of the State Water Contractors Board of Directors.

Recommended Motion:
None – information only.

Discussion:
The agenda and action items for the July 16, 2026 regular meeting of the State Water Contractors Board of Directors is provided as Attachment 1.

Attachment 1

Agenda Item 1

STATE WATER CONTRACTORS
BOARD OF DIRECTORS MEETING
JULY 16, 2026
9:15 a.m.

In-Person Attendance:
State Water Contractors' Large Conference
1121 L Street, Suite 1050
Sacramento, CA 95814

Join Zoom Meeting:
https://zoom.us/j/95664742716?pwd=eMZbLdPOiTcEGujhRGv3BN1WPkTJKT.1
Meeting ID: 956 6474 2716
Passcode: 368358

Via Teleconference:
One Tap Mobile: +16694449171,,95664742716#,,,,*368358#

AGENDA

1)	**REVISIONS TO AGENDA**	**9:15**
2)	**CONSENT CALENDAR**	**9:20**
3)	**STATEMENT OF CHARGES – Dave Paulson**	**9:25**
4)	**SWP OPERATIONS REPORTS:** a. **Water Operations -** Tracy Hinojosa (supplemental package) b. **Water Quality –** Daniel Wisheropp – included in the Board Package c. **Power** – the written report is included in the Board package	**9:55**
5)	**BOARD ACTIONS:** Jennifer Pierre	**10:20**
6)	**GENERAL MANAGER'S REPORT:** Jennifer Pierre	**10:45**
7)	**COMMITTEE REPORT:** a. **Audit Finance** – included in the Board Package b. **Energy** – included in the Supplemental Board Package c. **OME** – included in the Supplemental Board Package	**11:00**

Next Board Meeting: Thursday, September 16, 2026
State Water Contractors' Large Conference Room or via Zoom

STATE WATER CONTRACTORS
BOARD OF DIRECTORS
BOARD ACTIONS
JULY 16, 2026

The following actions were taken at the State Water Contractors (SWC) Board of Directors July 16, 2026, meeting upon motions duly made, seconded, and unanimously passed.

1. Approved Resolution 2026-05, honoring Matthew Stone, Class 7 Director and General Manager of the Santa Clarita Valley Water Agency, who is retiring on July 31, 2026.

2. Approved the Consent Calendar, including the draft Board Minutes for the June 18, 2026 SWC Board Meeting and the CalPERS Board meeting; Financial Statements, Consultant Reports, and the Water Transfers Summary for June 2026.

3. Authorized the General Manager to engage with Richardson & Company CPAs for financial auditing for the next three years.

4. Authorized the SWC to fund up to $6,000 for a small conference sponsorship and an invitation-only reception for scientists and policymakers following the second day of the 2026 Biennial Bay-Delta Science Conference.

5. Authorized the SWC to augment an existing agreement with Anchor QEA to supplement their funding previously authorized during the 2023 SWC science solicitation in an amount of $43,000.

6. Authorized up to $10,000 for golden mussel public water agency meeting facilitation.

MEMORANDUM

TO: State Water Project Policy Committee
Agenda Item No. 3c

FROM: Lauren Bauer

DATE: July 23, 2026

SUBJECT: Report on 2026 State Water Project and Central Valley Project Allocations and Operations

Issue:
Report on 2026 State Water Project and Central Valley Project allocations and operations.

Recommended Motion:
None – information only.

Discussion:
State Water Project Operations
On May 15, 2026, the California Department of Water Resources (DWR) notified State Water Project (SWP) contractors that it was increasing the approved allocation to 45 percent of contracted 2026 SWP Table A water supplies. This was the final allocation increase of the year.

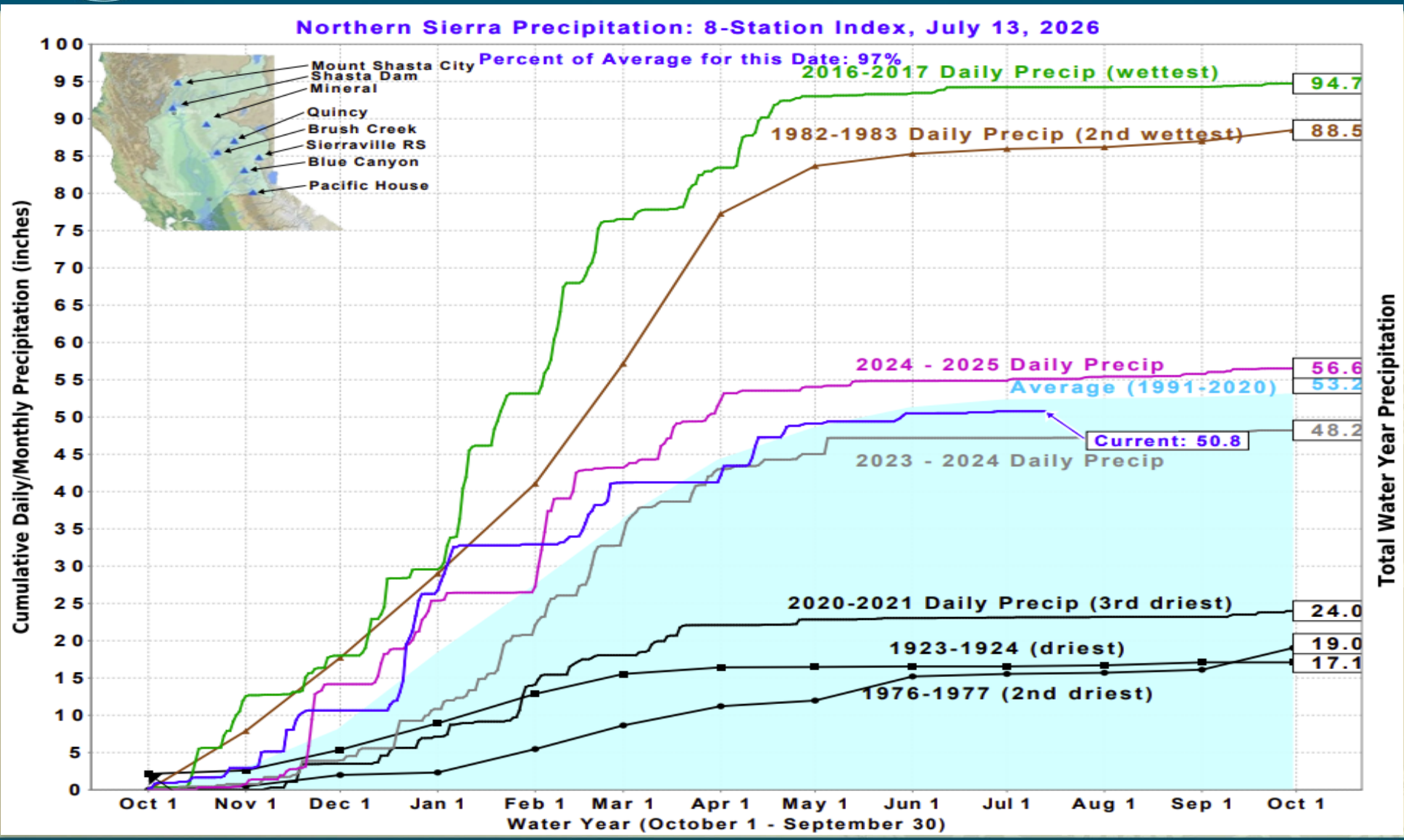
As of July 13, 2026, the Northern Sierra Precipitation Eight-Station Index had received 50.8 inches of precipitation, or 97 percent of average-to-date. (See Attachments 1 and 2.) The near-term forecast predicts no precipitation over the next ten days for the Feather River Basin. (See Attachments 3 and 4.) The long-term forecast predicts increased chances of above normal temperatures and equal chances of above or below normal precipitation for most of California from July 2026 through September 2026. (See Attachment 5.)

Through July 13, 2026, Lake Oroville storage had decreased to about 2,834,385 acre-feet (af). (See Attachment 6.) As of July 13, 2026, the State Water Project (SWP) share of San Luis Reservoir (San Luis) storage had increased to about 673,151 af. (See Attachment 7.) SWP exports are currently averaging approximately 12,000 af per day and Central Valley Project (CVP) exports are currently averaging about 2,000 af per day. Exports continue to be adjusted daily as Sacramento-San Joaquin Delta hydrologic and water quality conditions allow.

Central Valley Project Operations
As of July 13, 2026, the CVP share of San Luis storage had decreased to about 478,701 af. On May 19, 2026, the United States Bureau of Reclamation announced an increase to 2026 water supply allocations for CVP water users. South of Delta Ag Contractors increased to 25 percent of their contracted supply. The Friant Division remains at 100 percent for Class 1 supplies.

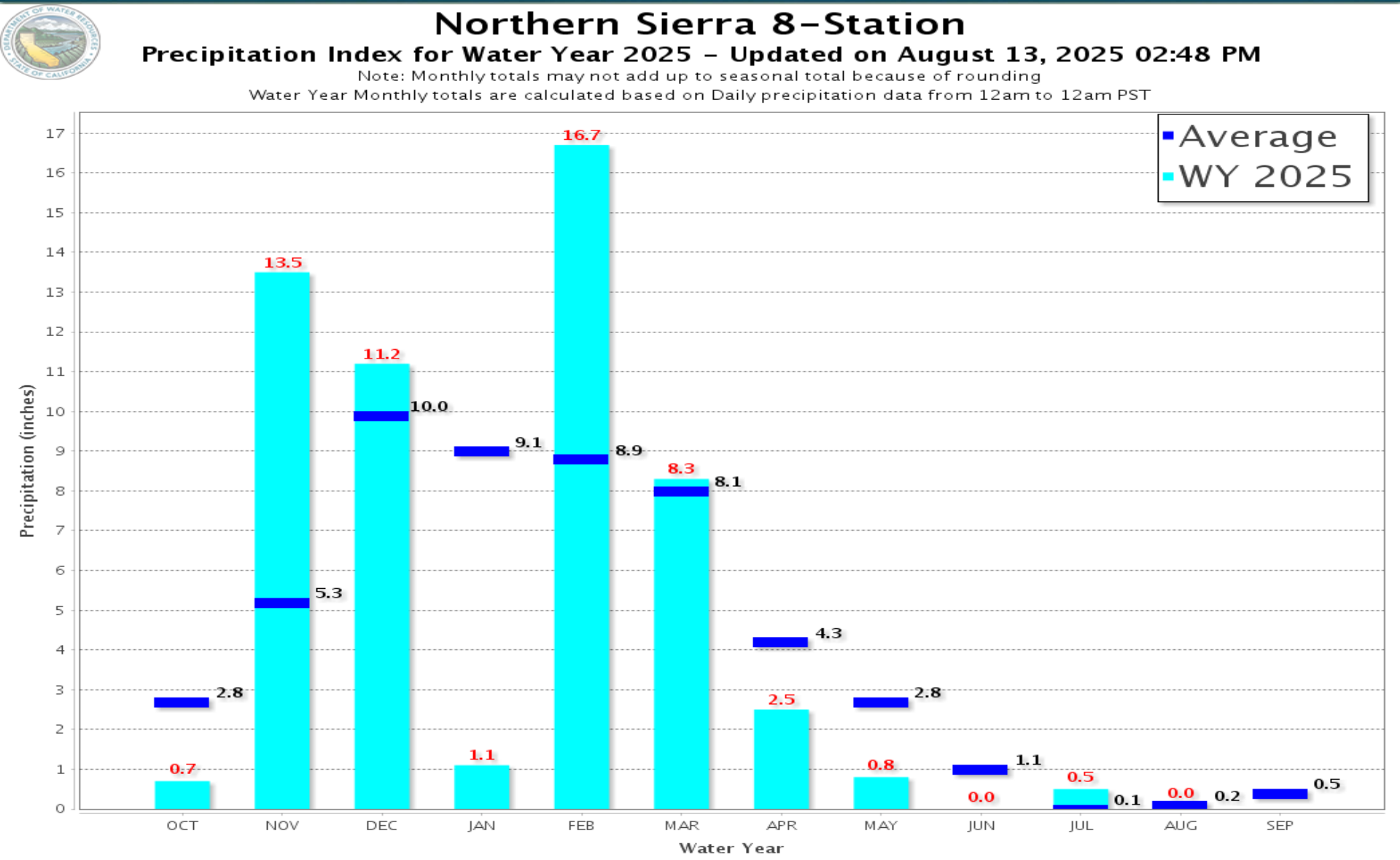
Northern Sierra Precipitation Eight-Station Index: July 13, 2026

Attachment 1



Northern Sierra Precipitation Eight-Station Index: July 13, 2026

Attachment 2



Feather River Basin Forecast

10-Day Feather Basin Quantitative Precipitation Forecast (QPF)

Monday, July 13, 2026

(each day ends at 0400 PST)

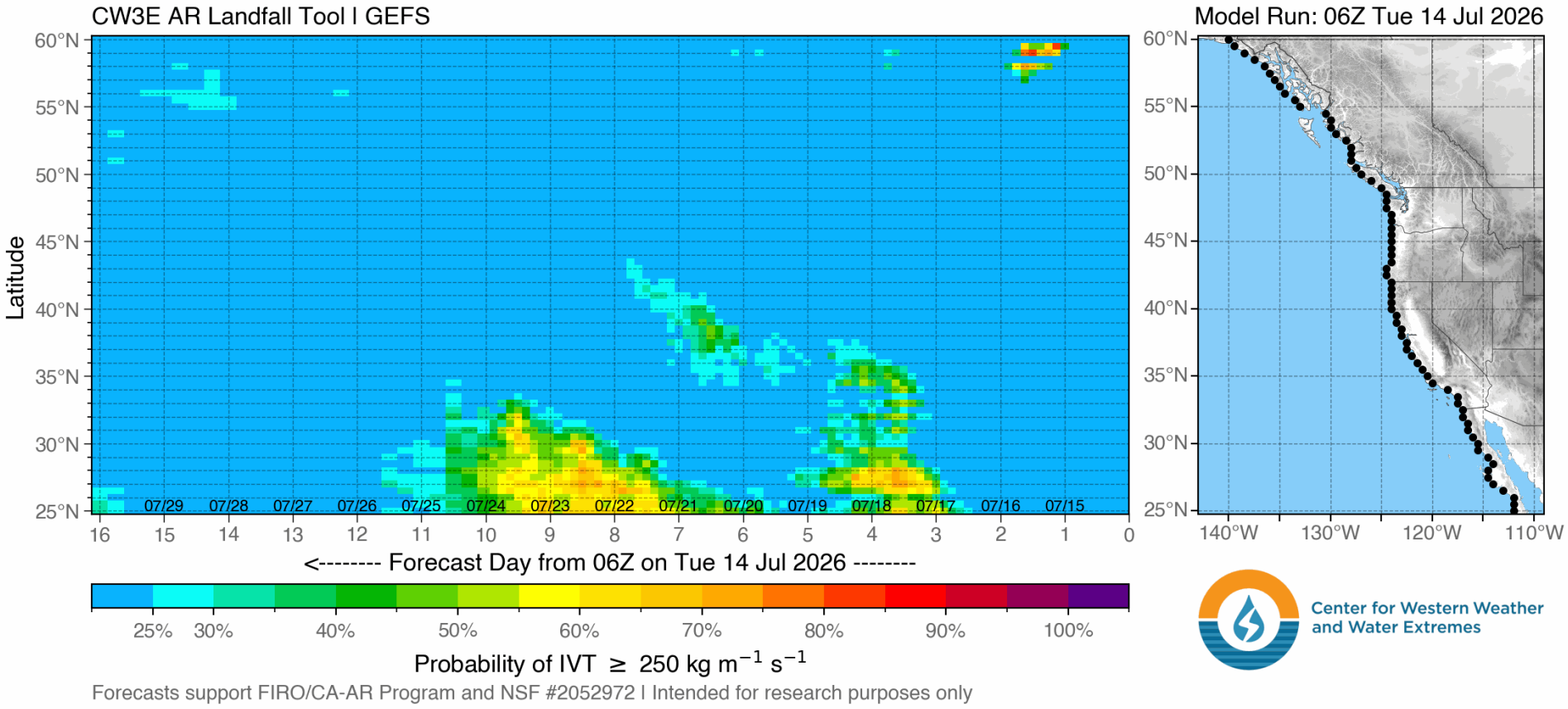
Day No.	Date		Precip (inches)	Snow Level (ft)	Average Daily* Precip (inches)	Average Daily* Snow Depth (inches)	Average Daily* Min Temp (°F)
	Saturday, July 4, 2026	Actual	**0.0**	11500			
	Sunday, July 5, 2026		**0.0**	6000			
	Monday, July 6, 2026		**0.0**	7000			
	Tuesday, July 7, 2026		**0.0**	8000			
	Wednesday, July 8, 2026		**0.0**	9000			
	Thursday, July 9, 2026		**0.0**	9500			
	Friday, July 10, 2026		**0.0**	10500			
	Saturday, July 11, 2026		**0.0**	9000			
	Sunday, July 12, 2026		**0.0**	9500			
	Monday, July 13, 2026		**0.0**	9500	**0.0**	**0.0**	**54.8**
	Total observed:		**0.0**				
1	Tuesday, July 14, 2026	Forecast	0.0	13,500	0.0	0.0	55.0
2	Wednesday, July 15, 2026		0.0	13,500	0.0	0.0	54.5
3	Thursday, July 16, 2026		0.0	14,500	0.0	0.0	54.2
4	Friday, July 17, 2026		0.0	15,000	0.0	0.0	53.8
5	Saturday, July 18, 2026		0.0	15,000	0.0	0.0	54.5
6	Sunday, July 19, 2026		0.0	15,000	0.0	0.0	54.5
7	Monday, July 20, 2026		0.0	13,000	0.0	0.0	54.0
8	Tuesday, July 21, 2026		0.0	12,500	0.0	0.0	54.5
9	Wednesday, July 22, 2026		0.0	12,000	0.0	0.0	54.2
10	Thursday, July 23, 2026		0.0	12,000	0.0	0.0	54.8
11	Friday, July 24, 2026		0.0	12,000	0.0	0.0	53.8
	10-Day Total:		**0.0**		**0.0**		
	10-Day Percent of Normal:		**0%**				

Accumulated Observed Precip for WY 2026: **55.7** (WY 2025: 65.5)

Comments: **(112% YTD Ave)**

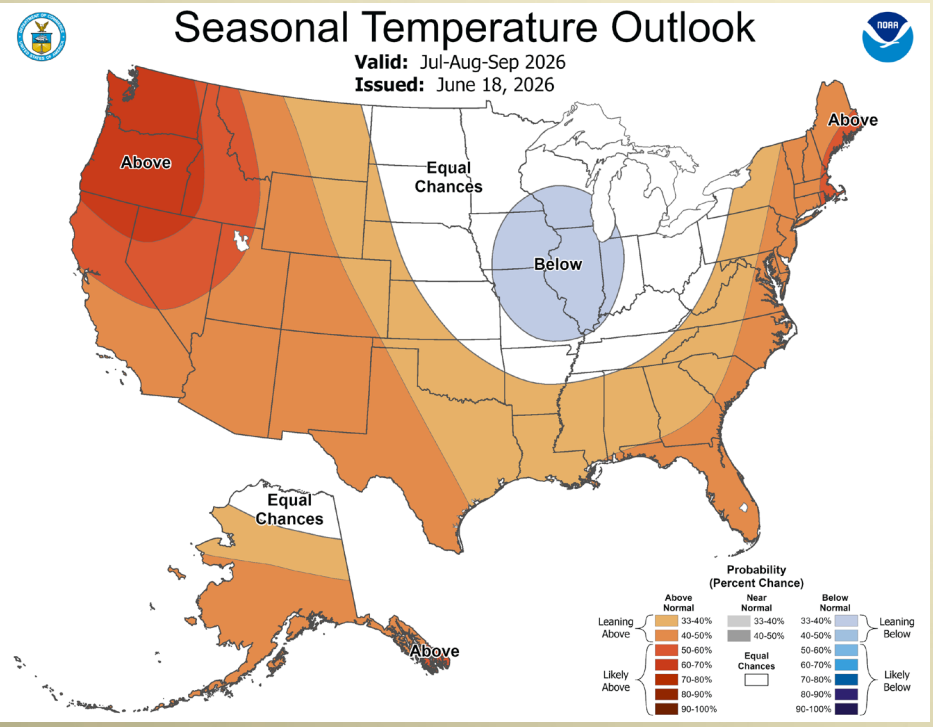
Today and tomorrow will be mostly cloudy with a chance of rain. Wednesday through Friday will be mostly clear and sunny. This weekend will be partly cloudy with a chance of rain. Temperature lows will be in the 40's F and highs in the low 80's F. South winds up to 10 mph today becoming light tomorrow night.

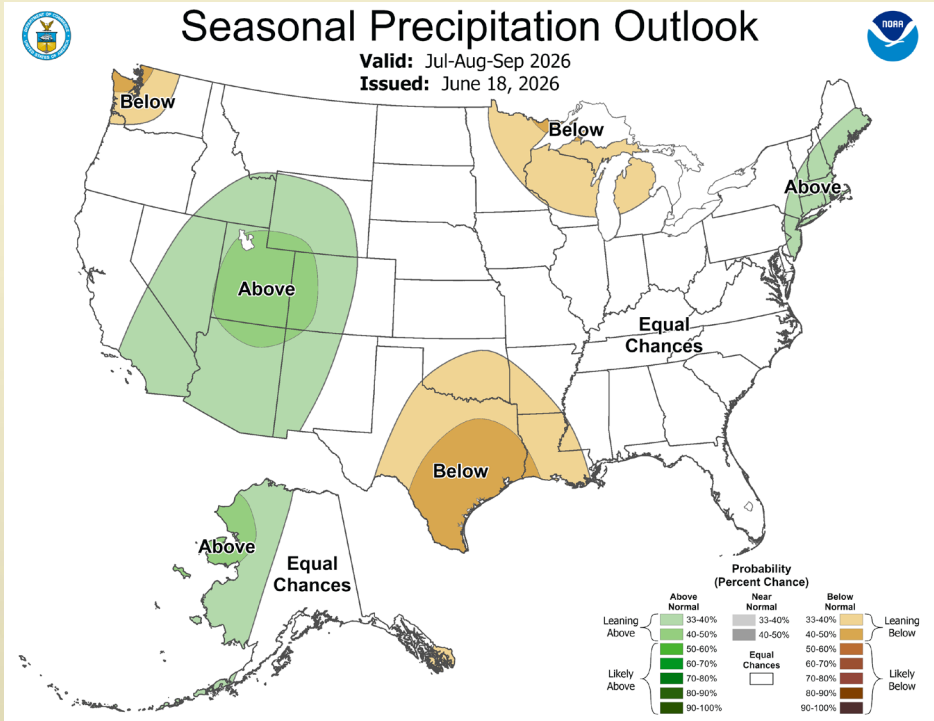
Atmospheric River Forecast



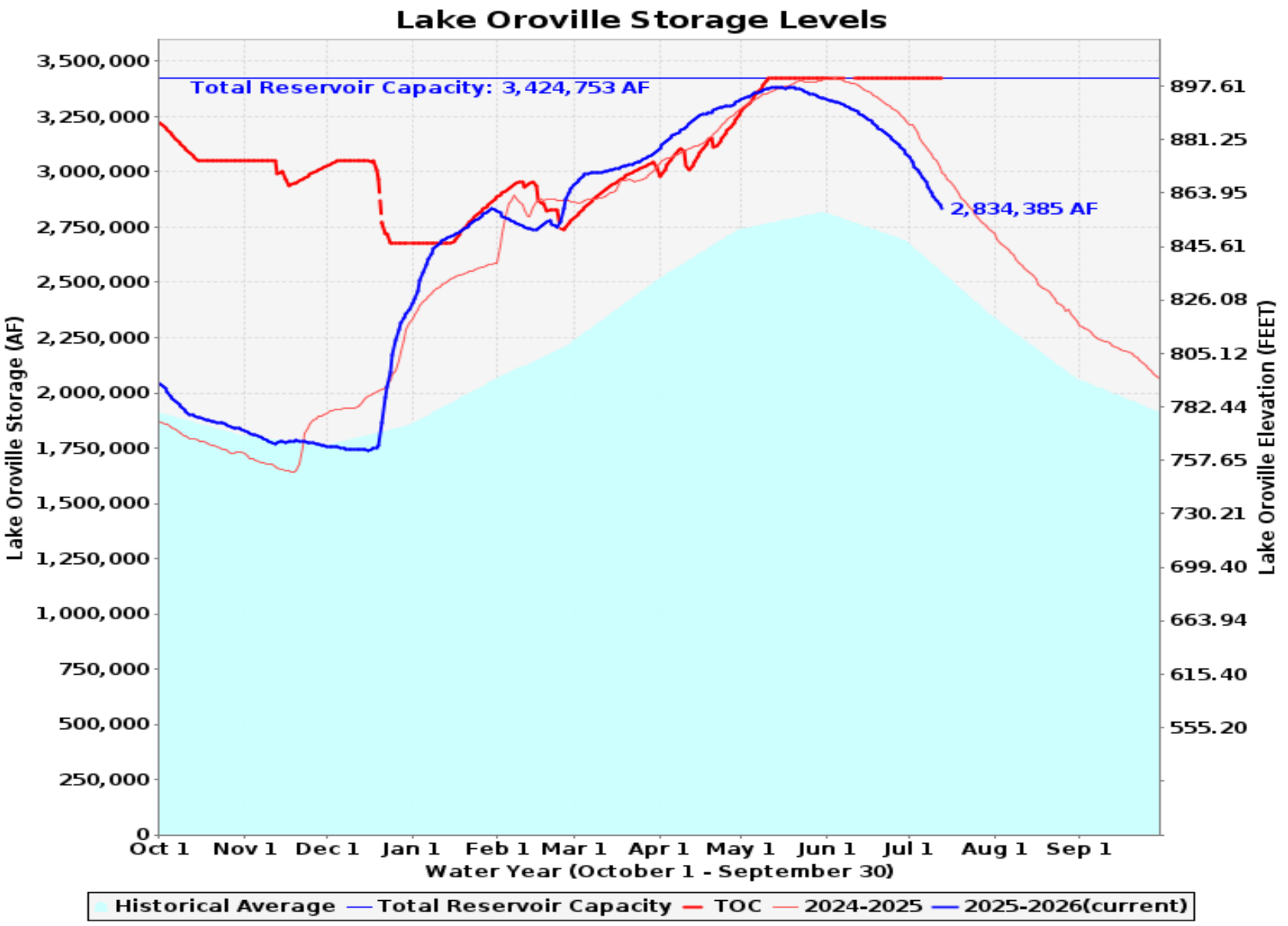
Long-term Forecast

Attachment 5



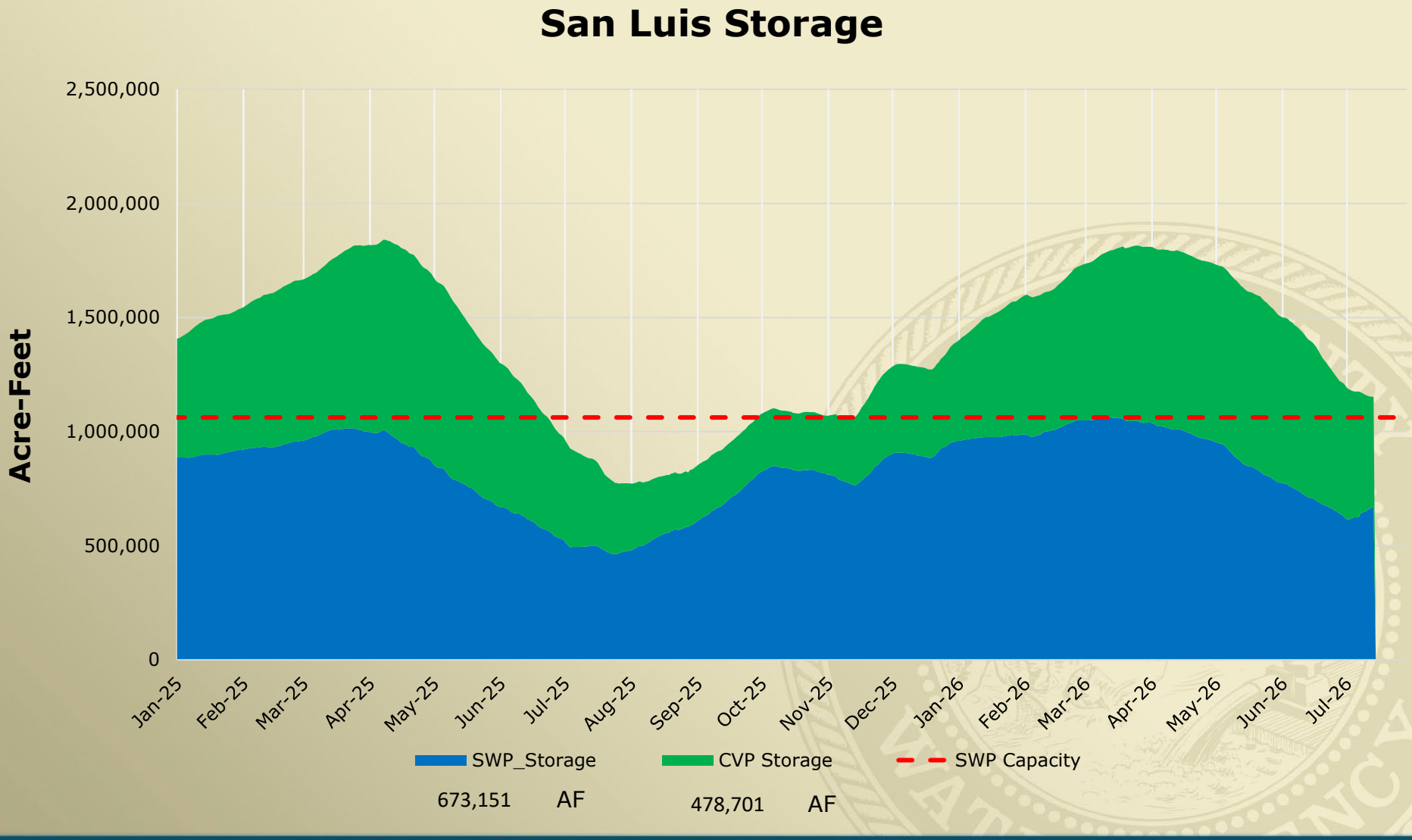


Lake Oroville Storage: July 13, 2026



Attachment 7

San Luis Reservoir Storage: July 13, 2026



MEMORANDUM

20.2.1

TO: State Water Project Policy Committee
Agenda Item No. 4

FROM: Lauren Bauer

DATE: July 23, 2025

SUBJECT: Authorization to Execute an Agreement for the State Water Project Audit for Fiscal Year 2026-27

Issue:
Consider authorizing the General Manager to execute an agreement for the State Water Project Audit for Fiscal Year 2026-27.

Recommended Motion:
Authorize the General Manager to execute an agreement with Ernst & Young, LLP for the State Water Project Audit for Fiscal Year 2026-27 for an amount not to exceed $215,000, subject to approval of General Counsel as to legal form, as outlined in the July 23, 2026 staff memorandum to the Water Resources Committee, Agenda Item No. 4.

Discussion:
The auditing firm of Ernst & Young, LLP (Ernst & Young) has served as the auditor for the Independent Audit Association (IAA) for many years. Based upon input from Kern County Water Agency (Agency) Member Units (Member Units) during Ernst & Young's presentation at the April 9, 2026 Member Unit Managers meeting, Agency staff worked with other IAA members to change the scope of the Fiscal Year (FY) 2026-2027 Ernst & Young audit engagement. Additionally, on June 23, 2022, the Agency Board of Directors authorized executing the Agreement to Fund Fiscal Years 2022-23, 2023-24, 2024-25, 2025-26 and 2026-27 Kern County Water Agency Participation in the Independent Audit of the State Water Project with the Member Units.

The Request for Proposal process undertaken in 2012 allowed the IAA Negotiating Committee (Committee) to refine the audit process and procedures with Ernst & Young, which is reflected in the proposed FY 2026-27 audit agreement (Contract) provided as Attachment 1. Also, the scope of engagement has been modified to better explain the areas of risk to be reviewed and the focus of each identified risk area.

The Committee will meet regularly with Ernst & Young during FY 2026-27 to review its work and to guide the audit process. Agency staff will provide regular updates of the FY 2026-27 audit process to designated Member Unit representatives.

The scope of engagement for the Contract is divided into two areas of engagement, which are explained in detail in Exhibits A and B. The Agency and Member Unit's maximum allocation of costs for audit services under Exhibit A is $169,749. The Agency and Member Unit's maximum

allocation under Exhibit B, which covers special project work, is $45,250. The combined total is $214,999. Work under Exhibit B requires additional authorization by IAA. Due to the anticipated work related to the Water System Revenue Bond Debt Service Billing Project, the IAA intends to authorize work under Exhibit B with a not to exceed a total of $181,000, of which the Agency's allocation is $45,250.

Ernst & Young LLP
Suite 300
731 K Street
Sacramento, CA 95814

Tel: +1 916 218 1900
ey.com

Shape the future
with confidence

July 13, 2026

Mr. Craig Wallace
Kern County Water Agency
Assistant General Manager
P.O. Box 58
Bakersfield, California 93302-0058

Dear Mr. Wallace:

In coordination with the Independent Audit Association (IAA), we have developed the Statement of Work (SOW) for the work to be performed related to the 2027 Statement of Charges as described in Exhibit A and the Water System Revenue Bond Debt-Service Billing Project as described in Exhibit B. This SOW is pursuant to the Master Services Agreement (MSA) by and between EY and Kern County Water Agency dated July 1, 2022, which describes the annual approval process of each SOW performed under the MSA.

Please return the signed SOW to EY via mail at 731 K Street, Suite 300, Sacramento, CA 95814 (Attn. Scott Enos) or email to scott.enos@ey.com. We have also enclosed a copy of the support letter from Chantal Ouellet, IAA Secretary, recommending the approval of the SOW by Kern County Water Agency.

If you have any questions about the enclosed SOW, please feel free to call me at (916) 218-1958.

Very truly yours,

Scott Enos

Scott Enos
Managing Director

Enclosures

INDEPENDENT AUDIT ASSOCIATION

MEMORANDUM

Date:	July 10, 2026
To:	Members of the Independent Audit Association (IAA)
From:	Chantal Ouellet, IAA Secretary
Subject:	Ernst and Young State Water Project Professional Services Contract related to the 2027 Statement of Charges - Recommended Approval and Execution

Enclosed is the Statement of Work (SOW) related to the 2027 Statement of Charges which includes the State Water Project procedures to be performed in relation to the Department of Water Resources' (DWR) Statement of Charges.

The Exhibit B budget limit is $181,000 and is reviewed and approved by the IAA for additional work related to the Water System Revenue Bond Debt-Service Billing Project. Exhibit C allows individual IAA Members to request Ernst and Young to undertake additional services beyond those included in Exhibit A of the SOW.

The IAA team has reviewed Ernst and Young's proposed procedures and recommends that IAA Members approve and execute the SOW related to the 2027 Statement of Charges period. If you have any questions, please contact me at (559) 992-4127 or couellet@tlbwsd.com.

Sincerely,

Chantal Ouellet

Chantal Ouellet, CMA
Tulare Lake Basin Water Storage District

CC: Ceara Cutting, EY and Scott Enos, EY

Ernst & Young LLP
Suite 300
731 K Street
Sacramento, CA 95814

Tel: +1 916 218 1900
ey.com

Shape the future
with confidence

Statement of Work

This Statement of Work, dated July 13, 2026 (this "SOW"), is made by Ernst & Young LLP ("we" or "EY") and Kern County Water Agency on behalf of itself ("you" or "Client") and on behalf of the State Water Contractors, pursuant to the Agreement, dated July 1, 2022 (the "Agreement"), between EY and Kern County Water Agency ("Agency").

The additional terms and conditions of this SOW shall apply only to the Services covered by this SOW and not to Services covered by any other SOW pursuant to the Agreement. This SOW incorporates the Agreement by reference to form a contract. Capitalized terms used, but not otherwise defined, in this SOW shall have the meanings defined in the Agreement, including references in the Agreement to "you" or "Client" shall be deemed references to you.

If Client asks EY to begin work before Client executes and returns this SOW to EY, Client will be deemed to have agreed to its terms.

Scope of Services

Except as otherwise set forth in this SOW, this SOW incorporates by reference, and is deemed to be a part of, the Agreement. This SOW sets forth the terms and conditions on which EY will provide services as described in Exhibit A (the "Services") to the Agency, a member of the State Water Contractors (the "Contractors" or "SWC") Independent Audit Association (the "IAA"), for the twelve months ending June 30, 2027.

The Services are advisory in nature and will not constitute an audit performed in accordance with Generally Accepted Accounting Principles. EY will perform the Services in accordance with the Statement of Standards for Consulting Services (CS100) of the American Institute for Certified Public Accountants (AICPA). As part of your review of the terms of this SOW, please refer to the enclosed letter from Chantal Ouellet of the IAA Audit Contract Negotiating Committee.

Client specific obligations

Client shall assign a qualified person to oversee the Services. Client is responsible for all management decisions relating to the Services and for determining whether the Services are appropriate for its purposes.

You will not, and you will not permit others to, quote or refer to the Reports, any portion, summary or abstract thereof, or to EY or any other EY Firm, in any document filed or distributed in connection with (i) a purchase or sale of securities to which the United States or state securities laws (Securities Laws) are applicable, or (ii) periodic reporting obligations under Securities Laws. You will not contend that any provisions of Securities Laws could invalidate any provision of this agreement.

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Limitations on scope

The Services are advisory in nature. EY will not: render an assurance report or opinion under the Agreement or this SOW, nor will the Services constitute an audit, review, examination, or other form of attestation as those terms are defined by the AICPA; provide any legal advice or opinions; provide any tax advice or opinions; perform ongoing internal control monitoring activities or other control activities that affect the execution of transactions or confirm that transactions are properly executed and/or accounted for; perform routine activities in connection with Client's financial processes that are equivalent to those of an ongoing compliance or quality control function; determine which, if any, recommendations for improving internal control should be implemented; act on Client's behalf in reporting to Client's Board of Directors or Audit Committee; authorize, execute or consummate transactions or otherwise exercise authority on Client's behalf; prepare source documents on transactions.

If Client requires EY to access or use Client or third-party systems or devices, EY shall have no responsibility for the confidentiality, security or data protection controls of such systems or devices or for their performance or compliance with Client requirements or applicable law.

Specific additional terms and conditions

Notwithstanding anything to the contrary in the Agreement or this SOW, EY does not assume any responsibility for any third-party products, programs or services selected by Client, their performance or compliance with Client's specifications or otherwise.

EY will base any comments or recommendations as to the functional or technical capabilities of any products in use or being considered by Client solely on information provided by Client vendors, directly or through Client. EY is not responsible for the completeness or accuracy of any such information or for confirming any of it.

Where EY's written consent under the Agreement or this SOW is required for you to disclose to a third party EY's Reports, EY will also require that third party to execute a letter substantially in the form of Exhibit D to this SOW. Without EY's prior written consent, Client may not use or publish any of EY's Reports for any purpose.

EY cannot and does not provide any assurance that EY's work and findings will either support or contradict any particular position. Client agrees that, because the Services are limited in nature and scope, they cannot be relied upon to discover all documents and other information, or provide all analyses, that may be important to Client or any proceeding.

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EY has reviewed EY's available records to determine whether potential conflicts might arise out of EY's performance of the Services. However, the very nature, diversity, magnitude, and size of the Ernst & Young organization and its past and present professional relationships does not allow EY to be certain that each and every possible relationship or potential conflict has come to EY's attention. If additional relevant relationships or potential conflicts come to EY's attention, EY will promptly notify Client.

Unless prohibited by applicable law, we may provide Client information to other EY firms, EY Persons and external third parties, who may collect, use, transfer, store or otherwise process such information in various jurisdictions in which they operate in order to provide support services to any EY Firm and/or assist in the performance of the Services.

EY and other EY Firms may retain and use Client information for benchmarking, analytics, research and development, thought leadership and related purposes, and to enhance their services, provided that any use does not externally identify, or make reference to, Client. In all such matters, EY and other EY Firms will comply with applicable law and professional obligations.

After the Services under this SOW have been completed, we may disclose or present to prospective clients, or otherwise in our marketing materials, that we have performed the Services for you, and we may use your name solely for that purpose, in accordance with applicable professional obligations. In addition, we may use your name, trademark, service mark and logo as reasonably necessary to perform the Services and in correspondence, including proposals, from us to you.

Compliance with U.S. immigration requirements may require EY to provide certain information to the U.S. Citizenship and Immigration Services ("USCIS") to confirm that EY employees on certain visas are, in fact, EY employees and not employees of the Client or other clients of EY. This will include providing certain information regarding work locations to support compliance with the visa requirements. As such, EY may disclose to USCIS information regarding this SOW, including the Client's identity and location, as well as a redacted copy of this SOW. Upon providing this information, EY will request that USCIS keep any such information confidential. In further support of these legal requirements, the U.S. Department of Labor (DOL) regulations, at 20 CFR § 655.734(a)(1)(ii)(A), require the posting of notice of a Labor Condition Application (LCA) in instances where individuals holding H-1B visas will be working on the Client's premises. EY and the Client will work together to develop an appropriate notice as required. The Client acknowledges that EY resources will be operating at all times as an employee of and under the direction and control of Ernst & Young U.S. LLP's management, and all activities including supervision, hiring and firing decisions, and performance evaluations are controlled by Ernst & Young U.S. LLP. The Client will not have the right to control EY resources. At all times, EY resources will receive direction from an EY manager while on-site at the Client premises.

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You shall not, while we are performing the Services hereunder and for a period of 12 months after they are completed, solicit for employment, or hire, any EY personnel involved in the performance of the Services, provided, that you may generally advertise available positions and hire EY personnel who either respond to such advertisements or who come to you on their own initiative without direct or indirect encouragement from you.

The Agency shall, among other responsibilities with respect to the Services, (i) make all management decisions and perform all management functions, including applying independent business judgment to EY work products, making implementation decisions and determining further courses of action in connection with any Services; (ii) assign a competent employee within senior management to make all management decisions with respect to the Services, oversee the Services and evaluate their adequacy and results; and (iii) accept responsibility for the implementation of the results or recommendations contained in the Reports or otherwise in connection with the Services. The Agency hereby confirms that management of the Agency accepts responsibility for the sufficiency of the Services. In performing the Services neither EY nor EY's partners or employees will act as an employee of the Agency.

The Agency represents and warrants to EY that the Agency's execution and delivery of this SOW has been authorized by all requisite corporate or other applicable entity action and the person signing this SOW is expressly authorized to execute it on behalf of, and to bind, the Agency.

The performance of the Services and the parties' obligations in connection therewith are subject to the additional terms and conditions set forth in the Agreement.

It is understood that the Agency is not bound by our findings in any controversy or disagreement between the Agency and the Department of Water Resources (the "Department") should the Agency disagree with our findings.

We would also request that, if any Agency discovers discrepancies in billings or other financial statements relative to their State Water Project costs, in addition to your working with the Department to correct the error, please notify EY for potential future inclusion as part of their procedures related to all agencies.

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Timetable and project deliverables

The matrix below lists the specific deliverables and related timelines that EY will provide to the Agency.

Deliverable	Timeline	Comments
Report of Findings and Recommendations	Unless otherwise agreed, and subject to the Agreement, EY expects to perform the Services during the period following the execution of this SOW to the issuance of a final report during January, February, or March 2027.	See Exhibit A for scope of engagement.

Contacts

Client has identified Chantal Ouellet, IAA Secretary as Client's contact with whom EY should communicate about these Services. Client's contact at EY for these Services will be Scott Enos.

Fees and billing

The obligation to pay EY's fees is not contingent upon the nature of EY's findings or recommendations. The General Terms and Conditions of the Agreement address our fees and expenses generally.

The total fees for these Services to be rendered to the Agency, as well as an allocation of the total fees for each member Agency, appear in Exhibit A attached. Our total fees pursuant to Exhibit A to be charged to all member agencies entering into agreements with us shall not exceed $679,000 for the twelve months ending June 30, 2027. This agreement will not be effective unless, in addition to the Agency, a sufficient number of other agencies enter into agreements with us for such Services whose combined allocated fee would represent not less than 80% of $679,000 based on the 100% participation fee allocation (see column 2 at A-4). If all agencies who are presently participating in the Services rendered by our firm enter into agreements with us for this twelve-month period, the maximum fees for our Services to your Agency will not exceed $169,749 for Exhibit A. However, if not all of the participating agencies enter into agreements with us for services during the twelve-month period ending June 30, 2027, the maximum fees to your Agency will vary between the above-mentioned amount and $212,186, which represents the maximum fees should sufficient agencies enter into agreements with us with a combined allocated fee of not less than 80%, as stated above.

In addition to the maximum fees under Exhibit A, the services rendered under Exhibit B attached are based on actual time incurred at a flat hourly rate per hour.

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We have also included Exhibit C as part of this contract, which provides the opportunity for individual Contractors to enter into separate agreements for additional services with EY. There are currently no fees related to Exhibit C included herein.

Any presentations requested at individual Contractor locations will be negotiated with the individual Contractor under Exhibit C and will be paid for by that Contractor.

The Agency shall pay EY's fees for the Services at the fixed amount described above, plus expenses. The initial invoice will be issued on execution of this SOW. EY will invoice the Agency in accordance with the payment schedules set forth in Exhibit A below. The Agency will pay EY all amounts set forth in invoices issued in accordance with this section within thirty (30) days after receipt thereof. All payments will be made in U.S. Dollars. Invoices will be issued in the first five (5) days of each month for the amounts specified below. Any amounts due to EY from change orders and/or amendments to the SOW will be billed on subsequent invoices.

Work may be halted in the event of fee payment delinquency. EY may charge a late payment fee of 2% on any unpaid balance due to EY. All amounts due must be paid to EY in full before EY will issue any Report or upon settlement or other resolution.

The Agency shall reimburse EY for expenses incurred in connection with the performance of the Services, including reasonable and customary out-of-pocket expenses such as travel, meals, accommodations and other expenses specifically related to this engagement. Actual out-of-pocket expenses incurred by EY while executing the Services will be billed separately at a not to exceed amount of 2% of fees.

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In witness whereof, the parties have executed this SOW as of the date set forth above.

Kern County Water Agency	Ernst & Young LLP
Representative	**Representative**
	Scott Enos
Signature	**Signature**
	Scott Enos
Printed Name	**Printed Name**
	Authorized Signatory
Title	**Title**
	Ernst & Young LLP 731 K Street, Suite 300 Sacramento, CA 95814
Address	**Address**
	July 13, 2026
Date	**Date**

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EXHIBIT A

I. SCOPE OF ENGAGEMENT

A-1 EY will work with the IAA, the SWC Audit/Finance Committee, and any subcommittees thereof, and the Department during the twelve months ending June 30, 2027, relating to matters currently being discussed between the SWC and the Department.

EY's Services to be rendered as described in this Exhibit shall be determined by the IAA at its discretion. These Services shall include:

1. Completion of the procedures related to the 2027 Statement of Charges as outlined further below.

2. Participation in all meetings of the SWC Audit/Finance Committee, which is a basic forum for communications between the State Water Project Contractors and the Department's staff on financial and accounting matters.

3. Cooperation with any subcommittees of the IAA assigned to study and resolve specific problem areas.

4. Read reports and other documents prepared by the Department and disseminated at these meetings.

5. Provide an annual report setting forth the findings and recommendations related to our Services.

Report definitions

The assessment of risk of future occurrence (i.e., ratings), included in the finding and recommendations summary tables in the Report, provides the IAA with a meaningful measurement of the likelihood of similar findings in subsequent years if the finding is not addressed or corrected by the appropriate parties. This assessment of risk of future occurrence is based on knowledge obtained during discussions with the Department personnel and performance of procedures under this Exhibit A. The ratings in our Report do not represent a conclusion or opinion on the assessment of the findings and recommendations resulting from our procedures. Below are the definitions used in the report of findings and recommendations for the twelve months ending June 30, 2027 as developed by the IAA.

Risk of Future Occurrence:

A. High – it is highly likely (or probable) that the error or process failure will be repeated
B. Medium – it is more likely than not that the error or process failure will be repeated
C. Low – it is possible that the error or process failure will be repeated

During the twelve months ending June 30, 2027, the Services will include the following procedures.

Procedures Related to the 2027 Statement of Charges

The procedures for the fiscal year ended June 30, 2027, were designed using budgeted hours of 3,000. We will prioritize the primary procedures included in items 1-6 below and will perform all primary procedures unless it is expected to exceed the budgeted hours of 3,000. We will perform the procedures in items 7-8 if time permits. As a part of these procedures, we will regularly meet with the IAA to discuss the progress under this engagement. We will also submit the Report to the IAA setting forth the findings and recommendations related to our Services.

The following items represent the risks, risk factors, and procedures requested and determined by the IAA for the Contractors to be performed for the 2027 Statement of Charges (SOC) engagement:

Primary Procedures (Items 1-6)

1. Statement of Charges

Risk:

- Incorrect amounts billed to contractors for each component by the Department.

Risk Factors:

- Manual adjustments made to data to arrive at amounts billed. Manual processes create opportunities for errors.
- Ongoing updates to the cost allocation billing system create opportunities for errors.
- High importance of accurate contractor bills.
- Actual costs reported in the bills can be misstated.
- Potential for billing errors (i.e., double billings).

Areas of Focus:

- Assess that all SOC amounts are internally consistent and agree to Bulletin 132 for the contractors selected for testing (to be provided by IAA).
- Agree debt service amounts in the SOC attachments to the appropriate debt service schedule.
- Comparison of the current year SOC attachments to the prior year SOC attachments.
- Assessment of manual adjustments.
- Assess the actual costs charged to various areas of the project.
- Assess the factors for distributing reach capital and minimum costs among the contractors.

2. Delta Water Charge

Risk:

- Incorrect amounts charged to contractors for conservation based on actual and estimated costs.

Risk Factors:

- Calculation of delta water charge has manual aspects to the process.
- Tracking of Oroville Spillway costs and reimbursement and segregation between response and recovery costs is a manual process.
- Ongoing updates to the cost allocation billing system create opportunities for errors.
- Potential for high dollar impact ($399 million in delta water charges in 2024 per Table B-21).

Areas of Focus:

- Recalculate the delta water charge used in the SOC.
- For prior year actual costs included in the calculation, compare costs in the cost allocation and billing system at the delta water charge cost center group level to the delta water charge calculation and investigate variances.
- Obtain an understanding of future estimates included in the calculation and perform procedures to assess such estimates.
- Assess the Hyatt-Thermalito credit to the delta water charge.

3. Alpha Allocation Cycles

Risk:

- Incorrect contractor charged and/or incorrect allocation of costs between contractors.

Risk Factors:

- The F-series and S-series alpha allocation cycles update performed on an annual basis has manual aspects. Manual processes create opportunities for errors.
- Ongoing updates to the cost allocation billing system create opportunities for errors.
- Potential for errors in determining work performed that falls under direct to reach, field division, and state-wide allocations.
- Potential for billing errors (i.e., double billings).
- Potential for high dollar impact ($434 million allocated by alpha allocation cycles in 2024).

Areas of Focus:

- Assess all cost centers from the system to determine which cost centers represent alpha cost centers.
- Select alpha cost centers with the largest total annual costs.
- Assess costs being posted to selected alpha cost centers based on activities charged to the alpha cost center through examination of invoices posted and discussions with the project managers, as necessary.
- Assess the F-series and S-series updates performed by the Department.
- Assess new alphas created or modified in the current year by the Department.

4. Transportation Minimum and Capital Direct and Indirect Analysis

Risk:

- Incorrect amounts billed to contractors for the transportation minimum and capital component by the Department.

Risk Factors:

- Direct and indirect costs may be allocated incorrectly through corresponding reaches.
- Judgment involved in selecting internal orders and work breakdown structures for billing to the contractors create opportunities for incorrect allocations.
- Ongoing updates to the cost allocation billing system create opportunities for errors.
- Project managers and employees may have lack of understanding of importance of accurate time charging to correct internal orders and work breakdown structures which creates opportunities for incorrect allocations.
- Potential for billing errors (i.e., double billings).

Areas of Focus:

- Obtain a listing of internal orders and work breakdown structures associated with costs for selected reaches and group like internal orders and work breakdown structures to perform a fluctuation analysis to the prior year.
- For selected reaches, assess a sample of internal orders and work breakdown structures with the largest change in costs from group like internal orders and work breakdown structures for direct and indirect costs allocations.
- Obtain supporting documentation to assess the work was performed for the selected reaches.

5. System Power Costs – Variable Transportation

Risk:

- Incorrect contractor charged and/or incorrect allocation of costs between contractors.

Risk Factors:

- Calculation of the allocation factors has manual aspects. Manual processes create opportunities for errors.
- Ongoing updates to the cost allocation billing system create opportunities for errors.
- Estimated Table 2 projected costs (invoicing rate) may not reflect actual costs incurred.
- Potential for high dollar impact ($220 million net system power costs in 2024 per Table B-3).

Areas of Focus:

- Assess power costs and power revenues from the system for the classification of costs.
- Recalculate the calendar year power allocation factors used in the system to allocate net power costs.
- Recalculate the value of recovery generation credits, station service costs allocation factors, and transmission costs allocation factors used to allocate net power costs.
- Recalculate the billed amounts for the transportation variable cost components for the contractors selected (to be provided by the IAA).

6. Debt Service

Risk:

- Incorrect bond debt service charged to the contractors.

Risk Factors:

- Debt service not subsequently adjusted to provide the benefits of any refinancing to the contractors.
- New bond offerings are not set up in the debt issuance management system based on the bond offering documents.
- Ongoing updates to the cost allocation billing system create opportunities for errors.
- The billing of debt service has manual aspects. Manual processes create opportunities for errors.

Areas of Focus:

- Reconcile any new bond offerings to the debt issuance management system.
- Determine whether refinanced bonds were credited to the debt service schedules to provide the benefits of such refinancing to the contractors.

Other Procedures (Items 7-8)

These procedures will only be performed as time permits after completion of items 1-6 above and consideration of the 3,000 hour time budget.

7. Rate Management Calculation Including Revenue and Cost Data

Risk:

- Rate management credits are improperly allocated among the contractors.
- Rate management credits are improperly calculated based on the revenue and expenditure data in the rate management credits calculation prepared by the Department.

Risk Factors:

- Calculation of rate management credits has manual aspects to the process.
- Ongoing updates to the cost allocation billing system create opportunities for errors.
- Lack of review and approval process for the rate management credit calculation.
- Outdated information used to calculate credits due to the contractors.

Areas of Focus:

- Obtain the rate management calculation used for the SOC and recalculate the allocation between contractors.
- Obtain the rate management calculation and assess a sample of the balances included in the calculation which would include both revenue and cost data.
- Agree the rate management calculation to each contractor's SOC.

8. Reconciliation between PR5 and the cost allocation billing system

Risk:

- Costs and revenues are not accurately billed to the contractors based on inconsistencies between systems.

Risk Factors:

- Costs and revenues do not accurately match between both systems.
- Manual process of moving costs between systems create opportunities for errors.
- Potential for movement of costs and revenues outside the SWRDS funds used for the state water project.

Areas of Focus:

- Gain an understanding of the reconciliation process performed by the Department.
- Reconcile all SWRDS PR5 costs and revenues included in the bond fund (0502), the construction fund (0506), and the revenue fund (0507) to the cost allocation billing system.
- Identify, document, and investigate variances between the two systems.

II. FEES FOR EY SERVICES

A-2. Total fees for Exhibit A Services performed by EY will not exceed $679,000, including reasonable and necessary out-of-pocket expenses, which represent budgeted hours of 3,000.

III. ALLOCATION OF FEES

A-3. The maximum aggregate fee set forth in paragraph A-2 shall be apportioned among the agencies named in table A-4 based on a basis consistent with prior years.

IV. MAXIMUM AGGREGATE FEE FOR EACH AGENCY

A-4. The portion of the maximum aggregate fee set forth in paragraph A-2 applicable to each Agency in conformity with the methodology set forth in paragraph A-3 is shown below:

Agency	Maximum fee for each Agency, provided all agencies listed below enter into agreements with EY	Maximum fee for each Agency, provided 80% of agencies listed below enter into agreements with EY	Percent of total
Alameda County Flood Control and Water Conservation District, Zone No. 7	$ 33,038	$ 41,298	4.9%
Alameda County Water District	17,212	21,515	2.5
Antelope Valley-East Kern Water Agency	59,358	74,198	8.7
Casitas Municipal Water District	8,196	10,245	1.2
Central Coast Water Authority	18,641	23,301	2.7
City of Yuba City	3,934	4,918	0.6
Coachella Valley Water District	56,697	70,871	8.4
County of Kings	3,813	4,766	0.6
Crestline-Lake Arrowhead Water Agency	2,377	2,971	0.4
Desert Water Agency	22,847	28,559	3.4
Dudley Ridge Water District	18,585	23,231	2.7
Empire West Side Irrigation District	1,229	1,536	0.2
Kern County Water Agency	169,749	212,186	25.0
Littlerock Creek Irrigation District	943	1,179	0.1
Mojave Water Agency	35,162	43,953	5.2
Napa County Flood Control and Water Conservation District	11,895	14,869	1.8
Palmdale Water District	8,729	10,911	1.3
San Bernardino Valley Municipal Water District	42,046	52,558	6.2
San Gabriel Valley Municipal Water District	11,802	14,753	1.7
San Gorgonio Pass Water Agency	7,090	8,863	1.0
San Luis Obispo County Flood Control and Water Conservation District	10,245	12,806	1.5
Santa Clara Valley Water District	40,981	51,226	6.0
Santa Clarita Valley Water Agency	39,014	48,768	5.7
Solano County Water Agency	19,571	24,464	2.9
Tulare Lake Basin Water Storage District	35,846	44,808	5.3
Total	$ 679,000		100.0%

V. PAYMENT SCHEDULE

This is the payment schedule for the Agency.

August 5, 2026 Billing	September 4, 2026 Billing	October 5, 2026 Billing	November 5, 2026 Billing	December 4, 2026 Billing	Total Billing
$50,924	$33,950	$33,950	$33,950	$16,975	$169,749

EXHIBIT B

STATEMENT OF WORK

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Unless prohibited by applicable law, we may provide Client information to other EY firms, EY Persons and external third parties, who may collect, use, transfer, store or otherwise process such information in various jurisdictions in which they operate in order to provide support services to any EY Firm and/or assist in the performance of the Services.

EY and other EY Firms may retain and use Client information for benchmarking, analytics, research and development, thought leadership and related purposes, and to enhance their services, provided that any use does not externally identify, or make reference to, Client. In all such matters, EY and other EY Firms will comply with applicable law and professional obligations.

After the Services under this SOW have been completed, we may disclose or present to prospective clients, or otherwise in our marketing materials, that we have performed the Services for you, and we may use your name solely for that purpose, in accordance with applicable professional obligations. In addition, we may use your name, trademark, service mark and logo as reasonably necessary to perform the Services and in correspondence, including proposals, from us to you.

Compliance with U.S. immigration requirements may require EY to provide certain information to the U.S. Citizenship and Immigration Services ("USCIS") to confirm that EY employees on certain visas are, in fact, EY employees and not employees of the Client or other clients of EY. This will include providing certain information regarding work locations to support compliance with the visa requirements. As such, EY may disclose to USCIS information regarding this SOW, including the Client's identity and location, as well as a redacted copy of this SOW. Upon providing this information, EY will request that USCIS keep any such information confidential. In further support of these legal requirements, the U.S. Department of Labor (DOL) regulations, at 20 CFR § 655.734(a)(1)(ii)(A), require the posting of notice of a Labor Condition Application (LCA) in instances where individuals holding H-1B visas will be working on the Client's premises. EY and the Client will work together to develop an appropriate notice as required. The Client acknowledges that EY resources will be operating at all times as an employee of and under the direction and control of Ernst & Young U.S. LLP's management, and all activities including supervision, hiring and firing decisions, and performance evaluations are controlled by Ernst & Young U.S. LLP. The Client will not have the right to control EY resources. At all times, EY resources will receive direction from an EY manager while on-site at the Client premises.

You shall not, while we are performing the Services hereunder and for a period of 12 months after they are completed, solicit for employment, or hire, any EY personnel involved in the performance of the Services, provided, that you may generally advertise available positions and hire EY personnel who either respond to such advertisements or who come to you on their own initiative without direct or indirect encouragement from you.

The Agency shall, among other responsibilities with respect to the Services, (i) make all management decisions and perform all management functions, including applying independent business judgment to EY work products, making implementation decisions and determining further courses of action in connection with any Services; (ii) assign a competent employee within senior management to make all management decisions with respect to the Services, oversee the Services and evaluate their adequacy and results; and (iii) accept responsibility for the implementation of the results or recommendations contained in the Reports or otherwise in connection with the Services. The Agency hereby confirms that management of the Agency accepts responsibility for the sufficiency of the Services. In performing the Services neither EY nor EY's partners or employees will act as an employee of the Agency.

The Agency represents and warrants to EY that the Agency's execution and delivery of this SOW has been authorized by all requisite corporate or other applicable entity action and the person signing this SOW is expressly authorized to execute it on behalf of, and to bind, the Agency.

The performance of the Services and the parties' obligations in connection therewith are subject to the additional terms and conditions set forth in the Agreement.

It is understood that the Agency is not bound by our findings in any controversy or disagreement between the Agency and the Department of Water Resources (the "Department") should the Agency disagree with our findings.

We would also request that, if any Agency discovers discrepancies in billings or other financial statements relative to their State Water Project costs, in addition to your working with the Department to correct the error, please notify EY for potential future inclusion as part of their procedures related to all agencies.

Timetable and project deliverables

The matrix below lists the specific deliverables and related timelines that EY will provide to the Agency.

Deliverable	Timeline	Comments
Report of Findings and Recommendations	Unless otherwise agreed, and subject to the Agreement, EY expects to perform the Services during the period following the execution of this SOW to the issuance of a final report at conclusion of the Water System Revenue Bond Debt-Service Billing Project.	See Attachment A-1 – Water System Revenue Bond Debt-Service Billing Project Areas of Focus.

Contacts

Client has identified Chantal Ouellet, IAA Secretary as Client's contact with whom EY should communicate about these Services. Client's contact at EY for these Services will be Scott Enos.

Fees and billing

The obligation to pay EY's fees is not contingent upon the nature of EY's findings or recommendations. The General Terms and Conditions of the Agreement address our fees and expenses generally.

The Agency shall pay EY's fees for the Services, based on actual time incurred at a flat hourly rate per hour set forth in Attachment A-2 of this SOW, regardless of the standard rates of the individuals performing the work, plus expenses. Total fees shall not exceed $181,000 for all agencies. The initial invoice will be issued within the first five (5) days of the month following the first month of Services and will continue monthly thereafter. The Agency will pay EY all amounts set forth in invoices issued in accordance with this section within thirty (30) days after receipt thereof. All payments will be made in U.S. Dollars. Invoices will be issued for the work performed in the previous month based on the fees incurred. Any amounts due to EY from change orders and/or amendments to the SOW will be billed in the subsequent invoices.

Work may be halted in the event of fee payment delinquency. EY may charge a late payment fee of 2% on any unpaid balance due to EY. All amounts due must be paid to EY in full before EY will issue any Report or upon settlement or other resolution.

The Agency shall reimburse EY for expenses incurred in connection with the performance of the Services, including reasonable and customary out-of-pocket expenses such as travel, meals, accommodations and other expenses specifically related to this engagement. Actual out-of-pocket expenses incurred by EY while executing the Services will be billed separately at a not to exceed amount of 2% of fees.

In witness whereof, the parties have executed this SOW as of the date set forth above.

Kern County Water Agency	Ernst & Young LLP
Representative	**Representative**
	Scott Enos
Signature	**Signature**
	Scott Enos
Printed Name	**Printed Name**
	Authorized Signatory
Title	**Title**
	Ernst & Young LLP 731 K Street Sacramento, CA 95814
Address	**Address**
	July 13, 2026
Date	**Date**

Attachment A-1 – Water System Revenue Bond Debt-Service Billing Project Areas of Focus

Water System Revenue Bond Debt-Service Billing Project Areas of Focus	Total Hours*
Water System Revenue Bond Surcharge Redetermination and Article 50(a)(5) calculations. 1. Obtain and assess supporting documentation from the Department of Water Resources including the data, calculations, policies, and reports used for the redetermination. 2. As time permits and as directed by the IAA, work will be completed on a selected year related to the redetermination and additional years will be completed with any budgeted time remaining. 3. Investigate and communicate any variances identified with the IAA and Department of Water Resources. 4. Prepare and issue report on results of procedures	500 hours
Rate Management Credits Redetermination 1. Obtain and assess supporting documentation from the Department of Water Resources including the data, calculations, policies, and reports used for the redetermination. 2. As time permits and as directed by the IAA, work will be completed on a selected year related to the redetermination and additional years will be completed with any budgeted time remaining. 3. Investigate and communicate any variances identified with the IAA and Department of Water Resources. 4. Prepare and issue report on results of procedures	210 hours
Total Hours	710 hours
Amount	$181,000

* The allocation of total hours represents the expected breakout of hours for each area of focus. Actual breakout of hours between the areas of focus may vary but total hours billed will not exceed 710 hours.

Attachment A-2 – Hourly Rate and Maximum Fee for each Agency

Agency	Hourly rate for each Agency	Percent of total	Maximum fee for each Agency
Alameda County Flood Control and Water Conservation District, Zone No. 7	$ 12.41	4.9%	$ 8,808
Alameda County Water District	6.46	2.5	4,585
Antelope Valley-East Kern Water Agency	22.29	8.7	15,821
Casitas Municipal Water District	3.08	1.2	2,186
Central Coast Water Authority	7.00	2.7	4,969
City of Yuba City	1.48	0.6	1,051
Coachella Valley Water District	21.29	8.4	15,112
County of Kings	1.43	0.6	1,015
Crestline-Lake Arrowhead Water Agency	0.89	0.4	632
Desert Water Agency	8.58	3.4	6,090
Dudley Ridge Water District	6.98	2.7	4,954
Empire West Side Irrigation District	0.47	0.2	334
Kern County Water Agency	63.75	25.0	45,250
Littlerock Creek Irrigation District	0.36	0.1	256
Mojave Water Agency	13.20	5.2	9,369
Napa County Flood Control and Water Conservation District	4.47	1.8	3,173
Palmdale Water District	3.28	1.3	2,328
San Bernardino Valley Municipal Water District	15.79	6.2	11,208
San Gabriel Valley Municipal Water District	4.43	1.7	3,144
San Gorgonio Pass Water Agency	2.66	1.0	1,888
San Luis Obispo County Flood Control and Water Conservation District	3.85	1.5	2,733
Santa Clara Valley Water District	15.39	6.0	10,924
Santa Clarita Valley Water Agency	14.65	5.7	10,399
Solano County Water Agency	7.35	2.9	5,217
Tulare Lake Basin Water Storage District	13.46	5.3	9,554
Total	**$ 255.00**	**100.0%**	**$ 181,000**

EXHIBIT C

I. INDIVIDUAL CONTRACTOR AGREEMENTS

We have included this Exhibit C as part of this Statement of Work (SOW), which provides the opportunity for individual Contractors to enter into separate SOWs for additional services with EY. These services will be performed and billed separately from the services outlined in Exhibits A and B.

The terms and conditions of any procedures performed under Exhibit C, including payment terms, will be outlined in a separate SOW. These services, which will be agreed to by EY and the requesting Contractor in advance, will be documented in the example SOW attached to herein as Exhibit C-1. An Exhibit C-1 SOW will be made available to any Contractor upon request. All other provisions of the Contractor's signed SOW with EY for the twelve months ending June 30, 2027, will continue to be in effect.

Total fees for such other consulting services shall be agreed to with the individual Contractor prior to commencement of work. The fees for services provided under Exhibit C will be outside of those referenced in Exhibits A and B, and will be paid for directly by the requesting Contractor.

EXHIBIT C-1

Statement of Work

This Statement of Work, dated July 13, 2026 (this "SOW"), is made by Ernst & Young LLP ("we" or "EY") and Kern County Water Agency on behalf of itself ("you" or "Client") and on behalf of the State Water Contractors, pursuant to the Agreement, dated July 1, 2022 (the "Agreement"), between EY and Kern County Water Agency ("Agency").

The additional terms and conditions of this SOW shall apply only to the Services covered by this SOW and not to Services covered by any other SOW pursuant to the Agreement. This SOW incorporates the Agreement by reference to form a contract. Capitalized terms used, but not otherwise defined, in this SOW shall have the meanings defined in the Agreement, including references in the Agreement to "you" or "Client" shall be deemed references to you.

If Client asks EY to begin work before Client executes and returns this SOW to EY, Client will be deemed to have agreed to its terms.

Scope of Services

Except as otherwise set forth in this SOW, this SOW incorporates by reference, and is deemed to be a part of, the Agreement. This SOW sets forth the terms and conditions on which EY will provide services as described [INSERT DEFINITION OF SERVICES] (the "Services") to the Agency, a member of the State Water Contractors (the "Contractors" or "SWC") Independent Audit Association (the "IAA"), for the twelve months ending June 30, 2027.

The Services are advisory in nature and will not constitute an audit performed in accordance with Generally Accepted Accounting Principles. EY will perform the Services in accordance with the Statement of Standards for Consulting Services (CS100) of the American Institute for Certified Public Accountants (AICPA).

Client specific obligations

Client shall assign a qualified person to oversee the Services. Client is responsible for all management decisions relating to the Services and for determining whether the Services are appropriate for its purposes.

You will not, and you will not permit others to, quote or refer to the Reports, any portion, summary or abstract thereof, or to EY or any other EY Firm, in any document filed or distributed in connection with (i) a purchase or sale of securities to which the United States or state securities laws (Securities Laws) are applicable, or (ii) periodic reporting obligations under Securities Laws. You will not contend that any provisions of Securities Laws could invalidate any provision of this agreement.

Limitations on scope

The Services are advisory in nature. EY will not: render an assurance report or opinion under the Agreement or this SOW, nor will the Services constitute an audit, review, examination, or other form of attestation as those terms are defined by the AICPA; provide any legal advice or opinions; provide any tax advice or opinions; perform ongoing internal control monitoring activities or other control activities that affect the execution of transactions or confirm that transactions are properly executed and/or accounted for; perform routine activities in connection with Client's financial processes that are equivalent to those of an ongoing compliance or quality control function; determine which, if any, recommendations for improving internal control should be implemented; act on Client's behalf in reporting to Client's Board of Directors or Audit Committee; authorize, execute or consummate transactions or otherwise exercise authority on Client's behalf; prepare source documents on transactions.

If Client requires EY to access or use Client or third-party systems or devices, EY shall have no responsibility for the confidentiality, security or data protection controls of such systems or devices or for their performance or compliance with Client requirements or applicable law.

Specific additional terms and conditions

Notwithstanding anything to the contrary in the Agreement or this SOW, EY does not assume any responsibility for any third-party products, programs or services selected by Client, their performance or compliance with Client's specifications or otherwise.

EY will base any comments or recommendations as to the functional or technical capabilities of any products in use or being considered by Client solely on information provided by Client vendors, directly or through Client. EY is not responsible for the completeness or accuracy of any such information or for confirming any of it.

Where EY's written consent under the Agreement or this SOW is required for you to disclose to a third party EY's Reports, EY will also require that third party to execute a letter substantially in the form of Exhibit D to this SOW. Without EY's prior written consent, Client may not use or publish any of EY's Reports for any purpose.

EY cannot and does not provide any assurance that EY's work and findings will either support or contradict any particular position. Client agrees that, because the Services are limited in nature and scope, they cannot be relied upon to discover all documents and other information, or provide all analyses, that may be important to Client or any proceeding.

EY has reviewed EY's available records to determine whether potential conflicts might arise out of EY's performance of the Services. However, the very nature, diversity, magnitude, and size of the Ernst & Young organization and its past and present professional relationships does not allow EY to be certain that each and every possible relationship or potential conflict has come to EY's attention. If additional relevant relationships or potential conflicts come to EY's attention, EY will promptly notify Client.

Unless prohibited by applicable law, we may provide Client Information to other EY firms, EY Persons and external third parties, who may collect, use, transfer, store or otherwise process such information in various jurisdictions in which they operate in order to provide support services to any EY Firm and/or assist in the performance of the Services.

EY and other EY Firms may retain and use Client information for benchmarking, analytics, research and development, thought leadership and related purposes, and to enhance their services, provided that any use does not externally identify, or make reference to, Client. In all such matters, EY and other EY Firms will comply with applicable law and professional obligations.

After the Services under this SOW have been completed, we may disclose or present to prospective clients, or otherwise in our marketing materials, that we have performed the Services for you, and we may use your name solely for that purpose, in accordance with applicable professional obligations. In addition, we may use your name, trademark, service mark and logo as reasonably necessary to perform the Services and in correspondence, including proposals, from us to you.

Compliance with U.S. immigration requirements may require EY to provide certain information to the U.S. Citizenship and Immigration Services ("USCIS") to confirm that EY employees on certain visas are, in fact, EY employees and not employees of the Client or other clients of EY. This will include providing certain information regarding work locations to support compliance with the visa requirements. As such, EY may disclose to USCIS information regarding this SOW, including the Client's identity and location, as well as a redacted copy of this SOW. Upon providing this information, EY will request that USCIS keep any such information confidential. In further support of these legal requirements, the U.S. Department of Labor (DOL) regulations, at 20 CFR § 655.734(a)(1)(ii)(A), require the posting of notice of a Labor Condition Application (LCA) in instances where individuals holding H-1B visas will be working on the Client's premises. EY and the Client will work together to develop an appropriate notice as required. The Client acknowledges that EY resources will be operating at all times as an employee of and under the direction and control of Ernst & Young U.S. LLP's management, and all activities including supervision, hiring and firing decisions, and performance evaluations are controlled by Ernst & Young U.S. LLP. The Client will not have the right to control EY resources. At all times, EY resources will receive direction from an EY manager while on-site at the Client premises.

You shall not, while we are performing the Services hereunder and for a period of 12 months after they are completed, solicit for employment, or hire, any EY personnel involved in the performance of the Services, provided, that you may generally advertise available positions and hire EY personnel who either respond to such advertisements or who come to you on their own initiative without direct or indirect encouragement from you.

The Agency shall, among other responsibilities with respect to the Services, (i) make all management decisions and perform all management functions, including applying independent business judgment to EY work products, making implementation decisions and determining further courses of action in connection with any Services; (ii) assign a competent employee within senior management to make all management decisions with respect to the Services, oversee the Services and evaluate their adequacy and results; and (iii) accept responsibility for the implementation of the results or recommendations contained in the Reports or otherwise in connection with the Services. The Agency hereby confirms that management of the Agency accepts responsibility for the sufficiency of the Services. In performing the Services neither EY nor EY's partners or employees will act as an employee of the Agency.

The Agency represents and warrants to EY that the Agency's execution and delivery of this SOW has been authorized by all requisite corporate or other applicable entity action and the person signing this SOW is expressly authorized to execute it on behalf of, and to bind, the Agency.

The performance of the Services and the parties' obligations in connection therewith are subject to the additional terms and conditions set forth in the Agreement.

It is understood that the Agency is not bound by our findings in any controversy or disagreement between the Agency and the Department of Water Resources (the "Department") should the Agency disagree with our findings.

We would also request that, if any Agency discovers discrepancies in billings or other financial statements relative to their State Water Project costs, in addition to your working with the Department to correct the error, please notify EY for potential future inclusion as part of their procedures related to all agencies.

Timetable and project deliverables

The matrix below lists the specific deliverables and related timelines that EY will provide to **(insert Agency)**.

Deliverable	Timeline	Comments

Contacts

Client has identified [Name of contact] as Client's contact with whom EY should communicate about these Services. Client's contact at EY for these Services will be Scott Enos.

Fees and billing

The obligation to pay EY's fees is not contingent upon the nature of EY's findings or recommendations. The General Terms and Conditions of the Agreement address our fees and expenses generally.

The Agency shall pay EY's fees for the Services, based on actual time incurred at a flat hourly rate of [$____] per hour, regardless of the standard rates of the individuals performing the work, plus expenses. The initial invoice will be issued within the first five (5) days of the month following the first month of Services and will continue monthly thereafter. The Agency will pay EY all amounts set forth in invoices issued in accordance with this section within thirty (30) days after receipt thereof. All payments will be made in U.S. Dollars. Invoices will be issued for the work performed in the previous month based on the fees incurred. Any amounts due to EY from change orders and/or amendments to the SOW will be billed in the subsequent invoices.

Work may be halted in the event of fee payment delinquency. EY may charge a late payment fee of 2% on any unpaid balance due to EY. All amounts due must be paid to EY in full before EY will issue any Report or upon settlement or other resolution.

The Agency shall reimburse EY for expenses incurred in connection with the performance of the Services, including reasonable and customary out-of-pocket expenses such as travel, meals, accommodations and other expenses specifically related to this engagement. Actual out-of-pocket expenses incurred by EY while executing the Services will be billed separately at a not to exceed amount of 2% of fees.

In witness whereof, the parties have executed this SOW as of the date set forth above.

Kern County Water Agency	**Ernst & Young, LLP**
Representative	**Representative**
Signature	**Signature**
Printed Name	**Printed Name**
Title	**Title**
Address	**Address**
Date	**Date**

EXHIBIT D

Form of Access Letter

[Letterhead of EY member firm]

[Addressee (e.g., third party seeking access to EY Report)] [Month XX, 20XX]
[Street Address]
[City, State Zip]

Dear [_____] :

[Client] (the "Client") has informed [**Ernst & Young LLP**] ("EY") that it wishes to disclose to **[party seeking access]** (the "Recipient") EY's **[describe report(s)]**, dated _____, relating to **[describe subject]** (the "Report(s)"). EY has not placed any limitations on the Client's ability to disclose any contents of the Report(s) relating to the tax aspects or structure of any transaction proposed by the Client.

EY performed advisory services only for the Client. EY did not undertake the services on behalf of, or to serve the needs of, the Recipient or any other third party. EY did not audit the Client's financial statements, nor did it perform any procedures with respect to its financial information, or otherwise for or relating to any period subsequent to the date**(s)** of the Report**(s)**.

EY prepared the Report**(s)** solely for the Client. The Report**(s) address[es]** only the issues identified by the Client, and **[is/are]** based solely on information obtained by EY using the procedures specified by the Client or otherwise provided by or on behalf of the Client. The Report**(s) [is/are]** subject to many limitations and **[do/does]** not provide any form of assurance with respect to any of the information referred to therein. The Recipient understands and accepts the scope and limitations of the Report**(s)**.

Except (1) where compelled by legal process (of which the Recipient will immediately notify EY and tender to EY, if it so elects, the defense thereof), (2) with respect to any contents of the Report relating to the tax treatment and tax structure of the proposed transaction (including any facts that may be relevant to understanding the proposed tax treatment of the proposed transaction), or (3) with EY's prior written consent, the Recipient will not, circulate, quote, disclose or distribute any of the Report**(s)** or any information contained therein, or any summary or abstract thereof, or make any reference thereto or to EY, to anyone other than the Recipient's directors, officers or employees or legal advisors who, in each case, need to know its contents in order to _____, and who have agreed to be bound by the terms and conditions of this agreement to the same extent as the Recipient.

The Recipient further agrees that it will not, and will not permit others to, quote or refer to the Report, any portion, summary or abstract thereof, or to EY, in any document filed or distributed in connection with (a) a purchase or sale of securities to which the United States securities laws ("Securities Laws") are applicable or (b) periodic reporting obligations under Securities Laws. The Recipient will not contend that any provisions of Securities Laws could invalidate any provision of this agreement.

In further consideration of EY allowing the Recipient access to the Report(s) and the information contained therein, the Recipient agrees that:

1. It does not acquire any rights against EY, and EY does not assume any duties or obligations to the Recipient or otherwise, as a result of such access.
2. It will not rely on the Report**(s)** or any portion thereof and will make no claim that it has done so.
3. It will make no claim against EY, its partners, employees or affiliates, or other members of the global Ernst & Young network (collectively, the "EY Parties" that relates in any way to the Report**(s)**, any information contained therein, or the Recipient's access to the Report**(s)**.
4. To the fullest extent permitted by applicable law, it will indemnify, defend and hold harmless the EY Parties from and against any claim or expense, including reasonable attorneys' fees, suffered or incurred by any EY Party relating to any breach by the Recipient of any of its representations or agreements contained herein or the use or disclosure of the Report**(s)** or any portion thereof by anyone who received it directly or indirectly from or at the request of the Recipient.

This letter shall be governed by, and construed in accordance with, the laws of the State of New York applicable to agreements made and fully to be performed therein by residents thereof.

Very truly yours,

Ernst & Young LLP

Agreed and Accepted by:

[Addressee]

By:

Title:

Water Resources Committee

MEMORANDUM

TO: Water Resources Committee
Agenda Item No. 2

FROM: Jim Ciampa

DATE: July 23, 2026

SUBJECT: Consideration and Possible Approval of Water Supply Agreement with Western Hills Water District and Authorizing the General Manager to Execute that Agreement

Issue:
Consider approval of the Water Supply Agreement with Western Hills Water District, subject to any final revisions approved by the General Manager and General Counsel, and to authorize the General Manager to execute that agreement.

Recommended Motion:
Approval of the Water Supply Agreement between Kern County Water Agency and Western Hills Water District, subject to any final revisions approved by the General Manager and General Counsel, and authorization of the General Manager to execute that agreement.

Discussion:

Agency entered into a Contract to Transfer Water with Western Hills Water District (Western Hills) in 2000. Unfortunately, Western Hills' service area did not develop as was anticipated and that led to various failures of Western Hills to pay monies owed to the Agency over the years. In recent years, the Agency has negotiated with Western Hills to either amend the 2000 contract or to enter into a new agreement.

The negotiations with Western Hills have led to a new Water Supply Agreement, which is being considered for approval at today's meeting. The salient terms of that agreement include:

- Termination of the 2000 contract (including Western Hills' entitlement to up to 8,000 acre-feet of water each year and Western Hills' associated payment obligation), with only the continuation of the various agreements with the Department of Water Resources entered into under that prior contract.

- Agency to make available to Western Hills up to 1,500 acre-feet of water each year (as determined by the SWP final allocation) to meet Western Hills' customer demands.

- Payment provisions tied to Agency's costs based on a formula that depends on SWP allocation (higher per unit cost in low allocation years and lower per unit cost in high allocation years).

- Payment to the Agency of annual administrative fee of $37,500, with escalation clause; and energy charge of $250 per acre-foot delivered in dry years (less than 35% SWP allocation).

- Ability for Western Hills to receive credit for water not taken in wet years and ability for Western Hills to bank water it cannot take (banking arrangement is for Western Hills to determine).

- For limited period (five years, subject to one-year extension for dry year), the Agency will provide a backstop of water to Western Hills if SWP allocation is not sufficient to meet Western Hills' demand.

- An option for additional water (up to an additional 1,000 acre-feet) is provided for five years in case development of the Western Hills area occurs; annual option fee of $50,000 to be paid to the Agency.

- Water currently banked by Western Hills (4,791 acre-feet) to be transferred to Agency.

- Western Hills is restricted to use of the water within its service area and is prohibited from transferring or assigning the water supplied by the Agency or rights under the Agreement without the Agency's consent.

- Mutual general releases of the parties as to any prior obligations, including as to the monies Western Hills owes the Agency.

- Suspension and termination provisions are included.

The newly negotiated Water Supply Agreement between Kern County Water Agency and Western Hills Water District is provided as Attachment 1. Agency staff have reviewed the agreement and recommend its approval subject to any final revisions approved by the General Manager and General Counsel.

WATER SUPPLY AGREEMENT

This Water Supply Agreement ("Agreement") is entered into and effective as of the 1st day of August, 2026 ("Effective Date") by and between KERN COUNTY WATER AGENCY, a special act water agency ("Agency"), and WESTERN HILLS WATER DISTRICT, a California water district formed under Division 13 of the California Water Code ("Western Hills") with reference to the facts set forth below. Agency and Western Hills may be referred to herein individually as a "Party" or jointly as the "Parties."

RECITALS

A. WHEREAS, the Agency and Western Hills entered into the "Contract to Transfer Water" dated June 5, 2000 (the "2000 Contract") which set forth the Parties' respective rights and obligations with respect to up to 8,000 acre-feet of water the Agency committed to deliver to Western Hills in accordance with the terms of that contract; and

B. WHEREAS, the 2000 Contract was based upon the assumption that Western Hills' service area would experience significant growth over future years; and

C. WHEREAS, due to a variety of circumstances, the anticipated growth did not occur, and due also to the actions of prior developers of the Diablo Grande community and for other reasons beyond the control of Western Hills, the 2000 Contract resulted in significant debts of Western Hills to the Agency that accrued; and

D. WHEREAS, over the past few years, the Agency and Western Hills have discussed various alternatives to the 2000 Contract and have reached tentative agreement to replace the 2000 Contract as specified herein.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. Termination of 2000 Contract. Except as expressly set forth herein, the 2000 Contract is deemed terminated as of the Effective Date of this Agreement, and neither Party shall have any further obligation under that contract.

2. Continuation of DWR Agreements. The following agreements with the Department of Water Resources ("DWR"), which are appended as exhibits as specified to the 2000 Contract shall be appended as new exhibits to this Agreement and shall continue in full force and effect: (a) Agreement between the Department of Water Resources of the State of California, Kern County Water Agency and Western Hills Water District for Construction, Operation, and Maintenance of the Western Hills Turnout - a Permanent Turnout within the California Aqueduct Right-of-Way – Exhibit B to 2000 Contract ("Turnout Agreement", attached hereto as Exhibit B); (b) Point of Delivery Agreement between Department of Water Resources, State of California, and the Kern County Water Agency – Exhibit C to 2000 Contract ("Point of

Delivery Agreement", attached hereto as Exhibit C); and (c) Agreement among the Department of Water Resources of the State of California, Kern County Water Agency and Western Hills Water District for Reimbursement of DWR's Costs related to the Transfer of Kern County Local Water to Western Hills Water District – Exhibit D to 2000 Contract (attached hereto as Exhibit D).

3. Supply of Water to Western Hills. For the period commencing on the Effective Date and continuing through December 31, 2026, the Agency shall continue to provide water to Western Hills in accordance with the terms and conditions of the 2000 Contract and Western Hills will continue to make monthly payments of $30,000 to the Agency. Commencing on January 1, 2027, the Agency will provide water to Western Hills in accordance with the provisions set forth below. The provision of such water to Western Hills does not provide Western Hills any rights under the Agency's State Water Project Water Supply Contract, except as expressly provided in this Agreement. Except as otherwise set forth herein, all water to be delivered under this Agreement will be delivered to the Western Hills turnout in Reach 2A of the California Aqueduct (the Point of Delivery, or "POD") in accordance with the terms of the Point of Delivery Agreement attached hereto as Exhibit C.

A. Annual Water Supply. The Agency will make available to Western Hills an annual contract quantity of up to one thousand five hundred (1,500) acre-feet of water ("Annual Contract Quantity") per Year (for purposes of this Agreement, "Year" shall mean the period between January 1 and December 31 of each calendar year).

B. Annual State Water Project Allocation – Annual Deliverable Volume. To determine the amount of the Annual Contract Quantity available for delivery each year to Western Hills, the maximum Annual Contract Quantity of 1,500 acre-feet will be multiplied by the State Water Project Table A allocation determined by DWR as of May 1 of each Year (the "SWP Allocation") to provide the "Deliverable Volume" available for delivery to Western Hills for the current Year. In any year in which the SWP Allocation exceeds thirty-five percent (35%), Western Hills may elect to deliver any portion of the Deliverable Volume that exceeds Western Hills' scheduled demand, under arrangements made by Western Hills, to a third party for future return to Western Hills to meet its dry-year demand.

C. Return Water. In any year in which the SWP Allocation exceeds thirty-five percent (35%), Western Hills may elect to return to the Agency any portion of the Deliverable Volume in excess of five hundred twenty-five (525) acre-feet ("Return Water"), subject to the credit provisions set forth in Section 4(D). Western Hills shall make that election within fifteen (15) days following the Final Notice specified in Section 5(B), below. The final volume of water purchased ("Purchase Water") in each Year shall be the Deliverable Volume less any Return Water.

D. Additional Water Supplies – Supplemental Dry-Year Supplies. For a period of five (5) years from the Effective Date (the "Program Period"), the Agency will cause to be delivered to Western Hills, in addition to any Deliverable Volume delivered under Section B above, an additional volume of water as requested by Western Hills as necessary to meet Western Hills' demand within its service area if the Deliverable Volume is insufficient to meet that

demand, up to six hundred fifty (650) acre-feet in total deliveries to Western Hills per Year (that additional amount of water is referred to as the "Demand Coverage"). For the avoidance of doubt, in any Year, the sum of Deliverable Volume delivered under Section (3)B and Demand Coverage delivered under this Section (3)D shall not exceed 650 acre-feet, and Demand Coverage is available only to the extent Section (3)B deliveries are insufficient to meet that demand. Demand Coverage shall be subject to the scheduling, point-of-delivery and conveyance-cost provisions applicable to Purchase Water, as specified in Section 5, below.

E. Additional Water Supplies – Dry-Year Reserve. In each Year during the Program Period in which the SWP Allocation is fifty percent (50%) or higher, Western Hills may purchase from the Agency up to an additional one thousand two hundred (1,200) acre-feet of water at the then applicable price for Purchase Water determined under Section 4(A), below, in addition to and separate from any Purchase Water taken under Section (3)B, above, and any Demand Coverage delivered under Section (3)D (the "Dry-Year Reserve"), to enable Western Hills to develop a dry-year program for its service area. The Dry-Year Reserve shall be subject to the scheduling, point-of-delivery and conveyance-cost provisions applicable to Purchase Water, as provided in Section 5, below; provided, that Western Hills may direct delivery to a third party under arrangements made separate and apart from this Agreement for banking and future return to Western Hills. If no Year during the Program Period has a SWP Allocation that is fifty percent (50%) or higher, the Program Period shall be automatically extended by one (1) additional Year, which may be extended upon mutual agreement of the Parties. This extension is applicable to developing a Dry-Year Reserve pursuant this Section 3(E) only.

4. Price and Payment Terms.

A. Unit Price. The unit price for each acre-foot of water provided under Section 3 ("Unit Price") shall be calculated pursuant to the methodology attached as Exhibit A (the "Pricing Formula"), which shall include all allocable State Water Project costs the Agency incurs, DWR transportation charges and Reach 2A conveyance costs necessary to deliver water to the Western Hills POD.

B. Energy Charge – Demand Coverage and Dry-Year Reserve. The Unit Price payable for Demand Coverage and/or Dry-Year Reserve water delivered under Sections 3(D) and 3(E), respectively, shall include an additional energy charge of two hundred fifty dollars ($250.00) per acre-foot ("Energy Charge") for any Year in which the SWP Allocation is less than thirty-five percent (35%). No energy charge shall apply for any year in which the SWP Allocation is thirty-five percent (35%) or greater. Commencing with the Year beginning January 1, 2028, the Energy Charge shall be subject to annual increase based on the greater of the Consumer Price Index ("CPI") or three percent (3%) as specified in Section C, below, with respect to the Admin Fee.

C. Administrative Fee. Western Hills shall pay an annual administrative fee to the Agency ("Admin Fee") equal to 1,500 acre-feet multiplied by $25 per acre-foot, to total $37,500 annually. The Admin Fee will be billed by the Agency on the Initial Invoice as set forth in Section 4(F)(i), below. The Admin Fee shall increase annually by the greater of (i) the annual increase in the CPI year-over-year for the 12-month from October to October; or (ii) three

percent (3%). The CPI shall mean the CPI for All Urban Consumers (CPI-U) in the West region, or its successor index.

D. Return Water Credit. For any Return Water that Western Hills returns to the Agency pursuant to Section 3(C), Western Hills will receive a credit to be applied to the Final Reconciliation Invoice for that Year based on the applicable Unit Price multiplied by the quantity of Return Water. Credits shall not accrue interest. Except for any credits expressly permitted under this section, no credits, offsets, re-bills or adjustments shall apply.

E. Unit Price Objections. The Agency's calculation of the Unit Price shall be final and binding absent manifest error. Any objection to that calculation must be submitted in writing within thirty (30) days of any invoice provided under Section 4(F), below, or shall be deemed waived. Western Hills' payment obligations under this Section 4 shall not be reduced based upon scheduling decisions, demand fluctuations, hydrologic conditions, regulatory constraints, storage limitations or other downstream factors.

F. Invoicing. The Agency shall issue three invoices annually to Western Hills with respect to the water provided under this Agreement, as set forth below. All undisputed amounts shall be due and payable within thirty (30) days of the date of the invoice and shall accrue interest at ten percent (10%) per annum if not paid within that thirty (30) day period.

(i) Initial Invoice. The Agency will issue Western Hills the Initial Invoice on or about January 20 of each Year for fifty percent (50%) of the Annual Contract Quantity (as adjusted by the State Water Project Table A allocation announced by DWR as of December 1 of the prior year) multiplied by the estimated Unit Price for that year (as determined by that State Water Project Table A allocation announced by DWR as of December 1 of each year), plus the Admin Fee and, for so long as is applicable, the Option Fee under Section 21.

(ii) Second Invoice. The Agency will issue Western Hills the Second Invoice on or about July 1 of each Year for the remaining estimated balance of the Unit Price determined for that year multiplied by the Purchase Water volume and any payments for Demand Coverage or Dry-Year Reserve water, as adjusted for the SWP Allocation.

(iii) Final Reconciliation Invoice. On or before March 31 of each Year or as soon as possible thereafter upon receipt of all delivery and variable invoicing information from DWR, the Agency shall issue Western Hills the Final Reconciliation Invoice reflecting charges for all Purchase Water, Demand Coverage and Dry-Year Reserve water and any applicable credits for the prior Year, to the extent not previously invoiced. Western Hills will pay any underpayment reflected on the Final Reconciliation Invoice within thirty (30) days from the date of the Final Reconciliation Invoice. Any overpayments shall be credited against the next Initial Invoice amount. Any applicable credits or overpayments shall not accrue interest.

5. Scheduling and Delivery.

A. By December 10 of each Year, the Agency will notify Western Hills of the initial, anticipated Deliverable Water volume, and will coordinate with Western Hills on a proposed delivery schedule for the upcoming Year.

B. By May 10 of each Year, the Agency shall notify Western Hills of the final Deliverable Volume as determined by the SWP Allocation for that Year (the "Final Notice").

C. Within fifteen (15) days following Final Notice, Western Hills shall confirm the quantity of Purchase Water it elects to schedule for delivery through the end of the Year. If Western Hills fails to schedule water or fails to take full delivery of the requested amount of water, Western Hills will not be relieved of its payment obligations under Section 4, above and will be required to pay for the amount of water it had previously confirmed.

D. All deliveries of water to Western Hills are contingent on DWR's physical capability to deliver the water to the POD. The Agency shall not be liable for any damages, direct or indirect, resulting from delays or interruptions in deliveries of water to Western Hills caused by events beyond its reasonable control, including regulatory constraints, facility limitations, legal mandates, hydrologic conditions or reduced water availability. In no event shall the Agency be liable for indirect, incidental, special, punitive or consequential damages.

E. The Agency shall have no obligation to procure replacement water, although the Agency agrees to cooperate in good faith to support any effort by Western Hills to obtain and arrange the delivery of any replacement, dry year or banked water supplies in accordance with the provisions of this Agreement. Any water not scheduled or delivered to Western Hills or otherwise transferred under the provisions of Section 3 shall remain the property of the Agency.

F. DWR may temporarily discontinue or reduce the amount of water to be delivered to Western Hills at the POD in accordance with the provisions of the Turnout Agreement, the Point of Delivery Agreement and the Agency State Water Project Water Supply Contract. In that event, if requested by Western Hills, the Agency shall use its best efforts to attempt to reschedule (in consultation with Western Hills) the amount of water that was curtailed.

G. The Agency assumes no responsibility with respect to the quality of the water to be furnished to Western Hills pursuant to this Agreement and the Agency does not warrant the quality of such water.

H. The Agency shall bear costs and charges to acquire the water being delivered under this Agreement and to deliver the water to the POD. Western Hills shall bear all costs of conveyance to and from the POD to its service area.

6. Water Sources. The Agency may satisfy its obligation to make Purchase Water and any other water to be provided to Western Hills under this Agreement available from any lawful source available to the Agency, including without limitation State Water Project supplies,

transferred water, exchanged water, banked water or other supplies acquired by the Agency, in its sole discretion and consistent with its contractual and legal obligations. Western Hills acknowledges that no representation or warranty is made regarding the specific source, character, priority or continuity of any particular water supply except as expressly provided herein with respect to the Agency's obligations, and nothing herein shall be construed as transferring, dedicating, or impairing any underlying water right, contract entitlement or priority of the Agency.

7. Service Area Limitation. Purchase Water shall be used solely within Western Hills' legally established service area as it exists on the Effective Date, as shown on Exhibit E hereto, unless otherwise approved in advance in writing by the Agency, in its sole and absolute discretion. The POD shall not be changed nor shall any of the water to be delivered to the Western Hills Turnout be sold, used or otherwise disposed of by Western Hills for use outside of Western Hills' service area as shown in Exhibit E. The Agency may bring an action for injunction to enforce the requirement that the water to be delivered to the Western Hills Turnout is not sold, used or otherwise disposed of by Western Hills for use outside of Western Hills service area as shown in Exhibit E.

8. Transfer Restriction. Western Hills shall not transfer, assign, exchange, resell or otherwise convey Purchase Water or any Dry-Year Reserve water under Section 3, or any right thereto, to any third party or for use outside its service area without the prior written consent of the Agency, which consent shall not be unreasonably withheld. Any approved transfer shall be subject to such terms and conditions as the Agency may reasonably impose, including cost recovery and compliance with applicable law.

9. Mutual Cooperation. The Parties agree to reasonably cooperate with each other to accomplish the purposes of this Agreement and, will from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered such further instruments, including documents of transfer, certifications, and opinions as may reasonably be required for carrying out the intention of or facilitating the performance of this Agreement. In the event either Party requires support for actions outside the scope of this Agreement, the Party providing such support shall have the right to charge the other Party for such actions at the supporting Party's actual cost, including staff time, materials, and any third-party expenses reasonably incurred. Any such costs shall be payable within thirty (30) days after the date of invoice setting forth such costs and providing substantiation of those costs.

10. Regulatory Approvals. Each Party shall obtain, at its sole cost, all approvals necessary for its respective obligations and shall reasonably cooperate with the other. Western Hills will be the lead agency for purposes of compliance with the California Environmental Quality Act ("CEQA"). Western Hills will reimburse the Agency for any costs the Agency incurs in connection with any CEQA process necessitated by this Agreement.

11. Covenant regarding Rates, etc. Western Hills shall ensure that it levies rates, fees, charges and/or assessments in amounts sufficient to meet its financial obligations under this Agreement. The Agency shall have the right, upon at least seventy-two (72) hours' written notice to inspect Western Hills' books and records in the event of any payment dispute between the Parties.

12. Consideration to Agency.

A. As consideration for the obligations the Agency is undertaking under this Agreement, and in full satisfaction of all amounts Western Hills owes to the Agency as of the effective date of this Agreement, other than costs for any water delivered in calendar year 2026 in accordance with the first paragraph of Section 3, above, (the "Outstanding Obligations"), in addition to the cancellation of the 2000 Contract, Western Hills hereby irrevocably transfers to the Agency its right to receive up to 8,000 acre-feet of water per year as set forth in the 2000 Contract. Western Hills also transfers to the Agency all water Western Hills has banked with the Westside Districts under Western Hills' banking agreement with those districts (subject to the Westside Districts' written consent to the assignment of that water), consisting of approximately 4,791 acre-feet of water (the "Transferred Water"). The Agency and Western Hills hereby acknowledge, understand, and agree that Western Hills will obtain written consent from the Westside Districts authorizing the transfer of the Transferred Water to the Agency. The Agency and Western Hills hereby further acknowledge, understand, and agree that the Westside Districts have requested that attainment of such consent by Western Hills shall be a condition precedent to the transfer of the Transferred Water to the Agency. The Agency shall use all reasonable efforts to assist and cooperate with Western Hills in obtaining such consent. Finally, the Agency and Western Hills hereby acknowledge, understand, and agree that Western Hills' existing banking agreement with the Westside Districts may be immediately terminated through a separate agreement as a result of the Agency and Western Hills' execution of this Agreement and Western Hills' transfer of the Transferred Water to the Agency. The Parties acknowledge that the Transferred Water constitutes full and adequate consideration for the Outstanding Obligations.

B. Western Hills represents and warrants that it has good and marketable title to the up to 8,000 AF of water referenced in the 2000 Contract, free of liens, claims or encumbrances, and further represents that it will request and facilitate the transfer of the Transferred Water to the Agency upon full execution of this Agreement.

13. Mutual Releases.

A. In consideration of the covenants, agreements and undertakings of the Parties under this Agreement, as of the Effective Date, each Party, on behalf of itself and its respective directors, officers, employees, member agencies, successors and assigns (collectively, "Releasors") hereby releases, waives and forever discharges the other Party and its respective directors, officers, employees, member agencies, successors and permitted assigns (collectively, "Releasees") of and from any and all actions, causes of action, suits, losses, liabilities, rights, debts, dues, sums of money, accounts, obligations, costs, expenses, liens, covenants, contracts, agreements, promises, damages, judgments, claims and demands, of every kind and nature whatsoever, whether now known or unknown, foreseen or unforeseen, matured or unmatured, suspected or unsuspected, in law or equity (collectively, "Claims"), which any of such Releasors ever had, now have, or hereafter can, shall or may have against any of such Releasees for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of time through the date of this Agreement arising out of or relating to the Agreement, including the 2000 Contract.

B. Each Releasor understands that it may later discover Claims or facts that may be different from, or in addition to, those that it or any other Releasor now knows or believes to exist regarding the subject matter of the release contained in this Section 13, and which, if known at the time of signing this Agreement, may have materially affected this Agreement and such Party's decision to enter into it and grant the release contained in this Section 13. Nevertheless, the Releasors intend to fully, finally and forever settle and release all Claims that now exist, may exist or previously existed, as set out in the release contained in this Section 13, whether known or unknown, foreseen or unforeseen or suspected or unsuspected, and the release given herein is and will remain in effect as a complete release, notwithstanding the discovery or existence of such additional or different facts. The Releasors hereby waive any right or Claim that might arise as a result of such different or additional Claims or facts. The Releasors have been made aware of, and understand, the provisions of California Civil Code Section 1542 ("Section 1542"), which provides: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR." The Releasors expressly, knowingly and intentionally waive any and all rights, benefits and protections of Section 1542 and of any other state or federal statute or common law principle limiting the scope of a general release.

14. Indemnification. Each Party shall indemnify, defend, protect, hold harmless and release the other, its directors, officers, agents and employees, from and against any and all third party claims, losses, proceedings, damages, causes of action, liability, costs or expense (including reasonable attorneys' fees) arising from or in connection with, or caused by any act, omission, or negligence of such indemnifying party or its agents, employees, contractors, subcontractors or invitees; except to the extent such claim, loss, proceeding, damage, cause of action, liability, cost or expense results from the grossly negligent or willful acts or omissions of the part to be indemnified.

15. Term. The Agreement shall commence on the Effective Date and shall continue through the expiration date of the Agency's State Water Project Water Supply Contract, as it may be extended.

16. Suspension. In the event of any default by Western Hilts in the payment of any money required to be paid to the Agency hereunder, or in any other obligations under this Agreement, the Agency in its discretion may suspend delivery of water to Western Hills during the period when Western Hills is delinquent in its payment for or obligations due to the Agency under the terms of this Agreement; provided, that (a) the Agency has given Western Hills not less than four (4) months' prior written notice of any such default and provided Western Hills a reasonable time to cure such default, and (b) during any such period of delinquency or suspension Western Hills shall remain obligated to make all payments required under this Agreement. Action taken pursuant to this section shall not deprive the Agency of or limit any remedy provided by this Agreement or by law for the recovery of money due or which may become due under this Agreement and all remedies available to the Agreement are cumulative.

17. Termination.

A. Western Hills may terminate this Agreement upon at least ninety (90) days' prior written notice to the Agency.

B. In the event Western Hills breaches this Agreement, in addition to the suspension set forth in Section 16, and subject to the dispute resolution procedure in Section 20, the Agency may terminate this Agreement if Western Hills fails to pay all monies due under this Agreement for a period of six (6) months after receipt of written notice from the Agency regarding Western Hills' failure to pay.

18. Representations and Warranties. The Parties, as indicated herein below, represent and warrant that as of the date of this Agreement:

A. The Agency represents and warrants that it has a legal right to the water to be supplied to Western Hills under this Agreement with full authority to provide such water and such water will be free and clear of any such claims during the term of this Agreement.

B. The Agency represents and warrants that it has full legal authority and capacity to enter into this Agreement, consummate the transactions and conveyances contemplated hereby and perform under this Agreement according to its terms and conditions. Western Hills represents and warrants that it has full legal authority and capacity to enter into this Agreement, consummate the transactions and conveyances contemplated hereby and perform under this Agreement according to its terms and conditions.

C. The Agency represents and warrants that the entry into this Agreement does not create or result in the breach of any other agreement to which the Agency is a party or to which the Agency is otherwise subject or bound. Western Hills represents and warrants that the entry into this Agreement does not create or result in the breach of any other agreement to which Western Hills is a party or to which Western Hills is otherwise subject or bound.

D. The Agency represents and warrants that the execution and delivery of this Agreement by the Agency has been validly authorized by all requisite action on the part of the Agency. Western Hills represents and warrants that the execution and delivery of this Agreement by Western Hills has been validly authorized by all requisite action on the part of Western Hills.

E. The Agency represents and warrants that to the best of its knowledge there are no proceedings pending, threatened or in process that would limit the Agency's ability to deliver water to Western Hills under this Agreement.

F. The Agency represents and warrants that no proceedings are pending or threatened in which the Agency may be adjudicated as bankrupt or discharged from any and all of its debts or obligations or granted an extension of time to pay its debts or a reorganization or readjustment of its debts. Western Hills represents and warrants that no proceedings are pending or threatened in which Western Hills may be adjudicated as bankrupt or discharged from any or all of its debts or obligations or granted an extension of time to pay its debts or a reorganization or readjustment of its debts.

G. The Agency represents and warrants that compliance by the Agency with the provisions of this Agreement will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State, or of any department, division, agency, or instrumentality thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, bond, resolution, indenture, contract, agreement or other instrument to which the Agency is a party or is otherwise subject or bound. Western Hills represents and warrants that compliance by Western Hills with the provisions of this Agreement will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State of California, or of any department, division, agency or instrumentality thereof (collectively, the "State"), or under any applicable court or administrative decree or order, or under any loan agreement, note, bond, resolution, indenture, contract, agreement or other instrument to which Western Hills is a party or is otherwise subject or bound.

H. Western Hills warrants that it will not file any claims or lawsuits against the Agency or the State for any shortages in such water supplies resulting from any actions beyond the control of the Agency or the State of California and that it will defend, hold harmless and indemnify the Agency and the State from and against any claims, suits or judgements brought by others claiming damages of any kind, including, but not limited to loss of property or life, resulting from any such shortages pursuant to this Agreement.

19. Covenants. The Agency and Western Hills covenant and agree as follows:

A. The Parties shall take no action that adversely affects or limits Western Hills' use of the water to be provided hereunder, provided Western Hills is not in default of any of its obligations under this Agreement.

B. Certain of the rights and obligations of Western Hills in this Agreement are subject to the provisions of the Turnout Agreement, the Point of Delivery Agreement and the Agency's Pioneer Project Participation Agreement. Any action of the Agency to terminate or amend any of those agreements in a manner that is adverse to the interests of Western Hills without the prior written consent of Western Hills shall be void and of no force or effect. The Agency and Western Hills shall fully comply with their respective duties under those agreements.

20. Dispute Resolution. If a dispute arises as to the construction, interpretation or implementation of any portion of this Agreement or any matters that arise in connection with this Agreement, the Parties shall meet and confer in person in an attempt to resolve that dispute within thirty (30) days of a Party giving the other Party written notice of the dispute. If the Parties cannot resolve the dispute through that meet and confer process, the Parties shall proceed to mediation of the dispute in front of an independent, neutral mediator agreed to by the Parties, unless they both agree to waive that mediation. If the Parties cannot agree upon a mediator, the mediation service selected shall choose the mediator. The Parties shall equally divide and pay the mediation costs. If mediation does not resolve the dispute, either Party may commence litigation with respect to the dispute.

21. Option for Additional Water.

A. In addition to the other water to be provided to Western Hills under this Agreement, the Agency grants Western Hills an option to increase the Annual Contract Quantity by up to an additional 1,000 AF in the aggregate ("Option Water"). The option shall take effect on January 1, 2027 and shall be valid for the (5) Years from that date. The Option term may be extended, subject to mutual agreement by the Parties.

B. Western Hills shall pay an annual, non-refundable option fee of $50,000 ("Option Fee"), to be paid in connection with the Initial Invoice under Section 4(F)(i) for each option Year. The Option Fee shall not be credited against any future Option Water purchases. Failure to pay the annual Option Fee within fourteen (14) days after written notice from the Agency shall irrevocably terminate Western Hills' option for the Option Water.

C. No later than November 1 of each Year that the option is in effect, Western Hills shall provide written notice of the quantity of Option Water for which it desires to exercise that option, if any. Upon exercise, the Annual Contract Quantity shall permanently increase by the exercised amount for the remainder of the term of this Agreement.

22. Miscellaneous.

A. Interpretation; Successors and Assigns; Amendments. This Agreement has been executed in California and California law shall apply to this Agreement. The captions of paragraphs used in this Agreement are for convenience only. The provisions hereof shall be binding upon and inure to the benefit of the permitted successors and assigns of the Parties. Any amendment or modification of this Agreement must be in writing, signed by the Agency and Western Hills. This Agreement contains the entire agreement of the Parties hereto and supersedes any prior written or oral agreements. All oral or written representations, agreements, arrangements, or understandings relating to the subject matter are fully expressed herein. The parties agree and acknowledge that this Agreement has been mutually reviewed by counsel for the two parties and that the provisions of Civil Code §1654 shall not apply to the interpretation of this Agreement.

B. Time of Essence. Time is of the essence of this Agreement.

C. Attorneys' Fees. In the event any Party to this Agreement brings any legal or equitable proceedings for enforcement of any of the terms or conditions of this Agreement, or any alleged disputes, breaches, defaults or misrepresentations in connection with any provision of this Agreement, the prevailing Party in such action, or the non-dismissing Party where the dismissal occurs other than by reason of a settlement, shall be entitled to recover its reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and costs of defense paid or incurred in good faith. The "prevailing Party," for purposes of this Agreement, shall be deemed to be that Party who obtains substantially the result sought, whether by settlement, dismissal or judgment or as determined by the court, arbitrator or mediator to whom the dispute is submitted.

D. Dependency of Provisions; Waiver. The respective warranties, representations, covenants, agreements, obligations and undertakings of each Party hereunder

shall be construed as dependent upon and given in consideration of those of the other Party. No waiver by either Party of any provisions hereto shall be deemed a waiver of any other provision hereof or of any subsequent breach by either Party of the same or any other provision.

E. Notices. All notices, approvals, consents or other documents required or permitted under this Agreement shall be in writing, and, except as otherwise provided herein, shall be effective upon personal delivery, delivery by nationally-recognized overnight courier, delivery by e-mail with telephonic or written confirmation of receipt or three days after deposit in the United States mails, registered or certified mail, with first-class postage fully prepaid, addresses as follows:

The Agency:	Kern County Water Agency 3200 Rio Mirada Drive Bakersfield, CA 93302 Attn: General Manager
Western Hills:	Western Hills Water District P. O. Box 655 Patterson, CA 95363 Attn: Board President

or to such other addresses as either Party shall, from time to time, specify in the manner provided herein.

F. Venue. The Parties agree that, in any action to interpret or enforce this Agreement, venue shall be proper in the counties of Kem or Stanislaus.

G. Counterparts; Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed as original, but all of which together shall constitute one and the same Agreement. The Parties may execute this Agreement by signatures transmitted electronically, including by e-mail, PDF, DocuSign or similar application, and any such electronically transmitted signature shall be as valid as an original signature.

H. Opinions and Determinations. Where the terms of this Agreement provide for action to be based upon the opinion, judgment, approval, review or determination of the Agency or Western Hills, such terms are not intended to be and never shall be construed as permitting such opinion, judgment, approval, review or determination to be arbitrary, capricious or unreasonable.

IN WITNESS WHEREOF, the Agency and Western Hills, by execution of counterparts hereof, have approved this Agreement. This Agreement shall be deemed effective on the date first written above.

Kern County Water Agency

Dated: _____, 2026

By_____
Eric Averett, General Manager

Western Hills Water District

Dated: _____, 2026

By_____
Mark Kovich, Board President

APPROVED AS FORM:

_____
James D. Ciampa, General Counsel,
Kern County Water Agency

_____
Colin L. Pearce, Special Counsel,
Western Hills Water District

EXHIBIT A

UNIT PRICE METHODOLOGY

EXHIBIT A

Kern County Water Agency

Estimated Unit Rates (Fixed + Variable) [1]

Year	Fixed Costs [2] ($)	Variable [3,4] ($/AF)	SWP Allocation 5%	10%	15%	20%	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%	80%	85%	90%	95%	100%
2010	$ 85,808,429	28.71	1,775	902	611	465	378	320	278	247	223	203	187	174	163	153	145	138	131	126	121	116
2011	$ 84,534,821	11.34	1,732	872	585	441	355	298	257	226	202	183	168	155	144	134	126	119	113	107	102	97
2012	$ 94,355,301	10.58	1,931	971	651	491	395	331	285	251	224	203	185	171	158	148	139	131	124	117	112	107
2013	$ 93,893,117	12.23	1,923	968	649	490	394	331	285	251	225	203	186	171	159	149	140	132	125	118	113	108
2014	$ 87,464,529	10.95	1,791	901	604	456	367	308	265	233	209	189	173	159	148	138	130	122	116	110	105	100
2015	$ 101,318,265	22.11	2,084	1,053	709	538	435	366	317	280	251	228	210	194	181	169	160	151	143	137	131	125
2016	$ 114,706,906	10.76	2,345	1,178	789	594	478	400	344	303	270	244	223	205	190	178	166	157	148	140	134	127
2017	$ 122,809,721	12.66	2,512	1,262	846	638	513	429	370	325	290	263	240	221	205	191	179	169	160	152	144	138
2018	$ 114,237,368	20.22	2,345	1,183	795	601	485	408	352	311	279	253	232	214	199	186	175	166	157	149	143	136
2019	$ 110,534,495	15.62	2,265	1,140	765	578	466	391	337	297	266	241	220	203	189	176	166	156	148	141	134	128
2020	$ 136,178,262	21.68	2,793	1,407	945	715	576	484	418	368	330	299	274	253	235	220	206	195	185	176	168	160
2021	$ 136,049,604	22.72	2,792	1,407	946	715	576	484	418	369	330	300	274	253	236	220	207	196	186	177	168	161
2022	$ 158,938,338	19.05	3,254	1,636	1,097	828	666	558	481	423	378	343	313	289	268	250	235	221	209	199	189	181
2023	$ 144,134,581	16.67	2,950	1,483	994	750	603	506	436	383	343	310	283	261	242	226	212	200	189	180	171	163
2024	$ 155,485,291	18.19	3,183	1,600	1,073	809	651	546	470	414	370	335	306	282	262	244	229	216	204	194	185	176
2025	$ 152,490,800	19.04	3,122	1,571	1,054	795	640	536	462	407	364	329	301	278	258	241	226	213	202	191	182	174
2026	$ 152,055,553	19.17	3,114	1,566	1,051	793	638	535	461	406	363	329	300	277	257	240	225	213	201	191	182	174
	MIN	10.58	1,732	872	585	441	355	298	257	226	202	183	168	155	144	134	126	119	113	107	102	97
	MAX	28.71	3,254	1,636	1,097	828	666	558	481	423	378	343	313	289	268	250	235	221	209	199	189	181
	AVG	17.16	2,465	1,241	833	629	507	425	367	323	289	262	240	221	205	192	180	170	161	153	146	140

(1) Green highlights represent the final SWP allocation in the listed year. 2025 and 2026 are tentative numbers that are subject to final reconciliation.

(2) Based on the initial Statement of Charges for the listed year. Does not include rebills (credits or charges).

(3) Final variable rate through Banks pumping plant calculated based on DWR variable invoices.

(4) 2025 and 2026 variable rates are still to be determined.

WHWD Estimated Annual Payment		SWP Allocation 5%	10%	15%	20%	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%	80%	85%	90%	95%	100%
Estimated Annual Allocation (AF)	1,500	75	150	225	300	375	450	525	600	675	750	825	900	975	1,050	1,125	1,200	1,275	1,350	1,425	1,500
Annual Purchase Water ($)	Avg Unit Rate	184,899	186,185	187,472	188,759	190,046	191,333	192,620	193,907	195,194	196,480	197,767	199,054	200,341	201,628	202,915	204,202	205,489	206,775	208,062	209,349
Admin Fee $25 @ 1500 AF	25	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500
Avgerage Annual Expense		222,399	223,685	224,972	226,259	227,546	228,833	230,120	231,407	232,694	233,980	235,267	236,554	237,841	239,128	240,415	241,702	242,989	244,275	245,562	246,849
	UNIT PRICE	$ 2,965.31	$ 1,491.24	$ 999.88	$ 754.20	$ 606.79	$ 508.52	$ 438.32	$ 385.68	$ 344.73	$ 311.97	$ 285.17	$ 262.84	$ 243.94	$ 227.74	$ 213.70	$ 201.42	$ 190.58	$ 180.94	$ 172.32	$ 164.57

EXHIBIT B

TURNOUT AGREEMENT

State of California
The Resources Agency
DEPARTMENT OF WATER RESOURCES

AGREEMENT BETWEEN THE DEPARTMENT OF WATER RESOURCES OF THE STATE OF CALIFORNIA, KERN COUNTY WATER AGENCY, AND WESTERN HILLS WATER DISTRICT FOR CONSTRUCTION, OPERATION, AND MAINTENANCE OF THE WESTERN HILLS TURNOUT A PERMANENT TURNOUT WITHIN THE CALIFORNIA AQUEDUCT RIGHT-OF-WAY

THIS AGREEMENT is made this 8th day of June, 2000, pursuant to the provisions of the California Water Resources Development Bond Act, the State Central Valley Project Act, and other applicable laws of the State of California, between the Department of Water Resources of the State of California, hereinafter called "STATE", the Kern County Water Agency, hereinafter called "AGENCY"and Western Hills Water District, a California Water District located in Stanislaus County, hereinafter called "DISTRICT".

RECITALS

A. The STATE is authorized to construct and operate facilities for the storage and conveyance of water, certain of which facilities make water available to the AGENCY'S service area.

B. The AGENCY has contracted with the STATE for State Water Project water service and other water pursuant to the AGENCY's long-term water supply contract, with supplies to be delivered through the California Aqueduct to the AGENCY's service area.

C. The AGENCY has contracted with the STATE for the delivery of AGENCY's Local Water to DISTRICT by exchanging the AGENCY's Local Water for a like amount of AGENCY's SWP entitlement water.

D. The AGENCY and DISTRICT desire to construct a permanent turnout facility at approximately Milepost 42.90 of the California Aqueduct, referred to as the "Western Hills Turnout."

E. The Western Hills Turnout will consist of a reinforced concrete gravity turnout structure, with a manually operated slide gate, venturi flow meter and meter and miscellaneous appurtenances. The design capacity of the turnout will be 30 cubic-feet-per-second. Exhibit A shows the site plan of the Western Hills Turnout.

F. The STATE is willing to permit the AGENCY and DISTRICT to construct, on the STATE's right of way, a permanent turnout from the California Aqueduct. Such construction and operation and maintenance is subject to all the terms and conditions of this Agreement.

STANDARD PROVISIONS

The STATE, AGENCY and the DISTRICT agree as follows:

1. RIGHTS OF ACCESS The STATE grants to the AGENCY and DISTRICT permission to enter upon the STATE's right of way of the California Aqueduct situated in Stanislaus County, California, to construct, operate and maintain the Western Hills Turnout facility at approximately Milepost 42.90. The right of access is limited to that portion of the STATE's right of way at Milepost 42.90 of the California Aqueduct as is reasonably necessary to construct the facilities. The AGENCY's and the DISTRICT's access shall not interfere with STATE activities in the STATE's right of way.

   The STATE shall have right of access at all times to the Western Hills Turnout constructed under this Agreement for the purposes of observation, inspection, operation, and maintenance.

   The AGENCY and DISTRICT shall secure the STATE's prior approval from the Chief of the Delta Field Division at (209) 833-7106, for any physical modifications including normal maintenance that requires entry upon the STATE's right of way. The right of entry shall be limited to that portion of the STATE's property as is reasonably necessary to accomplish the actions provided for in this Agreement.

2. COSTS The DISTRICT and AGENCY shall pay all costs incurred by the STATE, which in the opinion of the STATE are properly attributable to the work authorized under this Agreement. DISTRICT shall pay the following costs incurred by the STATE during the planning, design and construction of the Western Hills Turnout:

(a) Costs incurred by the STATE under Section 22 of this Agreement; and

(b) Costs for inspection of the work and other incidental costs of such inspection, such as travel expenses.

The AGENCY shall pay all other costs incurred by the STATE not included in (a) and (b) above but authorized under this Agreement, including the operation and maintenance costs of the Western Hills Turnout.

Not later than 60 days after the date of this Agreement, the STATE will furnish to the DISTRICT an advance billing invoice for costs under (a) and (b) above. Such costs will become due and payable 30 days after the date of the advance billing invoice. Unpaid amounts of such costs will become delinquent after the due date and interest shall accrue thereon at a rate of 1 percent per month from the date the payment was due.

The STATE may furnish interim billing invoices to the DISTRICT, which shall

become due and payable 30 days after written notice thereof and be subject to the same interest charges as for the advance billing.

A final billing invoice will be furnished to the DISTRICT within 60 days after issuance of the formal statement of acceptance of the Western Hills Turnout described in Section 28 of this Agreement. Based upon such billing, the STATE will either refund any excess payment resulting from the advance and interim billings, or in the event a deficiency results, the DISTRICT will make final payment of STATE costs. Such final payment, if any, will become due and payable within 30 days after written notice thereof and be subject to interest charges as for the advance and interim billings. In the event the DISTRICT does not make full payment of the final billing invoice within 90 days from the date of the final billing invoice, the AGENCY shall be responsible to make payment of any unpaid amounts of such costs remaining and be subject to the interest charges as for the advance billing for the DISTRICT.

3. OWNERSHIP, OPERATIONS, AND MAINTENANCE OF FACILITIES

Upon the issuance of the formal statement of acceptance of the Western Hills Turnout described in Section 28, all facilities constructed, and all

devices and equipment up to and including the meter vault installed within the STATE's right of way under this Agreement shall be owned, operated, and maintained by the STATE. All devices and equipment downstream of the meter vault shall be owned, operated, and maintained by the DISTRICT. The STATE's operation and maintenance activities may include future installation of additional or replacement devices and equipment, and any operation, maintenance, repair, or other activity related to the California Aqueduct or as deemed necessary by the STATE.

4. STATE'S MAINTENANCE AND REPAIRS The STATE may at any time perform or cause the performance of work of any nature by other contractors or its forces at or near the site of the Western Hills Turnout. The AGENCY and DISTRICT shall cooperate jointly and severally with such other contractors or forces, conduct their operations in such manner as not to cause any unnecessary delay or hindrance of the other contractor's work, and adjust and coordinate their work with the other contractors so as to permit proper completion of all work in the area. When the AGENCY's, DISTRICT's, and the STATE's forces or any contractors or subcontractors are performing work on related or adjacent work, or are using the same material sources, storage area, or disposal

area, the AGENCY and DISTRICT shall be responsible jointly and severally to the STATE's forces and other contractors or subcontractors for any injury, damage, or loss caused by the operations of the AGENCY or DISTRICT, or by their unnecessary delay or hindrance of the STATE's forces or contractor's or subcontractor's work.

5. CONTRACTING OFFICER OF STATE The STATE's contracting officer shall be the Director of Water Resources of the State of California and his successors, or his duly authorized representatives. The contracting officer shall be responsible for all discretionary acts, opinions, judgments, approvals, reviews, and determinations required of the STATE under the terms of this Agreement.

6. AQUEDUCT PROTECTION Protection and maintenance of the integrity of the California Aqueduct shall be the primary concern of all Parties to this Agreement in all activities related to the construction, operation, and maintenance of the Western Hills Turnout. If, in the judgment of the STATE, any occurrence threatens the integrity of the California Aqueduct during the construction, operation and maintenance of the turnout facility, the STATE may order the activity halted immediately and the DISTRICT shall, at its sole cost, restore the site to a condition that the STATE

determines to be necessary or take other action that the STATE determines to be necessary to protect facilities of the California Aqueduct. The STATE shall have the option to perform any protective work directly with its own resources and to be reimbursed by the AGENCY and the DISTRICT for all costs incurred in doing so.

7. FENCES AND GATES All fences and access gates constructed on the STATE's right of way by the DISTRICT shall be kept in good repair by the DISTRICT. Gates shall be kept closed and locked except when in actual use. The DISTRICT shall provide the STATE with a key to each lockable gate constructed by the DISTRICT. In the event the DISTRICT does not complete the required work under this section, the AGENCY shall be responsible for completing the work.

8. WATER POLLUTION No material capable of water pollution shall be stored or discarded on lands or water covered by this Agreement except within protected areas approved by the STATE. Such material shall be stored in such manner as to prevent its discharge.

9. REASONABLE CARE The AGENCY and DISTRICT shall exercise reasonable care in performance under this Agreement to make certain the STATE's facilities are not impaired or damaged.

10. REPAIRS The STATE may temporarily discontinue operation of the Western Hills Turnout for the purposes of necessary investigation, inspection, maintenance, repair or replacement of any State Water Project facilities, and the STATE shall notify the DISTRICT as far in advance as possible of any such discontinuance, except in cases of emergency, in which case notice need not be given. The DISTRICT acknowledges (a) that such discontinuance may impact water deliveries through the Western Hills Turnout; (b) that such discontinuance may be of unknown duration and if unabated may cause unforeseeable economic and environmental damage in its service area; (c) that this Agreement confers no right to a water supply from the STATE nor from the State Water Project; and (d) that the agreement between the STATE and the AGENCY that is referred to in Recital C to this Agreement sets forth the terms and conditions for water deliveries by the STATE at the Western Hills Turnout. The AGENCY and DISTRICT shall remedy jointly and severally any actual or threatened impairment or damage to the STATE's facilities, or

STATE's right of way, caused by their exercise of any of the rights under this Agreement, including any abandoned work and any and all impairment or damage to the STATE, which would not have occurred had such work not been done or facilities not been constructed pursuant to this Agreement. In the event the DISTRICT refuses to undertake such repair or removal, or so elects, the STATE, after giving reasonable notice to the AGENCY, may arrange for the necessary repair or removal and the AGENCY shall reimburse the STATE the full cost of such repair or removal. The STATE may require an advance deposit sufficient to pay the estimated cost of the repair or removal prior to its performance and the AGENCY shall furnish this deposit upon request.

11. NOTICES Unless otherwise provided in the Agreement, all notices that are required either expressly or by implication to be given by any one Party to any or all other Parties under this Agreement shall be signed for the STATE by or on behalf of its contracting officer, and for the AGENCY and DISTRICT by such officer(s) as may, from time to time, be authorized in writing to so act. All such notices shall be deemed to have been given if delivered personally or if enclosed in a properly addressed and stamped

envelope and deposited with the U.S. Postal Service for delivery by registered or certified mail. Unless otherwise provided for in this Agreement and until formally notified otherwise, all notices shall be addressed to the Parties at their addresses as shown below:

Chief
State Water Project Analysis Office
Department of Water Resources
Post Office Box 942836
Sacramento, CA 94236-0001

General Manager
Kern County Water Agency
Post Office Box 58
Bakersfield, CA 93302-0058

General Manager
Western Hills Water District
Post Office Box 655
Patterson, California 95363

12. LIABILITY The AGENCY and DISTRICT, their agents, employees and contractors, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the STATE. The STATE assumes no liability for the activities of the AGENCY or DISTRICT in performance of this Agreement including any water supply provided at the Western Hills Turnout and uses of data generated at the

Western Hills Turnout. The AGENCY and DISTRICT are responsible jointly and severally for all liability, including but not limited to personal injury or property damage that may arise out of the facilities constructed or rights exercised pursuant to this Agreement, or which may arise out of the actions of the AGENCY or DISTRICT under this Agreement, excepting only such injury, damage, or loss caused solely by the negligence or willful misconduct of the STATE or its officers or employees. In no event shall the State or any of its officers, agents, or employees be liable for any damage, direct or indirect, arising from shortages in the amount of water to be made available for delivery to the District. To the extent permitted by law, in the event any claim of liability arising out of this Agreement, or out of actions undertaken pursuant to this Agreement, is instituted against the State of California, or any department, officer, or employee thereof, the AGENCY and DISTRICT shall defend, indemnify, and hold each of them harmless from such claim.

13. INSURANCE DURING OPERATION AND MAINTENANCE During the operation and maintenance period on the STATE's right of way under this Agreement, the AGENCY and DISTRICT shall purchase insurance through an insurance carrier to protect the STATE from claims that may arise from

the AGENCY's or DISTRICT's activities under this Agreement. In the event insurance is not in effect at all times, the STATE may, in addition to any other remedies it may have, terminate this Agreement.

The AGENCY and DISTRICT shall insure the STATE against all claims and liability for which the AGENCY or DISTRICT may be liable for activities arising under this Agreement by having the STATE, and its officers, and employees named as additional insurers in a combined single limit comprehensive liability insurance policy in an amount not less than $2,000,000. Such policy shall not contain any provision against cross liability between named insurers, but shall include a 45-day notice provision for termination by the insurer of such policy. A certificate of insurance in compliance with the provisions of this section shall be delivered to the STATE upon the STATE's execution of this Agreement. Such insurance coverage shall be in effect at all times during the term of this Agreement and the STATE will not be responsible for any premiums or assessments on the policy. In the event such insurance coverage expires at any time during the term of this Agreement, the AGENCY and DISTRICT shall file with the STATE at least 45 days prior to such date of expiration, a new certificate of insurance evidencing coverage as provided for herein. New certificates of

insurance shall be subject to approval by the STATE. Such approval shall be conclusively presumed in the absence of written objection by the STATE, received by the AGENCY and DISTRICT within 30 days after the date of filing of this new certificate: Provided, that such certificate may provide for deductible coverage upon agreement of the Parties hereto.

For all activities performed under this Agreement, in which AGENCY or DISTRICT is liable, they shall be liable for the full amount even if the amount of liability exceeds the amount of the insurance policy maximum.

14. OPINIONS AND DETERMINATIONS Where the terms of this Agreement provide for action to be based upon the opinion, judgment, approval, review, or determination of any Party hereto, such terms are not intended to be and never shall be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

15. COMPLIANCE WITH ALL LAWS In exercising their rights under this Agreement, the AGENCY or DISTRICT at their cost shall be responsible for complying with all applicable laws and regulations, including but not limited to the California Environmental Quality Act, the Federal and California Endangered Species Acts, and the Clean Water Act, and for securing any required consent, permit, or order required thereof. The AGENCY and or

DISTRICT shall provide written proof to the STATE that any such required consent, permit or order was properly obtained. In the event the AGENCY or DISTRICT fails to comply with applicable laws or to secure required permits, the STATE may terminate this Agreement.

16. PRIOR RIGHTS This Agreement is subject to all prior rights contained in unexpired permits, agreements, easements, or other prior rights whether recorded or unrecorded to the real property affected by this Agreement. The AGENCY and DISTRICT shall make their own arrangements with holders of such prior rights.

17. WAIVER OF RIGHTS Any waiver at any time by any Party hereto of its rights with respect to a default or any other matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any other default or matter.

18. WAIVER OF DAMAGE CLAIMS The AGENCY and DISTRICT agree to waive all claims for possible future damage to facilities constructed pursuant to this Agreement due to the STATE's actions, unless the damage to Western Hills Turnout facilities results from the sole negligence or willful misconduct of the STATE or its officers or employees.

19. SUCCESSORS AND ASSIGNS OBLIGATED This Agreement and all of its provisions shall apply to and bind the successors and assigns of the Parties hereto.

20. ASSIGNMENT No assignment or transfer of this Agreement or any part hereof, rights hereunder, or interest herein by the AGENCY or DISTRICT shall be valid unless and until the assignment or transfer is approved in writing by the STATE and made subject to such reasonable terms and conditions as the STATE may impose.

21. MAINTENANCE AND INSPECTION OF BOOKS, RECORDS, AND REPORTS During regular office hours, each of the Parties hereto and their duly authorized representatives shall have the right to inspect and make copies of any books, records, and reports of the other Party pertaining to this Agreement or matters related thereto. Each of the Parties hereto shall maintain and make available for such inspection accurate records of all its costs, disbursements, and receipts, water orders, measurements and deliveries with respect to its activities under this Agreement.

PRECONSTRUCTION PHASE

22. DRAWINGS, SPECIFICATIONS AND DATA To satisfy the STATE's requirements for protection of the California Aqueduct and to insure that the flow measurement, control devices and related equipment meet the STATE's accuracy and operational requirements, the DISTRICT shall furnish contract drawings, specifications, data, or calculations as requested by the STATE, and any addenda or any substantial changes to such drawings, specifications, and data to the STATE for approval prior to performance of any work pursuant to this Agreement. All of the DISTRICT's drawings and specifications shall be prepared by a registered professional engineer as defined in Section 6701 of the California Business and Professions Code. Changes must be submitted on drawings in the same manner that the original contract drawings are submitted. Such drawings, specifications, and data shall be submitted in a sequence that will allow their review and approval in an orderly manner. Nine legible copies of each drawing and nine sets of specifications and data shall be furnished to the STATE. Specifications, data, and drawings shall be submitted to:

Chief, State Water Project Analysis Office
Department of Water Resources
Post Office Box 942836
Sacramento, CA 94236-0001

The STATE shall notify the AGENCY and DISTRICT in writing of its approval or disapproval of such drawings, specifications, and data. One print of each drawing and one copy of specifications, and data will be returned to the AGENCY and DISTRICT marked APPROVED FOR CONNECTION TO THE STATE WATER PROJECT," APPROVED AS NOTED FOR CONNECTION TO THE STATE WATER PROJECT" or DISAPPROVED." The DISTRICT shall not commence construction of any facilities on the STATE's right of way for which the drawings, specifications, and data have not been approved by the STATE.

The DISTRICT shall also submit for the STATE's approval: a proposed construction schedule, manufacturers' catalogs, data, copies of certificates of competence for construction workmen requiring certificates, materials certificates, and test reports. The DISTRICT shall also submit for the STATE's approval any shop drawings which change or considerably affect items previously approved in the plans and specifications.

Approval of any drawings, specifications, or data shall not subject the STATE to any liability nor shall such action modify the AGENCY's and DISTRICT's liability under Section 12. Upon completion of the facilities to be constructed pursuant to this Agreement and within 90 days of the STATE's written acceptance of the work described in Section 28, the DISTRICT shall furnish to the STATE reproducible prints of as-built drawings for the Western Hills Turnout facilities constructed on the STATE's right of way, including copies of all contract change orders, and manufacturer manuals for operation and maintenance of devices and equipment.

CONSTRUCTION PHASE

23. INSURANCE DURING CONSTRUCTION Throughout the period of construction on the STATE's right of way under this Agreement, and continuing until the STATE's formal statement of acceptance as described in Section 28, the DISTRICT shall insure the STATE against all liability referred to in Section 12 by having the STATE, its officers, and employees named as additional insurers in a combined single limit comprehensive liability insurance policy in an amount not less than $2,000,000. Such policy shall not contain any provision against cross liability between

named insurers, but shall include a 30-day written notice provision for termination by the insurer of such policy. The STATE will not be responsible for any premiums or assessments on the policy. Evidence of compliance with this insurance requirement shall be delivered to the STATE before commencing any work on the STATE's right of way under this Agreement. In the event such insurance coverage expires at any time prior to the STATE's formal statement of acceptance, the DISTRICT shall file with the STATE at least 30 days prior to such date of expiration, a new certificate of insurance evidencing coverage as provided for herein. In the event the DISTRICT fails to keep in effect at all times insurance as herein provided, the STATE may, in addition to any other remedies it may have, terminate this Agreement.

24. NOTICE OF ENTRY FOR CONSTRUCTION The DISTRICT shall notify the STATE in writing at least seven days prior to entering upon any portion of STATE's right of way. The DISTRICT's notice shall include the estimated start date of construction, the names and telephone numbers of the DISTRICT's contractors responsible for the construction work, and the

names and telephone numbers of the DISTRICT's field representatives, who will be available at the site. Notice shall be sent to the following STATE representative:

Chief, Delta Field Division
Department of Water Resources
5280 Bruns Road
Byron, California 94514-1917

If there are any changes in the notice of entry such as dates or names, the DISTRICT shall notify the Chief of the Delta Field Division of the changes at (209) 833-7106, before entering the STATE's right of way under this Agreement.

25. STANDARDS OF CONSTRUCTION All construction within the STATE's right of way shall conform to the STATE's requirements for protection of the California Aqueduct and to requirements for STATE-approved flow measuring devices and shall be performed to the satisfaction of the STATE.

26. WARNING DEVICES The DISTRICT shall furnish, erect and maintain fences, barriers, lights, signs and provide flag-persons or guards as are reasonably necessary to protect persons and property from the construction of the facilities pursuant to this Agreement. Adequate warning shall be provided by the DISTRICT of any dangerous condition to be encountered as

a result thereof or as a result of any right exercised or duty performed under this Agreement.

27. LOCATION OF CONTROL CABLE At least 7 days prior to starting excavation on the STATE's right of way, the DISTRICT shall contact: (a) Underground Service Alert (USA) at (800) 227-2600 to locate the buried cable(s) and underground facilities in the construction area and (b) the STATE's Delta Field Division's Engineering Branch Field Supervisor at (209) 833-2017. No excavation shall be done until the cable(s) and underground facilities have been located. The STATE may require that the cable(s) be located and exposed by the use of hand held tools. The presence of a STATE representative will be required throughout the cable exposure process. Any cables and underground facilities encountered during construction of the turnout must be shown on the as-built drawings submitted by the DISTRICT.

28. INSPECTION AND ACCEPTANCE All of the construction authorized by this Agreement shall be subject to inspection by the STATE for conformity with the approved drawings and specifications, for protection of the STATE's property and for avoidance of any interference with STATE construction, operation and maintenance of the area. Inspection shall be performed in

such manner as not to delay construction unnecessarily. The STATE will assign an inspector and will furnish his/her name and address to the DISTRICT. Neither the inspection nor the lack of inspection of any portion of such construction, nor the presence or absence of the STATE's inspector during such construction shall waive any of the requirements of the approved drawings and specifications. In the event that construction does not conform to the STATE's requirements, the STATE may notify the DISTRICT to halt construction. The STATE will allow the DISTRICT to resume construction after it has met the STATE's requirements.

After construction and site restoration has been completed, an inspection will be performed by the STATE's representative. If the facilities constructed by the DISTRICT are found to be satisfactory and the DISTRICT has furnished the STATE reproducible prints of the as-built drawings and related documents pursuant to Section 22, a formal statement of acceptance will be forwarded to the AGENCY and DISTRICT. Inspections and acceptance under this Section shall not subject the STATE to any liability nor shall such actions modify or qualify the AGENCY's or DISTRICT's liability under Section 12.

29. BORROW, WASTE, AND STOCKPILING Only such borrow, waste, and stockpiling will be permitted as shown on drawings and specifications submitted to and approved by the STATE's Delta Field Division's Engineering Branch Supervisor or his/her delegated representative.

30. DRAINAGE If the work herein contemplated interferes with established drainage, the DISTRICT shall provide for alternative drainage during construction, and shall restore existing drainage after completion of each construction phase in the area as directed by the STATE.

31. BACKFILL All backfill shall be moistened as necessary and thoroughly compacted to a relative compaction equal to or greater than that of the material excavated or as otherwise required by the approved drawings or specifications.

32. CLEANUP AFTER CONSTRUCTION Upon completion of any work pursuant to this Agreement, the DISTRICT shall restore the STATE's right of way to a presentable condition as approved by the STATE. In the event the DISTRICT fails to restore the affected site to a presentable condition approved by the STATE, the STATE may do the work or cause the work to be done and the AGENCY and DISTRICT shall reimburse the STATE the full cost of the restoration.

33. FAILURE TO BEGIN CONSTRUCTION–SITE RESTORATION In the event that the DISTRICT fails to begin construction authorized by this Agreement for a continuous period of two years after the STATE's approval of drawings and specifications, or fails, neglects, or refuses to comply with any of the conditions herein, all rights of the AGENCY and DISTRICT described herein shall terminate upon 60 days notice by the STATE. In the event the DISTRICT abandons any of such construction for a continuous period of three months, upon 30 days notice from the STATE, the DISTRICT shall begin to restore the affected site to a condition approved by the STATE. If the DISTRICT fails to restore the affected site to a condition approved by the STATE within 90 days after the notice, the STATE may do the work or cause the work to be done, and the AGENCY shall reimburse the STATE the full cost of the restoration.

34. ACKNOWLEDGMENT DISTRICT acknowledges that this Agreement confers no right to a water supply from the STATE nor from the State Water Project and that the water to be delivered at the turnout is established solely by the terms and conditions of its separate agreement with AGENCY.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first above written.

Approved as to legal form
and sufficiency:

Chief Counsel
Department of Water Resources

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

Director

WESTERN HILLS WATER DISTRICT

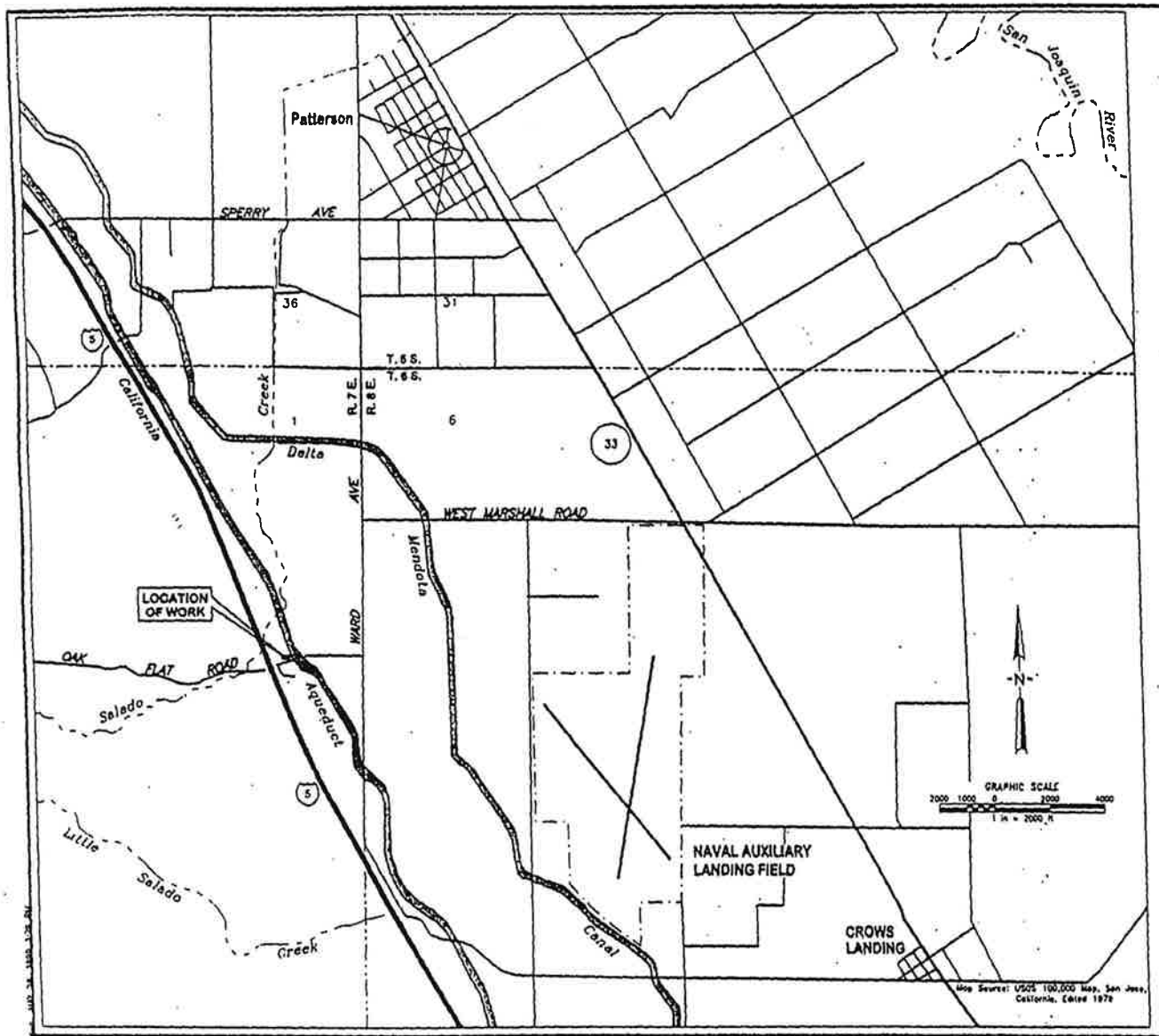
Name

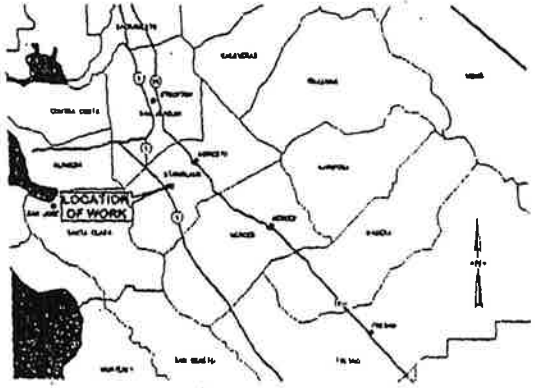
PRESIDENT
Title

KERN COUNTY WATER AGENCY

Name

President
Title





VICINITY MAP

DESIGNED OBAL	DRAWN PARKER	CHECKED OBAL	SUBMITTED SALMON

NO.	DATE	DESCRIPTION	SUB	APPD

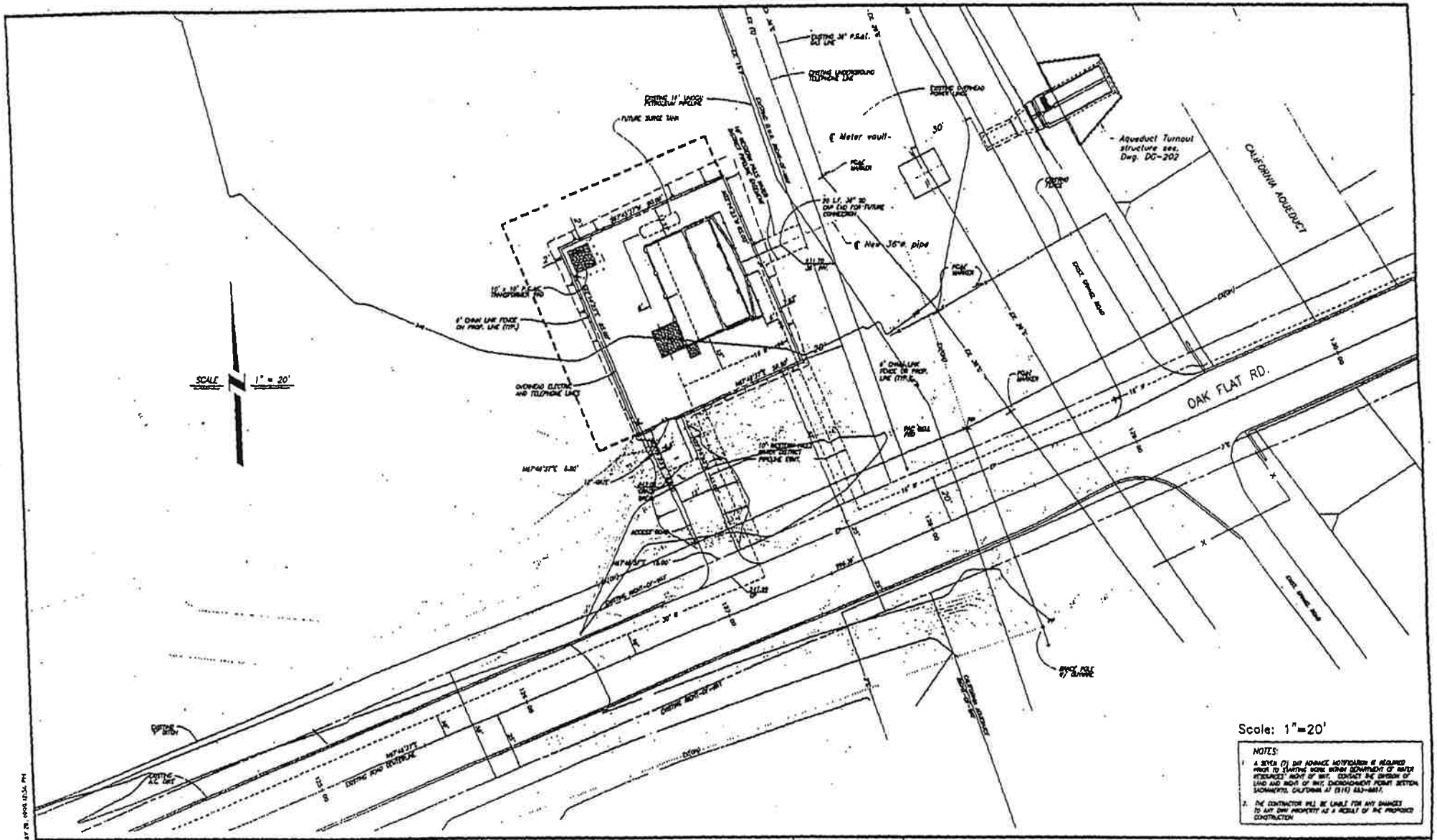
DIABLO GRANDE
STANISLAUS COUNTY, CALIFORNIA

BOOKMAN–EDMONSTON
ENGINEERING, INC.
SACRAMENTO, CALIFORNIA

DIABLO GRANDE AQUEDUCT TURNOUT
STANISLAUS COUNTY, CALIFORNIA

LOCATION OF WORK, VICINITY MAP, DRAWING LIST

DATE MAY 26, 1999
SCALE ORIGINAL SCALE 1"=2000'
DRAWING NUMBER DG-101



Scale: 1"=20'

NOTES:

1. A SEVEN (7) DAY ADVANCE NOTIFICATION IS REQUIRED PRIOR TO STARTING WORK WITHIN DEPARTMENT OF WATER RESOURCES' RIGHT OF WAY. CONTACT THE DIVISION OF LAND AND RIGHT OF WAY, ENCROACHMENT PERMIT SECTION, SACRAMENTO, CALIFORNIA AT (916) 653-8007.
2. THE CONTRACTOR WILL BE LIABLE FOR ANY DAMAGES TO ANY DWR PROPERTY AS A RESULT OF THE PROPOSED CONSTRUCTION

DESIGNED MUANG CHECKED OBAL
DRAWN GARTENLAUB SUBMITTED SALMON

REV	DATE	DESCRIPTION	SUB	APP'D

DIABLO GRANDE
STANISLAUS COUNTY, CALIFORNIA

BOOKMAN-EDMONSTON
ENGINEERING, INC.
SACRAMENTO, CALIFORNIA

REGISTERED PROFESSIONAL ENGINEER — STATE OF CALIFORNIA — CIVIL — 3/31/98 — APPROVED

DIABLO GRANDE AQUEDUCT TURNOUT
STANISLAUS COUNTY, CALIFORNIA

AQUEDUCT TURNOUT
SITE PLAN

DWT
ISSUE DATE

DRAWING NUMBER
DG-201

S:\DWG\DIABLO\DG-201.DWG MAY 28, 1998 12:54 PM

EXHIBIT C

POINT OF DELIVERY AGREEMENT

State of California
The Resources Agency
DEPARTMENT OF WATER RESOURCES

POINT OF DELIVERY AGREEMENT BETWEEN
DEPARTMENT OF WATER RESOURCES,
STATE OF CALIFORNIA,
AND THE
KERN COUNTY WATER AGENCY

THIS AGREEMENT is made this 8th day of June, 2000, pursuant to the provisions of the California Water Resources Development Bond Act, and other applicable laws of the State of California, between the State of California "Department of Water Resources," herein referred to as the "STATE" and the "Kern County Water Agency," herein referred to as the "AGENCY," a political subdivision of the State of California created by an Act of the California State Legislature (Statutes 1961 Ch. 1003, as amended).

RECITALS:

A. The STATE and the AGENCY have entered into and subsequently amended a water supply contract, herein referred to as the "Water Supply Contract," providing that the STATE will supply certain quantities of water to the AGENCY, and providing that the AGENCY shall make certain payments to the STATE, and setting forth the terms and conditions of such supply and such payment; and

B. The AGENCY has entered into an agreement with "Western Hills Water District," a California Water District located in Stanislaus County, herein referred to as

"WESTERN," to provide a long-term water supply for WESTERN utilizing Local Water from the AGENCY's share of the Pioneer Groundwater Banking Project in Kern County and delivering such water to WESTERN by exchanging it for a portion of the AGENCY's State Water Project (SWP) entitlement water; and

C. The purpose of this Agreement between the STATE and the AGENCY is to set forth provisions governing the delivery of the AGENCY's Local Water to WESTERN by exchanging the AGENCY's Local Water for a like amount of AGENCY's SWP entitlement delivered to the Western Hills Turnout on the California Aqueduct in Reach 2A; and

D. The AGENCY's agreement to provide a water supply to WESTERN is an alternative to WESTERN's previously planned purchase of SWP entitlement from the Berrenda Mesa Water District, a member unit of the AGENCY, pursuant to Article 53 of the Water Supply Contract; and

E. Existing SWP contractors have expressed an interest in purchasing the Berrenda Mesa entitlement and the STATE and the AGENCY wish to assure that these contractors have the opportunity to proceed with such a purchase; and

F. The AGENCY's agreement to supply WESTERN with a water supply will not increase the AGENCY's demand for project water, and the source of the Local Water provided for this exchange will not be SWP water; and

G. The transportation facilities required to implement the proposed exchange are included in Table 1 of the Water Supply Contract, and accordingly, the AGENCY participates in the repayment of the reaches required for this exchange; and

H. Pursuant to Article 15(a) of the AGENCY's Water Supply Contract, the STATE hereby consents to the delivery of AGENCY SWP Table A entitlement water outside the AGENCY's service area under the terms of this Agreement and finds that such delivery will not materially impair the AGENCY's capacity to make payments to the STATE.

I. The STATE has filed a petition with the State Water Resources Control Board on February 11, 2000 to include WESTERN's service area as described in Exhibit A within the authorized place of use of SWP water.

AGREEMENT

1. DEFINITIONS

(a) "Entitlement" means the acre-feet amounts listed in Table A of the Water Supply Contract, excluding interruptible water and turnback pool water.

(b) "Water Supply Contract" means the contract entered into for a long-term supply of water from the California Water Resources Development System between the STATE and the AGENCY, dated November 15, 1963, as amended.

(c) "Western Hills Turnout" means the turnout proposed to be constructed on Reach 2A, Milepost 42.9 of the California Aqueduct as shown on Exhibit A.

(d) Definitions and terms contained in the Water Supply Contract apply to this Agreement.

(e) "Local Water" means local water stored in the Pioneer Groundwater Banking Project, excluding SWP water of all classifications, (eg., entitlement, interruptible, and turnback pool water.)

(f) "Western Hills Water District" means the California Water District located in Stanislaus County.

(g) "Pioneer Participation Agreement" means the agreement entered into for recharging and withdrawing water in the Pioneer Groundwater Banking Project among AGENCY and various member units of the AGENCY, dated January 1, 1997, as amended.

2. APPROVAL

The STATE approves delivery of a portion of the AGENCY's SWP Table A entitlement at the Western Hills Turnout on the California Aqueduct to implement the AGENCY's agreement to provide a water supply from the AGENCY's Local Water by exchange for a portion of its entitlement under the terms and conditions of this Agreement.

3. TERM

This Agreement shall be coextensive with the Pioneer Participation Agreement. The AGENCY shall furnish to the STATE copies of all amendments to the Pioneer Participation Agreement within 30 days of execution.

4. USE OF WATER

Water delivered by the STATE under this Agreement shall not be sold, used or otherwise disposed of outside of WESTERN's service area described in Exhibit A attached hereto. If any such water is sold, used or otherwise disposed of outside of Western's service area, upon notification from the STATE, the AGENCY shall seek an injunction or other appropriate remedy to halt any such deliveries and the STATE may reclassify deliveries of State Project water to the AGENCY up to the amount that was delivered outside of WESTERN's service area. The AGENCY shall notify the STATE of any change in WESTERN's service area as described in Exhibit A, including by inclusion or exclusion of lands, partial or total consolidation, merger with another district, or proceeding to dissolve.

5. SCHEDULING, DELIVERY PRIORITY AND USE OF CALIFORNIA AQUEDUCT CAPACITY

The STATE shall deliver a portion of the AGENCY'S Table A entitlement water to the Western Hills Turnout in accordance with schedules, provided by the AGENCY, which have been reviewed and approved by the STATE pursuant to applicable scheduling provisions of the Water Supply Contract and consistent with the overall operations of the SWP. All deliveries of water shall be subject to applicable provisions of the Water Supply Contract. The STATE shall not be obligated to convey such water at times when such delivery would adversely impact SWP operations or

facilities, or other SWP contractors' water deliveries or costs, as determined by the STATE. The AGENCY shall be responsible for any adverse impacts that may result from deliveries under this Agreement as determined by the STATE.

6. AGENCY'S TABLE A NOT AMENDED

The AGENCY's Table A is not amended by this Agreement.

7. SOURCE OF EXCHANGE WATER

The AGENCY's agreement to supply water to WESTERN does not constitute a sale of its SWP water, and the AGENCY confirms that the source of water for the exchange is local water stored in the AGENCY's share of the Pioneer Groundwater Banking Project, and not SWP water of any classification, including entitlement and interruptible.

8. RECORDS OF EXCHANGE

The AGENCY shall certify to the STATE's State Water Project Analysis Office annually by January 31 the following information for the previous year's delivery:

(a) The original and intermediate sources of water used for the exchange to WESTERN.

(b) The groundwater accounting for the Pioneer Groundwater Banking Project.

The STATE will maintain monthly records accounting for the delivery of the AGENCY's SWP Table A entitlement to WESTERN delivered pursuant to this Agreement.

9. ARTICLE 53

The AGENCY shall not contend that this Agreement, or any actions taken in conjunction with its provision of water to WESTERN, constitute performance of the AGENCY's obligation to offer for sale 130,000 acre-feet of its entitlement pursuant to Article 53 of the Water Supply Contract.

10. CHARGES

(a) Charges for conveyance shall be calculated in the same manner as charges are calculated for the AGENCY's other SWP entitlement water being moved through the same reaches, including charges for SWP power resources (including on-aqueduct, off-aqueduct and any other power) used in the transportation of such water calculated from Bank's Pumping Plant to the Western Hills Turnout. Charges shall be determined in accordance with the provisions of the Water Supply Contract for SWP entitlement deliveries applicable in the year the water is delivered.

(b) In addition to the charges identified above, the AGENCY agrees to pay any additional identified increased SWP non-power costs, as defined in Article 56(c)(6) of the Water Supply Contract, that the STATE or other SWP contractors would not otherwise incur but for this Agreement or actions undertaken pursuant to this Agreement.

(c) All charges arising out of this Agreement shall be paid within 60 days after billing and shall be collected in the same manner and on

the same terms and conditions as other charges under the Water Supply Contract.

11. APPROVALS

The delivery of water under this Agreement shall be contingent on and subject to any necessary approvals and shall be governed by the terms and conditions of such approvals and any other applicable regulations. The AGENCY shall be responsible for complying with all applicable laws and regulations and for securing any required consent, permit, or order. The AGENCY shall furnish to the STATE copies of all approvals acquired for the actions undertaken pursuant to this Agreement.

12. LIABILITY

If a claim of liability against the STATE, its officers or employees, individually or severally, arises out of this Agreement or any actions taken pursuant to this Agreement or the exchange accomplished by this Agreement, to the extent permitted by law, the AGENCY shall defend, indemnify, and hold the STATE, and any of its officers or employees harmless from any such claim. The AGENCY shall defend against the claim and shall upon the demand of the STATE reimburse the STATE for any costs the STATE incurs in participating in the defense against the claim.

13. NO MODIFICATION OF THE WATER SUPPLY CONTRACT

This Agreement shall be subject to the terms and conditions of the Water Supply Contract and shall not be interpreted to modify the terms or conditions of the Water Supply Contract.

14. WAIVER

No waiver by either party on any provision shall be deemed a waiver of any other provision or of any subsequent breach by either party of the same or any other provisions.

15. ASSIGNMENT OF AGREEMENT

No assignment of transfer of the Agreement or any part hereof, rights hereunder, or interest herein by the AGENCY shall be valid unless and until it is approved by the STATE.

16. THIRD PARTY BENEFICIARIES

No third-party beneficiary is created or intended by this Agreement, and neither party shall contend otherwise.

17. PARAGRAPH HEADINGS

The paragraph headings of this Agreement are for the convenience of the Parties and shall not be considered to limit, expand, or define the contents of the respective paragraphs.

18. TERMS TO BE REASONABLE

Where the terms of this Agreement provide for actions to be based upon the opinion, judgment, approval, review, or determination of any party,

such terms are to be construed as providing that such opinion, judgment, approval, review, or determination be reasonable.

19. SIGNATURE CLAUSE

The signatories represent that they have been appropriately authorized to enter into this Agreement on behalf of the party for whom they sign. Certified copies of resolutions authorizing the AGENCY to enter into this Agreement shall be delivered to the STATE before implementation of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement.

Approved as to legal form
and sufficiency:

Susan N. Weber
Chief Counsel
Department of Water Resources

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

Thomas M. Hannigan
Director

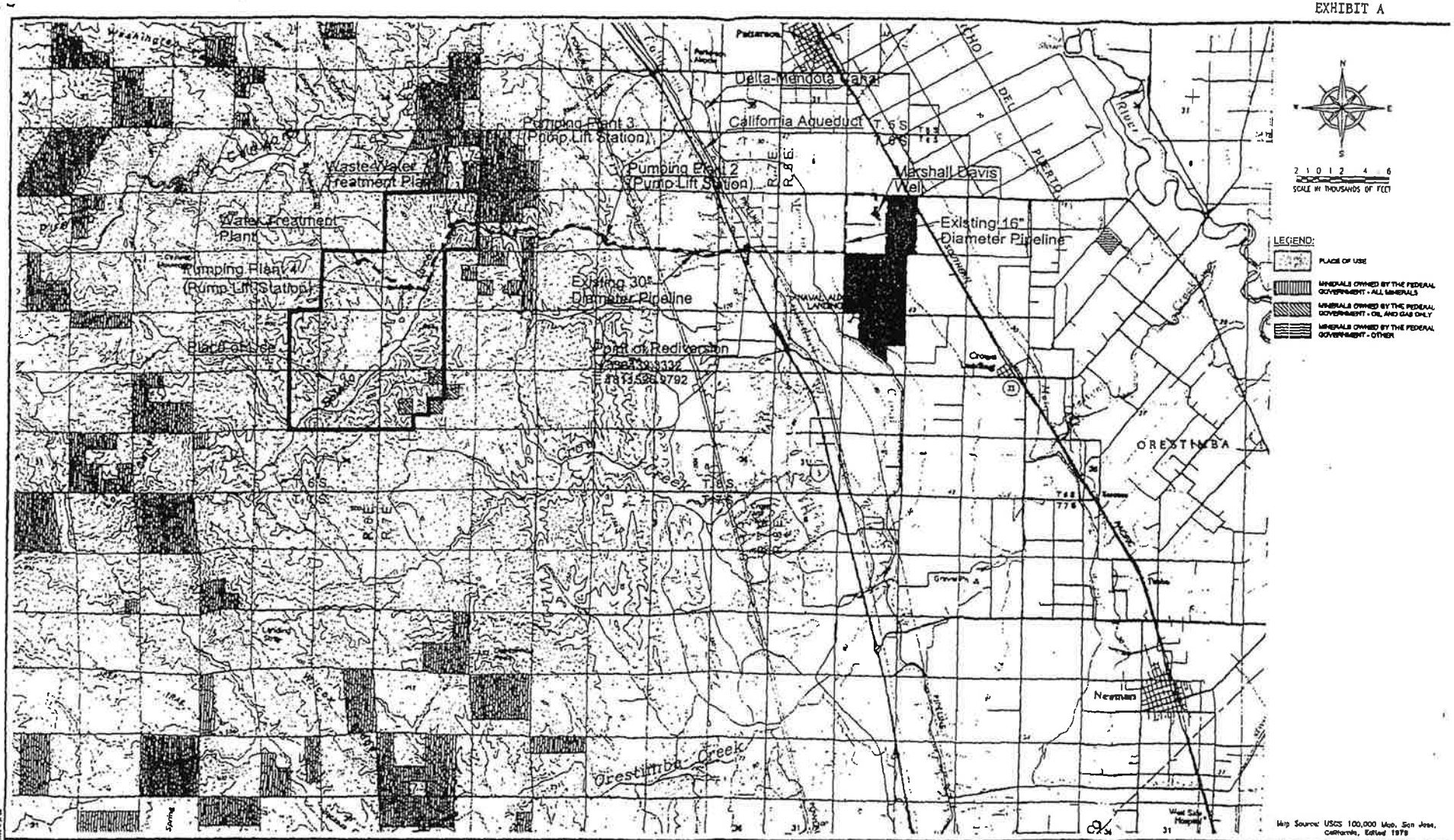
KERN COUNTY WATER AGENCY

Signature

President
Title

May 25, 2000
Date

EXHIBIT A



Map Source: USGS 100,000 Map, San Jose, California, Edited 1979

REDUCED NOTE DRAWING

	MC		HG
	GDP		HG

Navigant

WESTERN HILLS WATER DISTRICT

POINT OF REDIVERSION AND PLACE OF USE

DATE: DECEMBER 1999

ORIGINAL SCALE: 1"=4,000'

G-1

10/11/01

WESTERN HILLS WATER SUPPLY PROGRAM

(Attachments 1-5)

Original Western Hills Proposal – Purchase of SWP Entitlement

Western Hills Water District, located in Stanislaus County on the west side of the California Aqueduct north of San Luis Reservoir, was formed for the purpose of supplying water to the Diablo Grande Project, a proposed private home development. In 1998, Western Hills entered into a contract with Berrenda Mesa Water District to purchase 8,000 AF of SWP entitlement pursuant to the provisions of the Monterey Amendment that permitted the permanent sale of up to 130,000 AF of SWP agricultural entitlement to SWP Urban Contractors or potentially non-Contractors. Also in 1998, pursuant to the Monterey Amendment, SWP Urban Contractors were given a right of first refusal option to purchase the 8,000 AF under the same terms and conditions and none of the Contractors exercised the option.

In 1999, DWR expressed the following concerns about approving the sale:

1) Western Hills WD was really a privately owned development;
2) The Western Hills WD service area was located outside the SWP service area;
3) The Western Hills WD service area was located north of San Luis Reservoir making it more vulnerable to SWP outages;
4) Because of its' location, a backup supply for Western Hills was critically important.

During the later part of 1999, KCWA proposed an alternative water supply for Western Hills that would hopefully satisfy Western Hills and avoid some of the issues concerning DWR.

KCWA/Western Hills Water Supply Program – Purchase of non-SWP Water

In March, 2000, KCWA approved the KCWA/Western Hills Water Supply Program Contract (Attachment 1, KCWA/Western Hills contract), which was a unique water supply alternative whereby Western Hills would pay Berrenda Mesa the agreed to one-time $1,000/AF purchase price, but Berrenda Mesa would then convey the 8,000 AF of SWP entitlement to KCWA. KCWA would then supply Western Hills with a like amount of pre-1914 Lower River Rights Water banked in KCWA's 25% share of the Pioneer Groundwater Banking Project (Attachment 2, Pioneer Project CEQA documents , Attachment 3, Pioneer Participation Agreement). Western Hills would pay KCWA each year the same amount they would have paid if they had purchased the SWP entitlement.

Source of Supply

The banked pre-1914 Lower River Rights Water used as the source of water to supply Western Hills is high flow Kern River water, much of which was historically used outside of Kern County. After establishing the Western Hills Water Supply Program in 2000, KCWA acquired the Lower River Rights Water in 2001 (See Lower River Rights Acquisition and attachments).

Delivery by Exchange
Physically, KCWA delivers water to Western Hills each year by exchange, whereby up to 8,000 AF of SWP entitlement can be delivered to Western Hills from the California Aqueduct and in exchange, a like amount of previously banked Lower River Rights Water is recovered from the Pioneer Project and delivered locally within KCWA to replace the SWP entitlement exchange water delivered to Western Hills.

Point of Delivery Agreement
In June, 2000, DWR executed the DWR/KCWA Point of Delivery Agreement which provides terms and conditions for the delivery of SWP entitlement exchange water to Western Hills (Attachment 4, DWR/KCWA Point of Delivery Agreement). Since Western Hills is not a SWP Contractor, only DWR and KCWA are parties to the agreement.

Turnout Construction, O&M Agreement
Also in June, 2000, DWR executed the DWR/KCWA/Western Hills Turnout Construction, O&M Agreement which provides terms and conditions for the construction and O&M of the Western Hills Turnout (Attachment 5, DWR/KCWA/Western Hills Turnout Agreement). Since Western Hills would be constructing the new turnout, DWR, KCWA and Western Hills are parties to the agreement.

Backup Supply
Western Hills developed a water shortage contingency plan which is described in the KCWA/Western Hills contract (Attachment 1, Exhibit E, Western Hills Shortage Contingency Plan) and consists of access to groundwater or a plan to acquire water from O'Neill Forebay.

LOWER RIVER RIGHTS WATER AQUISITION

(Attachments 6-8)

The Lower River Rights Water is a Kern River water right, originally established by the Miller–Haggin Agreement in 1888, and had since been owned and retained by Miller's descendants, currently represented by Nickel Family LLC. Historically, yield from the water right has been extremely variable, occurring in years when runoff from the Kern River is at or exceeds 120% of normal. Typically, yield has occurred in about one out of five years and has exceeded 500,000 AF in some years. The long-term average annual yield has been about 50,000 AF of which, about 40,000 AF was beneficially used and the remaining 10,000 AF was uncontrolled flood water. In addition to the water right itself, there are other rights, including up to 40,000 AF of storage in Lake Isabella that can be utilized under certain terms and conditions. In addition, much of this water has historically been used outside of Kern County, primarily in the Tulare Lake basin located in Kings County. For example, most recently from 1995 through 2000, a total of about 124,000 AF was used outside of Kern County.

Prior to 2000, Nickel Family LLC had offered to permanently transfer the Lower River Right to interests both inside and outside of Kern County, but because of the highly variable nature of the supply, potential buyers had the problem of finding ways to re-regulate the supply in order to justify the purchase price. Unless significant amounts of the supply, when it occurred, could be stored for later use under drier conditions, much of the supply had to be used under very wet conditions, when the value of the water was relatively low. For many years, KCWA had been interested in acquiring the water right for use in Kern County, but had not actively pursued the purchase primarily due to lack of funding, but also due to lack of a well defined program to re-regulate the supply.

As a result of the Monterey Amendment implemented in 1995, KCWA and local districts have been able to significantly expand groundwater banking and recovery facilities with the development of the Kern Water Bank as well as KCWA's Pioneer Project. These two facilities alone have increased the capability to capture and store (by groundwater banking) wet year water, like the Lower River Rights Water, by almost 600,000 AF per year. Additional banking facilities are also being developed by individual districts. Accordingly, by 2000, Kern County now had the physical capability to re-regulate the Lower River Rights Water as well as other sources. What was still needed however, was a source of funds to purchase the Lower River Rights.

In the spring of 2000, KCWA received a $23,000,000 grant under Proposition 13, the *Safe Drinking Water, Clean Water, Watershed Protection Act,* which was approved by the voters in November, 1999. In September, 2000, KCWA completed the CEQA requirements for use of the $23,000,000 for the *Kern River Restoration and Water Supply Program*, which included, among other things, acquisition of the Lower River Rights from Nickel Family LLC (Attachment 6, Lower River Rights CEQA documents). In November, 2000, KCWA approved execution of the purchase agreement which provided for a $10,000,000 one-time payment for the Lower River Rights and a KCWA obligation to provide 10,000 AF per year of re-regulated Lower River Rights Water to Nickel Family LLC, which water could be delivered to the California Aqueduct by exchange and marketed by Nickel Family LLC (Attachment 7, KCWA/Nickel Lower River Rights Purchase Agreement). Delivery of the exchange water from the California Aqueduct to a future buyer(s) is subject to DWR's approval. Additional CEQA addressing the 10,000 AF /YR delivery outside KCWA will be finalized by KCWA in November, 2001, (Attachment 8, Lower River Rights CEQA document).

10/11/01

KCWA/NICKEL/DUKE AVENAL WATER SUPPLY PROGRAM

(Attachments 9-10)

Nickel/Duke Avenal – Purchase of non-SWP Water

Nickel Family LLC has agreed to sell 2,250 AF per year to Duke Energy Avenal, LLC (Duke Avenal) for a water supply for a combined cycle power plant proposed to be built near the City of Avenal (Attachment 9, Nickel/Duke Purchase Agreement). The power plant is to be located within Kings County which is a SWP Contractor. Kings County is supportive of the project and KCWA has agreed to cooperate to obtain DWR approval to deliver the water (Attachment 10, KCWA cooperation letter). Duke Avenal will also enter into an agreement with Kings County that provides terms and conditions for Kings County to deliver the water to Duke Avenal.

Source of Supply

On behalf of Nickel, KCWA would provide up to 2,250 AF/YR of banked pre-1914 Lower River Rights Water for use as the source of water to supply Kings County on behalf of Duke Avenal, which is the same type of high flow Kern River water used to supply Western Hills WD (See Lower River Rights Acquisition and attachments).

Delivery by Exchange

Physically, KCWA would deliver water to Kings County each year by exchange, whereby up to 2,250 AF of SWP entitlement or other exchange water would be delivered to Kings County from the California Aqueduct and in exchange, a like amount of previously banked Lower River Rights Water will be recovered from KCWA's 25% share of the Pioneer Project Banking Facility and delivered locally within KCWA to replace the SWP entitlement or other exchange water delivered to Kings County.

Point of Delivery Agreement

Since Kings County is a SWP Contactor, a Point of Delivery Agreement between DWR, KCWA and Kings County will be needed to provide terms and conditions for the delivery of SWP entitlement or other exchange water to Kings County on behalf of Duke Avenal. This agreement will have provisions similar to the Western Hills POD Agreement with respect to the source of water and delivery by exchange and other provisions similar to POD agreements with SWP Contractors, like MWD, Santa Clara, Alameda, Zone 7, etc.

Turnout Construction, O&M Agreement

Duke Avenal is proposing to use the new turnout which the City of Avenal is proposing to construct. It will be a CVP turnout under an agreement with USBR.

Backup Supply

Duke Avenal has secured the right to acquire access to three nearby wells under an agreement with a local landowner. The groundwater will be piped to the power plant and will be sufficient to temporarily supply 100% of the power plants needs in case of a SWP Aqueduct outage.

EXHIBIT D

REIMBURSEMENT AGREEMENT

State of California
The Resources Agency
DEPARTMENT OF WATER RESOURCES

AGREEMENT AMONG THE DEPARTMENT OF WATER RESOURCES OF THE STATE OF CALIFORNIA, KERN COUNTY WATER AGENCY AND WESTERN HILLS WATER DISTRICT FOR REIMBURSEMENT OF DWR'S COSTS RELATED TO THE TRANSFER OF KERN COUNTY LOCAL WATER TO WESTERN HILLS WATER DISTRICT

THIS AGREEMENT is made this 8th day of June, 2000, pursuant to the provisions of the California Water Resources Development Bond Act, the State Central Valley Project Act, and other applicable laws of the State of California, between the Department of Water Resources of the State of California, here after called "State", Kern County Water Agency, here after called "Agency", and Western Hills Water District, here after called "District."

RECITALS:

A. The State and the Agency have entered into and subsequently amended a long-term Water Supply Contract, providing that the State will supply certain quantities of water to the Agency, and providing that the Agency shall make certain payments to the State, and setting forth the terms and conditions of such supply and such payments.

B. The Agency has entered into an agreement with the District, a California Water District located in Stanislaus County, to provide a long-term water supply for the District utilizing Local Water from Agency's share of the Pioneer Groundwater Banking Project in Kern County and delivering such water to the District by exchanging it for a portion of the Agency State Water Project entitlement water.

C. The purpose of this agreement between the State and the Agency is to set forth provisions governing the reimbursement of the State's costs incurred during the development of the agreement between the State and the Agency concerning the delivery of the Agency's Local Water to the District by exchanging the Agency's Local Water for a like amount of Agency's SWP entitlement delivered to Western Hills Turnout on the California Aqueduct in Reach 2A.

D. The District also desires to construct a permanent turnout facility on the State's California Aqueduct right of way. A separate agreement will be developed to address the reimbursement of the Department's costs during planning, design, construction, and operation and maintenance of the permanent turnout.

AGREEMENT

The State, Agency and District agree as follows:

1. Scope of Work. The State agrees to perform, or cause to be performed the following work:

   (a) Prepare and administer this Agreement and the Point of Delivery Agreement;

(b) Prepare the Petition for Change of Place of Use to the State Water Resources Control Board for the transfer;

(c) Review existing environmental documents completed for the proposed transfer and for the Diablo Grande project and prepare supplemental environmental documents;

2. Costs. The District and Agency shall pay all costs incurred by the State, which in the opinion of the State, are properly attributable to the work authorized under Article 1 of this Agreement. Costs incurred prior to execution of this agreement shall be included. Charges may also include incidental costs related to the work authorized under this Agreement, such as travel expenses and work by private consultants selected by the State to do all or a portion of the work.

(a) Not later than 30 days after the date of this Agreement, the State will furnish to the District an advance billing invoice for a deposit in the amount of $25,000 to cover costs of work authorized under Article 1 of this Agreement. Such deposit will become due and payable 30 days after the date of the advance billing invoice. Unpaid deposit amounts will become delinquent after the due date, and interest shall accrue thereon at a rate of 1 percent per month from the billing date until paid.

(b) The State may furnish interim billing invoices to the District which shall become due and payable 30 days after written notice thereof and be

subject to interest charges as for the advance billing.

(c) The State will notify the Agency and District if it appears that the State's costs will exceed $50,000 under this Agreement.

(d) A final billing invoice will be furnished to the District within 60 days after either (1) the State's completion of activities as described in Article 1 of this Agreement, or (2) notice of termination of this Agreement by any party pursuant to Article 3 of this Agreement.

Based upon such billing, the State will either refund any excess payment resulting from the advance and interim billings, or in the event a deficiency results, the District will make final payment of State costs. Such final payment, if any, will become due and payable within 30 days after written notice thereof and be subject to interest charges as for the advance and interim billings.

(e) In the event the District does not make full payment of the final billing invoice within 90 days from the date of the final billing invoice, the Agency shall be responsible to make payment for any unpaid amounts of such costs remaining and be subject to the interest charges as for the advance billing for the District.

3. Term. This Agreement shall become effective upon execution by all Parties and shall terminate upon (1) completion of work by the State authorized under this Agreement, or (2) 30 calendar days' written notice by any party.

This Agreement may be amended upon mutual written agreement of the Parties.

4. Contracting Officer of State. The State's contracting officer shall be the Director and his successors or his duly authorized representatives. The contracting officer shall be responsible for all discretionary acts, opinions, judgments, approvals, reviews, and determinations required of the State under the terms of this Agreement.

5. Opinions and Determinations. Where the terms of this Agreement provide for action to be based upon the opinion, judgment, approval, review, or determination of any party hereto, such terms are not intended to be and never shall be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

6. Notices. All notices that are required either expressly or by implication to be given by any one party to any or all other parties under this Agreement shall be signed for the State by or on behalf of its contracting officer and for the Agency and District by such officer(s) as may, from time to time, be authorized in writing to so act. All such notices shall be deemed to have been given if delivered personally or if enclosed in a properly addressed and stamped envelope and deposited with the U.S. Postal Service for delivery by registered or certified mail. Unless otherwise provided in this Agreement and until formally notified otherwise, all notices shall be addressed to the parties at their addresses as shown below:

Chief
State Water Project Analysis Office
Department of Water Resources
Post Office Box 942836
Sacramento, California 94236-0001

General Manager
Kern County Water Agency
Post Office Box 58
Bakersfield, California 93302-0058

Manager
Western Hills Water District
Post Office Box 655
Patterson, California 95363

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first above written.

Approved as to legal form
and sufficiency:

Susan N. Weber
Chief Counsel
Department of Water Resources

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

Director

WESTERN HILLS WATER DISTRICT

Signature

PRESIDENT
Title

MAY 31, 2000
Date

KERN COUNTY WATER AGENCY

Signature

President
Title

May 25, 2000
Date

MEMORANDUM

TO: Water Resources Committee
Agenda Item No. 3a

FROM: Monica Tennant

DATE: July 23, 2026

SUBJECT: Emergency Action Regarding Golden Mussels

Issue:
Review of the emergency action regarding golden mussels.

Recommended Motion:
Continue the emergency action regarding golden mussels, as outlined in the July 23, 2026 staff memorandum to the Water Resources Committee, Agenda Item No. 3a.

Discussion:
On January 22, 2026, the Kern County Water Agency (Agency) Board of Directors (Board) adopted Resolution No. 03-26 delegating authority to the General Manager or their designee to act in emergency conditions to repair and replace facilities as needed to rectify an emergency.

On March 18, 2026, the Water Resources Manager took action pursuant to Resolution No. 03-26 to declare an emergency and authorize the immediate engagement of a consultant to design golden mussel treatment facilities to protect the Cross Valley Canal (CVC), prevent water delivery disruption and maintain water service essential to public health and safety. Agency staff are coordinating with Dudek to develop short- and long-term treatment facilities for the CVC to minimize and control the spread of golden mussels. Golden mussels have been identified in Improvement District No. 4 facilities and in water infrastructure across Kern County. The presence of golden mussels continues to pose a significant threat to water infrastructure and essential water deliveries.

On May 28, 2026, the Agency Board adopted Resolution No. 23-26 terminating the CVC-specific golden mussel emergency action and declared an Agency-wide golden mussels emergency for the Agency.

To prevent water delivery disruption, protect water infrastructure and maintain water service essential to public health, safety, and economy of Kern County, Agency staff recommends continuing the emergency action.

MEMORANDUM

20.2.1

TO: Water Resources Committee
Agenda Item No. 4a

FROM: Lauren Bauer

DATE: July 23, 2026

SUBJECT: Report on 2026 Local State Water Project Operations and Water, Transfers, Exchanges and Purchases

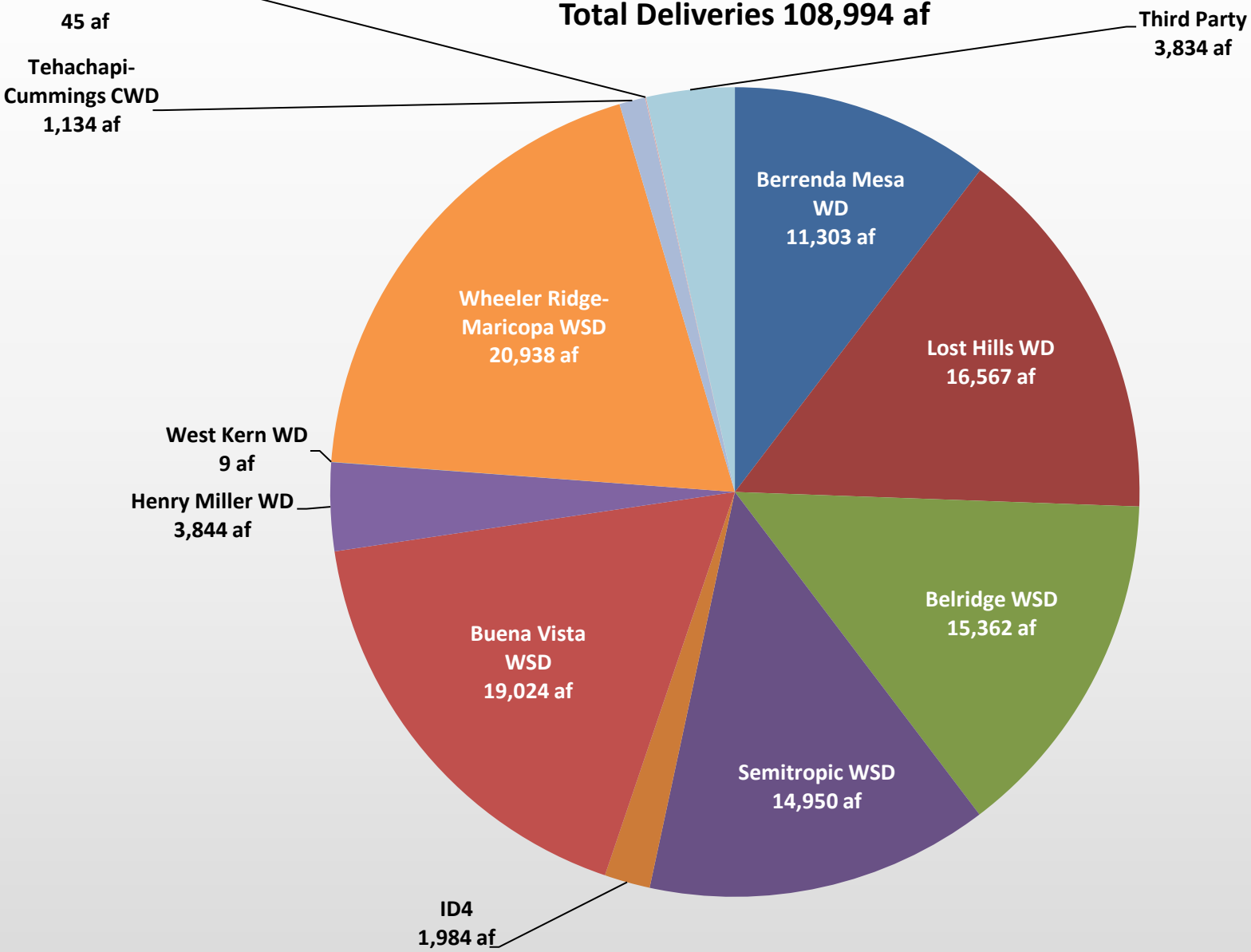
Issue:
Report on 2026 local State Water Project operations and water transfers, exchanges and purchases.

Recommended Motion:
None – information only.

Discussion:
In June 2026, the Kern County Water Agency (Agency) delivered an estimated 108,994 acre-feet (af) via the California Aqueduct (Aqueduct). A summary of June 2026 estimated deliveries by entity is provided as Attachment 1. Through June 2026, the Agency has delivered an estimated 367,571 af via the Aqueduct. A summary of estimated cumulative deliveries by entity is provided as Attachment 2, and a summary of estimated cumulative deliveries by water type is provided as Attachment 3. The values presented are estimates as Agency staff continue the ongoing delivery reconciliation process. A summary of current Aqueduct operations is provided as Attachment 4.

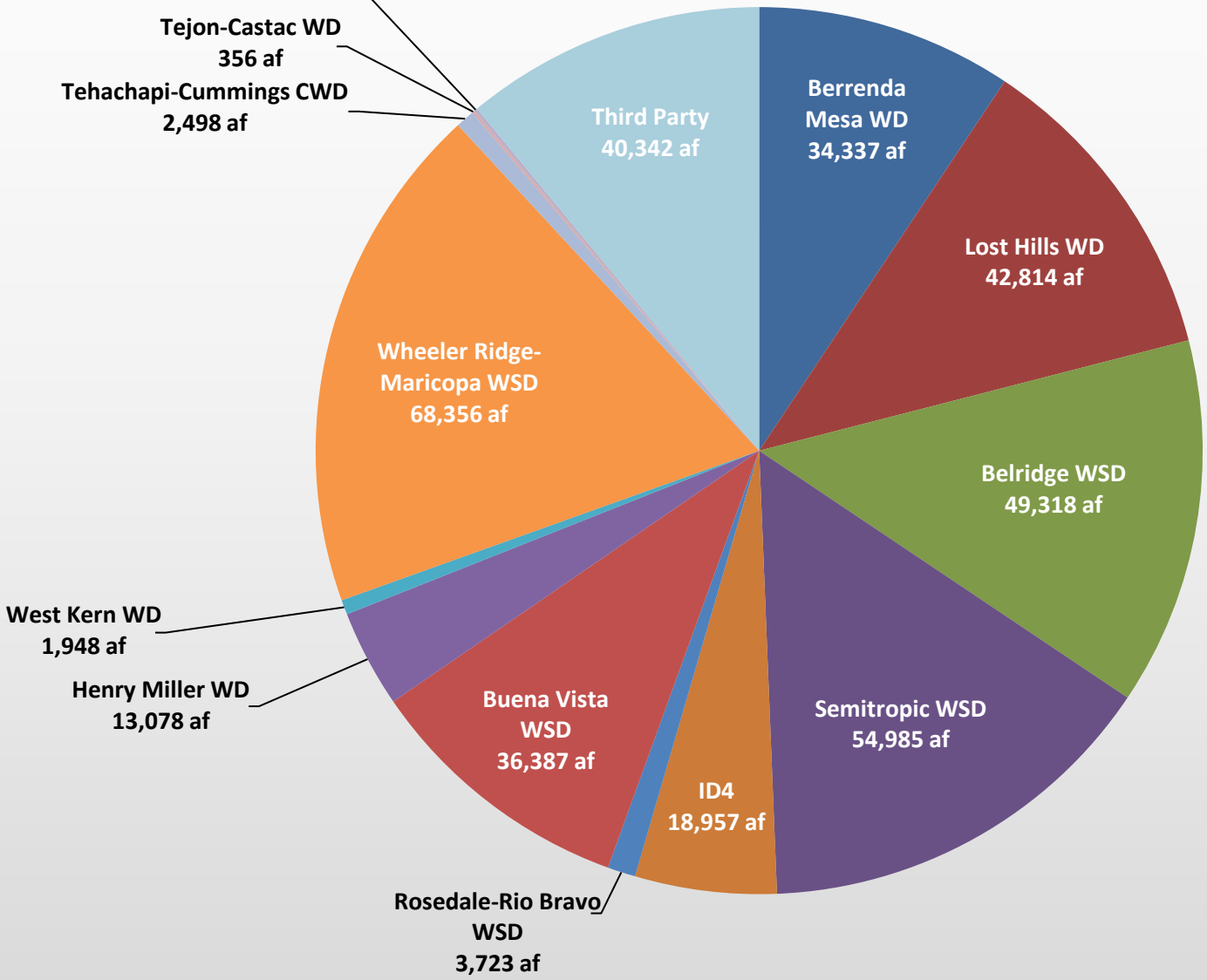
A summary of 2026 water transfers, exchanges and purchases is provided as Attachment 5. Routine transfers, exchanges and purchases were approved pursuant to the December 17, 2025 Agency Board of Directors authorization allowing the Water Resources Manager to approve routine requests through December 31, 2026.

California Aqueduct Deliveries by Entity
June 2026
Total Deliveries 108,994 af

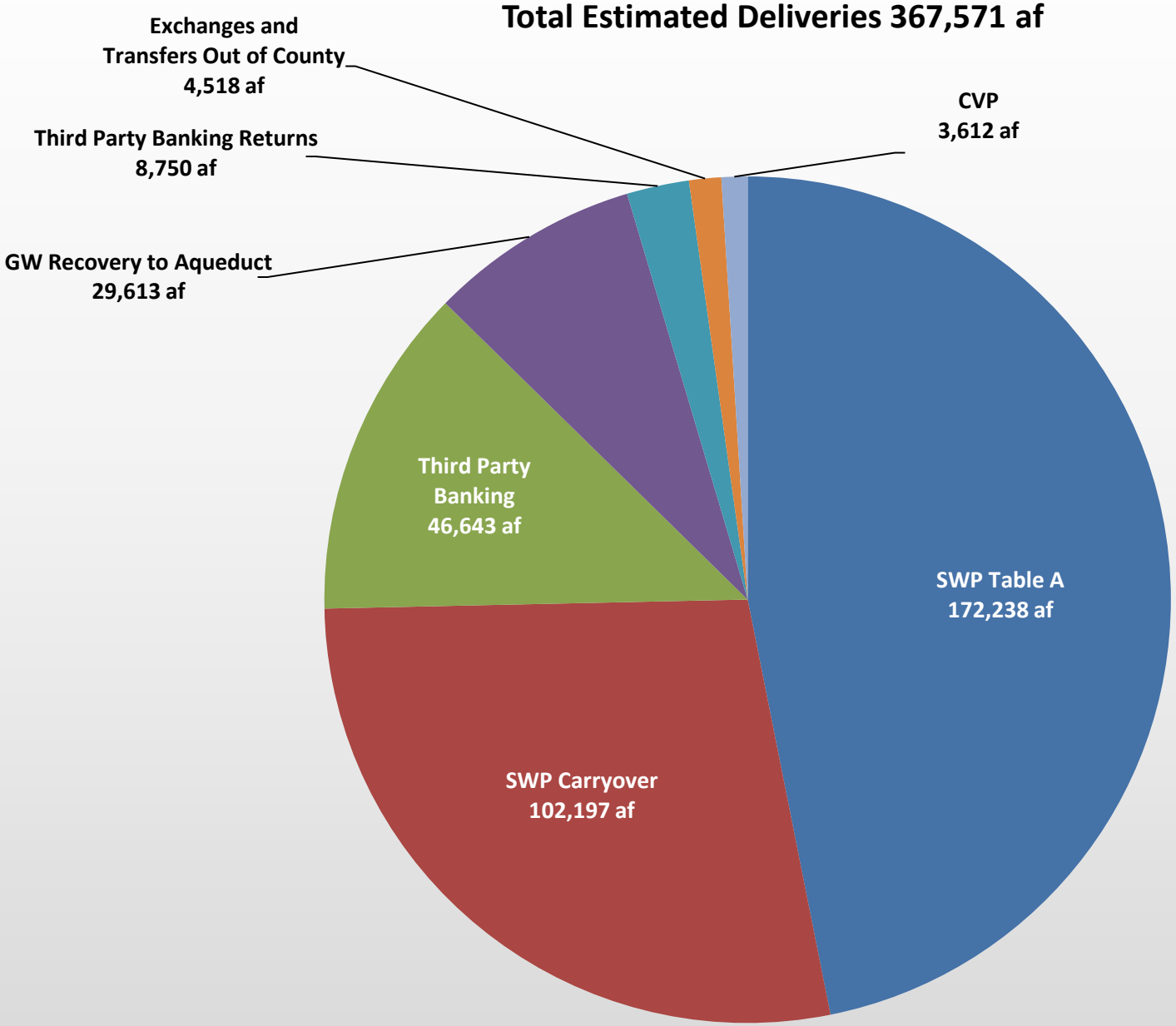


California Aqueduct Deliveries by Entity Through June 2026

Total Estimated Deliveries 367,571 af

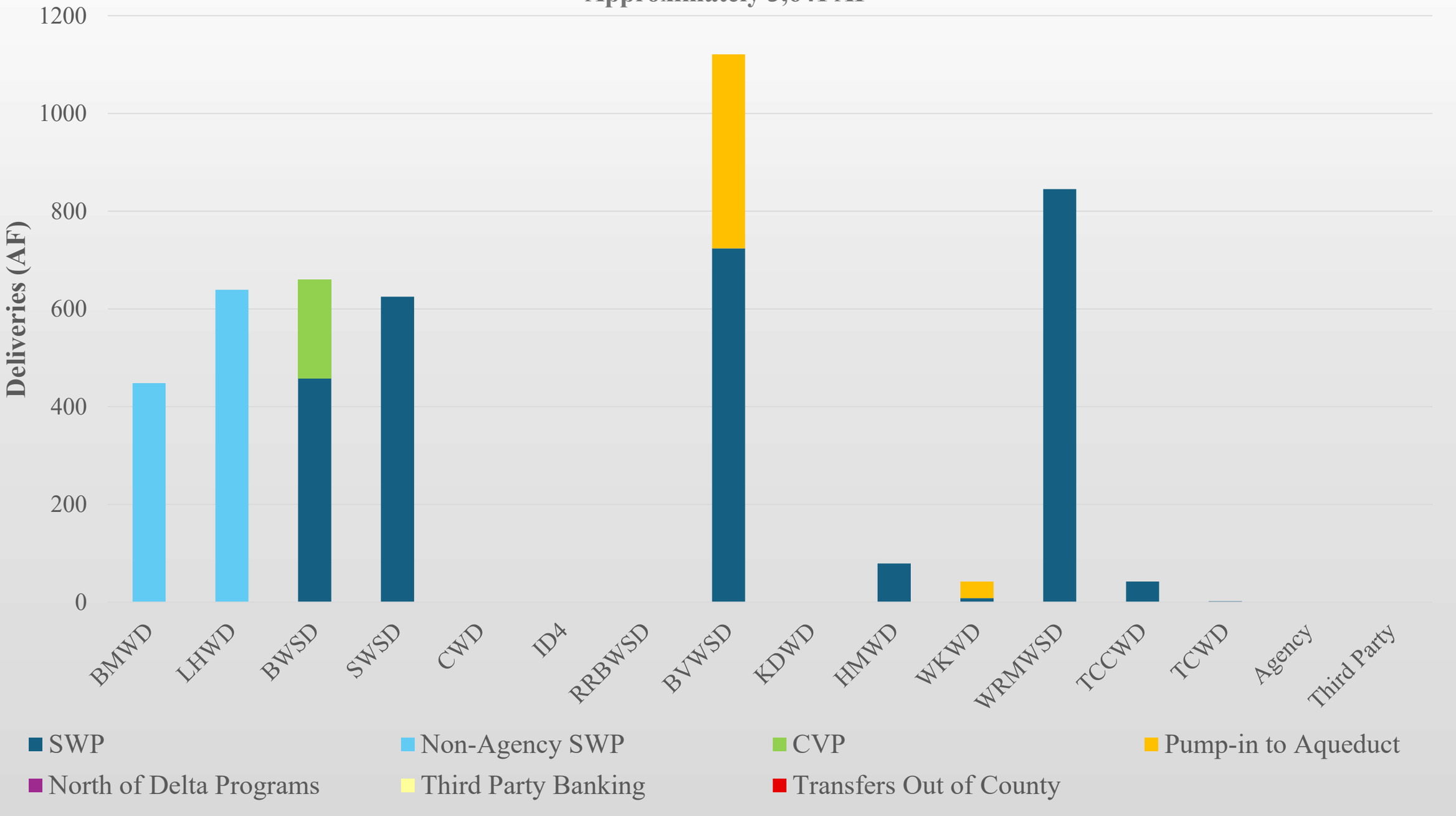


California Aqueduct Deliveries by Water Type
Through May 2026
Total Estimated Deliveries 367,571 af



Attachment 4

Aqueduct Operations
July 17, 2026
Approximately 3,641 AF



2026 Water Management Program

Summary of Routine Water Transfers, Exchanges and Purchases Pursuant to the December 17, 2025 KCWA Board Authorization

TRF #	*Parties*	*Description*	*Quantity (AF)*	*Date of Request*	*Date Approved*
26006	Improvement District No. 4 to Buena Vista Water Storage District	Exchange of 2025/26 SWP Table 1 water for 2026 Kern River water	8,500	12/22/25	12/23/26
26008	Lost Hills Water District to Semitropic Water Storage District (Wonderful Orchards)	Transfer of 2025 SWP Table 1 water	550	1/8/26	01/13/26
26009	Arvin-Edison Water Storage District to Belridge Water Storage District (Westside Mutual Water Company)	Transfer of 2026 Friant-Kern CVP water for SWP Table 1 water	5,000	1/9/26	01/13/26
26010	Rosedale-Rio Bravo Water Storage District to Santa Clarita Valley Water Agency	Transfer of Kern River water	8,250	1/12/26	01/13/26
26011	Buena Vista Water Storage District to Kern Delta Water District	Exchange of 2026 Kern River for 2025 SWP Carryover and/or SWP Table 1	31,500	1/12/26	01/13/26
26012	Kern Delta Water District to Improvement District 4	Exchange of 2026 Kern River for banked 2005 SWP Table 1	5,000	1/19/26	01/29/26
26019	Metropolitan Water District of Southern California to Semitropic Water Storage District	Transfer of 2025 SWP Carryover and 2026 SWP Table A water	73,000	2/24/26	03/04/26
26022	Tehachapi-Cummings County Water District to Improvement District No. 4	Exchange of 2025 SWP Carryover water for future SWP Table 1 water	3,600	3/6/26	03/06/26
26018	Berrenda Mesa Water District to Semitropic Water Storage District (Homer)	Transfer of 2025 SWP Carryover water	2,500	2/24/26	03/13/26
26027	Rosedale-Rio Bravo Water Storage District to Improvement District No. 4	Exchange of 2026 Kern River water for 2026 SWP Table 1 water	10,000	3/18/26	03/27/26
26031	Tejon-Castac Water District to Wheeler Ridge-Maricopa Water Storage District	Transfer of 2026 Nickel Kern River water	3,150	3/20/26	03/26/26
26033	Buena Vista Water Storage District to West Kern Water District	Exchange of banked Kern River water for 2026 SWP Table 1 water	18,500	3/31/26	04/17/26
26032	Semitropic Water Storage District to Kern-Tulare Water District	Transfer of previously banked 2019 CVP water	2,000	3/25/26	04/17/26
26017	Empire West Side Irrigation District to Berrenda Mesa Water District	Transfer of 2026 SWP Table A water	1,954	2/13/26	04/17/26
26025	Semitropic Water Storage District to Berrenda Mesa Water District	Transfer of previously banked 2017 and 2019 SWP Table 1 water	3,000	3/18/26	04/24/26
26026	Semitropic Water Storage District to Wheeler Ridge-Maricopa Water Storage District	Transfer of previously banked 2017 and 2019 SWP Table 1 water	100	3/18/26	04/24/26
26040	Kern Tulare to Belridge WSD, Berrenda Mesa WD and Lost Hills WD	Exchange of JURP water for 2026 SWP Table 1 water	7,500	5/6/26	05/13/26
26041	Tejon-Castac Water District (Tejon Ranch) to Wheeler Ridge-Maricopa Water Storage District	Transfer of 1995-2023 SWP Table 1 and/or Article 21 water	10,000	5/7/26	05/13/26
26042	Lost Hills Water District to Semitropic Water Storage District (Lost Hills Utility District)	Transfer of 2026 SWP Table 1 water	135	5/15/26	05/20/26
26043	Semitropic Water Storage District to Westlands Water District (Harris Farms)	Transfer of previously banked 2023 CVP water	1,600	5/20/26	05/27/26
26045	Improvement District No. 4 to Buena Vista Water Storage District	Exchange of 2026 SWP Table 1 water for 2026 Kern River water	40,000	5/15/26	05/27/26
26047	Antelope Valley-East Kern Water Agency to Wheeler Ridge-Maricopa Water Storage District (Tejon Ranch Company)	Transfer of 2026 SWP Table A water	1,472	6/8/26	Pending
26053	Belridge Water Storage District to Cawelo Water District (California Pistachio)	Transfer of 2026 Table 1 water	100	6/10/26	07/08/26
26057	Berrenda Mesa Water District to Wheeler Ridge-Maricopa Water Storage District (Westside Agriculture)	Transfer of 2026 Table 1 water	1,000	6/18/26	Pending

Summary of Non-Routine Water Transfers, Exchanges and Purchases Approved Pursuant to KCWA Board Authorization

TRF #	*Parties*	*Description*	*Quantity (AF)*	*Date of Request*	*Date Approved*
26015	Metropolitan Water District to Semitropic Water Storage District	Transfer of previously banked 2025 SWP Table A water	20,000	2/3/26	03/26/26
26024	Semitropic Water Storage District to Palmdale Water District	Transfer of previously banked 2023 SWP Table A water	318	3/18/26	04/23/26
26013	San Joaquin River ECWA to Belridge WSD, Berrenda Mesa WD, Lost Hills WD and Wheeler Ridge-MWSD	Transfer of 2026 Friant-Kern CVP water	10,000	1/20/26	06/25/26
26016	Arvin-Edison Water Storage District to Wheeler-Ridge Maricopa Water Storage District	Transfer of 2026 Friant-Kern CVP water	20,000	2/12/26	Pending
26020	Alameda County Water District to Semitropic Water Storage District	Transfer of 2025 SWP Carryover water	3,000	2/26/26	06/25/26
26021	Dudley Ridge Water District to Belridge WSD, Berrenda Mesa WD and Lost Hills WD	Transfer of 2026 SWP Table A water	39,500	3/2/26	05/28/26
26023	Montecito Water District to Wheeler Ridge-Maricopa Water Storage District	Transfer of 2026 SWP Table A water	3,300	3/16/26	06/25/26
26028	Montecito Water District to Berrenda Mesa Water District	Transfer of 2026 SWP Table A water	3,300	3/20/26	06/25/26
26029	Byron Bethany Irrigation District to Belridge Water Storage District	Transfer of 2026 CVP water	3,300	3/20/26	Pending
26030	Montecito Water District to Belridge Water Storage District	Transfer of 2026 SWP Table A water	3,300	3/20/26	06/25/26
26034	Tulare Lake Basin WSD (Sandridge) to Berrenda Mase Water District and Lost Hills Water District	Transfer of 2026 SWP Table A water	4,000	4/21/26	06/25/26
26035	Solano County WA to Belridge WSD, Berrenda Mesa WD, Lost Hills WD and Wheeler Ridge-MWSD	Transfer of 2026 SWP Table A water	8,650	4/22/26	Pending
26036	Solano County WA to Belridge WSD, Berrenda Mesa WD, Lost Hills WD and Wheeler Ridge-MWSD	Transfer of 2025 Carryover water	8,650	4/22/26	Pending
26038	Metropolitan WD to Belridge WSD, Berrenda Mesa WD, Lost Hills WD and Wheeler Ridge-MWSD	Transfer of 2026 SWP Table A water	100,000	5/1/26	Pending
26044	Santa Clara Valley Water District to Berrenda Mesa Water District and Lost Hills Water District	Transfer of 2026 Table A water	8,000	5/22/26	Pending
26046	Buena Vista Water Storage District to Santa Clarita Valley Water Agency	Transfer of 2026 Table A and/or 2025 Carryover water	2,750	6/4/26	07/01/26
26051	Lost Hills Water District to Belridge Water Storage District	Transfer of 2026 Table 1 water	1,000	6/10/26	06/25/26
26052	Berrenda Mesa Water District to Belridge Water Storage District	Transfer of 2026 Table 1 water	2,000	6/10/26	06/25/26
26054	Plumas County FLood Control and Water Conservation District to Wheeler Ridge- Maricopa Water Storage District	Transfer of 2026 SWP Table A water	833	6/11/26	Pending
26055	Henry Miller Water District to Belridge Water Storage District	Transfer of 2019 Article 21 banked water	1,000	6/12/26	06/25/26
26056	Henry Miller Water District to Rosedale-Rio Bravo Water Storage District	Transfer of 2017 Lower River water	750	6/12/26	06/25/26

2026 Water Management Program

Summary of Previously Approved Annual, Long-Term Water Transfer, Exchange and Purchase Programs

TRF #	*Parties*	*Description*	*Quantity (AF)*	*Date of Request*	*Date Approved*
26014	Newall Land and Farming Company to Semitropic Water Storage District	Transfer of 2026 Nickel Kern River water	1,607	1/22/26	L-T Program
26037	Semitropic Water Storage District to Westlands Water District (Poso Creek)	Transfer of banked 2017 CVP water	1,110	4/29/26	L-T Program
26039	Butte County to Belridge WSD, Berrenda Mesa WD, Lost Hills WD and Wheeler Ridge-MWSD	Transfer of 2026 SWP Table A water	16,000	5/1/26	L-T Program
26049	Palmdale Water District to Belridge WSD, Berrenda Mesa WD, Lost Hills WD and Wheeler Ridge-Maricopa WSD	Transfer of 2026 SWP Table A water	3,000	6/9/26	L-T Program
26050	Alameda County Flood Control and Water Conservation District, Zone 7 to Semitropic Water Storage District	Transfer of 2026 SWP Table A water for banking	5,000	6/9/26	L-T Program

MEMORANDUM

20.2.1

TO: Water Resources Committee
Agenda Item No. 4b

FROM: Lauren Bauer

DATE: July 23, 2026

SUBJECT: Setting of the Fiscal Year 2026-27 Zones of Benefit Assessments

Issue:
Setting the Fiscal Year 2026-27 Zones of Benefit Assessments.

Recommended Motion:
Adopt Resolution No. 44-26 setting the Zones of Benefit assessments for Fiscal Year 2026-27.

Discussion:
The Kern County Water Agency (Agency) Board of Directors, as part of the Zones of Benefit (ZOB) hearing procedure conducted in the fall of 2025, set the maximum amount to be assessed for the ZOB in Fiscal Year 2026-27. The maximum amounts, as set forth in Resolution No. 44-26, are as follows:

ZOB No. 7-27	$20,303,000
ZOB No. 17-27	$16,154,000
ZOB No. 18-27	$1,840,000
ZOB No. 19-27	$14,314,000
Total ZOB	$52,611,000

The above-referenced maximum amounts were based on an estimated 2027 State Bill for State Water Project (SWP) water. The amounts recommended herein are based on the actual 2027 State Bill. Agency staff also factored in volatility in energy market conditions that often result in SWP power costs varying significantly from preliminary estimates, Improvement District No. 4's potential participation in the Delta Conveyance Project and other factors that may influence the 2027 State Bill.

In 2026, staff concluded that the maximum assessment is not necessary for ZOB No. 7-27, ZOB No. 17-27, ZOB No. 18-27 and ZOB No. 19-27.

As a result, the amounts for the ZOB assessments to be collected for Fiscal Year 2026-27 are as follows:

ZOB No. 7-27	$18,000,000
ZOB No. 17-27	$6,500,000
ZOB No. 18-27	$700,000
ZOB No. 19-27	$5,000,000
Total ZOB	$30,200,000

Pursuant to the opinion of the Agency's bond counsel, the ZOB are not subject to the restrictions of Proposition 218 since they are to pay pre-existing bonded indebtedness pursuant to the ruling in Kern County Water Agency v. Board of Supervisors of Kern County (1979) 96 Cal.App.3d 874.

BEFORE THE BOARD OF DIRECTORS

OF THE

KERN COUNTY WATER AGENCY

In the matter of:

SETTING ZONES OF BENEFIT *
ASSESSMENTS FOR *
FISCAL YEAR 2026-27 *

I, Stephanie N. Prince, Secretary of the Board of Directors of the Kern County Water Agency, of the County of Kern, State of California, do hereby certify that the following resolution proposed by Director _____, and seconded by Director _____, was duly passed and adopted by said Board of Directors at an official meeting hereof this 23rd day of July, 2026, by the following vote, to wit:

Ayes:

Noes:

Absent:

_____

Secretary of the Board of Directors
of the Kern County Water Agency

Resolution No. 44-26

WHEREAS, Section 14.2 of the Kern County Water Agency (Agency) Act (Chapter 1003, Statutes of 1961 of the State of California, as amended) authorized the Agency to establish Zones of Benefit and make assessments apportioned in accordance with benefits for the purpose of making payments to the State of California as required by the November 15, 1963 water supply contract between the Agency and the State (State Bill); and

WHEREAS, the Agency Zones of Benefit levy has been adjudicated as exempt from restriction as a levy utilized to pay pre-existing bonded indebtedness pursuant to *Kern County Water Agency v. Board of Supervisors of Kern County* (1979) 96 Cal.App.3d 874; and

WHEREAS, the Agency Board of Directors, on September 25, 2025, adopted Resolution No. 48-25 establishing certain Zones of Benefit and assessments to be levied in Fiscal Year 2026-27; providing, however, that the assessments could be lowered prior to the time the Kern County Board of Supervisors sets tax rates if lower amounts would be adequate to meet the needs of any such Zones of Benefit; and

WHEREAS, Agency staff has found, after reviewing the State Bill for the upcoming calendar year, carryover from the prior year and reserve requirements, that the following assessments are required for Fiscal Year 2026-27:

Zone of Benefit	Assessments Determined Adequate for Each Zone	Maximum Amount Established by Resolution No. 48-25
ZOB No. 7-27	$18,000,000	$20,303,000
ZOB No. 17-27	$6,500,000	$16,154,000
ZOB No. 18-27	$700,000	$1,840,000
ZOB No. 19-27	$5,000,000	$14,314,000

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Kern County Water Agency that:

1. The foregoing recitals are true and correct.

2. This Board accepts, approves and adopts the findings set forth in the recitals, and determines that the following Zones of Benefit assessments are hereby set for Fiscal Year 2026-27:

Zone of Benefit	Assessments
ZOB No. 7-27	$18,000,000
ZOB No. 17-27	$6,500,000
ZOB No. 18-27	$700,000
ZOB No. 19-27	$5,000,000

3. The Secretary of the Board is hereby instructed to transmit a certified copy of this Resolution to the Auditor-Controller County Clerk's Office of Kern County, notifying it that the foregoing Zones of Benefit assessments should be levied in Fiscal Year 2026-27.

MEMORANDUM

TO: Water Resources Committee
Agenda Item No. 5a

FROM: Micah Clark / Michelle Anderson

DATE: July 23, 2026

SUBJECT: Report on 2026 Water Operations

Issue:
Summary of water operations for 2026.

Recommended Motion:
None – information only.

Discussion:

2026 Recovery Activities
Recovery operations from the Kern Water Bank (KWB) wells began on May 11, 2026, and are expected to continue through mid-July. Recovery operations from the Pioneer Project began on May 11, 2026, and terminated on June 28, 2026. Recovery operations from the Improvement District No. 4/Rosedale Rio-Bravo Water Storage District Joint Use Recovery Project wells began on May 13, 2026, and terminated on June 19, 2026. Recovery operations from Improvement District No. 4 wells began on June 1, 2026, and terminated on June 25, 2026.

Daily recovery includes approximately 270 cubic feet per second (cfs) from 54 wells, as follows:

54 KWB Wells	270 cfs

As of June 30, 2026, approximately 36,609 acre-feet (af) has been recovered in 2026 from the Kern Fan banking projects. A summary of current recovery operations by project is provided as Attachment 1. A summary of total deliveries by project is provided as Attachment 2 and a summary of deliveries by participant is provided as Attachment 3.

2026 Recharge Activities
Deliveries of 2025 and 2026 State Water Project and Central Valley Project water have terminated to the Kern Fan Banking Projects. Intermittent recharge operations for the KWB began on October 1, 2025, and continued until March 11, 2026, at which time the KWB Participants ceased operations. Intermittent recharge operations for the Pioneer began on October 1, 2025, and continued until March 3, 2026, at which time the Pioneer Participants ceased operations. Intermittent recharge operations for the Berrenda Mesa Project began on November 27, 2025, and continued until February 28, 2026, at which time the Berrenda Mesa Participants ceased operations.

As of June 30, 2026, approximately 67,800 af has been delivered in 2026 to the Kern Fan banking projects. A summary of deliveries by water type is provided as Attachment 4 and a summary of deliveries by project is provided as Attachment 5.

A summary of the groundwater bank accounts is provided as Attachment 6 and a summary of the overdraft correction accounts is provided as Attachment 7.

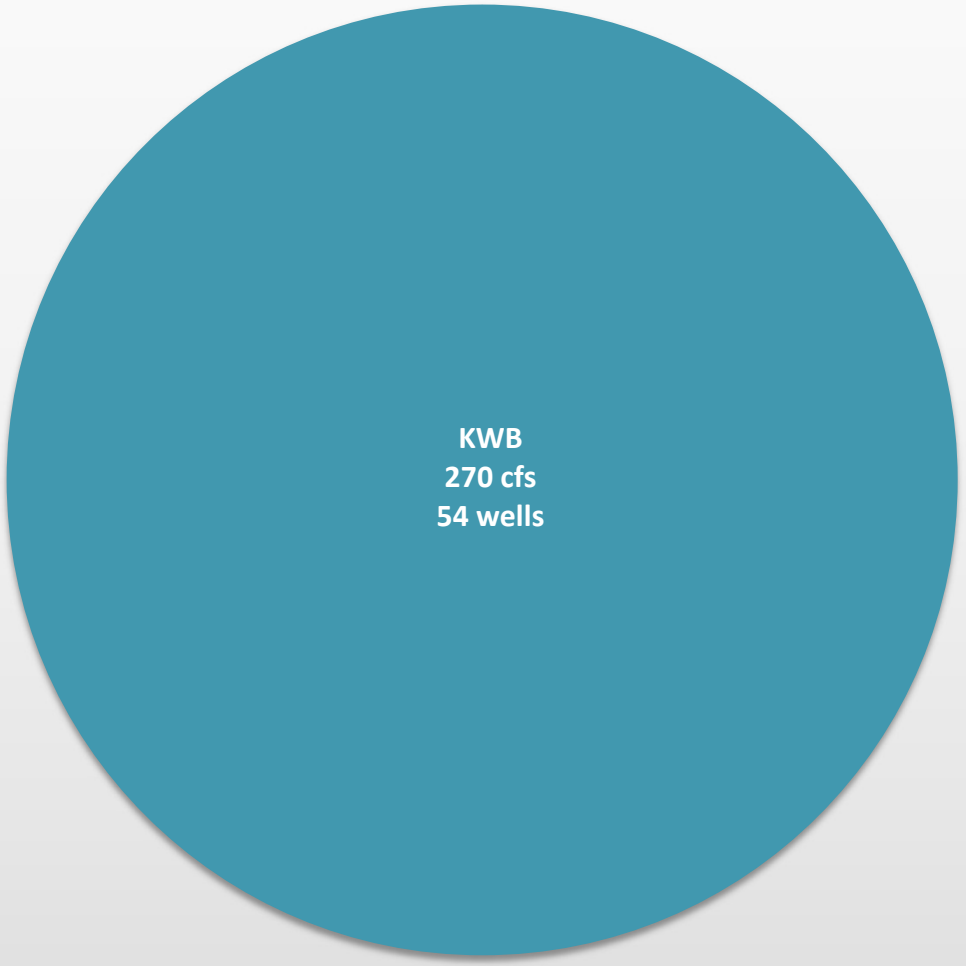
Groundwater Levels – Kern Fan

A depiction of current and historic groundwater level trends in the Kern Fan banking project area is provided as Attachment 8.

Other Activities

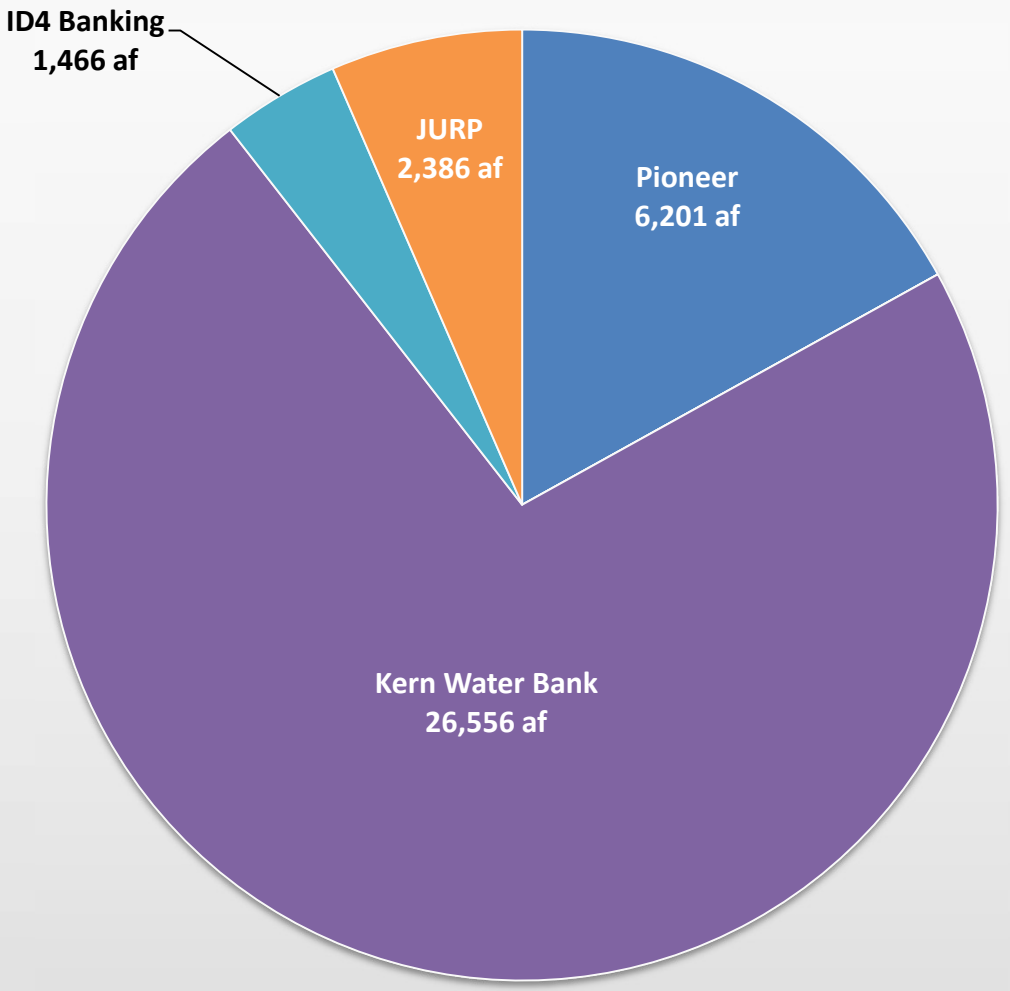
- Performed well start-ups on various Agency wells;
- Performed static and draw down water level measurements on all Agency wells that were started;
- Replaced the power supply on KCWA 29;
- Installed new electrical wire on KCWA 22, 24 and 37 following theft;
- Replaced the hour meter on KCWA 15;
- De-energized KCWA 14 for repairs;
- Replaced air relief valves on various Agency wells;
- Installed security lights and sirens on various Pioneer wells;
- Conducted well security checks throughout the system;
- Performed sounder repairs and calibration;
- Performed rodent abatement on Pioneer property; and
- Completed Kern Fan monthly water measurements.

Kern Fan Banking Projects
2026 Current Recovery Operations by Project
Through July 8, 2026



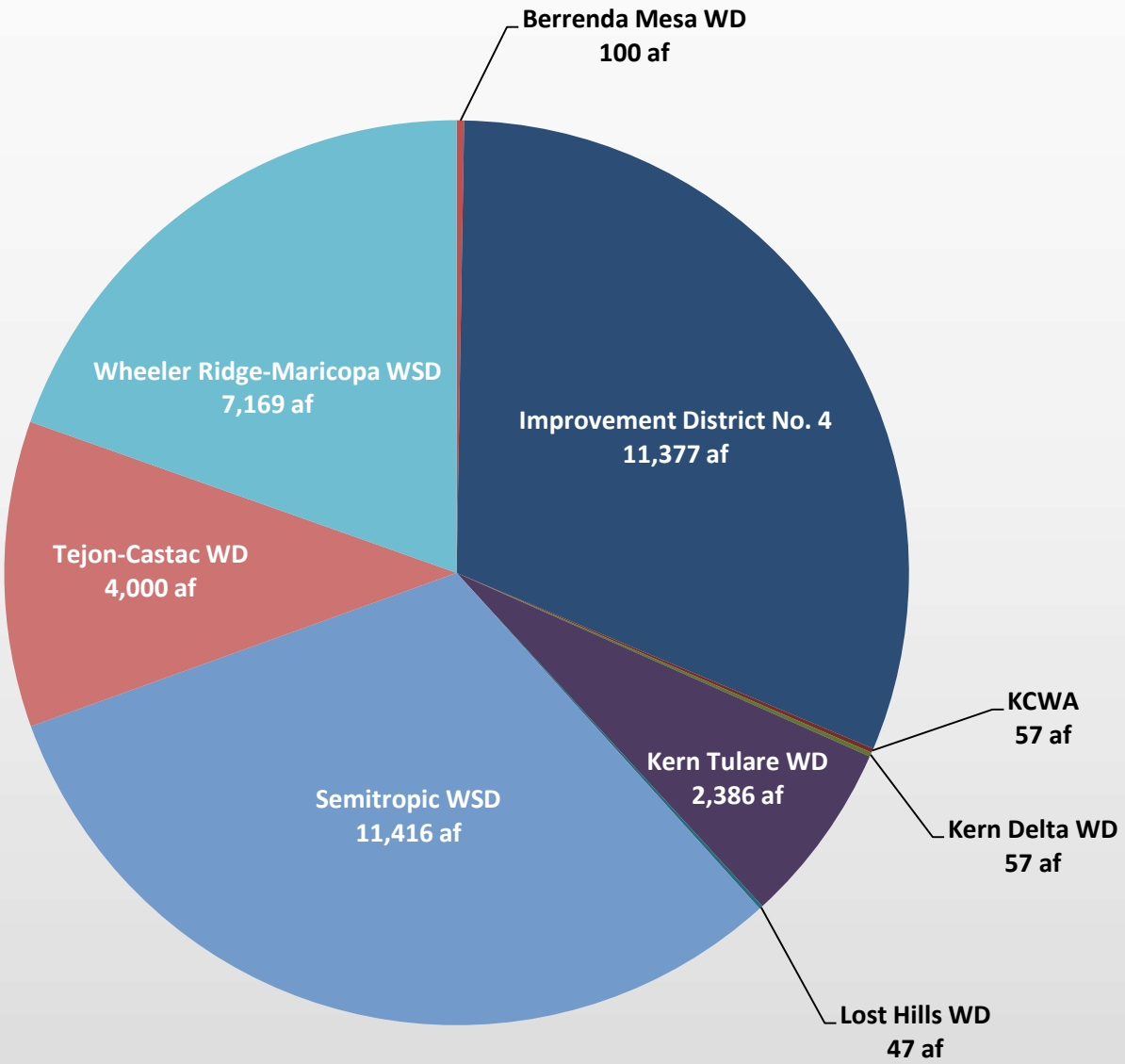
Current Recovery Operations 270 cfs

Kern Fan Banking Projects
2026 Estimated Gross Recovery by Project
Through June 30, 2026



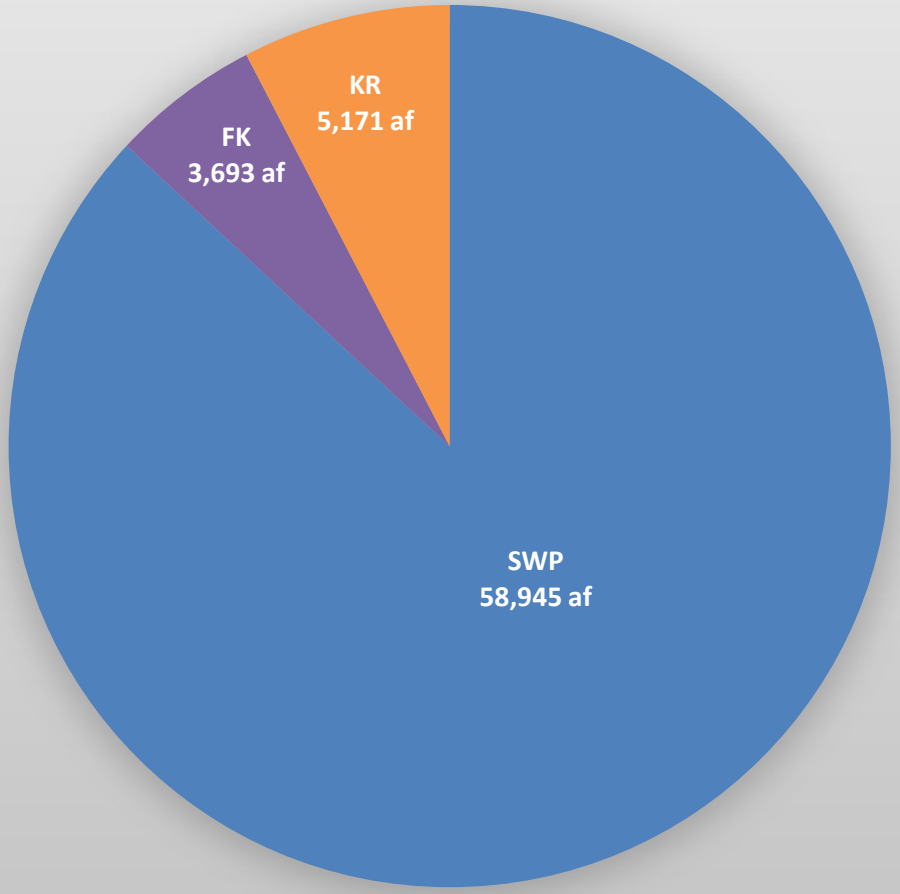
Total Gross Recovery 36,609 af

Kern Fan Banking Projects
2026 Estimated Recovery by Participant
Through June 30, 2026

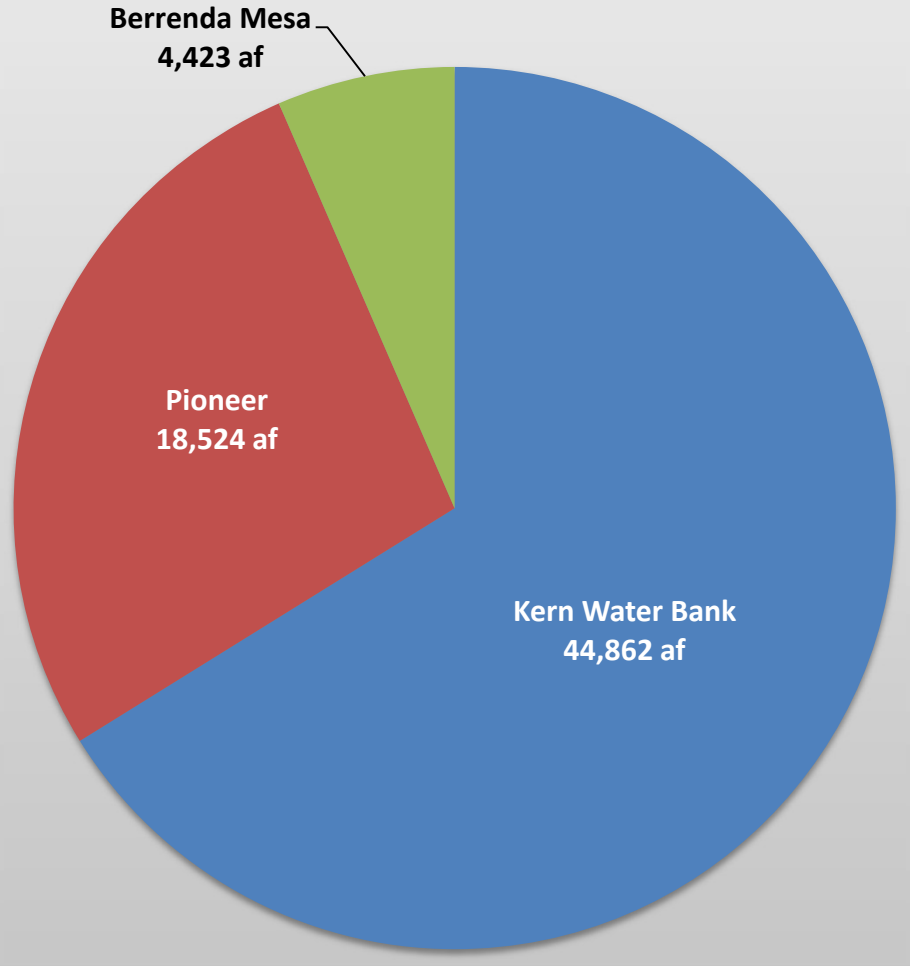


Total Gross Recovery 36,609 af

2026 Estimated Kern Fan Banking Project Deliveries
(by Water Type)
Deliveries through June 30, 2026
Total Deliveries 67,809 af



2026 Estimated Kern Fan Banking Project Deliveries
(by Project)
Deliveries through June 30, 2026
Total Deliveries 67,809 af



Kern County Water Agency
Estimated Summary of Groundwater Bank Accounts
As of June 30, 2026

Preliminary - Subject to Revision

Quantities in acre-feet

District	Estimated Balance as of December 31, 2025	Estimated Balance as of June 30, 2026					
		Pioneer Property	2800 Acres	Pioneer Project Subtotal	Berrenda Mesa	Kern Water Bank	Total
Belridge WSD	103,767	91,828	9,962	101,790	5,007	0	106,797
Berrenda Mesa WD	112,167	70,889	6,231	77,120	38,053	0	115,173
Buena Vista WSD	44,696	42,762	2,648	45,410	0	12	45,422
Cawelo WD	0	0	0	0	0	0	0
Dudley Ridge WD	74,587	0	0	0	0	92,585	92,585
Henry Miller WD	18,181	19,899	0	19,899	0	0	19,899
Improvement District No. 4	243,891	46,792	9,661	56,453	0	188,474	244,927
Kern County Water Agency	195,912	112,728	62,140	174,868	3,499	17,958	196,325
Kern Delta WD	32,017	37,131	0	37,131	0	0	37,131
Lost Hills WD	97,397	71,318	23,169	94,487	6,280	0	100,767
Rosedale-Rio Bravo WSD	42,313	42,313	0	42,313	0	0	42,313
Semitropic WSD	281,415	25,049	3,835	28,884	0	241,115	269,999
Tehachapi-Cummings CWD	5,820	0	0	0	0	5,820	5,820
Tejon-Castac WD	65,781	2,552	1,289	3,841	0	58,090	61,931
Westside Mutual Water Co.	500,639	0	0	0	0	515,178	515,178
Wheeler Ridge-Maricopa WSD	273,579	29,230	10,373	39,603	5,743	227,600	272,946
Total	2,092,162	592,491	129,308	721,799	58,582	1,346,832	2,127,213

Kern County Water Agency
Estimated Summary of Overdraft Correction Accounts
As of June 30, 2026

Preliminary - Subject to Revision

Quantities in acre-feet

District	Estimated Balance as of December 31, 2025	Estimated Balance as of June 30, 2026					
		Pioneer Property	2800 Acres	Pioneer Project Subtotal	Berrenda Mesa	Kern Water Bank [1]	Total
Buena Vista WSD	72,219	60,864	0	60,864	0	11,355	72,219
Henry Miller WD	90,206	63,106	375	63,481	2,584	24,141	90,206
Kern County Water Agency	55,030	35,356	7,121	42,477	0	12,553	55,030
Kern Delta WD	99,581	73,102	587	73,689	2,456	32,887	109,032
Rosedale-Rio Bravo WSD	236,702	179,998	5,298	185,296	4,471	57,208	246,975
Total	553,738	412,426	13,381	425,807	9,511	138,144	573,462

[1] Does not include purchase of 2011 4% reserve water.

ENGINEERING & GROUNDWATER SERVICES

Groundwater Elevation Monitoring

July 2026 | Monthly Board Report

Kern County Water Agency

Basin Status | July 2026

Well Location	Project	July 2026 (ft amsl)	vs Last Year (ft)	vs 2022 Low (ft)	Current Trend
30S/25E-16L	Kern Water Bank	**58.3**	**-137.4**	**+108**	▼ **Declining**
30S/26E-19B	2800 Acres	**230.3**	**-20.5**	**+145**	▼ **Declining**
30S/26E-15N	Pioneer South	**196.1**	**-29.5**	**+130**	▼ **Declining**
30S/26E-10P	Pioneer Central	**188.1**	**-47.9**	**+137**	▼ **Declining**
30S/26E-04J	Pioneer North	**206.8**	**-32.3**	**+133**	▼ **Declining**
30S/26E-06R	Pioneer North	**175.6**	**-54.2**	**+211**	▼ **Declining**

- All 6 locations show a year-over-year decline (middle aquifer interval).
- All 6 locations remain above their 2022 drought-cycle low.
- ft amsl = feet above mean sea level. Water level elevation is the height of the groundwater surface above a fixed global sea level reference.
- Groundwater elevations reference the North American Datum 1983 (NAD83).

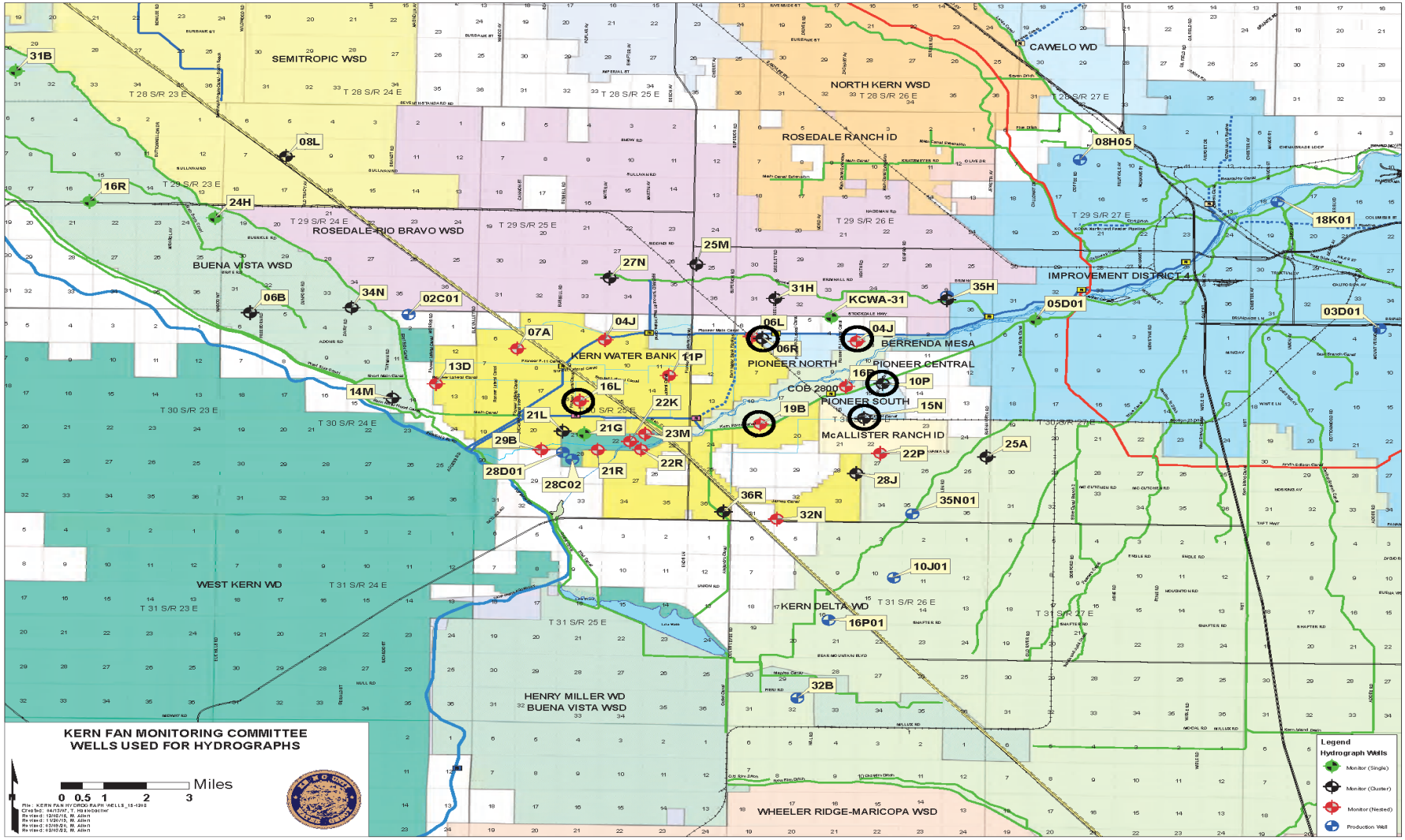
Prepared with AI assistance; reviewed and verified by KCWA Engineering and Groundwater Services.

Kern Fan Monitoring Network | July 2026

Attachment 8

KFMC Wells Used for Monthly Hydrographs

Attachment 5



30S/25E-16L | Kern Water Bank

2-Year View | Middle aquifer interval | Current: 58.3 ft amsl | 245.7 ft below GS | vs last year: -137.4 ft

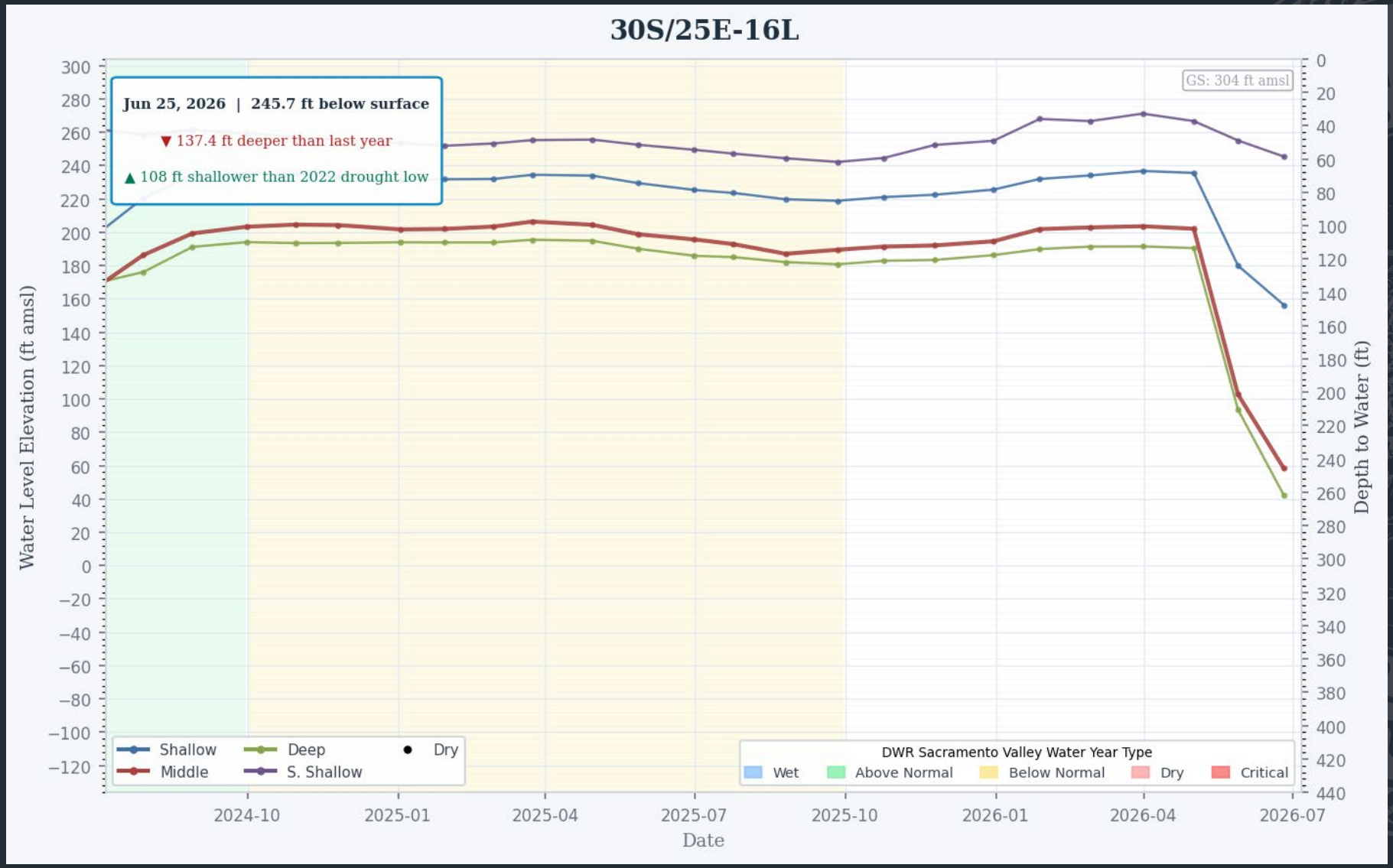
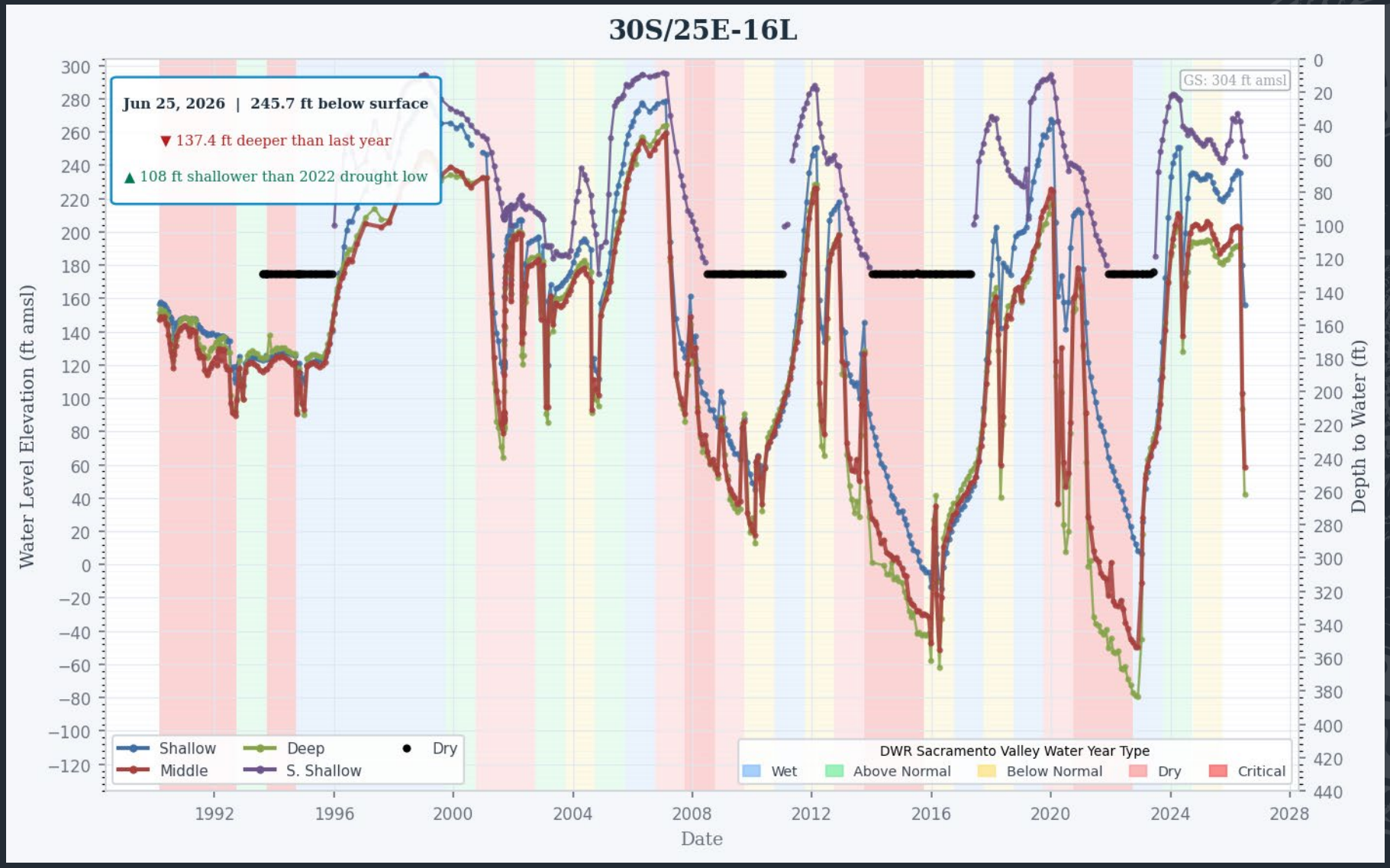


Chart background shading reflects DWR Sacramento Valley water year types.

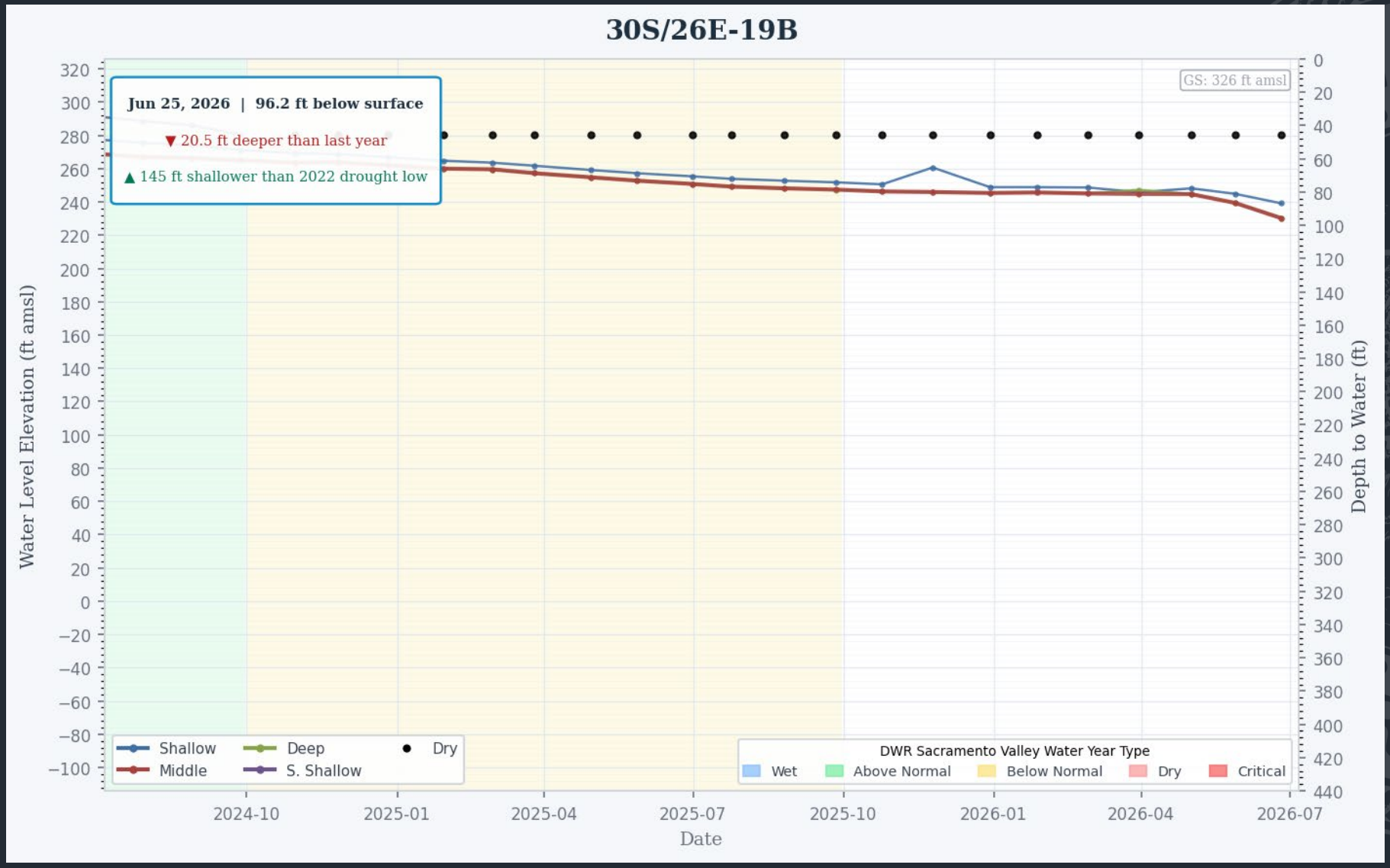
30S/25E-16L | Kern Water Bank

Full Record | Middle aquifer interval | Current: 58.3 ft amsl | 245.7 ft below GS | vs last year: -137.4 ft



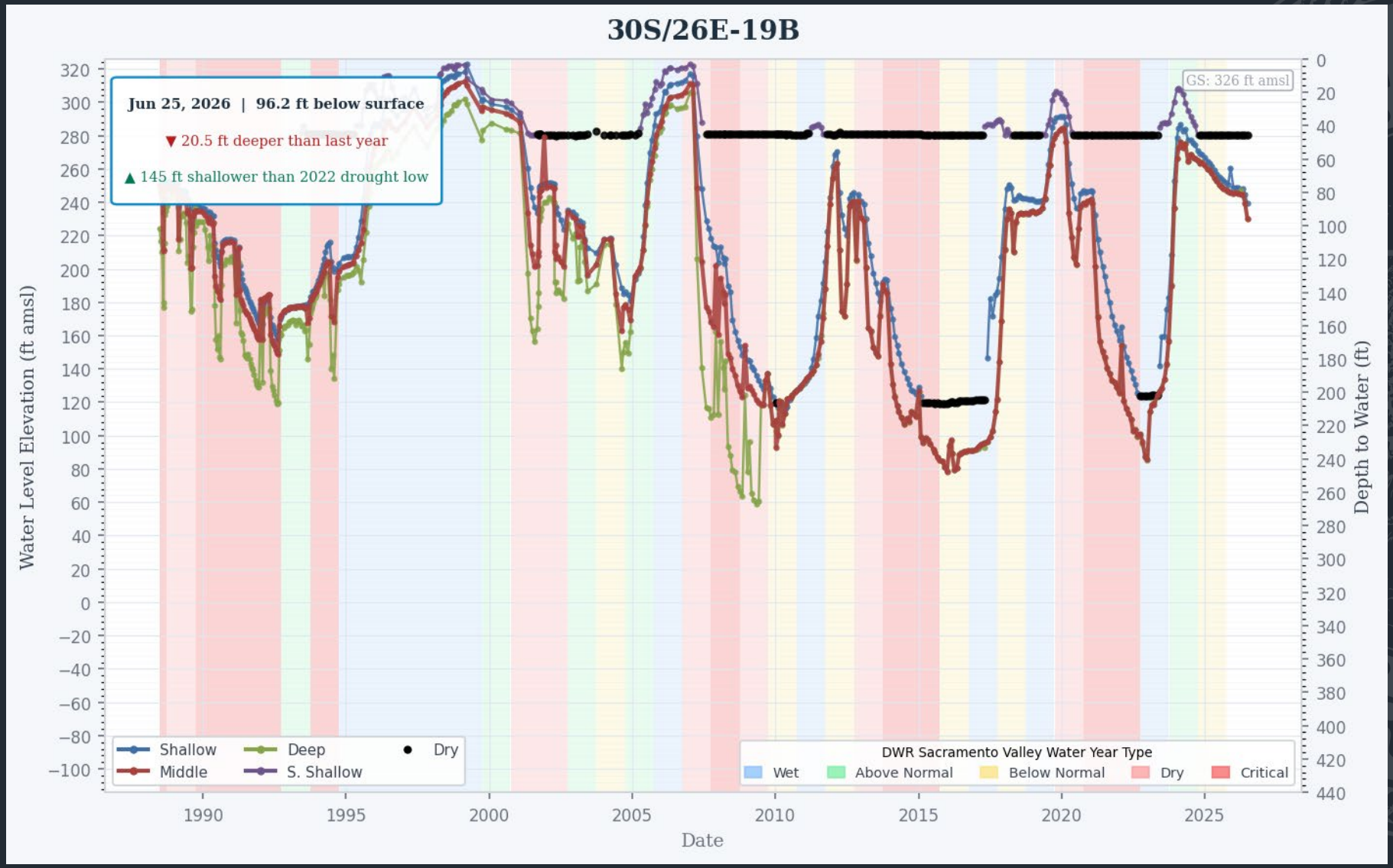
30S/26E-19B | 2800 Acres

2-Year View | Middle aquifer interval | Current: 230.3 ft amsl | 96.2 ft below GS | vs last year: -20.5 ft



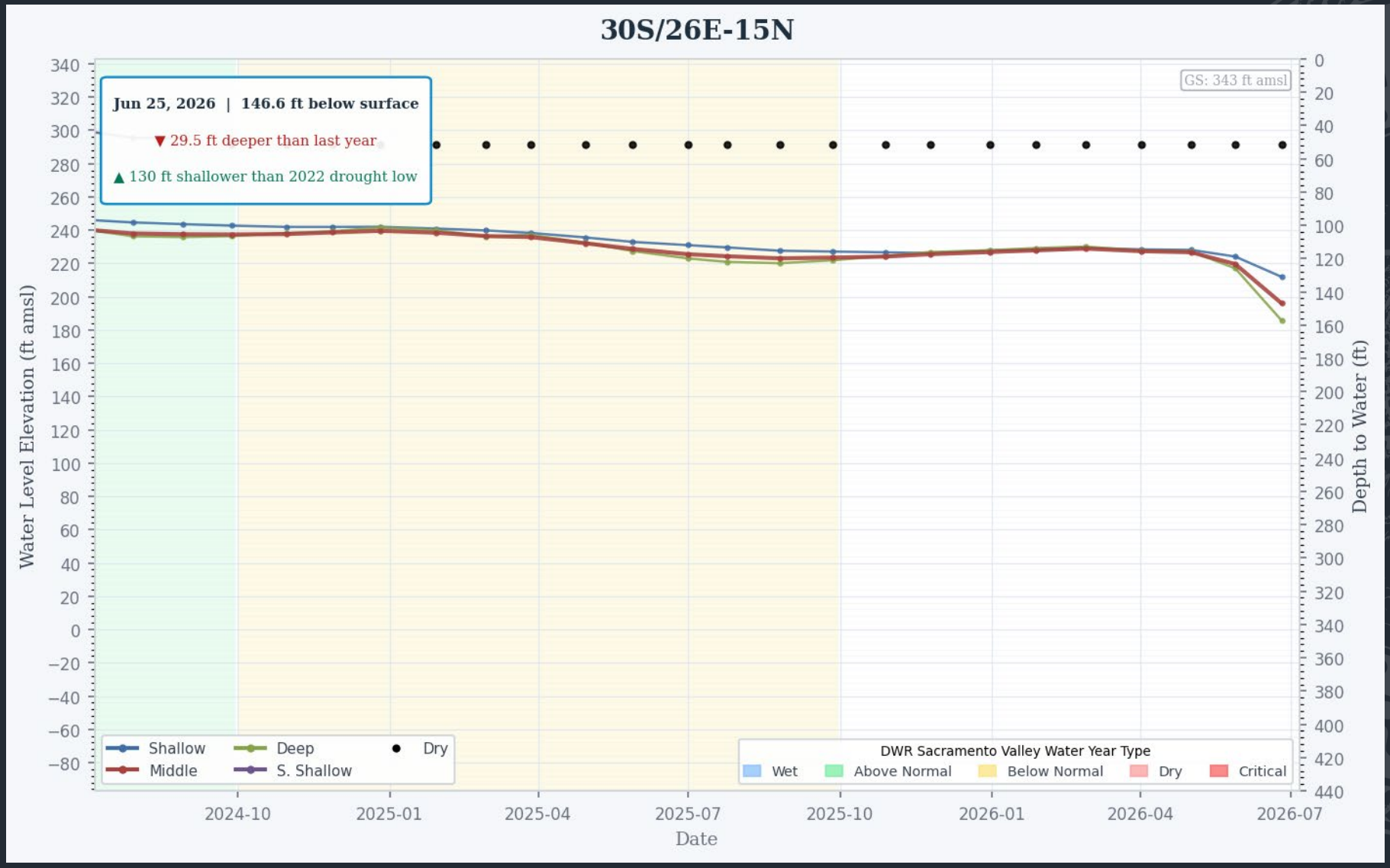
30S/26E-19B | 2800 Acres

Full Record | Middle aquifer interval | Current: 230.3 ft amsl | 96.2 ft below GS | vs last year: -20.5 ft



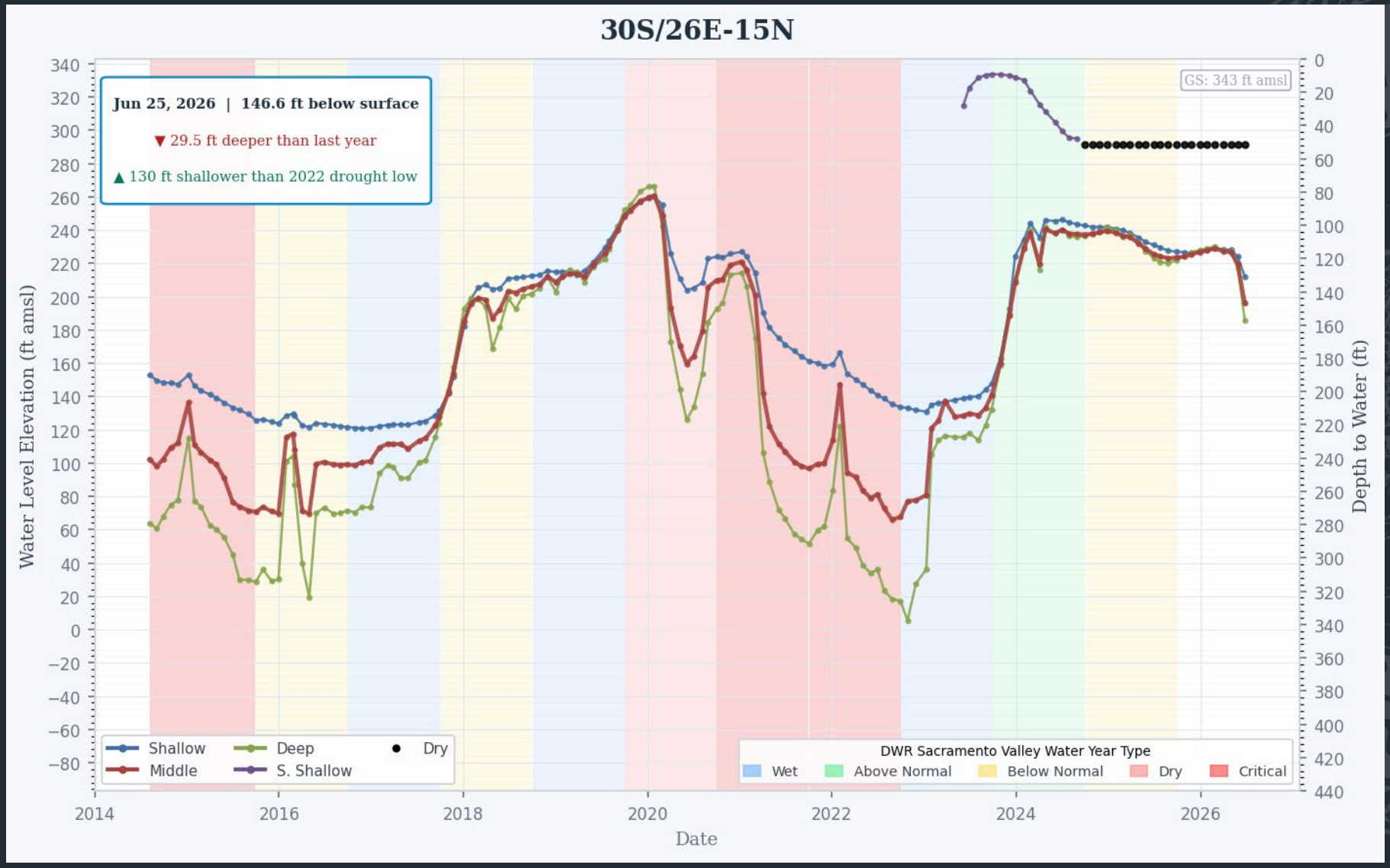
30S/26E-15N | Pioneer South

2-Year View | Middle aquifer interval | Current: 196.1 ft amsl | 146.6 ft below GS | vs last year: -29.5 ft



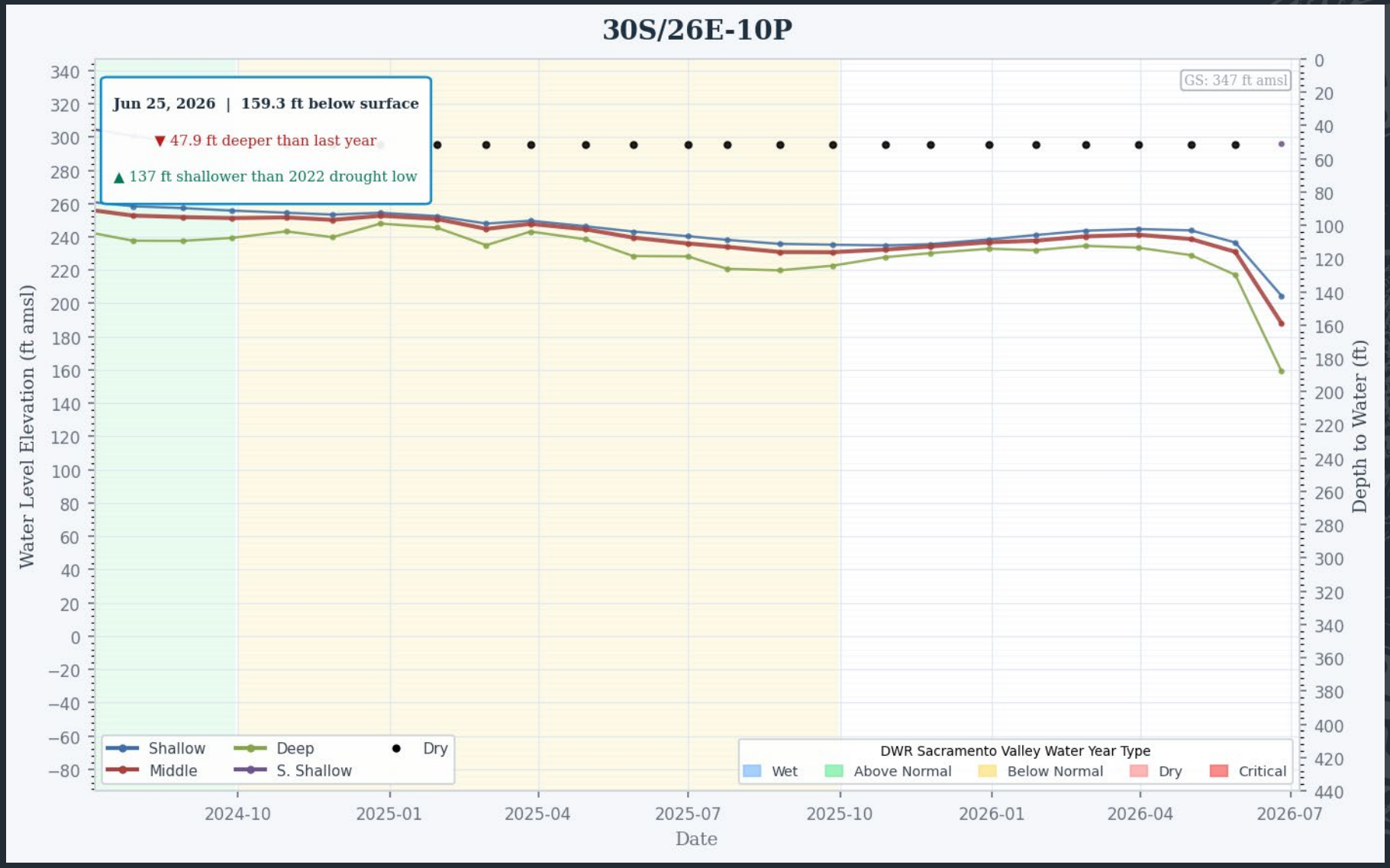
30S/26E-15N | Pioneer South

Full Record | Middle aquifer interval | Current: 196.1 ft amsl | 146.6 ft below GS | vs last year: -29.5 ft



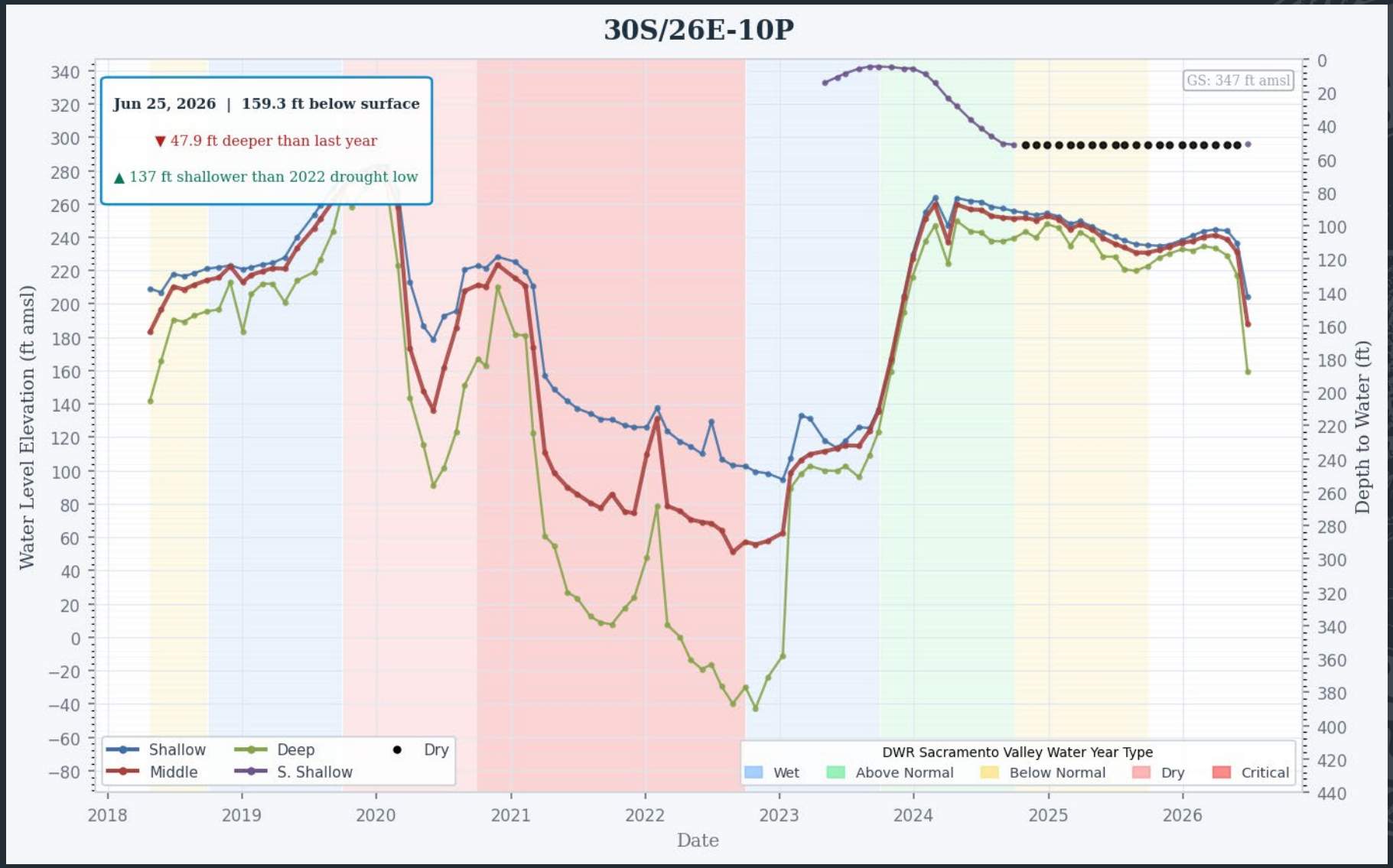
30S/26E-10P | Pioneer Central

2-Year View | Middle aquifer interval | Current: 188.1 ft amsl | 159.3 ft below GS | vs last year: -47.9 ft



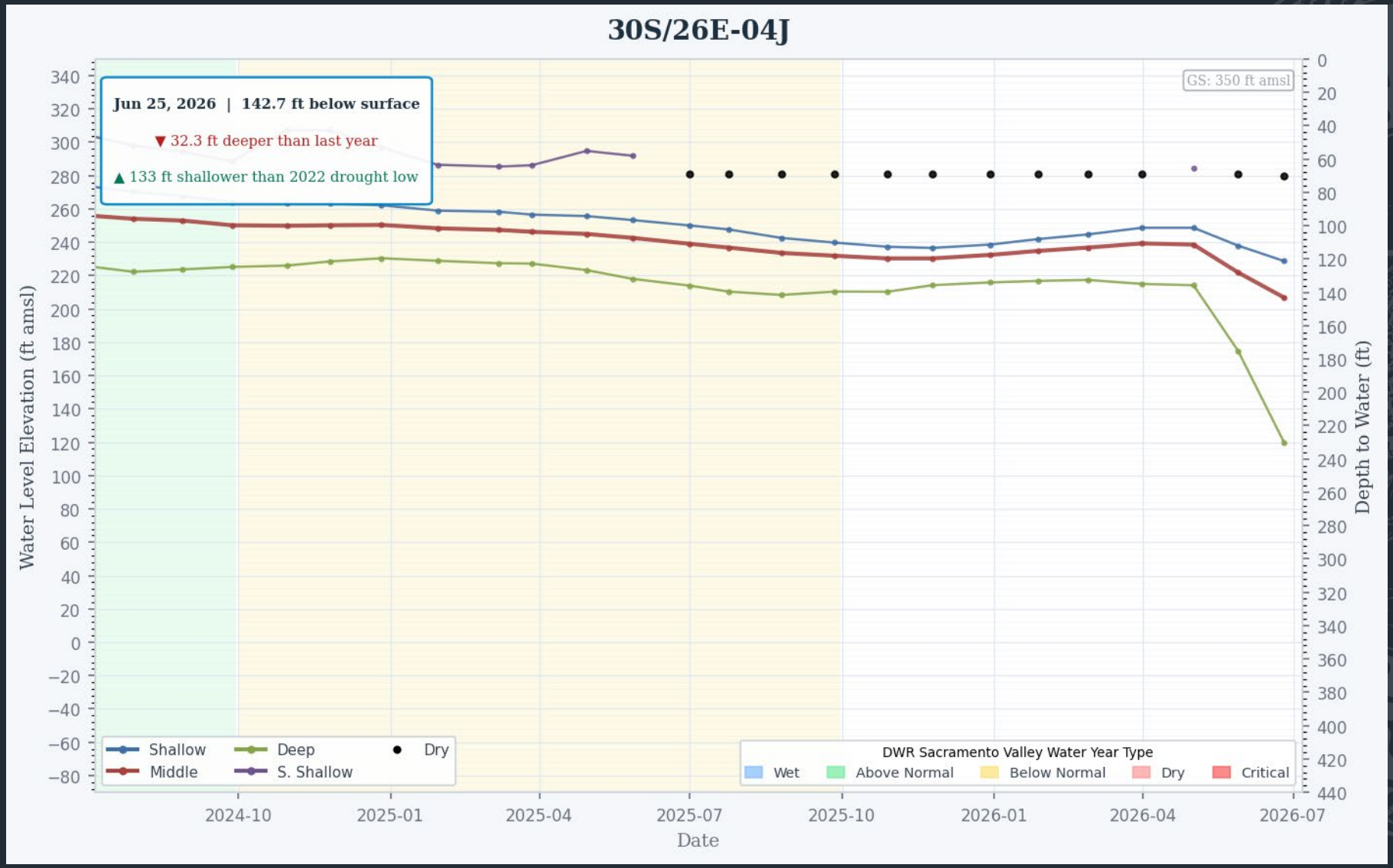
30S/26E-10P | Pioneer Central

Full Record | Middle aquifer interval | Current: 188.1 ft amsl | 159.3 ft below GS | vs last year: -47.9 ft



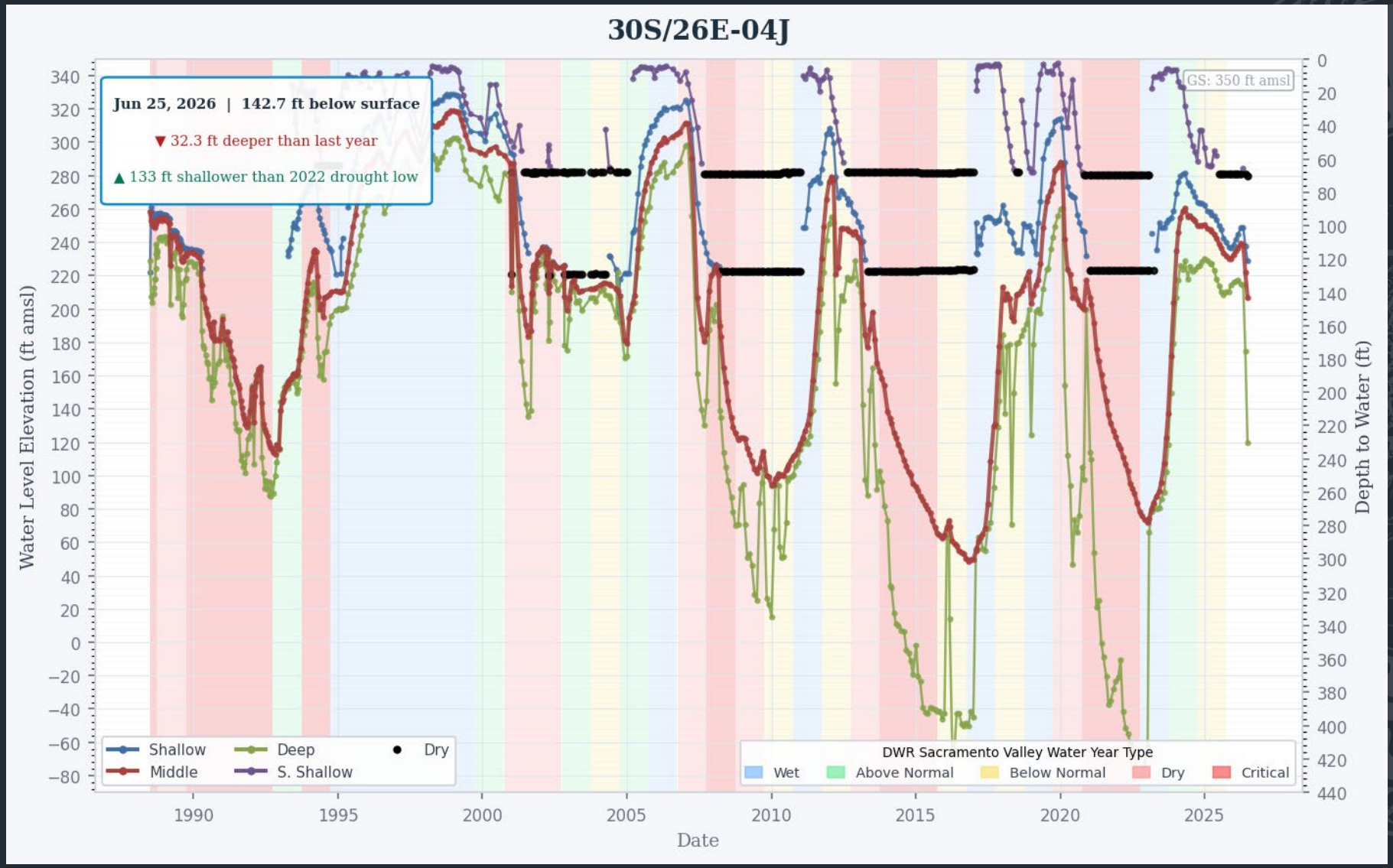
30S/26E-04J | Pioneer North

2-Year View | Middle aquifer interval | Current: 206.8 ft amsl | 142.7 ft below GS | vs last year: -32.3 ft



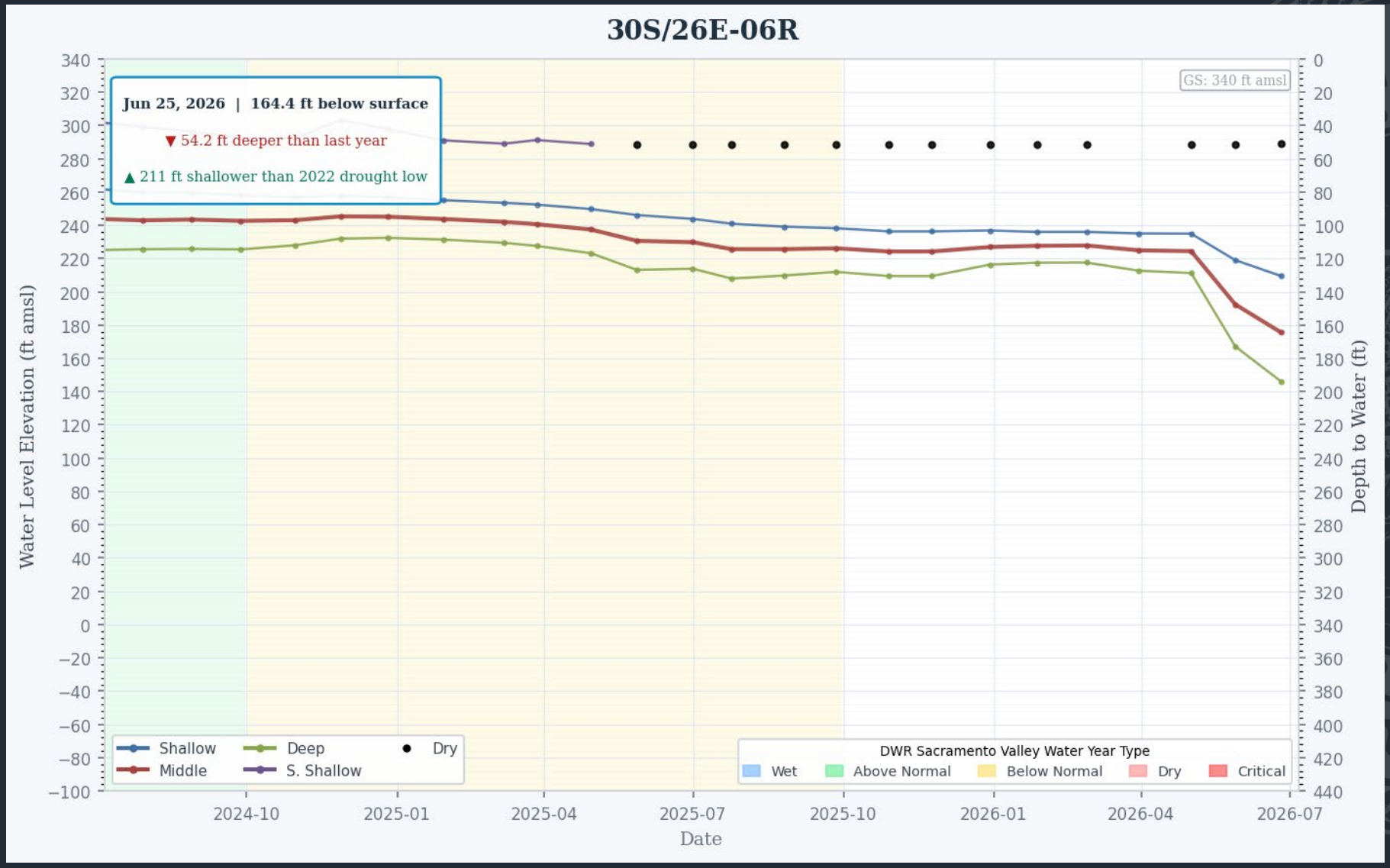
30S/26E-04J | Pioneer North

Full Record | Middle aquifer interval | Current: 206.8 ft amsl | 142.7 ft below GS | vs last year: -32.3 ft



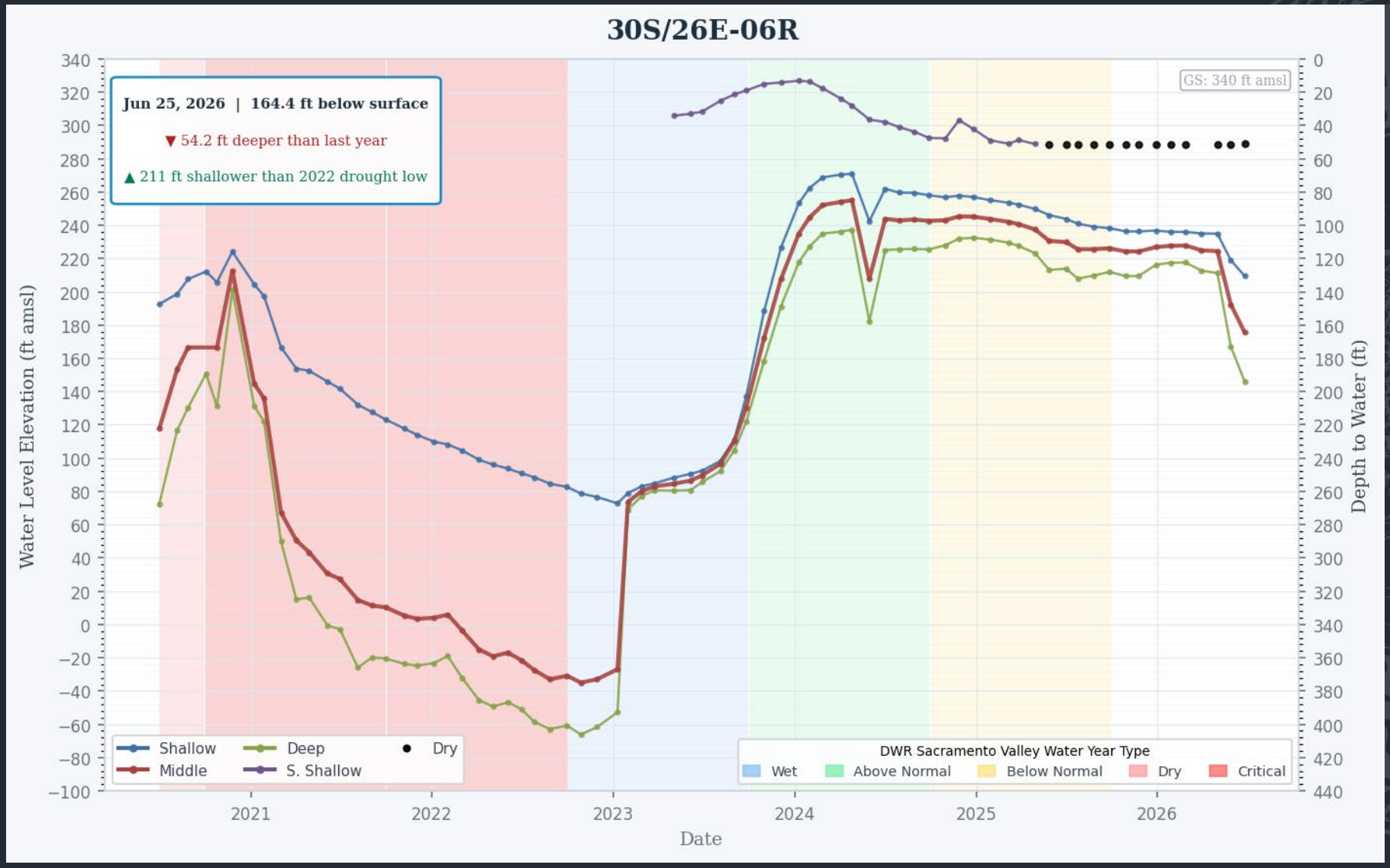
30S/26E-06R | Pioneer North

2-Year View | Middle aquifer interval | Current: 175.6 ft amsl | 164.4 ft below GS | vs last year: -54.2 ft



30S/26E-06R | Pioneer North

Full Record | Middle aquifer interval | Current: 175.6 ft amsl | 164.4 ft below GS | vs last year: -54.2 ft



Questions?

Kern County Water Agency
Engineering & Groundwater Services

Cross Valley Canal Committee

MEMORANDUM

20.2.1

TO: Cross Valley Canal Committee
Agenda Item No. 3

FROM: Monica Tennant

DATE: July 23, 2026

SUBJECT: Report on Cross Valley Canal Operations and Deliveries

Issue:
Report on Cross Valley Canal operations and deliveries.

Recommended Motion:
None – information only.

Discussion:
A summary and graph of the Cross Valley Canal (CVC) operations, maintenance and deliveries for June 2026 is provided as Attachment 1. A table summarizing the monthly deliveries is provided as Attachment 2. Graphs illustrating deliveries by direction of flow and by source over the last 12 months are provided as Attachment 3. A schematic illustrating current CVC operations is provided as Attachment 4. A schematic illustrating the current maintenance and availability status of the pumps and motors at each pumping plant is provided as Attachment 5.

CROSS VALLEY CANAL
REPORT ON OPERATIONS, MAINTENANCE AND DELIVERIES
JULY 2026

CROSS VALLEY CANAL

OPERATIONS

Preliminary inflows and deliveries for the month of June were as follows:

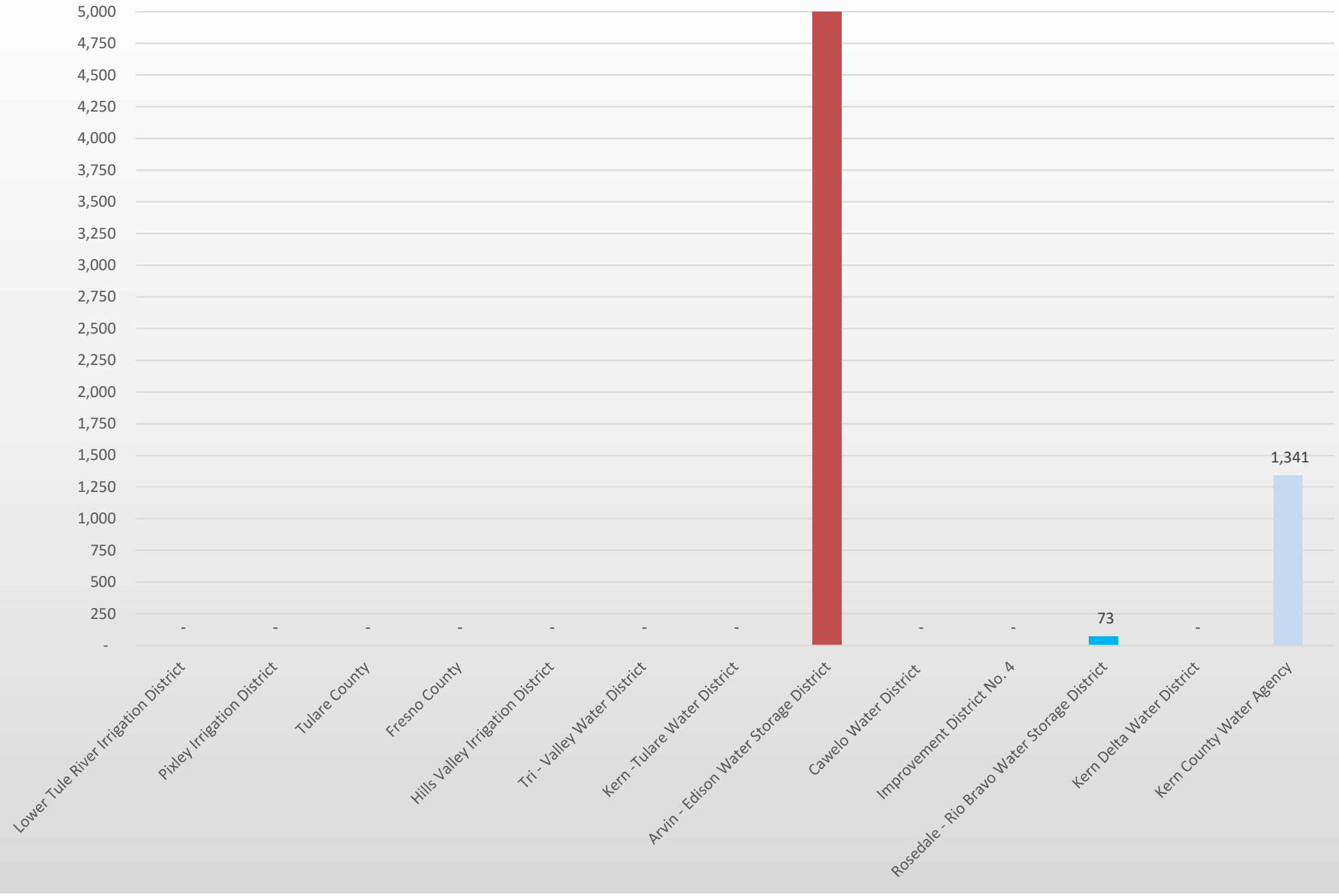
Deliveries by Turnout:	California Aqueduct SWP (AF)	GW (AF)	California Aqueduct CVP (AF)	CVC Total (AF)
CA Aqueduct Pump-In	-	1,318	-	1,318
Arvin-Edison Turnout	4,256	-	4,846	9,102
Lined Losses - Pools 1-6	73	23	84	180
Total	4,329	1,341	4,930	10,600

MAINTENANCE AND REPAIRS

- Replaced the speed sensor on pump 5B (250 HP) at CVC Pumping Plant No. 5A;
- Fixed washouts and installed metal downspouts in CVC Pool 7;
- Applied grout to CVC Pumping Plant No. 1B pump bases;
- Installed new din rails for CVC Pumping Plant computers;
- Responded to a power failure at CVC Pumping Plant No. 4A;
- Transported CVC spare 565 HP motor from motor shop back to the O&M Center;
- Adjusted the speed sensor on pump 5H (250 HP) at CVC Pumping Plant No. 5A;
- Welded a new safety chain on the walk deck at CVC Pumping Plant No. 6A;
- Dewatered CVC Pool 4 for coffer dam installation;
- Re-wired capacitor on pump 1G (250 HP) at CVC Pumping Plant No. 1A;
- Replaced the air-conditioner filters at all CVC pumping plants;
- Performed mechanical cleaning of pumping plant forebays and walk decks using Gradall excavator;
- Assisted electrical staff with multiple motor control issues at various pumping plants;
- Continued to collect groundwater level measurements from CVC Pools 1-8 piezometers;
- Escorted Supervisory Control and Data Acquisition contractor for multiple issues on the CVC;
- Performed spare motor maintenance by spinning motor shafts on all spare motors at CVC Operations and Maintenance (O&M) Center;
- Performed post-emergent herbicide applications;
- Performed minor fence and gate repairs;
- Performed road and levee maintenance and washout repairs along CVC rights-of-way;
- Performed siphon breaker and compressor checks throughout entire CVC system;
- Performed electrical preventative maintenance checks and testing at all CVC Motor Control Centers (MCC);
- Performed routine maintenance activities that included vehicle and heavy equipment maintenance repairs, pump maintenance and interior MCC buildings cleaning; and
- Performed a monthly safety inspection at the CVC O&M Center.

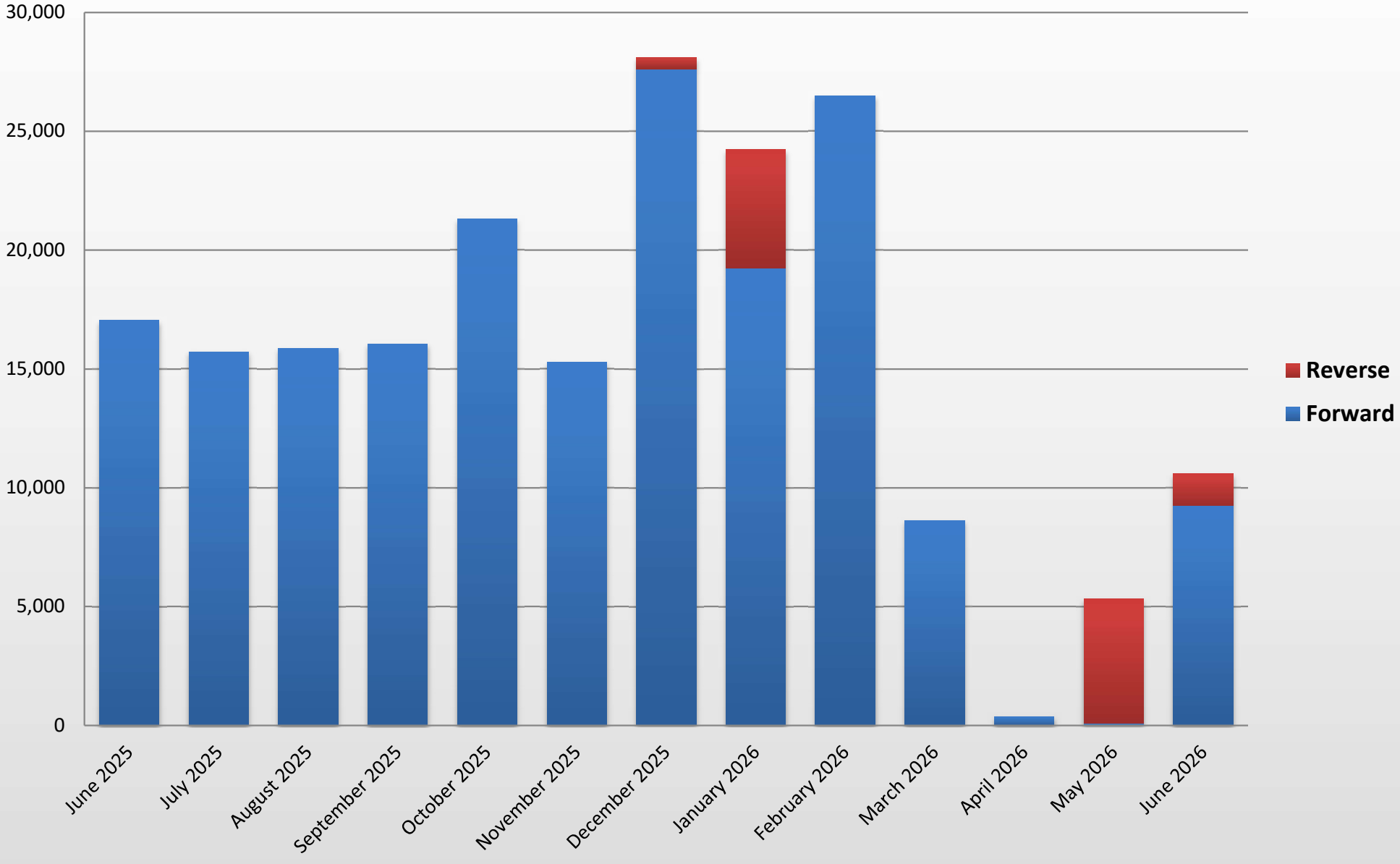
Attachment 2

Cross Valley Canal
June 2026 Deliveries
Total Deliveries 10,600 af



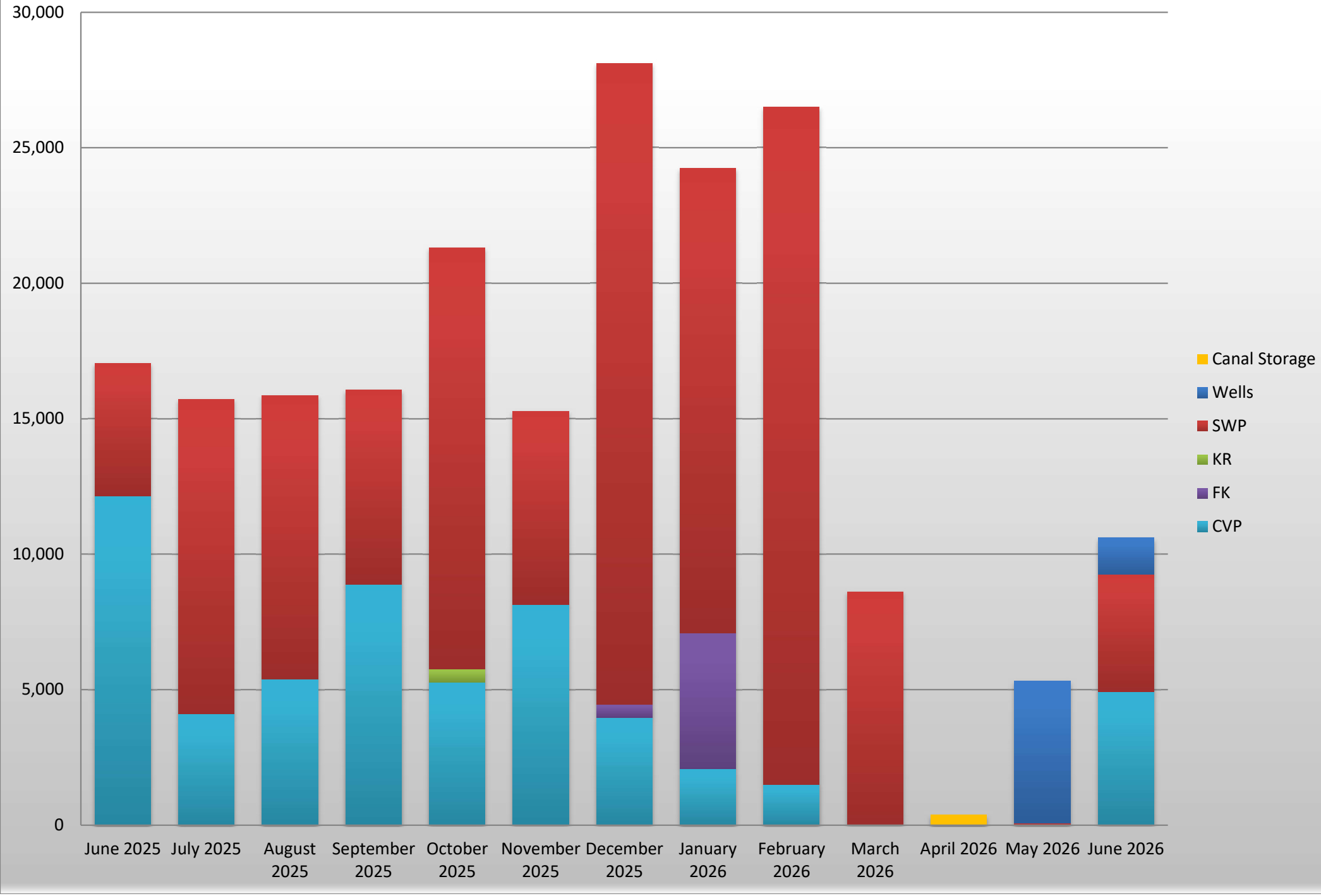
Attachment 3

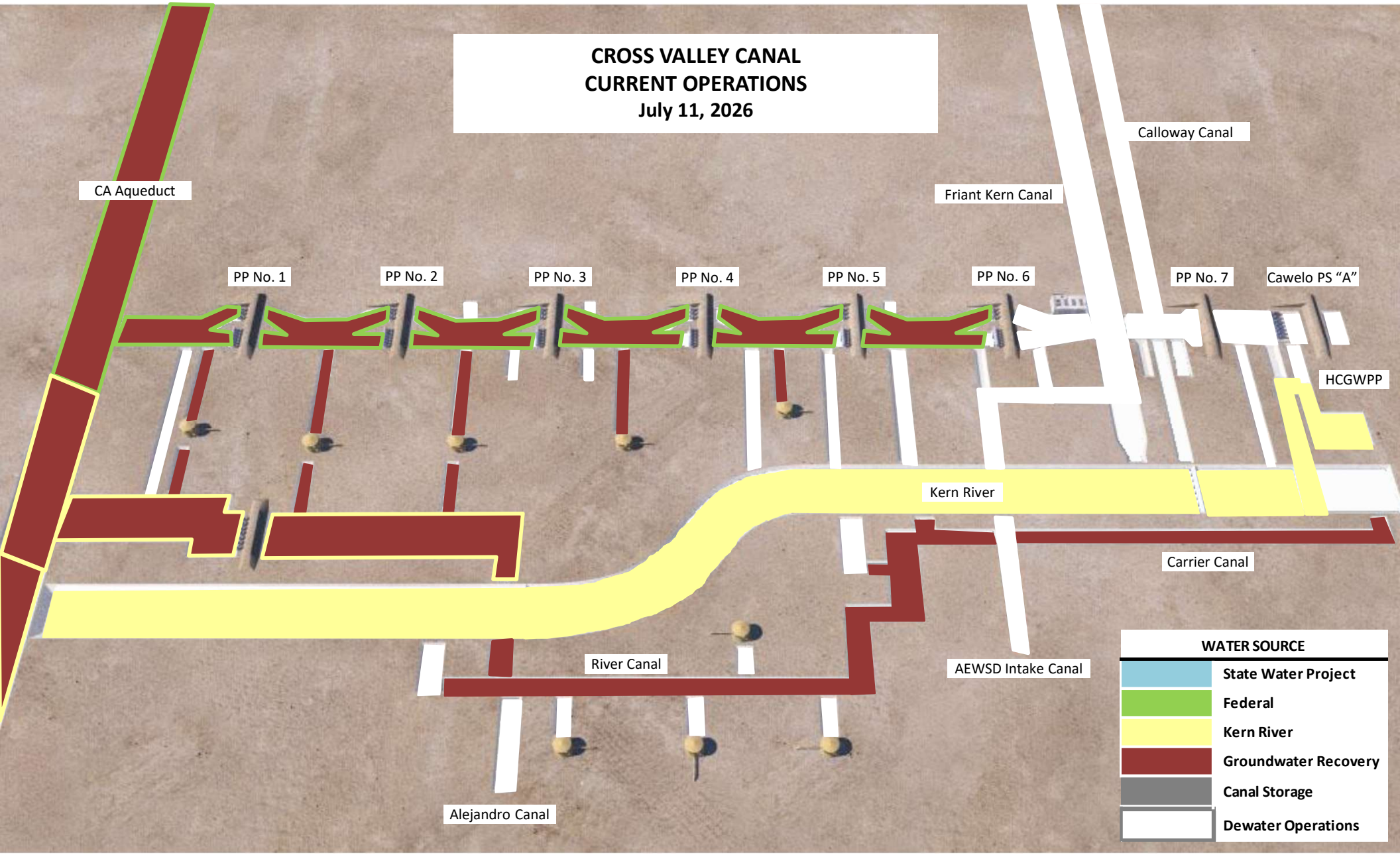
Cross Valley Canal
Twelve Month Delivery by Direction



Attachment 3

Cross Valley Canal
Twelve Month Delivery by Source




CROSS VALLEY CANAL
CURRENT OPERATIONS
July 11, 2026
CA Aqueduct
Calloway Canal
Friant Kern Canal
PP No. 1
PP No. 2
PP No. 3
PP No. 4
PP No. 5
PP No. 6
PP No. 7
Cawelo PS "A"
HCGWPP
Kern River
Carrier Canal
River Canal
AEWSD Intake Canal
Alejandro Canal
WATER SOURCE
State Water Project
Federal
Kern River
Groundwater Recovery
Canal Storage
Dewater Operations

Cross Valley Canal

Pump and Flow Configuration

Last Updated on July 11, 2026

		'A' Pumping Plants										'B' Pumping Plants					
		A	**B**	**C**	**D**	**E**	**F**	**G**	**H**	**J**	**Total cfs**	**K**	**L**	**M**	**N**	**Total cfs**	**Total cfs**
Pumping Plant No. 1	Estimated Horsepower	100	250	565	565	565	565	250	100			800	800	800			
	Estimated Flow Rate (cfs)	31	70	180	180	180	180	70	31		**922**	167	167	167		**500**	**1,422**
Pumping Plant No. 2	Estimated Horsepower	100	250	565	565	565	565	250	100			700	700	700			
	Estimated Flow Rate (cfs)	31	70	180	180	180	180	70	31		**922**	167	167	167		**500**	**1,422**
Pumping Plant No. 3	Estimated Horsepower	100	250	565	565	565	250	100	250	100		700	700	700			
	Estimated Flow Rate (cfs)	31	70	180	180	180	70	31	70	31	**843**	167	167	167		**500**	**1,343**
Pumping Plant No. 4	Estimated Horsepower	100	250	565	565	565	250	100	250	100		700	700	700			
	Estimated Flow Rate (cfs)	31	10/1/26	180	180	180	70	31	70	31	**773**	167	167	167		**500**	**1,273**
Pumping Plant No. 5	Estimated Horsepower	100	250	565	565	565	250	100	250	100		700	700	700			
	Estimated Flow Rate (cfs)	31	70	180	180	180	70	31	70	31	**843**	167	167	167		**500**	**1,343**
Pumping Plant No. 6	Estimated Horsepower	100	250	565	565	565	250	250	100			200	600	600	350		
	Estimated Flow Rate (cfs)	31	70	180	180	180	70	70	31		**812**	40	185	185	90	**500**	**1,312**
Pumping Plant No. 7	Estimated Horsepower	100	250	250	250	250	100										
	Estimated Flow Rate (cfs)	31	70	70	70	70	31				**342**						**342**

Note: Return to service dates are subject to change.

Current spares:

- Bell/Bowl/Impeller sets: 100 hp (31cfs), 250 hp (70cfs) and 400 hp (140 cfs);
- Pump/Appurtenances: 600 hp (200 cfs), 700 hp (167 cfs) and 800 hp (167 cfs); and
- Motors: 100 hp, 200 hp, 250 hp, 350 hp, 400 hp, 600 hp, 700 hp and 800 hp.

Pump out for service

Motor out for service

Improvement District No. 4 Committee

MEMORANDUM

TO: Improvement District No. 4 Committee
Agenda Item No. 2

FROM: Wes Shryock

DATE: July 23, 2026

SUBJECT: Report on the Kern River Groundwater Sustainability Agency Meeting

Issue:
Report on Kern River Groundwater Sustainability Agency activities.

Recommended Motion:
None – information only.

Discussion:
The Kern River Groundwater Sustainability Agency's July 14, 2026 special meeting agenda is provided as Attachment 1.

Attachment 1

Board Members:
Rodney Palla, Chair
Bob Smith, Vice-Chair
Gene Lundquist

KERN RIVER GSA
SPECIAL BOARD MEETING

Tuesday, July 14, 2026
8:00 a.m.
City of Bakersfield Water Resources Department
1000 Buena Vista Road, Bakersfield CA 93311
Large Conference Room

AGENDA

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **PUBLIC STATEMENTS**
4. **APPROVAL OF MINUTES** of the June 4, 2026, Regular Board Meeting
5. **NEW BUSINESS**

   A. Correspondence Received (City Clerk, Maldonado)

   B. Finance Updates (Loveless)
      i. Receive and File Financial Report
   C. Management Group Updates (Maldonado, Shryock, Teglia)
      i. Basin Coordination Committee Updates
      ii. Ratification of Kern Subbasin Cost Sharing Agreement 26-03
      iii. Update on Spring Groundwater Quality Monitoring Exceedances
   D. Consider Adoption of the Exceedance Policy and associated Action Plan for Land Subsidence – Version 2.0 (June 2026)
   E. KRGSA Annual Report Presentation Water Year 2025

6. **CLOSED SESSION**

   A. Conference with Legal Counsel – ***Potential Litigation***
      i. Closed session pursuant to Government Code section 54956.9(d)(2),(e)(3)
         a. Well Mitigation Application for Hughes Lane
         b. Well Mitigation Application for Panama Road

7. **CLOSED SESSION ACTION**

8. COMMITTEE COMMENTS

9. ADJOURNMENT

MEMORANDUM

20.2.1

TO: Improvement District No. 4 Committee
Agenda Item No. 3

FROM: Wes Shryock

DATE: July 23, 2026

SUBJECT: Report on Kern Water Bank Activities

Issue:
Report on Kern Water Bank activities.

Recommended Motion:
None – information only.

Discussion:
The Kern Water Bank Authority's July 14, 2026, Agenda and Monthly Status Report, and Groundwater Sustainability Agency Agenda are provided as Attachments 1, 2 and 3, respectively.

KERN WATER BANK AUTHORITY

Regular Meeting of Board of Directors
of the Kern Water Bank Authority
Tuesday, July 14, 2026, 3:15 PM
Kern Water Bank Authority Conference Room[1]
1620 Mill Rock Way, Suite 500, Bakersfield, California

This meeting is held in accordance with the Brown Act pursuant to Section 54950, et seq. of the California Government Code and the Kern Water Bank Authority (KWBA) Joint Exercise of Powers Agreement.

AGENDA

1. **Roll Call**

2. **Approval of Minutes**
   The Board will consider approval of June 9, 2026, Regular Board of Directors' Meeting minutes.

3. **2025 Audit Report & Financial Statements**
   The Board will consider the 2025 Audit Report and approval of the 2025 audited Financial Statements.

4. **Treasurer's Report**
   The Board will consider approval of the June 2026 Treasurer's Report.

5. **Authorization to Pay Expenses of Authority**
   The Board will consider approval of payment of the June 2026 accounts payable.

6. **Reports/Other Action Items**
   A) Staff Report
   Review and possibly act on items discussed in previously submitted Staff Report, staff recommendations, and other items regarding:

   (1) Water Bank Operations
   (2) 3rd Party Facilities on Kern Water Bank
   (3) Adjacent Properties
   (4) KWBA HCP/NCCP and Land Management
   (5) Capital Improvements/Maintenance and Funding
   (6) Data Collection and Automation

   B) Directors, Counsel and Committee Reports
   The Board of Directors will hear and possibly act on reports and recommendations:

   (1) Kern Fan Monitoring Committee

7. **Old Business**
   This portion of the meeting is set aside for the discussion of matters which have been

[1] Requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Secretary in advance of the meeting to ensure availability of the requested service or accommodation.

addressed at previous Board meetings.

8. New Business

This portion of the meeting is set aside to provide the Board an opportunity to bring to the attention of the other Board members and the public matters which have come to their attention, subject to certain exceptions. No action can be taken on any matter discussed during this portion of the meeting; however, a Board member may request that a subject be placed on any future agenda.

9. Public Input

This portion of the meeting is set aside to provide the public an opportunity to bring to the attention of the Board members, matters of which the Board may not be aware, subject to certain exceptions. No action can be taken on any matter discussed during this portion of the meeting; however, a Board member may request that a subject be placed on any future agenda.

10. Closed Session

A) Conference with Legal Counsel – Pending Litigation (Gov. Code, § 54956.9(d)(1)).

(1) Various Applications to appropriate Kern River water, complaint and related proceedings before the State Water Resources Control Board.

B) Conference with Legal Counsel – Anticipated Litigation: Initiation of litigation pursuant to Gov. Code, § 54956.9(d)(4). Two potential litigations.

C) Conference with Legal Counsel – Anticipated Litigation: Significant exposure to litigation pursuant to Gov. Code, § 54956.9(d)(2). Two potential litigations.

D) Conference with Real Property Negotiator – Gov. Code, § 54956.8.

KWBA Representative: General Manager
Under Negotiation: Price and Terms of Payment
Negotiating Parties: KWBA and Kern County Water Agency
Property: CVC N2 Siphon Repair and Replacement

E) Conference with Real Property Negotiator – Gov. Code, § 54956.8.

KWBA Representative: General Manager and Geologist
Under Negotiation: Price and Terms of Payment
Negotiating Parties: KWBA and Irvine Ranch WD/Rosedale Rio-Bravo WSD
Properties: Kern Water Bank Land - Kern Fan Groundwater Storage Project Conveyance

11. Reconvene and Report from Closed Session (Gov. Code, § 54957.1)

12. Adjourn

KERN WATER BANK AUTHORITY

MEMORANDUM

To: KWBA Board of Directors; Steve Torigiani

From: KWBA Staff

Date: July 14, 2026

Subject: Monthly Status Report

CALENDAR

The next KWBA 2026 Regular Board of Directors' Meeting is scheduled for Tuesday, August 11, 2026 (3:15 P.M.).

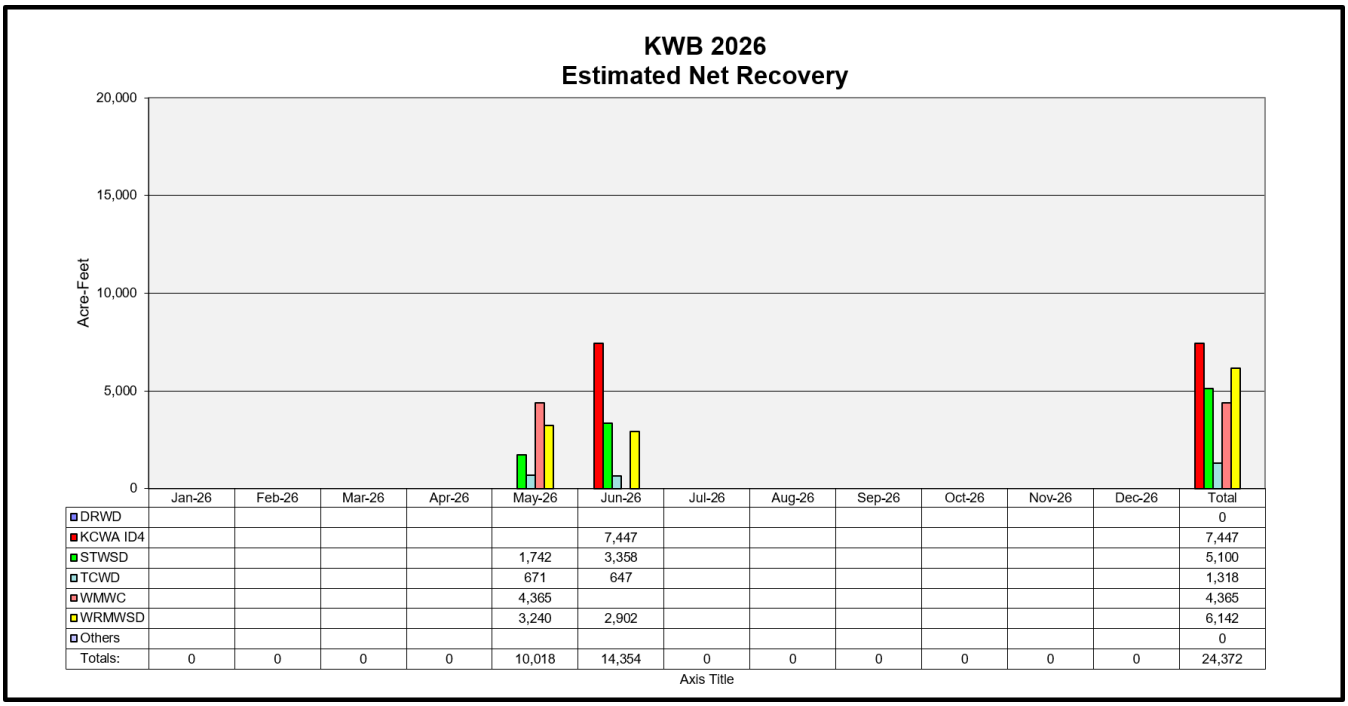
OPERATIONS

Recharge

There are currently no recharge activities.

Recovery

Recovery operations started on May 11, 2026. KCWA on behalf of its ID#4 is the only participant recovering at this time. Recovery operations should continue into mid July 2026 based on current recovery demands.



	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Total
DRWD													0
KCWA ID4						7,447							7,447
STWSD					1,742	3,358							5,100
TCWD					671	647							1,318
WMWC					4,365								4,365
WRMWSD					3,240	2,902							6,142
Others													0
Totals:	0	0	0	0	10,018	14,354	0	0	0	0	0	0	24,372

FACILITIES

Facilities Maintenance

Routine maintenance continues on roads, water delivery structures, wells, pumping stations, and canals.

Vegetation Management and Grazing

Spraying, tumbleweed removal, mowing along fence lines, structures, and around wells continues. Grazing is occurring throughout all areas of the KWB.

Golden Mussels

KWBA staff are participating in the Kern County golden mussel task force. KWBA staff continue to look for signs of golden mussels at the KWB pump stations and pipelines, but have not found any.

THIRD PARTIES

SoCalGas is expected to work on emergency pipeline repairs in the Conservation Bank Area.

ENVIRONMENTAL – GENERAL AND HCP ISSUES

Conservation Bank

CalTrans is finalizing its purchase of 4 credits. The Bakersfield Gateway Project is expected to purchase 10 credits in the near future. SoCalGas pipeline repairs in the Conservation Bank Area will require mitigation and PG&E has inquired about the purchase of mitigation credits.

CAPITAL IMPROVEMENTS/REPAIR AND REPLACEMENT

Capitalized Maintenance Program

Construction of replacement turnouts is currently in progress in the SP Ponds. K pond turnouts are complete.

Replacement Wells

Well 30S25E-18C01 will be replaced with Well 30S25E-18C02. A well permit has been issued along with the old well abandonment permit. Bakersfield Well and Pump (BWP) has completed drilling, casing, gravel packing, swabbing and development. BWP will proceed with underground electrical plumbing and well pad foundation.
Well 30S25E-16P01 will be replaced with well 30S25E-16P02. Gillex has completed well pad construction. BWP has completed drilling, casing, gravel packing, and swabbing, and will proceed with well development next.

Well Rehabilitation and Repairs

There are no current well rehabilitation activities.

Basin 11

The Basin 11 Project upgrades are complete, and KWBA staff is waiting on some final invoices so that they can bill the Pioneer Project participants for their 15% of the direct costs.

Strand Siphon Replacement and Joint Use of Facilities Agreements

As previously reported, the joint use of facilities agreement with IRWD and RRWSD has been executed and recorded, and the encroachment permit agreement with the same parties has been fully executed. Pre-fab turnouts and discharge pipes are on site, gates will be fabricated next, and, once they are delivered to KWBA staff, KWBA will start construction.

Enos Lane Culvert

The KWBA has received approval and a permit from Caltrans for the culvert construction. Caltrans has extended our permit for another 7 months. Enos Lane culvert construction is in progress. Richard Meyer, NCI, and KWBA staff had a meeting on May 6, 2026 to discuss a solution to an existing 6" gas line that is on Caltrans' right-of-way that impacts the new culvert pipe location. After further investigation, the culvert pipe can be moved to the south side of the structure. Meyer has prepared revised plans to relocate the culvert pipe and to extend the P11 Canal a short distance. The revised plans are under review by Caltrans.

Nord Turnout

The agreement between KCWA and KWBA for KCWA's construction and the operation of the new Nord Turnout has been executed. The KCWA has finalized the bid process and selected Nicolas Construction as the contractor. Nicolas has removed the four-year old siphons and will begin construction of the new turnout in the near future.

ADMINISTRATIVE

Power Update

The KWBA NEM2 application must be submitted to the PG&E CAISO cluster study by October 2026. TotalEnergies is assisting with that process.

Data Management Progress

VH Automation is continuing installation of control panels and is progressing at a rate of about two wells per week. Communications Enterprises Inc. (CEI) has completed installation of the communications backbone and is installing communication equipment at individual well sites. To date, sixty-three (63) of the well sites have been completed

and are communicating with the SCADA system. During the current recovery operations, staff is analyzing incoming data for QA/QC purposes.

Financial Statement Audit

BHK's audit is complete and the audit and draft audited financial statements will be presented to the KWBA Board for approval at the July 14th Board meeting.

Kern Water Bank Groundwater Sustainability Agency

Regular Meeting of the Board of Directors
of the Kern Water Bank GSA
Tuesday, July 14, 2026, 3:00 P.M.
Kern Water Bank Authority Conference Room[1]
1620 Mill Rock Way, Suite 500, Bakersfield, California

This meeting is held in accordance with the Brown Act pursuant to Section 54950, et seq. of the California Government Code and the Joint Exercise of Powers Agreement for the Kern Water Bank Groundwater Sustainability Agency (GSA).

AGENDA

1. **Roll Call**

2. **Consider Approval of June 9, 2026 Board of Directors' Meeting Minutes**

3. **Consider 2025 Audit Report and Approval of 2025 Audited Financial Statements**

4. **Consider Approval of June 2026 Treasurer's Report**

5. **Consider Authorizing Payment of June 2026 Expenses**

6. **Reports and Other Action Items**
    a. Kern County Subbasin GSP
    b. SGMA Compliance
    c. Kern Non-Districted Land Authority (KNDLA)

7. **New Business**

8. **Public Comment**

9. **Closed Session Item Descriptions** (Gov. Code, § 54956.8):
    a. Conference with Legal Counsel Regarding Litigation:
        i. Gov. Code, § 54956.9(d)(2) [Potential: Significant Exposure to
            a. Litigation]: One Item.
        ii. Gov. Code, § 54956.9(d)(4) [Potential: Initiation of
            a. Litigation]: One Item.

10. **Reconvene and Report from Closed Session** (Gov. Code, § 54957.1)
11. **Adjourn**

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1 Requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Secretary in advance of the meeting to ensure availability of the requested service or accommodation.

MEMORANDUM

TO: Improvement District No. 4 Committee
Agenda Item No. 4

FROM: Veronica Arreola

DATE: July 23, 2026

SUBJECT: Report on the Improvement District No. 4 2026 Water Supply and Management Plan

Issue:
A summary of the Improvement District No. 4 2026 Water Supply and Management Plan.

Recommended Motion:
None – information only.

Discussion:
A summary of the Improvement District No. 4 2026 water supply activities by source and point of delivery is provided as Attachment 1.

Units in Acre Feet unless otherwise noted.

Subject to revision.

Improvement District No. 4

June 2026

Allocation: **45%**

acre-feet

ID4 SUPPLIES	SWP	SWP by Exchange[1]	Groundwater	Total
SWP (M&I)	34,650			34,650
SWP (Ag)	2,676			2,676
Yuba 2026	516			516
Carryover from 2025	14,746			14,746
Groundwater Recovered			20,000	20,000
Groundwater Transferred			1,337	1,337
Subtotal	52,588	-	21,337	73,925
ID4 EXCHANGES / OBLIGATIONS				
Buena Vista WSD (TRF26-006)	(2,497)	2,497		-
Buena Vista WSD (TRF26-045)	(21,598)	38,137	(16,539)	-
California Aqueduct	(5,000)			(5,000)
Kern Delta WD		2,500		2,500
Kern Delta WD (TRF26-012)		1,337	(1,337)	-
Rosedale-Rio Bravo WSD (TRF26-027)	(10,000)	10,000		-
Tehachapi-Cummings CWD (TRF26-022)	3,600			3,600
Total Exchanges/Obligations	(35,495)	54,471	(17,876)	1,100
Available Supplies	**17,093**	**54,471**	**3,461**	**75,025**

	ID4 DELIVERIES	SWP	SWP by Exchange[1]	Groundwater	Total
Month *af*	Henry C. Garnett Water Purification Plant		4,478		4,478
	In-District Transportation Recharge		149		149
	In-District Direct Recharge				-
	Out of District Losses			533	533
	2800 AC				-
	JURP				-
	Kern Water Bank				-
	Pioneer Project				-
	Total Deliveries Month to Date	**-**	**4,627**	**533**	**5,160**
YTD *af*	Henry C. Garnett Water Purification Plant	1,063	17,199		18,262
	In-District Transportation Recharge	65	3,021		3,086
	In-District Direct Recharge	3,663	1,236		4,899
	Out of District Losses	71		533	604
	2800 AC				-
	JURP	1,488			1,488
	Kern Water Bank	8,734			8,734
	Pioneer Project	1,854			1,854
	Total Deliveries Year to Date	**16,938**	**21,456**	**533**	**38,927**
Projected *af*	Henry C. Garnett Water Purification Plant		24,439		24,439
	In-District Transportation Recharge		8,576		8,576
	In-District Direct Recharge				-
	Out of District Losses	155		1,100	1,255
	JURP				-
	Kern Water Bank				-
	Pioneer Project				-
	Carryover to 2027	-	-	1,828	1,828
	Total Projected Deliveries	**155**	**33,015**	**2,928**	**36,098**
	Deliveries Year To Date	16,938	21,456	533.000	38,927
	Total Deliveries	**17,093**	**54,471**	**3,461**	**75,025**
	Available Supplies	-	-	-	-

Projected Schedule: Feb-Mar Jan-Feb/Mar-Dec

1 - SWP by Exchange with Kern River interests.

MEMORANDUM

TO: Improvement District No. 4 Committee
Agenda Item No. 5

FROM: Gabriel Ornelas

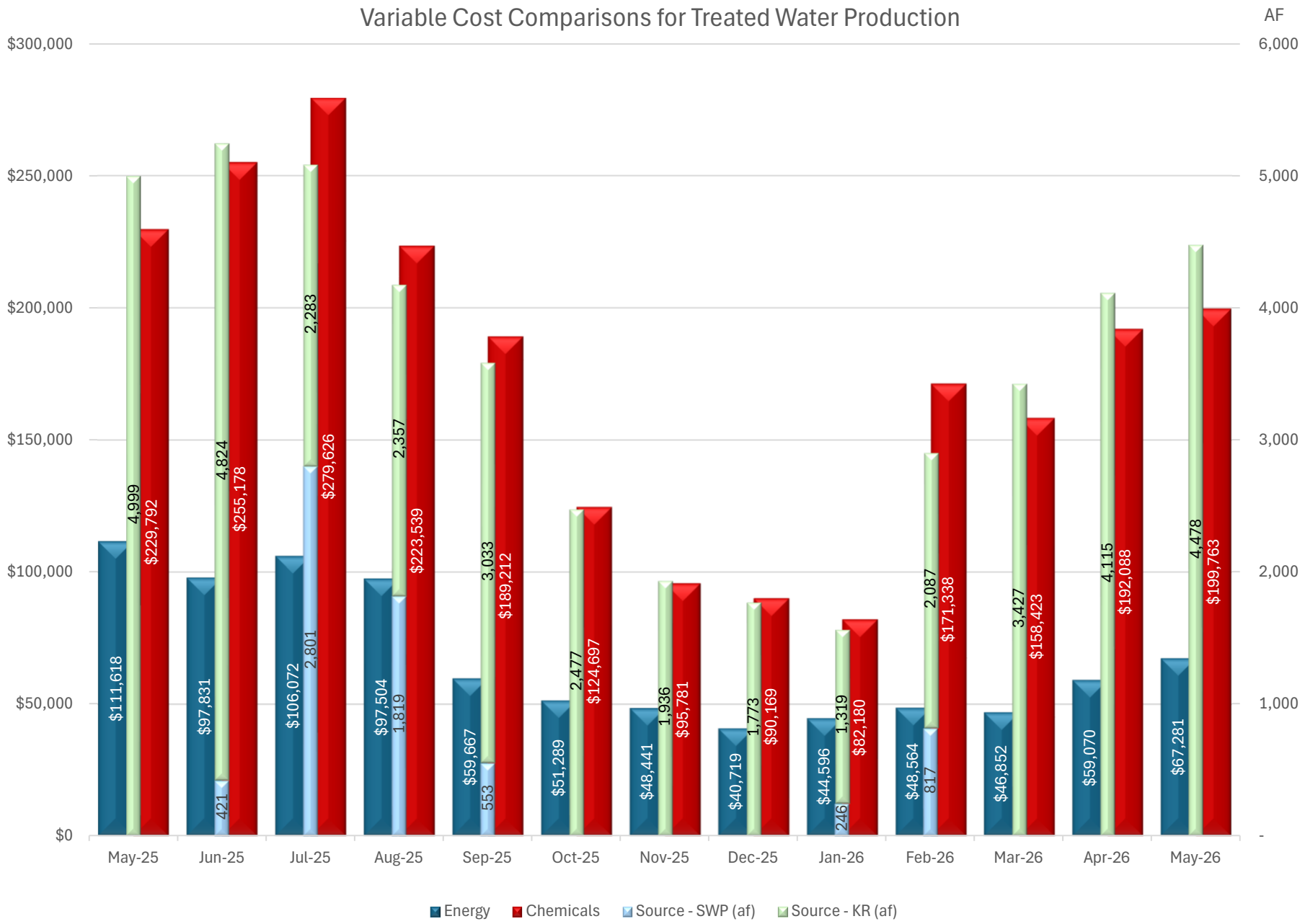
DATE: July 23, 2026

SUBJECT: Report on the Henry C. Garnett Water Purification Plant

Issue:
Report on the Henry C. Garnett Water Purification Plant.

Recommended Motion:
None – information only.

Discussion:
During the month of June 2026, the Henry C. Garnett Water Purification Plant treated Kern River water. Treated water production ranged from 42.3 million gallons per day (mgd) to 52.0 mgd. The average flow for the month was 48.6 mgd. A summary of variable cost comparisons for treated water production is provided as Attachment 1. Graphs illustrating monthly influent and filtered water total organic carbon concentrations, distribution system regulated Haloacetic Acids and Total Trihalomethane concentrations are provided as Attachment 2. A graph reflecting treated water deliveries for years 2022, 2023, 2024, 2025 and 2026 is provided as Attachment 3.


Variable Cost Comparisons for Treated Water Production
AF
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$0
6,000
5,000
4,000
3,000
2,000
1,000
-
May-25
Jun-25
Jul-25
Aug-25
Sep-25
Oct-25
Nov-25
Dec-25
Jan-26
Feb-26
Mar-26
Apr-26
May-26
$111,618
4,999
$229,792
$97,831
421
4,824
$255,178
$106,072
2,801
2,283
$279,626
$97,504
1,819
2,357
$223,539
$59,667
553
3,033
$189,212
$51,289
2,477
$124,697
$48,441
1,936
$95,781
$40,719
1,773
$90,169
$44,596
246
1,319
$82,180
$48,564
817
2,087
$171,338
$46,852
3,427
$158,423
$59,070
4,115
$192,088
$67,281
4,478
$199,763
Energy
Chemicals
Source - SWP (af)
Source - KR (af)

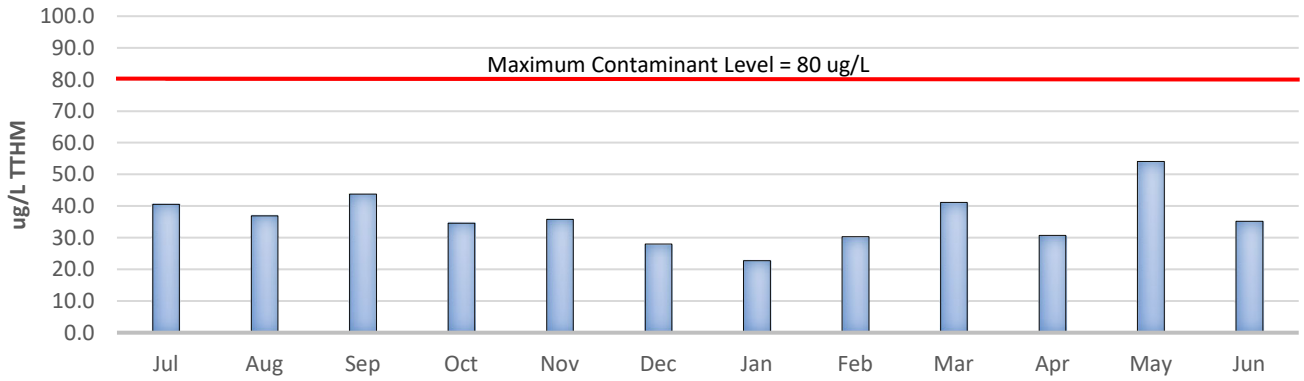
Kern County Water Agency

ID4 Water Quality Laboratory

The following graphs represent data collected from July 2025 to June 2026

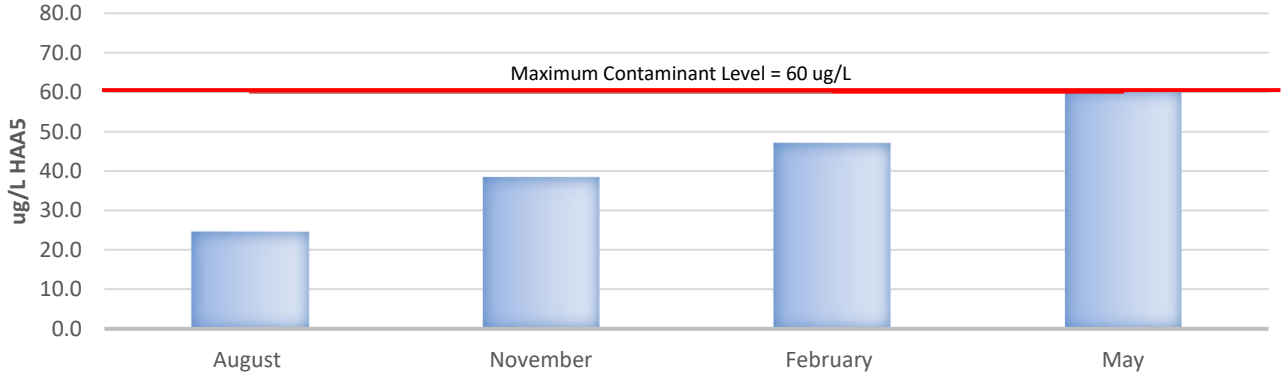
Total Trihalomethanes (TTHM)

Distribution System Monthly Average



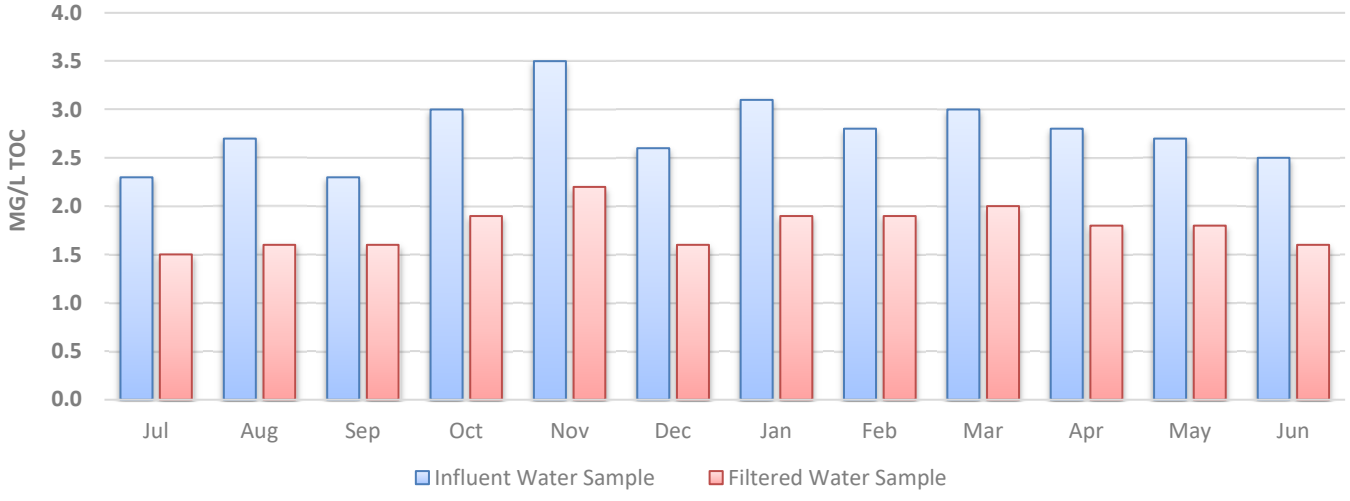
Regulated Haloacetic Acids (HAA5)

Distribution System Quarterly Average

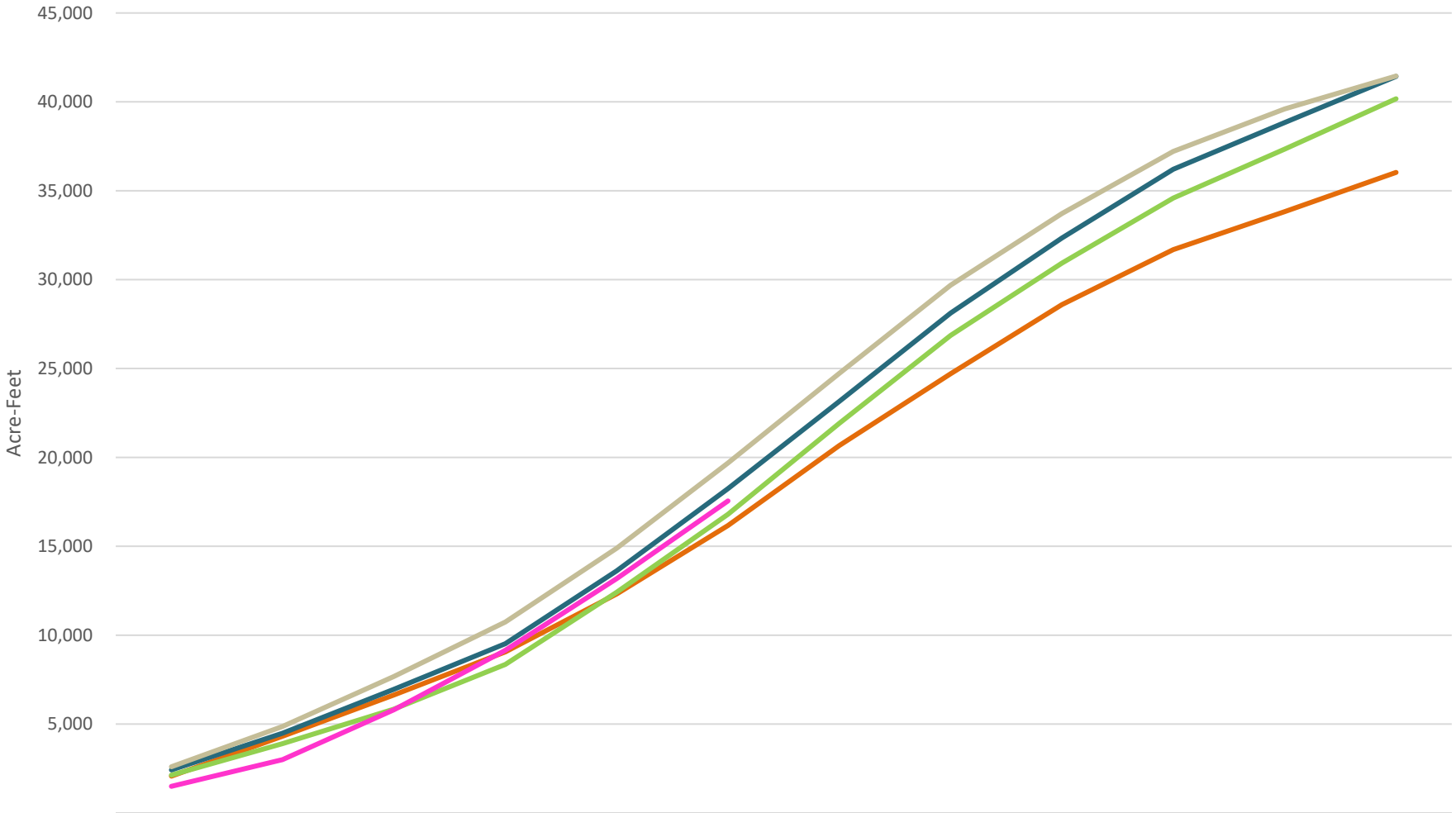


Total Organic Carbon (TOC)

Influent TOC & Filtered TOC



Henry C. Garnett Treated Water Delivery Comparison



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	2,079	4,316	6,638	9,061	12,317	16,168	20,671	24,708	28,596	31,689	33,820	36,032
2023	2,138	3,902	5,845	8,356	12,417	16,800	21,915	26,859	30,931	34,587	37,338	40,176
2024	2,429	4,489	6,959	9,520	13,621	18,248	23,152	28,118	32,343	36,206	38,835	41,430
2025	2,601	4,868	7,678	10,746	14,891	19,686	24,725	29,687	33,719	37,209	39,599	41,453
2026	1,504	3,002	5,802	9,149	13,178	17,555						

Engineering and Groundwater Services Committee

MEMORANDUM

TO: Engineering and Groundwater Services Committee
Agenda Item No. 1

FROM: J.T. Gardiner

DATE: July 23, 2026

SUBJECT: Update on Construction/Maintenance Projects

Issue:
Update on construction/maintenance projects.

Recommended Motion:
None – information only.

Discussion:
An overview of the construction projects is provided as Attachment 1.

NORD SIPHON REPLACEMENT TURNOUT PROJECT - CONTRACT NO. KCWA 2025-02

PROJECT SUMMARY FOR JUNE 2026

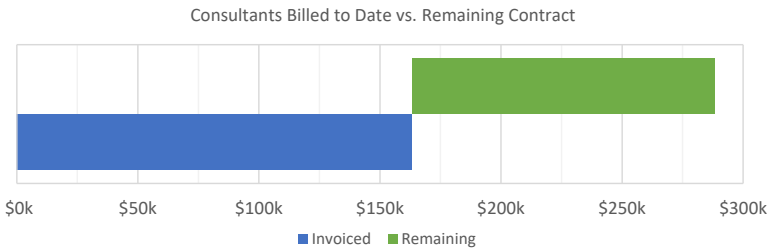
SUMMARY

The project consists of the removal of the existing Nord Siphon, construction of a replacement turnout structure and tying in the new structure to the Cross Valley Canal.

Prepared By: Scott Chambless
Reviewed By: JT Gardiner RCE: C48280

COST BREAKDOWN

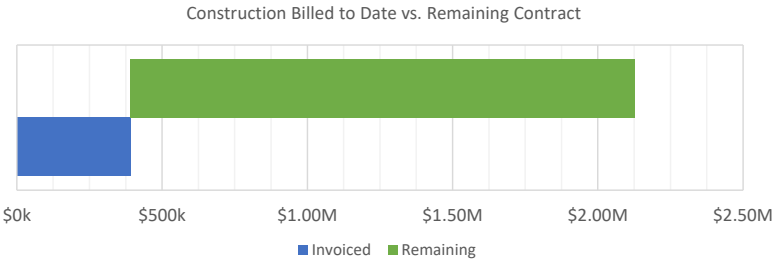
CONSULTANTS



	Contracted	Invoiced	Remaining
DJA	$ 96,000	$ 9,613	**$ 86,387**
SEI	$ 30,000	$ 1,277	**$ 28,723**
P&P	$ 162,000	$ 152,402	**$ 9,598**

TOTAL CONSULTANT COSTS	
Total Contract Amount	$ 288,000
Total Invoiced Amount	$ 163,292
REMAINING BALANCE	**$ 124,708**

CONSTRUCTION



Original Contract	$ 2,126,750
Original Contingency Amount	$ 212,675
Increase to Contract	$ -
TOTAL	**$ 2,339,425**

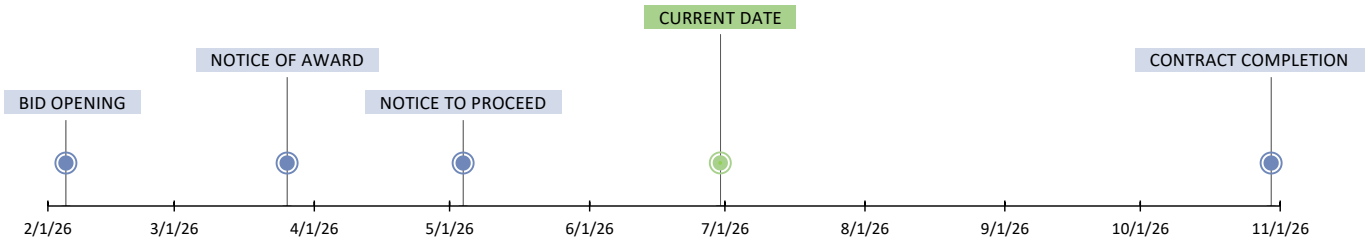
PAYMENT BREAKDOWN	
Pay Requests Total	$ 391,500
Retained (5%)	$ (19,575)
PAID TO DATE	**$ 371,925**

CONTRACT CHANGE ORDERS

Description of Changes	DATE	AMOUNT	DAYS ADDED
None			

Contingency Expended	$ -	0
Contingency Remaining	$ 212,675	

PROJECT SCHEDULE



Bid Opening:	2/5/2026	Length of Contract (Days):	180
Notice of Award:	3/26/2026	Time Extension (Days):	0
Notice to Proceed:	5/4/2026	Contract Completion:	10/30/2026

RECENT ACTIVITY

Prepared site for installation of cofferdam.
Transported cofferdam to work site.
Assembled cofferdam at work site.
Excavate and place concrete anchor blocks for cofferdam installation.

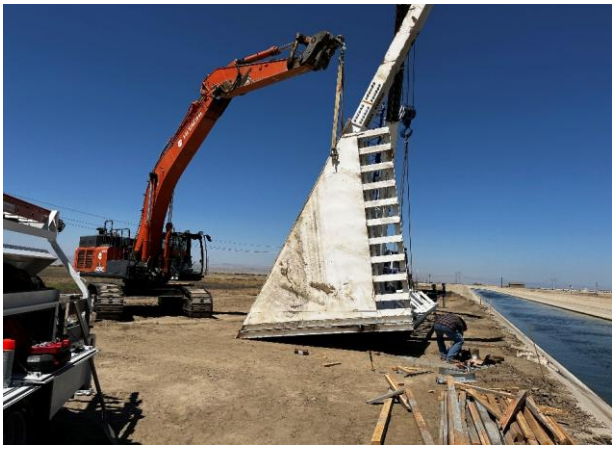
PLANNED CONSTRUCTION ACTIVITY

Set cofferdam.
Install shoring system.
Begin excavation behind cofferdam.
Form and place concrete at structure floor.

CONSTRUCTION ACTIVITY LOCATION (Blue circled areas denotes construction location)

PHOTOGRAPHS

Cable anchor blocks placed.



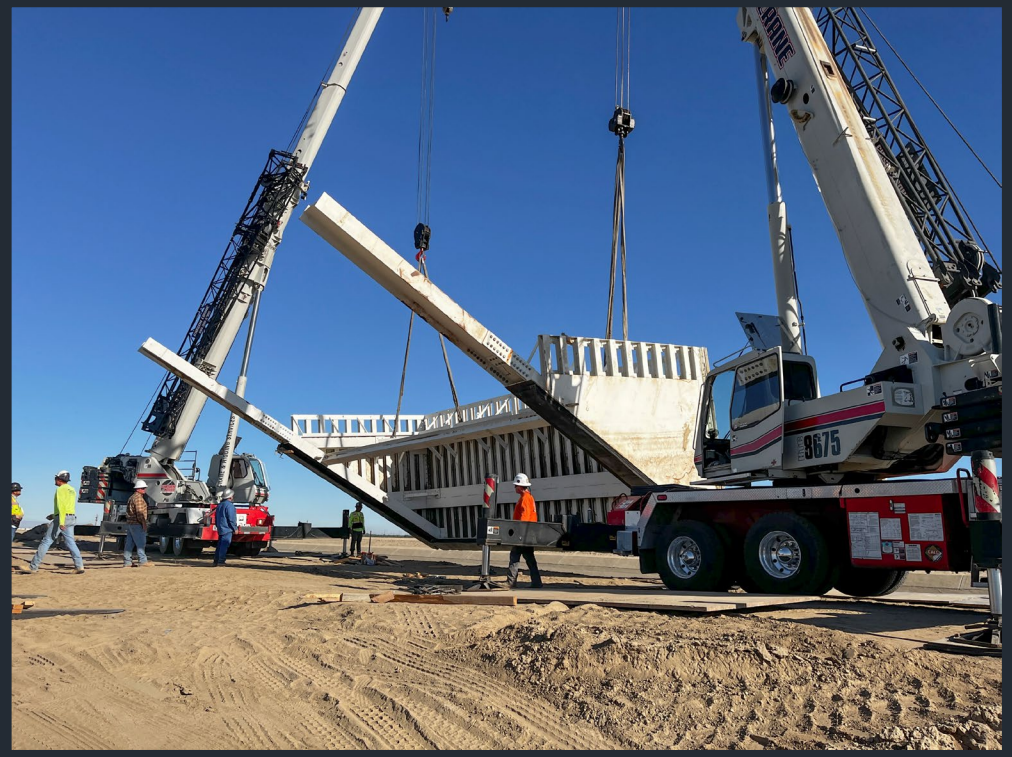
Assembling cofferdam on site.

Temporary power for dewatering system installed.

Cofferdam assembly completed.

NORD TURNOUT

COFFERDAM INSTALLATION – JULY 1ST



- Pool 4 dewatered to 18 inches
- Cofferdam set without issue

COFFERDAM SEALING

- Minimum leakage around seal of cofferdam.
- Some seepage at NW corner under existing concrete liner.
- Seepage fortified with rock. Ultimately the seepage was contained using shoring beam pile to act as a deep French drain.
- Seepage location was behind the front shoring plate.

OVER-EXCAVATION
MONDAY MORNING, JULY 13TH

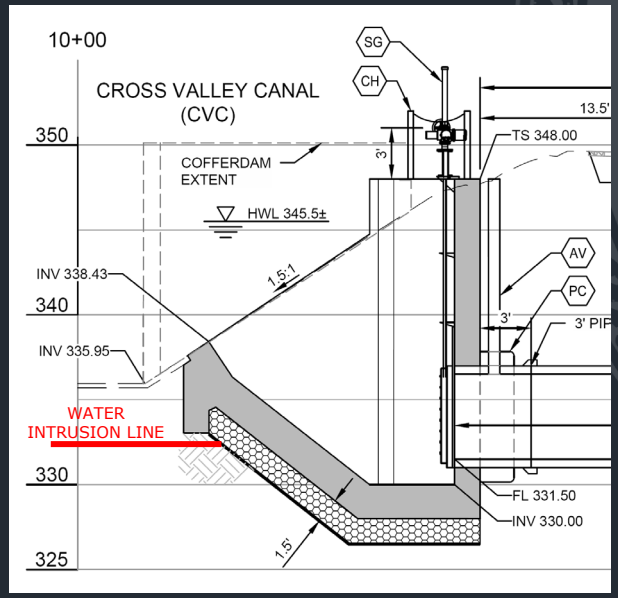
Rough grading over-excavation.

- First excavation below canal invert.
- Over-excavation for structure is approximately 9.5 feet below canal invert.

WATER SEEPAGE
MONDAY AFTERNOON, JULY 13TH

Water infiltration at excavation.

- Horizontal line of water infiltration noticed at 1:30pm.
- Approximate 4-5 feet below liner.
- Notice fine sand migration by 2:30pm.
- Discussed fortifying excavation with slurry but it was too late in the day to get trucks.
- Called SEI and agreed the best option was to install the geogrid and aggregate base per plan and then use remaining aggregate base on site to protect the excavation.



Profile detail.

AGGREGATE BASE
MONDAY AFTERNOON, JULY 13TH

- By end of day, geogrid was placed and approximately 4-5 feet of aggregate base had been compacted in front of the seepage line.
- Nicholas monitored the excavation. Site was checked at 2am.

WATER INTRUSION

TUESDAY MORNING, JULY 14TH

- Around 7am, excavation of excess aggregate base began.
- They did not find any saturated aggregate base or indications of seepage.
- Around 7:45am, Nicholas started constructing formwork for the floor of the structure.
- Within minutes, the face of the excavated slope below the invert of the CVC gave out and ruptured with water flowing into the excavation and work area.
- The area was cleared immediately.
- Velocity was too high to install a dirt plug.
- Agency staff was notified and Plants 3 & 4 were shut down.
- Pool 4 was drained to approximately 4-ft and Nicholas was able to install a small dam to slow the water.

COFFERDAM FAILURE

TUESDAY, JULY 14TH

- The soil loss beneath the CVC and the cofferdam was believed to be significant as the cofferdam was observed to be sinking and rotating forward towards its toe.
- This resulted in the anchor support blocks rotating north.
- Westerly anchor block embed bolts broke and the cofferdam sunk down below the CVC lining.
- Site was stabilized and Pool 4 was allowed to further drain through the site.

PHOTOS

Tuesday afternoon. Pool 4 still draining under cofferdam.

PHOTOS

Tuesday afternoon. NW corner down further than NE corner.

PHOTOS

Tuesday afternoon. Extent of water flooding in West Basin.

AFTERMATH
LINER DAMAGE

- Concrete weights were removed Wednesday, July 15, to relieve stress from anchor blocks and cables.
- Cofferdam was removed Friday, July 17.
- Subgrade and liner was assessed Friday, July 17.
- Approximately 92 feet of concrete liner to be replaced.

Correspondence

CALIFORNIA
FARM WATER
COALITION

CFWC Activity Report

TO: Kern County Water Agency Board of Directors
FROM: Michelle Paul, Executive Director
DATE: July 6, 2026
SUBJECT: CFWC Activity Report, June 2026

Summary

The summer kicked off with our team officially saying goodbye to former Executive Director Mike Wade, who had been supporting the Coalition on a part-time basis following the leadership transition on March 1. Mike served as a great partner and leader throughout the transition, and we wish him the very best in his retirement.

Last month our team focused on responding to a media landscape dominated by groundwater, SGMA, water infrastructure and drought-related coverage, while continuing targeted outreach to reporters, partners and opinion outlets. We continued to use our platform to highlight key messages through earned media, podcast participation, opinion placements, and ongoing digital storytelling tied to water supply, food production, and agricultural affordability.

Media Landscape and Response

In June, nearly 320 California agriculture-related articles were published. Coverage was mostly neutral, although for those that carried a sentiment, negative stories outnumbered positive ones nearly two to one. Groundwater and SGMA dominated, followed by stories focused on water infrastructure, drought and supply, ecosystems and the environment, the Colorado River, and water law and policy. Groundwater stories focused on the Central Valley and SGMA costs, in addition to new or proposed fees in Napa and Tehama counties and a proposed state oversight application fee of up to $250,000.

Colorado River coverage focused on post-2026 negotiations, upper-basin rancher testimony and a data center lawsuit against the Imperial Irrigation District. Infrastructure stories highlighted Sites Reservoir funding and more than $131 million for Valley water upgrades, while articles covering desalination appeared across drought, groundwater and infrastructure reporting.

Ecosystem coverage centered on invasive species, especially the golden mussel, and water quality coverage followed EPA's decision to shelve drinking-water microplastics testing.

Editorial Outreach and Placement

Media outreach remained focused on refining our reporter database, engaging with reporters, and responding to timely opportunities, including an NBC inquiry on almond water use. I also joined the Western Growers podcast for a California water overview and continued relationship-building with select reporters at Agri-Pulse and Monterey County Now.

Two opinion pieces were published in June, the first of which ran in the Desert Sun and highlighted California's conservation achievements and concerns over the stalled post-2026 operating guidelines for the Colorado River. The second piece was placed in Capitol Weekly and emphasized the need for long-term surface water conveyance infrastructure, groundwater storage and affordability for agricultural producers.

Outreach

Last month, our team developed water education materials for youth-focused exhibits which debuted at the Merced County Fair. The materials help younger audiences understand the water systems behind local food production and the role water plays in bringing food to their plates. We continue to refresh and expand CFWC's youth outreach materials with regional and county-level content.

In June, we supported the Water Blueprint for the San Joaquin Valley and the Unified Water Plan (UWP) by working with partners to review feedback and respond to commenters. We also reviewed and published the Blueprint blog, "A Plan Shaped by Many Voices," which highlights how broad participation strengthened the plan and encourages continued readership and engagement. The UWP is expected to be submitted to Congress later this month.

Food Grows where Water Flows Signage

We continue to seek partners to display our Food Grows Where Water Flows sign. Custom sizes are available and provide an opportunity for dual branding with your organization. We have a preference for high-visibility locations. More information is available here.

Digital Engagement and Storytelling

In June, we began sharing behind-the-scenes reels from our recent content trip to the Friant area, offering an authentic look at California agriculture and the issues that farmers are currently facing. These videos will continue to roll out throughout the summer as part of our ongoing storytelling efforts.

We also shared recap videos from our recent Salinas influencer tour, which received strong, positive engagement from our target audience. The response reinforced the value of these tours in introducing agriculture to new audiences in a positive and engaging way.

Across our California Farm Water Coalition channels, we also promoted our recent op-eds highlighting California's leadership in conserving Colorado River water and the importance of investing in a reliable water future for the state's farms, communities, and food supply.

Cultivate California Performance

Totals for Cultivate California	Activity year-to-date
Posts	76
Views	5,996,609
Reach	2,082,385
Interactions	133,148
Follows	38,814
Profile Visits	84,849
Click through rate (CTR)*	2.41%

Top-performing posts in June:

Farming and Community
Interactions: 4.2k
Views: 101.7k

Behind the Scenes Raisin Grapes
Interactions: 1.9k
Views: 71.6k

Diversification in Farming
Interactions: 2k
Views: 87.1k