GBJPA
Groundwater Banking
Joint Powers Authority

AGENDA
GROUNDWATER BANKING JOINT POWERS AUTHORITY
BOARD OF DIRECTORS

November 01, 2021

Due to COVID-19, this meeting will be conducted as a teleconference pursuant to the provisions of the Ralph M. Brown Act. All parties/public may attend the meeting via teleconferencing and offer public comments by phone, using the call-in information below or digital internet access.

Participation by members of the Board of Directors will be from remote locations. Public access and participation will only be available telephonically/electronically.

To virtually attend the meeting and to be able to view any presentations or additional materials provided at the meeting, please join online using the link and information below:

Via Web: https://zoom.us/j/83815086560
Meeting Number (Access Code): 838 1508 6560
Meeting Password: 982590
Telephone Dial In: (669) 900-6833

As courtesy to the other participants, please mute your phone when you are not speaking.

PLEASE NOTE: Participants joining the meeting will be placed into the lobby when the Board enters closed session. Participants who remain in the "lobby" will automatically be returned to the open session of the Board once the closed session has concluded. Participants who join the meeting while the Board is in closed session will be placed in the waiting room. When the Board has returned to open session, the participants will be automatically added to the meeting.

CALL TO ORDER 2:00 p.m.

ROLL CALL Directors Pierucci, Selvidge, Reinhart, Swan

- Consider adoption of Resolution No. 2021-04– Authorizing AB 361 Teleconference Meeting

PUBLIC COMMENT NOTICE

If you wish to address the Board of Directors on any item, please submit a request to speak via the "chat" feature available when joining the meeting virtually. Remarks are limited to three minutes per speaker on each subject. You may also submit a public comment in advance of the meeting by emailing mmisuraca@rrbwsd.com before 5:00 pm. on October 29, 2021.

ALL VOTES SHALL BE TAKEN BY A ROLL CALL VOTE

1. COMMUNICATIONS TO THE BOARD

a) Written:
b) Oral:

2. ITEMS RECEIVEDTOO LATE TO BE AGENDIZED

.

3. CONSENT ITEMS

a) Special Meeting Minutes August 3, 2021

4. JPA ADMINISTRATIVE AND FINANCIAL REPORT

a) Consideration and Possible Action on Approval of FYE June 30, 2021 Audit (Cheryl)
b) First Quarter FYE June 30, 2022 Actual to Budget (Cheryl)
c) Association of California Water Agencies Elections (Fiona)

5. KERN FAN GROUNDWATER STORAGE PROJECT

a) Property Acquisition Update (Rob/Dan)
b) Engineering Update (Dan)

6. GENERAL MANAGER'S REPORT

a) DWR Update (Fiona)
b) Water Commission Update (Fiona)
c) Update on Federal Funding (Fiona/Christine)
d) RFP Update (Dan)

7. OTHER BUSINESS

Pursuant to Government Code Section 54954.2, members of the Board of Directors or staff may ask questions for clarification, make brief announcements, and make brief reports on his/her own activities. The Board or a Board member may provide a reference to staff or other resources for factual information, request staff to report back at a subsequent meeting concerning any matter, or direct staff to place a matter of business on a future agenda. Such matters may be brought up under the General Manager's Report or Directors' Comments.

8. CLOSED SESSION

a) CLOSED SESSION CONFERENCE WITH REAL PROPERTY NEGOTIATORS – Pursuant to Government Code Section 54956.8:

Property: Parcels 103-110-02; 103-110-04; 103-110-09; 103-120-14; 103-120-15; 103-120-16; 103-120-17; 103-130-01; 103-130-03; 103-130-05; 103-130-07; 103-140-02; 103-140-05; 103-140-06; 103-140-12; 103-140-15; 103-140-16; 103-140-17; 103-140-18; 103-140-19; 103-180-01; 103-180-05; 103-180-07; 103-190-13; 103-190-14; 103-200-23; 103-200-25; 103-200-26; 103-200-27; 103-200-28; 103-200-29; 103-270-07; 104-270-01,06; 104-260-09,15; 104-280-08,29,30,31,32,33, 34,35; 104-260-08;104-270-28;104-291-07;104-240-31,22,30; 104-250-20,21; 104-280-01,02,07,19,24,25,27; 104-240-18;104-292-09; 103-170-09,12,14,15 25-32; 160-010-66, 71; 104-280-18 and possible others all in County of Kern

Agency negotiators: Dan Bartel

Negotiating parties: Various parties and Groundwater Banking Joint Powers Authority

Under negotiation: Price and Terms of Payment

a) CLOSED SESSION – Conference with Legal Counsel - Pending Litigation Government Code Section 54956.9(d)(1)
   a. City of Bakersfield .v. GBJPA et al. KCSC Case No. BCV-21-100221-GP
   b. KCWA v. GBJPA et al. KCSC Case No. BCV-21-100223-GP

9. OPEN SESSION

General Counsel may announce any reportable actions taken during Closed Session.

10. ADJOURN

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Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the above-named Board in connection with a matter subject to discussion or consideration at an open meeting of the Board are available for public inspection by contacting Megan Misuraca at mmisuraca@rrbwsd.com. If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available to the public at the same time as they are distributed to Board Members, except that if such writings are distributed one hour prior to, or during, the meeting, they will be available electronically during the meeting.

Accommodations: Upon request, the Authority will provide for written agenda materials in appropriate alternative formats, and reasonable disability-related modification or accommodation to enable individuals with disabilities to participate in and provide comments at the meeting. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, or alternative format requested at least two days before the meeting. Requests should be emailed to mmisuraca@rrbwsd.com. Requests made by mail must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

DECLARATION OF POSTING: I, Megan Misuraca, declare under penalty of perjury, that I am employed by the Rosedale-Rio Bravo Water Storage District and I posted the foregoing Agenda at the District Office on or before October 28, 2021. I, Kristine Swan, declare under penalty of perjury, that I am employed by the Irvine Ranch Water District and I posted the foregoing Agenda at the District Office on or before October 28, 2021.

November 1, 2021
Prepared by: Fiona Sanchez/Doug Gosling
Agenda Item: AFTER ROLL CALL

BROWN ACT PROVISIONS

RESOLUTION PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY EXECUTIVE ORDERS N-25-20, N-29-20 AND N-35-20, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR A THIRTY (30) DAY PERIOD PURSUANT TO BROWN ACT PROVISIONS

DISCUSSION:

On September 16, 2021, Governor Newsom signed Assembly Bill ("AB") 361 into law. AB 361 is urgency legislation amending the Brown Act to allow legislative bodies of local agencies to meet remotely with relaxed teleconferencing requirements during declared emergencies under certain conditions.

AB 361 adds new procedures and clarifies the requirements for conducting remote meetings, including the following:

- Public Comment Opportunities in Real Time: A legislative body that meets remotely pursuant to AB 361 must allow members of the public to access the meeting via a call-in option or an internet-based service option, and the agenda for the remote meeting must provide an opportunity for members of the public to directly address the body in real time. A legislative body cannot require public comments to be submitted in advance of the meeting.

- Periodic Findings: To continue meeting remotely pursuant to AB 361, a legislative body must make periodic findings concerning the declared emergency and its effects. AB 361 will sunset on January 1, 2024.

The proposed resolution would make the findings required by AB 361 in order to provide for the GBJPA to make remote attendance available to its board members and the public if and to the extent needed.

RECOMMENDATION:

That the GBJPA approve Resolution 2021-04, proclaiming a local emergency, ratifying the proclamation of a state of emergency by Executive Orders N-25-20, N-29-20 and N-35-20, and authorizing remote teleconference meetings for a thirty (30) day period pursuant to Brown Act provisions

FISCAL IMPACT: None.

RESOLUTION NO. 2021-04

A RESOLUTION OF THE GROUNDWATER BANKING JOINT POWERS AUTHORITY ("AUTHORITY") TO IMPLEMENT TELECONFERENCING REQUIREMENTS DURING A PROCLAIMED STATE OF EMERGENCY BY EXECUTIVE ORDERS N-25-20, N-29-20 AND N-35-20, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR A THIRTY (30) DAY PERIOD PURSUANT TO BROWN ACT PROVISIONS.

WHEREAS, THE GROUNDWATER BANKING JOINT POWERS AUTHORITY is committed to preserving and ensuring public access and participation in meetings of the Authority; and

WHEREAS, all meetings of the Authority legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the Authority's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, the State Legislature amended the Brown Act through Assembly Bill No. 361 (AB 361) on September 16, 2021; and

WHEREAS, AB 361 amended the Brown Act so that a local agency may use teleconferencing without complying with the regular teleconferencing requirements of the Act, where the legislative body holds a meeting during a proclaimed state of emergency and makes certain findings; and

WHEREAS, Government Code section 54953 requires that the legislative body make additional findings every 30 days in order to continue such teleconferencing.

NOW THEREFORE, the Authority hereby finds, determines, declares, orders, and resolves as follows:

1. That the foregoing recitals are true and correct and incorporates them by this reference.

2. The Board of Directors of the Authority finds, by a majority vote, the following:

    a. That there exists a proclaimed state of emergency; and

b. State or local officials have imposed or recommended measures to promote social distancing.

3. The Authority is authorized to take all steps and perform all actions necessary to execute and implement this Resolution in compliance with Government Code section 54953.

4. That this Resolution shall take effect November 1, 2021 and shall remain in effect for thirty (30) days thereafter (until December1, 2021), provided the conditions set forth in Section 2 remain.

PASSED AND ADOPTED by the Authority November 1, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

____
Chair

ATTEST:

____
Secretary

BOARD OF DIRECTORS
GROUNDWATER BANKING JOINT POWERS AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING

August 3, 2021
1:30 P.M.

Note: This meeting was conducted by teleconference pursuant to and in conformance with Executive Order N-29-20 relating to public meetings during the State of Emergency that was declared as a result of COVID-19

DIRECTORS AND ALTERNATES PRESENT

Roy Pierucci
Jason Selvidge
Peer Swan
Doug Reinhart

DIRECTORS ABSENT

OTHERS PRESENT

Doug Gosling- JPA Legal Counsel
Dan Bartel- RRBWSD
Megan Misuraca- RRBWSD
Cheryl Clary- IRWD
Eileen Lin- IRWD
Fiona Sanchez- IRWD
Robert Jacobson- IRWD
Paul Weghorst- IRWD
Dan Raytis- RRBWSD
Trent Taylor- RRBWSD
May Geng- IRWD
Paul Cook- IRWD
Sophia Phuong- IRWD
Curtis Skaggs- Dee Jaspar

CALL TO ORDER

President Pierucci called the meeting to order at approximately 1:35 PM.

PUBLIC COMMENT NOTICE

There were no public comments.

1. **COMMUNICATIONS TO THE BOARD**
   a). Written: None
   b). Oral: None.

2. **ITEMS RECEIVEDTOO LATE TO BE AGENDIZED**
   None.

3. **CONSENT ITEMS**
   a) Regular Board Meeting Minutes May 3, 2021
   b) Special Meeting Minutes July 16, 2021

A motion was made by Director Reinhart with a second by Director Selvidge to adopt the consent items. A roll call vote was taken and the motion unanimously passed.

4. JPA ADMINISTRATIVE AND FINANCIAL REPORT

a) Year-end Financial Review- Ms. Clary gave a presentation on the fiscal year-end June 30, 2021 financials for the JPA including budget vs. actual amount. A motion was made by Director Reinhart with a second by Director Selvidge to receive and file the fiscal year-end June 30, 2021 financial report. A roll call vote was taken and the motion unanimously passed.

b) Consideration of 2nd Quarter Cash Call- Ms. Clary briefed the Board on details supporting the 2nd quarter cash call for fiscal year 2021-2022 noting this cash excludes any funding for land acquisitions. A motion was made by Director Reinhart with a second by Director Swan to approve the 2nd quarter cash call in the amount of $420,000 ($210,000 each agency). A roll call vote was taken and the motion unanimously passed.

c) Consideration of 2nd Cash Call for Land Acquisition- Mr. Bartel briefed the Board on negotiations ongoing with target properties noting staff will bring final due-diligence pack to the Board prior to closing. A motion was made by Director Swan with a second by Director Selvidge to approve a cash call in the amount of $5 million dollars ($2.5 million by each entity). A roll call vote was taken and the motion unanimously passed.

d) Consideration of Resolution Authorizing WSIP Grant Funding Transfer- Ms. Sanchez briefed the Board on the WSIP Grant efforts. A motion was made by Director Swan with a second by Director Reinhart to 1.Adopt Resolution 2021-03 authorizing the GBJPA to assume the status of Applicant for the Water Storage Investment Program Funding for the Kern Fan Groundwater Storage Project, 2. Authorize the execution of the Agreement Regarding Transfer of Applicant Status for Prop. 1 WSIP Funding between IRWD, Rosedale and the GBJPA subject to non-substantive changes and 3. Authorize staff to request the approval of the California Water Commission for the transfer of the application to the GBJPA. A roll call vote was taken and the motion unanimously passed.

5. KERN FAN GROUNDWATER STOAGE PROJECT

a) Consideration of Technical Memos 8-11- Mr. Skaggs gave a detailed presentation on technical memos 8-11 including a review of the engineer’s estimate on the project. A motion was made by Director Selvidge with a second by Director Reinhart to authorize staff to final Technical Memoranda No. 8-11 subject to revision upon acquisition of project properties. A roll call vote was taken and the motion unanimously passed.

b) Request for Proposals Update- Mr. Bartel gave a report on the status of the Request for Proposals.
c) Coordination of Alignment Update- Mr. Bartel gave a brief report on the alignment options and reported staff has begun discussions with the various public agencies and major landowners across each alignment.
d) Property Acquisition Update- Mr. Bartel briefly reported staff is working on the due-diligence efforts on target properties.

6. GENERAL MANAGERS REPORT

a) Post COVID Executive Order Board Meeting Format Changes- Mr. Gosling briefed the Board on the requirements for future Board meetings upon the expiration of the Governor's Executive Orders N-25-20 and N-29-20.
b) DWR Update- Ms. Sanchez briefed the Board on the latest activities for the turnout agreement with DWR noting they have released the draft aqueduct turnout impact analysis report to KCWA.
c) Water Commission Update- Ms. Sanchez reported staff will be giving a presentation to update the Water Commission on the latest activities of the Kern Fan Groundwater Storage Project on August 18, 2021.

7. OTHER BUSINESS

None.

8. CLOSED SESSION

At 2:45 p.m. Director Pierucci announced the Board would enter closed session. The Board reconvened to open session at 3:25 p.m.

9. OPEN SESSION

Mr. Gosling announced staff was directed on item 8a and there were no other reportable actions taken during closed.

10. ADJOURN

Director Pierucci adjourned the meeting at 3:26 p.m.

ATTEST:

____
Authority Secretary

November 1, 2021
Prepared by: Sophia Phuong /Eileen Lin
Reviewed by: Cheryl Clary
Agenda Item: 4a

FY 2020-21 FINANCIAL REPORT

DISCUSSION:

The Groundwater Banking Joint Powers Authority (GBJPA) hired Davis Farr, LLP, an outside audit firm, to conduct an audit of GBJPA's financial statements for the Fiscal Year (FY) ended June 30, 2021. Davis Farr has completed its audit and concluded that in all material aspects, the statements fairly present GBJPA's financial position as of June 30, 2021 and conform with generally accepted accounting principles. The FY 2020-21 Financial Report was prepared by GBJPA as required by the California Government Code Section 6505. The Financial Report, including audited financial statements, accompanying auditor's report, and Management's Discussion and Analysis of significant changes, is provided as Exhibit "A".

Provided as Exhibit "B" is the required Auditor Communication pursuant to the Statement on Auditing Standards 114 *The Auditor's Communication with Those Charged with Governance.* The letter reflects the auditor's understanding of key management assumptions and practices, and notes that there were no disagreements with management during the scope of the audit. Davis Farr has also provided a *Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*, which is provided as Exhibit "C". The report states that the GBJPA does not have any material weakness deficiencies in internal control. In addition, the report states that the audit disclosed no instances of noncompliance or other matters that were required to be reported under *Government Auditing Standards.*

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – FY 2020-21 Financial Report
Exhibit "B" – SAS 114 Auditor's Communication with Those Charged with Governance from Davis Farr LLP
Exhibit "C" – Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards from Davis Farr LLP

EXHIBIT "A"

Groundwater Banking Joint Powers Authority

Financial Statements

Fiscal Year Ended June 30, 2021

Groundwater Banking Joint Powers Authority

Financial Statements

Fiscal Year Ended June 30, 2021

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DavisFarr
CERTIFIED PUBLIC ACCOUNTANTS

Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

Independent Auditor's Report

Board of Directors
Groundwater Banking Joint Powers Authority
Irvine, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Groundwater Banking Joint Powers Authority (the "GBJPA"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the GBJPA's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the GBJPA as of June 30, 2021, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2021 on our consideration of the GBJPA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the GBJPA's internal control over financial reporting and compliance.

Davis Farr LLP

Irvine, California
October 21, 2021

The following discussion and analysis of the financial performance of the Groundwater Banking Joint Powers Authority (GBJPA) provides an overview of GBJPA's financial activities for the fiscal year ended June 30, 2021. This section should be read in conjunction with the basic financial statements and notes to the basic financial statements, which follow this analysis.

Financial Highlights:

- Total assets exceeded total liabilities by $1,691,261 (net position), consisting of $1,762,587 in net investment in capital assets and $(71,326) unrestricted net position.
- Total assets are $1,770,144 consisting of $7,557 cash deposits and $1,762,587 construction in progress for the Kern Fan Groundwater capital project.
- Total liabilities are $78,883 representing the Kern Fan Groundwater capital project expenditures and operating expenses incurred but not yet paid to vendors at the end of the fiscal year.
- Total revenues are $48,567 representing cash contribution from the member agencies to fund the operating expenses of the GBJPA.
- Total expenses are $48,567 representing operating expenses for general and administrative costs of the GBJPA.
- Capital contributions are $1,691,261 representing cash contributions from the member agencies for pre-construction related capital expenditures for the Kern Fan Groundwater capital project.

More detailed analysis about the overall GBJPA's financial position and operations is provided in the following sections.

Overview of the Financial Statements:

The basic financial statements of the GBJPA consist of the financial statements (Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows) and notes to the basic financial statements. The basic financial statements are prepared using the accrual basis of accounting.

Statement of Net Position depicts GBJPA's financial position at June 30, the end of GBJPA's fiscal year. The statement of net position shows all financial assets and liabilities of the GBJPA. Net position represents GBJPA's residual interest after liabilities are deducted from assets. Net position is displayed in two components: net investment in capital assets and unrestricted net position.

Statement of Revenues, Expenses and Changes in Net Position provides information on GBJPA's operations and can be used to determine whether the GBJPA has recovered all of its costs through operating and non-operating revenues.

Statement of Cash Flows provides information on GBJPA's cash receipts, cash payments and changes in cash resulting from operations and investments activities.

Notes to the Basic Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Financial Analysis of the GBJPA:

The following condensed schedules contain summary financial information extracted from the basic financial statements to assist general readers in evaluating GBJPA's overall financial position and results of operations as described in this Management's Discussion and Analysis (MD&A).

Financial Position Summary:

The Statement of Net Position reflects GBJPA's financial position as of June 30, 2021. The statement includes assets and liabilities. The net position represents GBJPA's net worth including, but not limited to capital contributions and investments in capital assets. GBJPA was formed in July 2020 as a joint owners authority under the California Government Code section 6500. A condensed summary of GBJPA's total net position at June 30, 2021 is set forth below:

Table 1 - Summary of Net Position

Assets	
Current assets	$ 7,557
Noncurrent assets	1,762,587
Total assets	1,770,144
Liabilities	
Current liabilities	78,883
Total liabilities	78,883
Net position	
Investment in capital assets	1,762,587
Unrestricted	(71,326)
Total net position	$ 1,691,261

As shown in Table 1, GBJPA's total assets are $1,770,144. Total currents assets represent $7,557 cash deposits with a financial institution. Noncurrent assets are $1,762,587 representing construction in progress for pre-construction related capital expenditures associated with the Kern Fan Groundwater capital project.

GBJPA's current liabilities are $78,883 for accounts payable due to vendors for capital expenditures and operating expenses incurred but not yet paid at the end of fiscal year. The largest payables are due to the Irvine Ranch Water District and the Rosedale-Rio Bravo Water Storage District for $35,689 and $28,940, respectively, representing shared services provided by the agencies to the GBJPA for the quarter ended June 30, 2021.

Net position at end of the current fiscal year is $1,691,261 representing the excess of total assets of $1,770,144 over total liabilities of $78,883. Net position consists of investment in capital assets and unrestricted net position. The investment in capital assets reflects $1,762,587 capital assets for the Kern Fan Groundwater capital project. Unrestricted net position is $(71,326) as of the end of fiscal year.

Activities and Changes in Net Position:
The Statement of Revenues, Expenses and Changes in Net Position summarizes GBJPA's operations during the current fiscal year. A Summary of GBJPA's changes in net position for the fiscal year ended June 30, 2021 is included in Table 2 below:

Table 2 - Revenues, Expenses and Changes in Net Position

OPERATING REVENUES	
Member agency fees:	
Irvine Ranch Water District	$ 24,284
Rosedale-Rio Bravo Water Storage District	24,283
Total operating revenues	48,567
OPERATING EXPENSES	
General and administrative:	
Administration	43,950
Bank charges	678
Insurance	3,249
Other	690
Total operating expenses	48,567
Operating income(loss) before capital contributions	-
CAPITAL CONTRIBUTIONS FROM MEMBER AGENCIES	
Irvine Ranch Water District	845,630
Rosedale-Rio Bravo Water Storage District	845,631
Total contribution from member agencies	1,691,261
Increase (decrease) in net position	1,691,261
NET POSITION AT BEGINNING OF YEAR	-
NET POSITION AT END OF YEAR	$ 1,691,261

Revenues:
As shown in Table 2, GBJPA's operating revenues total $48,567 which consist of $24,284 cash contribution from the Irvine Ranch Water District and $24,283 cash contribution from the Rosedale-Rio Water Storage District for the GBJPA's operating expenses. Each agency is responsible for funding 50% of the operations per the GBJPA agreement.

Expenses:
As shown in Table 2, GBJPA's operating expenses total $48,567 which represent the general and administrative costs. Administration expense for staffing related to shared services as provided by each agency contributes 91 percent of total operating expenses, insurance contributes 7 percent of total operating expenses, and bank charges and other expenses contribute 2 percent of total operating expenses.

Capital Contributions:

Capital contributions total $1,691,261 which consist of $845,630 cash contribution from the Irvine Ranch Water District and $845,631 cash contribution from the Rosedale-Rio Water Storage District for capital expenditures of the Kern Fan Groundwater capital project.

Capital Assets:

GBJPA's investment in capital assets consists of the following as of June 30, 2021:

Table 3 - Capital Assets

		Current Year Additions
Construction in progress	$	1,762,587

As shown in Table 3, construction in progress for pre-construction related capital expenditures associated with the Kern Fan Groundwater capital project added $1,762,587 during the current fiscal year. Additional information on GBJPA's capital assets can be found in Note 3 of the Notes to the Basic Financial Statements.

Contacting the District's Financial Management:

This financial report is designed to provide a general review of the GBJPA's finances to show accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer at the Groundwater Banking Joint Powers Authority, 849 Allen Road, Bakersfield, California 93314.

Groundwater Banking Joint Powers Authority

Statement of Net Position

June 30, 2021

ASSETS		
Current assets:		
Cash	$	7,557
Noncurrent assets:		
Capital assets, non-depreciable		1,762,587
TOTAL ASSETS		1,770,144
LIABILITIES		
Current liabilities:		
Accounts payable		78,883
TOTAL LIABILITIES		78,883
NET POSITION		
Investment in capital assets		1,762,587
Unrestricted		(71,326)
TOTAL NET POSITION	$	1,691,261

See accompanying notes to the basic financial statements.

Groundwater Banking Joint Powers Authority

Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended June 30, 2021

OPERATING REVENUES	
Member agency fees:	
Irvine Ranch Water District	$ 24,284
Rosedale-Rio Bravo Water Storage District	24,283
Total operating revenues	48,567
OPERATING EXPENSES	
General and administrative:	
Administration	43,950
Bank charges	678
Insurance	3,249
Other	690
Total operating expenses	48,567
Operating income (loss) before capital contributions	-
CAPITAL CONTRIBUTIONS FROM MEMBER AGENCIES	
Irvine Ranch Water District	845,630
Rosedale-Rio Bravo Water Storage District	845,631
Total contribution from member agencies	1,691,261
Increase (decrease) in net position	1,691,261
NET POSITION AT BEGINNING OF YEAR	-
NET POSITION AT END OF YEAR	$ 1,691,261

See accompanying notes to the basic financial statements.

Groundwater Banking Joint Powers Authority

Statement of Cash Flows

For the Fiscal Year Ended June 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from member agencies	$ 48,567
Cash paid to suppliers of goods and services	30,316
Net cash provided by (used for) operating activities	78,883
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(335,282)
Capital contributions	263,956
Net cash provided by (used for) capital and related financing activities	(71,326)
Net increase (decrease) in cash and cash equivalents	7,557
Cash at beginning of year	-
Cash at end of year	$ 7,557
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	
Operating income (loss)	$ -
Increase (decrease) in accounts payable	78,883
Net cash provided by (used for) operating activities	$ 78,883
NONCASH CAPITAL AND FINANCING ACTIVITIES	
Capital contributions	$ 1,427,305

See accompanying notes to the basic financial statements.

(1) Summary of Significant Accounting Policies

A. Reporting Entity

The Groundwater Banking Joint Powers Authority (GBJPA) was formed in July 2020 as a joint owners authority under the California Government Code section 6500. The GBJPA was formed to finance, construct and operate the Kern Fan Groundwater Storage Project which will recharge and store up to 100,000 acre-feet (AF) of water, primarily during wet periods, in the Kern County Groundwater Sub-basin of the San Joaquin Valley Groundwater Basin for subsequent recovery and use for public and non-public benefit. GBJPA's member agencies are the Irvine Ranch Water District and the Rosedale-Rio Bravo Water Storage District with each agency having a 50% share in the GBJPA.

B. Basic Financial Statements

The basic financial statements are comprised of the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, the Statement of Cash Flows, and the Notes to the Basic Financial Statements.

C. Basis of Accounting and Measurement Focus

GBJPA's financial activities are accounted as an enterprise fund (proprietary fund type). A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Enterprise funds account for operations that provide services on a continuous basis and are substantially financed by revenues derived from water sales and member charges. The enterprise fund utilizes the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flow takes place.

The GBJPA distinguishes operating revenues and expenses from non-operating items. Until completion of the construction, the operating revenues and expenses of the project represent contributions by the member agencies to fund operating expenses. All revenues and expenses not meeting this definition will be reported as non-operating revenues and expenses. Capital contributions will consist of contributions from member agencies and any grant funding for the capital assets. When both restricted and unrestricted resources are available for use, the GBJPA uses restricted resources and then unrestricted resources.

D. Cash

GBJPA's cash is considered to be demand deposits with a bank.

E. Capital Assets

Capital assets, which include construction in progress, are valued at cost. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Donated assets are valued at their estimated acquisition value on the date received.

(1) Summary of Significant Accounting Policies (Continued)

F. Net Position

Net position is categorized as follows:

- **Net Investment in Capital Assets** – This component of net position consists of capital assets, net of accumulated depreciation reduced by any debt outstanding against the acquisition, construction or improvement of those assets.
- **Restricted Net Position** – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – This component of net position consists of net position that does not meet the definition of restricted or net investment in capital assets.

G. Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(2) Cash and Investments

Cash as of June 30, 2021 consists of $7,557 demand deposits with a bank.

Investments Authorized by the California Government Code

The following table identifies the investment types that are authorized for the GBJPA by the California Government Code, although as of June 30, 2021, the GJBPA does not have any of these types of investments. The table also identifies certain provisions of the California Government Code that address interest rate risk and concentration of credit risk.

Authorized Investment type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investment In One Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Medium-Term Notes	5 years	30%	None
Local Agency Investment Fund (LAIF)	N/A	None	None

(2) Cash and Investments (Continued)

Custodial Credit Risk

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Disclosure Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized statistical rating organization.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates.

(3) Capital Assets

Capital assets activity for the fiscal year ended June 30, 2021 is as follows:

	Balance at June 30,2020	Additions	Deletions	Balance at June 30,2021
Construction in progress	$ -	$ 1,762,587	$ -	$ 1,762,587

(4) Commitments and Contingencies – Legal Actions

The GBJPA is a defendant in various legal actions arising out of the conduct of the GBJPA's operations. Management believes that, based on current knowledge, the outcome of these matters will not have a material adverse effect on the GBJPA's financial position.

DavisFarr
CERTIFIED PUBLIC ACCOUNTANTS

Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

REQUIRED AUDIT COMMUNICATIONS

Board of Directors
Groundwater Banking Joint Powers Authority
Irvine, California

We have audited the financial statements of the Groundwater Banking Joint Powers Authority (the "GBJPA") for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 17, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings
Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the GBJPA are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the fiscal year ended June 30, 2021. We noted no transactions entered into by the GBJPA during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the GBJPA's financial statements were:

- Management's judgment of which expenses are capital versus maintenance.
- Estimates involving which expenses to be accrued as of the year end.

We evaluated the key factors and assumptions used to develop the estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 21, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the GBJPA's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the GBJPA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to *Management's Discussion and Analysis* which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

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

Davis Farr LLP

Irvine, California
October 21, 2021

DavisFarr
CERTIFIED PUBLIC ACCOUNTANTS

Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Finance Personnel Committee
Groundwater Banking Joint Powers Authority
Irvine, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the Groundwater Banking Joint Powers Authority (the "GBJPA") as of and for the year ended June 30, 201, and the related notes to the financial statements, which collectively comprise the GBJPA's basic financial statements, and have issued our report thereon dated October 21, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the GBJPA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the GBJPA's internal control. Accordingly, we do not express an opinion on the effectiveness of the GBJPA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the GBJPA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the GBJPA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Davis Farr LLP

Irvine, California
October 21, 2021

November 1,2021
Prepared by: May Geng / Sophia Phuong
Reviewed by: Cheryl Clary
Agenda Item: 4b

FY 2021-22 Quarterly Actual to Budget Results

DISCUSSION:

The quarterly unaudited actual to budget results for the first quarter FY 2021-22 through September 30, 2021 is attached as Exhibit "A". The report separates capital and operating expenditures.

The three-month year to date total expenditures were $389.8 thousand compared to a budget of $10.1 million. Actual expenditures were $9.7 million or 96% under budget. This is primarily due to lower expenditures than budgeted for property acquisition/due diligence and delayed expenses in engineering design consulting fees. Exhibit "A" provides additional comments.

No cash call is required at this time.

RECOMMENDATION:

Receive and File.

LIST OF EXHIBITS:

Exhibit "A" – FY 2021-22 Actual to Budget Results (Unaudited)

Exhibit A

Groundwater Banking Joint Powers Authority

Unaudited Actual to Budget Report

Fiscal Year 2021-22

Task / Account	Task / Account Name	Unaudited Actual 9/30/21	Budget 9/30/21	Budget (Over) /Under	Budget Variance %	Approved FY2021-22 Budget	FY2021-22 Budget Variance Comment
Kern Fan Groundwater Capital Project							
1.0	Engineering - Planning and Design Staff	$9,095	$27,262	$18,167	67%	$109,054	
1.1	Grant Administration and Reporting	3,093	1,178	(1,915)	-163%	4,712	
1.15	CWC and USBR Feasibility Studies	24,323	8,591	(15,732)	-183%	34,370	
1.16	JPA Administration	24,624	27,337	2,713	10%	109,354	
1.4	Supplemental Environmental Impact Report		22,487	22,487	100%	89,948	On hold pending settlement of CEQA lawsuit
1.5	Agreements with State Agencies		13,054	13,054	100%	52,219	
1.8	Property Pre-Acquisition Work and Geophysical Study (1)	26,811	21,890	(4,921)	-22%	87,572	
3.0	Engineering Design - Outside	10,392	214,423	204,031	95%	3,793,310	Release of design RFP delayed to end of Q1.
4.0	Engineering CA&I - Outside				0%	269,500	
5.0	Construction				0%	8,704,949	
5.1	Land	259,320	9,657,500	9,398,180	97%	23,065,000	Property acquisition and due diligence in process
6.0	Legal JPA	15,075	65,318	50,243	77%	196,772	Legal work on agreements on hold pending CEQA case
906.0	Development of Agreement with FWS				0%	10,000	
908.0	Development of Agreement with DWR		10,000	10,000	100%	20,000	
916.0	Habitat Credit Purchase				0%	2,400,000	
918.0	Environmental	6,038		(6,038)	-100%		
922.0	Permitting				0%	195,000	
928.0	PG&E Service				0%	306,250	
930.0	Bid Phase				0%	75,000	
	Capital Project Total	378,771	10,069,040	9,690,269	96%	39,523,010	
Operating Expense							
699115	Website Maintenance	250		(250)	-100%		
699134	Administration/Management	9,979	30,460	20,481	67%	122,000	
699135	Audit				0%	5,000	
699136	Bank Charges	255	1,750	1,495	85%	7,000	
699137	Insurance	573		(573)	-100%	1,350	
699139	Membership	(63)		63	100%		
	Operating Expense Total	10,994	32,210	21,216	66%	135,350	
Total		**$389,765**	**$10,101,250**	**$9,711,485**	**96%**	**$39,658,360**	

Note:

(1) Actual amounts included labor and consultants charges.

November 1,2021
Prepared by: Fiona Sanchez
Agenda Item: 4c

Association of California Water Agencies Elections

DISCUSSION:

The Association of California Water Agencies is holding the General Session Membership meeting on December 1, 2021 in which ACWA members have the ability to vote in-person or virtually via Zoom for the formal election of the President and Vice President for the ACWA Board of Directors 2022-2023 term.

RECOMMENDATION:

That the GBJPA authorize the General Manager vote or assign a voting delegate to cast the ballot on behalf of the JPA in the upcoming Association of California Water Agencies (ACWA) Board Officers' / General Meeting elections.

LIST OF EXHIBITS:

EXHIBIT "A" – ACWA Voter Designation & Information Form / Consent to Electronic Transmission, Meetings & Voting Form.

Exhibit "A"

ACWA Association of California Water Agencies

Voter Designation & Information Form

To: Donna Pangborn, Clerk of the Board **Email:** donnap@acwa.com **Fax:** 916-669-2425

The person designated below will be attending the ACWA General Session Membership Meeting(s) on Wednesday, December 1, 2021 (and December 2, 2021 if necessary) as our voting delegate. Please designate an alternate voting delegate to facilitate any change to your voting representation at the meeting. To change your alternate, however, you must notify Donna Pangborn of the change no later than COB Monday, November 29, 2021.

Groundwater Banking Joint Powers Authority — 661-589-6045

Member Agency's Name — Agency's Phone No.

Dan Bartel

Print Member Agency's Authorized Signatory Name — Authorized Signatory Signature

☑ **I have signed and returned the Consent to Electronic Transmission, Meetings & Voting Form.**

Voting Delegate's Name Trent Taylor	How Will Delegate Attend? ☐ Will attend the meeting in person in Pasadena. ☑ Will attend the meeting virtually.
Voting Delegate's Email ttaylor@rrbwsd.com	Voting Delegates' Phone No. 661-589-6045
Alternate Voting Delegate's Name	How Will Alternate Delegate Attend? ☐ Will attend the meeting in person in Pasadena. ☐ Will attend the meeting virtually.
Alternate Voting Delegate's Email	Alternate Voting Delegates' Phone No.
Voting Delegate's Affiliation *(if different from assigning agency)**	Date

*If your agency designates a delegate from another entity to serve as its authorized voting representative, please indicate the delegate's entity in the appropriate space above.

DEADLINE FOR RETURNING FORM(s): 11/24/2021

Consent to Electronic Transmissions, Meetings & Voting

In accordance with California Corporations Code Sections 20, 21, 5079 and subsections (a) and (f) of Section 7510, and Article 9 of the Bylaws of the Association of California Water Agencies, a California nonprofit mutual benefit corporation ("ACWA"), the undersigned member of ACWA (the "Member") hereby consents and agrees as follows:

1. ACWA may send meeting notices, annual reports, and all other materials to the Member by (a) electronic transmission to the Member's facsimile number or email address; (b) posting on an electronic message board or network which ACWA has designated for those communications, together with separate notice to the Member of the posting; or (c) other means of electronic communication. The Member's initial facsimile number and email address for receiving such notices, annual reports and other materials are listed below.

2. ACWA may conduct meetings of the members by electronic transmission or electronic video screen communication; provided, however, that if fewer than all members of ACWA consent to conduct such meetings by electronic transmission or electronic video screen communication, then such meetings shall be held at a physical location, and the authorized representative(s) of any member that has so consented (and not withdrawn its consent) may participate in such meetings by electronic transmission or electronic video screen communication, be deemed present in person and vote at such meetings.

3. ACWA may rely on communications sent by the Member to ACWA by (a) electronic transmission from the Member's facsimile number or email address; (b) posting on an electronic message board or network which ACWA has designated for those communications; or (c) other means of electronic communication. ACWA may reasonably conclude that the Member is the sender of any electronic transmission that (i) is received from such facsimile number or email address or (ii) is submitted by an authorized representative of the Member with valid registration/login credentials.

4. ACWA may rely on electronic votes (including votes to approve or reject actions) submitted by an authorized representative of the Member to ACWA during meetings conducted in whole or in part by electronic transmission or electronic video screen communication. ACWA may reasonably conclude that the authorized representative of the Member is the sender of any electronic votes submitted pursuant to such authorized representative's meeting participant ID. The Member's initial authorized representative(s) is listed below.

ACWA shall maintain paper records of all communications sent by ACWA to the members and all votes or actions taken at any member meeting. The Member may (i) access such records at ACWA's headquarters during normal business hours or (ii) request in writing for ACWA to send copies of such records to the Member via U.S. Mail or email.

This consent shall remain in full force and effect until the Member revokes it in writing and so notifies ACWA.

Groundwater Banking Joint Powers Authority	Dan Bartel
Print Member Name	Print Representative Name
General Manager	
Representative Title	Representative Signature Date

Please provide the facsimile number and email address to which the Member authorizes ACWA to send the electronic communications described above. The Member may change its designated facsimile number and email address at any time by written notice to ACWA.

661-589-1867

Facsimile Number

admin@rrbwsd.com

Email

Please provide the name of the Member's initial authorized representative(s) who will participate in and vote in connection with member meetings. The Member may change its authorized representative(s) at any time by written notice to ACWA.

Trent Taylor

Authorized Representative No. 1

Authorized Representative No. 2

GEI Consultants

In association with

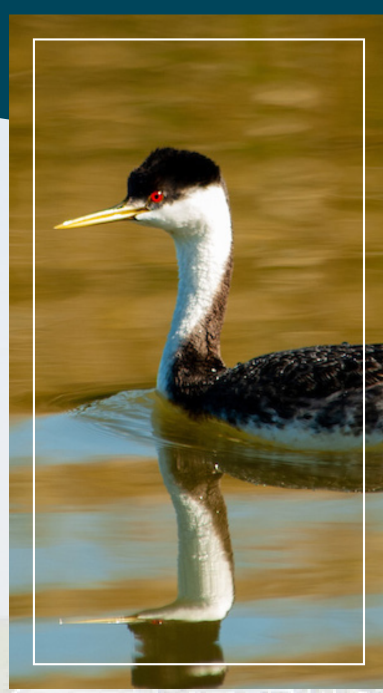
HDR

Kern Fan Groundwater Storage Project

Professional Services for Engineering Design

Proposal prepared for: Groundwater Banking Joint Powers Authority

October 20, 2021



A. General Information

Introduction

For the Kern Fan Groundwater Storage Project Design Packages #1 to #5, GEI has partnered with HDR and Zeiders to assemble five specialized integrated teams under a single contract manager supported by one principal and two QA/QC reviewers to deliver a cohesive, collaborative project that meets GBJPA's goals and objectives.

Because of our extensive experience partnering on large-scale, complex water resources projects - including the Willow Springs Water Bank Project and 2014 Drought Releif Project summarized in **Section C** - as well as our proven approach, effective working relationships with key stakeholders and regulatory agency staff, and our relevant team qualifications and project experience, GEI, HDR, and Zeiders Consulting are able to offer the right expertise required to deliver biddable, constructable design packages as well as provide bid, construction support, and start-up services. Selecting the GEI Team provides GBJPA with some of our best in-house technical experts along with specialty subconsultants that will collaborate under the leadership of Contract Manager **Satya Gala, PhD, PE, PMP**, with high-level oversight from Principal-in-Charge **Richard Sanchez, PE**, and QA/QC Managers **Jerry Reed, PE**, and **Albert Rodriguez, PE.**

This proposal includes Sections A-F, with Section F Cost Proposal submitted separate from the technical proposal, as outlined in the RFP. Additionally, separate team organization charts and bio's, reference project summaries, project understanding and approach, schedule, and detailed scope of work are also included in each of the five design packages in sections D1-D5, providing specific detail about our vision for partnering with GBJPA to deliver the best value for holistic design, construction, and integration of each critical facility. Focused resumes for each team member are included in an **Appendix**.

Required Section A provides details about GEI that are included in the adjacent sidebar, followed by **Tables A-1** and **A-2** and client references and referrals that demonstrate why the GEI Team has recurring clients from agencies of all sizes. Additional client reference information is included in Sections C, D1, D2, D3, D4, and D5.

Firm Details

GEI Consultants, Inc.
5001 California Avenue, Suite 120
Bakersfield, CA 93309
661.716.3026
sgala@geiconsultants.com

Firm Representative

Satya Gala, Ph.D., P.E., PMP
- office: 916.631.4550
- mobile: 916.388.4166
- fax: 916.631.4501
- email: sgala@geiconsultants.com

Legal Form of Company

Corporation

Identification Numbers

- Federal Tax ID: 04-2468348
- City of Bakersfield Business License: 2200074778
- Department of Industrial Relations (DIR): 1000025634

Firm Owners and Officers

GEI is an employee-owned corporation. Our company officers are listed on the following page in Table A-1.

Roles of Project Team

The names of the Project Team employed on this project and their roles, including subconsultants, are outlined in Table A-2. The roles of individual staff members are outlined under the Project Staff sections of each of the individual design packages.

Sureties

Prior to execution of a contract for services, GEI will provide the GBJPA with the required minimum insurance coverage stated in the Request for Proposals. Below is a summary of our standard insurance coverage; however, should the project scope require levels above our standard insurance. We will work with our provider in acquiring appropriate coverage.

- General Liability: $1,000,000 per occurrence for bodily injury, personal injury and property damage. $2,000,000 aggregate
- Automobile Liability: $1,000,000 per accident for bodily injury and property damage
- Worker's Compensation: Will be furnished in accordance with the Statutory Requirements of the State of California and shall include Employers' Liability insurance with a limit of $1,000,000 for each accident
- Errors and Omissions: $1,000,000 per occurrence

TABLE A-1 - GEI OFFICERS AS OF OCTOBER 2021

Name, Title	GEI Office Address
Richard J. Anderson Chairman	406 Science Drive, Suite 404 Madison, WI 53711
Ronald P. Palmieri President	400 North Lakeview Parkway, Suite 140 Vernon Hills, IL 60061
Jon B. Mahoney Clerk	400 Unicorn Park Drive Woburn, MA 01801
Julissa Jerez Assistant Clerk	400 Unicorn Park Drive Woburn, MA 01801
R. Lee Wooten Assistant Clerk	400 Unicorn Park Drive Woburn, MA 01801
Thomas W. Kahl Treasurer	400 Unicorn Park Drive Woburn, MA 01801

TABLE A-2 - ROLES OF THE PROJECT TEAM

Firm Name	Role
GEI CONSULTANTS, INC.	• Contract Manager • Design Package 1 Lead • Design Package 2 Lead • Design Package 3 Lead • Design Package 4 Support
HDR ENGINEERING, INC.	• Design Package 1 Support • Design Package 2 Support • Design Package 3 Support • Design Package 4 Lead • Design Package 5 Lead
ZEIDERS CONSULTING	• Design Package 1 Technical Lead • Design Package 2 Technical Lead • Design Package 4 Technical Advisor
NORTHWEST HYDRAULIC CONSULTANTS	• Modeling
PINNACLE SURVEYING AND ENGINEERING SERVICES	• Survey
BSK ASSOCIATES	• Geotech Sampling
UNDERGROUND SOLUTIONS	• Potholing
CLEMSON ENGINEERING HYDRAULICS	• Physical Modeling

References and Referrals

We encourage the GBJPA to contact our client references to discuss GEI's and HDR's performance on recent projects. Each project example in following sections and design packages include client references.

Here is what some of our clients say:

"The outcome of a project often depends on the people you have on your team, and in this case, without Mr. Gala's involvement on our team, we would not have been successful in the early phases of the East Porterville Water Supply Project. The City of Porterville can safely say, you could not make any better choice than to seek Mr. Gala's assistance in your next endeavor."

— Michael Knight, Director, City of Porterville Public Works Department, 559.359.0681

Satya Gala at the inspection of a booster pump station for the East Porterville Water Supply Project.

Innovative Controls
SCADA and Industrial Automation

October 20, 2021

Groundwater Banking Joint Powers Authority

Attn: Dan Bartel, GM

849 Allen Road

Bakersfield, CA 93314

Project Description: RFP for Kern Fan Groundwater Storage Project
Professional Services for Engineering Design- **Design Package #5 (SCADA)**

Dear Mr. Bartel,

I would like to take this opportunity to thank you for your time and consideration. Our team is comprised of 40+ years of accumulated experience with SCADA, we can provide a turn-key-system, that will exceed your expectations. We take pride in our cutting edge, state-of-the-art equipment for communication and controls technology and our superior customer service. My team and I hope to work with you in the near future. If there is a need for additional information or clarification, you can contact me anytime.

Sincerely,

Ryan Stiefes

President

22223 Carson Ave Exeter, CA 93221
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Statement of Qualifications & Proposal

Engineering Services for Kern Fan Groundwater Storage Project

Groundwater Banking Joint Powers Authority

Celebrating
2003 - 2021
Meyer Civil Engineering, Inc.
Innovative Design - Practical Solutions
MeyerCE.net
Established March 13, 2003
18 Years of Service

Meyer Civil Engineering, Inc.

1. GENERAL INFORMATION

A. Firm Name: Meyer Civil Engineering, Inc.
Address: 8224 Espresso Drive, Suite 100
Bakersfield, California 93312
Phone: (661) 836-9834
FAX: (661) 836-9761
Email: rmeyer@meyerce.net

B. Representative: Richard Meyer

C. Type of Organization: Corporation
Small Business

D. Federal Tax ID: 26-0060350
City of Bakersfield Business License: 22 00061562
DIR Registration Number: 1000031909

E. Corporate Officers: Richard Meyer, President
Aaron Meyer, Vice President
Judy Meyer, Secretary-Treasurer

F. Project Team: Richard Meyer, Principal-Project Manager
Aaron Meyer, Senior Civil Engineer, Licensed Surveyor
Richard Millwee, Associate Engineer
Matthew Neufeld, Drafting Technician
Charlene Brinson, Drafting Technician

G. Joint Venture: We are not proposing as a joint venture.

H. Subconsultants: AECOM, Additional Staffing
Soils Engineering, Inc., Geotechnical
Clemson Engineering Hydraulics, Inc., Physical Modeling

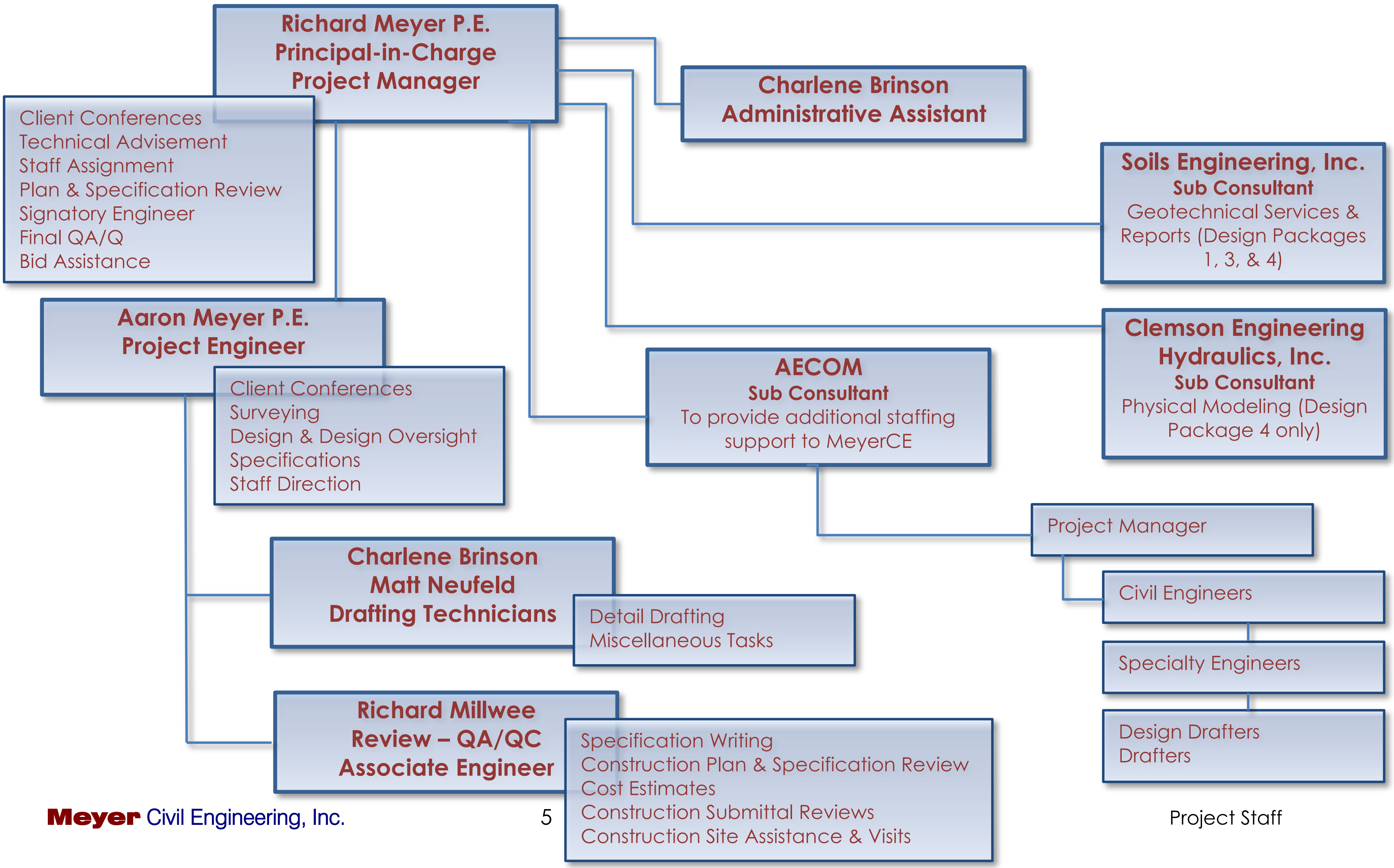
I. Surety Information:
General and Automobile Liability - $2M occurrence/$4M Aggregate
Professional Liability - $2M Occurrence/Aggregate
Worker's Compensation - $1M

J. References and Referrals:
Mr. Martin Varga, KCWA, (661) 634-1448
Mr. Art Chianello, City of Bakersfield, (661) 326-3005
Mr. Stuart Patteson, City of Bakersfield, (661) 326-3575
Mr. Nick Torres, Kern Water Bank Authority, (661) 398-4900
Mr. Kevin Shigematsu, WM Lyles Co., (661) 387-1600
Mr. Dan Bartel, Rosedale-Rio Bravo WSD, (661) 589-6045

2. PROJECT STAFF – ALL DESIGN PACKAGE PROPOSALS

A. TEAM STRUCTURE - Meyer Civil Engineering, Inc. proposes the following Project Team. Following is a diagram that shows the staff to be made available to the project and their respective titles and assignments:

Meyer Civil Engineering Staffing for all Proposals



Stantec

Proposal for Professional Services
for Engineering Design of the

Kern Fan **Groundwater Storage** Project

Prepared for: Groundwater Banking Joint Powers Authority

Engineering Proposal

10.20
2021

Submittal for:

Package 1	Phase I Recharge Basins & Goose Lake Channel Pump Station, Check Structure, Interbasin Structures, and Well Pipelines and Intertie; Phase II Recharge Basins & Phase II Well Pipelines and Interbasin Structures
Package 2	Phase I Well Drilling and Equipping; Phase II Well Drilling and Equipping
Package 3	Aqueduct Turnout Facility
Package 4	Conveyance Facilities Including Turnout(s) & Pump Stations
Package 5	SCADA and PLC Programming

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October 20, 2021
Groundwater Banking Joint Powers Authority
Attn: Dan Bartel, GM
849 Allen Road
Bakersfield, CA 93314

RE: Proposal for Professional Services for Engineering Design for the Kern Fan Groundwater Storage Project

Dear Mr. Bartel and Members of the Selection Committee,

The Kern Fan Groundwater Storage Project is the next step in a progressive investment strategy for Rosedale-Rio Bravo Water Storage District (RRBWSD) in partnership with Irvine Ranch Water District (IRWD) as the Groundwater Banking Joint Powers Authority (GBJPA) to improve drought resilience and water supply reliability while sustainably managing groundwater and enhancing the environment.

Stantec has a successful history providing groundwater design and engineering services throughout California with integrity and perseverance. **We have completed more than 170 groundwater projects, 20 groundwater recharge projects, and 200 conveyance projects throughout California, Arizona, and Nevada alone. Our team includes experts from trusted firms with whom we have partnered for over 20 years, including Dahl Consultants, Provost & Pritchard, Kleinfelder, Overland, Pacific & Cutler, LLC, and Northwest Hydraulics Consultants**. Our team has enjoyed working with IRWD and RRBWD to deliver effective, fit-for-purpose designs, including large-scale groundwater recharge/recovery and conveyance projects locally in California. Our collective expertise and history of collaboration on similar projects will drive innovation, optimize long-term operations, and support early project implementation.

Our team and approach will provide the following benefits to the GBJPA:

1 One integrated team structured to maximize value across all five design packages.

Selection of our team for all or multiple design packages will provide consistency across all facets of design and delivery, while streamlining reviews and decision making. Our team's proven ability to collaborate across system components will allow us to quickly deliver a fully operational, integrated design that is ready for bidding and construction. Our team will be led by project manager **Joe Long, PE**, who brings over 30 years of design experience with a focus on quality, cost savings, and speed of service. He will lead the Stantec team for all five design packages and work closely with our design package leads and the GBJPA staff to leverage our combined experience, ingenuity, and resourcefulness. Joe will be supported by deputy project manager **Nita Kazi, PE**, who brings a people-centered approach through her 25 years of experience managing large design teams. Our approach utilizes design workshops to clarify critical decisions, streamline

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Our team and approach will provide the following benefits to the GBJPA:

1. One integrated team structured to maximize value across all five design packages.
2. Local team with 20 years of experience delivering groundwater storage, conveyance, and recovery projects together in California.
3. A technical approach focused on value and optimization.

reviews, and improve transparency. Together, Joe and Nita will provide cohesive cost, schedule, and quality management across all five design packages.

Joe and Nita are supported by leads for each design package who are known to you. **Randy Hopkins, PE**, and **Jeff Eklund, PE**, from Provost & Pritchard will lead Design Packages 1 and 2, respectively. They bring relevant, local experience in the San Joaquin Valley designing groundwater infiltration and extraction systems. Our Design Package 3 lead, **Wayne Dahl, PE**, from Dahl Consultants, has participated in the planning and design of many California water banking projects relevant to the project, including the Whitewater Groundwater Replenishment Project and Semitropic Groundwater Banking Program. Stantec's **Janet Atkinson, PE**, Design Package 4 lead, has an impressive portfolio of large canal and conveyance design projects in California, and is currently advising California Department of Water Resources (DWR) on California Aqueduct subsidence concerns. She was responsible for the planning, design, and construction of several canal turnouts, most recently on the East Branch of the California Aqueduct. Stantec's **Sanki Sakaran, PE**, Design Package 5 lead, is uniquely qualified to tie all components of the project together seamlessly with RRBWSD's existing facilities and operational needs.

2 Local team with 20 years of experience delivering groundwater storage, conveyance, and recovery projects together in California.

Leveraging the skills and experience we have gained through working together and with IRWD and RRBWSD, we'll prepare designs for a well-planned and executable project that has acceptance for final design, minimizes schedule conflicts, and provides long-term reliability for the GBJPA. Our team brings recent and relevant experience in all areas needed to successfully design the Kern Fan Groundwater Storage Project:

- Experience designing some of the State's largest raw water conveyance projects, including intakes, outfalls, and turnouts associated with large canal systems like the Friant-Kern Canal, Coachella Canal, and All-American Canal, and recent California Aqueduct turnouts for the High Desert Water Bank and Los Vaqueros Transfer-Bethany Pipeline
- Characterization of California groundwater basins and conditions for the design of successful recharge basins, aquifer storage and recovery wells, recovery wellfields, and wellhead treatment systems, including 100 production well projects in the San Joaquin Valley and beyond for municipal, agricultural, industrial, and private clients.
- Years of experience working with DWR and its contractors on State Water Project (SWP) facilities, operations and maintenance, and regulatory requirements, ranging from facilitating banking and exchange agreements among SWP contractors to emergency repairs at Oroville Dam and subsidence studies along the California Aqueduct.

Joe Long, PE

Nita Kazi, PE

Together, Joe and Nita will provide cohesive cost, schedule, and quality management across all five design packages.

3 A technical approach focused on value and optimization.

Our value driven approach evaluates the entire system and provides long-term benefits to the GBJPA through complete system optimization and operational flexibility. Early value engineering and confirmation of key project components, including alignment and facilities, will mitigate risks, minimize delays, and reduce costly change orders and surprises. This approach will deliver a fully operational system that meets all the GBJPA funding requirements while preserving future expansion opportunities, providing ease of operation and maintenance, and reducing impacts to property owners. Our technical advisors and value engineering team bring lessons learned from projects throughout the world, reducing life-cycle costs, and improving constructability and bidding success on this project.

The Stantec team has planned, designed, and constructed some of the most complex and distinguished water infrastructure projects in California, and we are personally committed to meeting your goals. Our team is ready to work with you to recharge and store upwards of 100,000 acre-feet per year by 2028. We certify that the information provided in this proposal is true and correct. We acknowledge acceptance of Addendum # 1 posted on October 4, 2021. If you have any questions regarding this proposal, please contact me at joseph.long@stantec.com or (949) 923-6011.

Sincerely,

Stantec Consulting Services Inc.

Joseph Long, PE
Project Manager
(949) 923-6011
Joseph.Long@stantec.com

Kari D. Shively

Kari D. Shively, PE
Vice President, Regional Business Leader
(916) 719-9708
kari.shively@stantec.com

Executive

Summary

The Stantec team provides the Groundwater Banking Joint Powers Authority (GBJPA) with a fully-integrated project using an early decision process that optimizes life-cycle costs, mitigates project risks, and minimizes property owner impacts.

The Kern Fan Groundwater Storage Project is the next step in a progressive approach to sustainably and reliably manage water supplies by taking advantage of available surface supplies and aquifer storage in the Kern County sub-basin. The project will yield approximately 100,000 acre-feet of water supplies on an annual basis through groundwater storage and recovery. About 10-miles of new conveyance systems will deliver water flows from the State Water Project (SWP) to the new groundwater recharge basins. The project will allow the GBJPA members to store precious water supplies during wet years, carrying them over for later use during droughts or supply disruptions due to earthquakes or other emergencies.

In addition to supporting water supply sustainability, the GBJPA has included project elements to provide enhanced environmental benefits, including habitat within the recharge basins for migratory birds and in-lieu water supplies for use by the California Department of Water Resources (DWR) to support environmental needs elsewhere.

Collective Expertise and Leadership in Water Resource Infrastructure Projects – The Stantec team has successfully implemented multiple groundwater storage and regional conveyance projects with similar elements as the Kern Fan Groundwater Storage Project, including design of the Friant-Kern Canal Capacity Improvements, the Antelope Valley-East Kern Water Agency's High Desert Water Bank, Farmington Groundwater Recharge Project and Orange County Water District Groundwater Recharge Projects.

We assembled this project team because we enjoy working together and know how to take advantage of our respective strengths and expertise. Together, we bring an integrated team with experts in the design of groundwater banking systems, a proven ability to achieve project approvals with the California DWR, and a strong track record designing large conveyance systems.

Develop the Plan and Work the Plan – The Stantec team has developed an integrated approach to all five design packages that will uncover potential efficiencies in the conveyance, groundwater recharge, and groundwater recovery facilities. Our approach features early project optimization and value engineering to quickly evaluate possible alignments and operational scenarios so you can select a preferred project solution that meets your needs at the lowest life-cycle cost. We will identify construction costs savings, build in operational flexibility while simplifying maintenance, avoid landowner and community impacts, and minimize costs. **Whether you select us for all or multiple packages, we believe an integrated team will bring significant cost, time, and quality benefits to the GBJPA.**

Stantec

Prime Consultant

- Specializing in the design of large conveyance systems, including pipelines and pump stations in excess of 500 cfs
- Relevant, recent experience designing similar groundwater banking systems
- Successful working relationship with DWR since the 1960's

Provost & Pritchard

Primary Sub-Consultant

- Specializing in engineering services for agricultural and irrigation agencies since 1968
- Over 20-years of groundwater storage and recovery experience in the Central Valley
- Understanding of local issues, concerns and goals

Dahl Consultants

Primary Sub-Consultant

- Recently completed two SWP turnouts with DWR approval
- Expertise in high-capacity pumping facilities
- Expertise in design and construction of open channel canals and closed conduit conveyance systems

Stantec Team Benefits

- **Integrated Project that Reduces Risks** – We will deliver an integrated project design that optimizes conveyance hydraulics with groundwater recharge/return and provides long-term operational flexibility. Optimizing the project early in the design process will reduce project risks associated with design decisions, bidding and construction, start-up and operations. Our SCADA and instrumentation team will tie the entire project together in a way that meets the needs of your operators.
- **Design Mindful of Constraints** – We understand the constraints that must be considered during design, such as impacts to landowners, land acquisition efficiency, cyclical hydraulic conditions at the SWP interface, and potential groundwater quality issues.
- **Optimized Project Elements** – We will develop early a life-cycle cost analysis of the multiple pump stations with open canal verses a single pump station with closed conduit conveyance system, to determine the preferred alternative.
- **Approved by the Department of Water Resources** – Our team recently designed a new turn-out/in structure along the SWP's East Branch, which is moving through DWR's approval process.

We bring experience in all aspects of groundwater recharge, recovery, and conveyance.


Semitropic Water Storage District Stored Water Recovery Unit


Burris Basin Recharge


Coachella Canal Lining


Stockdale West Well Pump