

TEJON-CASTAC WATER DISTRICT (TCWD)
TEJON-CASTAC GROUNDWATER SUSTAINABILITY AGENCY (GSA)
5665 Santa Elena Drive, Arvin, CA 93203

Mailing Address
P.O. Box 478,
Lebec, CA 93243

Telephone: (661) 248-3000
Facsimile: (661) 248-3100

Regular Meeting of the Board of Directors of Tejon-Castac Water District
February 13, 2024 – 9:00 a.m.; In-Person Only at the 5665 Santa Elena Drive, Arvin, CA

This meeting is held in accordance with the Brown Act 93203 pursuant to Section 54956 of the California Government Code.

Meeting material can be found at <https://tejoncastacwd.com>

AGENDA

- 1) Roll Call
- 2) Approval of Meeting Minutes of the Regular Board Meeting of October 10, 2023, and Special Board Meeting of November 8, 2023.
- 3) Appointing Director to the KWB GSA Board – Action Required
- 4) Rules and Regulations Overview Discussion
- 5) GEI Consultants' DMS Budget Overrun – Action Required
- 6) Reports & Updates (Review and possible action on):
 - A. Facility Reports
 - B. Operations
 - C. SGMA Update
 - D. Financials

7) Public Comments:

Members of the public may address the Board on matters within the TCWD's jurisdiction, which is not on this agenda, at this time (As required by Gov. Code § 54954.3(a)). However, any such non-agenda matter that requires action will be referred to District staff or a report and action at a subsequent Board meeting.)

8) Adjournment to Closed Session

Conference with Legal Counsel—Existing Litigation (Govt. Code Section 54956.9(a)):

Rosedale-Rio Bravo Water Storage District v. Kern County Water Agency, et al., Kern County Superior Court, Case No. BCV-21-100418

9) Adjourn

AMERICANS WITH DISABILITIES ACT
(Government Code Section 54953.2)

A person with a qualifying disability under the Americans with Disabilities Act of 1990 may request the District to provide disability-related modification or accommodation in order to participate in any public meeting of the Tejon-Castac Water District. Such assistance includes appropriate alternative formats for the agendas and agenda packets. Requests should be made in person, by telephone, facsimile and/or written correspondence to the Districts office, at least 72 hours before a regular public District Meeting.

TEJON-CASTAC WATER DISTRICT (TCWD)
5665 Santa Elena Drive, Arvin, CA 93203
MINUTES
OF THE REGULAR BOARD OF DIRECTORS MEETING

Date of Meeting: Tuesday, October 10, 2023

DIRECTORS PRESENT: Dennis Atkinson, Mark Valpredo, Dolores Salgado, Jeff Mettler, and Mark Fanucchi

DIRECTORS ABSENT:

OTHERS PRESENT: Kenny Watkins, Allen Lyda, Robert Velasquez. Legal Counsel Alan Doud was on the phone.

The meeting commenced at 9:00 a.m.

On motion by Director Valpredo, and seconded by Director Fanucchi, the meeting minutes of the Regular Board meeting of June 13, 2023, were unanimously approved by the board.

Ms. Martin presented Resolution 2023-04 Appointing Director Pursuant to Elections Code Section 10515(b). There was a brief explanation from Legal Counsel, and discussion with the Board. On motion by Director Mettler, seconded by Director Valpredo, the motion was unanimously approved.

Ms. Martin explained the need to appoint a TCWD representative for the WWGSA Board. After a brief discussion, the Board recommended appointing Director Salgado. On motion by Director Mettler, seconded by Director Valpredo, the motion was unanimously approved.

Kenny Watkins proceeded to give a report on Facilities and Operations, and Ms. Martin gave a brief update on SGMA-related matters, talking about importance of recharge during wet years.

Robert Velasquez presented the financial report.

There was one public comment, Mr. Lyda talked about TRC's ongoing recharge activities in WRMWSD and how the matter is being discussed by the WWGSA Board.

There was no closed session.

The meeting was adjourned at 9:33 a.m.

Angelica Martin, Secretary, Tejon-Castac Water District

Approved by: Tejon-Castac Water District Board of Directors Dated: February 13, 2024

TEJON-CASTAC WATER DISTRICT (TCWD)
5665 Santa Elena Drive, Arvin, CA 93203
MINUTES
OF THE SPECIAL BOARD OF DIRECTORS MEETING

Date of Meeting: Tuesday, November 8, 2023

DIRECTORS PRESENT: Dennis Atkinson, Mark Valpredo, Dolores Salgado, and Mark Fanucchi

DIRECTORS ABSENT: Jeff Mettler

OTHERS PRESENT: Legal Counsel Alan Doud was on the phone.

The meeting commenced at 1:31 p.m.

A public hearing for the proposed formation of a GSA for the Kern Water Bank Authority was held. No public comments were received. The public hearing closed at 1.34 p.m.

Legal Counsel presented Resolution 2023-05 for the Formation of the Kern Water Bank Groundwater Sustainability Agency Covering the Kern Water Bank Lands. There was a brief discussion. On motion by Director Valpredo, seconded by Director Fanucchi, Resolution 2023-05 was unanimously approved.

Ms. Martin presented the Kern Subbasin Cost share agreement. Legal Counsel provided an explanation and pointed out there could still be changes to the document, but if such changes were significant, the document would be brought back to the Board. After a brief discussion, Director Fanucchi motioned to conceptually approve the document, the motion was seconded by Director Valpredo. The motion was unanimously approved by the Board.

There were no public comments.

There was no closed session.

The meeting was adjourned at 1:50 p.m.

Angelica Martin, Secretary, Tejon-Castac Water District

Approved by: Tejon-Castac Water District Board of Directors Dated: February 13, 2024

February 1, 2024

Consulting
Engineers and
Scientists

Kristin Pittack
Kern Subbasin Plan Manager
via email: kpittack@rinconconsultants.com

TASK ORDER FOR KERN SUBBASIN DATA MANAGEMENT SYSTEM (DMS) 2023 BUDGET OVERRUN

Beginning in May 2021, GEI developed a Data Management System (DMS) specifically for the Kern Subbasin’s SGMA monitoring and reporting. The database was proposed to be implemented through grant funding provided by Department of Water Resources (DWR). Kern Groundwater Authority (KGA) held the DMS contract with GEI, which authorized a maximum budget of \$500,000 that would be reimbursed through DWRs grant funds.

As described in the December 4, 2023 Kern Subbasin DMS Budget Status letter, due to unforeseen complexity of the water transactions module, the labor effort to complete the module exceeded grant funds by \$143,955. While this budget overrun was clearly communicated with KGA’s project manager, other Subbasin GSAs were not informed. Consequently, the budget overrun was not addressed with all Subbasin GSAs until January 2024.

As discussed with the Subbasin GSAs and responsible entities, GEI is willing to accept a negotiated payment amount which is 50 percent of the budget overrun. Table 1 summarizes the total billed amount, payments received as of January 31, 2024, and the negotiated cost-share of the budget overrun. As shown in the enclosed statement, GEI’s write-off of \$71,977 has been processed. Upon receipt of the final grant reimbursement and retention payments from KGA (\$81,199), and the Subbasin balance is paid, Project 2101725 will be closed.

Table 1. Summary of Invoiced Amounts by Task

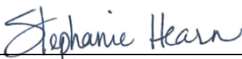
Project 2101725	Balance
Total \$ billed to KGA	643,954.82
Payments received to date	-418,800.42
KGA balance (DWR grant reimbursement)	81,199.58
Subbasin balance	71,977.50
GEI Write-off (January 2024)	71,977.32

It should also be noted that all work is complete, the final invoice was submitted to KGA on May 26, 2023. It is our understanding that KGA has submitted invoices up to \$500,000 to DWR, and upon receipt of payment, KGA will pay GEI the final reimbursement amount plus the 10% held for retention. We appreciate the Subbasin’s effort to work through and resolve the budget overrun.

AUTHORIZATION


Consistent with the terms defined in Kern Subbasin Cost Sharing Agreement for Revising Groundwater Sustainability Plans dated 12/15/23, this Task Order is authorized by the signatures below. This Task Order and enclosed statement provide the information necessary to submit payment for GEI Project 2101725. The negotiated payment amount is \$71,977.50.

Signed by:
GEI CONSULTANTS, INC.

By: 
Stephanie Hearn, Project Manager

Date: January 22, 2024

Signed by:
GEI CONSULTANTS, INC.

By: 
Mike Cornelius, Principal in Charge

Date: January 22, 2024

Authorized by:

By: _____
Arvin GSA [Derek Yurosek, Director](mailto:DYurosek@bolthouseproperties.com)
DYurosek@bolthouseproperties.com

By: _____
Buena Vista WSD GSA [Terry Chicca, Board President](mailto:TChicca@aol.com)
TChicca@aol.com

By: _____
Cawelo Water District [David Halopoff, Assistant General Manager](mailto:dhalopoff@cawelowd.org)
dhalopoff@cawelowd.org

By: _____
City of Bakersfield [Bob Smith, City Councilmember](mailto:bobsmith727@icloud.com)
bobsmith727@icloud.com

By: _____
Eastside Water Management Area [Chad Hathaway, President](mailto:chathaway@hathawayllc.com)
chathaway@hathawayllc.com

By: _____
Henry Miller GSA [Jeof Wyrick, President, Chairman](mailto:jwyrick@jgboswell.com)
jwyrick@jgboswell.com

By: _____
Improvement District No. 4 [Dave Beard, General Manager](mailto:dbeard@kcwa.com)
dbeard@kcwa.com

By: _____
Kern Delta Water District [Rodney Palla, Board Chair](mailto:rodney@rpfarms.com)
rodney@rpfarms.com

By: _____ Kern Water Bank Authority	Jonathan D. Parker, General Manager JParker@kwb.org
By: _____ Kern-Tulare Water District	Skye Grass, General Manager skye@kern-tulare.com
By: _____ Olcese GSA	James L. Nickel, President jlnickel@nflc.net
By: _____ North Kern Water Storage District	Kevin Andrew, Board President kandrew@illumag.com
By: _____ Pioneer GSA	Tom McCarthy, General Manager tmccarthy@kcwa.com
By: _____ Rosedale-Rio Bravo Water Storage District	Dan Bartel, Engineer-Manager dbartel@rrbwsd.com
By: _____ Semitropic Water Storage District	Dan Waterhouse, Board President dan@neuhousefarms.com
By: _____ Shafter-Wasco Irrigation District	Randy Bloemhof, Board Member randy@supremealmonds.com
By: _____ 7th Standard Annex	Randy Bloemhof, Board Member randy@supremealmonds.com
By: _____ Southern San Joaquin Municipal Utility District	Roland Gross, General Manager/Secretary roland@ssjmud.org
By: _____ Tejon-Castac Water District GSA	Angelica Martin, Board of Directors Secretary amartin@tejonranch.com
By: _____ West Kern Water District	Greg Hammett, General Manager ghammett@wkwd.org
By: _____ Westside Water Authority	Mark Gilkey, General Manager mgilkey@westsidewa.org

By:

_____ **Wheeler Ridge-Maricopa GSA**

Dennis Atkinson, President

dalaska2019@gmail.com

TEJON-CASTAC WATER DISTRICT

FINANCIAL STATEMENTS

December 31, 2023

**TEJON-CASTAC WATER DISTRICT
BALANCE SHEET
UNAUDITED
December 31, 2023**

ASSETS

	December 31, 2023	June 30, 2023
Current assets:		
Cash	\$ 169,852	114,609
Accounts receivable	1,032,415	(103,013)
Intercompany receivable	790	673,078
Banked water inventory	4,267,482	4,267,482
Prepaid expenses	36,935	79,903
Total current assets	5,507,474	5,032,059
Investment in Kern Water Bank Authority	685,049	685,049
Capital assets	19,923,705	20,629,963
Total assets	\$ 26,116,228	26,347,071

LIABILITIES AND MEMBERS' CAPITAL

Current liabilities:

Accounts payable	\$ 358,402	1,172,569
Current portion of obligations under capital lease	19,903	19,903
Accrued Liabilities	118,085	(10,051)
Total current liabilities	496,390	1,182,421
Obligations Under Capital Lease	707,863	718,644
Net Position		
Net investment in capital assets	24,445,591	24,446,006
Change in net position	466,384	
Total net position	24,911,975	24,446,006
Total liabilities and net position	\$ 26,116,228	26,347,071

**TEJON-CASTAC WATER DISTRICT
EARNINGS STATEMENT
UNAUDITED
December 31, 2023**

	<u>Month to Date</u>	<u>Year to Date</u>
Operating Revenue		
Water assessments	\$ 800,000	\$ 1,850,000
Water sales	<u>173,682</u>	<u>1,182,243</u>
Total Revenues	<u>973,682</u>	<u>3,032,243</u>
 Operating Expenses		
Water purchase costs	491,966	456,521
Water banking costs	151,140	223,967
Professional services	589	121,382
Repairs & maintenance	45,329	306,843
Operator expense	56,789	348,169
Testing	6,917	61,519
Cost of operations	127,733	418,754
Depreciation	<u>101,120</u>	<u>606,618</u>
Total Operating Expenses	<u>981,583</u>	<u>2,543,773</u>
 Operating - gain/(loss)	 (7,901)	 488,470
 Non-operating Expenses		
Interest Expense	<u>3,659</u>	<u>22,086</u>
Operating increase/(decrease) in net position	 (11,560)	 466,384
 Contribution of capital assets	 <u>-</u>	 <u>-</u>
Change in net position	 (11,560)	 466,384
 Net Position, beginning	 <u>24,446,006</u>	 <u>24,446,006</u>
Net position, ending	<u><u>24,434,446</u></u>	<u><u>24,912,390</u></u>

**TEJON-CASTAC WATER DISTRICT
EARNINGS STATEMENT
UNAUDITED
December 31, 2023**

	YTD <u>Actual</u>	YTD <u>Budget</u>	Budget vs. Actual <u>vs. Actual</u>
Operating Revenue			
Water assessments	\$ 1,850,000	\$ 1,320,000	\$ 530,000
Water sales	1,182,243	\$ 986,127	\$ 196,116
Total Revenues	<u>3,032,243</u>	<u>2,306,127</u>	<u>726,116</u>
Operating Expenses			
Water purchase costs	456,521	-	456,521
Water banking costs	223,967	-	223,967
Professional services	121,382	194,550	(73,168)
Repairs & maintenance	306,843	327,050	(20,207)
Operator expense	348,169	1,325,180	(977,011)
Testing	61,519	-	61,519
Cost of operations	418,754	594,598	(175,844)
Depreciation	606,618	603,695	2,923
Total Operating Expenses	<u>2,543,773</u>	<u>3,045,073</u>	<u>(501,300)</u>
Operating - gain/(loss)	488,470	(738,946)	1,227,416
Non-operating Expenses			
Interest Expense	22,086	32,868	(10,782)
Operating increase/(decrease) in net position	<u>466,384</u>	<u>(771,814)</u>	<u>1,238,198</u>
Contribution of capital assets	-	-	-
Change in net position	<u>466,384</u>	<u>(771,814)</u>	<u>1,238,198</u>
Net Position, beginning	<u>24,446,006</u>	<u>24,446,006</u>	<u>-</u>
Net position, ending	<u><u>24,912,390</u></u>	<u><u>23,674,192</u></u>	<u><u>1,238,198</u></u>

