

# INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

Ridgecrest City Hall 100 W California Ave., Ridgecrest, CA 93555 760-499-5002

## BOARD OF DIRECTORS

### A G E N D A

Thursday, May 21, 2020

**Closed Session 10:00 a.m.**

**Open Session 11:00 a.m.**

***NOTICE:*** *In accordance with the evolving public health declarations, we are temporarily limiting public attendance to virtual alternatives only. Please see the Public Comment Notice below for detailed instructions on submitting public comment as well as websites for livestream broadcasting. Telephonic participation by the majority of Board Members and staff is expected.*

*In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact April Nordenstrom at (760) 384-5511. Requests must be made as early as possible and at least one full business day before the start of the meeting. Documents and material relating to an open session agenda items that are provided to the IWVGA Board of Directors prior to a regular meeting will be available for public inspection and copying at Indian Wells Valley Water District, 500 Ridgecrest Blvd, Ridgecrest, CA 93555, or online at <https://iwvga.org/>.*

#### Statements from the Public

*The public will be allowed to address the Board during Public Comments about subjects within the jurisdiction of the IWVGA Board and that are NOT on the agenda. No action may be taken on off-agenda items unless authorized by law. Questions posed to the Board may be answered after the meeting or at future meeting. Dialog or extended discussion between the public and the Board or staff will be limited in accordance with the Brown Act. The Public Comments portion of the meeting shall be limited to three (3) minutes per speaker. Each person is limited to one comment during Public Comments.*

#### 1. CALL ORDER

#### 2. PUBLIC COMMENT ON CLOSED SESSION

#### 3. CLOSED SESSION

- CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
(Government Code Section 54956.9(d)(4)) Number of cases: 3 or more: Based on existing facts and circumstances, the Board of Directors, on the advice of legal counsel, is meeting to decide whether, and when, to initiate litigation for failure to properly provide well registration and reporting.
- CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION  
(Government Code Section 54956.9(d)(2)(e)(1)) Number of cases: One (1)  
Significant exposure to litigation in the opinion of the Board of Directors on the advice of legal counsel, based on: Facts and circumstances that might result in litigation against the IWVGA but which are not yet known to a potential plaintiff or plaintiffs, which facts and circumstances need not be disclosed.

**4. OPEN SESSION - 11:00 a.m.**

- a. Report on Closed Session
- b. Pledge of Allegiance
- c. Roll Call

**5. PUBLIC COMMENTS**

This time is reserved for the public to address the Board about matters NOT on the agenda. No action will be taken on non-agenda items unless authorized by law. Comments are limited to three minutes per person.

**6. CONSENT AGENDA**

- a. Approve Minutes of Board Meeting April 16, 2020
- b. Approval of Resolution No. 04-20 Appointing Steven Kourakos as TAC representative for Searles Valley Minerals.
- c. Approve Expenditures
  - i. \$2,242.50 - RWG Law
  - ii. \$224,563.05 - Stetson Engineers (March & April)
  - iii. \$6,710.00 - Capitol Core Group
  - iv. \$3,800.00 – Brown Armstrong
  - v. \$1,260.00 – Wellntel Inc.

**7. REQUEST FOR RECONSIDERATION – GROUNDWATER SUSTAINABILITY REPORT TO UNITED STATES NAVY**

**8. DISCUSSION ON INDEPENDENT IWVGA GENERAL MANAGER**

**9. WATER RESOURCES MANAGER REPORT**

- a. Report on Proposition 1 Grant Status
- b. Severely Disadvantaged Communities (SDAC) Programs Update
- c. Proposition 68 Grant Status Update
- d. Groundwater Pumping Verification
- e. Groundwater Sustainability Plan (GSP) Annual Report
- f. Reporting Requirements for New Wells within the Indian Wells Valley Basin
- g. Transient Pool/Fallowing Program Draft Report
- h. Coso Royalty Funding
- i. Schedule

**10. GENERAL MANAGER’S REPORT**

- a. Monthly Financial Report
- b. Delinquent Accounts
- c. Report on IWVGA’s Water Marketer (Capitol Core Group)
- d. Well Registration Update

**11. CLOSING COMMENTS**

This time is reserved for comments by Board members and/or staff and to identify matters for future Board business.

**12. DATE AND TIME OF NEXT MEETING – June 18, 2020**

**13. ADJOURN**

## PUBLIC COMMENT NOTICE

On March 17, 2020, Governor Newsom issued Executive Order N-29-20, relating to the convening of public meetings in light of the COVID-19 pandemic. At this time, the Indian Wells Valley Groundwater Authority is continuing to hold board meetings in order to conduct essential business. However, as suggested by the Center for Disease Control and set forth in the Executive Order, we are temporarily limiting public attendance through the following virtual alternatives:

- **Watch meetings on-line:**

All of our meetings are streamed live at <https://ridgecrest-ca.gov/369/Watch> or on YouTube at <https://www.youtube.com/cityofridgecrest/live> and are also available for playback after the meeting.

- **Call in for public comments:**

If you wish to make verbal comment, *please call (760) 499-5010*. This phone line will allow only one caller at a time, so if the line is busy, please continue to dial. We will be allowing a 20-30 second delay between callers to give time for media delays and callers to dial in. If you wish to comment on multiple items, you will need to call in as each item is presented.

\*Please Note – This process will be a learning curve for all, *please be patient*.

- **Submit written comments:**

We encourage submittal of written comments supporting, opposing, or otherwise commenting on an agenda item, for distribution to the Board prior to the meeting. Send emails to [apriln@iwwvd.com](mailto:apriln@iwwvd.com) written correspondence may be sent to April Nordenstrom, Clerk of the Board, 500 W. Ridgecrest Blvd., **Ridgecrest, CA 93555**. Please specify to which agenda item your comment relates. All communication, whether it is a formal letter or an online informal email, is read by the Clerk of the Board.

- **Large Groups:**

If you are part of a large group that would like to comment on an agenda item, please consider commenting in writing. This will be as impactful to the Council as having a large group in attendance.

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# INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

City of Ridgecrest, Indian Wells Valley Water District, Inyo County, Kern County, San Bernardino County

## BOARD OF DIRECTORS MEETING MINUTES

Thursday, April 16, 2020; 10:00 a.m.

### IWVGA Members Present:

Chairman Mick Gleason, Kern County	Don Zdeba, IWVGA General Manager
John Vallejo, Inyo County	Phillip Hall, Legal Counsel
Ron Kicinski, IWVWD	Steve Johnson, Stetson Engineers
Scott Hayman, City of Ridgecrest	Commander Peter Benson, US Navy, DoD Liaison
Thomas Bickauskas, Bureau of Land Management	April Nordenstrom, Clerk of the Board
Bob Page, San Bernardino County	

Attending via teleconference is Bob Page, John Vallejo, Steve Johnson, Phillip Hall, Commander Peter Benson, Thomas Bickauskas.

Meeting recording and public comment letters submitted are made available at:

<https://iwvga.org/iwvga-meetings/>

### 1. CALL TO ORDER:

The meeting is called to order by Chairman Gleason at 10:00 a.m.

With no Public Comment, Chairman Gleason calls the meeting into Closed Session at 10:02 a.m.

### 2. CLOSED SESSION:

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(4)) Number of cases: 3 or more: Based on existing facts and circumstances, the Board of Directors, on the advice of legal counsel, is meeting to decide whether, and when, to initiate litigation for failure to properly provide well registration and reporting.

### 3. OPEN SESSION:

Meeting was reconvened into open session at 11:00 a.m.

- a. Report on Closed Session:  
Phillip Hall reported that no action was taken which would require disclosure under the Brown Act.
- b. The Pledge of Allegiance is led by Don Zdeba
- c. April Nordenstrom calls the following roll call:

Director Vallejo	Present
Director Kicinski	Present
Chairman Gleason	Present
Director Page	Present
Vice Chair Hayman	Present

### 4. PUBLIC COMMENT:

The Board hears public comment from Mike Neel and Camille Anderson.

### 5. CONSENT AGENDA:

- a. Approve Minutes of Board Meeting March 19, 2020
- b. Approve Expenditures
  - i. \$5,359.55 - RWG Law
  - ii. \$59,725.71 - Stetson Engineers

## iii. \$7,787.50 – Capitol Core Group

Motion made by Ron Kicinski and seconded by Scott Hayman to approve Minutes of Board Meeting March 19, 2020 and the following expenditures in the amount of \$5,359.55 to RWG Law, \$59,725.71 to Stetson Engineers, \$7,787.50 to Capitol Core Group,

Motion unanimously carries by the following roll call vote:

Director Vallejo	Aye
Director Kicinski	Aye
Chairman Gleason	Aye
Vice Chair Hayman	Aye
Director Page	Aye

**6. CONSIDERATION AND ADOPTION OF RESOLUTION 03-20 – REMOVAL OF MOJAVE PISTACHIO REPRESENTATIVES FROM THE POLICY ADVISORY COMMITTEE (PAC) AND THE TECHNICAL ADVISORY COMMITTEE (TAC) FOR FAILURE TO PAY THE GROUNDWATER EXTRACTION FEE SET FORTH IN ORDINANCE 02-18:**

Phillip Hall provides a staff report explaining the decision to move forward with Resolution 03-20 (documents made available on the IWVGA website). Hall states that Mojave Pistachios (MP) did not pay the extraction fee for the months of August 2019 – current. Upon hearing of the resolution, MP has since made a payment, but interest and late fees are still outstanding.

Director Vallejo questions Joshua Nugent as to why MP failed to pay for those months and whether there was communication with the IWVGA staff as to their plan of paying at a later time. Nugent responds they had had minimal to no pumping in the prior months. Due to the extreme pumping changes from month to month they had decided that once they were back on a regular schedule, they would send in a lump sum of the amount owed. There was no exchange between GA staff and MP.

Phillip Hall rebuts Nugent's claim to minimal pumping, stating they extracted 322.44 AF in one month. The extraction fees for that one month totaled to \$9,673.20.

Director Kicinski does not agree with questioning their integrity in regard to pumping data submitted and how they chose to farm their crops. Kicinski states the punishment being given is severe and MP's participation in both the PAC and TAC is vital to the IWVGA and its processes. Kicinski worries that approval of Resolution 03-20 will send a bad message to the community.

Director Hayman states that MP made a conscious effort to not pay their extraction fees. He further states that payment was only made once threat of removal had been brought to their attention. Hayman states that the Board does not have the time to go chasing those who choose to not pay nor should they have too.

Chairman Gleason states the IWVGA is working within the laws set forth by the Sustainable Groundwater Management Act (SGMA). He explains that water extracted beyond our safe yield must be replenished through importation, which will fall on the larger pumpers. Gleason states that by not approving Resolution 03-20, the GA will have to give other pumpers the same pass and that simply cannot happen. He disagrees with Nugent's comments of MP being targeted.

Director Page states being a meaningful participant requires full participation. In addition to looking into all registered non de minimis pumpers submitting pumping information and payments, we need to ensure all information requested by the WRM has been submitted as well. Page questions if MP has submitted all documents; Hall responds they have not submitted the Groundwater Extraction Questionnaire that was due March 1, 2020.

The Board hears public comment from Mike Neel, Joshua Nugent, Renee Westa-Lusk and Mallory Boyd.

Motion made by Mick Gleason and seconded by Bob Page to approve Resolution 03-20 removing Mojave Pistachio Representatives from both the PAC and TAC for failure to pay the groundwater extraction fees.

Motion carries by the following roll call vote.

Director Vallejo	Aye
Director Kicinski	Nay
Chairman Gleason	Aye
Vice Chair Hayman	Aye
Director Page	Aye

## 7. WATER RESOURCES MANAGER REPORT:

Steve Johnson provides updates on the following grants/programs; (presentations made available on the IWVGA website). Johnson identifies a list of key dates which can be found on the IWVGA website.

- a. Report on Proposition 1 Grant Status:  
Invoice #3 has been approved by Department of Water Resources (DWR) in the amount of \$186,199.70. Johnson states Invoice #4, covering the months of July 2019 – September 2019 has been submitted to DWR and is currently under review. Total payment after retention is \$90,978.92. Invoice #5, covering the months of October 2019 – December 2019 has been submitted to DWR and is currently under review. Total payment after retention is \$87,016.17.
- b. Severely Disadvantaged Communities (SDAC) Program:  
Tentatively approved for a one-year extension and consultants may be retained after Grant Agreement is both modified and approved. Johnson states they will update the Board once they hear back from the state.
- c. Proposition 68 Grant Status:  
IWVGA awarded \$330,000 with \$300,000 of that immediately available. The remaining \$30,000 is subject to availability of funds. DWR currently reviewing comments submitted by staff.
- d. Groundwater Pumping Verification:  
Groundwater Extraction Questionnaire was sent to Non de minimis pumpers both registered and suspected within the Indian Wells Valley Basin. The questionnaire was to be submitted to the WRM by March 1, 2020. As of April 13, Stetson has received 32 responses. Those who did not submit the questionnaire will not receive a pumping report.
- e. Groundwater Sustainability Plan (GSP) Annual Report:  
First GSP Annual Report was due to DWR by April 1, 2020, covering water year 2018-2019. Stetson requested a deadline extension to the end of April, which was approved by DWR. The contents of that report include progress towards GSP implementation and groundwater elevation, storage and supply data.

The Board hears public comment from Judie Decker, Renee Westa-Lusk and Tim Parker.

## 8. GENERAL MANAGER'S REPORT:

- a. Monthly Financial Report  
Don Zdeba provides a report on IWVGA finances (made available on the IWVGA website). The current account balance of \$39,837.00 will cover the costs of invoices listed under the Consent Agenda excluding Stetson. Majority of the grant money awarded through Invoice #3 will be used to pay back the Brackish Water Study Group, leaving a remainder of \$19,990.69. Zdeba explains that due to the Coronavirus, grant funding may take longer to receive. He further states the once those grants are received, they will be used to pay the previously deferred Stetson invoices. Zdeba states they are looking into raising the pumping fee to cover costs of unbudgeted GSP tasks.

b. Report on IWVGA's Water Marketer (Capitol Core Group)

Zdeba summarizes the project update memorandum provided by CCG (documents made available on the IWVGA website). Zdeba reads an email sent from CCG stating the California Legislature has recessed all Legislative Session Operations through May 4, 2020 due to the COVID-19 Pandemic. CCG will continue to communicate with Legislators and staff electronically, as well as other coalition members with Critical Infrastructure Projects to develop next steps for when legislature resumes. Once the draft Groundwater Sustainability Report has been approved by the Board CCG will be present it to Assistant Secretary of the Navy Niemeyer and the Director of the office of Energy Installations and Environment. Briefings are also planned with Senator Feinstein, Representative McCarthy, Representative Cook, Captain Dale and Admiral Bolivar. DCIP lobbying will continue in the four main areas originally requested by the IWVGA.

c. Well Registration Update

Non de minimis – 117

De minimis – 115

Chairman Gleason expresses urgency in identifying a shovel ready project that is satisfactory to the Navy.

The Board hears public comment from Camille Anderson.

**9. CLOSING COMMENTS :**

Director Vallejo wishes everyone well.

Director Kicinski states that this was a good meeting with a spirited discussion. Kicinski clarifies with Johnson that the shovel ready project discussed is the AVEK project. Johnson states that a specific project has not been identified.

Vice Chair Hayman thanks Garry, City IT, for all his hard work into making these virtual meetings possible.

**10. DATE AND TIME OF NEXT MEETING – May 21, 2020; 10:00 a.m.**

**11. ADJOURN:**

Chairman Gleason adjourned the meeting at 12:50 p.m.

Respectfully submitted,

*April Nordenstrom*

Clerk of the Board  
Indian Wells Valley Groundwater Authority



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# IWVGA ADMINISTRATIVE OFFICE

*STAFF REPORT*

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**TO:** IWVGA Board Members **DATE:** May 21, 2020

**FROM:** IWVGA Staff

**SUBJECT:** **Agenda Item No. 6(b) – Approval of Resolution No. 04-20 Appointing Steven Kourakos as TAC Representative for Searles Valley Minerals**

## **DISCUSSION**

The by-laws for the Groundwater Authority define the composition of the Technical Advisory Committee (TAC) which includes representation from a Wholesaler and Industrial User. Searles Valley Minerals represents that interest on the committee. Searles Valley Minerals has proposed to replace their current representative on the TAC, Adam Bingham, with Steven Kourakos.

Section 5.12 of the Authority's by-laws, "Technical Advisory Committee Membership," states, "Members of the TAC must have a formal education and experience in a groundwater related field and an understanding of the technical aspects of the Basin or similar groundwater basins in California." Mr. Kourakos has provided his qualifications and credentials for consideration.

## **ACTION(S) REQUIRED BY THE BOARD**

Staff recommends your Board approve the appointment of Steven Kourakos to the TAC as Searles Valley Minerals' representative for the Wholesaler and Industrial User category.

# BEFORE THE BOARD OF DIRECTORS OF THE INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

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In the matter of:

Resolution No. 04-20

## RESOLUTION APPOINTING MEMBER TO THE TECHNICAL ADVISORY COMMITTEE.

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I, \_\_\_\_\_, Clerk of the Board of Directors for the Indian Wells Valley Groundwater Authority, do certify that the following resolution, on motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, was duly passed and adopted by the Board of Directors at an official meeting this 21st day of May, 2020, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

\_\_\_\_\_  
Clerk of the Board of Directors  
Indian Wells Valley Groundwater Authority

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## RESOLUTION

Section 1. WHEREAS:

(a) The Bylaws of the Indian Wells Valley Groundwater Authority provide that individuals shall be appointed to the Technical Advisory Committee ("TAC") by Resolution;

Section 2. **THEREFORE IT IS RESOLVED** by the Board of Directors of the Indian Wells Valley Groundwater Authority, as follows:

1. This Board finds that the recited facts are true and that it has the jurisdiction to consider, approve, and adopt this Resolution.

2. This Board hereby appoints the individuals on the attached Exhibit "A" to the Technical Advisory.

# EXHIBIT A

## Technical Advisory Committee(TAC)

### Member Names

<u>Category</u>	<u>Name</u>
Large Agriculture	Eddy Teasdale
Large Agriculture	Open
Small Agriculture	Don Quist
Kern County Water Agency	Michelle Anderson
Business Interests	Mallory Boyd
Business Interests	Open
Residential Customers of Public Water Agency	Open
Residential Customers of Public Water Agency	Open
Domestic Well Owners	Don Decker
Domestic Well Owners	Open
Eastern Kern County Resource Conservation District	Open
Wholesaler and Industrial User	Open
Indian Wells Valley Water District*	Tim Parker
Department of the Navy*	Jade Zimmerman
Bureau of Land Management*	Open

\* Non-voting members



# STEVEN KOURAKOS

## PROFILE

Accomplished Director of Engineering and Operations with extensive cGMP and pharma experience as well as a strong background in manufacturing operations management, production planning, process engineering, project and construction management, water treatment and conservation programs and automation. Thorough knowledge and expertise in MSHA, OSHA, and environmental (Title V) experience. Advanced skill set gained through diversified history in complex operations/production planning, engineering of expansions, upgrades and new plant construction, supply chain management, and equipment and material sourcing and procurement.

**SKILLS** *Cross-functional Leadership:* Proven record of success leading teams of multidisciplinary employees. Direct, coordinate, guide, and retain highly effective managers.

*Regulatory Compliance:* Experienced with ISO-2000/ISO-9001 implementation, compliance adherence, and audit oversight.

*Interpersonal Skills:* Articulate communicator with logical and persuasive negotiation abilities. Quick to offer practical, innovative solutions and consistent process improvements. Adept at fostering positive relationships and collaborating with internal and external constituencies.

*Computer:* Proficient with online platforms and apps, Google/Chrome/MS Office, AutoCAD, SQL, IFS ERP, and Oracle ERP (OPM, EAM, Purchasing, and Planning).

## STRENGTHS

- Facility operations management
- Process engineering design and analysis
- Water Treatment, Filtration and Conservation Technologies
- Project and construction management
- Production scheduling and forecasting
- JIT/Lean manufacturing practices
- ISO compliance mandates
- Regulatory audits and documentation
- New product development and R&D
- Supply chain management, procurement
- Budgeting and cashflow management
- Team building; leadership development
- Multi-location personnel leadership
- Training program creation
- Safety and environmental programs
- Conflict resolution; change management
- Staff development and training
- Data compilation and analysis
- Risk assessment and management
- Inter-department collaboration
- Vendor sourcing and negotiation

**EDUCATION** *Bachelor of Science, Metallurgical Engineering*

MCGILL UNIVERSITY | Montreal, Quebec

**CERTIFICATES** *Professional Engineering Certification*

QUEBEC ORDER OF ENGINEERS/ORDRE DES INGÉNIEURS DU QUÉBEC (OIQ)

*California Grade T2 TREATMENT LICENSE*

*Project Management Professional (PMP) Certification (currently pursuing)*

PROJECT MANAGEMENT INSTITUTE

**EXPERIENCE** 2019 – 2020: SEARLES VALLEY MINERALS | Trona, CA

*Brine and Water Operations Manager*

- Responsible for managing the solution mining operations at Searles Lake in support of three chemical processing facilities producing soda ash, sodium and potassium sulfate, and borates.
- Responsible for the-maintenance and production of brackish and potable water resources used in the plants' operations as well as in support of the Utilities facility.
- Responsible for production, transportation and treatment of potable water provided to the Searles Domestic Water Company for domestic water distribution to the communities and businesses in Searles Valley.
- Responsible for complying with all safety, environmental and health regulations and

interfacing with several government agencies including the Environmental Protection Agency, the Bureau of Land Management, the State Department of Public Health, and the counties of San Bernardino, Kern and Inyo.

- Manage the total operation of the Brine & Water Production Plant which covers 20,000 acres with over 1000 injection and production wells and associated infrastructure.
- Successfully brought the Brine and Water operations back online following a 7.1 earthquake requiring the management of extensive repairs (approx. \$5 million) and re-commissioning of the facility infrastructure on both the brine, potable and brackish production systems over an 8 week period.
- Manage the reserves at Searles Lake consisting of planning and decisions on drilling and testing of water/brine resources, field data acquisition and analysis, and exploration modeling efforts to optimize solution mining development and operations.
- Responsible for the management of geochemical, hydrogeological, and engineering personnel to develop reserve conceptual models (both brine and brackish) and water well-field operations.

**PREVIOUS EXPERIENCE** **1995 – 2019: IMERYS MINERALS CALIFORNIA, INC.** | Lompoc, CA  
***Global Director of Process Engineering (2016 – 2019)***

- Directed the worldwide planning and review of projects, investments, and process improvement initiatives for Imerys perlite and diatomaceous earth plants.
- Redesigned and commissioned large-scale combustion system to meet environmental BACT emissions standards for NO<sub>x</sub>, ROCs, SO<sub>x</sub>, and particulate emissions as well as environmental discharge requirements for water treatment and mine tailings in Title V facilities.
- Applied FEA/metallurgical heat-treating practices to solve catastrophic failures and reduce downtime of rotating machinery; rotary mills, blowers and agitators.
- Handled document management; developed and implemented new engineering management systems for capital expenditures and tracking.
- Handled project cost estimates, communication, and safety and environmental issues.

Spearheaded and led engineering teams to institute design enhancements to attain and manage large capital investment commitments.

**1995 – 2019: IMERYS MINERALS CALIFORNIA, INC.** | Lompoc, CA  
***North American Director of Process Engineering (2010 – 2016)***

- Transitioned the North American Engineering Department into a multi-functional team supporting both North America and China perlite and diatomaceous earth plants.
- Directed the design, plant commissioning, and complete automation of three facilities as well as two significant expansions and two plant builds.
- Directed the design and implementation into production of three (3) new products in less than 5 months,
- Implemented water conservation technologies during the 7 year drought in Santa Barbara County to reduce consumption by 300 gpm and maintain operations in Lompoc.
- Implemented extensive water treatment systems (600 gpm) ranging from potable to cGMP pharmaceutical grade water to be used in the operations proprietary processes.
- Lowered mining costs and decreased capital expenses by 25%, improved spending forecast accuracy and cash flow management.
- Wrote SOPs to improve support for capital project execution and asset management.
- Improved facility safety, quality, and financial performance in two years; introduced technology solutions for the facilities.
- Handled the successful commissioning of a multi-million dollar plant modernization encompassing validation of product lines, creation of maintenance programs, and operations team training; reduced unscheduled downtime by 90% and 15% reduction in expenses.
- Redesigned large-scale air-swept dryer mill; increasing asset reliability and life cycle

from three months to over two years.

**Site Manager, Lompoc Operations, multiple plants and mine (2005 – 2010)**

- Supervised plant operations; managed budgets, full P&L responsibility, engineering and cost reduction initiatives.
- Responsible for safety, environmental, water and tailings management. Interfaced with agencies such as Fish and Game, Santa Barbara Water Resource Board and Air District, MSHA, OSHA and the EPA.
- Managed a turn-around and rebuilt the Lompoc Operation into a profitable enterprise in 5 months.

**Global Oracle ERP Implementation Core Team (2004 – 2005)**

- Completed a special assignment to implement a new company ERP system worldwide; instituted advanced planning, MRP and purchasing models.

**Director of Lompoc Operations, multiple plants and mine (2001 – 2004)**

- Managed a site with 250 union and non-union employees and four operating plants of a diatomaceous earth mine and manufacturing facility.
- Innovated a tray/flash dryer that increased productivity by 400%; retained a key account.
- Managed and optimized both chemical and large mineral processing facilities; floatation, leaching, filtration, grinding, rotary calciners, dryers, classification, packaging.

**Plant Manager, Lompoc Powder Mills (1999 - 2001)**

- Managed a site with 150 union and non-union employees Instituted performance KPIs, quality, efficiency measures to achieve aggressive goals.

**Global Senior Process Engineer, Corporate (1997 – 1998)**

- Directed, designed, built, and launched a new Chilean product line, start-up of three China plants as well as multiple combustion system upgrades in kilns and dryers globally.

**Process Engineer (1995 – 1997)**

- Analyzed global processes and applied continuous improvements.

**1992 – 1995: Combustion Engineer | PYRO-AIR LTEE | Chateauguay, Quebec**

- Managed the combustion and process design for key projects.
- Designed and led the commissioning of various combustion systems in industries such as aluminum, titanium, steel, metal powders, and food production.

**1990 – 1992: R&D Engineer | QUEBEC IRON AND TITANIUM (RIO TINTO) | Sorel, Quebec**

- Designed and developed projects involving titanium, steel, and iron ore processing.

**LANGUAGES** Fluent English, French and Greek; beginning Spanish

**TRAINING COURSES** LEAN Manufacturing, Negotiating Labor Agreements, Supervisory Practices and Labor Relations, Finance and P&L Management, STOP Safety Program, Combustion, High Temperature Processing, Filtration, Water/Tailings Treatment

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**Invoice**

County of Kern  
 County Administrative Office  
 1115 Truxton Ave., 5th Floor  
 Bakersfield, CA 93301  
 ATTN.: Mr. Alan Christensen

**Invoice Number: 2652-32**  
**Invoice Date: 04/16/20**

Project #: 2652      **Indian Wells Valley Groundwater Authority**

Professional Services through 3/31/2020

**Water Resources Management**

**01 - POAM No. 134 Prep & Attend Board,PAC & TAC Mtgs/Consult w/ Authority & Co**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	23.00	\$230.00	\$5,290.00
Senior Associate	9.25	\$120.00	\$1,110.00
Associate III	1.00	\$105.00	\$105.00
<i>Professional Services Subtotal:</i>			<u>\$6,505.00</u>
<b>Reimbursables</b>			<u>Charge</u>
Reproduction (Color)			\$52.51
Reproduction			\$2.40
Telephone - Conference Call			\$66.61
<i>Reimbursables Subtotal:</i>			<u>\$121.52</u>
<i>'OAM No. 134 Prep &amp; Attend Board,PAC &amp; TAC Mtgs/Consult w/ Authority &amp; Com</i>			<u>\$6,626.52</u>

**02.01 - POAM No. 15,16 Prop 1 Grant Administration**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	2.75	\$230.00	\$632.50
Supervisor I	5.50	\$200.00	\$1,100.00
Senior Associate	39.50	\$120.00	\$4,740.00
Administrative II	19.25	\$65.00	\$1,251.25
<i>Professional Services Subtotal:</i>			<u>\$7,723.75</u>
<i>POAM No. 15,16 Prop 1 Grant Administration Subtotal:</i>			<u>\$7,723.75</u>

**04.01 - POAM No. 54,55 Data Gaps**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
GIS Manager	0.50	\$115.00	\$57.50
Assistant I	8.00	\$95.00	\$760.00
<i>Professional Services Subtotal:</i>			<u>\$817.50</u>
<i>POAM No. 54,55 Data Gaps Subtotal:</i>			<u>\$817.50</u>

**04.02 - POAM No. 20 Data Management System**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	3.00	\$230.00	\$690.00
Associate I	3.75	\$115.00	\$431.25
Assistant I	4.00	\$95.00	\$380.00
<i>Professional Services Subtotal:</i>			<u>\$1,501.25</u>
<i>POAM No. 20 Data Management System Subtotal:</i>			<u>\$1,501.25</u>

**05 - POAM No. 126 Project Management Costs & Schedule**



**05 - POAM No. 126 Project Management Costs & Schedule**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	5.00	\$230.00	\$1,150.00
Supervisor I	16.50	\$200.00	\$3,300.00
Senior Associate	22.75	\$120.00	\$2,730.00
Associate III	5.75	\$105.00	\$603.75
Assistant I	10.75	\$95.00	\$1,021.25
		<i>Professional Services Subtotal:</i>	<u>\$8,805.00</u>
<b>Reimbursables</b>			<u>Charge</u>
Mileage			\$29.33
		<i>Reimbursables Subtotal:</i>	<u>\$29.33</u>
		<i>POAM No. 126 Project Management Costs &amp; Schedule Subtotal:</i>	<u>\$8,834.33</u>

**07.01 - Imported Water RFP**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	2.00	\$230.00	\$460.00
		<i>Professional Services Subtotal:</i>	<u>\$460.00</u>
		<i>Imported Water RFP Subtotal:</i>	<u>\$460.00</u>

**11.02 - POAM No. 56 Monitoring Wells - Implementation**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	1.50	\$200.00	\$300.00
Associate I	2.00	\$115.00	\$230.00
Assistant I	16.00	\$95.00	\$1,520.00
		<i>Professional Services Subtotal:</i>	<u>\$2,050.00</u>
		<i>POAM No. 56 Monitoring Wells - Implementation Subtotal:</i>	<u>\$2,050.00</u>

**11.05 - POAM No. 78 Aquifer Tests**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	2.00	\$200.00	\$400.00
Associate I	8.50	\$115.00	\$977.50
		<i>Professional Services Subtotal:</i>	<u>\$1,377.50</u>
		<i>POAM No. 78 Aquifer Tests Subtotal:</i>	<u>\$1,377.50</u>

**11.06 - POAM No. 74 Water Quality & Stable Isotope Sampling**

<b>Sub-Contractors</b>			<u>Charge</u>
Board of Regents			\$2,016.57
		<i>Sub-Contractors Subtotal:</i>	<u>\$2,016.57</u>
		<i>POAM No. 74 Water Quality &amp; Stable Isotope Sampling Subtotal:</i>	<u>\$2,016.57</u>

**11.07 - POAM No. 69 Weather Stations - Planning**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	7.00	\$230.00	\$1,610.00
Associate I	15.25	\$115.00	\$1,753.75
		<i>Professional Services Subtotal:</i>	<u>\$3,363.75</u>
		<i>POAM No. 69 Weather Stations - Planning Subtotal:</i>	<u>\$3,363.75</u>

**12 - POAM No. 119 SDAC Projects; Water Conservation & Rebate Program**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Associate III	0.75	\$105.00	\$78.75
		<i>Professional Services Subtotal:</i>	<u>\$78.75</u>



*POAM No. 119 SDAC Projects; Water Conservation & Rebate Program Subtotal:* \$78.75

**13 - POAM No. 120 SDAC Projects: Water Audit, Leak Detection & Leak Rpr Program**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Associate III	0.75	\$105.00	\$78.75
<i>Professional Services Subtotal:</i>			<i>\$78.75</i>

*POAM No. 120 SDAC Projects: Water Audit, Leak Detection & Leak Rpr Program S* \$78.75

**14 - POAM No. 139 Pumping Assessment Support**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Senior Associate	14.75	\$120.00	\$1,770.00
<i>Professional Services Subtotal:</i>			<i>\$1,770.00</i>

*POAM No. 139 Pumping Assessment Support Subtotal:* \$1,770.00

**15 - TSS Program**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Assistant I	0.50	\$95.00	\$47.50
<i>Professional Services Subtotal:</i>			<i>\$47.50</i>

*TSS Program Subtotal:* \$47.50

**20 - Prop 68 Grant Application**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	3.75	\$230.00	\$862.50
Senior I	17.00	\$160.00	\$2,720.00
Senior Associate	8.50	\$120.00	\$1,020.00
<i>Professional Services Subtotal:</i>			<i>\$4,602.50</i>

*Prop 68 Grant Application Subtotal:* \$4,602.50

**21 - Prop. 218 Report Preparation**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	6.50	\$230.00	\$1,495.00
Supervisor I	4.00	\$200.00	\$800.00
Senior Associate	9.50	\$120.00	\$1,140.00
Associate III	87.00	\$105.00	\$9,135.00
GIS Specialist I	0.50	\$95.00	\$47.50
<i>Professional Services Subtotal:</i>			<i>\$12,617.50</i>

**Reimbursables**

	<u>Charge</u>
Reproduction (Color)	\$67.64
Permits & Fees	\$320.00
Postage	\$1.20

*Reimbursables Subtotal:* \$388.84

*Prop. 218 Report Preparation Subtotal:* \$13,006.34

**22 - Prepare Meter Testing Specifications**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	6.50	\$230.00	\$1,495.00
Supervisor I	6.50	\$200.00	\$1,300.00
Senior I	13.00	\$160.00	\$2,080.00
Senior Associate	5.00	\$120.00	\$600.00
Associate I	12.00	\$115.00	\$1,380.00

*Professional Services Subtotal:* \$6,855.00



Prepare Meter Testing Specifications Subtotal: \$6,855.00

**23 - Pumping Verification**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	3.00	\$230.00	\$690.00
Supervisor I	14.00	\$200.00	\$2,800.00
Supervisor II	65.00	\$185.00	\$12,025.00
Senior Associate	9.25	\$120.00	\$1,110.00
Associate I	18.75	\$115.00	\$2,156.25
Associate III	14.50	\$105.00	\$1,522.50
Senior Assistant	20.75	\$100.00	\$2,075.00
Administrative II	6.00	\$65.00	\$390.00

Professional Services Subtotal: \$22,768.75

**Reimbursables**

	<u>Charge</u>
Telephone - Conference Call	\$25.72

Reimbursables Subtotal: \$25.72

Pumping Verification Subtotal: \$22,794.47

**24 - Sustainable Yield Allocation Report**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	12.00	\$230.00	\$2,760.00
Supervisor I	5.00	\$200.00	\$1,000.00
Senior Associate	11.75	\$120.00	\$1,410.00
Associate III	1.75	\$105.00	\$183.75

Professional Services Subtotal: \$5,353.75

Sustainable Yield Allocation Report Subtotal: \$5,353.75

**25 - GSP Annual Report 2020**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	32.00	\$200.00	\$6,400.00
Senior Associate	15.50	\$120.00	\$1,860.00
GIS Manager	11.50	\$115.00	\$1,322.50
Assistant I	43.00	\$95.00	\$4,085.00
GIS Specialist I	7.75	\$95.00	\$736.25

Professional Services Subtotal: \$14,403.75

GSP Annual Report 2020 Subtotal: \$14,403.75

**26 - Allocation Process & Transient Pool Support**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	5.00	\$230.00	\$1,150.00
Senior Associate	1.50	\$120.00	\$180.00
Associate III	6.25	\$105.00	\$656.25

Professional Services Subtotal: \$1,986.25

Allocation Process & Transient Pool Support Subtotal: \$1,986.25

**Water Resources Management Subtotal: \$105,748.23**

**\*\*\* Invoice Total \*\*\***

**\$105,748.23**



## REIMBURSABLE SUMMARY

County of Kern  
 County Administrative Office  
 1115 Truxtun Ave., 5th Floor  
 Bakersfield CA 93301  
 ATTN.: Mr. Alan Christensen

**Invoice Number:** 2652-32  
**Invoice Date:** 04/16/20

Project #: 2652 **Indian Wells Valley Groundwater Authority**  
 Manager: Stephen Johnson  
 Professional Services through 03/31/2020

### Water Resources Management

#### 01 - POAM No. 134 Prep & Attend Board,PAC & TAC Mtgs/Consult w/ Authority & Committees to Dev GSP

##### Reimbursables

Description	Date	Units	Unit Rate	Charge	Notes
Telephone - Conference Call	03/30/2020	1.00	\$66.61	\$66.61	
Reproduction	03/31/2020	16.00	\$0.15	\$2.40	
Reproduction (Color)	03/31/2020	59.00	\$0.89	\$52.51	
POAM No. 134 Prep & Attend Board,PAC & TAC Mtgs/Consult w/ Auth				\$121.52	

#### 05 - POAM No. 126 Project Management Costs & Schedule

##### Reimbursables

Description	Date	Units	Unit Rate	Charge	Notes
Mileage	03/06/2020	51.00	\$0.58	\$29.33	
POAM No. 126 Project Management Costs & Schedule Sub-Total:				\$29.33	

#### 11.06 - POAM No. 74 Water Quality & Stable Isotope Sampling

##### Sub-Contractors

Description	Date	Units	Unit Rate	Charge	Notes
Board of Regents	03/27/2020	1.00	\$2,016.57	\$2,016.57	
POAM No. 74 Water Quality & Stable Isotope Sampling Sub-Total:				\$2,016.57	

#### 21 - Prop. 218 Report Preparation

##### Reimbursables

Description	Date	Units	Unit Rate	Charge	Notes
Permits & Fees	03/09/2020	1.00	\$320.00	\$320.00	
Reproduction (Color)	03/12/2020	38.00	\$0.89	\$33.82	
Reproduction (Color)	03/13/2020	38.00	\$0.89	\$33.82	
Postage	03/31/2020	1.00	\$1.20	\$1.20	
Prop. 218 Report Preparation Sub-Total:				\$388.84	

#### 23 - Pumping Verification

##### Reimbursables

Description	Date	Units	Unit Rate	Charge	Notes
Telephone - Conference Call	03/19/2020	1.00	\$25.72	\$25.72	
Pumping Verification Sub-Total:				\$25.72	

# Project Accounting Summary

Account #: 1757778 Invoice #: 1744680022 Date: 03/31/2020

<b>PAC: 2628</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Reich, Steve	335223797	03/02/20	84	\$25.89
<b>Total Conferences:</b>			<b>3</b>	<b>\$147.26</b>

<b>PAC: 2652</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Castaneda, Fatima	341813383	03/30/20	437	\$66.61
<b>Total Conferences:</b>			<b>1</b>	<b>\$66.61</b>

<b>PAC: 265200123</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Castaneda, Fatima	339229583	03/19/20	37	\$25.72
<b>Total Conferences:</b>			<b>1</b>	<b>\$25.72</b>

<b>PAC: 268103</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Castaneda, Fatima	340669034	03/25/20	55	\$25.78
<b>Total Conferences:</b>			<b>1</b>	<b>\$25.78</b>

<b>PAC: 2710</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Sharody, Ali	335191748	03/02/20	33	\$25.73
<b>Total Conferences:</b>			<b>1</b>	<b>\$25.73</b>

<b>PAC: 2728</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Castaneda, Fatima	341878942	03/30/20	61	\$25.82
Castaneda, Fatima	337966431	03/16/20	99	\$25.94
Castaneda, Fatima	335282822	03/02/20	193	\$29.42
<b>Total Conferences:</b>			<b>3</b>	<b>\$81.18</b>

<b>PAC: 2733</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Reich, Steve	342236580	03/31/20	192	\$29.30
<b>Total Conferences:</b>			<b>1</b>	<b>\$29.30</b>

<b>PAC: 2745</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Sharody, Ali	337588724	03/13/20	151	\$26.11
<b>Total Conferences:</b>			<b>1</b>	<b>\$26.11</b>

# Project Accounting Summary

Account #: 1757778 Invoice #: 1744680022 Date: 03/31/2020

<b>PAC: 2628</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Reich, Steve	335223797	03/02/20	84	\$25.89
<b>Total Conferences:</b>	<b>3</b>		<b>880</b>	<b>\$147.26</b>

<b>PAC: 2652</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Castaneda, Fatima	341813383	03/30/20	437	\$66.61
<b>Total Conferences:</b>	<b>1</b>		<b>437</b>	<b>\$66.61</b>

<b>PAC: 265200123</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Castaneda, Fatima	339229583	03/19/20	37	\$25.72
<b>Total Conferences:</b>	<b>1</b>		<b>37</b>	<b>\$25.72</b>

<b>PAC: 268103</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Castaneda, Fatima	340669034	03/25/20	55	\$25.78
<b>Total Conferences:</b>	<b>1</b>		<b>55</b>	<b>\$25.78</b>

<b>PAC: 2710</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Sharoody, Ali	335191748	03/02/20	33	\$25.73
<b>Total Conferences:</b>	<b>1</b>		<b>33</b>	<b>\$25.73</b>

<b>PAC: 2728</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Castaneda, Fatima	341878942	03/30/20	61	\$25.82
Castaneda, Fatima	337966431	03/16/20	99	\$25.94
Castaneda, Fatima	335282822	03/02/20	193	\$29.42
<b>Total Conferences:</b>	<b>3</b>		<b>353</b>	<b>\$81.18</b>

<b>PAC: 2733</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Reich, Steve	342236580	03/31/20	192	\$29.30
<b>Total Conferences:</b>	<b>1</b>		<b>192</b>	<b>\$29.30</b>

<b>PAC: 2745</b>				
Owner Name	Conference	Date	Minutes	Conf Charge
Sharoody, Ali	337588724	03/13/20	151	\$26.11
<b>Total Conferences:</b>	<b>1</b>		<b>151</b>	<b>\$26.11</b>



Invoice for Stetson Engineers Inc. Isotopic Support

INVOICE TO

**Stetson Engineers Inc**  
**Attn: Accounts Payable**  
**2171 East Francisco Blvd. Suite K**  
**San Rafael, CA 94901**

INVOICE NUMBER: CI-06-3399 / 06 ✓

DATE: 03/27/20

AMOUNT: \$2,016.57

TERMS: Due Upon Receipt ✓

Contract/Grant/Agreement/Purchase Order <b>Stetson Engineers Inc. Contract # 2652 - 001</b> ✓ <b>Contract Dated 5/24/19</b>	Period Billed	
	From 2/1/2020	To 2/29/2020
Title: Stetson Engineers Inc. / Isotopic Support - Indian Wells Valley Groundwater Authority		
P.I.: Chapman, Jenny		
DRI Acct: <u>AWD-06-00000523 / GR09067 RC0068</u> TAX ID #: 886000024		
Cost Elements/Services	Current	Cumulative

Stetson Engineers, Inc. - Isotopic Support - Indian Wells Valley Groundwater Authority

Salaries	2,016.57	19,253.42
Travel	0.00	0.00
Operating	0.00	0.00
<b>Totals</b>	<u>2,016.57</u>	<u>19,253.42</u>

**Total Amount Due This Invoice** 2,016.57 ✓

Budget Amount 28,137.00  
 Invoiced to Date 19,253.42  
 Budget Balance **8,883.58**

"I certify to the best of my ability that all expenditures reported are for appropriate purposes and in accordance with the provisions of the award documentation."

*Sherril Schmidt* 03/27/20

Sherril Schmidt, Sponsored Research Specialist Date

(775) 673-7404

Make Check Payable To: **Board of Regents** Mail Check To: Desert Research Institute  
 Financial Services Office  
 2215 Raggio Parkway  
 Reno, Nevada 89512-1095

\* Please return Invoice Copy with Check \*





GR09067

Stetson Engineers - Isotopic Support - IWVGA

2/29/2020

Contract # 2652 - 001

Position	Worker	Rate	Hours	Cost
Groundwater Modeler-SME	Karl Pohlmann	230.78	0.000000	0.00
Hydrogeologist-SME	Jenny Chapman	258.45	7.802554	2,016.57
Geochemist-SME	Jim Thomas	193.52	0.000000	0.00
Geochemist	Ron Hershey	184.51	0.000000	0.00
GIS Professional	Cheryl Collins	98.95	0.000000	0.00

**Total Salaries & Fringe**

**2,016.57** ✓



861 Village Oaks Drive, Suite 100 • Covina , California 91724  
Phone: (626) 967-6202 • Fax: (626) 331-7065 • Website: [www.stetsonengineers.com](http://www.stetsonengineers.com)  
Northern California • Southern California • Arizona • Colorado • Oregon

Reply to: Covina

March 9, 2020

Inyo County Assessor  
PO Box J  
Independence, CA 93526

**Subject: Request for Inyo County 2019 Final Equalized Tax Roll**

This letter is submitted to the Inyo County Assessor's Office to request Inyo County GIS Parcel Data associated with last year's (2019) final equalized tax roll.

Stetson Engineers, Inc., is assisting Kern County Deputy County Counsel Phillip Hall in preparation of a Proposition 218 Report for the Indian Wells Valley Groundwater Authority (Authority). The Proposition 218 Report will quantify the benefits that landowners will receive from sustainable management of the Indian Wells Valley groundwater basin (Basin). The Proposition 218 Report will be the basis for fees that will be collected to fund the Authority's planned projects and management actions to be implemented in accordance with the Authority's Groundwater Sustainability Plan (GSP), which was adopted in January 2020 pursuant to the requirements of the Sustainable Groundwater Management Act (SGMA). The fees will also fund the current and future daily operations of the Authority, including staff hours, engineering support, and general administrative expenses.

To complete the Proposition 218 Report, the Assessor's parcels in the Inyo County portion of the Basin must be identified and evaluated for the potential special benefits incurred from the Authority's planned projects and management actions that will be implemented in accordance with the Authority's GSP. We are therefore



requesting the parcel boundaries used for property tax purposes on the 2019 final equalized tax roll, as well as vital information associated with each parcel including Assessor's Parcel Number (APN), parcel size (in acres), record owner name, parcel address, parcel land use, parcel zoning designations, and tax status (i.e. assessable, not assessable, etc).

This Proposition 218 Report is planned for adoption at an upcoming Authority Board of Directors meeting, so obtaining the Inyo County GIS Parcel Data for last year's (2019) final equalized tax roll is a critical and urgent matter for the Authority.

Please see the information below pursuant to this request, along with the payment attached:

Contact Name: **Joseph Montoya**

Company/Agency Name: **Stetson Engineers, Inc.**

Mailing Address: **861 Village Oaks Drive, Suite 100  
Covina, CA 91724**

Phone Number: **(626) 967-6202**

Email Address: [JosephM@stetsonengineers.com](mailto:JosephM@stetsonengineers.com)

Dataset Requested: **2019 Final Equalized Tax Roll**

Thank you for your consideration in this matter. If you have any questions, feel free to give me a call at (626) 967-6202, extension 31.

Sincerely,

Joseph Montoya  
Stetson Engineers, Inc.

STETSON ENGINEERS INC  
2171 E. FRANCISCO BLVD. STE. K  
SAN RAFAEL, CA 94901-6536

2539

11-4288/1210 8482  
0539048595

DATE 3/9/20

PAY  
TO THE  
ORDER OF

Inyo County Assessor

\$ 320<sup>00</sup>

Three hundred - twenty dollars and <sup>00</sup>/<sub>100</sub>

DOLLARS



Wells Fargo Bank, N.A.  
California  
wellsfargo.com

FOR

2452-001:21

⑈0000002539⑈

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**Invoice**

County of Kern  
 County Administrative Office  
 1115 Truxton Ave., 5th Floor  
 Bakersfield, CA 93301  
 ATTN.: Mr. Alan Christensen

**Invoice Number: 2652-33**  
**Invoice Date: 05/13/20**

Project #: 2652      **Indian Wells Valley Groundwater Authority**

Professional Services through 4/30/2020

**Water Resources Management**

**01 - POAM No. 134 Prep & Attend Board, PAC & TAC Mtgs/Consult w/ Authority & Co**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	20.00	\$230.00	\$4,600.00
Supervisor I	15.75	\$200.00	\$3,150.00
Senior Associate	5.00	\$120.00	\$600.00
Associate III	4.75	\$105.00	\$498.75
Senior Assistant	36.25	\$100.00	\$3,625.00
<i>Professional Services Subtotal:</i>			<u>\$12,473.75</u>
<b>Reimbursables</b>			<u>Charge</u>
Reproduction (Color)			\$30.26
Reproduction			\$7.35
<i>Reimbursables Subtotal:</i>			<u>\$37.61</u>
<i>'OAM No. 134 Prep &amp; Attend Board, PAC &amp; TAC Mtgs/Consult w/ Authority &amp; Com</i>			<u>\$12,511.36</u>

**02.01 - POAM No. 15,16 Prop 1 Grant Administration**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	2.50	\$230.00	\$575.00
Supervisor I	1.50	\$200.00	\$300.00
Senior Associate	38.75	\$120.00	\$4,650.00
Associate III	0.25	\$105.00	\$26.25
Administrative II	7.50	\$65.00	\$487.50
<i>Professional Services Subtotal:</i>			<u>\$6,038.75</u>
<i>POAM No. 15,16 Prop 1 Grant Administration Subtotal:</i>			<u>\$6,038.75</u>

**04.02 - POAM No. 20 Data Management System**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	6.00	\$230.00	\$1,380.00
Supervisor I	1.50	\$200.00	\$300.00
Senior Associate	5.00	\$120.00	\$600.00
Associate I	124.00	\$115.00	\$14,260.00
Assistant I	13.25	\$95.00	\$1,258.75
GIS Specialist I	2.50	\$95.00	\$237.50
Technical Illustrator	1.50	\$85.00	\$127.50
<i>Professional Services Subtotal:</i>			<u>\$18,163.75</u>
<i>POAM No. 20 Data Management System Subtotal:</i>			<u>\$18,163.75</u>

**05 - POAM No. 126 Project Management Costs & Schedule**



**05 - POAM No. 126 Project Management Costs & Schedule**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	7.50	\$230.00	\$1,725.00
Supervisor I	5.50	\$200.00	\$1,100.00
Senior Associate	22.75	\$120.00	\$2,730.00
Associate III	3.25	\$105.00	\$341.25
Assistant I	1.75	\$95.00	\$166.25
			<i>Professional Services Subtotal:</i>
			\$6,062.50
			<i>POAM No. 126 Project Management Costs &amp; Schedule Subtotal:</i>
			\$6,062.50

**07.01 - Imported Water RFP**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	1.00	\$230.00	\$230.00
Associate III	9.00	\$105.00	\$945.00
			<i>Professional Services Subtotal:</i>
			\$1,175.00
			<i>Imported Water RFP Subtotal:</i>
			\$1,175.00

**11.02 - POAM No. 56 Monitoring Wells - Implementation**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Associate I	1.00	\$115.00	\$115.00
Assistant I	9.25	\$95.00	\$878.75
			<i>Professional Services Subtotal:</i>
			\$993.75
			<i>POAM No. 56 Monitoring Wells - Implementation Subtotal:</i>
			\$993.75

**11.03 - POAM No. 64 Stream Gages - Planning**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Associate I	3.25	\$115.00	\$373.75
			<i>Professional Services Subtotal:</i>
			\$373.75
			<i>POAM No. 64 Stream Gages - Planning Subtotal:</i>
			\$373.75

**11.04 - POAM No. 64 Stream Gages - Implementation**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	7.75	\$230.00	\$1,782.50
Associate I	11.00	\$115.00	\$1,265.00
			<i>Professional Services Subtotal:</i>
			\$3,047.50
			<i>POAM No. 64 Stream Gages - Implementation Subtotal:</i>
			\$3,047.50

**11.06 - POAM No. 74 Water Quality & Stable Isotope Sampling**

<b>Sub-Contractors</b>		<u>Charge</u>
Board of Regents		\$4,804.88
		<i>Sub-Contractors Subtotal:</i>
		\$4,804.88
		<i>POAM No. 74 Water Quality &amp; Stable Isotope Sampling Subtotal:</i>
		\$4,804.88

**11.07 - POAM No. 69 Weather Stations - Planning**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	2.50	\$230.00	\$575.00
			<i>Professional Services Subtotal:</i>
			\$575.00
			<i>POAM No. 69 Weather Stations - Planning Subtotal:</i>
			\$575.00

**11.08 - POAM No. 69 Weather Stations - Implementation**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	3.50	\$230.00	\$805.00



**11.08 - POAM No. 69 Weather Stations - Implementation**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Associate I	13.50	\$115.00	\$1,552.50
<i>Professional Services Subtotal:</i>			<u>\$2,357.50</u>
<i>POAM No. 69 Weather Stations - Implementation Subtotal:</i>			<u>\$2,357.50</u>

**12 - POAM No. 119 SDAC Projects; Water Conservation & Rebate Program**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Associate III	0.75	\$105.00	\$78.75
<i>Professional Services Subtotal:</i>			<u>\$78.75</u>
<i>POAM No. 119 SDAC Projects; Water Conservation &amp; Rebate Program Subtotal:</i>			<u>\$78.75</u>

**13 - POAM No. 120 SDAC Projects: Water Audit, Leak Detection & Leak Rpr Program**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Associate III	0.25	\$105.00	\$26.25
<i>Professional Services Subtotal:</i>			<u>\$26.25</u>
<i>POAM No. 120 SDAC Projects: Water Audit, Leak Detection &amp; Leak Rpr Program S</i>			<u>\$26.25</u>

**14 - POAM No. 139 Pumping Assessment Support**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	4.00	\$230.00	\$920.00
Senior Associate	16.50	\$120.00	\$1,980.00
Associate III	1.00	\$105.00	\$105.00
<i>Professional Services Subtotal:</i>			<u>\$3,005.00</u>
<i>POAM No. 139 Pumping Assessment Support Subtotal:</i>			<u>\$3,005.00</u>

**15 - TSS Program**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	1.00	\$200.00	\$200.00
<i>Professional Services Subtotal:</i>			<u>\$200.00</u>
<i>TSS Program Subtotal:</i>			<u>\$200.00</u>

**17 - Navy-COSO**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	2.00	\$230.00	\$460.00
<i>Professional Services Subtotal:</i>			<u>\$460.00</u>
<i>Navy-COSO Subtotal:</i>			<u>\$460.00</u>

**20 - Prop 68 Grant Application**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	2.00	\$230.00	\$460.00
Senior I	0.50	\$160.00	\$80.00
Senior Associate	7.00	\$120.00	\$840.00
<i>Professional Services Subtotal:</i>			<u>\$1,380.00</u>
<i>Prop 68 Grant Application Subtotal:</i>			<u>\$1,380.00</u>

**21 - Prop. 218 Report Preparation**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	3.75	\$200.00	\$750.00
Associate III	18.50	\$105.00	\$1,942.50
GIS Specialist I	0.50	\$95.00	\$47.50
<i>Professional Services Subtotal:</i>			<u>\$2,740.00</u>





*Prop. 218 Report Preparation Subtotal:* \$2,740.00

**22 - Prepare Meter Testing Specifications**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	2.50	\$230.00	\$575.00
Supervisor I	2.00	\$200.00	\$400.00
Senior I	4.25	\$160.00	\$680.00
Senior Associate	0.50	\$120.00	\$60.00
Associate I	2.75	\$115.00	\$316.25
			<u>Professional Services Subtotal:</u> <u>\$2,031.25</u>

*Prepare Meter Testing Specifications Subtotal:* \$2,031.25

**23 - Pumping Verification**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	1.50	\$230.00	\$345.00
Supervisor I	20.00	\$200.00	\$4,000.00
Supervisor II	79.50	\$185.00	\$14,707.50
Senior Associate	1.75	\$120.00	\$210.00
Associate III	45.75	\$105.00	\$4,803.75
Senior Assistant	14.75	\$100.00	\$1,475.00
Administrative II	4.00	\$65.00	\$260.00
			<u>Professional Services Subtotal:</u> <u>\$25,801.25</u>

*Pumping Verification Subtotal:* \$25,801.25

**24 - Sustainable Yield Allocation Report**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	2.50	\$230.00	\$575.00
Supervisor I	4.00	\$200.00	\$800.00
Senior Associate	9.00	\$120.00	\$1,080.00
Associate III	7.00	\$105.00	\$735.00
			<u>Professional Services Subtotal:</u> <u>\$3,190.00</u>

*Sustainable Yield Allocation Report Subtotal:* \$3,190.00

**25 - GSP Annual Report 2020**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	46.00	\$200.00	\$9,200.00
Senior I	7.25	\$160.00	\$1,160.00
Senior Associate	24.00	\$120.00	\$2,880.00
GIS Manager	14.00	\$115.00	\$1,610.00
Associate III	2.00	\$105.00	\$210.00
Assistant I	41.25	\$95.00	\$3,918.75
GIS Specialist I	11.50	\$95.00	\$1,092.50
			<u>Professional Services Subtotal:</u> <u>\$20,071.25</u>

<b>Reimbursables</b>	<u>Charge</u>
Overnight Mail	\$14.83
	<u>Reimbursables Subtotal:</u> <u>\$14.83</u>

*GSP Annual Report 2020 Subtotal:* \$20,086.08

**26 - Allocation Process & Transient Pool Support**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	0.50	\$200.00	\$100.00



**26 - Allocation Process & Transient Pool Support**

*Professional Services Subtotal:* \$100.00

*Allocation Process & Transient Pool Support Subtotal:* \$100.00

**27 - 2020 Data Collection/Monitoring/Data Gaps**

**Professional Services**

Supervisor I

Bill Hours      Bill Rate      Charge

2.00      \$200.00      \$400.00

*Professional Services Subtotal:* \$400.00

*2020 Data Collection/Monitoring/Data Gaps Subtotal:* \$400.00

**28 - 2020 Model Transfer and Upgrade**

**Professional Services**

Supervisor I

Bill Hours      Bill Rate      Charge

9.50      \$200.00      \$1,900.00

*Professional Services Subtotal:* \$1,900.00

*2020 Model Transfer and Upgrade Subtotal:* \$1,900.00

**29 - 2020 Grant Review/Application**

**Professional Services**

Associate III

Bill Hours      Bill Rate      Charge

12.50      \$105.00      \$1,312.50

*Professional Services Subtotal:* \$1,312.50

*2020 Grant Review/Application Subtotal:* \$1,312.50

***Water Resources Management Subtotal:* \$118,814.82**

**\*\*\* Invoice Total \*\*\* \$118,814.82**



2171 E. Francisco Blvd., Suite K • San Rafael, California 94901  
 Phone: (415) 457-0701 • FAX: (415) 457-1638 • Website: www.stetsonengineers.com

Northern California • Southern California • Arizona • Colorado • Oregon

## REIMBURSABLE SUMMARY

County of Kern  
 County Administrative Office  
 1115 Truxtun Ave., 5th Floor  
 Bakersfield CA 93301  
 ATTN.: Mr. Alan Christensen

**Invoice Number: 2652-33**

**Invoice Date: 05/13/20**

Project #: 2652 **Indian Wells Valley Groundwater Authority**

Manager: Stephen Johnson

Professional Services through 04/30/2020

### Water Resources Management

#### 01 - POAM No. 134 Prep & Attend Board,PAC & TAC Mtgs/Consult w/ Authority & Committees to Dev GSP

##### Reimbursables

<u>Description</u>	<u>Date</u>	<u>Units</u>	<u>Unit Rate</u>	<u>Charge</u>	<u>Notes</u>
Reproduction	04/30/2020	49.00	\$0.15	\$7.35	
Reproduction (Color)	04/30/2020	34.00	\$0.89	\$30.26	
				POAM No. 134 Prep & Attend Board,PAC & TAC Mtgs/Consult w/ Auth	\$37.61

#### 11.06 - POAM No. 74 Water Quality & Stable Isotope Sampling

##### Sub-Contractors

<u>Description</u>	<u>Date</u>	<u>Units</u>	<u>Unit Rate</u>	<u>Charge</u>	<u>Notes</u>
Board of Regents	04/22/2020	1.00	\$4,804.88	\$4,804.88	
				POAM No. 74 Water Quality & Stable Isotope Sampling Sub-Total:	\$4,804.88

#### 25 - GSP Annual Report 2020

##### Reimbursables

<u>Description</u>	<u>Date</u>	<u>Units</u>	<u>Unit Rate</u>	<u>Charge</u>	<u>Notes</u>
Overnight Mail	03/30/2020	1.00	\$14.83	\$14.83	
				GSP Annual Report 2020 Sub-Total:	\$14.83

<b>Invoice Number</b>	<b>Invoice Date</b>	<b>Account Number</b>	Page
6-988-97677	Apr 17, 2020	1120-7190-3	6 of 6

**FedEx Ground Shipment Detail By Reference (Original)**

<b>Ship Date:</b> Mar 30, 2020	<b>Cust. Ref.:</b> NO REFERENCE INFORMATION	<b>P.O.#:</b> 2652-00125
<b>Payor:</b> Third Party	<b>Dept. #:</b>	
<b>Tracking ID</b> 391496426413	<b>Sender</b> Nichole Weedman	<b>Recipient</b> DONALD M ZDEBA
<b>Service Type</b> Bill 3rd Party, Dom	<b>Sender</b> Nichole Weedman	<b>Recipient</b> INDIAN WELLS VALLEY WATER DIST
<b>Zone</b> 03	<b>Sender</b> 2171 FRANCISCO BLVD E STE K	<b>Recipient</b> 500 W RIDGECREST BLVD
<b>Packages</b> 1	<b>Sender</b> SAN RAFAEL CA 94901	<b>Recipient</b> RIDGECREST CA 93555-4017
<b>Actual Weight</b> 3.8 lbs		
<b>Rated Weight</b> 4 lbs		
<b>Delivered</b> Apr 01, 2020		
<b>NO REFERENCE INFORMATION Reference Subtotal</b>		<b>USD \$14.83</b>
<b>Total FedEx Ground</b>		<b>USD \$14.83</b>



Invoice for Stetson Engineers Inc, Isotopic Support

INVOICE TO

**Stetson Engineers Inc**  
**Attn: Accounts Payable**  
**2171 East Francisco Blvd. Suite K**  
**San Rafael, CA 94901**

INVOICE NUMBER: CI-06-3494 / 07 ✓

DATE: 04/22/20

AMOUNT: \$4,804.88 ✓

TERMS: Due Upon Receipt

Contract/Grant/Agreement/Purchase Order		Period Billed	
<b>Stetson Engineers Inc. Contract # 2652 - 001</b> ✓		From	To
<b>Contract Dated 5/24/19</b>		3/1/2020	3/31/2020
Title: Stetson Engineers Inc, / Isotopic Support - Indian Wells Valley Groundwater Authority			
P.I.: Chapman, Jenny			
DRI Acct: <u>AWD-06-00000523 / GR09067 RC0068</u>		TAX ID #: 886000024	
Cost Elements/Services	Current	Cumulative	

Stetson Engineers, Inc. - Isotopic Support - Indian Wells Valley Groundwater Authority

Salaries	4,804.88	24,058.30
Travel	0.00	0.00
Operating	0.00	0.00
<b>Totals</b>	<u>4,804.88</u>	<u>24,058.30</u>

**Total Amount Due This Invoice** 4,804.88 ✓

Budget Amount	28,137.00
Invoiced to Date	<u>24,058.30</u>
<b>Budget Balance</b>	<b>4,078.70</b>

"I certify to the best of my ability that all expenditures reported are for appropriate purposes and in accordance with the provisions of the award documentation."

*Sherril Schmidt*

04/22/20

Sherril Schmidt, Sponsored Research Specialist

Date

(775) 673-7404

Make Check Payable To: **Board of Regents**

Mail Check To:

Desert Research Institute  
 Financial Services Office  
 2215 Raggio Parkway  
 Reno, Nevada 89512-1095

\* Please return Invoice Copy with Check \*



Stetson Engineers - Isotopic Support - IWVGA

Awd-06-523 / GR09067

2652 - 001

3/31/2020

<b>Position</b>	<b>Worker</b>	<b>Rate</b>	<b>Hours</b>	<b>Cost</b>
Groundwater Modeler-SME	Karl Pohlmann	230.78	0.000000	0.00
Hydrogeologist-SME	Jenny Chapman	258.45	12.677307	3,276.45
Hourly Data Analyst	Austin Chapman	29.46	30.837746	908.48
Geochemist-SME	Jim Thomas	193.52	0.000000	0.00
Geochemist	Ron Hershey	184.51	0.000000	0.00
GIS Professional	Cheryl Collins	98.95	6.265285	619.95

**Total Salaries & Fringe**

**4,804.88**

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CAPITOL  
CORE  
GROUP

**Capitol Core Group, Inc.**  
205 Cartwheel Bend (Operations Dept.)  
Austin, TX 78738 US  
949.274.9605  
operations@capitolcore.com  
www.capitolcore.com

**BILL TO**

Indian Wells Valley Groundwater  
Authority  
500 West Ridgecrest Blvd.  
Ridgecrest, California 93555  
USA

**INVOICE 2020-028**

**DATE** 05/01/2020 **TERMS** Net 45

**DUE DATE** 06/15/2020

DATE	ACCOUNT SUMMARY	AMOUNT
04/03/2020	Balance Forward	\$7,787.50
	Other payments and credits after 04/03/2020 through 04/30/2020	0.00
05/01/2020	Other invoices from this date	0.00
05/01/2020	Other payments from this date	-7,787.50
	New charges (details below)	6,710.00
	Total Amount Due	\$6,710.00

ACTIVITY	HOURS	RATE	AMOUNT
<b>Charges</b>			
Task 2 -- Transfer Partners			
<b>Strategic Communications:Water Procurement Assistance</b> Advocacy: Potential Transfer Partner calls 04.22.2020 and 04.24.2020 (Tatum)	1	250.00	250.00
<b>Strategic Communications:Water Procurement Assistance</b> Advocacy: Internal conference calls re: Partner strategies and ongoing communications (Tatum)	1	250.00	250.00
<b>Strategic Communications:Water Procurement Assistance</b> Advocacy: Follow-up with transfer partners, misc. calls re: long-term water supplies (Tatum)	1	250.00	250.00
<b>Strategic Communications:Water Procurement Assistance</b> Advocacy: Conf. call w/ AVEK re: Potential water transfers and memo (Simonetti)	1.25	225.00	281.25
Total Task 2 = \$1,031.25			
Task 3 -- Secure Funding Sources			
<b>Government Relations:Federal Legislative Affairs</b> Direct Advocacy: Follow-up with DOD OEA to determine DCIP Implementation Status {Newman}	1.45	150.00	217.50
<b>Government Relations:Federal Legislative Affairs</b> Direct Advocacy: U.S. Senate: Environment and Public Works Committee - - Pending draft Water Legislation (Newman)	1.50	150.00	225.00



ACTIVITY	HOURS	RATE	AMOUNT
<b>Government Relations:Federal Legislative Affairs</b> Direct Advocacy: United States House of Representatives: House Energy & Commerce Committee -- Pending "Stim-4/CARES-2" Legislation (Newman)	1.45	150.00	217.50
<b>Government Relations:Federal Legislative Affairs</b> Direct Advocacy: Analysis, review and research on draft summaries of water infrastructure legislation House/Senate (Newman)	3.50	150.00	525.00
<b>Government Relations:Federal Legislative Affairs</b> Direct Advocacy: Legislative calls U.S. Senate -- AWIA/DWIA (Simonetti)	1	225.00	225.00
<b>Government Relations:Federal Legislative Affairs</b> Direct Advocacy: Legislative call w/ Rep. Cook and Memorandum review (Simonetti)	1.50	225.00	337.50
<b>Government Relations:Federal Legislative Affairs</b> Direct Advocacy: Follow-up with DOD-OEA, memo review (Simonetti)	1.50	225.00	337.50
<b>Government Relations:Federal Legislative Affairs</b> Direct Advocacy: DCIP implementation guidelines review, monthly memorandum (Simonetti)	1.50	225.00	337.50
<b>Government Relations:Federal Legislative Affairs</b> Direct Advocacy: DOD-USN/EIE follow-up (Simonetti)	1	225.00	225.00
<b>Government Relations:Federal Legislative Affairs</b> Direct Advocacy: Final revisions to DCIP Implementation Guideline letter (Undersecretary Lord), follow-up w/ Newman, follow-up with IWVGA (McKinney)	1.50	250.00	375.00
<b>Government Relations:Federal Legislative Affairs</b> Direct Advocacy: Final revisions to Navy report, memorandum development, IWVGA conf. call on procedure, internal strategy calls w/ team on USN (McKinney)	2.50	250.00	625.00
<b>Government Relations:Federal Legislative Affairs</b> Direct Advocacy: Conf. call w/ House staff -- Rep. Defazio on infrastructure stimulus and water, review of House materials, emails to client (McKinney)	2	250.00	500.00
<b>Government Relations:Federal Legislative Affairs</b> Direct Advocacy: House/Senate appropriations -- advocacy and political intelligence on "Stimulus" legislation re: water infrastructure, review of Senate/House materials, Stim-4/CARES-2 strategy development, internal calls, begin analysis memorandum to client (McKinney)	3	250.00	750.00
Total Task 3 = \$4,897.50			
Task 4 -- Meetings and Reporting			
<b>Government Relations:Public Affairs</b> Board item follow-up (Simonetti)	0.50	225.00	112.50
<b>Government Relations:Public Affairs</b> Internal calls w/ IWVGA staff re: priorities (Simonetti)	0.75	225.00	168.75
<b>Government Relations:Federal Legislative Affairs</b> Reporting: Client Project Update Memorandum and Board Meeting Preparation (McKinney)	1	250.00	250.00
<b>Government Relations:Public Affairs</b> Reporting: IWVGA Board Meeting (Teleconference) (McKinney)	1	250.00	250.00
Total Task 4 = \$781.25			
Thank you for your business. Please make checks payable to Capitol Core Group, Inc.	TOTAL OF NEW CHARGES		6,710.00

TOTAL DUE

**\$6,710.00**

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# Brown Armstrong Accountancy Corporation

4200 Truxtun Avenue

Suite 300

Bakersfield, CA 93309

661-324-4971

INDIAN WELLS VALLEY GROUND WATER AUTHORITY

Invoice No. 253092

CITY OF RIDGECREST

100 W. CALIFORNIA AVENUE

RIDGECREST, CA 93555

Date March 29, 2020

Client No. 32711.001

Work in progress on 2019 and 2018 audit:

(Contract amount/Billed to date: \$9,000/\$3,800)

Current Invoice Amount	\$	1,800.00
Beginning Balance		<u>2,000.00</u>
Balance Due	\$	<u>3,800.00</u>

0 - 30	31 - 60	61 - 90	91 - 120	Over 120	Balance
1,800.00	2,000.00	0.00	0.00	0.00	3,800.00

Please remit by: April 25, 2020  
Credit Card Payments Accepted  
(3% Convenience Fee will Apply)  
Make checks payable to: **Brown Armstrong**  
E-mail billing inquiries to: Candi White  
cwhite@bacpas.com

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WellIntel Inc.  
906 E. Hamilton St.  
Milwaukee, WI 53202 US  
844-935-5426  
accounting@wellIntel.com

# Invoice 1869



<b>BILL TO</b> Don Zdeba Indian Wells Valley Groundwater Authority 500 W. Ridgecrest Blvd. Ridgecrest, CA 93555 USA	<b>SHIP TO</b> Don Zdeba Indian Wells Valley Groundwater Authority 500 W. Ridgecrest Blvd. Ridgecrest, CA 93555 USA	<b>DATE</b> 05/13/2020	<b>PLEASE PAY</b> \$1,260.00	<b>DUE DATE</b> 06/12/2020
--	--	---------------------------	---------------------------------	-------------------------------

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
2DSNN1	Analytics Dashboard (AD) Subscription (monthly) - 10 wells for 9 months	90	14.00	1,260.00
T - Sales Tax	Sales Tax calculated by AvaTax on Wed 13 May 21:13:33 UTC 2020	1	0.00	0.00

**TOTAL DUE** **\$1,260.00**

THANK YOU.

*Handwritten signature:*  
OK  
Don Zdeba  
13 May 2020

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TO: Members of the Board of Director, Indian Wells Valley Groundwater Authority  
Mr. Don Zdeba, General Manager IWVGA

FROM: Michael W. McKinney, Partner – Capitol Core Group

CC: Jeff Simonetti, SVP – Capitol Core Group  
Todd Tatum, Sr. Advisor – Capitol Core Group  
Steve Johnson, Stetson Engineering

DATE: April 22, 2020

SUBJECT: Request for Reconsideration – Groundwater Sustainability Report to U.S. Navy

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Pursuant to the instructions of the Board of Directors on Thursday, January 16, 2020, Capitol Core Group requests reconsideration of the final version of the Groundwater Sustainability Report: Groundwater Basin Resiliency and Request for Funding Consideration.

#### BACKGROUND:

Capitol Core's Scope of Work at Task 3 authorizes it to "identify and secure potential funding sources." This includes the identification of federal and state funding sources to assist in financing required infrastructure to bring imported water supplies to the Indian Wells Valley as stated in the approved Groundwater Sustainability Plan (GSP) approved on January 16, 2020.

In an effort to seek and secure federal funding, Capitol Core has worked extensively with the Department of Defense, Department of the Navy's office of Energy Infrastructure and Environment (EIE). This work began in September 2019 and continues to current day. Our work has primarily been within the EIE, who has formed a three-member working group which includes Director Sandra Kline and has included several direct briefings with Assistant Secretary Lucian Niemeyer. The draft version of the GSP was provided to EIE and the Assistant Secretary for their review and comment. Notice of the approved/final GSP was provided to these same parties in late-January 2020 and was acknowledged as received by the parties in early-February 2020.

Capitol Core Group began preparation of a final report and request for funding participation by the Department of the Navy in the infrastructure project (as described above) in mid-November 2019. Our final draft was presented to the Board of Directors for approval in January 2020. This document, entitled "Groundwater Sustainability Report: Groundwater Basin Resiliency and Request for Funding Consideration" was to be presented in person by IWVGA personnel to both the EIE and the Assistant Secretary in March 2020. The COVID-19 pandemic response has delayed that presentation. Informal work, however; continues on the subject matter.

#### REQUEST FOR RECONSIDERATION

The "Groundwater Sustainability Report: Groundwater Basin Resiliency and Request for Funding Consideration" was presented to the Board for consideration and approved on January 16, 2020. The Report was approved with the stipulation that Capitol Core Group would remove any mention of potential partners for an imported water project. That stipulation was caveated with the Board's direction that "should an



identified project be required, [the Report] would return to the Board for further discussion.” The motion was approved by the Board unanimously.

Capitol Core Group requests the Board reconsider the removal of the identified projects within the Report and has provided a revised draft for approval/signature.

## DISCUSSION

1. The Report is inconsistent with the GSP.

Both the draft-GSP and the final GSP (approved by the Board, January 16, 2020) identify the proposed connection routes for imported water to be brought into the Indian Wells Valley. At the direction of the Board, and required by our Scope of Work, Capitol Core provided and discussed, at length, the draft-GSP with the Department of Navy. Our discussions from mid-November into January included both potential interconnection projects – Los Angeles Department of Water and Power (LADWP) and the Antelope Valley East Kern (AVEK). By the time the GSP was approved by the Board, the Department of Navy had become very familiar with the proposals to bring imported water into the Basin.

As requested by the Assistant Secretary, the approved-GSP was provided to EIE for review. Removing the proposed projects from this formal request and report is inconsistent.

2. Post-approval discussions are creating confusion.

At the Board’s direction, Capitol Core began removing the proposed project names from our discussions with EIE and the Assistant Secretary, generally identifying it as an “interconnection project.” The following comments were received when using this term:

“You mean the LADWP or AVEK Project?”

“Is there another interconnection route being explored?”

“Without specifics, what are you asking we consider?”

“Why do you call it ‘the’ interconnection project when the GSP has two potential routes?”

The DOD, from the Undersecretary – Acquisition and Sustainment, to the Department of Navy – Energy Installations and Environment, and the Southwest Command and the Base Command have been briefed and understand both the LADWP and AVEK interconnection routes. The lack of specifics of these potential interconnection options is causing confusion, which in turn may be detrimental to IWVGA’s ability to fully request funding for the interconnection project.

3. The Navy wants to know “what IWVGA is requesting funding for.”

The Department of the Navy understands the need to consider two routes. Specifics on those two routes is required before consideration can take place. The question, “what are we paying for?” is beginning to materialize in discussions as we generally identify the “interconnection project.” Given the understanding, Capitol Core suggests that IWVGA be as specific and direct as possible with the Department of Navy as we encourage them to become a partner organization.

The Department of Navy sees the interconnection project as a priority in order to achieve base resiliency and as an integral part of the larger base rebuild. Discussions concerning the impacts of base reconstruction on area housing and resources are currently taking place within EIE and the Naval Facilities Engineering Command (NAVFAC). Because of this activity we do not recommend delaying presentation of the Report to the Department and requesting funding consideration.

#### 4. Moving forward

As previously stated, the COVID-19 pandemic response delayed our planned March 2020 presentation of the Report as well as accompanying in-person meetings. Capitol Core is currently planning to reschedule these meetings towards at the beginning of June 2020, depending on pandemic restrictions. We will, however; continue, as we have in the last month, to conduct meetings and business by phone and video conference to keep momentum on the project moving forward.

I am available to discuss this during the meeting or if you have questions prior to the meeting, please give me a call.

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GROUNDWATER  
SUSTAINABILITY  
REPORT

NAWS CHINA LAKE, RIDGECREST,  
CALIFORNIA



GROUNDWATER BASIN  
RESILIENCY AND REQUEST  
FOR FUNDING  
CONSIDERATION

The Honorable Lucian Niemeyer  
Acting Assistant Secretary of the Navy  
Energy, Installations and Environment  
1000 Navy Pentagon, Room 4E739  
Washington, D.C. 20350-1000

RE: Status of Groundwater Sustainability, Water Resiliency Action Plan, and  
Request for Funding Consideration

Dear Secretary Niemeyer:

As the Chair for the Indian Wells Valley Groundwater Authority, California it is my pleasure to provide you a situation report on the groundwater basin and a draft water resiliency action plan. As you are aware, the Indian Wells Valley Groundwater Basin serves as the supply for the Naval Air Weapons Station, China Lake (NAWSCL), a critical installation for Naval weapons testing and air operations. Included within this report and draft-action plan is a request for future consideration to assist in the funding of the resiliency action plan.

I would like to first start by thanking the U.S. Navy for its recognition of water supply at NAWSCL as a potential risk/encroachment issue for the base's mission. This recognition was contained in the Navy's Water Resiliency Assessment. In addition, I would like to thank Navy Region Southwest Command and the Command Staff at Naval Air Weapons Station China Lake for their cooperation, participation, and overall assistance with groundwater management and the draft water resiliency plan. The U.S. Navy's support and input has been a critical component of our water sustainability planning, and the Navy is an ex-officio member of the Indian Wells Valley Groundwater Authority Board.

The Indian Wells Valley Groundwater Basin is currently in overdraft by approximately 25,000 acre-feet per year. The State of California, under the Sustainable Groundwater Management Act (SGMA), designated the groundwater basin as a high priority in critical overdraft and required that the Groundwater Authority complete a Groundwater Sustainability Plan (GSP) by January 31, 2020. The plan must show how the Basin will achieve sustainability by 2040. The Indian Wells Valley Groundwater Authority has drafted its GSP, which has been transmitted to your office for review and components of which are contained herein this Report.

After efficiency measures (both civilian and military), implementation of water savings, and curtailment of certain civilian water uses, the Authority estimates the basin will remain in overdraft of between 3,000- and 7,000-acre feet per year. To achieve sustainability and ensure water resiliency in the area, including NAWSCL, the Indian Wells Valley Groundwater Authority must seek to import water from other regions of California.

Transportation of imported water to the Indian Wells Valley Basin can come from two distinct sources: 1) the Los Angeles Department of Water and Power (LADWP) aqueduct or 2) the Antelope-Valley East Kern pipeline (AVEK) from the California City area. Interconnection into Indian Wells Valley Groundwater Basin requires significant infrastructure to accomplish the goal of groundwater recharge or direct delivery. The two projects, detailed within the report, allow the Basin to achieve sustainability, thus creating greater water security for NAWSCL at current and planned usage amounts.

Lastly, I would like to thank you for the attention and kindness you have shown our representatives as they briefed you on this situation. Our appreciation very much extends to Ms. Sandy Kline and her team. On behalf of the Indian Wells Valley Groundwater Authority Board of Directors, I appreciate your consideration and shared concern for the resiliency of NAWSCL.

Hon. Lucien Niemeyer  
Acting Assistant Secretary of the Navy  
April 2020

If we can answer any questions or provide any additional resources which may be helpful. Please call Don Zdeba, acting General Manager for the Authority at 760.384.5555 or via email at [don.zdeba@iwvwd.com](mailto:don.zdeba@iwvwd.com).

Sincerely,

Mick Gleason  
Chairman, Board of Directors  
Indian Wells Valley Groundwater Authority

cc: The Honorable Kevin McCarthy, U.S. House of Representatives  
The Honorable Gavin Newsom, Governor State of California (c/o Governor's Military Council)  
Rear Admiral Bette Bolivar – Commander, Navy Region Southwest  
Captain P.M. Dale – Commanding Officer, Naval Air Weapons Station China Lake

## BACKGROUND AND SUMMARY

### INDIAN WELLS VALLEY GROUNDWATER BASIN

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#### Background:

Naval Air Weapons Station China Lake (NAWSCL) obtains water supplies necessary to meet mission needs, including operation of mission critical and support facilities; protection of health/safety and maintenance of equipment; and quality of life/personnel requirements, from the Indian Wells Valley Groundwater Basin. The basin (including the water that the base currently uses) has no current access to imported water supplies.

The Indian Wells Valley Groundwater Basin is located in the northwestern part of the Mojave Desert in Southern California and underlies approximately 382,000 acres or approximately 600 square miles of land area in portions of the Counties of Kern, Inyo, and San Bernardino. It is bordered on the west by the Sierra Nevada Mountain Range, on the north by the Coso Range, on the east by the Argus Range and the south by the El Paso Mountains. Surface water flow from the surrounding mountain ranges drains to China Lake, a large dry lake, or playa located in the central north-east part of the basin.

NAWSCL has historically been a major water pumper (user) in the groundwater basin. The U.S. Navy has reduced its groundwater pumping through a combination of instituted conservation measures and a shift from on-installation housing of personnel to off-installation housing of personnel in the nearby City of Ridgecrest, California and unincorporated areas of the Indian Wells Valley. In 2008, NAWSCL instituted a Water Conservation Policy Advisory which instituted strategies to reduce unnecessary and/or excessive water uses. In 2014, NAWSCL Integrated Natural Resource Management Plan (INRM) emphasized strong water conservation methodologies. In 2018, the U.S. Navy indicated the short-term future water needs of NAWSCL as 2,041-acre feet per year, a 25% increase from current water utilization.

The Indian Wells Valley Groundwater Basin historically overdrafts nearly 25,000-acre feet per year.

<b>Historical Inflows/Outflows</b>			
<b>Indian Wells Valley Groundwater Basin</b>			
		1922-2016	2011-2015
		Average	Average
Inflows/Recharge		7,650 AFY	7,650 AFY
	<b>Total</b>	<b>7,650 AFY</b>	<b>7,650 AFY</b>
Outflows			
	Pumping	-15,240 AFY	-27,740 AFY
	Evaporation	-6,580 AFY	-4,850 AFY
	Flow to Salt Wells	-60 AFY	-50 AFY
	<b>Total</b>	<b>-21,880 AFY</b>	<b>-32,640 AFY</b>
<b>Average Change in Storage</b>		<b>-14,230 AFY</b>	<b>-24,990 AFY</b>

As a result of a U.S. Department of Navy Assessment, NAWSCL was listed as being at risk of water scarcity. Base Command has indicated that water scarcity is a major encroachment issue to its mission status.

In 2014, the State of California enacted the Sustainable Groundwater Management Act (SGMA) that established a framework for the management and use of groundwater in a manner that can be maintained during the planning and implementation horizon without causing undesirable results. SGMA requires governments and water agencies of high and medium priority basins to halt overdraft and bring groundwater basins into balanced levels of pumping and recharge. Under SGMA, these basins should reach sustainability within 20 years of implementing their sustainability plans (2040-2042). Through the Indian Wells Valley Groundwater Authority, a [Groundwater Sustainability Plan \(GSP\)](#) has been approved and submitted to the California Department of Water Resources for review. The sustainability measures outlined in the GSP are currently being implemented. The U.S. Navy, through Base Command at NAWSCS, has participated in the development of the GSP.

### Executive Summary:

NAWSCS is situated within an arid region which does not have the benefit of a major imported water source and therefore relies solely upon groundwater. The groundwater basin has experienced significant overdraft for decades and, while recognizing the federal reserve water rights, the civilian agency (Indian Wells Valley Groundwater Authority, hereafter “IWVGA” or “the Authority”) is tasked by the State of California with developing a sustainability plan (the “GSP”) to achieve sustainability by 2040. The U.S. Navy has participated in the development of the GSP and provided a general annual short-term water utilization estimate of 2,041 AFY. NAWSCS has implemented several conservation measures and has, over several years, moved personnel to off-installation housing which is serviced through the Indian Wells Valley Water District or through private domestic wells.

Despite these reduction measures, the Department of the Navy found water scarcity to continue to be an encroachment on the NAWSCS mission. Further conservation measures are unlikely to produce enough savings to meet water sustainability in the groundwater basin and imported water supplies are among seven potential measures that the Indian Wells Valley Groundwater Authority is evaluating to provide water sustainability to the groundwater basin. It is estimated that between 3,000 and 7,000 AFY of imported water is required to meet sustainability requirement of the groundwater basin.

The [Government Accounting Office \(GAO\) Report 20-98](#) questioned the DOD’s methodological soundness in determining water scarcity for installations, including NAWSCS. In its findings, GAO remarked that DOD had not followed normal practices for drought determination. While the Department-Assessment that U.S. Navy relied upon to make its water scarcity determination may or may not have met the GAO practice requirements, the [GSP](#) developed by IWVGA does meet the requirements of those practices and confirms the U.S. Navy Assessment concerning water scarcity at NAWSCS. The GSP has been provided to the Office of Energy, Installations, and Environment for use with the DOD and is responding to the deficiencies that GAO raised.

To provide imported water to the groundwater basin for the purposes of achieving sustainability, construction of infrastructure is required. The Groundwater Authority has identified two potential interconnection points, one through the Los Angeles Department of Water and Power (LADWP) aqueduct and the other through the Antelope Valley-East Kern Water Agency (AVEK) pipeline. Significant costs are associated with either interconnection project. Project planning will begin in 2023, construction will begin in 2026, and completion



of the project in 2035. The Indian Wells Valley Groundwater Authority has already made general inquiries into the availability of imported water supplies and is in the process of evaluation.

Other California military installations hold purchased water rights. Our research confirms that two bases in California – U.S. Naval Air Station Lemoore and U.S. Air Force Base Vandenberg hold entitlement to the State Water Project (SWP). NAS Lemoore holds approximately 3,000 acre-feet of annual rights as a member agency of the County of Kings State Water Contractor. Vandenberg Air Force Base has 6,050 acre-feet of annual entitlement as a member agency of the Central Coast Water Authority. Each installation uses varying degrees of water each year for their operations, and there is a precedent for other installations in the state to take advantage of imported water supplies.

The Indian Wells Valley Groundwater Authority respectfully requests consideration of U.S. Navy financial participation in the infrastructure project. Such funding is requested through the Defense Communities Infrastructure Program (DCIP), the Readiness and Environmental Protection Integration Program, or other direct-budget methodologies. Full funding is not required until FY2026 due to the construction timeline, although smaller sums may be necessary earlier for planning/engineering tasks. The Report indicates an understanding of the programs' current funding status, appropriations process and U.S. Navy budget process.

The Report also indicates that proportioned ownership of the infrastructure project may be beneficial to the U.S. Navy in meeting water sustainability and achieving water resiliency for NAWSCS as it provides a mechanism for transport and storage of water specific to the installation's needs now and into the future. When coupled with the installation-specific water rights, this may afford the Department the ability to solve portions of other California installations' water scarcity.

## SITUATION REPORT INDIAN WELLS VALLEY GROUNDWATER BASIN

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### Water Utilization in the Indian Wells Valley Groundwater Basin:

Groundwater pumping/extraction in the Indian Wells Valley has been documented for the past 70-years. The main categories of water utilization/pumping are:

- Agriculture uses
- Commercial/industrial uses (primarily mining)
- City/Municipal/Domestic
- U.S. Navy

The U.S. Geological Survey first documented water pumping from the Basin, then later tracked by the Indian Wells Valley Cooperative Groundwater Management Group. Data from 1975 shows total groundwater extraction of 15,980 acre-feet with the NAWCSL being the largest consumer at 31% (~4,954 acre-feet) at that point. Peak groundwater extraction occurred within the basin 2007 at 29,443 acre-feet. The peak rate, however, was after the implementation of significant water conservation efforts by the U.S. Navy and a reduction in on-base housing for U.S. Navy personnel as well as civilian contractors. In 2015, water utilization was reduced to 25,285 acre-feet with U.S. Navy water utilization remaining steady on a percentage basis (further reduced from 2007 amounts).

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**Historical Water Extraction in the Indian Wells Valley Groundwater Basin**

Water Use	1975	2007	2015
	15,980 acre-feet	29,443 acre-feet	25,285 acre-feet
Agriculture	22%	50%	50%
Commercial/Industrial	17%	10%	10%
City/Municipal/Domestic	29%	34%	34%
U.S. Navy	31%	6%	6%

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**There are two important considerations to remember regarding the percentages presented in this table.** First, while the direct US Navy pumping represents 6% of the 2015 Basin water usage, this does not take into consideration the off-base housing, services and businesses that provide essential support services and amenities to the base and its employees. Without a robust and talented employment base in the Ridgecrest area, the NAWCSL would not be able to deliver on its mission. A large percentage of the City/Municipal/Domestic use has a direct relation to the support of base operations. Second, while agriculture is currently a large portion of the pumping in basin, the proposed management actions will phase out significant agricultural operations in the basin over time. As such, the other uses in the Basin including the Navy's use will become a larger

proportion of the overall pumping once the Groundwater Sustainability Plan's management actions are implemented.

### Resiliency of the Groundwater Basin:

Mountain front recharge is believed to be the dominant source of inflow to the groundwater basin. Fourteen studies estimated groundwater recharge using an empirical relation between precipitation and groundwater and found an average annual recharge amount of 7,650 AFY. The total recharge area is approximately 770 square miles. Specific details of the groundwater recharge, including studies, evidence and analysis can be found within the ["Basin Studies" \(Chapter 3\) of the Indian Wells Valley Groundwater Authority GSP](#).

There are no significant interconnected surface water systems which interact with ground water within the Basin. Generally, streams in the valley are ephemeral and recharge occurs only as mountain block recharge. Surface water in Little Lake, located in the Rose Valley recharge area, is thought to infiltrate into the groundwater and then contribute as sub-flow into the basin. Other recharge comes from springs primarily in the mountain regions.

### Water Utilization by NAWSCL:

Water reliability is critical to military sustainability and resiliency. The U.S. Navy operates production wells in the Indian Wells Valley Groundwater Basin that supply on-installation water needs. Supported operations include operation of mission critical and support facilities; protection of health/safety and maintenance of equipment; and quality of life/personnel requirements (office buildings, laboratories, residences, and schools). Installation water requirements have varied over the operational years with 1970 being the highest reported extraction of groundwater at 7,988 acre-feet. In 1975, water utilization had dropped to 4,954 acre-feet. Over decades, as installation personnel increasingly moved to off-base housing in Ridgecrest and unincorporated areas of the Indian Wells Valley, and after implementation of aggressive water conservation programs beginning in 2007, groundwater extraction has reduced to 1,595 acre-feet in 2015. Near-term estimates by the U.S. Navy indicate a need of 2,041 beginning in 2020. This estimate could change as a result of the post-earthquake base rebuild.

Off-installation personnel are provided water serviced through production wells operated/maintained by the Indian Wells Valley Water District and domestic (private) wells in unincorporated areas of the Indian Wells Valley. Such off-installation personnel include scientists, engineers, technicians and professionals that are critical to the mission needs of NAWSCL. Their water use is reflected in the "City/Municipal/Domestic" use percentages in the table on the preceding page.

### Discussion:

The U.S. Navy has conducted a Department Assessment in which it designated NAWSCL as being at risk of water scarcity which may impact mission requirements. The empirical data shown above coupled with the studies, [surveys and other data](#) included in the GSP would validate the Navy's Department Assessment.

The designation of U.S. Military installations as being at risk due to water scarcity issues recently came under criticism by the Government Accountability Office in its report [GAO-20-98](#) which questioned the

methodological soundness of the Department of Defense (DOD) determination of water scarcity. The GAO based its criticism on two major issues. First, the DOD did not use uniform criterion across the military branches to determine water scarcity. Secondly, the DOD's methodology did not fully utilize the Environmental Protection Agency's "leading practices" pursuant to the 10-Step Drought Planning Process. The DOD responded to the first criticism indicating that the water needs varied between the military branches and uniform criterion may not provide an accurate picture of water scarcity issues. The DOD did not respond to the second criticism.

The GAO Report outlined five practices areas that should have been used to create methodological soundness in DOD's water scarcity findings. They include:

- Identify current water availability,
- Identify future water availability,
- Take into account all sources of water,
- Precisely identify locations, and
- Comprehensively include all locations

While these practices may or may not have been included in the Department Assessment for NAWSCL, they are all included/used within the GSP and may be used by the U.S. Navy in support of its previous findings. Additional sources of water, as described herein this report, may be available to the U.S. Navy through water resource transfer. As this source is not generally available to the remaining portions of the Basin, it is not included in the draft GSP.

Concerning on-installation water utilization, NAWSCL has been exemplary in its conservation measures. The historical utilization numbers and best practices implementation demonstrate the impact on water usage. Achieving additional meaningful conservation at the installation that will bring water resiliency to NAWSCL is likely not possible.

The U.S. Navy's decision to move personnel off-installation and the considerable utilization of off-installation personnel to meet the critical mission needs of NAWSCL must be taken into account. The base and the surrounding communities have a critical interrelation. Moving all needed personnel on-installation is likely not feasible and would simply move the water requirements currently borne by the Indian Wells Valley Water District and domestic private wells to the U.S. Navy. It therefore doesn't solve this issue.

### Civilian Actions to Achieve Sustainability:

To achieve sustainability within the Basin, the Indian Wells Valley Groundwater Authority draft-GSP proposes the implementation of seven measures, including:

1. Implementation of an annual pumping allocation plan, transient pool, and fallowing program (specifically geared towards reducing current agricultural pumping).

The annual pumping allocation program will generally assign an allocation to civilian users and develop a fee for any groundwater extraction beyond the "safe yield" allocations. The fee will then be used to develop alternative water resources.

This measure also provides a 51,000 acre-foot “transient pool” of water for civilian pumpers not included in the allocation plan (mostly current agricultural operations). This pool will be available up and until 2040. This “transient pool” is designed to be temporary; Once it is used, there will be no further allocation for this category.

The measure also implements a fallowing of specific agricultural and industrial uses within the Indian Wells Valley Groundwater Basin.

## 2. Imported Water Supplies

Upon implementation of all measures contained within the draft-GSP, the Indian Wells Valley Groundwater Basin will require an additional 3,000 to 7,000 acre-feet per year to achieve sustainability. The draft GSP indicates that purchase and transport of imported water to the Basin will be necessary.

Transportation infrastructure will be required, and a more specific description of those projects is below.

## 3. Optimization of Recycled Water

The City of Ridgecrest currently processes approximately 2,700 AF of effluent through the existing wastewater treatment facility (WWTF). The Navy uses approximately 450 AF of recycled annually water to maintain its golf course, and contractually the Navy can use up to 750 AF annually. The City is negotiating a new WWTF agreement with the Navy to build a new facility adjacent to the current facility. The City believes that the new WWTF will have the potential to produce up to 2,000 AF of recycled water toward a project to reduce the amount of imported water needed to balance the basin.

Other measures include:

- Additional Basin-wide Conservation Measures
- Shallow Well Mitigation Program
- Dust Control Mitigation Program
- Civilian Pumping Optimization Project

Two additional measures are currently being evaluated/considered:

1. Brackish Groundwater Treatment
2. Direct Potable Reuse

## Department of Defense Installation-Specific Water Rights:

The U.S. Navy possesses definitive purchased water rights at the Naval Air Station Lemoore, California (NAS Lemoore). The U.S. Air Force possesses similar rights at Vandenberg Air Force Base. The California Department of Water Resources’ State Water Project serves both of these Installations. NAS Lemoore is a member agency of the County of Kings State Water Contractor and has an allocation of approximately 3,000 acre-feet. Vandenberg Air Force Base is a member agency of the Central Coast Water Authority and has an allocation of 5,500 acre-feet. There is a precedent that other bases have established water rights, and there may

be ways for these bases to collaborate on water resources to increase the resiliency of the entire California defense operation. Further review of the water rights by the U.S. Navy and U.S. Air Force are needed to more fully understand the possibility and implications of inter-installation transfers of water within California as a means of achieving resiliency. Inter-Department coordination between the branches of the military may provide for greater flexibility and connectivity of water transfers.

### Examination of Potential Imported Water Supplies:

The Indian Wells Valley Groundwater Authority has retained the services of Capitol Core Group, Inc. for the purposes of identifying potential imported water supply sources and identifying funding sources for needed infrastructure connections that are listed below. Capitol Core has provided the Authority a written deliverable concerning available future water supply opportunities that may be available for purchase. The sources include various water agencies, departments, and other potential arrangements to achieve the 3,000 to 7,000 AFY needed for sustainability in the Basin. As these transactions involve contractual negotiations, they have been provided to the Authority as Confidential.

### Infrastructure Required to Transfer Imported Water:

The Indian Wells Valley Groundwater Basin does not currently have access to any outside water supplies. To bring imported water into the Basin will require obtaining access to existing water conveyance facilities and constructing additional infrastructure. The Groundwater Authority is determining potential options to be able to secure and deliver supplemental water to the Basin, as set forth in the Groundwater Sustainability Plan. Two conveyance facility interconnection points are possible.

The nearest existing conveyance facilities are the Los Angeles Department of Water and Power's Los Angeles Aqueduct (LADWP). A small portion of the Basin is located within the southern portion of the Antelope Valley-East Kern Water Agency (AVEK) which has a water transmission pipeline that terminates near California City, California approximately 50 miles south of the City of Ridgecrest, California and NAWSCCL main entrance gate.

Note that for either one of these options, the transfer partner would simply provide the delivery infrastructure to allow the Indian Wells Valley Groundwater Authority to tie into their system. The Authority would purchase entitlement from other sources and exchange that water for water from the system that is near to the Basin. In either instance, the water going to the Indian Wells Valley would not put further strain on the existing water supplies of the transfer partner.

### Discussion of AVEK Conveyance and Direct Use Project:

Under this project the Indian Wells Valley Groundwater Authority would purchase a combination of California State Water "Table A" Entitlement along with short-term and long-term water supplies. Those water supplies would be transferred/"wheeled" through existing AVEK facilities, specifically through the AVEK surface water treatment facilities and the California City Pipeline. AVEK staff has indicated capacity within the existing pipeline to handle the basin's water needs in order to achieve sustainability.

A 50-mile pipeline extension from the California City Pipeline facility along California Interstate 14 would be required. Due to the elevation profiles, at least two pump stations would be required to lift the imported water supplies over the El Paso Mountains and through the El Paso area. Water tanks for storage would also likely be required. The treated water would be used to directly meet the needs of the Indian Wells Valley Groundwater Basin.

A total cost estimate is as follows:

AVEK Conveyance and Direct Use:	
Item	Total
Infrastructure Capital Costs	\$177,975,000.00
Water Rights Acquisition Costs	\$48,390,000.00
Annual Operations and Maintenance Costs	\$2,280,000.00
Annual Debt Service Costs	\$5,860,000.00

The Water Rights and Acquisition costs assume a State Water Project acquisition of 8,056 AFY of permanent transfer at \$6,000.00 per acre-foot. The infrastructure costs assume two 8,800 gallons per minute pump stations, a 28” steel pipeline approximately 50 miles in length, and a one-million-gallon steel reservoir.

NAWSCL off-installation personnel water costs would include infrastructure-capital, water rights acquisition, annual operations and maintenance (O&M), and debt service costs. This represents a major increase in rates when coupled with the suggested fallowing of water pumpers as described in the GSP. In addition, the ability of the U.S. Navy to utilize its “installation-specific water rights” to achieve imported water to NAWSCL would be limited to “treated water,” pursuant to pipeline requirements.

### Los Angeles Department of Water and Power Recharge Project:

Under this project the Indian Wells Valley Groundwater Authority would purchase a combination of State Water Table “A” entitlement and both short-term and long-term water supplies. The purchased water would be “wheeled” through the Metropolitan Water District’s system and delivered to LADWP for use in LADWP service area. Agreements between Metropolitan Water District, Indian Wells Valley Groundwater Authority and LADWP would be required to “wheel” the water as described. LADWP would then provide water from its facilities in the Owens Valley to the Indian Wells Valley Groundwater Basin. This is an exchange agreement that would require no new/additional pumping from the Owens Valley and is not a water purchase agreement with LADWP.

A new turnout from the LADWP Los Angeles Aqueduct would be required along with new raw water pipelines conveying Owens Valley water to new spreading grounds located northwest of the Inyokern Airport. The exchanged water from LADWP would be recharged into the Indian Wells Valley Groundwater Basin at the spreading grounds and serve as a supplemental source of recharge to the Basin.

A summary of the conceptual costs, water rights acquisition costs, annual operations and maintenance, and annual service costs is listed below. Annual service costs would consist of water transportation and wheeling fees applied volumetrically to the Indian Wells Valley Groundwater Authority delivered imported water

supplies. The costs presented are based upon an assumed average annual delivery of 5,000 AFY of imported water.

LADWP Recharge Project	
Item	Total
Capital Costs	\$55,046,000.00
Water Rights and Acquisition Costs	\$48,390,000.00
Annual Operations and Maintenance Costs	\$180,000.00
Annual Service Costs	\$4,260,000.00

The turnout from the Los Angeles Aqueduct includes 28” steel pipeline approximately 10 miles in length and approximately 800 acres of spreading grounds. Water costs include 8,065-acre feet of State Water Project Title A entitlement via a permanent transfer at \$6,000.00-acre foot. Annual operations and maintenance costs are for spreading ground maintenance.

### Infrastructure Project Timing:

Final selection of the most feasible imported water infrastructure project (either AVEK or LADWP) will occur in January 2023 after preparation of an engineering report and negotiation with the relevant transfer agencies. Permitting will begin in 2023 and continue through January 2026. Construction on the project would begin in 2026 and be completed in January 2035.

### Discussion of the Two Infrastructure Projects:

As indicated in the project descriptions the AVEK project is approximately five-times the length of required pipeline to the LADWP project with substantially higher annual operations and maintenance costs. Water rights and acquisition costs were based on an *apples-to-apples* comparison. The AVEK total project costs are approximately three-times that of the LADWP project costs. Treated water is required for the AVEK project and raw water is required for the LADWP project which is then treated utilizing existing facilities within the Basin. Inyo and Mono Counties, California are opposed to the LADWP project as it represents a transfer of Owens Valley water to the Basin despite that transfer being a net-zero increase in pumping from the Owens Valley.



## REQUEST FOR FUNDING PARTICIPATION

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### Discussion:

The GSP recognizes the U.S. Navy's Federal Reserve Water Rights and has taken into account the stated on-installation needs of NAWSCL. The approach taken by IWVGA is unique as it included a collaborative approach with U.S. Navy in developing a sustainability plan that specified the use and users of water in the entire Basin. It is further unique in developing a solution which allows for imported water that will achieve water sustainability for the region.

The Indian Wells Valley Groundwater Basin is the sole source of water for the entire region, including NAWSCL. It is not currently interconnected to other sources of imported water and without the infrastructure project, and the Basin that supports the operations around the base cannot continue pumping at anywhere near current rates sustainably. NAWSCL represents a large portion of the economic viability of the region. The surrounding area represents a major portion of the housing requirements and quality of life for U.S. Navy personnel as well as needed contractors that meet the installation's mission requirements.

The GSP states that funding for the infrastructure project would potentially come from a variety of sources including federal, State, transfer agency participation, and local. In developing a strategic funding plan, the Indian Wells Valley Groundwater Authority took another unique approach...proportionality.

Ratepayers in the Indian Wells Valley Groundwater Basin will bear the costs of imported water rights and acquisition, annual operations and maintenance, and annual service costs. In addition, local agencies will fund a portion of the infrastructure project costs. The infrastructure project is eligible for certain state and federal grants. These grants will be small amounts through a highly competitive application process under existing programs administered by the Environmental Protection Agency, the Department of Interior – Bureau of Land Management, and the State Water Resources Control Board. Awarded amounts will likely not exceed \$6 million between the State and federal grant sources.

As stated by your office, the rebuilding efforts of NAWSCL resulting from the July 2019 earthquake will require additional off-installation resources, including water, thereby increasing demand in the Region and further straining the depleting resource. There is a need to develop sustainability measures now to achieve resiliency for both Region (as required by SGMA) and NAWSCL. The IWVGA, in its GSP, has indicated to the State the best and preferred methodology, imported water, to achieve those sustainability goals for the entire basin. Infrastructure is required to get the needed imported water supplied to the Basin.

### Request for Funding Consideration:

The Indian Wells Valley Groundwater Authority formally requests consideration by the U.S. Navy for potential funding of the infrastructure interconnection project through the Defense Communities Infrastructure Program (DCIP), Readiness and Environmental Protection Integration Program (REPI), other programs not identified by this report, direct budget mechanism, and/or a combination of stated programs.

Funding for the project is not required in the immediate fiscal years. This is a request for future construction funding beginning in the Fiscal Year 2026. While we realize the U.S. Navy is unable to provide a commitment

for such funding participation, our purpose in making the request is to allow for forward planning with regard to budget issues. The request has been discussed with Members of the United States Congress. Without funding participation by the Department of Defense, economic viability of the infrastructure project is called into question. Recognizing the relatively small population base, ratepayers alone, including U.S. Navy personnel and contractors, the citizens of the Basin cannot bear the entire financial burden of the infrastructure project.

### Defense Communities Infrastructure Program (DCIP):

In 2018, the Congress authorized a 10-year pilot program that allows the Department to work with state and local governments by providing a matching grant to address the critical off-base infrastructure needs that have a direct impact on the military value and resilience of installations. Known as the DCIP [Public Law 115-232; Section 2861 @ 132 STAT. 2282.], Congress established a \$100 million authorization for the pilot program. In 2019, Congress appropriated an initial \$50 million for DCIP [Fiscal Year 2020 Consolidated Appropriations Act, Public Law 116-193, HR 1158].

Pursuant to the Implementation Guidelines for the DCIP, the IWVGA infrastructure project does not qualify for funding award under the current fiscal year appropriated amounts as it is not “construction ready.” The DOD Office of Economic Assistance, who is responsible for implementation of the DCIP, acknowledges the IWVGA project will become eligible once it is “construction ready” (approximately 2026). IWVGA has requested a modification to the DCIP implementation guideline to allow for small engineering/planning awards as future amounts are appropriated by the Congress. Further, we acknowledge the limitations of the DCIP until such time the program is authorized on multi-year basis.

We ask that you consider the Indian Wells Valley Groundwater Authority infrastructure project as DCIP-eligible for future funding in appropriate fiscal years.

### Readiness and Environmental Protection Integration Program (REPI):

REPI has long been used for the purchase of land which may interfere with an installation’s mission. The definition of “real property,” however; under 10 USC §2661 (c)(2)(B) states:

(B) The term “real property” includes structures, buildings, or other infrastructure of a military installation, roadways and defense access roads, and any other area on the grounds of a military installation. [emphasis added]

The utilization of REPI for this purpose would allow the DOD to purchase infrastructure critically needed to fulfill the mission readiness of the installation. The infrastructure project fits that definition and while not typically utilized for this purpose, we believe that Congress intended to use REPI for this type of purpose. We ask that you consider this infrastructure project as part of a new potential partnership between the Indian Wells Valley Groundwater Authority and the U.S. Navy and support the project for potential funding.

### Facilities Ownership may bring additional Opportunities for Water Resiliency

Funding of the infrastructure project utilizing DCIP, REPI, or direct budget request provides the U.S. Navy a pro-rata ownership of such infrastructure without operations and maintenance costs. When coupled with the

potential of installation-specific water rights, this may provide the U.S. Navy with the ability to seek its own purchased water, water banking/storage opportunities within the basin, and transfer/wheeling abilities to other installation where water scarcity exists. This can be used on a branch-specific basis for the U.S. Navy or expanded and/or coupled with other water rights to serve multiple military branches in California.

This allows the U.S. Navy to control its own interest with regard to water resiliency and not merely rely upon the availability of water within the groundwater basin. It also brings the potential beyond sustainability but to groundwater resiliency where it had not previously existed.

Report Prepared by:  
Capitol Core Group, Inc. of behalf of the Indian Wells Valley Groundwater Authority

Date Prepared:  
March 2020

Version:  
Version 3.2



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# IWVGA ADMINISTRATIVE OFFICE

*STAFF REPORT*

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**TO:** IWVGA Board Members **DATE:** May 21, 2020  
**FROM:** IWVGA Staff  
**SUBJECT:** Agenda Item No. 9 - IWVGA General Manager Job Description and Recruitment

## **DISCUSSION**

As staff has discussed developing groundwater sustainability fees, the Board of the Indian Wells Valley Groundwater Authority (IWVGA) has directed staff to include in those calculations a General Manager to lead the IWVGA. Attached is a job description for that position. This job description is identical to the one approved by the Board in 2018.

If approved, staff would begin advertising for a General Manager, and would follow standard recruitment practices. Once applications are received, they will be screened for completeness to ensure candidates and or consulting firms meet the qualifications for the position. From the larger applicant pool, a finalist group of 2 to 5 candidates will be chosen to interview with the IWVGA Board. Once a candidate is selected, final background and reference checks will be performed. If there are no problems, the Board will negotiate with the successful candidate for an employment contract.

Staff recommendations that upon approval of this item, a recruitment would commence immediately. A hiring decision would ultimately be made the IWVGA Board after the new groundwater fees are adopted. We expect to begin to collect revenue later this year.

It is possible that either a qualified consulting firm or a qualified individual would fill the position. If a firm is hired, an individual would be assigned as the General Manager. This is a similar arrangement the IWVGA has in its agreement with Stetson Engineering, while Steve Johnson holds the title of Water Resources Manager.

The cost of a General Manager position is included in the calculation of proposed groundwater pumping fees. The budget also includes a full-time administrative assistant position. The salary or contract for the General Manager would be negotiable once the top candidate or firm is chosen.

## **RECOMMENDATION**

Staff recommends approval of the General Manager Job Description and requests authorization to begin recruitment efforts immediately.

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# Indian Wells Valley Groundwater Authority

## General Manager

### ABOUT THE AGENCY

The Indian Wells Valley Groundwater Authority (IWVGA) was formed in 2017 through a Joint Powers Authority Agreement. The IWVGA serves as a Groundwater Sustainability Agency (GSA) in compliance with the Sustainable Groundwater Management Act (SGMA) of 2014 to protect existing surface water and groundwater rights. The GSA is working to improve groundwater management by gauging its usage and depletion, improving groundwater recharge and increasing the number and effectiveness of storage facilities for the betterment of our communities and businesses. The GSA will develop the Groundwater Sustainability Plan (GSP) for the Indian Wells Valley region based on accurate data and input from interested parties. The GSA encompasses over 380,000 acres.

### THE POSITION

This is a newly created executive management position reporting to the IWVGA Board of Directors. The incumbent's primary focus will be to develop, implement and manage a GSP that meets California Department of Water Resources (DWR) requirements; provide leadership and direction to member agencies, ensuring efficient and effective legislative and regulatory compliance, in accordance with Board directives; collaborate with State and local agencies; facilitate outreach efforts with stakeholders to strategically comply with legal requirements; and accomplish IWVGA goals and objectives. Examples of key responsibilities include:

- Direct the operations and general administration of the GSA including budget development and oversight, short and long-range planning, and policy development and implementation (Budget work includes tracking expenditures that are charged to the grant).
- Ensure the timely and effective accomplishment of goals and objectives as determined by the board.
- Develop, implement and manage a GSP; update and/or revise plan as needed.



- Administer various contracts and agreements to ensure compliance (major IWVGA agreement is with DWR for Prop. 1 Grant funds).
- Implement all aspects of a groundwater pumping fee.
- Oversee the consultant/contract selection process including determining scope of work, preparing RFP, negotiation of terms and contract development and review; monitor and evaluate consultant/contract performance.
- Prepare and present a variety of complex administrative and technical reports, recommending appropriate alternatives; follow up on action items as required.
- Actively participate in, review and interpret analytical work completed by the water resources manager; present results to the board and member agencies.
- Identify additional future funding sources and develop and implement funding strategies.
- Conduct outreach to appropriate stakeholders and other appropriate agencies.
- Develop, plan and implement compliance measures.
- Lead development of the Coordination Agreement for the Indian Wells Valley Groundwater Basin.
- Coordinate the activities and meetings of the IWVGA Board, Technical Advisory Committee and Policy Advisory Committee.
- Makes presentations to the Executive Board, governing bodies, and a variety of boards and commissions; attends and participates in professional group meetings; stays abreast of new trends and innovations in the field.
- Monitors changes in laws, regulations, and technology that may affect GSA member agencies; implements policy and procedural changes as required.
- Remain current on, review, analyze, and determine impact of legislative developments, state legislation, state and federal regulations, local ordinances, trends, practices and procedures in the field. Advise and make recommendations to decision makers on appropriate position or action to take in response to changes.
- Advocate for effective sustainability solutions.
- Work cooperatively with member agencies, other GSAs, and other County, State and Federal agencies to identify and develop programs/projects that will advance sustainability of the local groundwater resource (this includes reporting sustainability efforts to DWR).

- Identify stakeholders within the community and conduct public outreach relating to groundwater sustainability; develop and implement educational programs, including printed materials, web site information, school programs, ads, speaker programs and other activities.
- Explore opportunities to import water to supplement supplies in the Indian Wells Valley Groundwater Basin.
- Administer all aspect of Proposition 1 Grant compliance, including quarterly reports, grant invoices, reimbursement documentation, regular communication with DWR staff, grant status reports to IWVGA Board, financial reports, and assist DWR staff with audits of procedures and grants recordkeeping (this item was added by me but would be a normal job duty of a General Manager)

#### IDEAL CANDIDATE PROFILE

The GSA is seeking a candidate with previous administrative management experience related to water resource management and conservation programs. A bachelor's degree in a related field (geology, hydrology, engineering, environmental studies, business) is highly desirable, but any combination of experience and education that could likely provide the required knowledge, skill and ability is qualifying. The ideal candidate will have extensive knowledge of state and local laws, regulations related to water conservation programs, water resource management, and the Sustainable Groundwater Management Act.

In working with the IWVGA Board of Directors, the General Manager will take an active and involved leadership role in the implementation of its goals and objectives. Regular and ongoing communications and interaction with the Board and stakeholders is an essential aspect to this role. As a leader, the new manager will be a creative thinker, politically astute, and will have the capability to evaluate and assess the big picture/long range aspects of the role. The ideal candidate will be a proven leader with the ability to be an influential advocate for issues and concerns relating to groundwater sustainability. A strong collaborator, he/she will have a history of success with building and maintaining cohesive working relationships that best serve the short and long-term interests of organizations and communities.

The ideal candidate for the IWVGA's next General Manager will be a well-rounded leader – a leader of people and resources well versed in California water issues. This experienced individual will be both big

picture visionary and able to establish credibility as a decisive, results-oriented professional committed to excellence, independence, and fiscal accountability. Additionally, this top candidate will know how to effectively and efficiently run a business that is also a municipal organization. The successful candidate will also have strong financial acumen including general knowledge of debt financing, bond issuance, debt management, and other funding strategies. Being comfortable in advising the Board about the full range of fiscal matters including rate structure and cost recovery efforts is of critical importance. This professional will be an exceptional listener, communicator, and an accomplished presenter with the ability to build strong relationships and engender trust among staff and the public.

The General Manager is a contracted position. Salary is negotiable.

May 21, 2020

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## IWVGA Board Meeting May 21, 2020

- Prop 1 Status/Schedule
  - Invoice #3:
    - Covers April 2019 through June 2019
    - Total payment after retention: \$186,185.71
    - Status: Approved and Processed
  - Invoice #4:
    - Covers July 2019 through September 2019
    - Total payment after retention: \$90,978.92
    - Status: Approved and Processed
  - Invoice #5:
    - Covers October 2019 through December 2019
    - Total payment after retention: \$61,603.54
    - Status: Approved and waiting payment
  - Invoice #6:
    - Covers January 2020 through March 2020
    - Status: Currently being prepared. Anticipated to be submitted to DWR week of May 18<sup>th</sup>.
  - Grant Agreement Revisions:
    - Grant Agreement fully executed with deadlines extended as requested.

AGENDA ITEM 9a



## IWVGA Board Meeting May 21, 2020

- SDAC Update
  - Prop 1 grant extension approved SDAC deadline for June 2021
    - Consultant agreement term to be revised to June 2021 for both projects, signed by IWVGA
  - Rebates Program
    - Rebate offers to retail water customers and commercial water users for purchasing water-saving devices for retrofits
      - Washing machines, dishwashers, toilets, urinals, irrigation controllers, evaporative coolers, hot water recirculating pumps, etc.
    - WaterWise Consulting, Inc.
  - Water Audit, Leak Detection & Repair Program
    - Water loss identification through system water audits and leak detection surveys
    - Water loss control and correction via leak repairs
    - California Rural Water Association
      - Subcontractor availability for leak repairs unknown at this time due to COVID-19
  - Program results will be evaluated for potential basin-wide implementation

AGENDA ITEM 9b



## IWVGA Board Meeting May 21, 2020

- Prop 68 Status
  - IWVGA awarded \$330,000 of the maximum eligible of \$330,827 (with \$300,000 currently available)
  - DWR approved IWVGA's requested revisions to draft agreement
  - Grant agreement fully executed on May 4

AGENDA ITEM 9c



## IWVGA Board Meeting May 21, 2020

- **Groundwater Pumping Verification**
  - Questionnaire Released on January 31, 2020
    - Sent to all known and suspected non-de minimis pumpers
  - Response were due to GA/WRM by March 1, 2020
  - As of May 18, 2020: **32 responses received** out of 55 registered non-de minimis pumpers
  - GA Staff/Legal Reviewing Enforcement and Consequences
  - WRM is currently preparing Pumping Verification Reports for each submittal
  - Draft Pumping Verification Reports anticipated to be released to pumpers **May 27, 2020**

AGENDA ITEM 9d



## IWVGA Board Meeting May 21, 2020

- **GSP Annual Report**
  - First GSP Annual Report originally due to DWR on April 1, 2020
    - DWR granted an extension to submit reports
  - Annual report covers Water Year 2018-2019 (prior to GSP adoption/implementation)
  - Annual Report Contents:
    - Progress towards GSP implementation/sustainability
    - Groundwater elevation data (contours and hydrographs)
    - Change in storage
    - Water supply data
  - Current Status: In staff review
  - Anticipated to be submitted to DWR week of May 18th

AGENDA ITEM 9e



## IWVGA Board Meeting May 21, 2020

### Draft Requirements for New Well Owners

#### Requirements for All New Wells

The Indian Wells Valley Groundwater Authority (Authority) Staff will coordinate with the counties of Kern, San Bernardino and Inyo to ensure that the Authority is notified of all New Well permits issued. Authority staff will also contact all known well drillers and request "notification" of all New Wells.

#### Authority Requirements for All New Wells

##### **Step 1:**

##### Well Owner: Register Well with IWVGA

##### Staff Preparation Tasks:

- Create revised well registration form
- Coordinate with April for current online well registration form (staff currently have a hard copy and an online digital way to register wells)
- Determine required time-frame, after well is drilled when owner must submit well registration to IWVGA (policy decision)

AGENDA ITEM 9f



## IWVGA Board Meeting May 21, 2020

### Step 2:

*IWVGA Staff:* Review submitted well registration form and make final determination if de minimis or non de minimis and what fees are applicable. *If non de minimis, inform the well owner and prepare monthly reporting form. Go to Step 3.* If de minimis: no further action required from staff or well owner.

### Step 3:

*Well Owner: Submit Meter information (Compliance with IWVGA Ordinance No. 01-20.)*

Staff Preparation Tasks:

- Determine date after staff confirms and informs well owner that well is non-de minimis and when well owner must fully comply with Meter Ordinance (policy decision).

### Step 4:

*Well Owner: Submit Monthly Reporting Forms and Payment for Pumping in Accordance with All Authority Fees and Assessments.*

General Staff Tasks:

- Prepare web page that clearly outlines the procedure for new well owners and provides links for all the relevant ordinances/resolutions.

AGENDA ITEM 9f



## IWVGA Board Meeting May 21, 2020

### Draft 2020 Prioritized List of Critical Groundwater Security Projects for Navy-Coso Royalty Fund

#### Project 1a: Monitoring Well Installation

- Project Cost: \$800,000
- Project Description:
  - Installation of one multi-depth piezometers along the western mountain front to verify mountain front basin recharge and to collect data on feasibility of storage and recovery imported water feasibility project. (Possible future storage and recovery demonstration project monitoring wells.)
  - Includes deep monitoring wells to bedrock to define aquifer vertical extents, to determine groundwater storage and quality at depth, and to investigate vertical and horizontal subsurface flow.
  - Includes geophysics and water quality sampling to determine potable water use.

AGENDA ITEM 9h





## IWVGA Board Meeting May 21, 2020

### Project 1b: Monitoring Well Installation (Funding Not Requested until Project 1a is completed)

- Project Cost: \$1,000,000
- Project Description:
  - Building upon results from Project 1a, two (2) multi-depth piezometers will be installed along the western mountain front to verify mountain front basin recharge and to collect data on feasibility of storage and recovery imported water feasibility project.
  - Includes deep monitoring wells to bedrock to define aquifer vertical extents, to determine groundwater storage and quality at depth, and to investigate vertical and horizontal subsurface flow.
  - Includes geophysics and water quality sampling to determine potable water use.

AGENDA ITEM 9h



2

## IWVGA Board Meeting May 21, 2020

### Project 1c: Monitoring Well Installation (Funding Not Requested until Projects 1a and 1b are completed)

- Project Cost: \$600,000
- Project Description:
  - Building upon results from Projects 1a and 1b, a fourth multi-depth piezometers will be installed along the western mountain front to verify mountain front basin recharge and to collect data on feasibility of storage and recovery imported water feasibility project.
  - Includes deep monitoring wells to bedrock to define aquifer vertical extents, to determine groundwater storage and quality at depth, and to investigate vertical and horizontal subsurface flow.
  - Includes geophysics and water quality sampling to determine potable water use.

AGENDA ITEM 9h



3

## IWVGA Board Meeting May 21, 2020

### Project 2: El Paso Well Installation/Age Dating

- Project Cost: \$1,000,000
- Project Description:
- Installation of three multi-depth piezometers in the El Paso Subarea to investigate potential water resources.
- Perform geochemistry and age dating analysis.
- Drilling to bedrock to define aquifer vertical extents, to determine groundwater storage and quality at depth, and to investigate vertical and horizontal subsurface flow.

### Project 3: Rose Valley Exploratory Well Installation

- Project Cost: \$300,000
- Project Description:
- Installation of three shallow monitoring wells to collect data on subsurface flow into the basin. (Preliminary BLM sites already selected.)

AGENDA ITEM 9h



4

## IWVGA Board Meeting May 21, 2020

### Project 4: Controlled Source Audio Magnetic Telluric Geophysical Investigation (CSAMT)

- Project Cost: \$340,000
- Project Description:
- Survey up to 60 linear miles (5 lines x 12 miles/line) from west to east.
- Survey to map faults and structure in areas where there are unknowns.
- Identification of areas of low resistivity (silts/clays).
- Compliments the recent installation of land subsidence extensometers and would be a follow up to some of the active fault traces identified from the last earthquake.

### Project 5: Stream Gage Installation

- Project Cost: \$150,000
- Project Description:
- Installation of two stream gages in the eastern and southern basin regions to collect stream data from the smaller canyons into the basin.

AGENDA ITEM 9h



5

# IWVGA Board Meeting May 21, 2020

## Project 6: Direct Potable Reuse and Indirect Potable Reuse Pilot Study

- Project Cost: \$1,500,000
- Project Description:
- Pilot testing of treatment methods for Direct Potable Reuse (DPR) of recycled water including reverse osmosis, ultraviolet light, and biologically activated carbon.
- Pilot testing of treatment methods for Indirect Potable Reuse (IPR) of recycled water including reverse osmosis, ultraviolet light, and biologically activated carbon.
- Tracer pilot test for potential aquifer storage and recovery (ASR) wells.
- Development of Feasibility Study to Implement IPR or DPR project to support Base Water Security.

## Project 7: Low Impact Development (LID) Facilities to Enhance Stormwater Recharge at Mountain Fronts

- Project Costs: \$450,000
- Project Description:
- Pilot testing of stormwater capture and recharge from impervious areas on Base/stormwater facilities following federal guidance for LID facilities on military installations.
- Pilot testing detention and recharge basins along mountains for stormwater capture that reaches the playa.
- Permitting and environmental investigation.
- Development of Feasibility Report.

AGENDA ITEM 9h



# IWVGA Board Meeting May 21, 2020

## **DRAFT SCHEDULE**

May 11th

## **KEY DATES FOR GROUNDWATER AUTHORITY AND GSP**

### **1. GA May Board Meeting.**

- New Extractor Policy and Reporting Discussion (WRM Report)
- Discuss estimate for mailing Notices (WRM Report)

### **2. GA June Board Meeting.**

- Allocation of Sustainable Yield Report released for review
- Replenishment Fee Notices and Report released for review
- Both Reports provided to PAC/TAC members for review.
- GSP Pump Fee Adjustment Report Data released for review
- Transient Pool and Following Program released for review
- New Extractor Policy and Reporting Adoption

## **KEY DATES**

**May 21<sup>st</sup>**

**June 18<sup>th</sup>**

AGENDA ITEM 9i



IWVGA Board Meeting  
May 21, 2020

**DRAFT SCHEDULE**

May 11th

**KEY DATES FOR GROUNDWATER AUTHORITY AND GSP**

**KEY DATES**

**3. GA July Board Meeting.**

- GSP Pump Fee Adjustment Adopted
- Transient Pool and Fallowing Program Adopted

**July 16<sup>th</sup>**

**4. Ag Fallow Program Final Decision Date**

**August 1<sup>st</sup>**

**5. GA August Board Meeting**

- Allocation of Sustainable Yield Report Adoption
- Replenishment Fee Public Hearing Adoption (effective September 20th)

**August 20<sup>th</sup>**

IWVGA Board Meeting  
May 21, 2020

**DRAFT SCHEDULE**

May 11th

**KEY DATES FOR GROUNDWATER AUTHORITY AND GSP**

**KEY DATES**

**5. GSP Pump Fee Adjustment Reporting Begins**

**Sept. 1<sup>st</sup>**

**6. Replenishment Fee Effective – Reporting begins**

**Sept 20<sup>th</sup>**

**7. Full Month GSP Pump Fee Adjustment –  
Partial Replenishment Fee**

**Oct 1<sup>st</sup>**

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**Indian Wells Valley Groundwater Authority  
April 2020 Financial Report**

	FY 2019 Actuals	2020 Budget	FYTD through April (GSP)	through April (Admin)
<b>Beginning Balance</b>	<b>476,713</b>		<b>83,900</b>	-
County of Kern Advance	-	-	-	-
IWVWD Advance	-	-	-	-
Navy in-Kind	-	-	-	-
IWVWD In-kind	-	-	-	-
Initial Member Contribution	-	-	-	-
<b>Beginning Balance</b>	<b>476,713</b>	-	<b>83,900</b>	-
<b>Revenues</b>				
DWR	-	-	-	-
Prop 1 Grant	851,406	-	22,401	-
-GSP Preparation @ \$1,500,000	-	-	-	-
-SDAC @ \$646,000	-	686,800	-	-
SDAC Reimbursement	-	244,165	-	-
Assessment Pumping Fee	567,846	506,000	120,438	-
<b>Total Revenue</b>	<b>1,419,253</b>	<b>1,436,965</b>	<b>142,839</b>	-

<b>Expenses</b>		
Task 1- Initial GSP Support Studies	31,762	NO LONGER USED FOR FY 2020
Task 2- Proposition 1 SGMA GSP Development Grant	43,389	
Task 3- Data Management System	96,332	
Task 4- GSP Development and Submittal	764,106	
Task 5- SDAC Projects	25,065	
Task 6- IWVGA Project Management and Administrative Tasks	123,178	
- City of Ridgecrest Reimbursement	-	
Task 7- Legal Services	112,305	
Task 8- Stakeholder/Authority Coordination	206,295	
- Additional PAC/TAC/Board Meeting Support	-	
- Additional Pump Fee Support	-	
Task 9- Groundwater Pumping Fee Support	103,023	
Stetson- TSS Support	7,333	
Stetson- Brackish Water Support	6,025	
Stetson- Imported Water Coordination	30,774	
Stetson- Allocation Process Support	97,073	
Stetson- Navy-Coso Funding Support	5,698	
Auditing Services & IWVWD Reimbursement for Website fees	6,276	
Banking Fees	-	
Addtl Insurance Cost	9,967	
PAC & TAC Meeting Costs	6,142	
Water Marketing	118,683	
Well Monitoring	15,590	
Water Smart Grant	3,050	
Undocumented Expenditures (pre-FY2018)	-	
<b>Total Expenses</b>	<b>1,812,065</b>	

	GSP Budget	Admin Budget	FYTD through April (GSP)	through April (Admin)
City of Ridgecrest Reimbursement	210,466	-	-	-
County of Kern Advance Reimbursement	500,000	-	-	-
IWV Water District Advance Reimbursement	500,000	-	-	-
Legal Services	68,228	350,000	15,976	5,360
Stetson	310,000	996,000	65,929	-
DRI	-	-	3,591	-
SDAC	537,163	-	-	-
Auditing Services	-	7,000	-	2,000
IWVWD Reimbursement for Website fees	-	-	-	276
Banking Fees	-	-	-	-
Additional Insurance Cost	-	10,000	-	9,993
PAC & TAC Meeting Costs	1,000	11,000	-	-
Water Marketing	-	-	-	11,713
Well Monitoring	-	-	-	-
Other (Mailer, etc.)	-	5,000	1,888	1,034
<b>Total Expenses</b>	<b>2,126,857</b>	<b>1,379,000</b>	<b>87,384</b>	<b>30,375</b>

**Ending Balance** **(2,068,892)** **108,980**

Unpaid Invoices	
Brown Armstrong INV# 253092 03/29/20	1,800.00
Capitol Core Group INV# 2020-028, 05/01/20	6,710.00
RWG Law INV# 226682, 05/08/20	2,242.50
Stetson INV# 2652-27, 12/13/19 (approved, deferred)	183,634.49
Stetson INV# 2652-29, 02/11/20 (approved, deferred)	57,003.73
Stetson INV# 2652-30, 03/12/20 (approved, deferred)	83,384.06
Stetson INV# 2652-31, 03/26/20 (approved, deferred)	59,725.71
Stetson INV# 2652-32, 04/16/20	105,748.23
Stetson INV# 2652-33, 05/13/20	118,814.82
WellIntel INV# 1869, 05/13/20	1,260.00
	<b>620,323.54</b>

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TO: Don Zdeba, General Manager – IWVGA

FROM: Michael W. McKinney, Partner  
Jeff Simonetti, Senior Vice President, Capitol Core Group

CC: Todd Tatum – Capitol Core Group  
Colleen Newman – Capitol Core Group

DATE: May 12, 2020

SUBJECT: Project Status Memorandum, April 2020; DCIP Implementation Guidelines; House Infrastructure Package; and Federal Water Legislation

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The following memorandum will serve as the project status memorandum for April 2020 activities on behalf of Indian Wells Valley Groundwater Authority (IWVGA). There are significant developments in Congress concerning “infrastructure” and pending federal water legislation. The development included within the pending Stimulus legislation are continually evolving and further updates via e-mail may be required.

Please see the discussion below under the header “Actions in the United States Senate” which outline two pieces of water infrastructure-related legislation currently moving forward in the Senate. These bills, S.3590 and S.3591 contain significant “water infrastructure” funding that may provide additional opportunities and approaches for IWVGA. We will continue to monitor these bills and provide updates as the situation requires.

Action items included within our Project Status Memorandum include:

- Reconsideration of the “Groundwater Sustainability Report and Request for Funding Participation” to the United States Navy – under separate memorandum
- Acknowledgement/approval not to file comments on behalf of IWVGA regarding the DCIP Implementation Guidelines
- Approval of the Support Letter to Senators Feinstein and Harris on the Water Infrastructure Legislation
- Seek general direction regarding “private funding” options and “advanced public-private partnerships”

## STATUS OF CONGRESS

The United States Senate returned to Session in late-April and led with debate of infrastructure legislation as described below. House Leadership continued with development of the “Stimulus 5” legislation. The House of Representatives did not fully reconvene until May 11, 2020. Pandemic response restrictions continue to be in effect throughout Washington D.C. and a number of new COVID-19 cases among Congressional staff have been diagnosed. We continue to communicate with Members, Congressional Staff, and Agency personnel electronically/by phone. The current safety protocols will be reviewed in early June 2020. In the near future, it remains likely that all meetings with federal staff and elected officials will continue by phone or electronic communications.



## MEETING WITH TRANSFER PARTNER

Capitol Core followed up with the Antelope Valley – East Kern Water Agency (AVEK) in late April to update them on the project and inquire about their water supplies. As you know, we engaged with them last year as a potential transfer partner and a potential source of water supplies for the Indian Wells Valley. The State Water Project this year is expecting below-average water supply deliveries as a result of the lower precipitation and snowpack from last winter. As such, the State Water Project has indicated an initial delivery of 15% of contracted supplies for 2020. The Department will finalize the water allocation in June. Despite the low allocation this year, AVEK believes that they may have water supplies potentially available over the longer term should Indian Wells wish to pursue water supplies from them.

## DCIP IMPLEMENTATION GUIDELINES

Implementation Guidelines for the Defense Communities Infrastructure Program (DCIP) were published on May 8, 2020. Comments on the Implementation Guidelines are being sought and are due within 30-days of the publication. Capitol Core has reviewed the published Implementation Guidelines and they conform with our discussions with DOD-OEA. The Implementation Guidelines are attached to this memorandum.

At this time, we do not recommend IWVGA comment on the Implementation Guidelines, but Capitol Core will continue to monitor comments and provide summaries on the discussion.

## ACTIONS IN THE UNITED STATES SENATE

### **America's Water Infrastructure Act of 2020 (S. 3591) & Drinking Water Infrastructure Act of 2020 (S. 3590)**

On April 21, 2020 the Senate Environment & Public Works Committee introduced two (2) pieces of bipartisan-supported legislation which provides nearly \$20 billion in funding. The America's Water Infrastructure Act of 2020 ("AWIA") includes \$17 billion in new federal authorizations to increasing water storage, providing protection from dangerous floodwaters, deepening nationally significant ports, maintaining the navigability of inland waterways, and repairing aging wastewater/irrigation systems.

AWIA establishes a two-year goal for the U.S. Army Corps of Engineers (ACOE) to complete its feasibility studies for potential projects, consistent with the standard set by the Administration and authorizes feasibility studies, project modifications, and Army Corps Chief's Reports.

AWIA is an omnibus water bill and a significant portion of the bill includes provisions to increase port operation, maintain navigability of inland waterways, rehabilitate locks/dams, and extends authorization of the Indian Irrigation Fund through 2030. Provisions of AWIA that may be of interest to the Ridgecrest area, NAWSCL, and IWVGA include the following:

- Reauthorization of the Clean Water – State Revolving Loan Fund program at increased levels with specific provisions to “increases assistance to struggling communities, while maintaining a robust revolving loan fund.” The State Revolving Loan Fund is the federal match to California’s Clean Water State Revolving Fund (SRF) which was discussed as a potential funding source within the Strategic Funding Plan provided to the Authority in October 2019. The SRF program would likely be required to fund the AVEK-route of the infrastructure project needed to bring imported water into the groundwater basin.
- Increases funding toward water storage in the western United States and builds new flood management infrastructure in the Midwest. Water storage is a critical component to the LADWP-

route of the infrastructure project and the bill provides designated funding for such projects.

- Creates a mechanism by which ACOE will develop a list of approved projects which can be funded through the Congressional appropriations process. This is an opportunity provision for IWVGA as it opens approved ACOE project to direct federal funding mechanisms (“authorization”). This provision further allows ACOE to recommend funding for projects with lower benefit-to-cost ratios if the project serves a small, financially disadvantaged or rural community. The draft bill further assists small, rural and disadvantaged communities across the country with new set asides and cost share waivers in the ACOE’s Continuing Authorities Program.
- Increases authorizations for technical assistance and training grant programs at the EPA for purposes of providing technical assistance to rural, small and tribal municipalities.
- Creates a small and medium-sized publicly owned treatment works circuit rider program that will award grants to non-profits to specifically provide on-site technical experts to owners and operators of small and medium publicly owned treatment works.
- Reauthorizes the highly successful Water Infrastructure Finance and Innovation Act (WIFIA) program administered by the Environmental Protection Agency to finance shovel ready water infrastructure projects and streamline the WIFIA application process by requiring only one final rating opinion letter as opposed to the previous requirement of two letters. This reauthorization and the increased revolving funds were provisions included in S. 1932 (Gardner/Feinstein) which was included in Capitol Core’s “Federal After-Action Report” provided in June 2019.
- Lastly, it reduces harmful air pollution emissions at ports and wastewater treatment facilities through improved energy technologies and increased energy efficiency.

The Drinking Water Infrastructure Act (“DWIA”) provides \$2.5 billion in federal authorizations. These new authorizations include:

- Reauthorization of the Safe Drinking Water Act emergency fund to provide resources and technical assistance to communities facing drinking water emergencies that present substantial a danger to health.

The IWVGA infrastructure project likely qualifies under the “emergency” situations intended within the legislation. It meets the activity requirements of the program under “transmission/distribution” and/or “storage capacity” and we believe the small/disadvantaged community status established by the State pursuant to Section 1452(d)(3) of the Safe Drinking Water Act are also met but require confirmation by IWVGA.

- Increased funding for the EPA’s Assistance for Small and Disadvantaged Communities Grant Program.

See above statement with regard to qualification of the IWVGA project.

- Codifies appropriations language that requires a state to use 20 percent of the Drinking Water State Revolving Loan Funds they receive to provide grants, no interest loans, forgiveness of loan principal or to buy, refinance or restructure debt. This is the funding mechanism included the Strategic Funding Plan labelled “California’s Drinking Water State Revolving Fund” which includes specific provisions for loan-forgiveness certain principal amounts known as a “capitalization grant.” This bill

increases the ability of the states to provide such principle forgiveness.

- Authorizes \$300 million in grants to assist in the remediation of emerging contaminants, with a focus on perfluoroalkyl and polyfluoroalkyl substances. Such substances are prevalent in groundwater systems near commercial mining, airport and military installations.
- The draft bill provides robust funding for grant programs to help water utilities invest in and deploy new and emerging, but proven, technology essential to improve water and energy efficiency, reduce emissions, and expanding ratepayer affordability. It also authorizes \$15 million annually for the EPA's Water Infrastructure Resiliency and Sustainability Grant Programs.

This legislation was reported by the Senate Committee on Environment & Public Works on May 11, 2020. Along with the Transportation Infrastructure legislation, they are now pending vote on the Senate floor. Capitol Core recommends the IWVGA support this legislation and we have attached a draft support letter to Senators Feinstein and Harris to this memorandum for your review and approval.

## **ACTIONS IN THE U.S. HOUSE OF REPRESENTATIVES**

### **Infrastructure Legislation**

The current version of House Stimulus package (aka "HEROES Act/CARES 2"), the House of Representatives expressed desire to advance its \$760 billion transportation, water, energy and communications infrastructure package. The Trump Administration had previously agreed to vast majority of this package in early April. The House of Representatives originally viewed the infrastructure program as a potential means to restart the American economy through "shovel ready" projects. House priorities, however; concerning state/local government stimulus weighed over infrastructure as a re-start and political issues arising from inclusion of the infrastructure package and caused most of the original provisions to be stripped from the HEROS/CARES-2 debate. An exception to that is the \$86 billion "5G" broadband upgrades/access, next-gen 911, and public safety communication networks which did make its way into the Stim-5 legislation. Further, the Senate (in particular Majority leader McConnell) indicated in early April that he would not be supportive of further infrastructure spending directly in the COVID-19 stimulus response bills. The Senate has not agreed to a further stimulus bill until such time that impacts from the first three stimulus bills have been seen.

Capitol Core will continue to work with Members of the House of Representatives to advance water infrastructure legislation best suited to meeting the program needs of IWVGA. However, at this point, the Senate bills related to water infrastructure provide in our opinion a better potential route for funding than the provisions within the draft HEROES/CARES-2 bill.

### **House Discussion – Stimulus/Restart Legislation**

Considerable discussion among Members of the "Problem Solving Caucus" (50-Member bipartisan informal caucus) took place over April-early May 2020 on methodologies to restart the American economy post-pandemic. House Leadership overlooked these provisions for the HEROS/CARES-2 but are not off the table in terms of ongoing debate. It is clear both the House and Senate view infrastructure projects as a means of helping an economic restart. There may also be opportunities as this debate continues to propose public-private partnerships (P3s) for infrastructure delivery and finance. These P3s maybe similar in structure to the current mechanisms found within the Opportunity Zone program administered by the Housing & Urban Development Department (HUD).

The framework/public policy principles guiding this discussion include:

- Bipartisan
- Enabler of state, regional and local priorities
- No over-arching federal policy direction
- Grants (formulas and competitions)
- Mainly tax-code and innovative vehicles
- Challenge to identify usage

A menu of “funding vehicles” for funding opportunities beyond those provided in the stimulus bills under the Bush and Obama Administrations is being considered. These include:

- Loans
  - Sector and multisector focuses
  - Targeted users
- Bond Vehicles
  - Capped versus non-capped
- Tax Credits (for private investments in infrastructure)
  - Incentives for utilization
- Investment Platforms
- Insurance
- Grants (competitive and formulas)
  - Add-on to existing and/or new grants
- Hybrid
  - Restricted/unrestricted (capital programs, O&M, balance sheet restructuring)
  - Indirect cash-payments

Capitol Core has advocated before HUD to utilize the Opportunity Zone program for infrastructure financing. Nothing within the current law prohibits HUD from developing guidance for infrastructure financing pools as a means of economic development within an Opportunity Zone. In fact, some Members of Congress have argued it was Congress’ intent for HUD to develop such financing pools within the program. HUD has struggled overall with the Opportunity Zone program and continues to consider adding infrastructure to its potential funding opportunities.

Capitol Core’s Scope of Work at Task #3 is generally defined as “Seeking and Securing Funding” (as it relates to the interconnection infrastructure project). In our discussions, we have sought government-related funding through existing programs, new authorizations, and Agency budgeted processes. Our Strategic Funding Report, provided in September 2019, details those government sources of funding and recommendations for IWVGA to pursue. We have, and will continue, to pursue those mechanisms.

This discussion provides a different opportunity to IWVGA to advance a public policy that seeks a hybrid public and public-private partnership approach. Capitol Core seeks direction from IWVGA on this approach or what additional information is needed to assist IWVGA in making an informed decision on the issue. One drawback to the existing Opportunity Zone Program is the requirement that the investment made be directly in the designated Zone. When applying that to infrastructure, a modification would be required to indicate that the infrastructure is directly benefiting the economic development of the designated Zone.

There are no budget impacts to the provision of this direction.

Potential Options for Direction from the Board on this subject include:

1. Capitol Core will continue to monitor developments of this emerging public policy discussion but take no position on behalf of IWVGA
2. Capitol Core will provide additional information to the Board for consideration of this approach (please describe required information)
3. Capitol Core should advocate in support of this approach/expansion of infrastructure financing
4. IWVGA does not currently support this approach and Capitol Core should discontinue monitoring

## MAY ACTIONS

It is anticipated the House/Senate will continue the debate over infrastructure, water, and stimulus funding. Capitol Core will continue to monitor those situations and report key-findings as they occur. In addition, we will be presenting our Report/Request to the Department of the Navy, Office of Energy, Installations, and Environment for consideration. This is the last remaining step prior to formal meetings between IWVGA and the Assistant Secretary of the Navy's Office.

With the California Legislature back in Session and the State beginning to reopen, Capitol Core will evaluate the opportunities to determine budget impacts on the Governor's water proposal and will look for opportunities to provide legislative briefings in advance of our formal request for funding consideration.

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DEPARTMENT OF DEFENSE  
Office of the Secretary  
Announcement of Federal Funding Opportunity

AGENCY: Office of Economic Adjustment (OEA), Department of Defense (DoD)

ACTION: Federal Funding Opportunity Forecast

**SUMMARY:** This notice announces an opportunity to obtain funding from the Office of Economic Adjustment (OEA) to assist States and local governments, and not-for-profit, member owned utility services in addressing deficiencies in community infrastructure supportive of a military installation, under the Defense Community Infrastructure Pilot Program. This notice includes proposal requirements, the deadline for submitting proposals, and the criteria that will be used to select proposals. Because this is a new program, this notice also requests public comments (as a “Forecast”) on the proposed selection criteria for these grants, as provided in Section E., paragraph 1 of this notice. The Secretary of Defense approved the program on May 6, 2020, and identified the priority focus to be military family quality of life, military resilience, and military value (in that order). OEA will consider and respond to any comments received after the 12-day Forecast period and converting this Forecast to a Final Federal Funding Opportunity notice.

OEA may directly provide awards under this notice for projects owned by a State, local government, or a not-for-profit, member-owned utility service, or it may transfer funds to another Federal agency for award to a state or local government.

**SUPPLEMENTARY INFORMATION:**

a. Federal Awarding Agency: Office of Economic Adjustment (OEA), Department of Defense (DoD).

b. Funding Opportunity Title: Defense Community Infrastructure Pilot Program.

c. Announcement Type: Federal Funding Opportunity Forecast.

d. Catalog of Federal Domestic Assistance (CFDA) Number: 12.600.

e. **Key Dates:** Comments on this Federal Funding Opportunity notice must be received by OEA no later than 5 p.m. PDT on May 18, 2020. Comments on this Forecast must include the name of the individual transmitting the comments, the entity represented by those comments, an email address and a phone number for the entity. Please access the Defense Community Infrastructure Program link to submit comments (<https://oea.gov/defense-community-infrastructure-pilot-program-dcip>). OEA will consider submitted comments, incorporate revisions deemed necessary, and republish on Grants.gov this Forecast as a Final Federal Funding Opportunity Notice no later than May 26, 2020, for a 32-day solicitation period. OEA will hold a pre-proposal webinar at 3 p.m. EDT on June 2, 2020, to review the goals and objectives of the Final Federal Funding Opportunity and answer questions from interested respondents. Complete proposals for Defense Community Infrastructure Program grants must be received by OEA by 5 p.m. PDT June 26, 2020, (the Proposal Deadline). All proposals will then be ranked for final approval by the Secretary of Defense for Director OEA to designate project managers and by August 8, 2020, invite the submission of a grant application.

**A. PROGRAM DESCRIPTION**

Section 2391(d) of title 10, United States Code, authorizes the Secretary of Defense to, “make grants, conclude cooperative agreements, and supplement funds available under Federal programs administered by agencies other than the Department of Defense, for projects owned by a State or local government, or a not-for-profit, member-owned utility service to address deficiencies in community infrastructure

supportive of a military installation, if the Secretary determines that such assistance will enhance the military value, resilience, or military family quality of life at such military installation.” The Consolidated Appropriations Act for Fiscal Year 2020 (PL 116-93) provides \$50 million for the Office of Economic Adjustment (OEA) to obligate prior to September 30, 2020. On May 6, 2020, the Secretary of Defense approved OEA to implement this program with the eligibility criteria and grant process provided under this notice.

Project proposals must include the endorsement of the local installation commander representing the installation benefitting from the proposed project, and will be competitively ranked across review criteria identified in Section E., paragraph 1 of this notice.

Federal funds may supplement, but cannot substitute for or otherwise supplant other available public funds that are available for the proposed project, including funds from the Defense Access Roads Program, U.S. Department of Transportation grants, etc.

## **B. FEDERAL AWARD INFORMATION**

Proposals will be ranked by a Defense Community Infrastructure Program review panel against the selection criteria provided in Section E. paragraph 1, of this Forecast. These criteria may be further amended and the deadline for submission of proposals may be extended by OEA in the Final Federal Funding Opportunity to be published no later than May 26, 2020, on Grants.gov. OEA will invite by August 8, 2020, successful respondents on the basis of their proposal’s ranking by the review panel, following the Secretary of Defense’s approval, to complete a grant application. Complete proposals for Defense Community Infrastructure Pilot Program grants must be received by OEA by June 26, 2020, (the Proposal Deadline). To receive an award, an eligible respondent must submit both a successful proposal and an acceptable grant application.

The award ceiling is \$25 million and the award floor is \$250,000. Individual proposals requesting more than \$25 million from the Defense Community Infrastructure Program will not be accepted for review, and all proposed projects must result in a complete and useable project. The final amount of each award will be determined by OEA based on the recommendation of the review panel, subject to the availability of appropriations under this announcement.

For non-rural area projects (rural area being defined as a city, town, or unincorporated area that has a population of not more than 50,000 inhabitants), the State or local government, or a not-for-profit, member-owned utility service, must agree to contribute 50% or more of the funding for the project, unless a national security waiver is approved by the Secretary of Defense.

The total amount of funds available for awards may be reduced by amounts required to reimburse costs for program oversight and administrative services secured from non-DoD Federal agencies. Project cost overruns are the responsibility of the recipient. Recipients of grant funding under this program will be subject to terms and conditions in the course of undertaking their project, including conformance with an agreed upon “Project Development Schedule.” OEA reserves the right to cancel an award for non-performance, including failure to comply with the agreed upon Project Development Schedule. Awards are subject to compliance with the National Environmental Policy Act (NEPA), and entities invited to be applicants for grants under the Defense Community Infrastructure Program are responsible for providing the information required to satisfy NEPA and the Council on Environmental Quality NEPA regulations as well as any required state or local environmental regulations.

Awards under the Final Federal Funding Opportunity will be issued in the form of a grant agreement in accordance with 31 U.S.C. 6302 and 6304.



## **C. ELIGIBILITY INFORMATION**

### **1. Eligible Proposers**

State or local governments and not-for-profit, member owned utility services owning infrastructure outside of, owning infrastructure outside but supporting, a military installation. The term military installation means a base, camp, post, station, yard, center, homeport facility for any ship, or other activity under the jurisdiction of the Department of Defense, including any leased facility, which is located within any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, or Guam. Such term does not include any facility used primarily for civil works, rivers and harbors projects, or flood control projects.

### **2. Cost Sharing or Matching**

For non-rural area projects (rural area being defined as a city, town, or unincorporated area that has a population of not more than 50,000 inhabitants) the State or local government, or a not-for-profit, member-owned utility service, must agree to contribute 50% or more of the funding for the project, unless a national security waiver is approved by the Secretary of Defense.

These matching funds may not count as non-Federal match for other project funding, and the ability to use other Federal funds as a non-Federal match contribution will be determined by the authority and appropriation providing those funds as well as whether the relevant Grantor provides approval. Funding proposed as a source for the non-Federal share must be expended either within the proposed project period commencing from the date of award or no earlier than the date of enactment of the 2019 National Defense Authorization Act, August 13, 2018.

### **3. Eligible Projects**

Eligible community infrastructure projects are any complete and useable transportation project, school, hospital, police, fire, emergency response, or other community support facility; or water, waste-water, telecommunications, electric, gas, or other utility infrastructure project, that:

- support a military installation;
- are owned by a state or local government or a not-for-profit, member owned utility service;
- will enhance military family quality of life, resilience or military value at the supported military installation;
- endorsed by the local installation commander representing the installation benefitting from the propose project; and
- are construction-ready.

Project proposals improving military family quality of life include: schools, hospitals, daycare centers (CDCs), recreation centers, etc.

In publishing this Forecast Federal Funding Opportunity, the Secretary of Defense has prioritized projects that: First, improve the quality of life of our service members and their families; Second, provide resilience; and, Third, provide military value ranked in that order. A project is construction ready if construction of the project may commence within 12 months of award, and all necessary final design and planning, Federal and state/local environmental planning, and local permitting actions are substantially complete.

Eligible activities include only hard construction and renovation costs outside of local installation property (defined as property not owned by the local installation), including reasonable allowances for contingencies, and capital equipment affixed to the real property with a depreciable life of not less than 7 years.

#### 4. Eligible Costs

Eligible costs include, but are not limited to, project administration, inspection, construction, utilities, and contingency costs required to execute the project as well as capital equipment affixed to the real property with a depreciable life of not less than 7 years.

Proposals that meet the aforementioned eligibility conditions will be ranked by the Defense Community Infrastructure Program review panel against the selection criteria provided in Section E., paragraph 1 of this notice. The highest-ranking proposals will be invited to be applicants to submit formal grant applications, and grant awards will be made to successful applicants until the available appropriations are exhausted.

### **D. Proposal and Submission Information**

#### 1. Address to Request Application Package

Proposals must be submitted electronically as described in Section D., paragraph 4.

#### 2. Content and Form of Proposal Submission

Each interested respondent must submit a complete proposal through Grants.gov not later than the Proposal Deadline date (see Section D., paragraph 4). Grants.gov requires all proposers to complete the Standard Form 424. Please refer to the instructions provided with the Grants.gov Funding Opportunity on how to complete the Standard Form 424.

A proposal may not exceed 18 pages (single-sided, single-spaced with 1-inch margins, 11 point Times New Roman font, and including all maps, drawings and attachments—excepting the Standard Form 424 and the independent cost estimate to validate the proposed project budget, the pages for which do not count towards this 18 page total) and shall include the following information:

A. Point of Contact: Name, phone number, e-mail address, and organization address of the respondent's primary point of contact;

B. Installation Need: A summary of the installation need, including which issue the proposal addresses—military family quality of life, resiliency, or military value—and how the issue degrades military family quality of life, resilience and/or military value at the local installation. Information on this need must also include an assessment of the likely beneficiaries from the project, and specifically an assessment of the extent to which the total installation population of military service members and/or their families will benefit (e.g., 0-100% of the population); Service members and /or their families must be 50% or more of the population benefitted by the proposal.

C. Installation Endorsement: A letter of endorsement from the Commander of the local installation that includes (a) the existing conditions at the local installation to be impacted by development of the proposed project (and the extent to which the proposed project enhances the existing conditions), and (b) a comparison of how those existing conditions rank against all other installations of that same Military Service;

D. Project Description: A description of the proposed Defense Community Infrastructure Pilot Program project, including an explanation how the project addresses the installation need;

E. Project Engineering Information: A demonstration of the technical feasibility of the construction project;

F. Project Parties: Identification of other parties involved in the project;

G. Grant Funds and other Sources of Funds: An overview and commitment of all funding sources, including non-federal match source funding identified, requested under this notice, financial commitments for other Federal and non-Federal funds needed to complete the project (including any eligibility of Federal funds to be counted as the non-Federal share), documentation demonstrating that the requested funds do not supplant other available funds, and acknowledgement any cost overruns will be the obligation of the proposer. Proposing entity must also state its capability to obtain a surety bond as

backstop ensuring successful completion of the project should cost overruns occur or other unforeseen financial impacts;

H. Uses of Construction Project Funds: The uses of project funding, including a total project cost estimate with major cost elements broken out for project administration, inspection, construction, utilities, and contingency costs. All proposals shall include an independent cost estimate to validate the proposed project budget;

I. Project Development Schedule: A sufficiently detailed project schedule, including milestones such as final permitting and compliance (if required), land acquisition and site control (if needed), start of construction and end of construction, demonstrating that the project can commence within 12 months upon receipt of a grant and that the grant funds will be spent steadily and expeditiously once the project commences, and completed no later than 5 years following the obligation of Federal funds;

J. Environmental Approvals: Indicate the status (e.g., receipt or reasonably anticipated receipt) of all environmental approvals necessary for the construction project to proceed to construction on the timeline specified in the project schedule, including all Federal, State, and local requirements, and completion of an appropriate environmental impact analysis in accordance with NEPA (required);

K. State and Local Planning: If applicable, the inclusion of the construction project in the relevant State, metropolitan, and local planning documents, or a certification from the appropriate agency (e.g., Metropolitan Planning Organization) that the project will be included in the relevant planning document. The proposer should demonstrate that conformance with state and local planning requirements is attainable within 6 months of project approval;

L. Grants Management: Evidence of the intended recipient's ability and authority to manage grants;

M. Spousal Program Support: Proposals must contain a narrative presenting efforts by the proposer, or the proposer's State or local government, to support military spouses, including efforts to ease spousal unemployment and licensure, childcare, mentorship, and other services/programs to assist military spouses.

N. Submitting Official: Documentation that the Submitting Official is authorized by the proposer to submit a proposal and subsequently apply for assistance; and

O. Attachments: In compliance with the overall application page limit (notwithstanding the length of the independent cost estimate to validate the proposed project budget).

Proposals to be complete upon submission and incomplete proposals will not be reviewed. To the extent practicable, OEA encourages respondents to provide data and evidence of all project merits in a form that is publicly available or verifiable.

### 3. Unique Entity Identifier and System for Award Management (SAM)

Each proposer invited to be an applicant for a grant is required to: (a) Provide a valid Dun and Bradstreet Universal Numbering System (DUNS) number; (b) be registered in SAM before submitting its application; and (c) continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency. OEA may not make a Federal award to an applicant until the applicant has complied with all applicable unique entity identifier and SAM requirements and, if an applicant has not fully complied with the requirements by the time OEA is ready to issue a Federal award, OEA may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

### 4. Submission Dates and Times

Comments on this Forecast must be submitted to the OEA email address identified in Section G of this notice no later than 5 p.m. PDT on May 18, 2020. Comments on this Forecast must include the name of the individual transmitting the comments, the entity represented by those comments, an email address and a phone number for the comments. Please access the Defense Community Infrastructure Program link on the OEA homepage (<https://oea.gov/defense-community-infrastructure-pilot-program-dcip>) to submit

comments. OEA will incorporate comments and republish this Forecast as a Final Federal Funding Opportunity no later than May 26, 2020, on Grants.gov for a 32-day solicitation period. OEA will hold a pre-proposal webinar at 3 p.m. EDT on June 2, 2020, to review the goals and objectives of the Federal Funding Opportunity and answer questions from interested respondents. Complete proposals for Defense Community Infrastructure grants must be received by OEA by June 26, 2020, (the Proposal Deadline). All proposals will be ranked by the review panel, the Secretary of Defense shall approve the final rankings, and OEA will assign project managers and invite applications by August 8, 2020, accounting for the amount of the available appropriation from those ranked projects according to the ranking.

#### 5. Intergovernmental Review

This program is eligible for coverage under Executive Order 12372, “Intergovernmental Review of Federal Programs,” issued with the desire to foster intergovernmental partnership and strengthen Federalism by relying on State and local processes for the coordination and review of proposed Federal financial assistance and direct Federal development. The Order allows each State to designate an entity to perform this function. The official list of those entities is available at: <https://www.whitehouse.gov/wp-content/uploads/2019/02/SPOC-February-2019.pdf>. Applicants located in States that provide a designated entity should contact them for more information on the process. States that do not provide a designated entity have chosen not to participate in the intergovernmental review process. Applicants located in States without a designated entity may submit the proposal directly. Funding is subject to NEPA, and compliance with NEPA is required.

#### 6. Funding Restrictions

See Section C., paragraph 3, for information on eligible activities.

Federal funds may supplement and cannot substitute for or otherwise supplant other available public or private funds such as Defense Access Roads Program, Transportation grants, etc.

#### 7. Other Submission Requirements

**Key Dates:** Comments on this Forecast must be submitted to the OEA email address identified in Section G., of this notice no later than 5 p.m. PDT on May 18, 2020. Comments on this Forecast must include the name of the individual transmitting the comments, the entity represented by those comments, an email address and a phone number for the comments. Please access the Defense Community Infrastructure Program link on the OEA homepage (<https://oea.gov/defense-community-infrastructure-pilot-program-dcip>) to submit comments. OEA will incorporate comments and republish this Forecast as a Final Federal Funding Opportunity no later than May 26, 2020, on Grants.gov for a 32-day solicitation period. OEA will hold a pre-proposal webinar at 3 p.m. EDT on June 2, 2020, to review the goals and objectives of this Forecast and answer questions from interested respondents. Complete proposals for Defense Community Infrastructure grants must be received by OEA by June 26, 2020, (the Proposal Deadline). OEA will evaluate all proposals and announce by August 8, 2020, the projects that have been selected for submission of a grant application.

### **E. APPLICATION REVIEW INFORMATION**

#### 1. Selection Criteria

Upon validating the eligibility of the interested respondent to apply for assistance, a review panel, comprised of the military services, DoD, and OEA, ranks proposals to recommend to the Secretary of Defense for invitation of a formal grant application. The proposed ranking criteria, with relative weights (the more responsive the proposal is to a need in these areas, the higher the score), are:

- a) The program prioritizes projects addressing the following issues (in this ranked order): the extent the proposed project enhances (Tier I) military family quality of life; (Tier II) resiliency; and, (Tier III) military value at a local installation. Proposals in Tier I will rank higher than Tiers II

and III. Proposals in Tier II will rank higher than Tier III. Key considerations are that (i) Service members/families are at least 50% of the patrons/recipients/beneficiaries of the proposed infrastructure project; (ii) State/local government provides DoD spousal licensure reciprocity; (iii) Tier I military family quality of life projects come from installations in locations with the most significant quality of life challenges; and, (iv) Tier I projects focus on schools, hospitals, day care, and recreation centers, etc. (0-40 points);

- b) The need for the proposed project and impacts to the stated issue (Tier) if the project is not undertaken and factoring in the assessment of the local installation endorsement letter on (i) the existing conditions of the issue, and (ii) how those existing conditions rank against other Service installations. This may include the relationship of the proposed project to the requirements and objectives of the relevant military department, for example: support for (1) the extent to which an approved project reduces the operating cost of the local installation or contributes to a cost avoidance for an existing or planned requirement; (2) an approved or planned stationing action; (3) an approved or planned land acquisition; (4) mitigation of an off-post impact required by an existing NEPA analysis identified through local installation endorsement of the proposal; or (5) an approved energy resilience or water master plan (0-25 points);
- c) The extent to which the proposed project is feasible, reasonable, allocable, and allowable; the amount of non-DoD funding leveraged in the proposed project (non-rural projects with a State or local match of 50% or more will score higher); third party cost validation of cost estimates; and an explanation why a proposed project is not otherwise eligible for consideration under any existing Federal program (e.g., Defense Access Roads Program, Federal Transportation formula funding, etc.) (0-25 points); and,
- d) The ability of the proposer to start construction within 1 year or less of funding, including whether the proposer has established site control; completion of necessary Federal and/or State/local environmental analysis; and, public and/or private financing firmly committed and, but for the Federal award, are able to be expended (0-10 points).

Comments on the above selection criteria that are submitted later than 5 p.m. PDT on May 18, 2020, will not be considered, and changes to these selection criteria, if any, will be republished in a Final Federal Funding Opportunity on Grants.gov on May 26, 2020.

## 2. Review and Selection Process

The composition of the Defense Community Infrastructure Program review panel, to include other DoD and Military Department staff with technical proficiencies and relevant experience, will be finalized after the Proposal Deadline, based on the number and nature of proposals received. The panel will rank all proposals against the Selection Criteria and make recommendations to the Secretary of Defense. Following the Secretary of Defense's approval of the final rankings, the Director, OEA, will proceed to invite grant applications by August 8, 2020, and award funding consistent with the ranked proposals prior to September 23, 2020. Recipients will need to accept the terms of these awards so the funds can be obligated prior to September 30, 2020. Proposers invited to submit grant applications must also evidence steps to obtain a surety bond as a contingency against project cost overruns or other unforeseen financial impacts that might result in an unfinished project. Review panel members will be subject to a non-disclosure agreement and be expected to keep the review of these proposals confidential until released from the non-disclosure agreement by OEA.

## F. FEDERAL AWARD ADMINISTRATION INFORMATION

### 1. Federal Award Notices

In the event a grant is awarded, the successful applicant (Grantee) will receive a notice of award in the form of a grant agreement, signed by the Director, OEA (Grantor), on behalf of DoD. The grant agreement will be transmitted electronically. Grants must be awarded and the Grantee must accept the terms and condition of an award before September 23, 2020, so the funds can be obligated prior to

September 30, 2020. Once obligated, the funding remains available for expenses for up to 5 years, as approved by OEA in the grant terms and conditions.

## 2. Administrative and National Policy Requirements

Any grant awarded under this program will be governed by the provisions of the OMB circulars applicable to financial assistance and DoD's implementing regulations in place at the time of the award. A Grantee receiving funds under this opportunity and any consultant or pass-thru entity operating under the terms of a grant shall comply with all Federal, State, and local laws applicable to its activities. Federal regulations that will apply to an OEA grant include administrative requirements and provisions governing allowable costs as stated in:

- 2 CFR part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards";
- 2 CFR part 1103, "Interim Grants and Cooperative Agreements Implementation of Guidance in 2 CFR part 200, "Uniform Administrative Requirements, Cost Principles, And Audit Requirements for Federal Awards";
- 2 CFR part 25, "Universal Identifier and System for Award Management";
- 2 CFR part 170, "Reporting Sub-award and Executive Compensation Information";
- 2 CFR part 180, OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement), as implemented by DoD in 2 CFR part 1125, Department of Defense Non-procurement Debarment and Suspension; and
- 32 CFR part 28, "New Restrictions on Lobbying".
- Additional requirements applicable to construction awards include compliance with:
  - National Environmental Protection Act (NEPA)
  - National Historic Preservation Act
  - Buy American Act and Hire American Act

## 3. Reporting Performance

OEA requires performance reports in intervals no less frequent than annual nor more frequent than quarterly except in unusual circumstances, for example, where more frequent reporting is necessary for effective monitoring or could significantly affect deliverables. OEA's notice of award will include a schedule to identify reporting type, frequency, and due dates. All performance reports will be submitted electronically. The following provides the required criteria for construction grant performance reports:

- OEA will significantly rely upon onsite technical inspections and certified percentage of completion data to monitor progress under awards and sub-awards for construction. OEA may require additional performance reports when considered necessary.
- Significant developments. Events may occur between the scheduled performance reporting dates that have significant impact upon the supported activity. In such cases, the non-Federal entity must inform OEA as soon as the following types of conditions become known:
  - Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.
  - Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.
  - OEA retains the right to make site visits as warranted.

The final performance report will be due 90 calendar days after the period of performance end date. The final performance report must contain a summary of activities for the entire grant period. All required deliverables should be submitted with the final performance report. If a justified request is submitted by a non-Federal entity, OEA may extend the due date for any performance report.

Awards including acquisition or improvement to real property or personal property will be subject to OEA Federal interest as well as property standards as specified in 2 CFR 200.

Evidence submitted by the non-Federal entity demonstrating completion of the project is required. Examples of such evidence include occupancy permits, operational licenses and permits, titles, etc.

#### 4. Financial

The non-Federal entity will submit SF-425, “Federal Financial Report,” electronically to OEA. Submission due dates will be provided in OEA’s notice of award. Interim financial reports are required annually. The final financial report is due 90 days after the period of performance end date.

#### 5. Post Award Reporting Requirements

The non-Federal entity must comply with the post award reporting requirements reflected in Appendix XII to 2 CFR Part 200-Award Term and Condition for Recipient Integrity and Performance Matters.

### **G. Federal Awarding Agency Contacts**

Please access the Defense Community Infrastructure Program link on the OEA homepage (<https://oea.gov/defense-community-infrastructure-pilot-program-dcip>) to submit comments on this Forecast. Comments on this Forecast must include the name of the individual transmitting the comments, the entity represented by those comments, an email address and a phone number for the comments. Requests for further information or for help with problems related to this program should be directed to: Mr. Daniel Glasson, Office of Economic Adjustment, 2231 Crystal Drive, Suite 520, Arlington, VA 22202–3711. Office: (703) 697–2130 or (if on Telework) (571) 733-7467. Email: [daniel.l.glasson.civ@mail.mil](mailto:daniel.l.glasson.civ@mail.mil).

The OEA homepage address is: <http://www.oea.gov>.

### **H. OTHER INFORMATION**

**SUMMARY:** This notice announces an opportunity to obtain funding from the Office of Economic Adjustment (OEA) to assist States, local governments, and not-for-profit, member owned utility services to address deficiencies in community infrastructure supportive of a military installation, under the Defense Community Infrastructure Pilot Program. This notice includes proposal requirements, the deadline for submitting proposals, and the criteria that will be used to select proposals. Because this is a new program, this notice also requests public comments (as a “Forecast”) on the proposed selection criteria for these grants, as provided in Section E., paragraph 1 of this notice. Applications must report whether the state in which the project is located accepts spousal licensure reciprocity requests from DoD spouses. The Secretary of Defense approved the program on May 6, 2020, and identified as the priority for the program to focus on military family quality of life. OEA will consider and respond to any comments received after the 12-day Forecast period and converting this Forecast to a Final Federal Funding Opportunity notice.

Awards may be provided under this notice directly by OEA to a State, local government, or a not-for-profit, member-owned utility service, or funds may be transferred to another Federal agency for award on behalf of a state or local government.

#### **SUPPLEMENTARY INFORMATION:**

a. Federal Awarding Agency: Office of Economic Adjustment (OEA), Department of Defense (DoD).

b. Funding Opportunity Title: Defense Community Infrastructure Pilot Program.

c. Announcement Type: Federal Funding Opportunity Forecast.

d. Catalog of Federal Domestic Assistance (CFDA) Number: 12.600.

Dated: May 6, 2020.



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May 13, 2020

The Honorable Dianne Feinstein  
United States Senate  
331 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Kamala Harris  
United States Senate  
112 Hart Senate Office Building  
Washington, D.C. 20510

RE: America's Water Infrastructure Act of 2020 (S. 3591) and the Drinking Water Infrastructure Act of 2020 (S. 3590)

Dear Senator Feinstein and Senator Harris:

The Indian Wells Valley Groundwater Authority (IWVGA) supports and urges your “aye” vote on the America’s Water Infrastructure Act of 2020 (S. 3591) and the Drinking Water Infrastructure Act of 2020 (S. 3590). Both bills are currently awaiting votes on the Senate floor.

This legislation provides \$17 billion in new federal authorizations that would increase water storage, provide protection from dangerous floodwaters, expand nationally significant ports, maintain the navigability of inland waterways, and repair aging wastewater/irrigation systems. In addition, it provides \$2.5 billion in federal authorizations for drinking water projects.

Within the five-year authorized period that these bills cover, California’s water infrastructure needs will be immense. Implementation of California’s Sustainable Ground Water Management Act (SGMA) alone will create the need to construct and repair water infrastructure to meet the established sustainability requirements. Construction costs for both new and repaired infrastructure to meet SGMA will likely be in the billions of dollars between 2024 and 2030.

As provided to you, the IWVGA has prepared and submitted to the California Department of Water Resources its Groundwater Sustainability Plan (GSP) which details how we propose to achieve sustainability for the Indian Wells Valley Groundwater Basin in compliance with SGMA. The GSP identifies an infrastructure project to connect to existing waterways that will be necessary to bring imported water supplies into the Basin. As we have discussed between 3,000 and 5,000 acre-feet of imported water per year is required to sustain the Basin. This infrastructure project will cost between \$55 million and \$177 million (depending on the final chosen route) to complete. Construction will likely begin in 2026 and be completed in 2032. As currently envisioned, one of the routes will create additional groundwater storage potential for the state.

S. 3590 and S. 3591 would reauthorize and increase funding to the State Revolving Loan Program. California's Clean Water State Revolving and Drinking Water State Revolving Funds are highly competitive, and we believe the impacts of SGMA implementation will only increase demand for these funds. IWVGA has already been working with the Environmental Protection Agency (EPA) and the California State Water Resources Control Board concerning our project's eligibility under these Funds. Depending upon the route selected for the project, the State Revolving Loan Program may be critical to the funding needs of our Basin. These funds also likely will be critical to complying with the requirements under SGMA.

S. 3590 and S. 3591 further reauthorize the highly successful Water Infrastructure Finance and Innovation Act (WIFIA) program administered by the EPA to finance "shovel ready" water infrastructure projects. S. 3591 further streamlines the WIFIA application process by requiring only one final rating opinion letter as opposed to the previous requirement of two letters. IWVGA has already discussed WIFIA with the EPA as a potential funding alternative for its infrastructure project. While our project is clearly not "shovel ready," it would become "shovel ready" during the reauthorized period. While SGMA staggered implementation requirements for groundwater authorities, it does overlap deadlines. IWVGA anticipates that several groundwater sustainability agencies will require project funding to comply with SGMA implementation in the coming years. WIFIA's success in providing assistance to California's water agencies is already established. We urge you to continue to fund this important program through passage of this legislation.

Two smaller provisions within DWIA (S. 3590) increases funding for the EPA's Assistance for Small and Disadvantaged Communities Grant Program and reauthorization of the Safe Drinking Water Act emergency fund (which is administered by the U.S. Department of Agriculture) to provide resources and technical assistance to communities facing drinking water emergencies that present a substantial danger to health. IWVGA qualifies for these grant programs and may benefit under the technical assistance as the Basin is currently in critical overdraft as defined by the California Department of Water Resources. Under each of these programs, funding awards may be sought to help develop the IWVGA infrastructure project

Finally, our IWVGA member agency, the City of Ridgecrest, California, may benefit from the provisions within AWIA which allocate funding for wastewater infrastructure repair. The U.S. Navy and the City of Ridgecrest are currently in development of a wastewater treatment facility that replaces and increases the Region's capacity. This new facility increases water reuse which is a portion of achieving sustainability in the Groundwater Basin.

## **About the IWVGA**

IWVGA is the local agency serving as the groundwater sustainability agency (GSA) for the Indian Wells Valley Groundwater Basin. Spanning across portions of San Bernardino, Kern and Inyo Counties, the Groundwater Basin is the primary source of water for the region which includes the City of Ridgecrest and the U.S. Naval Air Weapons Station at China Lake (NAWSCL).

The Indian Wells Valley Groundwater Basin is located in the northwestern part of the Mojave Desert in Southern California and underlies approximately 382,000 acres or approximately 600 square miles of land area. It is bordered on the west by the Sierra Nevada Mountain Range, on the north by the Coso Range, on the east by the Argus Range and the south by the El Paso Mountains. Surface water flow from the surrounding mountain ranges drains to China Lake, a large dry lake, or playa located in the central north-east part of the basin.

The Basin is situated within an arid region which does not have the benefit of a major imported water source and therefore relies solely upon groundwater. The groundwater basin has experienced significant overdraft for decades and, the State of California has tasked IWVGA with developing the GSP to achieve sustainability by 2040.

The United States Navy possess federal right to the groundwater but has fully participated in the development of the GSP, is a valued partner in the GSP development process, and recognizes its impact to the considerable Navy personnel which live off-base. Through a Department-Assessment, the U.S. Navy has determined water scarcity is one major potential encroachment issue facing Naval Air Weapons Station China Lake and is a major resiliency factor for the base. These findings are similar to the California Department of Water Resources' findings designating the Basin as in "critical overdraft." In compliance with SGMA the IWVGA published and filed its GSP. The GSP found Basin is currently over-drafting up to 25,000 acre-feet per year. Natural recharge and/or further conservation measures are unlikely to produce enough savings to meet water sustainability in the groundwater basin and imported water supplies are among seven measures being implemented by IWVGA. Imported water will require infrastructure to be constructed with cost estimates between \$55 million and \$177 million.

We appreciate this opportunity to express our support for the Water Infrastructure Legislation (S. 3590 and S. 3591) and we urge your "aye" vote as these bills come up for vote before the U.S. Senate. Should you have any questions, please give Michael McKinney a call at 714.299.0053 or via email at [m.mckinney@capitolcore.com](mailto:m.mckinney@capitolcore.com).

Sincerely,

The Honorable Mick Gleason  
Chairman, Indian Wells Valley Groundwater Authority  
Supervisor, Kern County, California

cc: The Honorable John Barrasso, Chairman Senate Committee on Environment and Public Works  
The Honorable Thomas Carper, Ranking Member Senate Committee on Environment and Public Works  
The Honorable Kevin McCarthy, Member United States House of Representatives  
The Honorable Paul Cook, Member United States House of Representatives

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