

# 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

Wednesday, April 12, 2023

**Closed Session – 10:00 a.m.**

**Open Session – No earlier than 10:30 a.m.**

Pursuant to California Government Code 54953(b)(1) an additional call-in location has been established for a Board Member who will attend this meeting via teleconference at 14955 Dale Evans Parkway Apple Valley, CA. 92307.

***NOTICE:*** *In accordance with the evolving public health declarations, we will continue to provide live stream video for those wishing to participate virtually. Please see the Public Comment Notice below for detailed instructions on submitting public comment as well as websites for livestream broadcasting.*

*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 Keigwin at (805) 764-5452. 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 Ridgecrest City Hall, 100 W California Ave, 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. All Public Comment portions of the meeting shall be limited to three (3) minutes per speaker. Each person is limited to one comment during Public Comments.*

#### 1. CALL TO ORDER

#### 2. ADOPTION OF AGENDA

#### 3. PUBLIC COMMENT ON CLOSED SESSION

#### 4. CLOSED SESSION

- CONFERENCE WITH REAL PROPERTY NEGOTIATIONS –  
(Government Code Section 54956.8) - Property: Jackson Ranch - Kings County  
Assessor's Parcel Numbers 048-010-016, 048-010-018, and 048-020-030; Agency  
Negotiator: Capitol Core Group; Negotiating Parties: Various; Under Negotiation: Price  
and terms of payment.
- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

(Government Code Section 54956.9(d)(1)): IWVGA v. Inyokern CSD – Kern County Superior Court BCV-22-100281

- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Government Code Section 54956.9(d)(1) - Name of case: Searles Valley Minerals Inc v. Indian Wells Valley Groundwater Authority, et. al. - Orange County Superior Court 30-2022-01239487-CU-MC-CJC
- CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION  
(Government Code Section 54956.9(d)(1) - Name of case: Mojave Pistachios, LLC, a California limited liability company, et.al. v. Indian Wells Valley Groundwater Authority, a California Joint Powers Authority, et. al. - Orange County Superior Court 30-2022-0139479-CU-MC-CJC

**5. OPEN SESSION – No earlier than 10:30 a.m.**

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

**6. PUBLIC COMMENT**

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.

**7. BOARD MEMBER COMMENTS**

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

**8. CONSENT AGENDA**

- a. Approve Minutes of Board Meeting March 8, 2023
- b. Approve Expenditures  
*\*To view itemized invoices please visit <https://iwvga.org/iwvga-meetings>*
  - i. \$88,461.11 – Stetson Engineers
  - ii. \$21,047.50 – Regional Government Services – (Replenishment / Extraction)
  - iii. \$23,831.25 – Capitol Core Group – (Replenishment)
  - iv. \$78,784.01 – Provost & Pritchard – (SGMA IP Grant)

**9. AUTHORIZE RELEASE OF REQUEST FOR PROPOSALS TO CONDUCT 2022 FINANCIAL AUDIT**

**10. GRANT OF EASEMENT WITH UNITED STATES NAVY FOR INSTALLATION OF TELEMETRY EQUIPMENT**

**11. APPROVAL OF REIMBURSEMENT AGREEMENT WITH THE BUREAU OF LAND MANAGEMENT FOR ASSISTANCE / PERMITTING FOR IMPORTED WATER PIPELINE**

**12. APPROVAL OF RESOLUTION 05-23 CEQA NOTICE OF EXEMPTION FOR THE GEOTECHNICAL BORINGS FOR THE IMPORTED WATER PIPELINE DESIGN**

**13. WATER RESOURCES MANAGER REPORT**

- a. Grant Funding
- b. GSP Implementation Projects/Management Action Updates
  - i. Recycled Water Program
  - ii. Imported Water Program
- c. Miscellaneous Items
  - i. Data Collection and Monitoring
  - ii. IWVGA Basin Model Configuration Management Plan
  - iii. Rose Valley Subflow Update
  - iv. Update on LADWP Releases

**14. GENERAL MANAGER’S REPORT**

- a. Monthly Financial Report
- b. Report on IWVGA’s Water Marketer (Capitol Core Group)

**15. DATE OF NEXT MEETING – MAY 10, 2023**

**16. ADJOURN**

**PUBLIC COMMENT NOTICE**

IWVGA meetings will be open to the public for physical attendance; However, for those who wish to continue using virtual alternatives please follow the directions below for access to live stream video as well as ways to submit public comment.

- **Watch meetings on-line:**  
All of our meetings are streamed live at <https://ridgecrest-ca.gov/369/Watch> (4 second streaming delay) or on YouTube at <https://www.youtube.com/cityofridgecrest/live> (22 second streaming delay) 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 pause between callers to give time for media delays and callers to dial in. Due to media delays, please mute your streaming device while making public comment. 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 [akeigwin@rgs.ca.gov](mailto:akeigwin@rgs.ca.gov) written correspondence may be sent to April Keigwin, Clerk of the Board, 100 W. California Ave., Ridgecrest, CA 93555. Please specify to which agenda item your comment relates.
- **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 Board 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 Wednesday, March 8, 2023

### IWVGA Members Present:

Chairman Scott Hayman, City of Ridgecrest	Carol Thomas-Keefer, IWVGA General Manager
Phillip Peters, Kern County	Keith Lemieux, Legal Counsel
Chuck Griffin, IWVWD	Steve Johnson, Stetson Engineers
John Vallejo, Inyo County	Commander Benjamin Turner, US Navy, DoD Liaison
Tim Itnyre, San Bernardino County	April Keigwin, Clerk of the Board
Thomas Bickauskas, Bureau of Land Management	

Attending via teleconference is Tim Itnyre, Steve Johnson, Carol Thomas-Keefer.

Meeting recording, public comment letters submitted, and all board meeting related documents are made available at:  
<https://iwvga.org/iwvga-meetings/>

### 1. CALL TO ORDER:

Chairman Hayman calls the meeting to order at 10:05 a.m.

### 2. ADOPTION OF AGENDA:

Motion made by Phillip Peters and seconded by John Vallejo to approve adoption of the agenda.  
Motion carries by the following roll call vote:

Chairman Hayman	Aye
Vice Chair Peters	Aye
Director Itnyre	Absent
Director Griffin	Aye
Director Vallejo	Aye

### 3. PUBLIC COMMENT ON CLOSED SESSION:

None.

Chairman Hayman calls the meeting into Closed Session at 10:06 a.m.

### 4. CLOSED SESSION:

- CONFERENCE WITH REAL PROPERTY NEGOTIATIONS –  
(Government Code Section 54956.8) - Property: Jackson Ranch - Kings County Assessor's Parcel Numbers 048-010-016, 048-010-018, and 048-020-030; Agency Negotiator: Capitol Core Group; Negotiating Parties: Various; Under Negotiation: Price and terms of payment.
- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Government Code Section 54956.9(c)): IWVGA v. Inyokern CSD
- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Government Code Section 54956.9(d)(1) - Name of case: Searles Valley Minerals Inc v. Indian Wells

Valley Groundwater Authority, et. al. - Orange County Superior Court 30-2022-01239487-CU-MC-CJC

- CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION  
(Government Code Section 54956.9(d)(1) - Name of case: Mojave Pistachios, LLC, a California limited liability company, et.al. v. Indian Wells Valley Groundwater Authority, a California Joint Powers Authority, et. al. - Orange County Superior Court 30-2022-0139479-CU-MC-CJC

Closed Session adjourns at 10:30 a.m.

**5. OPEN SESSION – No earlier than 10:30 a.m.**

Meeting reconvenes into Open Session at 10:38 a.m.

- a. Report on Closed Session – Counsel Lemieux reports the Board authorized RWG Law to pursue litigation against a party that will be disclosed at a later time. No action was taken on Real Property Negotiations that would require disclosure under The Brown Act.
- b. Pledge of Allegiance is led by Chairman Hayman
- c. Roll Call

Chairman Hayman	Present
Vice Chair Peters	Present
Director Itnyre	Present
Director Griffin	Present
Director Vallejo	Present

**6. PUBLIC COMMENT:**

None.

**7. BOARD MEMBER COMMENTS:**

Vice Chair Peters thanks staff for their work done in supporting the IWVGA and its approved GSP. Peters is happy the IWVGA has remained in control of the Basin and has not required State control.

Director Vallejo states Dr. Holly Alpert has accepted the position as Water Director for Inyo County.

Director Griffin requests Board Member Comments be moved to the end of the agenda before adjournment.

**8. CONSENT AGENDA:**

- a. Approve Minutes of Board Meeting February 8, 2023
- b. Approve Expenditures

*\*To view itemized invoices please visit <https://iwvga.org/iwvga-meetings>*

- i. \$116,379.97 – Stetson Engineers
- ii. \$25,312.75 – Regional Government Services – (Replenishment / Extraction)
- iii. \$13,831.25 – Capitol Core Group – (Replenishment)
- iv. \$78,848.55 – Provost & Pritchard – (SGMA IP Grant)
- v. \$100.00 – CalMutuals JPRIMA Membership – (Extraction)
- vi. \$14,817.00 – CalMutuals JPRIMA Insurance – (Extraction)

Motion made by Director Vallejo and seconded by Phillip Peters to approve Minutes of Board Meeting February 8, 2023, and the following expenditures in the amount of, \$116,379.97 to Stetson Engineers, \$25,312.75 to Regional Government Services, \$13,381.25 to Capitol Core Group, \$78,848.55 to Provost & Pritchard, 100.00 to CalMutuals JPRIMA for membership, and \$14,817.00 to CalMutuals JPRIMA for insurance renewal.

Motion carries by the following roll call vote:

Chairman Hayman	Aye
Vice Chair Peters	Aye
Director Itnyre	Aye

Director Griffin	Aye
Director Vallejo	Aye

**9. APPROVAL OF WATER RESOURCES DEVELOPMENT ACT (WRDA) 2024 AMENDMENT FOR PROJECT AUTHORIZATION:**

Michael McKinney of Capitol Core Group and Carol Thomas-Keefer present staff report and WRDA informational packet.

Motion made by John Vallejo and seconded by Phillip Peters to approve the letter with the amendment of removing any comments made within the letter regarding the Indian Wells Valley Water District’s support of the imported water pipeline project.

Motion carries by the following roll call vote:

Chairman Hayman	Aye
Vice Chair Peters	Aye
Director Itnyre	Aye
Director Griffin	Nay
Director Vallejo	Aye

**10. STARK STREET SHALLOW WELL IMPACT MITIGATION EVALUATION:**

Jeff Helsley presents staff reports and supporting documentation.

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

Motion made by John Vallejo and seconded by Chuck Griffin to approve shallow well mitigation funding in the amount of \$31,821.00 for Stark Street well replacement.

Motion carries by the following roll call vote:

Chairman Hayman	Aye
Vice Chair Peters	Aye
Director Itnyre	Aye
Director Griffin	Aye
Director Vallejo	Aye

**11. HERITAGE VILLAGE SHALLOW WELL IMPACT MITIGATION EVALUATION:**

Jeff Helsley presents staff reports and supporting documentation.

Heritage Village Chairman of the Board, James Nelopovitz addresses the Board.

The Board hears public comment from Don Decker, and Mike Neel.

Motion made by Phillip Peters and seconded by John Vallejo to approve staff’s recommendation to deny reimbursement due to factors other than declining water levels impacting the well’s failure.

Motion carries by the following roll call vote:

Chairman Hayman	Aye
Vice Chair Peters	Aye
Director Itnyre	Aye
Director Griffin	Aye
Director Vallejo	Aye

**12. AUTHORIZE THE WATER RESOURCE MANAGER TO SUBMIT THE 2022 WATER YEAR ANNUAL REPORT TO THE DEPARTMENT OF WATER RESOURCES:**

Heather Steele provides presentation and water year annual report.

The Board hears public comment from Joshua Nugent and Don Decker.

Motion made by Chuck Griffin and seconded by Phillip Peters to authorize the Water Resource Manager to submit the Water Year 2022 Annual Report to Department of Water Resources.

Motion carries by the following roll call vote:

Chairman Hayman	Aye
Vice Chair Peters	Aye
Director Itnyre	Aye
Director Griffin	Aye
Director Vallejo	Aye

**13. AUTHORIZE WATER RESOURCE MANAGER TO SUBMIT THE WATER RECYCLING FEASIBILITY STUDY TO THE UNITED STATES BUREAU OF RECLAMATION:**

Jeff Helsley provides presentation and Title XVI Water Feasibility Study Report.

The Board hears public comment from Judie Decker.

Motion made by Phillip Peters and seconded by John Vallejo to authorize the Water Resource Manager to submit the Water Recycling Feasibility Study to the United States Bureau of Reclamation.

Motion carries by the following roll call vote:

Chairman Hayman	Aye
Vice Chair Peters	Aye
Director Itnyre	Aye
Director Griffin	Abstain
Director Vallejo	Aye

**14. WATER RESOURCES MANAGER REPORT:**

Steve Johnson and Jean Moran provide updates on the following grants/programs:

- a. Grant Funding
- b. GSP Implementation Projects/Management Action Updates
  - i. Recycled Water Program
  - ii. Bureau of Reclamation Grant Funding Feasibility Study
- c. Miscellaneous Items
  - i. Data Collection and Monitoring
  - ii. IWVGA Basin Model Configuration Management Plan
  - iii. Rose Valley Subflow Update

The Board hears public comment from Don Decker.

**15. GENERAL MANAGER’S REPORT:**

Carol Thomas-Keefer provides updates on the following items:

- a. Monthly Financial Report
- b. Report on IWVGA’s Water Marketer (Capitol Core Group)
- c. Communication and Engagement Plan Update

**16. DATE OF NEXT MEETING – April 12, 2023**

**17. ADJOURN:**

Chairman Hayman adjourns the meeting at 1:20 p.m. on March 8, 2023.

Respectfully submitted,

*April Keigwin*  
Clerk of the Board  
Indian Wells Valley Groundwater Authority

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**Invoice**

Indian Wells Valley Groundwater Authority  
 Mr. Alan Christensen  
 100 W. California Ave.  
 Ridgecrest, CA 93555

**Invoice Number: 2652-67**  
**Invoice Date: 03/29/23**

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

Professional Services through 2/28/2023

**Water Resources Management 2023**

**01 - Meetings & Prep**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	19.50	\$237.00	\$4,621.50
Supervisor I	29.00	\$206.00	\$5,974.00
Senior Associate	17.50	\$128.00	\$2,240.00
Associate III	4.25	\$111.00	\$471.75
Assistant I	48.00	\$98.00	\$4,704.00
<i>Professional Services Subtotal:</i>			<u>\$18,011.25</u>
<i>Meetings &amp; Prep Subtotal:</i>			<u>\$18,011.25</u>

**02 - Prop 1 / Prop 68 Grant Administration**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Senior Associate	6.00	\$128.00	\$768.00
Associate III	0.25	\$111.00	\$27.75
<i>Professional Services Subtotal:</i>			<u>\$795.75</u>
<i>Prop 1 / Prop 68 Grant Administration Subtotal:</i>			<u>\$795.75</u>

**02.01 - SGMA IP Grant Administration**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	3.00	\$237.00	\$711.00
Senior Associate	18.00	\$128.00	\$2,304.00
Associate III	1.00	\$111.00	\$111.00
Assistant I	18.50	\$98.00	\$1,813.00
<i>Professional Services Subtotal:</i>			<u>\$4,939.00</u>
<i>SGMA IP Grant Administration Subtotal:</i>			<u>\$4,939.00</u>

**03 - Grant Review & Application Preparation**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	2.50	\$237.00	\$592.50
Senior Associate	5.50	\$128.00	\$704.00
<i>Professional Services Subtotal:</i>			<u>\$1,296.50</u>
<i>Grant Review &amp; Application Preparation Subtotal:</i>			<u>\$1,296.50</u>

**04 - Data Mgmt System Support**

<b>Professional Services</b>	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	2.00	\$237.00	\$474.00
Senior III	7.00	\$134.00	\$938.00



**04 - Data Mgmt System Support**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Associate I	0.50	\$122.00	\$61.00

*Professional Services Subtotal:* \$1,473.00

*Data Mgmt System Support Subtotal:* \$1,473.00

**05 - General Project Mgmt**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	5.00	\$206.00	\$1,030.00

*Professional Services Subtotal:* \$1,030.00

*General Project Mgmt Subtotal:* \$1,030.00

**06 - Model Transfer & Upgrade**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	1.00	\$237.00	\$237.00
Supervisor I	13.75	\$206.00	\$2,832.50
Supervisor II	6.50	\$191.00	\$1,241.50
Associate I	1.00	\$122.00	\$122.00
GIS Manager	0.75	\$122.00	\$91.50

*Professional Services Subtotal:* \$4,524.50

**Sub-Contractors**

	<u>Charge</u>
Board of Regents	\$1,692.66
Ryan Smith	\$2,877.50

*Sub-Contractors Subtotal:* \$4,570.16

*Model Transfer & Upgrade Subtotal:* \$9,094.66

**07.01 - Imported Water: Planning/Design/Environmental**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	2.00	\$237.00	\$474.00
Supervisor I	16.50	\$206.00	\$3,399.00
Senior Associate	0.50	\$128.00	\$64.00
Assistant I	46.00	\$98.00	\$4,508.00

*Professional Services Subtotal:* \$8,445.00

**Sub-Contractors**

	<u>Charge</u>
Trussell Technologies, Inc	\$1,140.00

*Sub-Contractors Subtotal:* \$1,140.00

*Imported Water: Planning/Design/Environmental Subtotal:* \$9,585.00

**08 - Imported Water: Negotiations & Coordination**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	1.00	\$237.00	\$237.00

*Professional Services Subtotal:* \$237.00

*Imported Water: Negotiations & Coordination Subtotal:* \$237.00

**09 - Recycled Water**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	2.75	\$206.00	\$566.50
Supervisor II	6.00	\$191.00	\$1,146.00
GIS Specialist I	0.50	\$101.00	\$50.50
Assistant I	30.00	\$98.00	\$2,940.00

*Professional Services Subtotal:* \$4,703.00





*Recycled Water Subtotal:* \$4,703.00

**11 - Data Collection, Monitoring & Data Gaps**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	10.75	\$206.00	\$2,214.50
Supervisor II	53.00	\$191.00	\$10,123.00
Associate I	3.00	\$129.00	\$387.00
Associate I	25.50	\$122.00	\$3,111.00
GIS Manager	3.50	\$122.00	\$427.00
Senior Assistant	7.00	\$103.00	\$721.00

*Professional Services Subtotal:* \$16,983.50

*Data Collection, Monitoring & Data Gaps Subtotal:* \$16,983.50

**14 - Production Reporting, Transient Pool & Fee Support**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	1.50	\$237.00	\$355.50
Supervisor I	1.25	\$206.00	\$257.50
Associate III	0.50	\$111.00	\$55.50

*Professional Services Subtotal:* \$668.50

*Production Reporting, Transient Pool & Fee Support Subtotal:* \$668.50

**17 - Navy/Coso Royalty Fund: Develop FY24 Projects & Secure Funding**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	5.50	\$206.00	\$1,133.00

*Professional Services Subtotal:* \$1,133.00

*Navy/Coso Royalty Fund: Develop FY24 Projects & Secure Funding Subtotal:* \$1,133.00

**18 - Navy/Coso Royalty Fund: FY21 Rose Valley MW Permitting, Bid Doc Support & Dr**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor II	3.50	\$201.00	\$703.50
Supervisor II	1.00	\$191.00	\$191.00

*Professional Services Subtotal:* \$894.50

*Navy/Coso Royalty Fund: FY21 Rose Valley MW Permitting, Bid Doc Support & Dr* \$894.50

**20 - Shallow Well Mitigation Program: Outreach & Impacts Evaluation**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	6.00	\$237.00	\$1,422.00
Supervisor I	7.00	\$206.00	\$1,442.00
Associate III	1.50	\$111.00	\$166.50
Assistant I	32.50	\$98.00	\$3,185.00

*Professional Services Subtotal:* \$6,215.50

*Shallow Well Mitigation Program: Outreach & Impacts Evaluation Subtotal:* \$6,215.50

**21 - General Engineering**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	1.25	\$206.00	\$257.50

*Professional Services Subtotal:* \$257.50

*General Engineering Subtotal:* \$257.50

**22 - GSP 5-Year Update**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	1.75	\$206.00	\$360.50



**22 - GSP 5-Year Update**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Senior Associate	2.00	\$128.00	\$256.00
<i>Professional Services Subtotal:</i>			<i>\$616.50</i>
<i>GSP 5-Year Update Subtotal:</i>			<i>\$616.50</i>

**23 - Annual Report Preparation**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	3.00	\$237.00	\$711.00
Supervisor I	7.00	\$206.00	\$1,442.00
Supervisor II	7.00	\$191.00	\$1,337.00
Senior Associate	9.00	\$128.00	\$1,152.00
GIS Manager	0.75	\$122.00	\$91.50
<i>Professional Services Subtotal:</i>			<i>\$4,733.50</i>
<i>Annual Report Preparation Subtotal:</i>			<i>\$4,733.50</i>

**25 - Allocation Plan & Rules & Regs on Pumping/Restrictions**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	12.50	\$237.00	\$2,962.50
Supervisor I	1.00	\$206.00	\$206.00
Associate III	0.50	\$111.00	\$55.50
<i>Professional Services Subtotal:</i>			<i>\$3,224.00</i>
<i>Allocation Plan &amp; Rules &amp; Regs on Pumping/Restrictions Subtotal:</i>			<i>\$3,224.00</i>

**27 - Litigation Support**

**Professional Services**

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	1.50	\$237.00	\$355.50
Supervisor I	10.75	\$206.00	\$2,214.50
<i>Professional Services Subtotal:</i>			<i>\$2,570.00</i>
<i>Litigation Support Subtotal:</i>			<i>\$2,570.00</i>

***Water Resources Management 2023 Subtotal: \$88,461.66***

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

**\$88,461.66**

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# Invoice

PO Box 1350  
Carmel Valley, CA 93924

Date	Invoice #
2/28/2023	14679

**Bill To:**

Indian Wells Valley Groundwater Authority  
100 W California Ave  
Ridgecrest, CA 93555

P.O. No.	Due Date	Inv Sent
	3/30/2023	3/17/2023

Date	Description	Amount
2/28/2023	Contract Services for February - please see attached	20,435.50
<b>Total</b>		<b>\$20,435.50</b>

**Indian Wells Valley**

Month: **Feb, 2023**

Hours and Rates by Pay Period					
	1st -15th		16th - EOM		Monthly
Advisor	Reg Hrs	Bill Rate	Reg Hrs	Bill Rate	Total Billed
CT	36.00	\$ 130.00	12.50	\$ 130.00	\$ 6,305.00
AK	71.50	\$ 105.00	39.20	\$ 105.00	\$ 11,623.50
JK	0.00	\$ -	0.00	\$ -	\$ -
GL	0.00	\$ -	0.00	\$ -	\$ -
AM	0.00	\$ -	0.00	\$ -	\$ -
GS	12.50	\$ 137.00	5.50	\$ 137.00	\$ 2,466.00
EF	0.00	\$ -	0.00	\$ -	\$ -
RM	0.25	\$ 164.00	0.00	\$ -	\$ 41.00
<b>Totals</b>	<b>120.25</b>		<b>57.20</b>		<b>\$ 20,435.50</b>

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PO Box 1350  
Carmel Valley, CA 93924

# Invoice

Date	Invoice #
2/28/2023	14770

Bill To:
Indian Wells Valley Groundwater Authority 100 W California Ave Ridgecrest, CA 93555

P.O. No.	Due Date	Inv Sent
	4/14/2023	3/28/2023

Date	Description	Amount
2/28/2023	Reimbursable Expenses for Buraglio and Ridgecrest Monthly Rent (\$60+\$252+\$300) - please see attached	612.00
<b>Total</b>		<b>\$612.00</b>



## Invoice

#92222550

Charged on Sunday, January 15, 2023

### ISSUED TO

**Tiffany Buraglio**

PO Box 1350

Carmel Valley, CA 93924

United States

Card Number

..... 8286

### ISSUED BY

**Squarespace, Inc.**

225 Varick Street, 12th Floor

New York, NY 10014

## Charges

All prices in US Dollar.

Purchase of domain: iwvga.com - iwvga.squarespace.com	\$20.00
Purchase of domain: iwvga.net - iwvga.squarespace.com	\$20.00
Purchase of domain: iwvga.org - iwvga.squarespace.com	\$20.00
Subtotal	\$60.00
Discount	-
Due	\$0.00
<b>Paid</b>	<b>\$60.00</b>



**From:** [April Keigwin](#)  
**To:** [Tiffany Buraglio](#)  
**Subject:** FW: Your website subscription is about to renew  
**Date:** Monday, January 16, 2023 6:03:11 PM

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IWVGA Website fees.

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**From:** Squarespace <no-reply@squarespace.com>  
**Sent:** Sunday, January 15, 2023 4:16 AM  
**To:** April Keigwin <akeigwin@rgs.ca.gov>  
**Subject:** Your website subscription is about to renew



## ACCOUNT STATUS

As a reminder, your website subscription is set to auto-renew on **January 30, 2023**. Here are the details:

**WEBSITE:**

iwvga

[iwvga.squarespace.com](http://iwvga.squarespace.com)

**WEBSITE PLAN:**

**\$252.00** - Business

**CARD:**

Visa ending in 8286

If you would like to keep your subscription active and accept the above-referenced charge, no further action is required. To use a different payment method, please update your billing information before the renewal date.

[UPDATE BILLING INFO](#)

You can [cancel your subscription](#) or [disable auto-renewal](#) at any time from your Billing panel, or by contacting [Customer Care](#).

[BLOG](#) • [HELP & SUPPORT](#) • [FORUM](#) • [CONTACT US](#) • [TWITTER](#) • [INSTAGRAM](#)

Squarespace, 225 Varick Street, 12th Floor, New York, NY 10014



**AGREEMENT FOR LEASE OF  
100 W. CALIFORNIA AVENUE, RIDGECREST, CA**

**by and between**

**THE CITY OF RIDGECREST AND  
REGIONAL GOVERNMENT SERVICES**

**AGREEMENT:**

**Premises:** For and in consideration of the terms, covenants, and conditions contained in this Agreement, City leases to RGS, and RGS leases from City, an approximate 210 square foot office space located along with the monthly use of the City's conference room located at 100 W. California Avenue., Ridgecrest, County of Kern, State of California, depicted on the floor plan attached as **Exhibit "A"** ("**Premises**").

**Term:** The initial term of this Agreement ("**Term**") shall commence on the Execution Date and terminate one year (12 months) thereafter, unless sooner terminated or extended as provided in this Agreement.

**Option to Extend Term:** Provided RGS is not in default of any of the terms, covenants, or conditions of this Agreement, RGS shall have one option to request an extension of the initial Term for a two-year period ("**Option Term**"). RGS may exercise the option by giving the City's City Manager ("**CM**") written notice of RGS's desire to extend, not less than 60 days prior to expiration of the initial Term. The CM, at the CM's sole discretion, may accept or reject the request to extend.

**4. Right to Terminate:** Either Party may terminate this Agreement for any reason by providing a 60-day prior written notice to the other Party.

**5. Hold Over:** If RGS holds over after the expiration of the Term, with the express or implied consent of City, such holding over shall be a tenancy only from month to month and shall be governed by the terms, covenants, and conditions contained in this Agreement.

**6. Rental Consideration:**

**a. In General:** As consideration for the lease of the Premises during the Term, RGS shall pay to City in lawful money of the United States, to CM at 100 W. CALIFORNIA AVENUE, RIDGECREST, CA, or to such persons and at such places as may be designated from time to time by City. The first rental payment shall be paid within 30 days of the Execution Date, and thereafter for the balance of the Term, shall be paid on or before the first of each month. In the event RGS occupies the Premises for a partial month at any time, RGS shall only be responsible for a prorated portion of the Rent.

**b. Fair Market Rental Value:** The fair market rental rate of the facility is determined to be \$300 per month (\$1.43 per square foot).

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**Capitol Core Group, Inc.**  
 205 Cartwheel Bend (Operations Dept.)  
 Austin, TX 78738 US  
 512.568.3084  
 operations@capitolcore.com  
 www.capitolcore.com

**BILL TO**

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

**INVOICE 2023-013**

**DATE** 04/03/2023 **TERMS** Net 45

**DUE DATE** 05/18/2023

DATE	ACCOUNT SUMMARY	AMOUNT
03/01/2023	Balance Forward	27,562.50
	Other payments and credits after 03/01/2023 through 04/02/2023	-27,562.50
04/03/2023	Other invoices from this date	0.00
	New charges (details below)	23,831.25
	Total Amount Due	23,831.25

ACTIVITY	HOURS	RATE	AMOUNT
<b>Charges</b>			
Task 1: Securing Imported Water Supplies			
<b>Government Relations: Intergovernmental Affairs</b>	0.50	275.00	137.50
Subtask A: Jackson Ranch Agreement follow-up call (Tatum)			
<b>Government Relations: Intergovernmental Affairs</b>	1	275.00	275.00
Subtask B: Interconnection Call (Tatum)			
<b>Government Relations: Intergovernmental Affairs</b>	2	275.00	550.00
Subtask B: AVEK interconnection Meeting (Tatum)			
<b>Government Relations: Intergovernmental Affairs</b>	2	275.00	550.00
Subtask B: Kern County Water Meeting (Tatum)			
<b>Government Relations: Intergovernmental Affairs</b>	3.50	250.00	875.00
Subtask B: Other Agreements -- AVEK preparation, AVEK Meeting, and collateral development (Simonetti)			
<b>Government Relations: Intergovernmental Affairs</b>	1.50	250.00	375.00
Subtask B: CEQA approval discussions and follow-up re: Jackson Ranch purchase			
<b>Government Relations: Intergovernmental Affairs</b>	3.50	250.00	875.00
Subtask D: 2023 Water Supplies (Simonetti)			
<b>Government Relations: Intergovernmental Affairs</b>	5.50	275.00	1,512.50
Subtask D: 2023 Water Supplier Calls (Tatum)			
Invoice Total Task 1: \$5,150.00 (19.5 hours)			
Task 2: Interconnection Pipeline Project			

ACTIVITY	HOURS	RATE	AMOUNT
<b>Government Relations:Federal</b> Congressional: WRDA-24 Section 219 Request: Direct Advocacy House of Representatives (Speaker McCarthy, Rep. Obernolte, Rep. Garcia), preparation work, scheduling, and follow-up {McKinney}	7	275.00	1,925.00
<b>Government Relations:Federal</b> Agency: DOD -- CNO-ASN-EIE briefing, preparation scheduling {McKinney}	2	275.00	550.00
<b>Government Relations:Federal</b> Congressional: WRDA-24 Section 219 Request: Direct Advocacy U.S. Senate (Senators Feinstein and Padilla), preparation, scheduling and follow-up {McKinney}	3	275.00	825.00
<b>Government Relations:Federal</b> Congressional: WRDA-24 Section 219 Request -- Report Development and Finalization {Henderson}	2.50	175.00	437.50
<b>Government Relations:Federal</b> Congressional: U.S. Navy Report development and finalization {Henderson}	3.25	175.00	568.75
<b>Government Relations:Federal</b> Congressional: Direct Advocacy US House of Representatives and US Senate -- WRDA-2024 Request for Section 219 Authorization (Speaker McCarthy, Senator Feinstein, Senator Padilla, Rep. Garcia, Rep. Obernolte) (Simonetti)	5	250.00	1,250.00
<b>Government Relations:Federal</b> Agency: Department of Defense -- CNO-ASN EIE Meeting and Report Preparation -- Request for NDAA Authorization/MilCon (Simonetti)	2	250.00	500.00
Invoice Total Task 2: \$6,056.25 (24.75 hours)			
Task 3: Water Recycling Plant			
<b>Government Relations:Federal</b> Agency: DOD Briefing CNO-ASN-EIE, scheduling and preparation {McKinney}	1	275.00	275.00
<b>Government Relations:Federal</b> Congressional: Direct Advocacy House and Senate: Water Recycling Plant Briefings, preparation work, scheduling (Speaker McCarthy, Senator Feinstein, Senator Padilla) {McKinney}	2	275.00	550.00
<b>Government Relations:Federal</b> Congressional: Direct Advocacy -- FY2024 Interior and Related Agencies Appropriations Act -- Title XVI WIIN Act Western Waters Provisions -- Water Recycling Plan (Speaker McCarthy, House Appropriations Committee, Senator Feinstein), analysis and report development (Simonetti)	2	250.00	500.00
Invoice Total Task 3: \$1,325.00 (5 hours)			
Task 4: Wastewater Treatment Plant			
<b>Government Relations:Federal</b> Congressional: Direct Advocacy FY2024 DCIP -- House of Representatives (Chairman Calvert, Rep. Aguilar, Rep. Garcia, Appropriations staff {McKinney}	3	275.00	825.00
<b>Government Relations:Federal</b> Congressional: Direct Advocacy FY2024 DCIP -- U.S. Senate (Chairman Tester and Appropriations staff) {McKinney}	2	275.00	550.00

ACTIVITY	HOURS	RATE	AMOUNT
<b>Government Relations:Federal</b> Congressional: Community Project Funding Request -- Wastewater Treatment Plan -- EPA/SRF {Henderson}	2.75	175.00	481.25
<b>Government Relations:Federal</b> Congressional: Direct Advocacy FY2024 Defense Appropriations -- DCIP Congressional Meetings (Chair Calvert, Chair Tester, Rep. Aguilar, House Appropriations staff (Simonetti)	3	250.00	750.00
<b>Government Relations:Federal</b> Congressional: Direct Advocacy -- FY2024 Interior and Related Agencies Appropriations Act -- DWSRF legislatively directed spending request wastewater treatment plant (Speaker McCarthy, Senator Feinstein, Rep. Garcia, Rep. Obernolte) (Simonetti)	3	250.00	750.00
Invoice Total Task 4:\$3,356.25 (13.75 hours)			
Task 5: Other GSP Projects			
<b>Government Relations:California</b> Subtask C: Legislative -- AB 779 Amendment Development and Direct Advocacy {McKinney}	5.50	275.00	1,512.50
<b>Government Relations:California</b> Subtask C: Legislative: AB 444 -- CalDCIP {McKinney}	0.75	275.00	206.25
<b>Government Relations:California</b> Subtask C: Direct Advocacy: AB 779 internal call and meeting with Author's staff (Simonetti)	2	250.00	500.00
<b>Government Relations:California</b> Subtask C: Legislative: Direct Advocacy AB 444 -- meeting with Sen. Ochoa-Bogh (Simonetti)	1	250.00	250.00
<b>Government Relations:California</b> Subtask C: Legislative: Direct Advocacy -- AB 444 meeting with Author and coalition building activities (Simonetti)	2	250.00	500.00
<b>Government Relations:Federal</b> Subtask C: Congressional -- DC Trip preparation and scheduling (Simonetti)	3	250.00	750.00
<b>Government Relations:California</b> Subtask C: Agency: Direct Advocacy AB 444 -- OPR Meeting and amendment development (Simonetti)	0.50	250.00	125.00
<b>Government Relations:California</b> Subtasks C: Legislative -- AB 1205 discussions and analysis (Simonetti)	1	250.00	250.00
Invoice Total Task 5: \$4,093.75 (15.75 hours)			
Task 6: Project Administration			
<b>Administrative</b> Board Meeting March 2023 {McKinney}	4	275.00	1,100.00
<b>Administrative</b> AD HOC Report: Client calls (Staff) re: Washington D.C. Trip	1.50	275.00	412.50
<b>Administrative</b> Board Meeting: March 2023 (Tatum)	3.50	275.00	962.50
<b>Administrative</b> Board Meeting: March meeting and preparation (Simonetti)	4	250.00	1,000.00
<b>Administrative</b> Ad-Hoc Report: Infrastructure Costs and Monthly Updates (Simonetti)	1.50	250.00	375.00
Invoice Total Task 6: \$3,850.00 (14.5 hours)			

ACTIVITY	HOURS	RATE AMOUNT
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Compliance Reporting Notes:

Invoice: IWVGA Federal: \$8,131.25

Invoice: City of Ridgecrest Federal: \$3,356.25

1st Quarter 2023 IWVGA Federal: \$13,406.25

1st Quarter 2023 Ridgecrest Federal: \$5,618.75

Invoice: IWVGA State: \$2,802.00

Invoice: City of Ridgecrest State: \$540.70

1st Quarter 2023 IWVGA State: \$8,327.00

1st Quarter 2023 Ridgecrest State: \$2,165.70

\*\*\*\*\*

Thank you for your business. Please make checks payable to Capitol Core Group, Inc.

TOTAL OF NEW CHARGES	23,831.25
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TOTAL DUE	<b>\$23,831.25</b>
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April Keigwin  
 Indian Wells Valley Groundwater Authority  
 100 West California Avenue  
 Ridgecrest, CA 93555

March 22, 2023  
 Project No: 04101-23-002  
 Invoice No: 99386

**Project Name: IWVGA Imported Water Conveyance Design Services**

**Client Project #:**

**131P-** Execution of Contract with Client and Subs, Project Management and Project Setup, Project workload planning.

**211P-** Coordination and meetings with BLM, preparation of detailed map book for client and other stakeholders. Coordination meetings with Cal City and Kern Co. Public Works.

**221P-** Preparing a Map Book for upcoming biological and cultural surveys.

**281P-** Preparation of typical cross-sections along pipe alignment. Revisions to hydraulic model for preliminary design effort.

**Professional Services from February 1, 2023 to February 28, 2023**

Phase: 131P P&P General PM

**Labor**

	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>	
Senior Engineer	75.50	195.00	14,722.50	
Principal Engineer	16.20	207.00	3,353.40	
Principal Engineer	15.50	238.00	3,689.00	
Project Administrator	1.10	101.00	111.10	
Totals	108.30		21,876.00	
<b>Total Labor</b>				<b>21,876.00</b>
			<b>Total this Phase:</b>	<b>\$21,876.00</b>

Phase: 211P Preliminary Design Coordination

**Labor**

	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>	
Senior Engineer	47.00	178.00	8,366.00	
Senior Engineer	1.50	195.00	292.50	
Principal Engineer	2.30	238.00	547.40	
Assistant Envir. Spec.	1.50	112.00	168.00	
Associate Biologist	3.70	130.00	481.00	
Totals	56.00		9,854.90	
<b>Total Labor</b>				<b>9,854.90</b>
			<b>Total this Phase:</b>	<b>\$9,854.90</b>

Phase: 221P Env & ROW Consultant Coord

**Labor**

	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>	
Senior Engineer	20.50	195.00	3,997.50	
Principal Engineer	2.70	238.00	642.60	

\*\*\* Please make checks payable to Provost & Pritchard Consulting Group \*\*\*  
 For billing inquiries, please email BillingInquiries@ppeng.com.

Project	04101-23-002	IWVGA Imported Water Conveyance Design	Invoice	99386
	Senior GIS Specialist	2.60	147.00	382.20
	Totals	25.80		5,022.30
	<b>Total Labor</b>			<b>5,022.30</b>
			<b>Total this Phase:</b>	<b>\$5,022.30</b>

Phase:	231P	Surveying		
<b>Labor</b>				
		<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
	Senior Engineer	1.50	195.00	292.50
	Senior GIS Specialist	10.40	147.00	1,528.80
	Associate GIS Specialist	14.10	111.00	1,565.10
	Totals	26.00		3,386.40
	<b>Total Labor</b>			<b>3,386.40</b>
			<b>Total this Phase:</b>	<b>\$3,386.40</b>

Phase:	281P	P&P Preliminary Design Report		
<b>Labor</b>				
		<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
	Senior Engineer	8.00	178.00	1,424.00
	Senior Engineer	6.00	164.00	984.00
	Senior Engineer	2.00	195.00	390.00
	Assistant Engineer	12.30	112.00	1,377.60
	Intern	22.50	70.00	1,575.00
	Totals	50.80		5,750.60
	<b>Total Labor</b>			<b>5,750.60</b>
			<b>Total this Phase:</b>	<b>\$5,750.60</b>
			<b>Total this Invoice</b>	<b><u><u>\$45,890.20</u></u></b>

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455 W. Fir Avenue  
 Clovis, CA 93611  
 (559) 449-2700  
 Fax (559) 449-2715



April Keigwin  
 Indian Wells Valley Groundwater Authority  
 100 West California Avenue  
 Ridgecrest, CA 93555

March 21, 2023  
 Project: No: 04101-22-001  
 Invoice No: 99355

**Project Name: Indian Wells Valley Groundwater Authority-Imported Water Pipeline Alignment Study**

**Client Project #:**

Continued working on right-of-way and hydraulics issues in preparation for final report.

**Professional Services from February 1, 2023 to February 28, 2023**

Phase: T04 Preliminary Alignment Option Development

**Labor**

	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>	
Senior Engineer	3.50	164.00	574.00	
Totals	3.50		574.00	
<b>Total Labor</b>				<b>574.00</b>

**Consultants**

Consultants			6,345.00	
<b>Total Consultants</b>		<b>1.15 times</b>	<b>6,345.00</b>	<b>7,296.75</b>
			<b>Total this Phase:</b>	<b>\$7,870.75</b>

Phase: T06 Pipeline Alignment Options Analysis

**Labor**

	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>	
Assistant Engineer	6.70	112.00	750.40	
Totals	6.70		750.40	
<b>Total Labor</b>				<b>750.40</b>

**Total this Phase: \$750.40**

Phase: T07 Pipeline Alignment Options Comparison

**Reimbursable Expenses**

Other Direct Reimb Expenses			753.88	
<b>Total Reimbursables</b>		<b>1.15 times</b>	<b>753.88</b>	<b>866.96</b>

**Total this Phase: \$866.96**

Phase: T08 Alternative Alignment Technical Memo

**Labor**

	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>	
Senior Engineer	2.00	178.00	356.00	
Senior Engineer	51.90	195.00	10,120.50	
Principal Engineer	12.30	207.00	2,546.10	
Senior GIS Specialist	21.90	147.00	3,219.30	
Senior GIS Specialist	.70	175.00	122.50	
Assistant Envir. Spec.	2.60	112.00	291.20	

\*\*\* Please make checks payable to Provost & Pritchard Consulting Group \*\*\*  
 For billing inquiries, please email BillingInquiries@ppeng.com.

Project	04101-22-001	Imported Water Pipeline Alignment Study	Invoice	99355
Principal Planner			1.50	188.00
Totals			92.90	16,937.60
<b>Total Labor</b>				<b>16,937.60</b>
			<b>Total this Phase:</b>	<b>\$16,937.60</b>

Phase:	T09	Project Management		
<b>Labor</b>				
			<b>Hours</b>	<b>Rate</b>
				<b>Amount</b>
Senior Engineer			8.90	195.00
Principal Engineer			19.80	238.00
Project Administrator			.20	101.00
Totals			28.90	6,468.10
<b>Total Labor</b>				<b>6,468.10</b>
			<b>Total this Phase:</b>	<b>\$6,468.10</b>

<b>Billing Limits</b>	<b>Current</b>	<b>Prior</b>	<b>To-Date</b>
Total Billings	32,893.81	416,177.23	449,071.04
Budget			449,100.00
Budget Remaining			28.96
			<b>Total this Invoice</b>
			<b><u><u>\$32,893.81</u></u></b>

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# IWVGA ADMINISTRATIVE OFFICE

*MEMORANDUM*

---

**DATE: April 7, 2023**

**TO:** IWVGA Board Members

**FROM:** Carol Thomas-Keefer  
IWVGA General Manager

**SUBJECT:** Request for Proposals for 2022 Audit Services

## **DISCUSSION**

The Indian Wells Valley Groundwater Authority (“Authority”) was formed under a Joint Powers Agreement (“JPA”). As such, the Authority’s financial accounts and records are subject to an annual audit by a certified public accountant (Government Code, § 6505). Section 9.06 of the JPA states “The Board shall contract with a certified public accountant to audit the accounts and records of the Authority as required by applicable accounting practices and the Act.”

For the past several years, Brown Armstrong Certified Public Accountants has conducted IWVGA’s audits and is currently finalizing the audit for Calendar Year 2021. Receipt of the Authority’s final audit reports for 2020 and 2021 has been delayed even as the Authority has needed those documents to assist in its efforts to securing financing for water rights purchases. Staff has therefore prepared a Request for Proposals (“RFP”) for Audit Services for the Authority’s Calendar Year 2022 financials. The draft RFP also provides for an opportunity to extend the engagement for the Calendar Year 2023 and 2024 audits if the Authority so chooses.

Legal counsel has reviewed the draft RFP, and, following board approval, it can be released once draft 2021 audited financial statements are available to include for reference.

## **RECOMMENDATION**

Staff recommends that the board approve and authorize staff to issue the proposed Request for Proposals for 2022 Audit Services.



# **Indian Wells Valley Groundwater Authority**

## **REQUEST FOR PROPOSALS FOR PROFESSIONAL AUDITING SERVICES**

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  - C. Reports to be Issued
  - D. Working Paper Retention and Access to Working Papers
  
- III. DESCRIPTION OF GOVERNMENT
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  - E. Retirement Plans
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APPENDIX A: Organizational Chart

APPENDIX B: Affirmation and Total All Inclusive Maximum Price

APPENDIX C: Supporting schedule for Total All Inclusive Price

ATTACHMENT A: Authority's Professional Services Agreement

Indian Wells Valley Groundwater Authority (IWVGA)

REQUEST FOR PROPOSALS  
FOR PROFESSIONAL AUDITING SERVICES

I. INTRODUCTION

**A. General Information**

The Indian Wells Valley Groundwater Authority (IWVGA), a Joint Powers Authority - aka “the Authority” - is requesting proposals from qualified firms of certified public accountants to audit the annual financial statements for the fiscal years ending December 31, 2022 through December 31, 2024, with the option for the Authority’s Boards of Directors to extend the agreement for up to two additional fiscal years, through the year ending December 31, 2026. Regional Government Services (RGS) provides administrative support for IWVGA including management of its audit.

These audits are to be performed in accordance with generally accepted auditing standards and the standards set for financial audits contained in Governmental Auditing Standards (1994) issued by the Comptroller General of the United States, the provisions of the Federal Single Audit Act as amended in 1996, and U.S. Office of Management and Budget (OMB) Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations.

There is no express or implied obligation for the Authority to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

For a firm to be considered, the Authority must receive proposals in PDF format, via e-mail by **Noon June 16th, 2023** to April Keigwin, Clerk of the Board at [akeigwin@rgs.ca.gov](mailto:akeigwin@rgs.ca.gov). Subject Line: Proposal for Professional Audit Services.

The Authority reserves the right to reject any and all proposals submitted.

Proposals will be initially reviewed by staff, and all responsive proposals will be forwarded to the Review Committee, which will include contract staff and JPA member staff.

During this process, the Review Committee and the Authority reserve the right to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the Review Committee, firms submitting proposals may be requested to make an oral presentation as part of the evaluation process—this will be via teleconference or web meeting.

The Authority reserves the right to retain all proposals submitted, and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the agreement between the Authority and the firm selected.

It is anticipated the selection of a firm and approval by the Authority will be completed in July. Following notification of the selected firm, it is expected a contract shall be executed between both parties immediately after Board approval.

## **B. Terms of Engagement**

A three-year contract is contemplated: with the option to extend for two (2) subsequent years, subject to annual review and recommendation of the General Manager (IWVGA), satisfactory negotiation of terms (including a price mutually acceptable to the Authority and the selected firm).

## **II. NATURE OF SERVICES REQUIRED**

### **A. Scope of Work to be Performed**

The Authority desires the auditor to express an opinion on the fair presentation of its general purpose financial statements in conformity with generally accepted accounting principles.

### **B. Auditing Standards to be Followed**

To meet requirements of this request for proposal, the audit shall be performed in accordance with generally accepted auditing standards and the standards set for financial audits contained in Governmental Auditing Standards (1994) issued by the Comptroller General of the United States, the provisions of the Federal Single Audit Act as amended in 1996, and U.S. Office of Management and Budget (OMB) Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations. It should be noted, the Authority has not qualified for a Federal Single Audit and has not received federal funds for assistance to date.

### **C. Reports to be Issued**

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

1. A report on the fair presentation of the financial statements of the Authority in conformity with generally accepted accounting principles;
2. A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk;
3. A report on compliance with applicable laws and regulations;
4. An "in-relation-to" report on the schedule of federal financial assistance, if applicable;
5. A report on the internal control structure used in administering federal financial assistance programs, if applicable;
6. A report on compliance with general and specific requirements related to major and non-major federal financial assistance programs, if applicable; and
7. Draft financial statements and Notes and Final Report to the Board.
8. State Controller's Transaction Report per State guidelines and required due dates.

In the required reports on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Reportable conditions that are also material weaknesses shall be identified as such in the report.

Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the reports on internal controls.

The reports on compliance shall include all instances of noncompliance.

*Irregularities and illegal acts.* Auditors shall be required to make an immediate, written report of all irregularities and illegal acts of which they become aware to the following parties:

Board Chair  
General Manager

The auditor shall provide one electronic copy of the financial statements including supplementary information.

#### **D. Working Paper Retention and Access to Working Papers**

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the Authority of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designee:

Member agencies of the Authority  
Auditors of Grants or Assistance programs for which the Authority may meet the criteria of a subrecipient  
State of California, Office of the State Controller

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

### **III. DESCRIPTION OF GOVERNMENT**

#### **A. Contact Persons/Organizational Chart**

The auditor's principal management contact with the Authority shall be Carol Thomas-Keefer, General Manager, [cthomaskeefer@rgs.ca.gov](mailto:cthomaskeefer@rgs.ca.gov) or a designated representative, who will coordinate the assistance provided by the Authority to the auditor. The auditor's principal governing body contact with the Authority shall be the Board Chair.

Questions about this RFP shall be submitted, in writing, to April Keigwin, Clerk of the Board, at [akeigwin@rgs.ca.gov](mailto:akeigwin@rgs.ca.gov) by June 2nd at 5pm. Questions will be answered via e-mail within 5 business days. A summary of questions and answers will be provided to each firm who submits a written request.

Organizational charts are attached (Appendix A)

**B. Background Information**

IWVGA is a Joint Powers Authority. Policies are set by the Board of Directors and implemented by the General Manager. The JPA’s mission is to sustainably manage the Indian Wells Valley Groundwater basin consistent with the State of California’s Sustainable Groundwater Management Act. The JPA outsources all its staffing and services. Funding for the JPA initially came from the JPA member agencies, but it is now funded by an extraction fee and Prop. 218 approved replenishment fee assessed on well owners and various CA Department of Water Resources grants.

**C. Accounting and Fund Information**

The Authority uses the following fund types and account groups in their financial reporting:

<u>Fund type/Account Group</u>	Enterprise (Proprietary Fund Type)
<u>Number of Funds</u>	1 per agency

**D. Federal and State Financial Assistance**

IWVGA is funded by a combination of fees and State grant programs. The Authority has a contractual relationship with the Navy to perform services related to the JPA’s mission and it is not considered financial assistance.

**E. Retirement Plans**

IWVGA outsources all its staffing and services.

**F. Component Units**

There are no component units in the JPA.

**G. Finance Operations**

The fees are collected via check from 50 well owners. No invoices are issued. Kern County provides warrant processing services for up to 7 accounts payable checks per month. IWVGA uses a local bank to deposit fees and wires excess funds to the Kern County Auditor Controller who holds the funds in a non-interest bearing account. The Authority is on a calendar fiscal year basis. During FY 2022, categorizing of financial transactions and management review was completed using spreadsheets and Kern County Auditor financials systems. Subsequently, FY 2022 transactions were uploaded to Community Brands MIP ERP providing financial statements for the audit.

**H. Availability of Prior Audit Reports**

Prior years’ audit reports are available by contacting April Keigwin at [akeigwin@rgs.ca.gov](mailto:akeigwin@rgs.ca.gov) or (805) 764-5452.

IV. TIME REQUIREMENTS AND SUBMITTAL DEADLINE

The Authority will issue the RFP upon the completion of the 2021 Audit (anticipated May 2023). The following deadline to submit proposals may be subject to change. Any changes will be posted on the Authority’s website and will be submitted to interested parties.

**The deadline to submit proposals is Noon Friday June 16, 2023 .**

Request for Proposal Release	On or Before May 10, 2023
Question Submittal Deadline	Friday, May 26, 2023
Response to Questions	Friday June 2, 2023
Submittal Deadline	Noon Friday, June 16, 2023
Finalists Selected	On or Before Wednesday, June 21, 2023
Presentations/Interview	On or Before Friday, June 30, 2023
Consultant Selection/Contract Approved	Wednesday, July 12, 2023

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

**A. Finance Staff Assistance**

Authority Finance staff and responsible management personnel will be available during the audit to assist the auditor by providing information, documentation and explanations.

**B. Work Area, Telephones, Photocopying and Fax**

The Authority is predominantly a virtual organization. The Authority rents an office with the City of Ridgecrest where documents are stored and mail is received. All documents will be provided electronically, and primary work will be performed remotely.

**C. Report Preparation**

The Authority Finance staff will also be responsible for the posting of any auditor adjusting entries or changes to the financial statements.

Upon completion of the audit examination and prior to issuing any audit reports or the management letter, the auditor may participate in an exit conference with the General Manager and other staff designated to discuss observations and findings. During the course of the engagement, the auditor shall meet with and provide periodic status reports to the General Manager or her designee on a regular basis. The auditor shall also be available to meet with the General Manager and staff, as needed, to provide consultation on various accounting and auditing matters.

VI. PROPOSAL REQUIREMENTS

## A. Submission of Proposal

1. The Technical Proposal, to include the following:
  - i. Title Page  
Title page showing the request for proposal's subject, the firm's name, address and telephone number of the contact person and the date of the proposal.
  - ii. Table of Contents
  - iii. Transmittal Letter  
A signed letter of transmittal briefly stating the proposer's understanding of the work to be done and a statement as to why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for ninety (90) days.
    - a. Additionally, specify a proposed timeline of completion for the 2022 audit and timeline/schedule/proposed dates for FY 2023 and FY 2024 annual audits.
  - iv. Detailed Proposal  
The detailed proposal shall follow the order set forth below in **Section VI B** of this request.

All proposals must be clearly titled in the subject line, as follows: "*Proposal-Audit Services.*"

## B. Technical Proposal

1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competency, and capacity of the firm seeking to undertake an independent audit of the Authority in conformity with the requirements of the request. As such, the substance of the proposal will carry more weight than their form or manner of presentation. The Technical Proposal shall demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It shall also specify an audit approach that will meet the request for proposal requirements.

***There shall be no dollar units or total costs included in the Technical Proposal Document.***

The Technical Proposal shall address all the points outlined in the request for proposals. The proposal shall be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented, the following subjects, items 2 through 9, must be included. They represent the criteria against which the proposal will be judged.



2. Independence

The firm shall provide an affirmative statement that it is independent of IWVGA as defined by generally accepted auditing standards and the U.S. Government Accountability Office's *Government Auditing standards* (July 2007 revision).

3. License to Practice in California

An affirmative statement shall be included stating the firm and all assigned key professional staff are properly licensed to practice as certified public accountants in California.

4. Firm Qualifications and Experience

The proposal shall state the size of the firm; the size of the firm's governmental audit staff; the location of the office from which this engagement is to be performed; the number and nature of the professional staff to be employed in this engagement on a full-time basis; and the number and nature of the staff to be so employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium shall be separately identified and the firm that is to serve as the principal auditor shall be noted, if applicable.

The firm shall submit a copy of the report of its most recent external quality control review, with a statement as to whether that quality control review included a review of specific governmental audit engagements.

The firm shall also provide information on the results of any Federal or State of California desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years by state regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Experience

The firm shall identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is (registered/licensed) to practice in the field and provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

The firm shall provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. The firm also shall indicate how the quality and continuity of staff assigned over the term of the agreement will be assured.

Consultants and firm specialists mentioned in response to this request for proposals can only be changed with the express prior written permission of the Authority, which retains the right to approve or reject replacement.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially equal or better qualifications or experience.

6. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five years that are similar to the engagement described in this request for proposals. These engagements shall be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

7. Specific Audit Approach

The proposal shall set forth a work plan, including an explanation of the audit methodology they shall follow to perform the services required in **Section II** of this request for proposals. In developing the work plan, reference shall be made to such sources of information as the Authority's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers are expected to provide the following information on their audit approach:

- i. Level of staff and number of hours to be assigned to each proposed segment of the engagement;
- ii. Sample sizes and the extent to which statistical sampling is to be used in the engagement;
- iii. Approach to be taken to gain and document an understanding of the Authority internal control structure;
- iv. Approach to be taken in determining laws and regulations that will be subject to audit test work;
- v. Approach to be taken in drawing audit samples for purposes of tests of compliance.

8. Identification of Anticipated Potential Audit Problems

The proposal shall identify and describe anticipated potential audit problems, if any, the firm's approach to resolving these problems and any special assistance that will be requested from the Authority.

9. Technical Compliance

The proposal should provide insight into auditor's experience to assist in addressing future GASB pronouncements.

10. Report Format

The proposal shall include sample formats for required reports.

### **C. Insurance Requirements**

The Authority will require the successful Consultant to acquire and maintain workers' compensation, employer's liability, commercial general liability, owned and non-owned and hired automobile liability, and professional liability insurance (errors & omissions) coverage relating to Consultant's services to be performed covering the Authority's risks in a form subject to the approval of the Authority. Include a current certificate of insurance in the proposal. The minimum amounts of coverage corresponding to the aforesaid categories of insurance per insurable event are included in Attachment A: Professional Services Agreement 5.1 Minimum Scope of Limits of Insurance.

### **D. Professional Services Agreement**

A sample of the Authority's Professional Services Agreement is provided in this RFP as Attachment A. Your proposal shall contain a statement of the firm's willingness to execute the contract or identify any proposed modifications.

### **E. Dollar Cost Bid**

#### 1. Total All-inclusive Maximum Price.

The Total All- Inclusive Maximum Price dollar cost bid shall contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs, including all out-of-pocket expenses (Appendix B).

The Authority will not be responsible for the expenses incurred in preparing and submitting the technical proposal or the dollar cost bid. Such costs shall not be included in the proposal.

The first page (Appendix B) of the dollar cost bid shall include the following information:

- i. Name of Firm;
- ii. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid and authorized to sign a contract with the Authority;
- iii. A Total All-inclusive Maximum Price for each fiscal year of the engagement.

#### 2. Rates by Partner, Specialist, Supervisory and Staff; Times the Hours Anticipated for Each.

The second page (Appendix C) of the dollar cost bid shall include a schedule of professional fees and expenses, presented in the format provided in the attachment, that supports the Total All-inclusive Maximum Price.

#### 3. Rates for Additional Professional Services

If it should become necessary for the Authority to request the auditor to render any additional services, either to supplement the services requested in this request for proposals or to perform additional work, then such additional work shall be performed only if set forth in an addendum to the contract between the Authority and the firm. Any such additional work agreed to between the Authority and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the dollar cost bid.

4. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement in accordance with the firm's dollar cost bid proposal. Interim billings shall cover a period of not less than a calendar month. Final payment will be made after delivery of the firm's final reports.

VII. EVALUATION PROCEDURES

**A. Staff Evaluation**

Proposals will be reviewed and evaluated by a review committee comprised of the General Manager and designated staff.

**B. Review of Proposals**

The General Manager and designated staff will use a point formula during the review process to score proposals. Every member will score each technical proposal matching the criteria described in Section VII C below. At this point, firms with an unacceptably low technical score will be eliminated from further consideration.

After the composite technical score for each firm has been established, additional points will be added to the technical score based on the price bid. The maximum score for price will be assigned to the firm offering the lowest total all-inclusive maximum price. Proportionate fractional scores will be assigned to other proposers.

The Authority reserve the right to retain all proposals submitted and use any idea contained therein.

**C. Evaluation Criteria**

Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. The following represent the principal selection criteria which will be considered during the evaluation process.

1. Mandatory Elements

- i. The audit firm shall be independent and licensed to practice in California
- ii. The audit firm's professional personnel shall have received adequate continuing professional education within the preceding two years
- iii. The firm shall have no conflict of interest with regard to any other work performed by the firm for the Authority
- iv. The firm shall submit a copy of its most recent external quality control

- v. review report and the firm has a record of quality audit work
  - v. The firm shall adhere to the instructions in this request for proposals on preparing and submitting the proposal
  - vi. The firm will have a current certificate insurance per requirements
2. Technical Qualifications:
- i. Expertise and Experience
    - a. The firm's past experience and performance on comparable government engagements
    - b. The quality of the firm's professional personnel to be assigned to the engagement
  - ii. Audit Approach
    - a. Adequacy of proposed staffing plan for various segments of the engagement
    - b. Adequacy of sampling techniques
    - c. Adequacy of analytical procedures
3. Price

THOUGH COST IS AN IMPORTANT FACTOR, IT IS NOT THE MOST IMPORTANT CONSIDERATION.

#### **D. Possible Oral Presentations**

During the review process, the General Manager may, at her discretion, may request any one or all firms to make an oral presentation-most likely by teleconferencing. Such a presentation will provide firms with an opportunity to answer any questions staff may have about a firm's proposal. Not all firms may be asked to make such oral presentations.

#### **E. Final Selection**

The General Manager and designated staff will select a firm based upon their evaluation of the proposals.

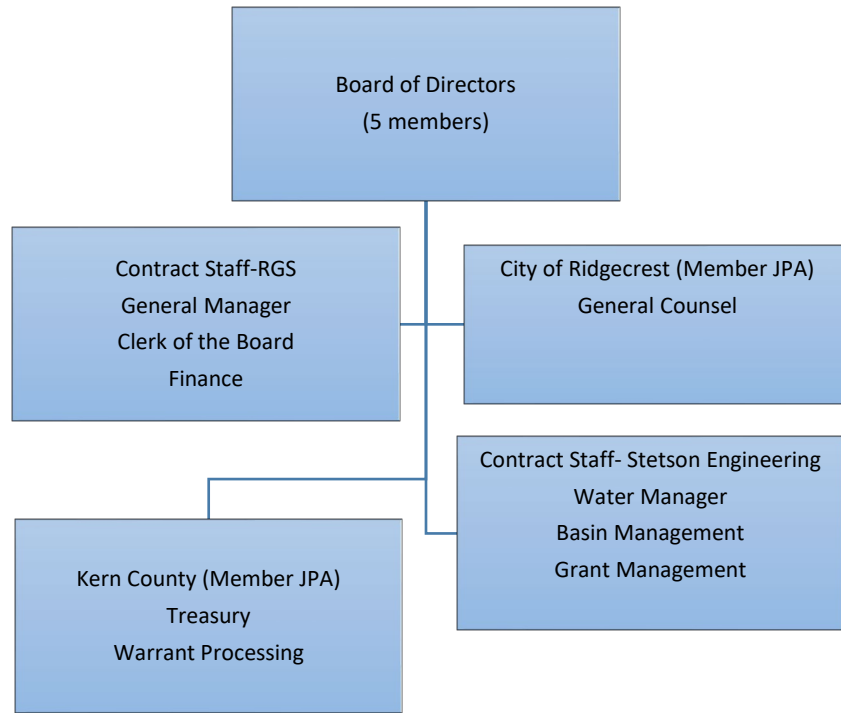
It is anticipated that a firm will be chosen in July. Following notification of the firm selected, it is expected a contract will be executed immediately upon Board approval.

#### **F. Right to Reject Proposals**

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Authority and the firm selected.

The Authority reserves the right without prejudice to reject any or all proposals.

## Indian Wells Valley Groundwater Authority – Organizational Chart 2022



**Appendix B**

**DOLLAR COST BID**

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Telephone Number(s): \_\_\_\_\_

Contact E-mail Address: \_\_\_\_\_

I, the undersigned, certify I am duly authorized to represent the above named firm and am empowered to submit this bid. In addition, I certify I am authorized to contract with Indian Wells Valley Groundwater Authority on behalf of the above named firm.

\_\_\_\_\_  
Signature Title Date

\_\_\_\_\_  
Name (print)

IWVGA

Total All-inclusive Maximum Price for 2022 Audit \$ \_\_\_\_\_

Total All-inclusive Maximum Price for 2023 Audit \$ \_\_\_\_\_

Total All-inclusive Maximum Price for 2024 Audit \$ \_\_\_\_\_

Appendix C

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT OF THE FY2022  
FINANCIAL STATEMENTS**

	<u>Hours</u>	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
Partners				
Managers				
Supervisory staff				
Staff				
Other (specify):				
<b><i>Subtotal</i></b>				
Out-of-pocket expenses:				
Meals & Lodging				
Transportation				
Other (specify):				
Total for services described in Section II of the RFP				
TOTAL MAXIMUM ALL- INCLUSIVE PRICE FOR THE IWVGA 2022 AUDIT				\$

Note: The rate quoted should **not** be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.



**PROFESSIONAL SERVICES AGREEMENT**  
**BETWEEN**  
**INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**  
**and**  
**CONTRACTOR**

THIS AGREEMENT is made and entered into this XX day of July, 2023 (“Effective Date”), and between Indian Wells Valley Groundwater Authority (“IWVGA”), and CONTRACTOR, a joint powers authority (“Consultant”).

**RECITALS :**

A. WHEREAS, IWVGA proposes to utilize the services of Consultant as an independent contractor to provide comprehensive administration services to IWVGA (“Project”), as more fully described herein; and

B. WHEREAS, Consultant represents that it has that degree of specialized expertise contemplated within California Government Code Section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

C. WHEREAS, no official or employee of IWVGA has a financial interest, within the provisions of Sections 1090-1092 of the California Government Code, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

**1.0. SERVICES PROVIDED BY CONTRACTOR**

1.1. Scope of Services. Consultant shall provide the services described in the attached **Exhibit A**. The services may be amended, at IWVGA's discretion, by way of a written directive from IWVGA.

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional Consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise IWVGA of any changes in any laws that may affect Consultant's performance of this Agreement.

1.3. Performance to Satisfaction of IWVGA. Consultant agrees to perform all the work to the complete satisfaction of the IWVGA and within the hereinafter specified. If the quality of work is not satisfactory, IWVGA in its discretion has the right to:

- (a) Meet with Consultant to review the quality of the work and resolve the matters of concern;
- (b) Terminate the Agreement as hereinafter set forth.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws, including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair

employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement. Consultant shall indemnify and hold harmless IWVGA from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against IWVGA for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.5 Licenses, Permits, Fees and Assessments. Consultant shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant's performance of the Services, and shall indemnify, defend and hold harmless IWVGA, its officers, employees or agents, against any such fees, assessment, taxes, penalties or interest levied, assessed or imposed against IWVGA hereunder.

1.6. Non-discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, age, physical handicap, medical condition, marital status, sexual gender or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code.

1.7. Non-Exclusive Agreement. Consultant acknowledges that IWVGA may enter into agreements with other Consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.8 Representatives and Personnel of Consultant. CONTRACTOR will designate individual CONTRACTOR employees as "principals" of Consultant ("Principals"). The designated principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the Services. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals.

In the event that Agency or CONTRACTOR, at any time during the term of this Agreement, desires the reassignment of principal personnel, Agency and CONTRACTOR shall meet and discuss in good faith to address the issue of concern, including but not limited to reassigning such person or persons.. Additionally, Consultant shall utilize only competent personnel to perform the Services. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the Services required under this Agreement. Consultant shall notify IWVGA of any changes in Consultant's staff and subcontractors, if any, assigned to perform the Services, prior to and during any such performance.

1.9. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of IWVGA. Consultant may engage a subConsultant(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

1.10. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of IWVGA. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by IWVGA. IWVGA shall grant such authorization if disclosure is required by law. All IWVGA data shall be returned to IWVGA upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement. If Consultant, or any officer, employee, agent or subcontractor of Consultant provides any information or work product in violation of this Agreement, then IWVGA shall have the right to reimbursement and indemnity from Consultant for any damages, costs, and fees, including attorney's fees, caused by or

incurred as a result of Consultant's conduct.

## **2.0. COMPENSATION AND BILLING**

2.1. Compensation. Consultant shall be paid in accordance with the fee schedule set forth in **Exhibit B** attached hereto and made a part of this Agreement (the "Fee Schedule").

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal unless IWVGA, prior to Consultant's performance of the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable.

2.3. Method of Billing. Consultant may submit invoices to IWVGA for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultant's services which have been completed to IWVGA's sole satisfaction. IWVGA shall pay Consultant's invoice within thirty (30) days from the date IWVGA receives said invoice. Each invoice shall describe in detail, the services performed, the date of performance, and the associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to IWVGA for inspection and/or audit at mutually convenient times for a period of three (3) years from the Effective Date.

## **3.0. TIME OF PERFORMANCE**

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall be completed in accordance with Section 4.1 of this Agreement. The Project Schedule may be amended by mutual agreement of the parties. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination of this Agreement.

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party.

## **4.0. TERM AND TERMINATION**

4.1. Term. This Agreement shall commence on July XX, 2023 and shall continue for XX year after the Effective Date, unless previously amended in accordance with Section 3.1 of this Agreement or unless terminated as provided herein.

4.2. Notice of Termination. IWVGA reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing written notice to Consultant. The termination of this Agreement shall be deemed effective upon the termination date specified in the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by IWVGA.

Consultant reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to IWVGA.

4.3. Compensation. In the event of termination by IWVGA, IWVGA shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of IWVGA's written notice of termination. Compensation for work in progress shall be prorated based on the percentage of work completed as of the effective date of termination in accordance with the fees set forth herein. In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to IWVGA or in the possession of the Consultant.

In the event of termination, without cause, by Consultant, Consultant shall reimburse IWVGA for additional costs to be incurred by IWVGA in obtaining the work from another consultant.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to IWVGA within ten (10) days of delivery of termination notice to Consultant, at no cost to IWVGA. Any use of uncompleted documents without specific written authorization from Consultant shall be at IWVGA's sole risk and without liability or legal expense to Consultant.

## **5.0. INSURANCE**

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by IWVGA:

- (a) Commercial general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than Two Million Dollars (\$2,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.
- (b) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence for bodily injury and property damage.
- (c) Workers' compensation insurance as required by the State of California. Consultant agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the IWVGA, its officers, agents, employees, and volunteers arising from work performed by Consultant for the IWVGA and to require each of its subConsultants, if any, to do likewise under their workers' compensation insurance policies.
- (d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than Two Million Dollars (\$2,000,000.00), combined single limits, per occurrence and aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retro date shall be prior to the start of the contract work. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

5.2. Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

- (a) Additional insureds: "Indian Wells Valley Groundwater Authority and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with IWVGA; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant."
- (b) Notice: "Said policy shall not terminate, be suspended, or voided, nor shall it be cancelled, nor the coverage or limits reduced, until thirty (30) days after written notice is given to IWVGA."
- (c) Other insurance: "The Consultant's insurance coverage shall be primary insurance as respects Indian Wells Valley Groundwater Authority, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by Indian Wells Valley Groundwater Authority shall be excess and not contributing with the insurance provided by this policy."
- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to Indian Wells Valley Groundwater Authority, its officers, officials, agents, employees, and volunteers.
- (e) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.3. Deductible or Self Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by IWVGA. No policy of insurance issued as to which IWVGA is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.4. Certificates of Insurance. Consultant shall provide to IWVGA certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by IWVGA, prior to performing any services under this Agreement. The certificates of insurance shall be attached hereto as **Exhibit D** and incorporated herein by this reference.

5.5. Non-limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

## **6.0. GENERAL PROVISIONS**

6.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. Chairman of the Board shall designate a representative from the IWVGA Board for purposes of this Agreement who may issue all consents, approvals, directives and agreements on behalf of IWVGA, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant hereby designates CONSULTANT REPRESENTATIVE, or his designee, to act as its representative for purposes of this Agreement. Consultant's representative shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:

CONSULTANT  
ADDRESS

Tel:

Email:

IF TO IWVGA:

Indian Wells Valley Groundwater  
Authority  
100 W. California Ave.  
Ridgecrest, CA 93555  
Tel: (760) 499-5001  
Fax: (760) 499-1500  
Attn: Phillip Peters

6.4. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.5. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Kern County, California.

6.6. Assignment. Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without IWVGA's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of IWVGA's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.7. Indemnification and Hold Harmless. Consultant shall defend, indemnify, and hold harmless IWVGA, its officers, employees and agents, from and against loss, injury, liability, or damages arising from any act or omission to act, including any negligent act or omission to act by Consultant or Consultant's officers, employees, or agents. Consultant's duty to indemnify and defend does not extend to the damages or liability caused by IWVGA's sole negligence or willful misconduct.

Should conflict of interest principles preclude a single legal counsel from representing both IWVGA and Consultant, or should IWVGA otherwise find Consultant's legal counsel unacceptable, then Consultant shall reimburse IWVGA its costs of defense, including without limitation reasonable legal counsel's fees, expert fees, and all other costs and fees of litigation. Consultant shall promptly pay any final judgement rendered against IWVGA (and its officers, officials, employees, and volunteers) with

respect to claims determined by a trier of fact to have been the result of Consultant's negligent, reckless or wrongful performance. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.

Consultant's obligations under this section apply regardless of whether or not such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost, expense, judgement, civil fine or penalty, or liability was caused in part or contributed to by an Indemnitee. However, without affecting the rights of IWVGA under any provision of this agreement, Consultant shall not be required to indemnify and hold harmless IWVGA for liability attributable to the active negligence of IWVGA, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where IWVGA is shown to have been actively negligent and where IWVGA's active negligence accounts for only a percentage of the liability involved, the obligation of Consultant will be for that entire portion or percentage of liability not attributable to the active negligence of IWVGA.

IWVGA and Consultant mutually waive any and all consequential, special, indirect and punitive damages against each other whether in contract, tort or any other legal theory.

6.8. Independent Contractor. Consultant is and shall be acting at all times as an independent contractor and not as an employee of IWVGA. Consultant shall have no power to incur any debt, obligation, or liability on behalf of IWVGA or otherwise act on behalf of IWVGA as an agent. Neither IWVGA nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its or employees are in any manner agents or employees of IWVGA. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold IWVGA harmless from any and all taxes, assessments, penalties, and interest asserted against IWVGA by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold IWVGA harmless from any failure of Consultant to comply with the applicable worker's compensation laws. IWVGA shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to IWVGA from Consultant as a result of Consultant's failure to promptly pay to IWVGA any reimbursement or indemnification arising under this paragraph.

6.9. Cooperation. In the event any claim or action is brought against IWVGA relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which IWVGA might require.

6.10. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Consultant or any of its subConsultants in the course of performance of this Agreement, shall be and remain the sole property of IWVGA. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of IWVGA. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of IWVGA and without liability or legal exposure to Consultant. IWVGA shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from IWVGA's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Consultant. Consultant shall deliver to IWVGA any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by IWVGA or its authorized representative, at no additional cost to the IWVGA.

The IWVGA's ownership of the "documents and materials" described above shall not apply to Consultant's "proprietary information," which means for purposes of this Agreement, all information or material that has or could have commercial value or other utility in Consultant's business, including without limitation: Consultant's (i) computer or data processing programs; (ii) data processing applications, routines, subroutines, techniques or systems; desktop or web-based software; (iii) business processes; (iv) marketing plans, analysis and strategies; and, (v) materials and techniques used. Except as otherwise required by law, IWVGA shall hold in confidence and shall not use (except as expressly authorized by this Agreement) or disclose to any other party any proprietary information provided, learned of or obtained by IWVGA in connection with this Agreement. The obligations imposed by this paragraph shall survive any expiration or termination of this Agreement or otherwise. The terms of this paragraph shall not apply to any information that is public information. This paragraph also shall not alter or limit the confidentiality and nondisclosure requirements set forth in this Agreement.

6.11. Public Records Act Disclosure. Consultant has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subConsultants, pursuant to this Agreement and provided to IWVGA may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250 *et seq.*). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code Section 6254.7, and of which Consultant informs IWVGA of such trade secret. IWVGA will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. IWVGA shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

6.12. Conflict of Interest. Consultant and its officers, employees, associates and subConsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code Sections 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subConsultants shall not, without the prior written approval of the IWVGA Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subConsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

6.13. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the IWVGA's representative, regarding any services rendered under this Agreement at no additional cost to IWVGA. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to IWVGA, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of IWVGA and to participate in any meeting required with regard to the correction.

6.14. Non-Liability of IWVGA Officers and Employees. No officer or employee of the IWVGA shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the IWVGA or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

6.15. Prohibited Employment. Consultant will not employ any regular employee of IWVGA while this Agreement is in effect.

6.16. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the



extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

6.17. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.18. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of IWVGA and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.19. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.20. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.21. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.22. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.23. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.24. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.25. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

6.26 Time of Essence. Time is of the essence in the performance of this Agreement.

6.27. Arbitration and Waiver of Jury Trial. The Parties further agree as follows: In the event any dispute shall arise between the Parties to this Agreement, the same shall be resolved by arbitration conducted by the American Arbitration Association in accordance with the Commercial Arbitration Rules of the American Arbitration Association, as then in effect. Such arbitration shall be conducted at a location within Los Angeles County, California agreeable to both Parties before three (3) arbitrators who shall be selected by mutual agreement of the Parties; if agreement is not reached on the selection of arbitrators within fifteen (15) days, then each of the Parties shall select an arbitrator and the two (2) arbitrators so selected shall select a third. The provisions of the Commercial Arbitration Rules of the American Arbitration Association shall apply and govern such arbitration except that the prevailing party shall be entitled to recover from the other party its attorney's fees and costs actually incurred in such amount as may be determined by the arbitrators.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

INDIAN WELLS VALLEY  
GROUNDWATER AUTHORITY

\_\_\_\_\_ Date: \_\_\_\_\_  
Chairman of the Board

CONSULTANT

\_\_\_\_\_ Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_ Date: \_\_\_\_\_  
CONSULTANT COUNSEL

APPROVED AS TO FORM:

\_\_\_\_\_ Date: \_\_\_\_\_  
IWVGA Board Attorney

**EXHIBIT A**  
**SCOPE OF WORK**

**EXHIBIT B**  
**FEE SCHEDULE**

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# IWVGA ADMINISTRATIVE OFFICE

*STAFF REPORT*

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**TO:** IWVGA Board Members **DATE:** April 12, 2023

**FROM:** IWVGA Staff

**SUBJECT:** **Agenda Item 10 – Grant of Easement with United States Navy for Installation of Telemetry Equipment**

## **BACKGROUND AND DISCUSSION**

Several monitoring wells were designated in the Groundwater Sustainability Plan (GSP) as representative key wells to monitor for groundwater conditions caused by sustainability indicators (i.e., addressing chronic lowering of groundwater levels and degradation of water quality) and to track progress toward sustainability.

The representative key well network identified in the GSP includes five (5) existing monitoring wells that are located on the Naval Air Weapons Station (NAWS) China Lake: George Air Corridor Well, Kerr McGee Well, Sanquist Spa Well, USBR-04 Well, and USBR-06 Well. All 5 monitoring wells are used to monitor and address chronic lowering of groundwater levels in the Basin. In addition, the Sanquist Spa Well is used to monitor and address degradation of water quality in the Basin.

The Proposition 1 grant awarded to the IWVGA included purchase of telemetry equipment to provide real-time groundwater level measurements. Installation, operation, and maintenance of the telemetry equipment in the wells located on NAWS requires an easement from the United States.

The easement agreement is included in your Board package.

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

Staff recommends that the Board authorize the General Manager to sign the Navy Real Estate Outgrant Easement.

## GRANT OF EASEMENT

THIS INDENTURE, made this 13 day of April, 2023, between the UNITED STATES OF AMERICA, the grantor, hereinafter called the GOVERNMENT, represented by the Commanding Officer, Naval Facilities Engineering Systems Command, Southwest, acting by and through the Secretary of the Navy, and Indian Wells Valley Groundwater Authority, hereinafter called the GRANTEE.

WHEREAS, the GOVERNMENT owns that certain real property identified as Naval Air Weapons Station China Lake, located in Ridgecrest, California, hereinafter called the Installation; and

WHEREAS, the GRANTEE has requested an easement for the installation, operation, maintenance, repair, and replacement of groundwater level monitoring and telemetry equipment within five (5) wells, which will be used by the GRANTEE on, in, and upon that portion of the Installation hereinafter described; and

WHEREAS, the Secretary of the Navy has found that the granting of such an easement on the terms and conditions hereinafter stated is not incompatible with the public interest;

NOW THEREFORE, this INDENTURE witnesseth that, pursuant to the authority of 10 U.S.C. § 2668, hereby grants to the GRANTEE and its successors and assigns, for a period of twenty (20) years from the date hereof, an easement for the installation, operation, maintenance, repair, and replacement of groundwater level monitoring and telemetry equipment within five (5) wells, such easement being on, in and upon that portion of the Installation hereinafter called the PREMISES, containing 15.7 square feet total, more or less, and more specifically described in **Exhibit "A"** and **Exhibit "B"**, attached hereto and made a part hereof.

THIS EASEMENT is granted subject to the following terms and conditions, which GRANTEE, by its acceptance hereof, specifically agrees to and consents to be bound by:

1. CONSIDERATION. The parties hereto agree that consideration for the grant of this EASEMENT consists of the premises and mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

~~—a. pay the GOVERNMENT the sum of \$ \_\_\_\_\_, the receipt of which is hereby acknowledged; and/or~~

~~—b. provide in-kind consideration in the form of work or services. The work or services will be identified by the Installation and agreed upon by GRANTEE. The work or services will be valued at \$ \_\_\_\_\_. The cost of the work shall not include administrative expenses incurred by the GRANTEE, which will be borne by the GRANTEE. The GRANTEE may obtain the work or services through contracts.~~

2. ACCESS BY GRANTEE. The GOVERNMENT grants to the GRANTEE the right to use the PREMISES, together with the necessary rights of ingress and egress authorized by the Installation Commanding Officer. The GRANTEE and its invitees and contractors agree to

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absorb all costs, including time and expenses, associated with gaining access to the Installation under the Defense Biometric Identification System (DBIDS) or similar program. Any parking that accompanies the use of, and any routes of access to and from, the PREMISES are subject to change at the sole discretion of the Installation Commanding Officer.

3. USE BY GOVERNMENT. The GOVERNMENT may use the PREMISES of this Easement for any purpose that does not unreasonably interfere with the use and enjoyment by the GRANTEE of the rights granted by this Easement.

4. SUBJECT TO EXISTING AND FUTURE EASEMENTS. This Easement is granted subject to all other existing easements, if any, of public record, and to such utility lines, roadways, or other improvements as may now be located on, over, or under the PREMISES. This Easement is subject to all existing easements, all other outstanding rights, recorded and unrecorded, and to all such utility lines, roadways, or other improvements as may be located on, in, under, across, through and over the PREMISES, and to the right of the GOVERNMENT to grant such additional easements and rights of way on, in, under, across, through and over the PREMISES as it shall determine to be in the public interest, provided that such additional easements and rights of way will not unreasonably interfere with the GRANTEE's use of the PREMISES in accordance with this Easement.

5. APPROVAL OF PLANS. All work performed by the GRANTEE, its agents, or contractors in connection with the installation, operation, maintenance, repair, and replacement of the groundwater level monitoring and telemetry equipment within five (5) wells shall be done without cost or expense to the GOVERNMENT and in accordance with plans previously approved by the Real Estate Contracting Officer, Naval Facilities Engineering Systems Command, Southwest or his/her designated local representative.

6. RESTORATION. Upon completion of any work performed in or upon the PREMISES, GRANTEE, at its own expense, shall remove all equipment and unused or surplus materials, if any, and shall restore the PREMISES to the same, or as good a condition as existed prior to the initiation of such work, and in a manner satisfactory to the GOVERNMENT as determined by the Real Estate Contracting Officer, Naval Facilities Engineering Systems Command, Southwest, or his/her designated local representative.

7. PROTECTION AND MAINTENANCE OF PREMISES. The GRANTEE, at its own cost and expense, shall maintain the PREMISES and the groundwater level monitoring and telemetry equipment within five (5) wells in good condition at all times and shall promptly make all repairs that may be necessary for the preservation of the condition of the PREMISES and the continued operation and maintenance of the groundwater level monitoring and telemetry equipment within five (5) wells.

8. DAMAGE TO THE PREMISES. GRANTEE, at its expense, shall repair or restore any damage to GOVERNMENT property that may occur during the operation, maintenance, repair and replacement of the groundwater level monitoring and telemetry equipment within five (5) wells in a manner satisfactory to the GOVERNMENT as determined by the Real

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Estate Contracting Officer, Naval Facilities Engineering Systems Command, Southwest or his/her designated local representative. GRANTEE, its employees, authorized agents and contractors shall reimburse the GOVERNMENT for any and all actual costs, direct and indirect, incurred by the GOVERNMENT as a result of any damage to the PREMISES caused by their individual or collective actions.

9. APPLICABLE RULES AND REGULATIONS. The GRANTEE's rights hereunder shall be subject to such reasonable rules and regulations as may be prescribed by the GOVERNMENT to assure that the exercise of those rights will not unreasonably interfere with the GOVERNMENT's activities at the Installation. The GRANTEE shall adhere to all GOVERNMENT imposed security rules and regulations in the exercise of such rights.

10. INDEMNIFICATION. GRANTEE shall indemnify and defend the GOVERNMENT against, and hold the GOVERNMENT harmless from, any costs, expenses, liabilities, fines, suits, actions, damages, liability and cause of action arising or growing out of, or in any way connected with, the occupation or use of the PREMISES by the GRANTEE and its employees, agents, servants, guests, and invitees. However, this liability shall not extend to matters caused by the GOVERNMENT's negligent or willful acts. This provision shall survive the expiration or termination of this Easement and GRANTEE's obligations hereunder shall apply whenever the GOVERNMENT incurs costs or liabilities for the GRANTEE's actions.

11. GRANTEE'S RESPONSIBILITY. The GOVERNMENT shall not be responsible for damages to property or injuries to persons that may arise from, or be incident to, the use and occupation of the PREMISES by the GRANTEE, or for damages to the property or injuries to the persons of the GOVERNMENT's officers, agents, servants, or employees, or others who may be on the PREMISES at their invitation or the invitation of any one of them arising from or incident to governmental activities except as permitted under the Federal Tort Claims Act, 28 U.S.C. §§ 2671-2680.

~~12. ROAD CONNECTIONS / GOVERNMENT RESERVATION. The GOVERNMENT reserves the right to make whatever connections between the Road herein authorized and other roads on the Installation that the GOVERNMENT may consider necessary. It also reserves to itself easements for all purposes on, in, through, under, upon, across and over the PREMISES; provided, however, that such reserved easements shall be used in a manner that will not unreasonably interfere with the use and enjoyment by the GRANTEE of the easement rights granted herein.~~

~~13. ROAD SURFACE AND DESIGN. The road crossing surface and design shall be done in accordance with American Railway and Engineering and Maintenance of Way Association (AREMA).~~

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14. ENVIRONMENTAL PROVISIONS.

a. GRANTEE shall comply with all applicable environmental laws, ordinances, rules, and regulations and all other Federal, state, and local laws, ordinances, regulations, and standards that are or may become applicable to GRANTEE's activities on the PREMISES.

b. GRANTEE shall be, at its sole cost and expense, solely responsible for obtaining any environmental permits required for its activities on the PREMISES.

c. GOVERNMENT's rights under this Easement specifically include the right for its representatives to inspect the PREMISES upon reasonable notice for compliance with environmental, safety, and occupational health laws and regulations, whether or not the GOVERNMENT is responsible for enforcing them. The inspections shall be made without prejudice to the right of duly constituted enforcement officials to make them. The GRANTEE shall have no claim on account of any entries against the United States or any of its officers, agents, employees, contractors, or subcontractors.

d. Storage, treatment, or disposal of toxic hazardous materials on the PREMISES is prohibited except as authorized by the GOVERNMENT in accordance with 10 U.S.C. § 2692.

e. The GRANTEE will not use Installation accumulation points for hazardous and other wastes or permit its hazardous wastes to be commingled with hazardous waste of the GOVERNMENT.

f. The GRANTEE shall be solely responsible for the release, or substantial threat of a release, into the environment of any hazardous substance, pollutant or contaminant as the result of any activity under this Easement, and any preceding easements, licenses, or rights-of-way. Any reporting, containment, removal, or other remedial action relating to a release or threat of release required by law or regulation shall also be the responsibility of the GRANTEE.

g. The GRANTEE agrees to comply with the provisions of any health and safety plan in effect under the Installation Restoration Plan (IRP) or the Resource Conservation Recovery Act (RCRA) Corrective Action Program during the course of any of the above described response or remedial actions. Any inspection, survey, investigation, or other response or remedial action will be, to the extent practicable, coordinated with representatives designated by the GOVERNMENT. The GRANTEE shall have no claim on account of any entries against the United States or its officers, agents, employees, contractors, or subcontractors. In addition, GRANTEE shall comply with all applicable Federal, state and local occupational safety and health regulations.

h. GRANTEE shall, to the extent permitted under applicable law, indemnify and hold harmless GOVERNMENT from, and defend GOVERNMENT against, any damages, costs, expenses, liabilities, fines, suits, actions, or penalties resulting from releases, discharges, emissions, spills, storage, treatment, disposal, or other acts or omissions by GRANTEE, its officers, employees, agents, contractors, licensees, or the invitees of any of them, giving rise to GOVERNMENT liability, civil or criminal, or responsibility under federal, state or local

environmental laws. This Paragraph shall survive the expiration or termination of this Easement, and the GRANTEE's obligations under this Paragraph shall apply whenever the GOVERNMENT incurs costs or liabilities for GRANTEE's actions. However, this liability shall not extend to matters caused by the GOVERNMENT's negligent or willful acts.

i. The GRANTEE shall strictly comply with the hazardous waste permit, storage, handling, and disposal requirements under the Solid Waste Disposal Act or its State of California equivalent. The GRANTEE must provide at its own expense any hazardous waste storage facilities, complying with all laws and regulations that it may need for storage. Installation hazardous waste storage facilities will not be available to the GRANTEE.

j. GRANTEE shall manage the natural and cultural resources on the PREMISES in a manner that is consistent with the philosophies and supportive of the objectives of the Installation's Integrated Natural Resource Management Plan and Integrated Cultural Resource Management Plan. GRANTEE shall identify any activity that may affect Federally regulated resources (listed species, wetlands, waters of the United States, etc.) and provide information and mitigation that may be required to support consultation with the applicable regulatory agency.

k. GRANTEE shall, during the installation, operation, maintenance, and repair of the groundwater level monitoring and telemetry equipment within five (5) wells, upon inadvertently discovering Native American human remains, funerary objects, sacred objects, objects of cultural patrimony, as those terms are defined in 43.C.F.R. § 10.2(d), immediately notify by telephone the Installation Public Works Officer at (760) 939-2382, followed by written confirmation. The GRANTEE shall cease all activity in the area of the inadvertent discovery until directed otherwise by the Installation. Additionally, the GRANTEE shall take all reasonable efforts to protect any Native American human remains, funerary objects, sacred objects, objects of cultural patrimony, so discovered consistent with 43 C.F.R. § 10.2(d).

#### 15. ENVIRONMENTAL CONDITION OF PROPERTY.

a. An Environmental Condition of Property (ECP) has been prepared as of the start date of this Easement to document the known environmental condition of the property. It is attached hereto as **Exhibit "C"** and made a part hereof. At the termination or expiration of this Easement, another ECP shall be prepared to note the environmental condition of the property at that time. A comparison of the two ECP documents shall be made to determine the extent, if any, of liability on the part of the GRANTEE.

b. A Record of Categorical Exclusion (CATEX) has been prepared and sets forth the mitigation measures of the PREMISES to be fully implemented to prevent adverse impacts to resources. It is attached hereto as **Exhibit "D"** and made a part hereof. GRANTEE is hereby made aware of the mitigation measures contained in **Exhibit "D"**, as follows:

(1) The dust control measures described in enclosure (2) must be implemented during all periods of active project operation on the sites.

(2) The following two (2) project area occurs within Mojave desert tortoise (*Gopherus agassizii*) (MDT) habitat, however, the sites have low MDT presence concern, because they are historically disturbed zones nearby to residential areas: (1) George Air Corridor and (2) WSBR-04.

(3) The following three (3) sites are within areas of MDT presence concern and will require adherence to MDT mitigation measures: (1) Kerr McGee, (2) Sandquist Spa, (3) USBR-06. GRANTEE personnel working onsite will be provided with Environmental and Desert Tortoise Awareness training to ensure.

(4) Ingress and egress will be on existing roads. All work activities will occur on previously disturbed land alongside existing wells and their disturbance footprints. Based on proposed avoidance and mitigation measures, Environmental Management Division (EMD) staff has determined that the proposed action is not expected to have a significant adverse impact to special or protected species.

(5) All GRANTEE personnel working onsite are required to attend the EMD's Environmental Awareness Brief before the project begins. All GRANTEE personnel working onsite are required to comply with desert tortoise and/or desert tortoise habitat protective measures listed in enclosure (3). Contact Mr. Dylan Layfield, NAWSCLEMD Natural Resources Specialist/Biologist, at 760-939-3517, or [dylan.c.layfield.civ@us.navy.mil](mailto:dylan.c.layfield.civ@us.navy.mil), to schedule environmental brief.

(6) If project work site(s), including lay down areas and access routes, are located anywhere other than site map areas provided with the Work Request WR NAWSO283 on 17 October 2022, then Natural Resources requires notification before the project begins.

(7) GRANTEE will provide for project construction duration: All trash and construction debris will be placed into containers that ravens, coyotes, and other potential MDT predators cannot access. Containers will be regularly cleaned and removed.

(8) GRANTEE will ensure all vehicles and equipment park only in disturbed areas adjacent to the site, or in areas which are approved by Natural Resources before the project starts.

(9) During well monitoring equipment installation activities, a final site clearance survey for the work site is required 10 calendar days before the start of any work activity.

(10) GRANTEE will ensure that if work occurs during nesting bird season, any occupied nests must not be disturbed. Nests may be on the ground or on any elevated surfaces or structures. Certain species are protected under the Migratory Bird Treaty Act. Contact Mr. Layfield or Ms. Arlene Arnold, NAWSCLEMD Conservation Branch Head at 760-939-3216 or [arlene.j.arnold.civ@us.navy.mil](mailto:arlene.j.arnold.civ@us.navy.mil), with any concerns.

(11) GRANTEE will ensure all personnel working on site check under and around vehicles and equipment each time they are moved, to avoid harm to MDT.

(12) If a MDT is discovered in the project site or travel route, all work is to stop immediately until the tortoise has left the work area. GRANTEE shall call the EMD Conservation Branch immediately. Contact Ms. Julie Hendrix at 760-495-2935 or EMD front desk at 760-939-8500 for further instructions before work can begin again.

(13) Management of hazardous wastes which may be generated by the project must be conducted in accordance with enclosure (4). Any unusual odors or stained soil discovered during the projects should be reported immediately via e-mail to Ms. Cherish Kozola, Environmental Engineering & Operations Branch Head at [cherish.a.kozola.civ@us.navy.mil](mailto:cherish.a.kozola.civ@us.navy.mil). In this case all work should cease, until the EMD evaluates the situation and recommends that work may continue.

(14) A storm water permit is not required for this project. NAWSCL does not have Waters of the United States and is not required to comply with regulations derived from the Clean Water Act. However, best management practices for storm water management should be followed.

(15) All equipment and data shall be reviewed and approved by NAWSCL Physical Security and any required NAWSCL Ranges, including radio frequency (HERO, etc.) use and selection, if required. All GRANTEE project personnel shall be escorted by NAWSCL EMD staff at all times when on site, including monitoring wells outside current fence lines. All project site visit/field work requests must be submitted in advance to NAWSCL EMD and appropriate NAWCWD Ranges and Unexploded Ordnance (UXO) required safety escort and scheduling.

c. For purposes of this Easement the following terms shall have the following meanings:

(1) "Toxic or Hazardous Materials" means all manner of substances, pollutants, contaminants, and waste to which Applicable Environmental Laws pertain, expressly including petroleum, petroleum products, and materials defined in 48 C.F.R. § 252.223-7006 (a)(ii) and (iii).

(2) "Contamination" means a level of Toxic or Hazardous Materials in the air, soil, or water (surface water or ground water), that exceeds levels allowed by Applicable Environmental Laws.

(3) "Applicable Environmental Laws" means:

(a) Federal, state, and local statutes, laws, ordinances, rules, and regulations, to which the GOVERNMENT is made subject by Federal law or to which the GRANTEE is made subject by Federal and state law;

(b) Executive Orders of the President of the United States;

(c) decisions of courts and administrative tribunals of competent jurisdiction;

(d) administrative orders of regulatory agencies of competent jurisdiction (involuntary or on consent); and

(e) regulations and directives of the Department of Defense, the Department of the Navy, and the Marine Corps (for Marine Corps installations only),

which pertain to the human environment (as defined in the National Environmental Policy Act of 1969); transportation of hazardous material; and human health and safety (including occupational safety).

(4) Applicable Environmental Laws include, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601 et seq.), the Hazardous Material Transportation Act (49 U.S.C. § 1801, et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901, et seq.), the Federal Water Pollution Control Act (33 U.S.C. § 1251, et seq.), the Clean Air Act (42 U.S.C. § 7401, et seq.), the Toxic Substances Control Act (15 U.S.C. § 2601, et seq.), the Occupational Safety and Health Act (29 U.S.C. § 651, et seq.), and 10 U.S.C. § 2692, as amended.

(5) "Release" means any discharge, spill, emission, leaking, pumping, injection, excavation, deposit, disposal, leaching, or migration into the environment, accidental or otherwise, or introduction into the environment by any other means or method.

(6) "Remedial Action" means: investigating or monitoring the environmental condition of the PREMISES and clean-up, removal, response (including emergency response), and restoration of the PREMISES, as per Applicable Environmental Laws, due to the presence or suspected presence of Contamination or a Release or suspected Release of Toxic or Hazardous Materials.

d. If during the term of this Easement the GRANTEE becomes aware that a Release of Toxic or Hazardous Materials has occurred due to acts or omissions of the GRANTEE, its agents, or contractors, whether or not such Release results in Contamination of the PREMISES, the GRANTEE will give verbal notice to the GOVERNMENT within 24 hours of becoming aware of the Release, providing all relevant facts and circumstances. The GOVERNMENT may direct the GRANTEE to make a detailed written report of these facts and circumstances within a time certain.

e. The GRANTEE, at its sole expense, will promptly take all action necessary to comply with Applicable Environmental Laws pertaining to a Release described in subparagraph 15(b), including but not limited to: report the occurrence to appropriate Federal, state, or local regulatory authorities, if so directed by the GOVERNMENT; take timely and effective steps to minimize the Release and its impact on human health and the environment; and take Remedial Action. The GOVERNMENT may direct the GRANTEE to provide all information requested by the GOVERNMENT regarding such actions within a time certain.

f. The GRANTEE will ensure that all activities conducted on the PREMISES by the GRANTEE, its agents, or contractors are carried out in compliance with Applicable Environmental Laws. The GRANTEE will provide verbal notice to the GOVERNMENT within 24 hours of receiving any complaint, order, directive, claim, citation, or notice from any governmental authority or any other person or entity alleging noncompliance with or a violation

of Applicable Environmental Laws on the PREMISES. The GRANTEE, at its sole expense, will promptly take all necessary action directed by Federal, state, or local regulatory authorities of competent jurisdiction to achieve or regain compliance with Applicable Environmental Laws. The GOVERNMENT may direct the GRANTEE to make a detailed written report, within a time certain, of the facts and circumstances underlying the alleged noncompliance or violation. Without limitation of the foregoing, the GOVERNMENT, in response to acts or omissions of the GRANTEE, its agents, or contractors may, in its discretion, take Remedial Action to remedy Contamination on the PREMISES or to achieve or regain compliance with Applicable Environmental Laws.

g. The GOVERNMENT may at any time inspect the PREMISES or cause the PREMISES to be inspected, to assess whether the operations of the GRANTEE, its agents, or contractors are in compliance with Applicable Environmental Laws. To assist in this evaluation, the GRANTEE, its agents, and contractors will provide to the GOVERNMENT, or another entity, as the GOVERNMENT may direct, for examination and copying, all relevant books, records, documents, and other material in their possession.

h. The GOVERNMENT, with good cause, may from time-to-time require the GRANTEE to conduct tests and analyses to assess whether the PREMISES are in compliance with Applicable Environmental Laws, and based on the results thereof, to so certify to the GOVERNMENT. Such tests and analyses shall be conducted in a manner satisfactory to the GOVERNMENT by recognized professionals approved by the GOVERNMENT. If the GOVERNMENT and the GRANTEE cannot reach agreement as to what tests and analyses shall be conducted, by whom, and when, the GOVERNMENT may perform such tests and analyses or cause such tests and analyses to be performed.

16. FAILURE TO INSIST ON COMPLIANCE. The failure of the GOVERNMENT to insist, in any one or more instances, upon performance of any of the terms, covenants or conditions of this Easement shall not be construed as a waiver or relinquishment of GOVERNMENT'S right to the future performance of any such terms, covenants or conditions and GRANTEE's obligations for their future performance shall continue in full force and effect.

17. FEDERAL FUNDS. This Easement does not obligate the GOVERNMENT to expend any appropriated funds.

18. ASSIGNMENT / TRANSFER OF RIGHTS. The GRANTEE shall not transfer or assign this Easement or any interest in it, or otherwise make any portion of, or rights in, the PREMISES available to any party without the prior consent of the GOVERNMENT. If any assignment is made, with or without consent, the assignee shall be deemed to have assumed all of the obligations of the GRANTEE. However, in no event shall the GRANTEE be relieved of any of its obligations under this Easement, except for an extension of its term that begins after an assignment, and then only if the GOVERNMENT shall have consented to it.

19. TERMINATION.

a. If, at any time, the GOVERNMENT determines that the groundwater level monitoring and telemetry equipment within five (5) wells, or any portion thereof, unduly interferes with any of its activities, the GOVERNMENT shall have the right to terminate this Easement, in whole or in part, to the extent necessary to eliminate the interference. However, unless the GOVERNMENT shall have determined that relocation is not feasible, it shall offer to convey to the GRANTEE, without charge, a substitute easement permitting the GRANTEE to relocate the groundwater level monitoring and telemetry equipment within five (5) wells, or any portion thereof, on adjacent GOVERNMENT property, which relocation shall be accomplished at the GRANTEE's cost and expense. The substitute easement shall contain the same terms and conditions as those in this Easement, and shall bear the same expiration date, if any.

b. All or any part of this Easement may be terminated upon failure by the GRANTEE to comply with any of its terms and conditions; upon abandonment of the rights granted herein; or upon non-use of those rights for a period of two consecutive years. Additionally, the GOVERNMENT may terminate all or any part of this Easement in the interest of anti-terrorism force protection or national security.

20. ADMINISTRATIVE COSTS AT EXPIRATION/TERMINATION OF EASEMENT. At the termination or expiration of this Easement, at the GOVERNMENT'S discretion, GRANTEE shall be responsible for administrative costs associated with completing a final inspection of the premises and updating the Environmental Condition of Property Report.

21. SURRENDER. Upon any termination or expiration of this Easement, the GRANTEE, at its own expense and risk, shall promptly remove, to the extent required by the GOVERNMENT, improvements, fixtures, and equipment installed or constructed hereunder, and shall restore the PREMISES to the same or as good a condition as that which existed prior to the exercise by the GRANTEE of its rights hereunder. The restoration shall be done in a manner satisfactory to the Real Estate Contracting Officer, Naval Facilities Engineering Systems Command, Southwest, or his/her designated representative and in accordance with applicable laws and regulations. If the GRANTEE fails to remove the property as required by the GOVERNMENT, all improvements, chattels, and other items abandoned by the GRANTEE become GOVERNMENT property ninety (90) days following the date of termination or expiration. If the GOVERNMENT incurs any cost to remove the items abandoned by the GRANTEE, the GRANTEE shall reimburse the GOVERNMENT for any and all actual costs, direct and indirect, incurred by the GOVERNMENT.

22. STATEMENT OF COMPLIANCE. Pursuant to 10 U.S.C. § 2662(d):

a. This Easement is not subject to the requirements of this section; or,

~~b. This Easement is subject to the requirements of this section and said requirements have been met.~~

FILE NO: 10489  
CONTRACT NO: N62473-23-RP-00010

23. ADDITIONS, MODIFICATIONS AND DELETIONS. Prior to the execution of this Easement, the following additions, modifications and deletions were made:

Clause 1 was modified.  
Clause 12 was deleted.  
Clause 13 was deleted.  
Clause 15 was modified.  
Clause 22b was deleted.  
Exhibit "D" was added.

IN WITNESS WHEREOF, the parties hereto have caused this GRANT OF EASEMENT to be executed by their duly authorized representatives as of the day and year first written above.

**UNITED STATES OF AMERICA**

By: \_\_\_\_\_  
ALIA SUMPTER  
Real Estate Contracting Officer  
Naval Facilities Engineering Systems Command,  
SOUTHWEST

**GRANTEE**

By: \_\_\_\_\_  
CAROL THOMAS-KEEFER  
General Manager  
Indian Wells Valley Groundwater Authority



**EXHIBIT A**  
**LEGAL DESCRIPTION**

**Parcel 1: Existing Navy Monitoring Well George Air Corridor**

Being an existing monitoring well called George Air Corridor located within Naval Air Weapons Station China Lake, also within the Southeast  $\frac{1}{4}$ , Section 1, Township 27 South, Range 40 East, Mount Diablo Meridian, more particular described as follows:

**Commencing** at Navy geodetic control station SNORT A 1950, thence South  $64^{\circ}32'33''$  East 37,888.50 feet to the Navy Well George Air Corridor. Thence, the parcel comprises the area within the circle with one foot radius, with said point at its center, containing 3.14 square feet (grid), more or less.

**Parcel 2: Existing Navy Monitoring Well USBR-04**

Being an existing monitoring well called USBR-04 located within Naval Air Weapons Station China Lake, also within the Northeast  $\frac{1}{4}$ , Section 26, Township 26 South, Range 39 East, Mount Diablo Meridian, more particular described as follows:

**Commencing** at Navy geodetic control station SNORT A 1950, thence South  $11^{\circ}15'16''$  West 3,739.27 feet to the Navy Well USBR-04. Thence, the parcel comprises the area within the circle with one foot radius, with said point at its center, containing 3.14 square feet (grid), more or less.

**Parcel 3: Existing Navy Monitoring Well Kerr McGee**

Being an existing monitoring well called Kerr McGee located within Naval Air Weapons Station China Lake, also within the Northwest  $\frac{1}{4}$ , Section 17, Township 26 South, Range 39 East, Mount Diablo Meridian, more particular described as follows:

**Commencing** at Navy geodetic control station SNORT A 1950, thence North  $72^{\circ}23'04''$  West 19,912.21 feet to the Navy Well Kerr McGee. Thence, the parcel comprises the area within the circle with one foot radius, with said point at its center, containing 3.14 square feet (grid), more or less.

**Parcel 4: Existing Navy Monitoring Well USBR-06**

Being an existing monitoring well called USBR-06 located within Naval Air Weapons Station China Lake, also within the Southwest  $\frac{1}{4}$ , Section 12, Township 25 South, Range 38 East, Mount Diablo Meridian, more particular described as follows:

**Commencing** at Navy geodetic control station SNORT A 1950, thence North  $35^{\circ}30'13''$  West 51,999.05 feet to the Navy Well USBR-06. Thence, the parcel comprises the area within the circle with one foot radius, with said point at its center, containing 3.14 square feet (grid), more or less.

## EXHIBIT A

### LEGAL DESCRIPTION

#### Parcel 5: Existing Navy Monitoring Well Sanquist Spa

Being an existing monitoring well called Sanquist Spa located within Naval Air Weapons Station China Lake, also within the Northwest ¼, Section 11, Township 26 South, Range 39 East, Mount Diablo Meridian, more particular described as follows:

**Commencing** at Navy geodetic control station SNORT A 1950, thence North 25°58'31" West 12,260.97 feet to the Navy Well Sanquist Spa. Thence, the parcel comprises the area within the circle with one foot radius, with said point at its center, containing 3.14 square feet (grid), more or less.

See Exhibit B "Indian Wells Groundwater Authority Monitoring Well Locations on Naval Air Weapons Station China Lake" incorporated herein by this reference.

#### Basis of Bearing

The Basis of Bearing for the above Descriptions is North 66° 39' 43.52" East, as determined between Control Points "SNORT A 1950" and "\_L20". The reference frame being NAD83 (2011-Epoch:2010.0000) California State Plane Coordinate System, Zone 5. Bearings and distances are grid, convergence angle 00°08'54.28", and combined factor 0.999943751.

Stephen B. Johnson  
Name

32396  
PE No.

12/15/22  
Date



#### References

The above legal descriptions reference and depend upon the following documents and resources:

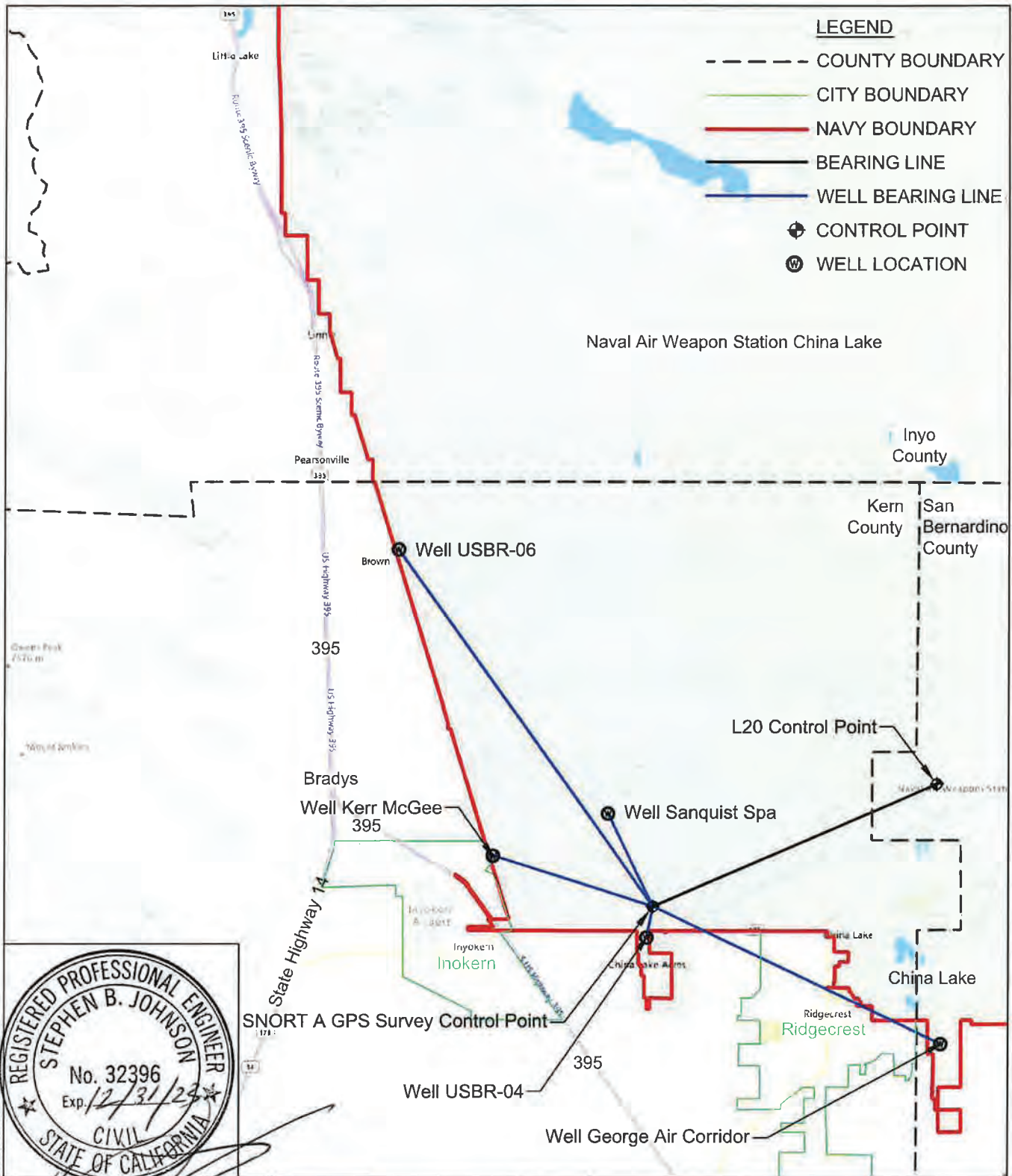
Reference 1: National Imagery Mapping Agency, Publication EAFB 01-024: China Lake Wellhead Survey, Jul/Aug 2001.

Reference 2: National Geodetic Survey, Horizontal Time Dependent Positioning (HTDP) Tool, [https://geodesy.noaa.gov/TOOLS/Htdp/Htdp\\_update.html](https://geodesy.noaa.gov/TOOLS/Htdp/Htdp_update.html).

Reference 3: National Geodetic Survey, Coordinate Conversion and Transformation Tool, <https://geodesy.noaa.gov/NCAT/>.

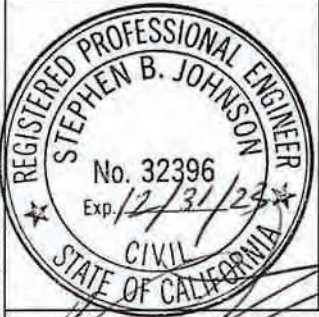
**END OF DESCRIPTION**

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**LEGEND**

- COUNTY BOUNDARY
- CITY BOUNDARY
- NAVY BOUNDARY
- BEARING LINE
- WELL BEARING LINE
- CONTROL POINT
- WELL LOCATION



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San Rafael, California 94904  
(415) 457-0701

**STETSON ENGINEERS INC.**

DRAWN: G.T.  
DATE: 2022-12-13

**EXHIBIT "B"**  
INDIAN WELLS VALLEY GROUNDWATER AUTHORITY  
MONITORING WELL LOCATIONS ON NAVAL AIR WEAPONS STATION CHINA LAKE  
KERN AND SAN BERNARDINO COUNTIES, CALIFORNIA

PROJECT No: 2652 | SHEET 1 OF 4



POC  
 SNORT A 1950 (GS19)  
 DESC: DS STAMPED "SNORT A 1950",  
 IN 12"X12" CONCRETE POST  
 GRID COORDINATES  
 N: 2426546.93'  
 E: 6639018.46'  
 LAT: N35° 39' 35.00"  
 LON: W117° 44' 22.85"

L = 36704.117'  
 BASIS OF BEARINGS  
 N66° 39' 43.52"E (GRID) (R1,R2,R3)  
 L6

CONTROL POINT (\_L20)  
 DESC: UNKNOWN  
 GRID COORDINATES  
 N: 2441087.38'  
 E: 6672719.61'  
 LAT: N35° 41' 57.74"  
 LON: W117° 37' 33.83"

Ridgecrest

**LEGEND**

- COUNTY BOUNDARY
- CITY BOUNDARY
- NAVY BOUNDARY
- BEARING LINE
- ◆ CONTROL POINT

**BASIS OF BEARINGS LINE TABLE**

Tag	GRID DISTANCE	GRID BEARING
L6	36,704.12	N66° 39' 43.52"E

**PURPOSE:**

THIS MAP IS PREPARED TO ILLUSTRATE THE LOCATIONS OF EXISTING NAVY MONITORING WELLS PROPOSED FOR LEASE AGREEMENT TO THE INDIAN WELLS GROUNDWATER AUTHORITY FOR THE PURPOSE OF MAINTAINING GROUNDWATER MONITORING EQUIPMENT.

**MAPPING:**

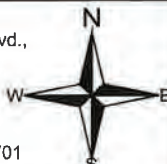
POSITIONS SHOWN ON THIS MAP RELY ON GPS OBSERVED POINTS (R1) WITH HTDP COORDINATE TRANSFORMATIONS (R2) AND NCAT COORDINATE CONVERSION (R3) TOOLS TO GENERATE COORDINATE POSITIONS IN THE REQUISITE REFERENCE FRAME.

**REFERENCES:**

- (R1) Publication EAFB 01-024: NIMA, CHINA LAKE WELLHEAD SURVEY, JUL / AUG 2001
- (R2) NATIONAL GEODETIC SURVEY HORIZONTAL TIME-DEPENDENT POSITIONING (HTDP) TOOL - [https://geodesy.noaa.gov/TOOLS/Htdp/Htdp\\_update.html](https://geodesy.noaa.gov/TOOLS/Htdp/Htdp_update.html)
- (R3) NATIONAL GEODETIC SURVEY COORINATE CONVERSION AND TRANSFORMATION TOOL - <https://geodesy.noaa.gov/NCAT/>



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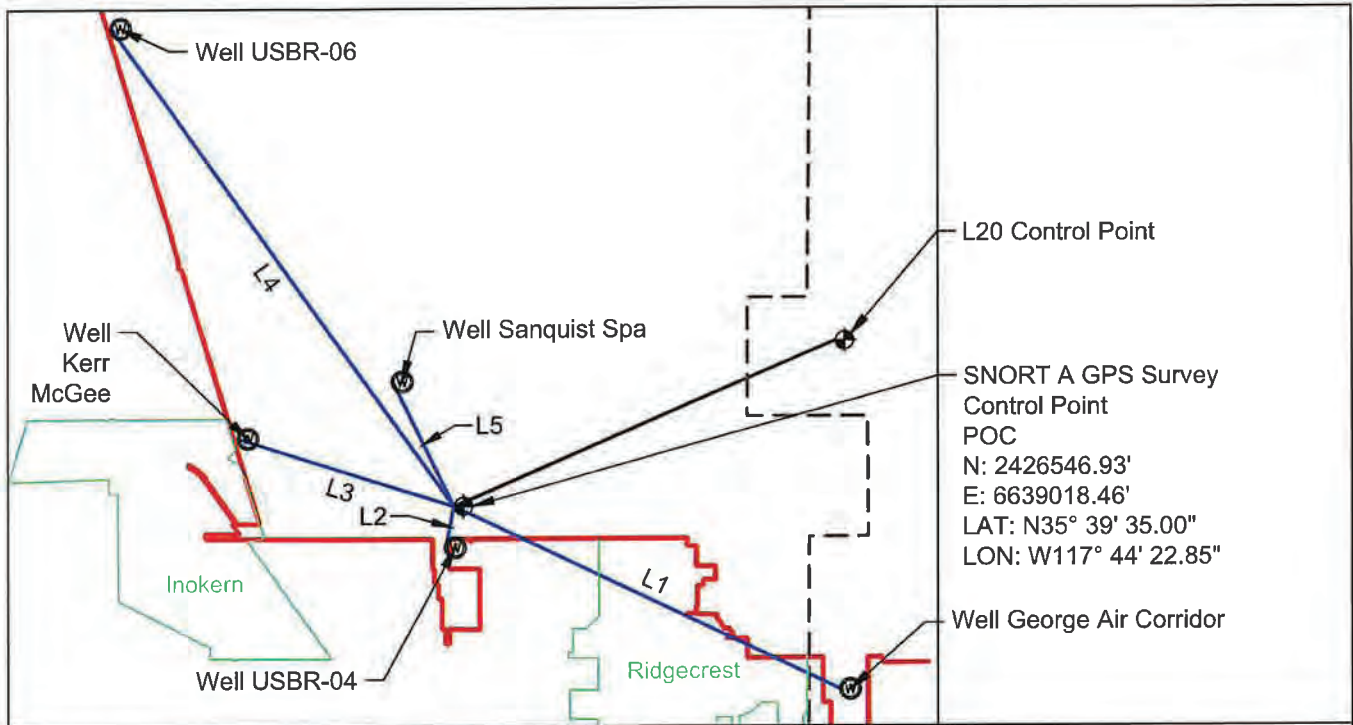


**EXHIBIT "B"**  
 INDIAN WELLS VALLEY GROUNDWATER AUTHORITY  
 MONITORING WELL LOCATIONS ON NAVAL AIR WEAPONS STATION CHINA LAKE  
 KERN AND SAN BERNARDINO COUNTIES, CALIFORNIA

DRAWN: G.T.  
 DATE: 2022-12-13

PROJECT No: 2652 | SHEET 2 OF 4

F:\DATA\2652\AUTOCAD\CHINALAKE\NAVY WELL CADASTRAL.DWG



**LEGEND**

- COUNTY BOUNDARY
- CITY BOUNDARY
- NAVY BOUNDARY
- BEARING LINE
- WELL BEARING LINE
- ⊕ CONTROL POINT
- ⊙ WELL LOCATION

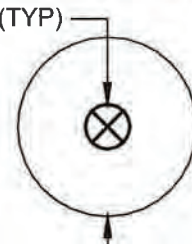
BASIS OF BEARING: NAD 83 (2011 – EPOCH; 2010.0000) STATE PLANE COORDINATE SYSTEM, CALIFORNIA ZONE 5, ALL DISTANCES ARE GRID, COMBINED SCALE FACTOR: 0.999943751, ROTATE GRID BEARINGS CLOCKWISE 00°08'54.28" FOR TRUE BEARINGS.

**WELL BEARING LINE TABLE**

Tag	GRID DISTANCE	GRID BEARING
L1	37,888.50	S64° 32' 33.28"E
L2	3,739.27	S11° 15' 16.47"W
L3	19,912.21	N72° 23' 04.44"W
L4	51,999.05	N35° 30' 12.54"W
L5	12,260.97	N25° 58' 30.72"W

**LEASE OUTGRANT AREAS (TYP)**

- WELLS:  
 GEORGE AIR CORRIDOR  
 USBR-04  
 KERR MCGEE  
 USBR-06  
 SANQUIST SPA



TOTAL AREA = 15.7 SF (GRID)

LEASE AREA  
 1-FT RADIUS  
 3.14 SF



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**STETSON ENGINEERS INC.**



**EXHIBIT "B"**  
 INDIAN WELLS VALLEY GROUNDWATER AUTHORITY  
 MONITORING WELL LOCATIONS ON NAVAL AIR WEAPONS STATION CHINA LAKE  
 KERN AND SAN BERNARDINO COUNTIES, CALIFORNIA

DRAWN: G.T.  
 DATE: 2022-12-13

PROJECT No: 2652 SHEET 3 OF 4

F:\DATA\2652\AUTOCAD\CHINA LAKE\NAVY WELL CADASTRAL.DWG



**Summary of received coordinate positions from NIMA China Lake Wellhead Survey Jul/Aug 2001 (R1) that are the basis of the Legal Description.**

1. Reference Frame: WGS (G873),
2. Geoid Model: EGM 96 Orthometric Model Heights
3. Assumed Survey EPOCH 08-18-2001 (2001.6274) based on date range of survey.

**Table 1. NIMA China Lake Wellhead Survey Data**

Survey Station Name	Common Name	WGS84 Latitude (deg min sec)	WGS84 Longitude (deg min sec)	Ellipsoid Height (meters)	Orthometric Height (meters)
GS19	SNORT A 1950	N35°39'35.06577"	W117°44'22.73463"	688.074	718.848
_L20	L20 Control Point	N35°41'57.80526"	W117°37'33.70923"	628.831	659.665
3055	George Air Corridor	N35°36'52.94016"	W117°37'28.93917"	676.917	707.948
2072	USBR-04	N35°38'58.81723"	W117°44'31.69174"	693.617	724.538
_W36	Kerr McGee	N35°40'35.08374"	W117°48'12.56299"	687.702	718.282
1272	USBR-06	N35°46'34.29861"	W117°50'27.85322"	686.994	717.18
2042	Sanquist Spa	N35°41'24.20005"	W117°45'27.48448"	671.681	702.338

**Summary of converted coordinates utilizing NGS Tools (R2 and R3) to arrive at coordinate positions utilized in Legal Description.**

1. Reference Frame: NAD83 (2011); EPOCH 01-01-2010 (2010.0000).
2. Coordinate System: California State Plane Zone 5, Grid Coordinates

**Table 2. Coordinate Positions Utilized in the Legal Description**

NIMA Survey Station Name	Legal Description Common Name	Northing SPC - CA 5, NAD83	Easting SPC - CA 5, NAD83	Convergence	Combined Factor
GS19	SNORT A 1950	2,426,546.926	6,639,018.455	00°08'54.28"	0.99993969
_L20	L20 Control Point	2,441,087.381	6,672,719.610	00°12'47.43"	0.99996022
3055	George Air Corridor	2,410,260.924	6,673,228.169	00°12'50.15"	0.99992927
2072	USBR-04	2,422,879.564	6,638,288.667	00°08'49.17"	0.99993605
_W36	Kerr McGee	2,432,572.891	6,620,039.945	00°06'43.27"	0.99994442
1272	USBR-06	2,468,878.328	6,608,819.877	00°05'26.16"	0.99997422
2042	Sanquist Spa	2,437,569.340	6,633,648.369	00°08'17.37"	0.99995081



2171 E. Francisco Blvd., Suite K, San Rafael, California 94904  
**STETSON ENGINEERS INC.** (415) 457-0701

DRAWN: G.T.  
 DATE: 2022-12-13

**EXHIBIT "B"**  
 INDIAN WELLS VALLEY GROUNDWATER AUTHORITY  
 MONITORING WELL LOCATIONS ON NAVAL AIR WEAPONS STATION CHINA LAKE  
 KERN AND SAN BERNARDINO COUNTIES, CALIFORNIA

PROJECT No: 2652 SHEET 4 OF 4

F:\DATA\2652\AUTOCAD\CHINA LAKE\NAVY WELL CADASTRAL.DWG

5090  
PR242  
9 Mar 23

MEMORANDUM FOR THE RECORD

Subj: REAL ESTATE ACTION – OUTGRANT EASEMENT FOR INDIAN WELLS  
VALLEY GROUNDWATER AUTHORITY (IWVGA) AT NAVAL AIR WEAPONS  
STATION, CHINA LAKE, CALIFORNIA (NAWS0283)

Ref: (a) ASN (I&E) Memorandum, DON Environmental Policy Memorandum 06-06:  
Streamlined Environmental Procedures Applicable to Non-BRAC Real Estate Actions  
of 5 July 06

Encl: (1) Illustration of the Monitoring Well Locations  
(2) Environmental Condition of Property (ECP) Checklist of 8 March 23

1. Enclosure (1) provides information about five (5) wells for a 20 –year term outgrant easement for Indian Wells Valley Groundwater Authority (IWVGA) for the installation, operation, maintenance, repair, and replacement of groundwater level monitoring and telemetry equipment on five well locations at Naval Air Weapons Station, China Lake. The twenty (20) year easement is to conduct critical groundwater monitoring activities pursuant to the California State mandated IWVGA Sustainability Plan, managed by IWVGA. Monitoring and telemetry equipment will be placed upon and down each of the five (5) identified wells to record groundwater level data and transmit it back to a website that is available to the Navy as well as the public.

2. Enclosure (2) environmental condition of property checklist has been completed after site visit inspections conducted on 28 February and 7 March 2023, to the well locations have verified that the site conditions do not have any environmental concerns.

3. Based upon these findings and in accordance with reference (a), it has been determined that no further action must be taken to document the environmental condition of the property nor its suitability for use by IWVGA.

4. For further information, please contact Mr. Michael Akoto at 240-478-4856 or via e-mail at [michael.k.akoto.civ@us.navy.mil](mailto:michael.k.akoto.civ@us.navy.mil) or Mr. John Audinis at 714-227-9136 or via e-mail at [john.audinis.civ@us.navy.mil](mailto:john.audinis.civ@us.navy.mil).

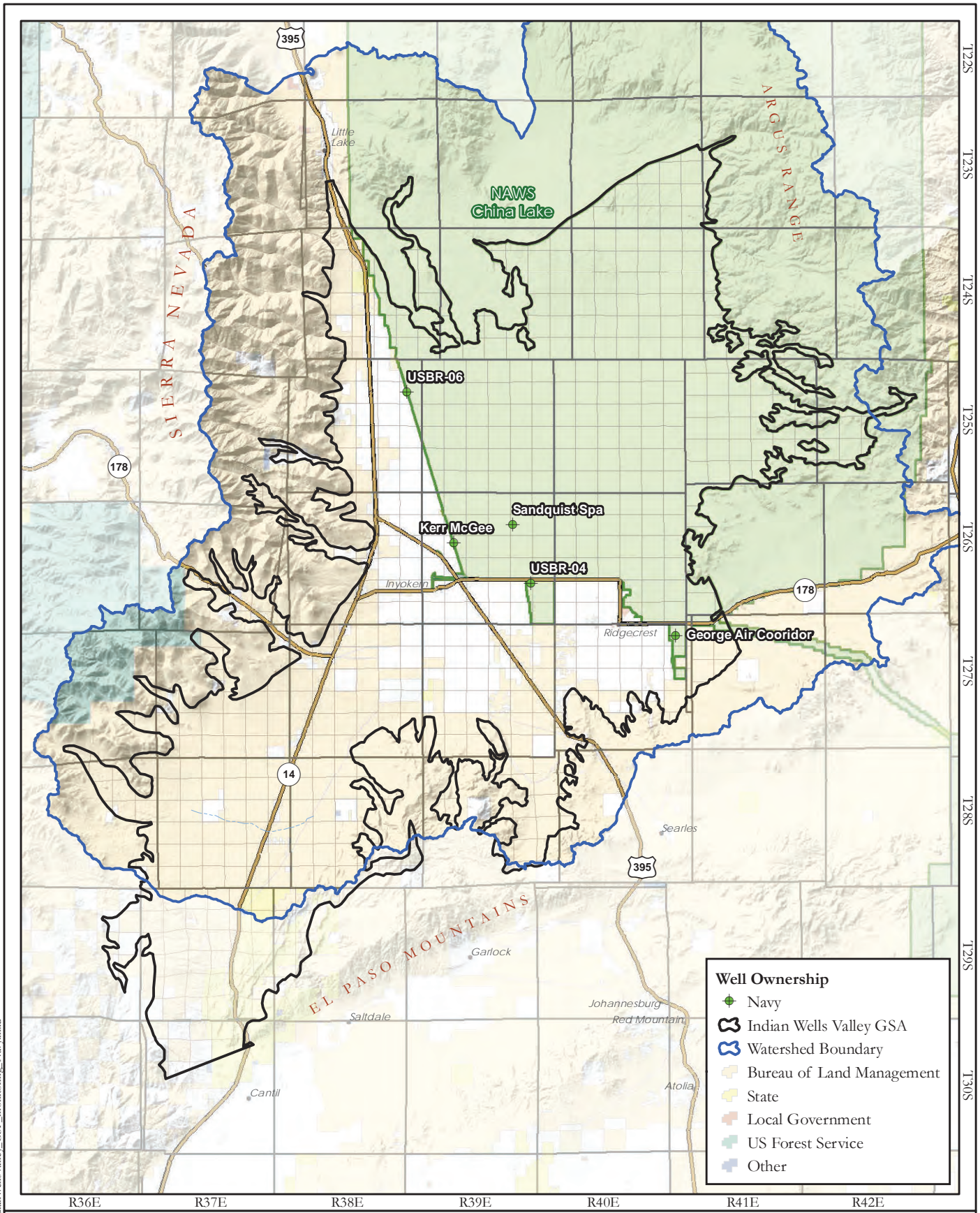
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ANNE.1460495470  
C. A. KOZOLA

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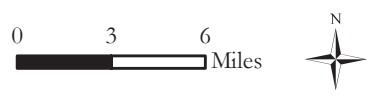
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Harper, PR21–(File)



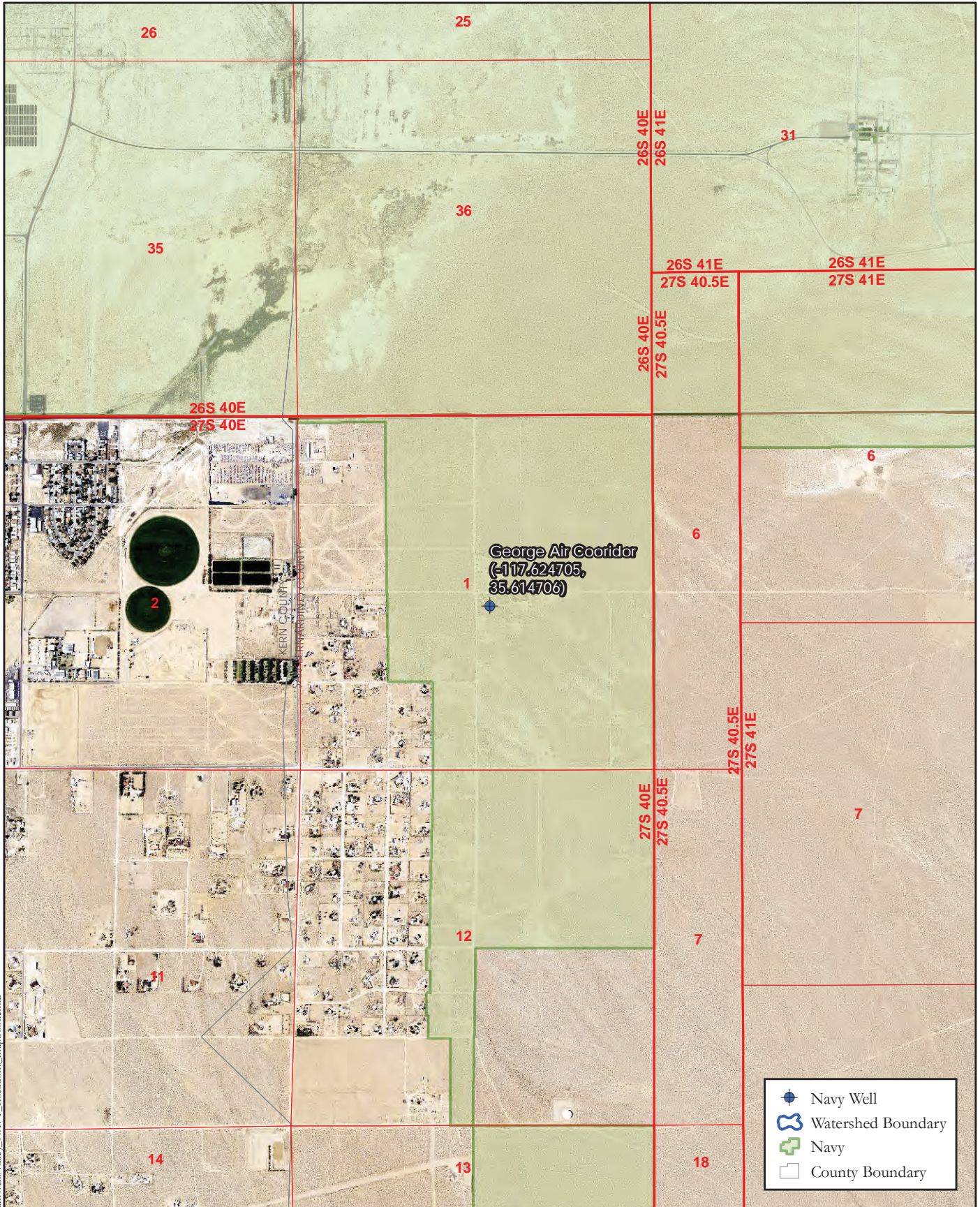
Document Path: F:\j2652\IndianWellsValley\_GSP\_monitoring\_Navv.mxd



**GSP MONITORING WELLS ON  
CHINA LAKE NAW'S LANDS  
WELL LOCATION MAP  
INDIAN WELLS VALLEY  
DRAFT 5/26/2020**







Document Path: F:\jw2652\IndianWellsValley\_NAVY\_Locations\_mapbook.mxd



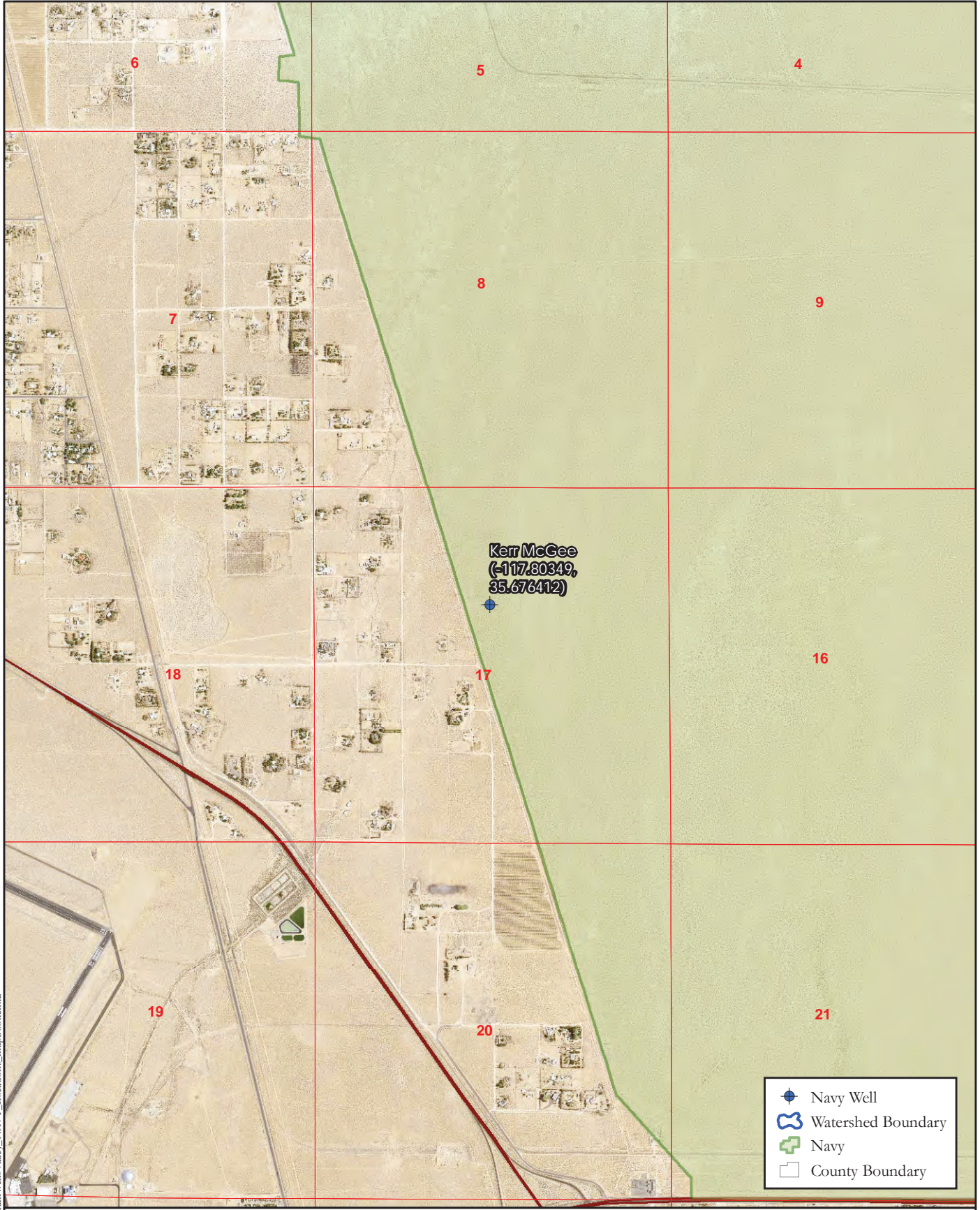
**GEORGE AIR COORIDOR (3055)  
PROJECT LOCATION  
INDIAN WELLS VALLEY  
GROUNDWATER AUTHORITY**





**DRAFT**  
**JANUARY 6, 2021**  
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1:24,000 scale (at 8.5x11 print size)





Document Path: F:\j2652\IndianWellsValley\_NAVY\_Locations\_mapbook.mxd



	Navy Well
	Watershed Boundary
	Navy
	County Boundary

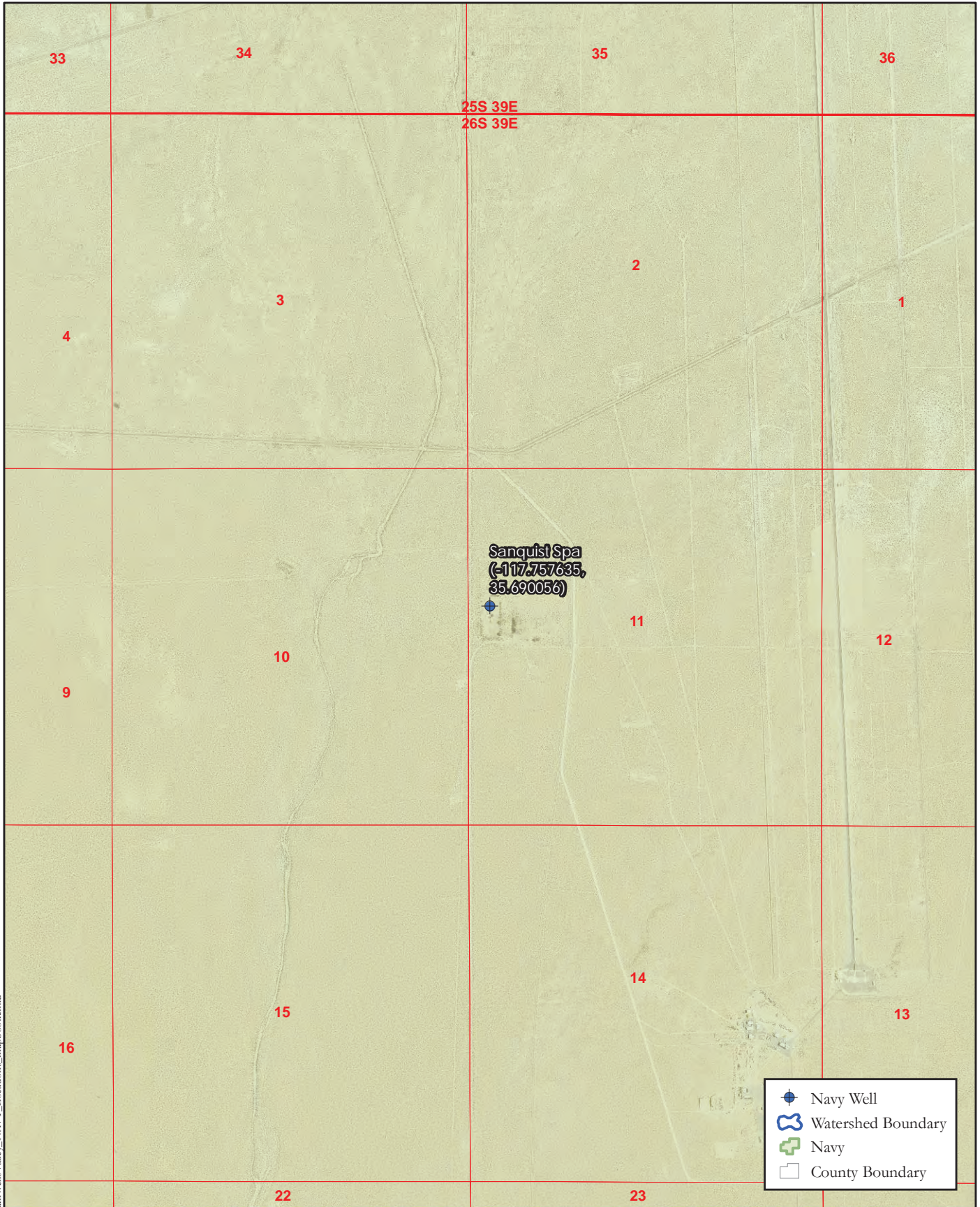


**KERR MCGEE (\_W36)  
PROJECT LOCATION  
INDIAN WELLS VALLEY  
GROUNDWATER AUTHORITY**

**DRAFT**  
**JANUARY 6, 2021**  
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1:24,000 scale (at 8.5x11 print size)











25S 39E  
26S 39E

Sanquist Spa  
(-117.757635,  
35.690056)

-  Navy Well
-  Watershed Boundary
-  Navy
-  County Boundary

Document Path: F:\jw2652\IndianWellsValley\_NAVY\_Locations\_mapbook.mxd



**SANQUIST SPA (2042)  
PROJECT LOCATION  
INDIAN WELLS VALLEY  
GROUNDWATER AUTHORITY**

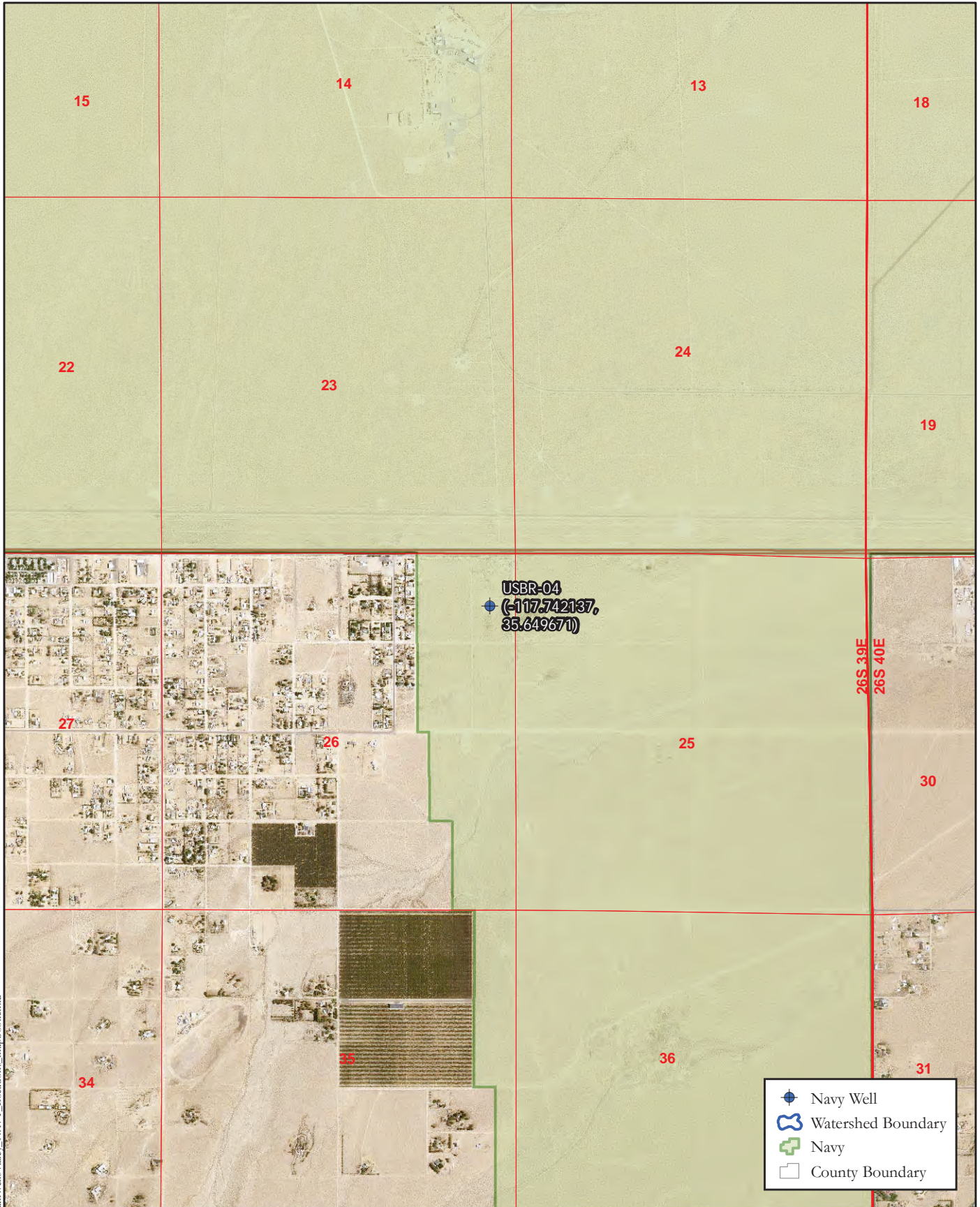
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JANUARY 6, 2021**

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






USBR-04  
 (-117.742137,  
 35.649671)

26S 39E  
 26S 40E

-  Navy Well
-  Watershed Boundary
-  Navy
-  County Boundary

Document Path: F:\jw2652\IndianWellsValley\_NAVY\_Location\_mapbook.mxd

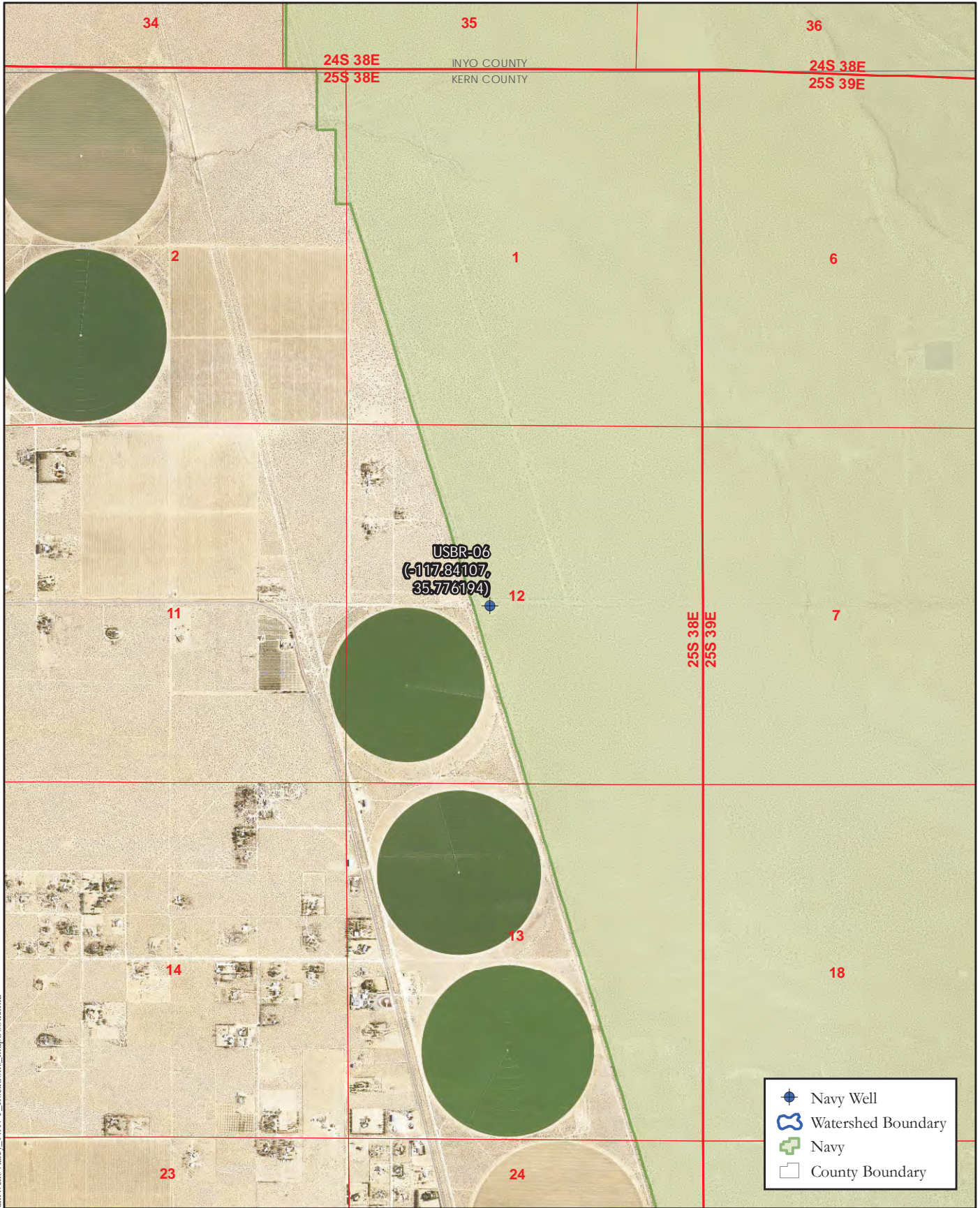


**USBR-04 (2072)**  
**PROJECT LOCATION**  
**INDIAN WELLS VALLEY**  
**GROUNDWATER AUTHORITY**

**DRAFT**  
**JANUARY 6, 2021**  
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Document Path: F:\jw2652\IndianWellsValley\_NAVY\_Locations\_mapbook.mxd



**USBR-06 (1272)  
PROJECT LOCATION  
INDIAN WELLS VALLEY  
GROUNDWATER AUTHORITY**

**DRAFT**  
**JANUARY 6, 2021**

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1:24,000 scale (at 8.5x11 print size)





# ENVIRONMENTAL CONDITION OF PROPERTY (ECP) CHECKLIST

**Installation:** Naval Air Weapons Station, China Lake

**Parcel/Site Location and Description:** 5 monitoring wells at various locations within NAWS China Lake. See enclosed documents for exact locations.

**Proposed Real Estate Action Description:** Outgrant easement to Indian Wells Valley Groundwater Authority (IWVGA) for installation, operation, maintenance, repair, and replacement of groundwater level monitoring and telemetry equipment on five (5) well locations at NAWS, China Lake.

## SITE SUMMARY INFORMATION

**1. Information regarding site uses and any hazardous materials, contamination, or conditions.** All available and pertinent files, records, reports and aerial photographs were reviewed and, where necessary, a site inspection and/or personal interviews were conducted to document the environmental conditions of the property to support the proposed real estate action. A summary of the conditions, sources of information (including location), and any required use restrictions are provided for each environmental condition.

### A. Parcel/Site Uses:

Prior Uses: Previously Undeveloped

Current Uses: Groundwater Monitoring Wells.

Future Uses: Same as current

**B. Contaminants:**  Yes  No  Unknown

If yes, identify contaminant and media: \_\_\_\_\_

Source of information: Site visit and Environmental Management Division files (RCRA Facility Assessment, Visual Site Inspection Report, Mainsite, NAWS China Lake, Draft Final, October 2008 and Installation Restoration Program Site Management Plan, Naval Air Weapon Station, China Lake, California, Final, September 2021).

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**C. Hazardous Materials Use:**  Yes  No  Unknown

**Hazardous Materials Storage:**  Yes  No  Unknown

Type of HM: \_\_\_\_\_

Type of Use and/or Storage: \_\_\_\_\_

Source of information: Site visit and Environmental Management Division files (RCRA Facility Assessment, Visual Site Inspection Report, Mainsite, NAWS China Lake, Draft Final, October 2008 and Installation Restoration Program Site Management Plan, Naval Air Weapon Station, China Lake, California, Final, September 2021).

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**D. Treatment, Storage, Disposal of Hazardous Waste:**  Yes  No  Unknown

Source of information: Site visit and Environmental Management Division files (RCRA Facility Assessment, Visual Site Inspection Report, Mainsite, NAWS China Lake, Draft Final, October 2008 and Installation Restoration Program Site Management Plan, Naval Air Weapon Station, China Lake, California, Final, September 2021).

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

# ENVIRONMENTAL CONDITION OF PROPERTY (ECP) CHECKLIST

**E. Underground Storage Tanks:**  Yes  No  Unknown

UST No. \_\_\_\_\_ Gals. \_\_\_\_\_

Source of information: Environmental Management Division files (unpublished UST database)

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**F. Above-Ground Storage Tanks:**  Yes  No

AST No. \_\_\_\_\_ Gals. \_\_\_\_\_

Source of information: Site visit and Environmental Management Division files (unpublished AST database).

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**G. Presence of Polychlorinated Biphenyl's (PCB's):**  Yes  No  Unknown

Source of information: Site visit and Environmental Management Division files (RCRA Facility Assessment, Visual Site Inspection Report, Mainsite, NAWS China Lake, Draft Final, October 2008 and Installation Restoration Program Site Management Plan, Naval Air Weapon Station, China Lake, California, Final September 2021). NAWSCS PCB transformer database (unpublished).

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**H. Asbestos:**  Yes  No  Unknown

If yes:  Friable  Non-friable  Unknown

Source of information:

Not applicable

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**I. Lead Paint:**  Yes  No  Unknown

Source of information:

Not applicable

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**J. Radon:**  Yes  No  Unknown

Source of information:

Not applicable

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**K. Radiological Materials:**  Yes  No  Unknown

Source of information: Environmental Management Division files (RCRA Facility Assessment, Visual Site Inspection Report, Mainsite, NAWS China Lake, Draft Final, October 2008 and Installation Restoration Program Site Management Plan, Naval Air Weapon Station, China Lake, California, Final, September 2021).

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**L. Solid/Bio-Hazardous Waste:**  Yes  No  Unknown

Source of information: Site visit and Environmental Management Division files (RCRA Facility Assessment, Visual Site Inspection Report, Mainsite, NAWS China Lake, Draft Final, October 2008 and Installation Restoration Program Site Management Plan, Naval Air Weapon Station, China Lake, California, Final, September 2021).

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

# ENVIRONMENTAL CONDITION OF PROPERTY (ECP) CHECKLIST

**M. Munitions and Explosives of Concern:**  Yes  No  Unknown

Source of information: Site visit and Environmental Management Division files (Munitions Response Program Preliminary Assessment, NAWS China Lake, Final, February 2006).

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**N. Threatened or Endangered Species:**  Yes  No  Unknown

Source of information: Environmental Management Division files (Comprehensive Land Use Management Plan for NAWS China Lake, Final, May 2005 and Integrated Natural Resources Management Plans, Extension, January 27, 2020).

George Air Corridor and WSBR-04 location are within Mojave desert tortoise (MDT) areas. The two sites have low MDT presence concerns because of historical disturbed zones nearby to residential areas. The following sites 1. Kerr McGee, 2. Sandquist Spa and 3. USBR-06 are within areas of MDT presence concern and will require adherence to MDT mitigation measures. Ingress and egress will be on existing roads. All work activities will occur on previously disturbed land alongside existing wells and their disturbed footprints. Site clearance survey for Mojave desert tortoise is required 10 calendar days before start of any work activity.

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**O. Natural or Cultural Resources:**  Yes  No  Unknown

Source of information: Environmental Management Division files (Comprehensive Land Use Management Plan for NAWS, China Lake, Final, May 2005 and Integrated Cultural Resources Management Plan, Final, February 2013).

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**P. Use of Adjacent Property:**

Current Use: The five monitoring well locations are surrounded by undeveloped land, agricultural fields and residential communities.

Past Use: Undeveloped

Source of information: Site visit and Environmental Management Division files (Comprehensive Land Use Management Plan for NAWS, China Lake, Final, May 2005).

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**Q. Has the site had any Notices of Violation?**  Yes  No.

If yes, please explain:

Source of information: Internal EMD files

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.



**R. Additional information or comments regarding questions shown above (attach sheet(s) if additional room is needed):**

Site visit and record searches referenced above were conducted during the preparation of the Record of CATEGORICAL Exclusion (CATEX). No land use controls were established. However, George Air Corridor and WSBR-04 location are within Mojave desert tortoise (MDT) areas. The two sites have low MDT presence concerns because of historical disturbed zones nearby to residential areas. The following sites 1. Kerr McGee, 2. Sandquist Spa and 3. USBR-06 are within areas of MDT presence concern and will require adherence to MDT mitigation measures. Ingress and egress will be on existing roads. All work activities will occur on previously disturbed land alongside existing wells and their disturbed footprints. Site clearance survey for Mojave desert tortoise is required 10 calendar days before start of any work activity. All equipment and data shall be reviewed and approved by NAWSCS Physical Security and any required NAWSCS Ranges, including radio frequency (HERO, etc.) use and selection, if required. All project personnel shall be escorted by NAWSCS EMD staff at all times when on site, including monitoring wells outside current fence lines. All project site visit/filed work requests must be submitted in advance to NAWSCS Environmental Management Division (EMD) and appropriate NAWCWD Ranges and Unexploded Ordnance (UXO) required safety escort and scheduling.

Source of information: Record of Categorical Exclusion (Ser PR242/045, 2 March 2023)

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**2. List of Land Use Controls required for Real Estate Action:**

None

**3. Signature:**

Based on records reviews, site inspections, and interviews, the environmental professional(s) certify that the environmental conditions of the property are as stated in this document and this property is suitable for outgrant.

Environmental Professional:

AKOTO.MICHAEL.KWESI.15411547  
16 Digitally signed by AKOTO.MICHAEL.KWESI.1541154716 Date: 2023.03.09 15:58:14 -08'00'

RCRA Program Manager

Signature

Title

Michael K. Akoto

8 March, 2023

Print Name

Date

The real estate professional(s) acknowledge these restrictions and/or LUCs identified above and will ensure they are made a part of the outgrant document.

Real Estate Professional:

GRANDGIRARD.ERIN.LI Digitally signed by GRANDGIRARD.ERIN.LINDA.1508439802 Date: 2023.03.15 11:13:26 -07'00'  
NDA.1508439802

Signature

Title

Print Name

Date

Property Owner (Activity or Region) acknowledges and accepts the foregoing statement of environmental conditions and the land use controls (if any) that will be required for this real estate outgrant:

Signature

Title

Print Name

Date



DEPARTMENT OF THE NAVY  
NAVAL AIR WEAPONS STATION  
1 ADMINISTRATION CIRCLE  
CHINA LAKE, CA 93555-6100

IN REPLY REFER TO:  
5090  
Ser PR242/045  
2 Mar 23

From: Commanding Officer, Naval Air Weapons Station  
To: Director, Facilities Management Division (PR2315)  
Via: Public Works Officer, Naval Facilities Engineering Command Southwest (PR2)

Subj: RECORD OF CATEGORICAL EXCLUSION FOR REAL ESTATE ACTION –  
OUTGRANT EASEMENT FOR INDIAN WELLS VALLEY GROUNDWATER  
AUTHORITY (IWVGA), (WR# NAWS0283)

Ref: (a) 32 Code of Federal Regulations Part 775  
(b) Navy Guidance for Compliance with the Clean Air Act General Conformity Rule Of  
30 Jul 2013  
(c) Programmatic Agreement Regarding Implementation of Integrated Cultural  
Resources Management Plan at Naval Air Weapons Station China Lake of  
12 Oct 2012  
(d) Implementation Guidelines for the Biological Opinions and Other Protective  
Measures for Mojave Desert Tortoise, Inyo California Towhee, and Mohave Tui  
Chub, 3 February 2022  
(e) OPNAV M-5090.1, Environmental Readiness Program Manual, 25 June 2021

Encl: (1) Site Maps  
(2) Requirements for Dust Control at Construction and Demolition Sites  
(3) Implementation Guidelines for the Biological Opinions and Other Protective  
Measures for Mojave Desert Tortoise, Inyo California Towhee, and Mohave Tui  
Chub, 3 February 2022  
(4) Waste Management Requirements

1. Project Description

a. Real Estate Department in San Diego is requesting for National Environmental Policy Act (NEPA) documentation and an Environmental Condition of Property (ECP) Checklist in support of a new 20-year term outgrant easement for Indian Wells Valley Groundwater Authority (IWVGA) for the installation, operation, maintenance, repair, and replacement of groundwater level monitoring and telemetry equipment on five (5) well locations at Naval Air Weapons Station China Lake (NAWSCL).

b. This new request for a 20-year easement is to conduct critical groundwater monitoring activities pursuant to the California State mandated Indian Wells Valley Groundwater Sustainability Plan; managed by IWVGA. Monitoring and telemetry equipment will be placed upon and down each of the five (5) identified wells (listed below) to record groundwater level data and transmit it back to a website that is available to the Navy as well as the public:

Subj: RECORD OF CATEGORICAL EXCLUSION FOR REAL ESTATE ACTION –  
OUTGRANT EASEMENT FOR INDIAN WELLS VALLEY GROUNDWATER  
AUTHORITY (IWVGA), (WR# NAW50283)

(1) George Air Corridor Well: 35.61470, -117.62469, 35 36' 52.920", -117 37' 28.884"

(2) Kerr McGee Well: 35.67635, -117.80452, 35 40' 34.860", -117 48' 16.272"

(3) Sandquist Spa Well: 35.68857, -117.75647, 35 41' 18.852", -117 45' 23.292"

(4) Well USBR-04: 35.64966, -117.74213, 35 38' 58.776", -117 44' 31.668"

(5) Well USBR-06: 35.77607, -117.84203, 35 46' 33.852", -117 50' 31.308"

c. The legal descriptions, and names of the five (5) well locations are provided in the attached IWVGA letter for your reference.

2. Project Location. This project is located at N47609, at NAW5CL, CA as shown on enclosure (1).

3. National Environmental Policy Act Requirements. The proposed action meets the requirements for a Categorical Exclusion (CATEX) as outlined in 32 CFR Part 775. After a thorough review of the potential impacts associated with the proposed action, it is determined that this project does not trigger any extraordinary circumstances, as outlined in reference (a), Chapter 10-3.14 c.(1)(a) to (e), which would preclude the use of a CATEX.

4. Application of Categorical Exclusion. The following CATEX(s) listed in reference (a) apply: "(32) Grants of license, easement, or similar arrangements for the use of existing rights-of-way or incidental easements complementing the use of existing rights-of-way for use by vehicles (not to include significant increases in vehicle loading); electrical, telephone, and other transmission and communication lines; water, wastewater, storm water, and irrigation pipelines, pumping stations, and facilities; and for similar utility and transportation uses."

5. Mitigation Measures. The following mitigation measures must be fully implemented to ensure compliance and prevent adverse impacts to resources:

a. The dust control measures described in enclosure (2) must be implemented during all periods of active project operation on the sites.

b. The project description for WR# NAW50283 – "REAL ESTATE ACTION – OG EASEMENT FOR IWVGA" was reviewed by an EMD staff biologist in December 2022 and February 2023.

c. The following two (2) project area occurs within Mojave desert tortoise (*Gopherus agassizii*) (MDT) habitat, however, the sites have low MDT presence concern, because they are historically disturbed zones nearby to residential areas: (1) George Air Corridor and (2) W5BR-04.

Subj: RECORD OF CATEGORICAL EXCLUSION FOR REAL ESTATE ACTION –  
OUTGRANT EASEMENT FOR INDIAN WELLS VALLEY GROUNDWATER  
AUTHORITY (IWVGA), (WR# NAWS0283)

d. The following three (3) sites are within areas of MDT presence concern and will require adherence to MDT mitigation measures: (1) Kerr McGee, (2) Sandquist Spa, (3) USBR-06. Crew members will be provided with Environmental and Desert Tortoise Awareness training to ensure.

e. Ingress and egress will be on existing roads. All work activities will occur on previously disturbed land alongside existing wells and their disturbance footprints. Based on proposed avoidance and mitigation measures, Environmental Management Division (EMD) staff has determined that the proposed action is not expected to have a significant adverse impact to special or protected species

f. All personnel working onsite are required to attend the EMD's Environmental Awareness Brief before the project begins. All personnel working onsite are required to comply with desert tortoise and/or desert tortoise habitat protective measures listed in enclosure (3). Contact Mr. Dylan Layfield, NAWSCLEMD Natural Resources Specialist/Biologist, at 760-939-3517, or [dylan.c.layfield.civ@us.navy.mil](mailto:dylan.c.layfield.civ@us.navy.mil), to schedule environmental brief.

g. If project work site(s), including lay down areas and access routes, are located anywhere other than site map areas provided with the Work Request WR NAWS0283 on 17 October 2022, then Natural Resources requires notification before the project begins.

h. Project proponent will provide for project construction duration: All trash and construction debris will be placed into containers that ravens, coyotes, and other potential MDT predators cannot access. Containers will be regularly cleaned and removed.

i. Project proponent will ensure all vehicles and equipment park only in disturbed areas adjacent to the site, or in areas which are approved by Natural Resources before the project starts.

j. During well monitoring equipment installation activities, a final site clearance survey for the work site is required 10 calendar days before the start of any work activity.

k. Project proponent will ensure that if work occurs during nesting bird season, any occupied nests must not be disturbed. Nests may be on the ground or on any elevated surfaces or structures. Certain species are protected under the Migratory Bird Treaty Act. Contact Mr. Layfield or Ms. Arlene Arnold, NAWSCLEMD Conservation Branch Head at 760-939-3216 or [arlene.j.arnold.civ@us.navy.mil](mailto:arlene.j.arnold.civ@us.navy.mil), with any concerns.

l. Project proponent will ensure all personnel working on site check under and around vehicles and equipment each time they are moved, to avoid harm to MDT.

Subj: RECORD OF CATEGORICAL EXCLUSION FOR REAL ESTATE ACTION –  
OUTGRANT EASEMENT FOR INDIAN WELLS VALLEY GROUNDWATER  
AUTHORITY (IWVGA), (WR# NAW50283)

m. If a MDT is discovered in the project site or travel route, all work is to stop immediately until the tortoise has left the work area. The project lead shall call the EMD Conservation Branch immediately. Contact Ms. Julie Hendrix at 760-495-2935 or EMD front desk at 760-939-8500 for further instructions before work can begin again.

n. Management of hazardous wastes which may be generated by the project must be conducted in accordance with enclosure (4). Any unusual odors or stained soil discovered during the projects should be reported immediately via e-mail to Ms. Cherish Kozola, Environmental Engineering & Operations Branch Head at [cherish.a.kozola.civ@us.navy.mil](mailto:cherish.a.kozola.civ@us.navy.mil). In this case all work should cease, until the EMD evaluates the situation and recommends that work may continue.

o. A storm water permit is not required for this project. NAWSCL does not have Waters of the United States and is not required to comply with regulations derived from the Clean Water Act. However, best management practices for storm water management should be followed.

p. All equipment and data shall be reviewed and approved by NAWSCL Physical Security and any required NAWSCL Ranges, including radio frequency (HERO, etc.) use and selection, if required. All project personnel shall be escorted by NAWSCL EMD staff at all times when on site, including monitoring wells outside current fence lines. All project site visit/field work requests must be submitted in advance to NAWSCL EMD and appropriate NAWCWD Ranges and Unexploded Ordnance (UXO) required safety escort and scheduling.

## 6. Determinations

a. The EMD, Code PR242, has reviewed the proposed action and has determined that it conforms to the requirements of a CATEX and does not individually or cumulatively have a significant effect on the environment. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is required.

b. Based on the information provided, EMD Cultural Resources has determined that the proposed actions can be approved with a finding of "No Historic Properties Affected", consistent with Section 7.5.2 of the Integrated Cultural Resources Management Plan, Stipulation 2.1 of the Programmatic Agreement, and 36 CFR 800.4(d)(1)). No further compliance with Section 106 or 36 CFR 800 is required unless the scope and potential effects change.

c. Because this is a federal project with the potential to impact air quality and is located in a federal non-attainment or maintenance area; an analysis must be performed to determine the applicability of 40 CFR 93 Subpart B ("Determining Conformity of General Federal Actions to State or Federal Implementation Plans"). EMD has determined that this undertaking qualifies for an exemption under 40 CFR 93.153(c)(2)(xi) "the granting of leases, licenses, such as for exports and trade, permits, and easements where activities conducted will be similar in scope and operation to activities currently being conducted." If the scope remains as proposed, no further

Subj: RECORD OF CATEGORICAL EXCLUSION FOR REAL ESTATE ACTION –  
OUTGRANT EASEMENT FOR INDIAN WELLS VALLEY GROUNDWATER  
AUTHORITY (IWVGA), (WR# NAWS0283)

analysis for Conformity is required for this project. This document serves as the “Record of Non-Applicability” for Conformity as requires by reference (b).

d. If any aspect of the project scope changes (location of project footprint, increase in scope, changes to lay down areas, new access roads, additional land disturbing activities or other project features, etc.), or any action item/mitigation measure cannot be fully implemented, immediate consultation with the EMD shall be conducted to ensure the project remains compliant with all applicable environmental requirements.

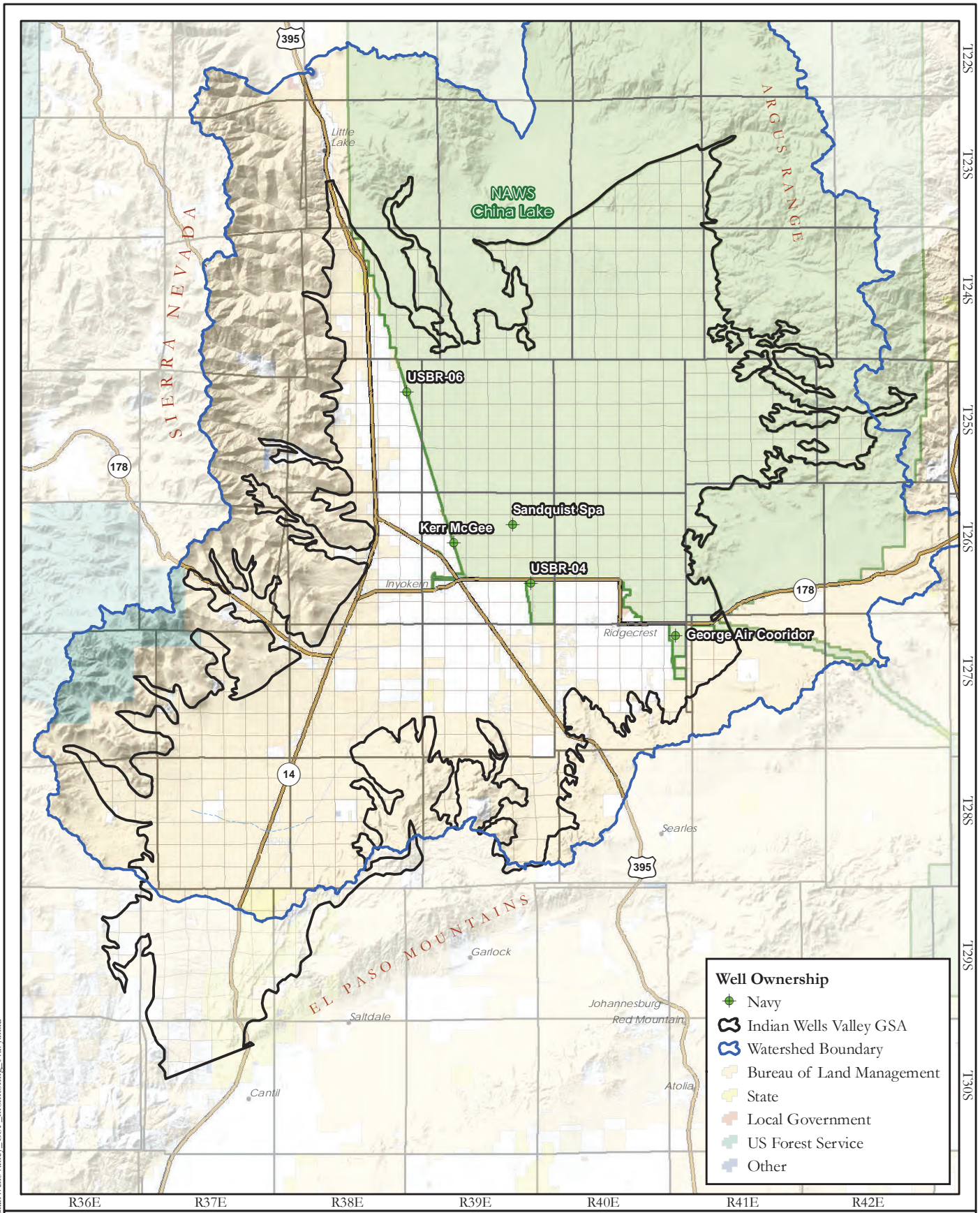
7. If you have any questions or require additional information, please contact Ms. Donna J. Ogilvie, Installation Environmental Program Director at 760-939-3213 or via e-mail at [donna.j.ogilvie2.civ@us.navy.mil](mailto:donna.j.ogilvie2.civ@us.navy.mil).

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D. J. OGILVIE Date: 2023.03.02 11:52:24 -08'00'  
By direction

ENCLOSURE (1)

SITE MAPS





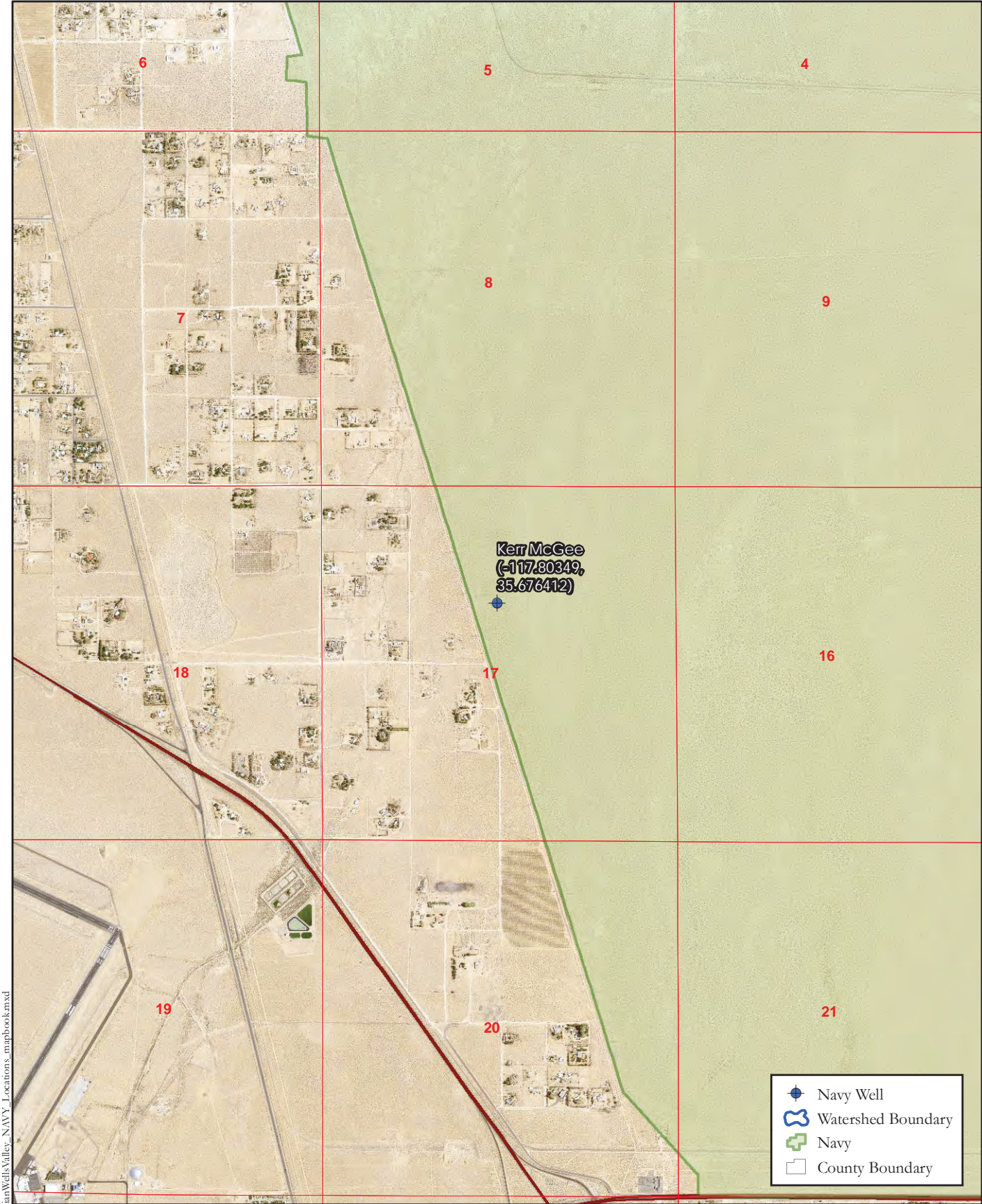
**GSP MONITORING WELLS ON  
CHINA LAKE NAW'S LANDS  
WELL LOCATION MAP  
INDIAN WELLS VALLEY  
DRAFT 5/26/2020**















**Kerr McGee**  
 (-117.80349,  
 35.676412)

-  Navy Well
-  Watershed Boundary
-  Navy
-  County Boundary

Document Path: F:\jw2652\IndianWellsValley\_NAVY\_Locations\_mapbook.mxd



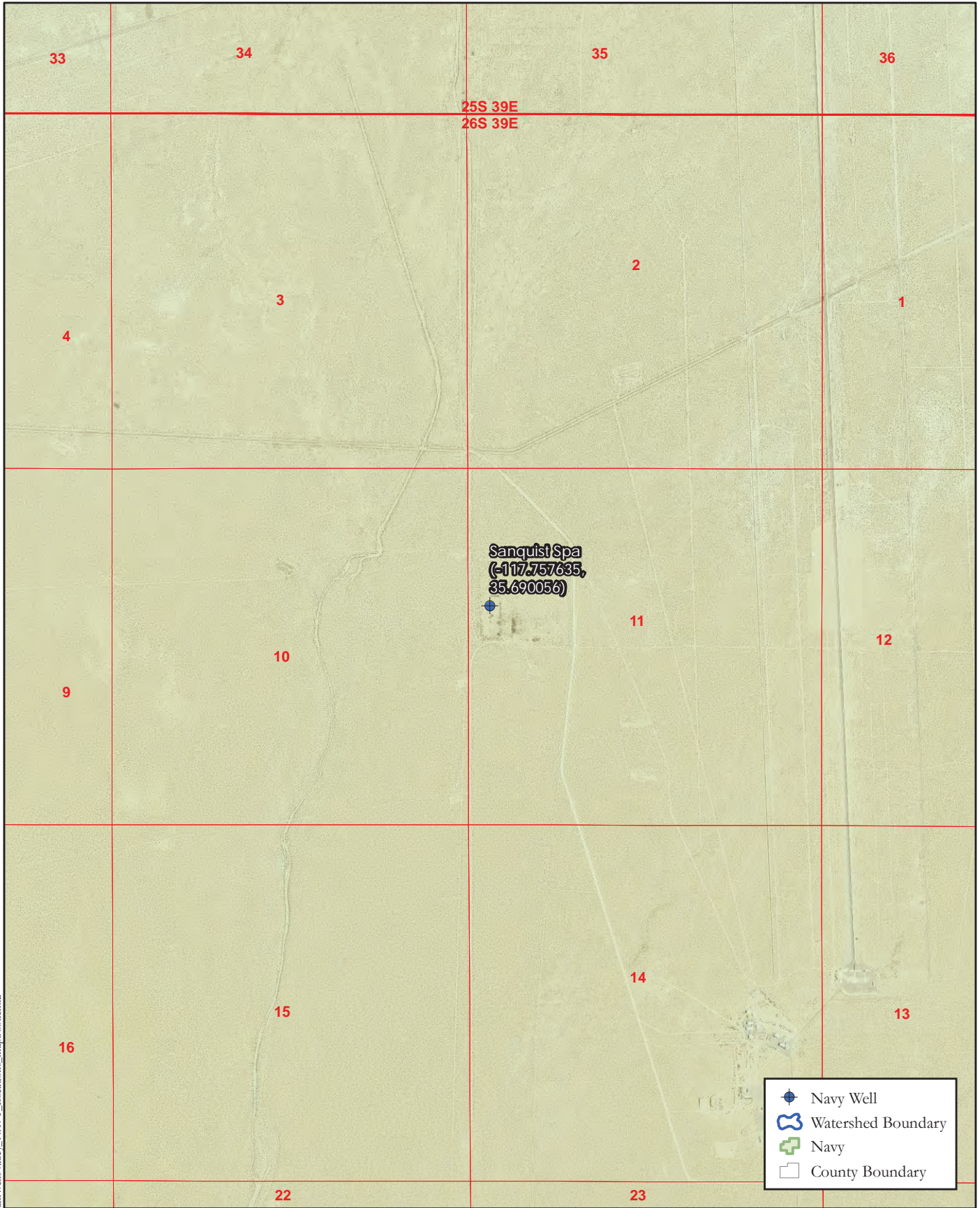
**KERR MCGEE (\_W36)  
 PROJECT LOCATION  
 INDIAN WELLS VALLEY  
 GROUNDWATER AUTHORITY**

**DRAFT**  
**JANUARY 6, 2021**



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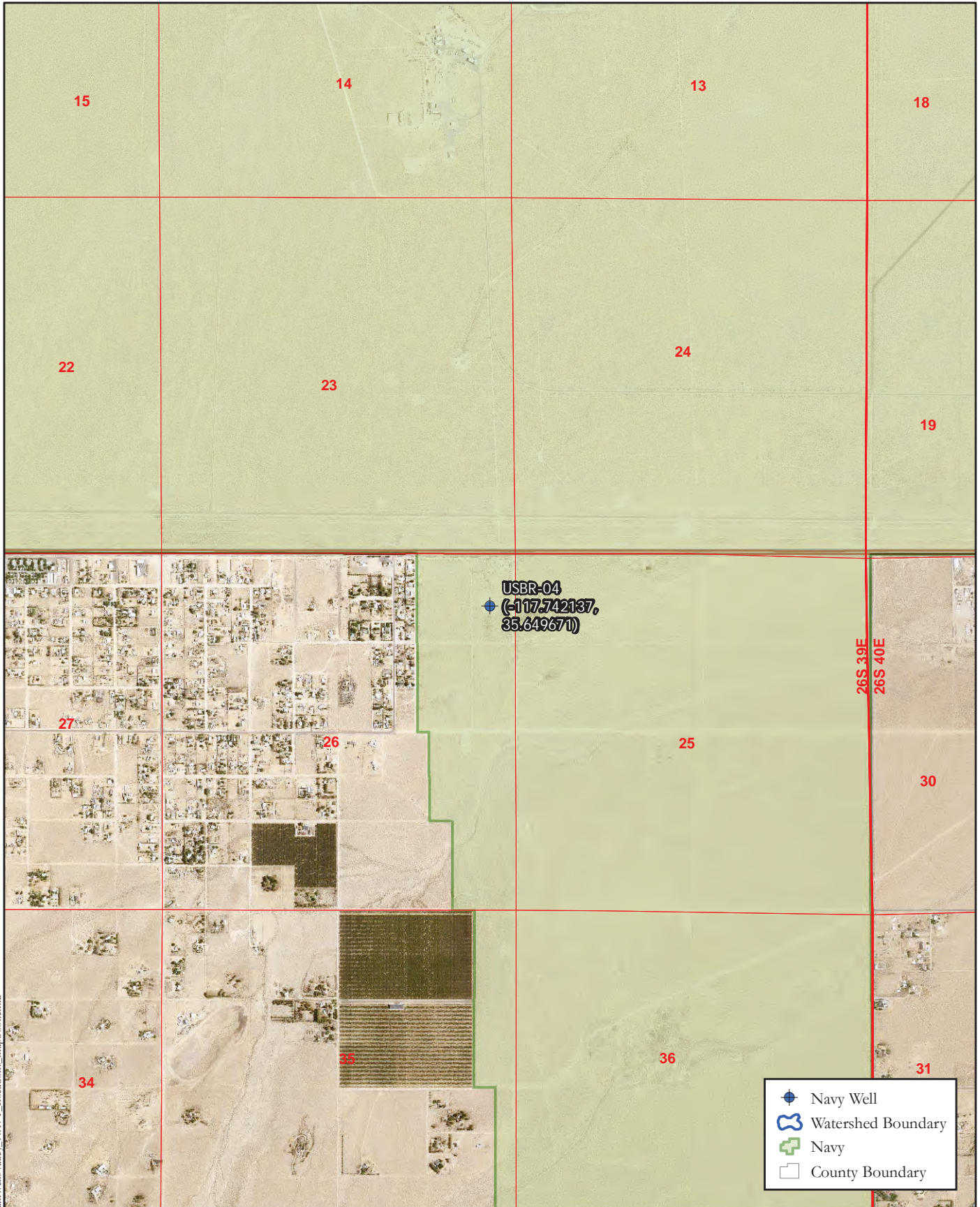


**SANQUIST SPA (2042)**  
**PROJECT LOCATION**  
**INDIAN WELLS VALLEY**  
**GROUNDWATER AUTHORITY**

**DRAFT**  
**JANUARY 6, 2021**  
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**USBR-04 (2072)  
PROJECT LOCATION  
INDIAN WELLS VALLEY  
GROUNDWATER AUTHORITY**

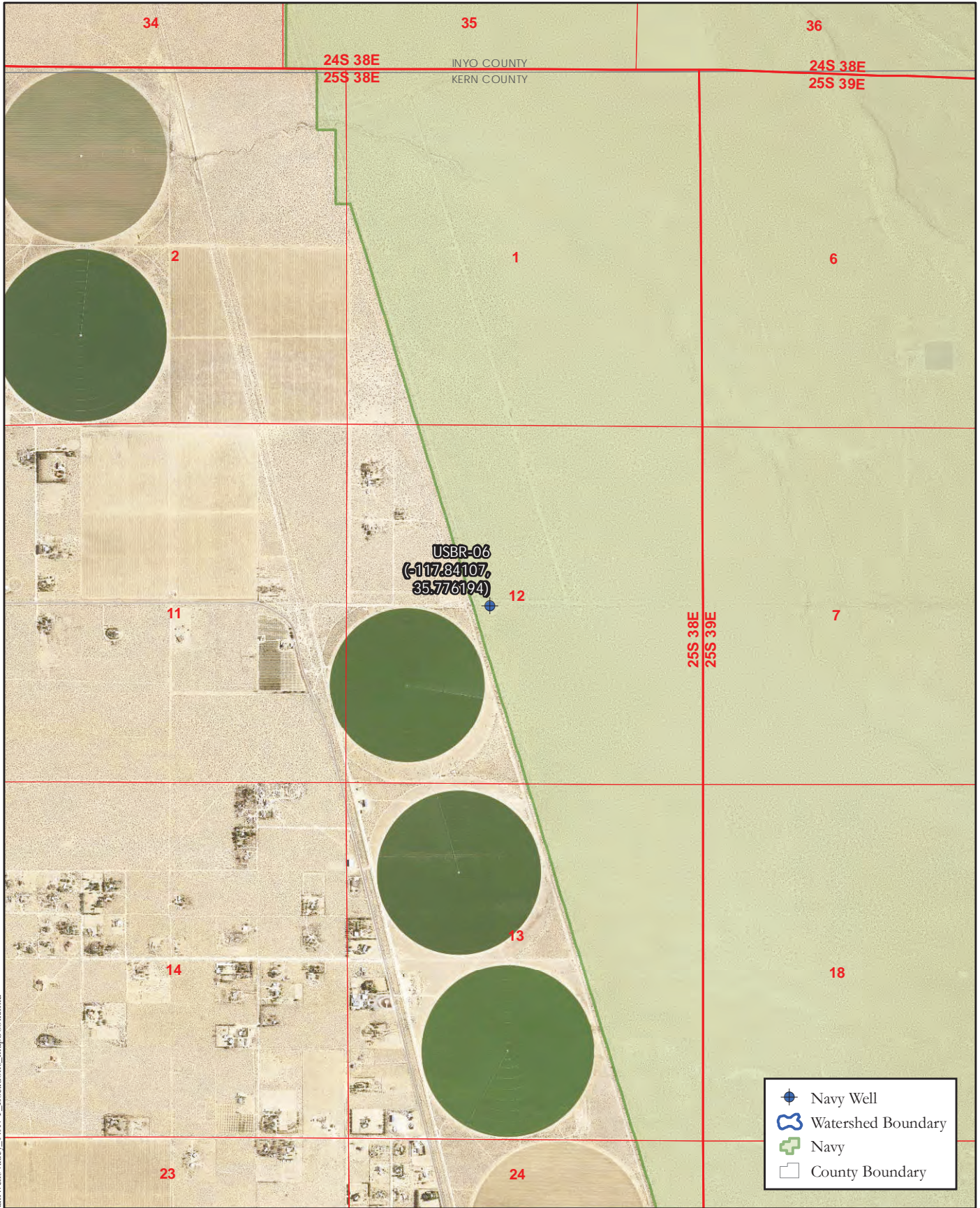
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**JANUARY 6, 2021**

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**USBR-06**  
 (-117.84107,  
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	Navy Well
	Watershed Boundary
	Navy
	County Boundary

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**USBR-06 (1272)  
 PROJECT LOCATION  
 INDIAN WELLS VALLEY  
 GROUNDWATER AUTHORITY**

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**JANUARY 6, 2021**

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ENCLOSURE (2)

REQUIREMENTS FOR DUST CONTROL AT CONSTRUCTION AND DEMOLITION SITES



**Requirements for Dust Control  
at Construction and Demolition Sites**

The proponent<sup>1</sup> shall take reasonable precautions to prevent visible particulate matter from being airborne from the construction site, under normal wind conditions. Reasonable precautions may include, but are not limited to:

1. The proponent shall have available a minimum of one watering truck to apply water to the haul roads and construction areas. Water will be applied to these areas in the amount (and at the frequency) necessary to prevent the site from becoming a source of fugitive dust. Rainfall may be considered an "application" of water if there was enough of it to prevent the site from becoming a source of fugitive dust.
2. The proponent shall post and observe a speed limit of 25 mph at the project site (i.e. the actual construction site and any unpaved access to the site and not paved roads in the vicinity of the project site). During normal daily activity the speed limit will be strictly enforced by the proponent.
3. Water or other dust suppressants shall be used to prevent particulate matter from becoming airborne in handling dusty materials to open stockpiles and mobile equipment. All stockpiles of topsoil, sand, and other like materials shall be covered to prevent airborne fugitive dust.
4. The proponent shall be responsible for removing (at least once per week during construction) materials tracked onto paved roadways from dirt roadways by construction vehicles associated with the project.
5. All bulk materials being hauled on paved roadways shall be covered during transit.
6. Earth movement shall be limited to the minimum required to achieve project objectives.

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<sup>1</sup>For the purposes of this list of requirements, the word "proponent" means the person or group undertaking the construction or demolition activities in question, whether this is an outside contractor or China Lake personnel.



ENCLOSURE (3)

IMPLEMENTATION GUIDELINES FOR THE BIOLOGICAL OPINION



DEPARTMENT OF THE NAVY  
NAVAL AIR WEAPONS STATION  
1 ADMINISTRATION CIRCLE  
CHINA LAKE, CA 93555-6100

IN REPLY REFER TO:

5090

Ser PR242/040

3 Feb 22

MEMORANDUM FOR ELECTRONIC DISTRIBUTION

From: Commanding Officer, Naval Air Weapons Station, China Lake

Subj: IMPLEMENTATION GUIDELINES FOR BIOLOGICAL OPINIONS AND OTHER PROTECTIVE MEASURES FOR MOJAVE DESERT TORTOISE, INYO CALIFORNIA TOWHEE, AND MOHAVE TUI CHUB

Ref: (a) FWS-INY-KRN-SBR-16B0219-19F0246  
(b) FWS-INY/KRN/SB-16B0219-21TA1525  
(c) FWS-KRN-19B0209-20F1652  
(d) Inyo California Towhee Cooperative Management Agreement (2010)

Encl: (1) Mojave Desert Tortoise Habitat NAWSCL North Range  
(2) Mojave Desert Tortoise Habitat NAWSCL South Range  
(3) Inyo California Towhee Habitat NAWSCL  
(4) Mohave Tui Chub Habitat NAWSCL

1. Purpose. Implement assigned protective measures to avoid, reduce, or minimize potential impacts from Navy operations to species listed under the Federal Endangered Species Act and their habitats. Listed species on Naval Air Weapons Station, China Lake (NAWSCL) include:

- a. Mojave Desert Tortoise (MDT) (*Gopherus agassizii*).
- b. Desert Tortoise Habitat (DTH), including Critical Habitat.
- c. Inyo California Towhee (ICTO) (*Pipilo crissalis eremophilus*), ICTO Critical Habitat.
- d. Mohave Tui Chub (MTC) (*Siphateles bicolor mohavensis*) and MTC Lark Seep System (LSS) habitat.

2. Policy. All Navy and non-Navy activities, Installation tenants, visiting organizations, military, civilian, and contract personnel that conduct activities onboard NAWSCL shall fully implement the protective measures contained in the 21 March 2019 Biological Opinion (BO), FWS-INY-KRN-SBR-16B0219-19F0246; the 17 November 2021 BO, FWS-INY/KRN/SB-16B0219-21TA1525, the 3 December 2021 BO, FWS-KRN-19B0209-20F1652, the 2010 Inyo California Towhee Cooperative Management Agreement, and other protective measures as directed.

3. Background



Subj: IMPLEMENTATION GUIDELINES FOR BIOLOGICAL OPINIONS AND OTHER PROTECTIVE MEASURES FOR MOJAVE DESERT TORTOISE, INYO CALIFORNIA TOWHEE, AND MOHAVE TUI CHUB

a. Because NAWSCL does not have a current comprehensive BO for all listed species and activity tempo, including July 2019 earthquake recovery efforts, has increased significantly, these implementation guidelines are intended to demonstrate NAWSCL's proactive approach to achieving mission success utilizing preventative protective measures. The 2019 BO, issued by the United States Fish and Wildlife Service (USFWS), provides Navy guidance for managing endangered species and performing mission support operations (e.g. testing, training, facilities, infrastructure, and utilities) at NAWSCL. This 2019 BO focuses on MDT, but also directs the Navy to take protective measures for all listed species following the Navy's natural resource management ecosystem and adaptive management principles. The 17 November 2021 BO is an amendment to FWS-INY-KRN-SB-16B0219-19F0246, updated the incidental take statement, and both the 2019 and 2021 BOs are in effect. The 3 December 2021 BO specifically addresses MTC, and contains guidance for ecosystem and adaptive management of this endangered fish and its habitat. The 2010 ICTO Cooperative Management Agreement is in effect.

b. BOs require the Navy to implement protective measures to avoid, reduce, or minimize impacts to protected species and their habitats that may result from activities conducted at NAWSCL. The 17 November 2021 MDT BO establishes a level of "take" (defined in Section 4) of MDT that complies with the Endangered Species Act (six MDT in a calendar year) provided that the take is incidental to a planned activity and the activity is conducted in compliance with the BOs protective measures and other terms and conditions. If more than two MDT injuries or deaths occur in a calendar year due to vehicular strike on roads, the Navy must coordinate with USFWS to determine whether additional protective measures are warranted. MDT habitat take threshold is no more than 1,250 acres of non-Critical Habitat and 150 acres of Critical Habitat loss over a 20 year period (ending in 2038). Actions that exceed these take limits individually or cumulatively will require consultation with the USFWS.

c. This guidance supersedes all prior command direction and will remain in effect until further notice.

#### 4. Definitions

a. Desert Tortoise Habitat. Area having three or more of the following characteristics: Vegetation that includes creosote bush, Joshua tree, and/or allscale (saltbush) scrub; two to eight inches of rain annually; terrain such as flats, valleys, washes, bajadas, alluvial fans, rolling hills, or low mountains; between 300-5,000 feet elevation ranges; and friable soils or caliche caves.

b. Authorized Biologist. A person approved by USFWS to conduct activities that may result in MDT take. Approved activities include:

- (1) Locating, identifying, and recording all forms of tortoise sign.
- (2) Relocating desert tortoises and reconstructing tortoise burrows.
- (3) Locating and excavating nests and eggs.



Subj: IMPLEMENTATION GUIDELINES FOR BIOLOGICAL OPINIONS AND OTHER PROTECTIVE MEASURES FOR MOJAVE DESERT TORTOISE, INYO CALIFORNIA TOWHEE, AND MOHAVE TUI CHUB

(4) Reporting observations and using approved protocols.

(5) Ensuring projects minimize habitat damage and are conducted per a BO or permit.

c. Desert Tortoise Monitor. A person with sufficient MDT training and field experience who is considered by USFWS to be qualified to detect the presence of MDT through direct observation or detection of tortoise sign, monitor project activities, ensure proper implantation of protective measures, and report non-compliance issues. A Monitor is typically not authorized to handle tortoises (except to temporarily move an animal to a nearby location out of harm's way), or to conduct clearance surveys.

d. Biological Monitoring. The process for observing activities or biological conditions in an area related to applicable protective measures or resource management objective.

e. Biological Survey. The process for conducting detailed technical studies in a designated area to characterize biological components that may be present. Data from biological surveys is used to inform land use and compliance decision making.

f. Take. To harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, collect, or attempt to engage in any such conduct.

g. Impact Avoidance and Minimization Measure (IAMM). Avoidance means avoiding the impact altogether by not taking a certain action or parts of an action, or by moving the project location. Minimization means to decrease or lessen. Mitigation are means/methods to reduce or avoid potentially significant adverse effects of an action on the environment. Minimization and mitigation have separate meanings. Best management practices or standard operating procedures are not considered mitigation measures.

5. Required Standard Protective Measures. Required protective measures include surveys, monitoring, relocation, and other IAMMs. IAMMs may be adjusted as needed at the direction of NAWSCL Environmental Management Division (EMD) in coordination with operational staff. Required protective measures to avoid, reduce, and minimize impacts to MDT, MTC, ICTO, and their habitats include the following procedures:

a. Environmental Awareness Brief. All personnel performing work upon NAWSCL, including visitors, contractors, employees, and enlisted personnel shall receive the Environmental Awareness Brief (EAB) provided by EMD as part of their onboarding. NAWSCL personnel performing work on restricted ranges shall receive the EAB every three years. Visitors and contractors shall receive the EAB every year.

b. All trash and construction debris will be promptly placed in containers that ravens, coyotes, and other animals cannot access. These containers will be regularly removed from project sites to reduce attractiveness of the area to ravens and other subsidized predators.



Subj: IMPLEMENTATION GUIDELINES FOR BIOLOGICAL OPINIONS AND OTHER PROTECTIVE MEASURES FOR MOJAVE DESERT TORTOISE, INYO CALIFORNIA TOWHEE, AND MOHAVE TUI CHUB

c. All personnel conducting activities in DTH will check beneath their vehicles and/or equipment prior to moving to ensure no MDT is present under the vehicle and/or equipment.

d. Personnel working in or traversing DTH, MTC habitat, or ICTO critical habitat will immediately report discovery of an injured or dead individual to Microspeech if on a remote range, or directly to NAWSCL EMD at (760) 939-3216 or (760) 939-8500.

e. Personnel are not permitted to conduct any work within the MTC habitat without prior authorization from NAWSCL EMD. Contact EMD at (760) 939-3216 or (760) 939-8500 to submit a work request.

f. Because MTC habitat has several high traffic roads crossing over and through MTC habitat at multiple locations, a greater potential for hazardous material entering MTC habitat exists. Personnel must notify NAWSCL EMD immediately at (760) 939-3216 or (760) 939-8500 if hazardous material is released or suspected to have been released within 100 feet of MTC habitat.

g. Operations staff will ensure all vehicles and mechanical equipment are in good working condition to prevent leakage of hazardous fluids.

h. Site specific erosion and sediment control measures and proper handling of potentially hazardous materials will be implemented. Catch devices and sheeting shall be used to prevent release of debris and hazardous materials or wastes.

i. Ongoing Activities in Established Operating Areas

(1) For MDT, operations staff preparing to conduct an activity in an established area will perform a "final visual sweep" of the area just prior to the activity execution. Visual sweeps will be performed in the immediate vicinity of the activity.

(2) If MDT is observed that may be affected by an activity, operations personnel will move the MDT to a safe location per guidance provided in the EAB.

(3) Operations staff will inform Microspeech or NAWSCL EMD of Global Positioning System coordinates of MDT placement location within two hours. Microspeech will inform EMD of the MDT placement location within 24 hours.

(4) Post-project monitoring may be conducted to ensure IAMMs are properly implemented, assess effectiveness, and modify IAMMs as needed.

(5) Operations staff will not conduct vegetation removal activities along Mountain Springs Road in NAWSCL North Range between 15 February and 15 September of any calendar year. Operations staff will inform NAWSCL EMD prior to the commencement of thinning or removal of any vegetation within ICTO designated critical habitat, primarily along Mountain



Subj: IMPLEMENTATION GUIDELINES FOR BIOLOGICAL OPINIONS AND OTHER PROTECTIVE MEASURES FOR MOJAVE DESERT TORTOISE, INYO CALIFORNIA TOWHEE, AND MOHAVE TUI CHUB

Springs Road.

j. New Ground Disturbing Activity

(1) New land disturbing activities in all test and target operating areas, (such as mechanical removal of soil or vegetation, off road driving), and in all construction areas, will be coordinated with NAWSCL EMD for a determination of the level of survey required prior to execution.

(2) Project boundaries may require marking with flagging or stakes to support survey and monitoring efforts.

(3) All DTH removed or damaged by an activity will be documented in NAWSCL EMDs annual report to the USFWS. NAWSCL will provide an annual report to USFWS regarding MTC, all ICTO habitat removed or damaged by any activity will be documented by NAWSCL EMD.

(4) A Desert Tortoise Monitor and Authorized Biologist may be required to be on site to monitor activities in areas where MDT are present or DTH will be modified or removed.

k. Fire Management

(1) Implement adaptive fire management practices as needed to protect personnel and operational assets from fires and reduce potential impacts to threatened and endangered species.

(2) Remove excessive vegetation within established operating areas to reduce potential fuel loads and minimize potential for catastrophic wildfires from test and training operations in MDT critical habitat and ICTO critical habitat.

(3) Conduct post-fire surveys outside target impact areas by qualified/authorized biologist to assess ecosystem and listed species loss and damage. Post-fire surveys will be limited to 2,000 acres annually (1,000 in critical habitat and 1,000 outside critical habitat).

(4) Include post-fire survey reports in annual report to USFWS.

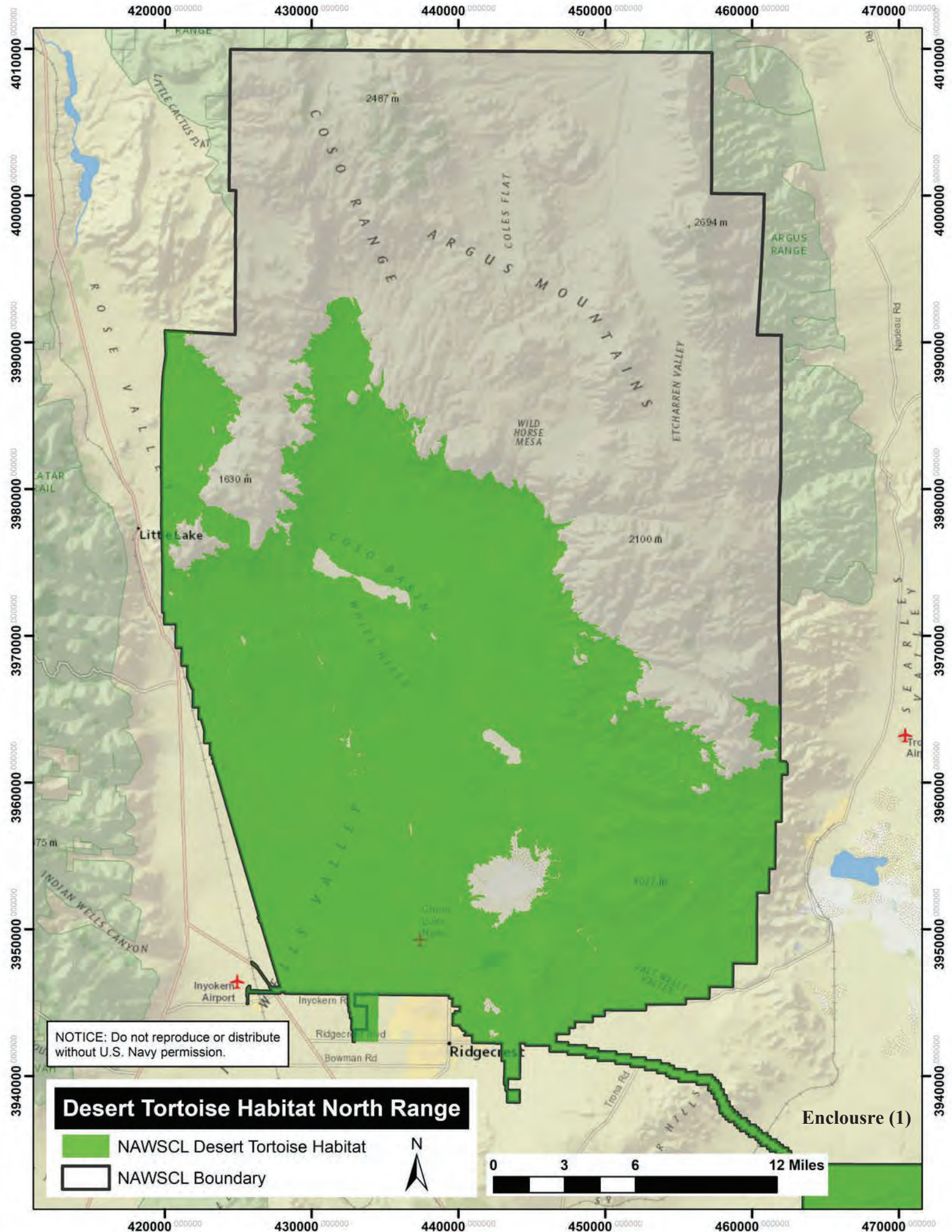
6. Directive Responsibility. The NAWSCL Installation Environmental Program Director is responsible for keeping this guidance current.



J. T. VAUGHAN

Distribution:  
NAWS All Hands

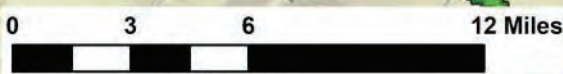




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### Desert Tortoise Habitat North Range

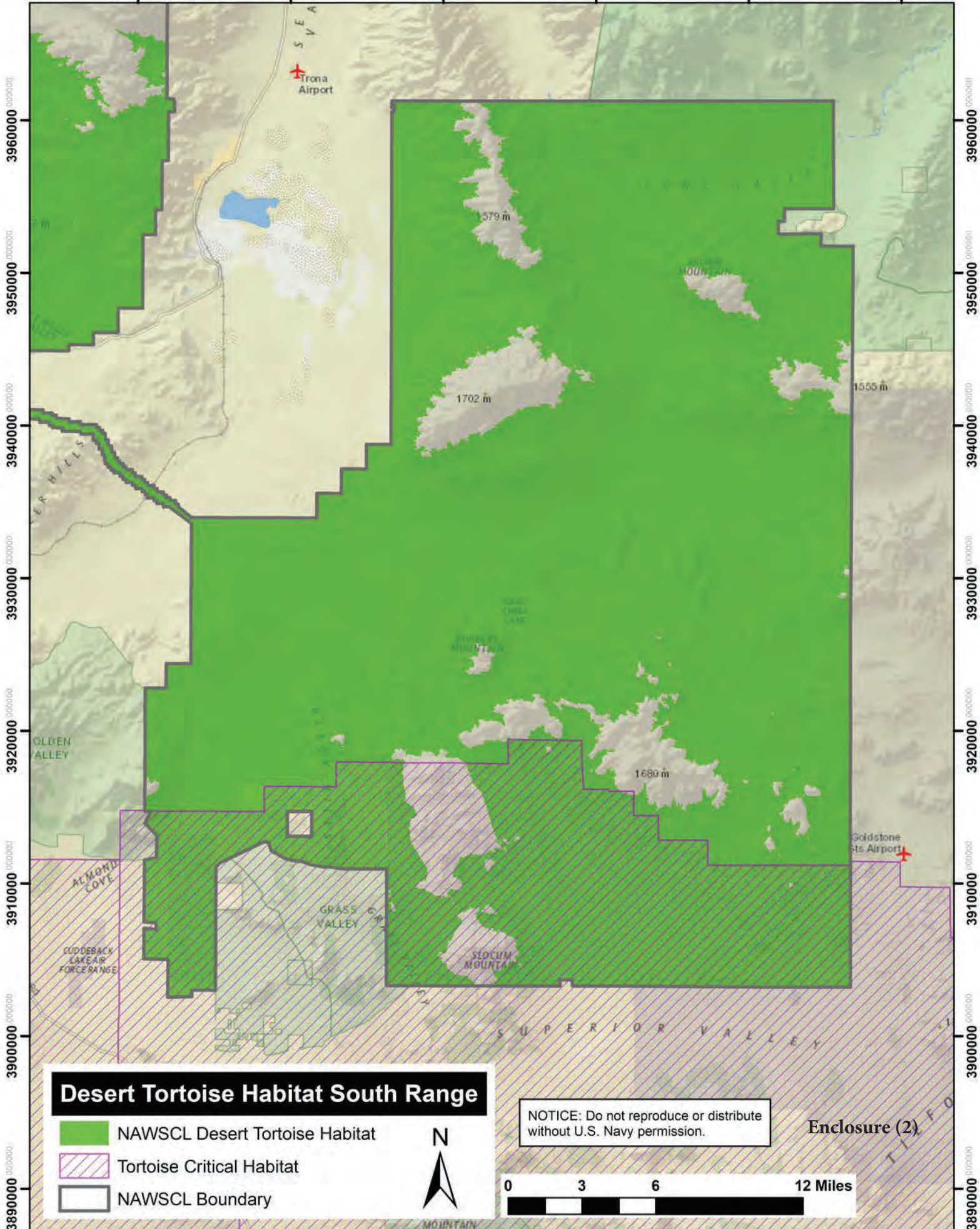
- NAWSCL Desert Tortoise Habitat
- NAWSCL Boundary



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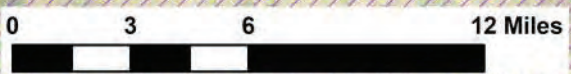
### Desert Tortoise Habitat South Range

- NAWSCL Desert Tortoise Habitat
- Tortoise Critical Habitat
- NAWSCL Boundary



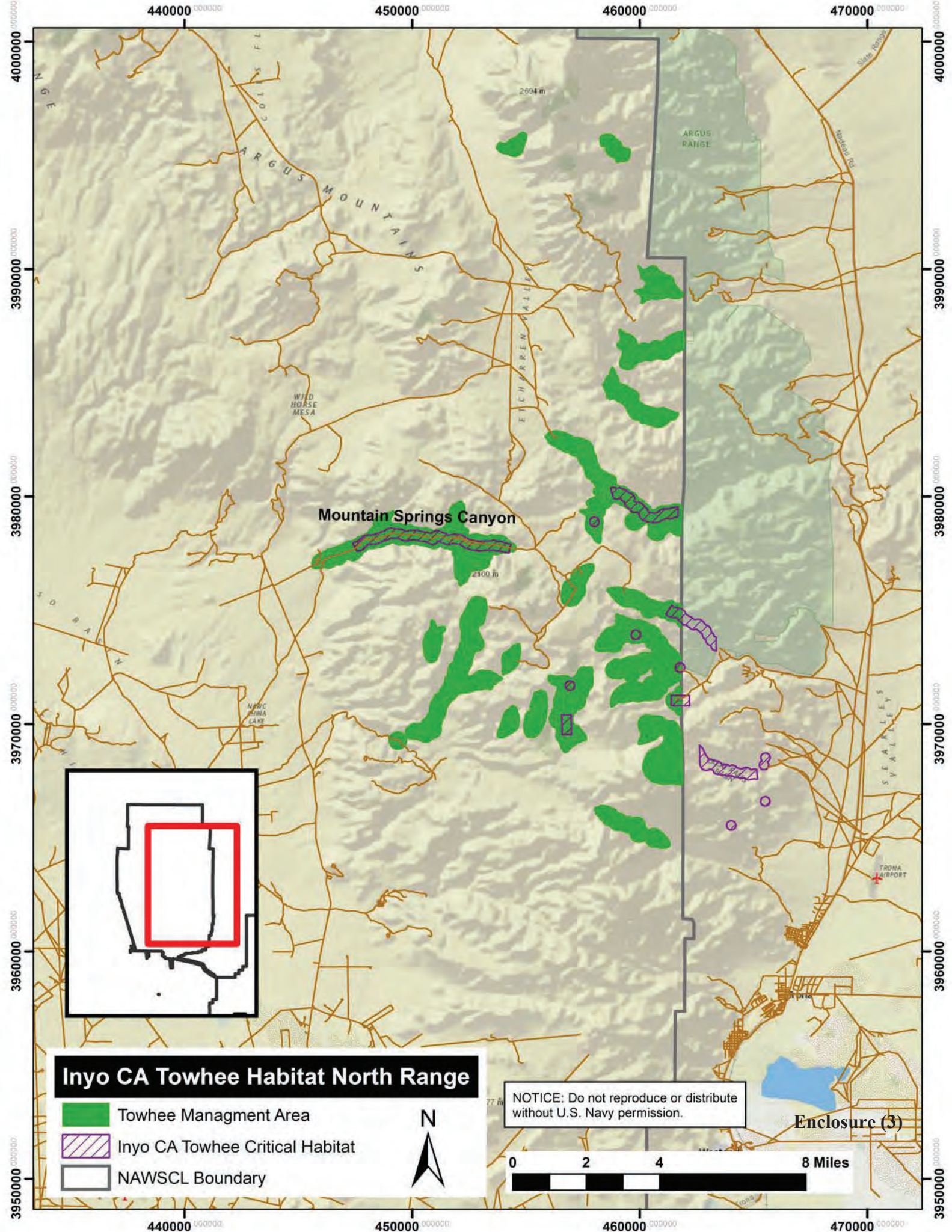
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Enclosure (2)



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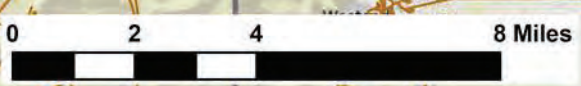


### Inyo CA Towhee Habitat North Range

- Towhee Management Area
- Inyo CA Towhee Critical Habitat
- NAWSCL Boundary

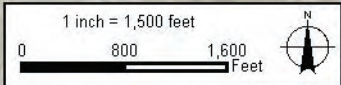
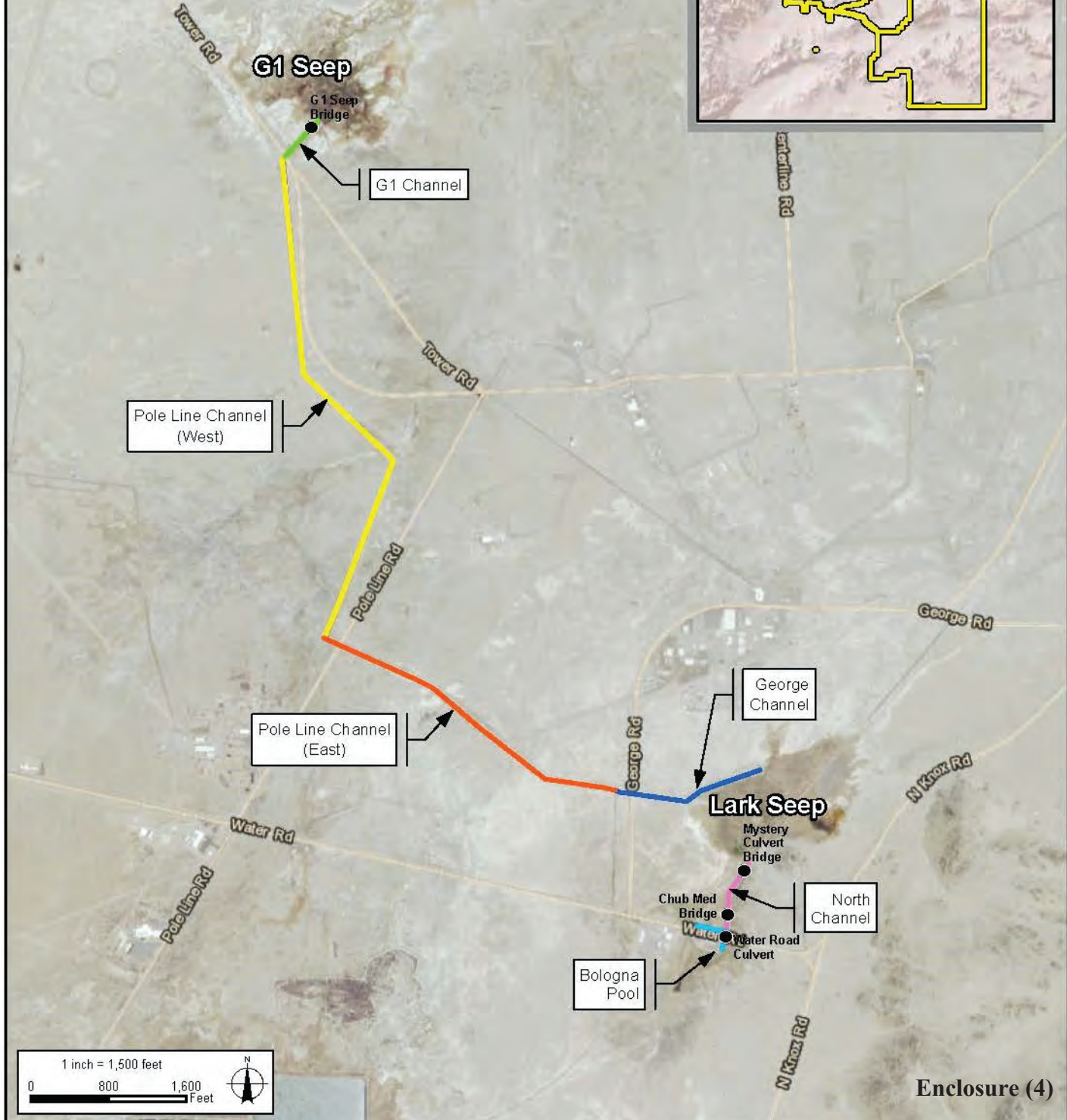
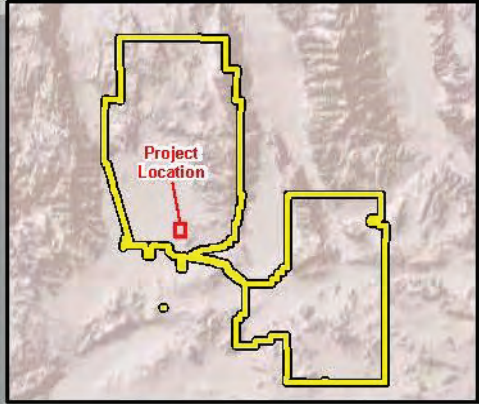
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Enclosure (3)





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Enclosure (4)

ENCLOSURE (4)

WASTE MANAGEMENT REQUIREMENTS

## WASTE MANAGEMENT REQUIREMENTS

1. Management of Hazardous Waste (HW). All HW must be managed per Title 22 of the CA Code of Regulations (22 CCR) and per direction outlined in the "HW Training for Generators at China Lake." Technical questions regarding hazardous waste management may be directed to the Environmental Division at 760-939-3836.

a. Identification of HW. The Responsible Party (RP) shall identify all wastes that may be HW. These HW items include but are not limited to:

(1) Waste oil, gasoline, hydraulic fluid and other liquid petroleum products,

(2) empty (or partially empty) containers of coatings, adhesives, and sealants,

(3) empty (or partially empty) paint containers,

(4) waste oil and gasoline filters,

(5) antifreeze,

(6) waste solvents,

(7) spent rags with oil, tar, solvent, or other chemical or residue,

(8) contaminated personal protective equipment (e.g. gloves),

(9) used absorbent contaminated with a hazardous substance,

(10) spill cleanup residues,

(11) regulated asbestos-containing materials, or

(12) lead-based paint and lead-containing materials.

b. Accumulation of HW. Depending on the quantity and type of HW generated, HW shall be accumulated in a 90-day or satellite area. The RP shall use an existing accumulation area, or if a new area is needed, notify the Environmental Division. In 90-day accumulation areas, the RP shall inspect containers weekly and tanks daily and shall use the Environmental

Division's 90-day inspection form. Each container shall remain closed, except when adding or removing HW, and be marked with a properly completed pink label if in a satellite area or a gold label if in a 90-day area. HW in a 90-day area shall be accumulated for no more than 90 days and in a satellite area for no more than one year and no more than 55-gallons of each waste type.

c. Turn-in of HW. For turn-in of HW to the on-Station HW Storage Facility (HWSF), the RP shall complete the Station Hazardous Waste Disposal Request form. The form shall be provided to the HWSF personnel at least 15 working days prior to the end of the accumulation time period. HWSF personnel will pick up HW at the RP's accumulation area. No HW may be dropped at the HWSF without scheduling an appointment at 760-939-3836.

2. Management of Universal Waste (UW). All HW must be managed per 22 CCR and per direction outlined in the "HW Training for Generators at China Lake." Technical questions regarding UW management may be directed to the Environmental Division at 760-939-3836.

a. Identification of UW. UW items that may be generated include only the following: aerosol cans (whether empty or not), batteries, cathode ray tubes, electronic items, lamps (excluding incandescent light bulbs), and mercury-containing devices.

b. Accumulation of UW. The RP shall accumulate UW no longer than one year, and if available, in an existing HW accumulation area. Broken or leaking Universal Waste items will be placed in an appropriate container. Each container or UW item shall be marked with a properly completed blue UW label.

c. Turn-in of UW. The RP shall follow the same process for turn-in of UW as outlined for HW. Note that electronic items and cathode ray tubes are turned in directly to DRMO. Follow the "DRMO Turn-in Process" slide in "HW Training for Generators at China Lake."

### 3. Management of Containers

a. Any container that held hazardous materials or HW but that: (1) does not meet the definition of "empty" per 22 CCR 66261, (2) held materials or wastes listed as acute or extremely hazardous in 22 CCR 66261 (whether empty or not), or (3) has a capacity equal to or less than 5 gallons (whether empty or not),

must be managed as HW. Note that empty one (1) quart plastic motor oil containers with no free flowing oil are an exception to the above requirement and may be managed as domestic trash or turned into the Station Recycling Facility.

b. A container that held hazardous materials or HW, meets the definition of "empty," has a volume greater than five (5) gallons, and did not hold acute or extremely hazardous materials or HW, is not hazardous waste but must be managed as follows:

(1) Close the lid or bung;

(2) Remove the HW label;

(3) Mark with "Empty" and the date the container was emptied; and

(4) Within one year after emptied transfer to the Station HWSF with a properly completed HW Disposal Request Form or reuse on-Station with the same material or waste derived from the same material.

4. HW and UW Training Requirements. All personnel who handle/manage HW and/or UW are required to attend annually the "HW Training for Generators at China Lake" offered by the Environmental Division.

5. Final Disposition of Non-HW/UW and Reusable Items

a. Reuse. First consideration is given to reuse of the item in its original form either by reusing on-Station or sale by DRMO. The RP shall contact the local DRMO representative at 760-939-2502 for evaluation of the item prior to turn-in to DRMO.

b. Recycle. Solid waste that is not suitable for reuse, but has value as being recyclable, shall be recycled. Recyclable items include but are not limited to concrete, asphalt, cardboard packaging, and scrap metal. The RP shall coordinate with the Station Recycling Program Manager at 760-939-2522.

c. Scrap Metal. All scrap metal that is not defined as HW (e.g., containing asbestos or containing chipping, peeling, or flaking lead-based paint or other heavy metals, such as barium, nickel, chromium, or zinc) and was not exposed to ordnance or look like ordnance shall be transferred to the Recycling Metal Sorting Area or placed in a scrap metal bin. Unusable

appliances or equipment shall be turned in to the Station Recycling Facility. Removal of hazardous materials from the appliances or equipment will be accomplished by the Recycling Program Manager's Contractor.

d. Off-Station Disposal. Items with no practical use or economic benefit shall be disposed in a dumpster for domestic trash.

6. Releases of Hazardous Substances. The RP shall immediately call 911 or 760-939-3323 for any release of any hazardous substances, including gases that is not considered "incidental" as defined below. Under no circumstances shall the RP contact regulatory agencies to report the spill. An incidental release is a release of a hazardous substance that:

a. Does not pose a significant safety or health hazard to employees in the immediate vicinity of the release,

b. Does not pose a significant safety or health hazard to the employee conducting the cleanup,

c. Does not have the potential to become an emergency within a short time frame and

d. Is limited in quantity and exposure potential. The RP may clean up an incidental release if all of the following conditions are met:

(1) The employee works in the immediate area of the spill.

(2) Human health is not injured or threatened to be injured, and the environment or property is not damaged or threatened to be damaged.

(3) Evacuation of the immediate area is not necessary.

(4) The spill is limited in quantity.

(5) The employee has the proper equipment in the immediate area to clean up the spill.

(6) No outside assistance is needed to clean up the spill.



(7) The employee has been trained to clean up the spill.

(8) The employee has reviewed and studied the Material Safety Data Sheet for the released product.

(9) The employee is completely aware of the chemical's toxicity and use of appropriate Personnel Protection Equipment.

(10) The employee is willing to clean up the release.

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# IWVGA ADMINISTRATIVE OFFICE

*STAFF REPORT*

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**TO:** IWVGA Board Members **DATE:** April 12, 2023

**FROM:** IWVGA Staff

**SUBJECT:** **Agenda Item 11 – Approval of Reimbursement Agreement with the Bureau of Land Management for Assistance/Permitting for the Imported Water Pipeline**

## **BACKGROUND AND DISCUSSION**

The IWVGA was awarded \$7.6 million from the Sustainable Groundwater Management Implementation Round 1 grant solicitation (SGMA-IP). The grant funding will be primarily used for additional planning for the IWVGA’s Imported Water Interconnection Project (Project) including design, environmental compliance, right-of-way acquisition, and other permitting and coordination with partnering agencies. The IWVGA Board authorized the award of contracts for design, environmental compliance and right-of-way consulting services for the Project at the Board’s February 8, 2023 meeting.

A portion of the Project is on Bureau of Land Management (BLM) land. The BLM has determined that an Environmental Assessment of the Project is required to consider issuing a permit to construct the Project. The contract for environmental compliance services with Provost and Pritchard authorized by the Board includes preparation of an Environmental Assessment for the Project.

BLM requires an agreement on the process that will be followed to prepare the Environmental Assessment and to provide cost reimbursement of BLM’s Project related costs, including BLM costs to ensure the Environmental Assessment meets the requirements of the National Environmental Policy Act, processing applications for right-of-way, issuing a right-of-way grant, and monitoring construction, operation, and maintenance of the Project on BLM land.

The Reimbursement Agreement includes a baseline estimate of BLM’s costs of \$104,298.84, however, the Agreement requires reimbursement of BLM’s eventual actual costs. The Agreement requires an initial deposit of \$25,000.00, and periodic replenishment of the deposited funds to maintain a minimum balance of \$5,000.00.

Work under the SGMA-IP grant agreement must be completed by March 31, 2025, therefore, the consultant’s work is proceeding on a very aggressive schedule to meet the grant deadline. Performing soils borings to obtain geotechnical information and conducting the environmental field surveys and studies needed for environmental evaluation of the project are among the critical tasks currently being implemented. The Reimbursement Agreement is needed to allow the BLM to provide permits for performing soils borings and environmental surveys and studies along the

portion of the Project alignment on BLM land.

The Reimbursement Agreement is included in your Board package.

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

Staff recommends the Board authorize the General Manager to sign the Reimbursement Agreement with the Bureau of Land Management for assistance and permitting for the Imported Water Pipeline Project.



**MEMORANDUM OF UNDERSTANDING**

**MASTER AGREEMENT**

**Between**

**U.S. Department of the Interior**

**Bureau of Land Management,**

**Ridgecrest Field Office**

**and**

**Indian Wells Valley Groundwater Authority**

**CACA-059994**

**City of California to City of Ridgecrest 20 or 24-inch Buried Water Pipeline**

**I. PREAMBLE**

This Master Agreement is an agreement between the Bureau of Land Management (BLM) Authorized Officer/Field Manager, and the Indian Wells Valley Groundwater Authority (IWVGA), hereinafter referred to as “Applicant”. Applicant is proposing the construction of a 20 or 24-inch in diameter steel or plastic water pipeline, on public lands administered by the Department of Interior, Bureau of Land Management (BLM), Ridgecrest Field Office (Project).

BLM has determined that an Environmental Assessment (EA) is required. The EA must comply with the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321 et seq., and related requirements, BLM NEPA Handbook H-1790-1. The EA will need to be prepared before a decision on the Project can be made.

The purpose of this Master Agreement (hereinafter “MA”) is to set forth the understanding between BLM and Applicant (hereinafter “Parties”) pertaining to conditions and procedures to be followed in preparing and completing an EA, including the environmental and technical information collection, analysis and reporting necessary to fully comply with the NEPA regulations and guidelines pertaining thereto, and to address any cost reimbursement aspects of the Project. Processing includes such matters as, but is not limited to, environmental review; application processing; administrative management; long-term compliance, monitoring, and decommissioning and restoration for this application and/or grants associated with the Indian Wells Valley Groundwater Authority.

## **II. GENERAL RESPONSIBILITIES**

- A. The BLM shall be responsible for ensuring compliance with all requirements of the NEPA regulations, and shall be responsible for the scope and content of the EA.
- B. The Applicant shall engage an environmental consultant, referred to as the “contractor”, for appropriate baseline collection, scoping, project impact assessment, and preparation of the EA. The contractor may employ such other consultants and experts, with the approval of the BLM, as required for adequate data collection, analysis and EA preparation.
- C. BLM shall be responsible for consulting with the US Fish and Wildlife Service for a Section 7 Consultation under the Endangered Species Act of 1973, as amended, and the California State Historic Preservation Officer for a Section 106 Consultation under the National Historic Preservation Act. At the discretion of the BLM, the consultant shall furnish such data on information required to accomplish such consultation.

## **III. CONTRACTOR PROVISIONS**

- A. The Applicant shall prepare and execute a contract(s) with the approved contractor for preparation of the EA, which is consistent with the MA and is agreeable to BLM. All costs incurred pursuant to the contract shall be the sole responsibility of the Applicant.
- B. The contract shall provide that the contractor agrees to hold harmless and indemnify BLM with respect to any and all claims, demands, cause(s) of action, and liabilities which may arise from the contractor’s performance, purchases or services utilized in the preparation of the EA.
- C. The contract shall provide that the contractor shall cooperate in defense of any suit involving the legality or adequacy of BLM’s compliance with NEPA with regard to this EA.
- D. Applicant shall require full cooperation of the contractor with respect to participation in public meetings required by BLM to foster public familiarity and participation with respect to the NEPA process.
- E. If for any reason, a change in the contractor or subcontractors becomes necessary, the BLM and Applicant will jointly engage in selection procedures for a new contractor.

**IV. GENERAL PROVISIONS**

- A. Subject to confidentiality requirements in paragraph V.I., in all instances involving questions as to the content or relevance of any material (including all issues, data, analyses, conclusions, and wording) in the EA, BLM shall make the final determination on the inclusion, deletion, or revision of the material, and shall have the ultimate responsibility of ensuring compliance with the requirements of NEPA.
  
- B. Applicant agrees to hold harmless and indemnify the BLM, its officers, agents and employees, with respect to any and all judgments or settlements arising from claims, demands or causes or action in connection with any failure by the Applicant to pay for the employment of the contractor or which may arise from the termination of performance of the Consulting Contracts or from any other failure by Applicant to pay the contractor for their services or purchases of materials utilized for the development and preparation of the EA, or from termination of this MA. This indemnification by Applicant does not extend to suits by third parties (other than the contractor against the BLM) involving the legality or adequacy of compliance with NEPA. In addition, Applicant agrees to hold harmless and indemnify BLM with respect to all judgments or settlements arising from any and all claims, demands or causes of action in connection with any portion or element or work to be performed by the applicant or any contractor as contemplated by and, or in connection with this MA.

e. The Parties agree:

- 1. In the preparation of the EA, the Parties shall be represented by their respective project representative or designee.

BLM:

Paul Rodriquez  
Realty Specialist  
Bureau of Land Management  
300 S. Richmond Road  
Ridgecrest CA. 93555  
(760) 384-5555  
e-mail: [Prodriqu@blm.gov](mailto:Prodriqu@blm.gov)

OR

Max Wiegmann  
NEPA Coordinator  
Bureau of Land Management  
300 S. Richmond Road  
Ridgecrest CA. 93555  
(951) 697-5233  
e-mail: [MWiegmann@blm.gov](mailto:MWiegmann@blm.gov)

**For Indian Wells Valley Groundwater Authority:**

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Name/Title

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Agency

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Mailing Address

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City/State/Zip

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Telephone/Cell Phone

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E-mail

1. The successful preparation of the EA requires complete and full communication between all parties involved. It is the duty of the project representatives to ensure close consultation throughout the document preparation and review process. The project representatives shall keep each other advised of the developments affecting the preparation of the Draft EA. Meetings between the BLM, Applicant and contractor shall be held as needed to ensure close consultation.
2. To the maximum extent practicable under existing laws and regulations, all parties agree to share all relevant information.
3. BLM shall determine:
  - (a) The scope and content of the EA for the Project to ensure that the requirements of the various federal and state statutes are met and that the statutory findings required of the BLM for their decisions on the Project can be made;
  - (b) Whether the work performed by the Applicant and consultants is satisfactory and, if not, how best to correct the deficiencies in the work; and
  - (c) The division of responsibilities among co-lead agencies, if any.

## **V. PROCEDURES**

- A. The contractor will be responsible for conducting scoping meetings with the public and other agencies at the beginning of the process. These meetings will be held to determine the areas of public and agency concerns pertaining to the proposed project, and to guide the Parties in scoping the EA. The BLM shall determine the final scope of the EA.
- B. Subject to Paragraph I, the contractor shall have primary responsibility for writing or rewriting all sections, parts or chapters of the EA.
- C. The contractor shall produce an administrative draft EA for review by the BLM. The administrative draft shall include all text, maps, appendices, tables, charts and other materials that will be incorporated in the Draft EA. As determined by the BLM, a reasonable number of copies shall be provided by the contractor to each party to meet internal review needs.
- D. The BLM shall review the administrative draft EA and provide comments to the contractor in writing. The BLM may request revision of the administrative draft with further agency review if comments are substantial. Additional review may be required.
- E. The printing and mailing of the Draft EA shall be the responsibility of the Applicant/contractor. The BLM shall provide a mailing list to the contractor for distributing the EA to the public and to other Federal, State and local agencies as required by law.



- F. The BLM and contractor shall jointly schedule and conduct public meetings to receive comments on the Draft EA. The contractor shall receive and log all comments submitted on the Draft EA during the public review period and provide copies to BLM. The contractor will prepare preliminary responses. BLM will review the responses for accuracy and identify any necessary revisions before they are incorporated into the Final EA. The Final EA will be prepared and reviewed in the same manner as the Draft EA.
- G. Upon acceptance and approval of the Final EA, BLM shall authorize the release of the Final EA to the public and to other Federal, State and local agencies. The final EA will be 508 compliant. The contractor shall be responsible for printing and mailing the Final EA.
- H. BLM reserves the right to prepare, at its option, selected sections of the Draft and/or Final EA. As appropriate, BLM will provide such prepared material in a time and manner consistent with the agreed upon schedule.
- I. Applicant and the contractor will, upon request, provide BLM all procedures and underlying data used in developing submitted sections of the Draft and/or Final EA including, but not limited to, final reports, subcontractor reports, and interviews with concerned private and public parties, whether or not such information may be contained in the working papers or the Draft or Final EA. BLM shall maintain confidentiality of all information, documents or materials which Applicant or the contractor designate as confidential in accordance with Federal and State laws, regulations and policies.
- J. BLM reserves the right to consult directly, without notice or report, with other Federal, State and local officials during the preparation of the EA to ensure objectivity and compliance with NEPA. BLM will immediately notify the Applicant and the contractor if matters discussed at any such consultation will require significant changes in the development of the EA or require significant costs pursuant to this MA.
- K. With respect to all analyses, including review, drafts and final copies of the EA, the Applicant and contractor shall be responsible for stenographic, 508 compliance, clerical, graphics, layout, printing and like costs. Applicant shall be solely responsible for the costs of preparing and providing to BLM sufficient copies of the Draft and Final EA and modifications as well as a copy of supporting technical documents prepared in conjunction with the Draft and/or Final EA by the contractor.
- L. Any and all media releases, public mail-outs, or formal/public discussions which are conducted by the BLM shall be conducted with the approval and at the direction of the BLM. This shall not affect the Applicant's rights to do public relations or work independently with respect to the Project, with the understanding that such public relations work may not appear to represent the BLM and will not attempt to influence the independent analysis, outcome, or decision making process or the requirements of NEPA for BLM.

## VI. COST REIMBURSEMENT AGREEMENT

The baseline estimates to fund the operation of the Ridgecrest Field Office is approximately **\$104,298.84**, (Exhibit A). IWVGA agrees to pay for all actual, reasonable costs incurred by the Ridgecrest Field Office (RIFO) in executing the terms and work actions covered by this MA. IWVGA agrees to pay full cost recovery for all actions processed under this agreement; the RIFO will also provide IWVGA with separate cost estimate calculations for each project or work action processed under this MA prior to and after the completions of the work, if requested by IWVGA. IWVGA deposited **\$25,000.00**, to initially fund activities under this MA, with an outstanding balance of **\$79,298.84**, and shall replenish the fund as needed up to **\$5,000.00**, dependent upon project proposed work by IWVGA. A minimum balance of **\$5,000.00** is expected to be maintained, and the BLM will inform IWVGA if the minimum balance is reached and if the account requires additional funding, dependent upon projected proposed work by IWVGA.

- A. In accordance with Section 304(b) of FLPMA and 43 CFR 2804.19, Applicant agrees to reimburse BLM for the costs incurred by BLM for processing the application, and should the Application be approved, costs for issuing a right-of-way grant and monitoring the construction, operation, maintenance and termination and restoration of project facilities authorized by such right-of-way grant. Further, in accordance with 43 CFR 2804.14(f), Applicant waives consideration of reasonable costs, as would be determined under 43 CFR 2804.20 and 2804.21 and agrees to pay all actual costs incurred by the BLM related to this Application.
- B. This Agreement is subject to the Reimbursable Cost Provisions and the Descriptions of Direct and Indirect Costs contained in Attachment #1, and the Financial Plan contained in Attachment #2. This cost estimate maybe amended should actual costs exceed estimated costs. A work plan schedule for the EAs will be prepared by BLM and the contractor and attached to this document as an Amendment.
- C. Applicant will be advised as to the nature and extent of all major studies needed to complete the EA.
- D. Applicant agrees to fund and utilize third party assistance contractors to expedite processing the application. Third party assistance contractors may include, but are not limited to, contractors for preparation of NEPA documents, cultural resource inventories, biological inventories and surveys, engineering and design surveys, clerical staff support, NEPA adequacy reviews, resource specialist reviews, persons to aid in assembling the case file record, and compliance inspectors.
- E. BLM shall conduct monthly review of case processing and costs incurred. When BLM determines there are insufficient funds remaining for the next period of planned work, it shall inform the Applicant of the work proposed to be done and

request a further deposit. Deposits must be received prior to BLM incurring costs.

- F. Statements of BLM expenditures shall be furnished to Applicant upon request.
- G. Applicant shall have the right to conduct, at its own expense, reasonable audits of the books, records, and documents of BLM relating to the items on any particular accounting statement provided by BLM. Applicant shall have 90 days after receipt of the statement to raise objections to or dispute any particular entry of cost item.
- H. BLM shall provide full justification of any disputed entry or cost item within 30 days of receipt of the objection or will delete the entry or cost item. If Applicant still objects to the entry or cost item, an appeal to the State Director may be made within 30 days of receipt of BLM justification. The State Director's decision is the final administrative decision.
- I. Reimbursable funds, once obligated by BLM, are not refundable and will not be made refundable by termination of the Project, withdrawal of the Application, or non-issuance of a right-of-way grant.
- J. In accordance with 43 CFR 2804.27(a), if BLM denies the Application, Applicant must reimburse BLM for all costs BLM incurred in processing the Application. If the Applicant withdraws the application, Applicant will reimburse BLM for processing costs incurred by BLM in closing its review of the Application and which cannot reasonably be avoided after BLM receives written notice of withdrawal of the Application.
- K. Nothing herein shall be deemed to require BLM to maintain books, records, or documents other than those usually maintained by them, provided that such books, records, and documents reasonably segregate and identify the costs for which reimbursement is required and comply with generally accepted accounting practices for such documentation.

#### **IV. REQUIREMENTS**

- A. The parties to this MA agree to cooperate during the existence of this MA in the processing and or management of all action associated with Indian Wells Valley Groundwater Authority, application, or grants.
- B. This MA must not be considered by either Party as an indicator that any final approval of the Indian Wells Valley Groundwater Authority project has been reached by the BLM, either approving or rejecting any new projects.

- C. The parties to this MA agree to cooperate during the processing of any geological technical exploration studies, PODs associated with a project, and the terms and condition of the grant associated with a project processed under the MA.
- D. The BLM hereby agrees to only use the funds for the work associated with Indian Wells Valley Groundwater Authority Project as identified within this MA. All work done will be accounted for. The BLM will provide an annual cost accounting to IWVGA, which will be provided by discipline and nature of expenditure how IWVGA's monies were spent. BLM, upon request by Indian Wells Valley Groundwater Authority, will provide up to two additional accounting throughout the fiscal year.
- E. The costs and charges outlined herein are estimated by the BLM; therefore, this agreement and/or the financial plan may need to be adjusted at future date. This adjustment may be at the request of either party to the MA.
- F. Fund balances (if any), from this initial deposit will be carried over to other phases of the project, if the project expands beyond the scope of the geological technical exploration studies for pipeline construction.
- G. Indian Wells Valley Groundwater Authority, or its assigns is required to maintain an MA and cost reimbursable account through the existence of any Grant, which has been authorized. Indian Wells Valley Groundwater Authority, will maintain, at a minimum, a positive balance of \$5,000.00, in the account as agreed to herein. If the account balance falls below, bring the account back to the agreed \$104,298.84 balance.
- H. The BLM hereby determines that the costs and charges calculated under Section V- (Procedures), below reflect fair and reasonable methods for charging Indian Wells Valley Groundwater Authority, for the work being completed on the Indian Wells Valley Groundwater Authority buried Pipeline construction Project, and related projects. The individual Financial Plan for the project will reflect, based on the methods identified under the Cost Analysis, what is believed to be the fair and reasonable costs associated with each project and the related work involved in the processing of a geological technical exploration and right-of-way application(s) plus all work related to the issuance of the grant. This includes site visits, environmental documentation preparation, decisions, grant preparation, and post-grant compliance and monitoring as identified in Section II (General Responsibilities), above.
- I. Indian Wells Valley Groundwater Authority understands that BLM may need to hire from time-to-time temporary detailed employees to fill the gaps in staffing. Indian Wells Valley Groundwater Authority will agree to participate in the funding of such a position, but the BLM must provide a detailed amendment and financial plan identifying the work that will be completed on the project by the detailed employee and the specific benefit to Indian Wells Valley Groundwater Authority, that such funding will be gained.
- J. This MA, or a modified MA, will remain in full force and effect throughout the life of your buried water pipeline development operations, as long as active ROW grants exist on federal lands for current or future development.

## V. COST ANALYSIS

A. This MA currently reflects only what constitutes the BLM's costs based on the nature of the Indian Wells Valley Groundwater Authority's operation and project at the time of this MA. The estimated costs may vary from the actual total cost of Indian Wells Valley Groundwater Authority, as appropriate, with an annual updated audit and cost analysis. The costs of processing any additional applications and the long-term management of the grant, should any be issued, are broken down into three categories and are based on the following criteria.

1. **DIRECT COSTS:** Personnel costs occur in the form of base wages including allowances provided for benefits and leave surcharges. Wages are based on hourly wage and benefit adjustments allowed by law. In addition to wages, other direct costs include, but are not limited to, expenses related to travel, vehicles, including mileage, vehicle rental costs and other appropriate charges related to vehicle use. For Multi-year projects, wages and other direct costs may change and will influence the estimate.

2. **OPERATIONAL COSTS:** These are costs which cannot be specifically identified with the processing of the application, but are considered a cost to the organization. These operational costs have been estimated. Operational costs are for capitalized and non-capitalized equipment which includes, but is not limited to, space rental; telephone services; postage; budget and program development; educational programs; administrative and clerical support; training; safety management; public information; inquiries, reports; cartography and basic series mapping; telecommunications; maintenance equipment and system designs and implementation.

3. **INDIRECT ADMINISTRATIVE COSTS:** Indirect costs are those which cannot be specifically identified with the application. This is an account management surcharge assessed by the National Business Center in Denver, Colorado. This portion of the account is managed from the 20.76% surcharge based on the monies expended from the account. This rate covers the establishing and handling of the cost reimbursement account at the National level. (This rate is subject to change by the National Business Center annually requiring recalculation of the costs associated with this MA.) The indirect costs are subject to change annually. This percentage figure has been developed in accordance with Department of the Interior procedures and represents those administrative and program costs, excluding management overhead, which can be attributed to processing the Application. Indirect costs include a portion of the costs for capitalized and non-capitalized equipment; space rental; telephone services; postage; personnel transfer costs; budget and program development; administrative and clerical support; training; safety management; public information, inquiries and reports; cartography and basic series mapping; aviation management; telecommunications; maintenance of equipment and tools; and systems design and implementation.



B. This document is prepared in compliance with Section 504 (g) of the Federal Lands Policy Management Act of October 21, 1976, 43 U.S.C. 1761, and Title 43 Code of Federal Regulations 2800, which require an applicant for a right-of-way (ROW) to reimburse the United States for all reasonable administrative and other costs incurred in the processing of an application for a ROW, and in the inspection and the monitoring of construction, operation, maintenance and termination of the ROW.

All category 5 and 6 rights-of-way applications and authorizations are subject to appropriate cost recovery fees for processing and monitoring as well as rental fees as required by 43 CFR 2804.14- Processing fees, CFR 2804.18-Provision of the Master Agreement, 43 CFR 2805.12-Terms and Conditions of Grants, 2805.16-Monitoring Fees, and -43 CFR 2806.10-Rental.

**Rent:**

The rental fee for a project area will be based on the total public land acreage of the project area included in the right-of-way grant.

BLM will use the Per Acre Rent Schedule (see paragraph (c) of this section) to calculate rent for all linear right-of-way authorizations, regardless of the granting authority (FLPMA, MLA, and their predecessors). Counties (or other geographical areas) are assigned to an appropriate zone in accordance with §2806.21. The BLM will adjust the per acre rent values in the schedule annually in accordance with CFR §2806.22

(a), and it will revise the schedule at the end of each 10-year period in accordance with §2806.22

(b) The annual per acre rent for all types of linear right-of-way facilities is the product of four factors: The per acre zone value multiplied by the encumbrance factor multiplied by the rate of return multiplied by the annual adjustment factor (see §2806.22(a)).

(c) You may obtain a copy of the current Per Acre Rent Schedule from any BLM State, district, or field office or by writing: U.S. Department of the Interior, Bureau of Land Management, 20 M Street SE., Room 2134LM, Washington, DC 20003. We also post the current rent schedule at <http://www.blm.gov>.

**Bond:** CFR §2805.20-Bonding Requirements.

The BLM requires bonding of all new commercial or non-commercial uses, ROW grants, and land use authorization on public lands, which are not specifically exempt.

The Bond, in a form acceptable to the authorized officer, shall be furnished by the applicant/holder prior to any grant or land use authorization being issued.

BLM will not issue the Right-of-Way Grant until the bond is accepted.

If you hold a grant or lease under this part, you must comply with the following bonding requirements:

(a) The BLM may require that you obtain, or certify that you have obtained, a performance and reclamation bond or other acceptable bond instrument to cover any losses, damages, or injury to human health, the environment, or property in connection with your use and occupancy of the right-of-way, including costs associated with terminating the grant, and to secure all obligations imposed by the by the grant and applicable laws and regulations. If you plan to use hazardous materials in the operation of your grant, you must provide a bond that covers liability for damages or injuries resulting from releases or discharges of hazardous materials. The BLM will periodically review your bond for adequacy and may require a new bond, an increase or decrease in the value of an existing bond, or other acceptable security at any time during the term of the grant or lease.

(1) The BLM must be listed as an additionally named insured on the bond instrument if a State regulatory authority requires a bond to cover some portion of environmental liabilities, such as hazardous material damages or releases, reclamation, or other requirements for the project. The bond must:

(i) Be redeemable by the BLM.

(ii) Be held or approved by a State agency for the same reclamation requirements as specified by our right-of-way authorization; and

(iii) Provide the same or greater financial guarantee that we require for the portion of environmental liabilities covered by the State's bond.

(2) *Bond acceptance.* The BLM authorized officer must review and approve all bonds, including any State bonds, prior to acceptance, and at the time of any right-of-way assignment, amendment, or renewal.

(3) *Bond amount.* Unless you hold a solar or wind energy lease under subpart 2809, the bond amount will be determined based on the preparation of a Reclamation Cost Estimate (RCE), which the BLM requires you to prepare and submit. The estimate must include our cost to administer a reclamation contract and will be reviewed periodically for adequacy. The BLM may also consider other factors, such as salvage value, when determining the bond amount.

(4) You must post a bond on or before the deadline that we give you.

(5) Bond components that must be addressed when determining the RCE amount include, but are not limited to:

(i) Environmental liabilities such as use of hazardous materials waste and hazardous substances, herbicide use, the use of petroleum-based fluids, and dust control or soil stabilization materials;

(ii) The decommissioning, removal, and proper disposal, as appropriate, of any improvements and facilities; and

(iii) Interim and final reclamation, re-vegetation, recontouring, and soil stabilization. This component must address the potential for flood events and downstream sedimentation from the site that may result in offsite impacts.

(6) You may ask us to accept a replacement performance and reclamation bond at any time after the approval of the initial bond. We will review the replacement bond for adequacy. A surety company is not released from obligations that accrued while the surety bond was in effect unless the replacement bond covers those obligations to our satisfaction.

(7) You must notify us that reclamation has occurred, and you may request that the BLM reevaluate your bond. If we determine that you have completed reclamation, we may release all or part of your bond.

(8) If you hold a grant, you are still liable under §2807.12 if:

(i) We release all or part of your bond;

(ii) The bond amount does not cover the cost of reclamation; or

(iii) There is no bond in place.

4. **DEPOSIT:** Based on the criteria set forth within this MA, BLM requires a deposit of (contingent of the RCE). As listed in the Table of Cost Estimate to this MA, Exhibit B. The financial plan is for the cost associated with the account set up and the estimate of the costs associated with the Processing of the application (s) for Geotechnical Testing, ROW application processing, and Environmental Assessment for the Indian Wells Valley Groundwater Authority Project.

## **VI. MODIFICATION OR TERMINATION**

A. This MA may be amended, supplemented, or modified only by a written agreement signed by the parties.

B. This MA will terminate at such time when it is superseded by a subsequent agreement; or the termination of your application; or the termination of grants issued to Indian Wells Valley Groundwater Authority.

## **VII. AUTHORIZATION**

IN WITNESS WHEREOF, the undersigned parties agree that the terms of this MA outlining estimated costs and charges for the environmental analysis, fieldwork, administrative and all other associated expenditures outlined herein are considered to be fair and reasonable. Further, the undersigned parties understand that modifications can be made to this MA at the request of either party, but must be agreed to by both parties. Once signed, this MA will expire or terminate only by the terms set forth within this document.

## **VIII. TERMINATION**

- A. Any party to this MA may terminate the same upon 30 days written notice to the other party. During the 30 day period, the parties will actively attempt to resolve any disagreement.
- B. In the event of termination of the MA and if the preparation of an EA is still required, it is agreed as follows:
  - 1. BLM shall have access to all documentation, reports, analyses, and data developed by the Applicant and contractor.
  - 2. Liability to the contractor for termination shall be in accordance with Section IV. B.

## **IX. MISCELLANEOUS**

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this agreement, or to any benefit arising from it. However, this clause does not apply to the agreement to the extent that it is made with a corporation for the corporation's general benefit.

**ATTACHMENT 1  
LABOR AND INDIRECT COST**



# FINANCIAL PLAN

## INDIAN WELLS GROUND WATER

### 20 or 24 inch Burried Water Line

#### DIRECT COST

#### LABOR

Bureau of Land Management Staff	Hours	Labor Cost	SUBTOTAL
Field Manager	40	\$ 111.34	\$ 4,453.60
Assistant Field Manger	40	\$ 92.66	\$ 3,706.40
Realty Specialist	200	\$ 84.63	\$ 16,926.00
Realty Specialist-VRM	100	\$ 63.11	\$ 6,311.00
Planing and Envromental Planner	150	\$ 69.25	\$ 10,387.50
Cultural Resources	200	\$ 74.92	\$ 14,984.00
Geologist	40	\$ 64.50	\$ 2,580.00
Biologist/Wildlife	100	\$ 41.01	\$ 4,101.00
Natural Resource Specialist, air, water, and soils.	100	\$ 54.02	\$ 5,402.00
Range	80	\$ 70.76	\$ 5,660.80
Recreation	40	\$ 83.73	\$ 3,349.20
Range Land Management Splecialist	40	\$ 83.78	\$ 3,351.20
Business Support Assistant	40	\$ 31.69	\$ 1,267.60
<b>ESTIMATED SUBTOTAL</b>			\$ 82,480.30
<b>ESTIMATED SUBTOTAL NOC 21.10%</b>			\$ 17,403.34
<b>TOTAL</b>			\$ 99,883.64

	INDIRECT COST		
Travel/Vehicle			1,500.00
Miscellanious Cost			500
Sub Total			2,000.00
estimated Indirect Cost	20.76%		415.20
Total Estamated indirect Cost			4,415.20
Total Direct and Indirect Cost Estimate			\$ 104,298.84

ATTACHMENT 2  
BOND AMOUNT DETERMINATION,  
RECORD KEEPING AND REVIEW

## Attachment 2 - Bond Amount Determination, Recordkeeping, and Review

### *Bond Amount Determination:*

As authorized in 43 C.F.R. 2805.20(a)(3), the BLM authorized officer shall require the applicant/holder to furnish a reclamation cost estimate (RCE) for review and approval by the authorized officer, estimating all the costs (see Attachment 3 for template) necessary to fulfill the terms and conditions of the grant or land use authorizations in the event that the holder is unable. The RCE estimate shall be prepared by an individual, or team, with the knowledge, skills, and expertise in reclamation and the general costs associated with phases of reclamation. The individual/team preparing the RCE may be on the proponent's staff or may be a third party. A BLM authorized officer may require a BLM individual or team with similar knowledge, skills and expertise review the RCE prior to approval.

Depending on the grant or land use authorization, the bond shall cover the construction, operation, maintenance, and termination/reclamation of the grant or land use authorization, and thus, the estimate would include the reclamation costs to cover everything over the life of the grant or land use authorization. The bond estimate also shall include, but is not limited to: information such as direct and indirect administrative costs, equipment rental, contracting, monitoring, and reclamation costs, as well as the Davis-Bacon and Related Acts requirement to pay locally prevailing wages potentially incurred by the BLM.

The BLM will recommend that the applicant/holder use the RCE template provided in Attachment 3, noting its use will expedite the BLM authorized officer's bonding review. Costs estimated for the BLM to administer a reclamation contract and inspect and monitor the reclamation activities should be commensurate with the complexity necessary to fully reclaim by returning the land back its original condition. This cost may be a percentage-based determination by the BLM which is added to the RCE as part of its bond amount determination. The RCE, along with inflationary estimates, shall be the basis for the bond amount and shall remain in effect for 5 years unless the authorized officer determines that conditions warrant a review of the bond sooner. The forecasted inflationary rate is found in the "fiscal year tab, row 32" of the Congressional Budget Office economic projections at <https://www.cbo.gov/sites/default/files/recurringdata/51135-2017-06-economicprojections2.xlsx>.

All costs of preparing and submitting the RCE shall be borne solely by the applicant/holder.

Certain circumstances may dictate different approaches to estimating the amount of a bond. For rights-of-way (ROW) for roads with multiple users, there are two options: 1) All holders of the road ROW would sign a road maintenance agreement and submit the agreement to the BLM. The multiple user group designated lead for the road maintenance agreement will submit the RCE to the BLM for review. The BLM will then determine the bond amount for each user from the RCE and the percentages in the road maintenance agreement. When a new grant, amendment or relinquishment is approved, the maintenance agreement will need to be updated and the RCE may need to be resubmitted (depending on the age of the RCE) and new bonds will need to be submitted; or 2) All users will obtain bonds to cover the terms and conditions of their grant or land use authorization.

If the proposed grant or land use authorization would not allow any surface disturbance on the public land (e.g., powerline corner crossing) or if the preparation cost of the RCE would be a hardship for the applicant/holder, the BLM staff in the District and Field Offices may help with completion of the RCE. Where the proponent requests the BLM to assist or prepare the RCE, the cost for assistance or preparation must be included in the cost recovery estimate.

The BLM issued policy and guidance for determining bonding requirements under 43 CFR 3809 for mining operations on the public lands (IM 2009-153, dated June 19, 2009) that provides detailed information about the process for determining the appropriate financial guarantees for intensive land uses on the public lands. This guidance should be used to assist in calculating the bond amount for grants on public lands. Attachment 1 to IM 2009-153, "Guidelines for Reviewing Reclamation Cost Estimates," can be used as a guideline to assist in reviewing RCEs. While realty staff has the responsibility of reviewing the RCEs, the engineering staff in the District and Field Offices should assist with review of the RCEs for adequacy, as needed.

Where a holder has multiple authorizations consolidated into a single bond, management is specified as follows:

- Local consolidated bonds are to be addressed by the authorized officer;
- Intrastate (BLM State Office jurisdiction) consolidated bonds are to be addressed by the appropriate BLM State Office; and
- Interstate consolidation of bonds must be developed through coordination between the affected State Offices, with the State Office having the bulk of the bond value being the lead State Office.

As required by 43 C.F.R. 2805.20(a)(5), the RCEs must consist of three components of financial liability in order for the BLM to make a determination of the bond amount. Each component may individually or jointly contribute to a significant bond amount. The three required components of the RCE are:

1. Environmental liabilities including hazardous materials liabilities, such as securing, removal, or use of hazardous waste and hazardous substances. This component may also account for herbicide use, petroleum-based fluids, and dust control or soil stabilization materials.
2. The decommissioning, removal, and proper disposal, as appropriate, of improvements and facilities.
3. Interim and final reclamation, revegetation, restoration, and soil stabilization. This will be determined based on the amount of vegetation retained onsite and the potential for flood events and downstream sedimentation from the site that may result in offsite impacts.

In addition, the RCE shall include consideration for restoring or protecting all survey monuments, witness corners, reference monuments, bearing trees, and line trees against unnecessary or undue destruction, obliteration, or damage.

The performance and reclamation bond will be a single instrument to cover all potential liabilities. The entire bond amount could be used to address a single risk event such as

hazardous materials release or groundwater contamination regardless of the fact that in calculating the total bond amount other risks were also considered. If the bond is used to address a particular risk, the holder would then be required to increase the bond amount to compensate for this use. This approach to establishing a bond is preferable to one allowing holders to maintain separate bonds for each contingency. If separate bonds are held, an underestimation of one type of liability may leave the BLM responsible for making up the difference, as the funds associated with one bond may not be applicable for the purposes of another. Where the holder is in good financial standing and has not had a bond default or bankruptcy within the previous seven years, the bond reduction of up to 15% incentivizes the holder to consolidate multiple bonds, thereby reducing the BLM's overall administrative costs.

The RCEs will be calculated as if there were no such salvage value for structures, equipment, or materials since these are generally based upon a transient market value for commodities. The BLM will inform the applicant/holder that they may provide an addendum to the RCE if the salvage and recycling value for the structures, equipment, or materials can be detailed. Such an addendum must include current local market information and be readily available for BLM review and consideration in making its bond determination. The BLM, however, will only include an addendum for salvage values in the bond determination with adequate third-party documentation and justification for salvage or considering special circumstances, such as State mandates to recycle and salvage project materials.

The BLM shall require the applicant/holder to submit the RCE in a standardized electronic format (Excel is preferred) that the BLM can easily update with current costs in future reviews. A template for the bond estimate is attached (Attachment 3).

Based on a review of the RCE, the BLM authorized officer must provide the applicant/holder with a written letter as to the amount required for the performance and reclamation bond. The offer letter will include the bond determination. For those ROW and land use authorization decisions that include a Notice to Proceed (NTP) requirement, the authorized officer will send a bond determination letter prior to the NTP approval. For amendments, assignments, or partial relinquishments, the authorized officer will send a bond determination letter prior to approval of the assignment or partial relinquishment. The authorized officer may require the holder to submit a new estimate at any time during the term of the grant. The bond, in a form acceptable to the authorized officer, shall be furnished by the applicant/holder prior to any grant or decision being issued. If the authorized officer determines that the bond furnished under this authorization is insufficient for covering potential reclamation costs, at any time, the authorized officer may demand that the holder furnish a new bond (i.e., up to 100 percent of the bond amount calculated in the RCE) to the authorized officer within 30 days.

The authorized officer must adequately document the bond determination letters in the case file, which should be supported by an RCE provided by the applicant/holder. As noted above, the authorized officer's determination of the amount of the performance and reclamation bond will be based on the RCE. The authorized officer also must properly document additional administrative and other such costs and retain such information in the case file to be included in the final bond determination. The official case file will have a section that fully documents the RCE for the grant or land use authorization. The BLM's authorized officer shall review the



RCE, which will serve as the basis for the final bond determination. The authorized officer, or designees, shall be responsible for communications with the applicant/holder regarding the bonding requirements for the grant or land use authorization, and records related to the bond instruments provided by the applicant/holder.

Bond determinations must also consider compliance with State standards for public health and safety, environmental protection, survey monument protection, construction, operation and maintenance of a grant or land use authorization. Consideration must be made when the State standards are more stringent and are consistent with the applicable Federal standard. If a State regulatory authority requires a bond to cover some portion of the environmental liabilities or other requirements for the grant or land use authorization, the BLM must be listed as an additional named insured on the bond instrument and this documentation must be included in the case file. This inclusion would suffice to cover the BLM's exposure should the holder default in any environmental liability listed in the respective State bond.

The bond, in a form acceptable to the authorized officer, shall be furnished by the applicant/holder prior to any grant or land use authorization being issued.

Bonds for film permits should only be required when the land involved in a filming permit will need to be reclaimed or cleaned up after completion of the filming project. A certificate of liability insurance for not less than \$1 million should be provided to the BLM prior to issuance of most commercial filming permits. The *Bureau of Land Management* must be named as an additional insured party on the policy as well as the statement pertaining to cancellation as stated above.

#### *Bond Recordkeeping:*

The LR2000 and the Bond and Surety System (B&SS) are the BLM's national and local data systems used to track information for grants and land use authorizations, including the status of performance and reclamation bonds. It is critically important that all managers and staff place a high priority on timely and accurate data entry. Update of information in LR2000 and the B&SS shall be consistent with current data standards for both systems. All authorization data entry into the LR2000 and the B&SS shall occur within 10 business days of the action.

The Washington Office has worked with the National Operation Center to develop a new action code in LR2000 to track the bonding determinations. The new code will be available for use by January 1, 2018. The new action code is 384 – BOND NOT REQUIRED and the definition will be disseminated to the BLM once it is established, and must be used to track bonding determinations starting on January 1, 2018. Additionally the action code 300 – BOND REQUIRED has been modified for use under case types 2800 and 2920.

#### *Bond Review:*

Each year the BLM District Offices will coordinate field office reviews of at least 20 percent of the RCEs and bonds for grants within their administrative boundaries that are less than five years of age for bond adequacy. These reviews will prioritize higher risk projects that involve greater

land disturbance acreage, projects with a history of incidents of noncompliance, projects with abandoned or disabled equipment, or projects that may have potential environmental liabilities associated with use of hazardous materials and substances, hazardous waste, or herbicides.

Each bond and RCE must be reviewed at least once every five years, regardless of its review priority. These reviews should be completed throughout the fiscal year to moderate workload impacts. The reviews should be completed and documented in each case file within 90 days of the end of each fiscal year. For any authorization determined to have an inadequate RCE, the appropriate BLM field office will issue a letter to the grant holder requesting that it provide an updated RCE within 90 days of the date of the letter.

ATTACHMENT 3  
RECLAMATION COST ESTIMATE

RECLAMATION CONSTRUCTION COST - BID ESTIMATE SHEET  
**For ROW Grants, Leases & Permits**

**PROJECT DESCRIPTION**

PROVIDE A DETAILED DESCRIPTION/STATEMENT OF WORK (S.O.W.)

Project S.O.W.  
 Location, i.e. latitude and longitude, and if in the rectangular survey system, the bearing and distance to the immediate adjacent section lines, as well as physical description and directions to the site. Describe its accessibility. Typical weather conditions when the work will be performed, i.e. mostly dry or must be performed in winter when ground is frozen. Describe type of work to be performed, dimensions of structures, acres of disturbance, i.e. remove 3 strand barb wire fence, roll wire for disposal, remove all fence posts and fill holes with sand, dispose of all metal and wooden posts. Remove 3 cattle guards, minor recontouring, fill holes, re-spread topsoil, seed and fertilize with crimping method. Cattle guards shall become property of contractor. Restore existing two track road by scarifying and reseeded. No deep excavation. No rock excavation. Only previously disturbed areas will be disturbed and re-vegetated.

**ITEM**

ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
<b>Roads/Highways</b>					
1	Clearing and Grubbing	AC			
2	Surface Restoration (gravel pads and roads)	AC			
3	Surface Restoration ("two track" roads & pipelines)	AC			
4	Cattle Guard Removal	EA			
5	Culvert Removal	EA			
6	Bridge Removal	EA			
7	Unclassified Excavation	CY			
8	Topsol Placing (6" deep)	AC			
9	Seeding	AC			
10	Fertilizer	AC			
11	Dry Mulch	AC			
12	Road Maintenance	MI			
13	Add other items as necessary				

CONSTRUCTION  
 SUBTOTAL

Mobilization/Demobilization  
 (Mob/Demob) 10%

**CONSTRUCTION BID  
 ESTIMATE TOTAL**

The following are costs BLM would incur on Federal Construction Contracts and must be figured and added to the RCE Deconstruction Total Cost Estimate for the Bond Total

Engineering Costs (ED&C)	4% - 8%
Contingency	4% - 10%
Insurance	1.5%
Bond	3.0%
Contractor Profit	10.0%
BLM Administration Cost	6% - 10% 23.4% (FY2017 rate)
BLM Indirect Cost	

BLM requires the RCE to estimate the value to contract an ED&C at 4 to 8% of the DOM Costs, as follows: < or = \$1 million, use 8%; over \$1 million to \$25 million, use 6%; and over \$25 million, use 4%.

BLM requires that the contingency be estimated using 4 to 10% of the DOM, as follows: < or = \$500,000, use 10%; over \$500,000 to \$5 million, use 8%; over \$5 million to \$50 million, use 6%; and over \$50 million, use 4%

Federal construction contracts exceeding \$100,000 require a performance and payment bond. This value is 3% of the Deconstruction Operational & Maintenance (DOM) Costs for all contracts.

As per BLM requirements, contractor profit of 10% of DOM was added as a separate line item

Ranges from 6 to 10% of Deconstruction Operational & Maintenance (DOM) Costs as follows: < or = to \$1 million, use 10%; over \$1 million to \$25 million, use 8%; and over \$25 million, use 6%

Indirect cost rate is subject to change annually. Contact FO for current indirect cost rate. The indirect rate is figured on the BLM Administration Cost (BLM Admin Cost x BLM Indirect Cost)

**BOND TOTAL  
 (RECOMMENDED)**

Prepared By:

Date:

RECLAMATION CONSTRUCTION COST - BID ESTIMATE SHEET  
**For ROW Grants, Leases & Permits**

**PROJECT DESCRIPTION**

PROVIDE A DETAILED DESCRIPTION/STATEMENT OF WORK

Project S.O.W.  
 Location, i.e. latitude and longitude, and if in the rectangular survey system, the bearing and distance to the immediate adjacent section lines, as well as physical description how to get to it. Describe its accessibility. Typical weather conditions when the work will be performed, i.e. mostly dry or must be performed in winter when ground is frozen. Describe type of work to be performed, dimensions of structures, acres of disturbance, i.e. remove 3 strand barb wire fence, roll wire for disposal, remove all fence posts and fill holes with sand, dispose of all metal and wooden posts. Remove 3 cattle guards, minor recontouring, fill holes, re-spread topsoil, seed and fertilize with crimping method. Cattle guards shall become property of contractor. Restore existing two track road by scarifying and reseeding. No deep excavation. No rock excavation. Only previously disturbed areas will be disturbed and re-vegetated.

ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
<b>Pipelines</b>					
1	Small Valve Vault Removal	EA			
2	Small Pipeline Vent Removal	EA			
3	Pipeline Drip Removal	EA			
4	Pipeline Stubout Pipe Removal	EA			
5	Pipeline Manifold Pipe Removal	EA			
6	Manhole Removal	EA			
7	Surface Restoration (gravel pads and roads)	AC			
8	Surface Restoration ("two track" roads & pipelines)	AC			
9	Seeding	AC			
10	Fertilizer	AC			
11	Dry Mulch	AC			
12	Pond Removal (detention diameter, with nitrogen)	CY			
14	(inert gas)	Mile			Also use for surface pipelines
15	Cut and Cap Metal Pipe (up to 12" diameter) remove and replace 6" diameter steel pipe,	Ea			
16	Dump Fees (Building Construction Materials - Loading Waste/Demo Material with front end Haul Cost (trucking) for transport of Waste/Demo	CLF Ton CY			Use for surface pipelines
17	Welded Connections, 4" diameter, no haul	LF			Use for surface pipelines
18	Material with front end Haul Cost (trucking) for transport of Waste/Demo	Mile			Use for surface pipelines
19	Welded Connections, 4" diameter, no haul	LF			Use for surface pipelines
20	Welded Connections, 4" diameter, no haul	LF			Use for surface pipelines
21	Add other items as necessary				
<b>CONSTRUCTION SUBTOTAL</b>					
	Mob/Demob	10%			
<b>CONSTRUCTION BID ESTIMATE TOTAL</b>					



**The following are costs BLM would incur on Federal Construction Contracts and must be figured and added to the RCE Deconstruction Total Cost Estimate for the Bond Total**

Engineering Costs (ED&C)	4% - 8%
Contingency	4% - 10%
Insurance	1.5%
Bond	3.0%
Contractor Profit	10.0%
BLM Administration Cost	6% - 10%
	23.4%
	(FY2017
BLM Indirect Cost	rate)

BLM requires the RCE to estimate the value to contract an ED&C at 4 to 8% of the DOM Costs, as follows: < or = \$1 million, use 8%; over \$1 million to \$25 million, use 6%; and over \$25 million, use 4%.

BLM requires that the contingency be estimated using 4 to 10% of the DOM, as follows: < or = \$500,000, use 10%; over \$500,000 to \$5 million, use 8%; over \$5 million to \$50 million, use 6%; and over \$50 million, use 4%

Federal construction contracts exceeding \$100,000 require a performance and payment bond. This value is 3% of the Deconstruction Operational & Maintenance (DOM) Costs for all contracts.

As per BLM requirements, contractor profit of 10% of DOM was added as a separate line item

Ranges from 6 to 10% of Deconstruction Operational & Maintenance (DOM) Costs as follows: < or = \$1 million, use 10%; over \$1 million to \$25 million, use 8%; and over \$25 million, use 6%

Indirect cost rate is subject to change annually. Contact FO for current indirect cost rate. The indirect rate is figured on the BLM Administration Cost (BLM Admin Cost x BLM Indirect Cost)

**BOND TOTAL  
(RECOMMENDED)**

Prepared By:

Date:

RECLAMATION CONSTRUCTION COST - BID ESTIMATE SHEET  
**For ROW Grants, Leases & Permits**

**PROJECT DESCRIPTION**

PROVIDE A DETAILED DESCRIPTION/STATEMENT OF WORK

Project S.O.W.  
 Location, i.e. latitude and longitude, and if in the rectangular survey system, the bearing and distance to the immediate adjacent section lines, as well as physical description how to get to it. Describe its accessibility. Typical weather conditions when the work will be performed, i.e. mostly dry or must be performed in winter when ground is frozen. Describe type of work to be performed, dimensions of structures, acres of disturbance, i.e. remove 3 strand barb wire fence, roll wire for disposal, remove all fence posts and fill holes with sand, dispose of all metal and wooden posts. Remove 3 cattle guards, minor recontouring, fill holes, re-spread topsoil, seed and fertilize with crimping method. Cattle guards shall become property of contractor. Restore existing two track road by scarifying and reseeding. No deep excavation. No rock excavation. Only previously disturbed areas will be disturbed and re-vegetated.

ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
<b>Compressor Stations, Gas Plants</b>					
1	Foundation Removal (concrete)	CY			
2	Building Demolition	CF			
3	Fence Removal (up to 5 strand, incl posts)	LF			
4	Surface Restoration (gravel pads and roads)	AC			
5	Surface Restoration ("two track" roads & pipelines)	AC			
6	Cattle Guard Removal	EA			
7	Unclassified Excavation	CY			
8	Topsol Placing (6" deep)	AC			
9	Seeding	AC			
10	Fertilizer	AC			
11	Dry Mulch	AC			
12	OH Power Removal	MI			
13	Transformer removal	EA			
14	Small Valve Vault Removal	EA			
15	Small Pipeline Vent Removal	EA			
16	Pipeline Drip Removal	EA			
17	Pipeline Stubout Pipe Removal	EA			
18	Pipeline Manifold Pipe Removal	EA			
19	Maintenance	LS			
20	Add other items as necessary				

CONSTRUCTION SUBTOTAL

Mob/Demob 10%

**CONSTRUCTION BID ESTIMATE TOTAL**

The following are costs BLM would incur on Federal Construction Contracts and must be figured and added to the RCE Deconstruction Total Cost Estimate for the Bond Total

Engineering Costs (ED&C)	4% - 8%
Contingency	4% - 10%
Insurance	1.5%
Bond	3.0%
Contractor Profit	10.0%
BLM Administration Cost	6% - 10%
	23.4%
BLM Indirect Cost	(FY2017 rate)

BLM requires the RCE to estimate the value to contract an ED&C at 4 to 8% of the DOM Costs, as follows: < or = \$1 million, use 8%; over \$1 million to \$25 million, use 6%; and over \$25 million, use 4%.

BLM requires that the contingency be estimated using 4 to 10% of the DOM, as follows: < or = \$500,000, use 10%; over \$500,000 to \$5 million, use 8%; over \$5 million to \$50 million, use 6%; and over \$50 million, use 4%

Federal construction contracts exceeding \$100,000 require a performance and payment bond. This value is 3% of the Deconstruction Operational & Maintenance (DOM) Costs for all contracts.

As per BLM requirements, contractor profit of 10% of DOM was added as a separate line item

Ranges from 6 to 10% of Deconstruction Operational & Maintenance (DOM) Costs as follows: < or = to \$1 million, use 10%; over \$1 million to \$25 million, use 8%; and over \$25 million, use 6%

Indirect cost rate is subject to change annually. Contact FO for current indirect cost rate. The indirect rate is figured on the BLM Administration Cost (BLM Admin Cost x BLM Indirect Cost)

**BOND TOTAL (RECOMMENDED)**

Prepared By:  
 Date:

RECLAMATION CONSTRUCTION COST - BID ESTIMATE SHEET

**For ROW Grants, Leases & Permits**

**PROJECT DESCRIPTION**

PROVIDE A DETAILED DESCRIPTION/STATEMENT OF WORK

Project S.O.W.  
 Location, i.e. latitude and longitude, and if in the rectangular survey system, the bearing and distance to the immediate adjacent section lines, as well as physical description how to get to it. Describe its accessibility. Typical weather conditions when the work will be performed, i.e. mostly dry or must be performed in winter when ground is frozen. Describe type of work to be performed, dimensions of structures, acres of disturbance, i.e. remove 3 strand barb wire fence, roll wire for disposal, remove all fence posts and fill holes with sand, dispose of all metal and wooden posts. Remove 3 cattle guards, minor recontouring, fill holes, re-spread topsoil, seed and fertilize with crimping method. Cattle guards shall become property of contractor. Restore existing two track road by scarifying and reseeding. No deep excavation. No rock excavation. Only previously disturbed areas will be disturbed and re-vegetated.

ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
	<b>Communication Site, Telemetry Towers</b>				
1	Selective Demolition, Radio Tower	EA			
2	Building Demolition	CF			
3	Foundation Removal (concrete)	CY			
4	Fence Removal (up to 5 strand, incl posts)	LF			
5	Surface Restoration (gravel pads and roads)	AC			
6	Surface Restoration ("two track" roads & pipelines)	AC			
7	Cattle Guard Removal	EA			
8	Unclassified Excavation	CY			
9	Topsol Placing (6" deep)	AC			
10	Seeding	AC			
11	Fertilizer	AC			
12	Dry Mulch	AC			
13	Maintenance	LS			
14	Add other items as necessary				

CONSTRUCTION SUBTOTAL

Mob/Demob 10%

**CONSTRUCTION BID ESTIMATE**

**TOTAL**

The following are costs BLM would incur on Federal Construction Contracts and must be figured and added to the RCE Deconstruction Total Cost Estimate for the Bond Total

Engineering Costs (ED&C)	4% - 8%
Contingency	4% - 10%
Insurance	1.5%
Bond	3.0%
Contractor Profit	10.0%
BLM Administration Cost	6% - 10%
BLM Indirect Cost	23.4% (FY2017 rate)

BLM requires the RCE to estimate the value to contract an ED&C at 4 to 8% of the DOM Costs, as follows: < or = \$1 million, use 8%; over \$1 million to \$25 million, use 6%; and over \$25 million, use 4%.

BLM requires that the contingency be estimated using 4 to 10% of the DOM, as follows: < or = \$500,000, use 10%; over \$500,000 to \$5 million, use 8%; over \$5 million to \$50 million, use 6%; and over \$50 million, use 4%

Federal construction contracts exceeding \$100,000 require a performance and payment bond. This value is 3% of the Deconstruction Operational & Maintenance (DOM) Costs for all contracts.

As per BLM requirements, contractor profit of 10% of DOM was added as a separate line item

Ranges from 6 to 10% of Deconstruction Operational & Maintenance (DOM) Costs as follows: < or = \$1 million, use 10%; over \$1 million to \$25 million, use 8%; and over \$25 million, use 6%

Indirect cost rate is subject to change annually. Contact FO for current indirect cost rate. The indirect rate is figured on the BLM Administration Cost (BLM Admin Cost x BLM Indirect Cost)

**BOND TOTAL (RECOMMENDED)**

Prepared By:  
Date:

## RECLAMATION CONSTRUCTION COST - BID ESTIMATE SHEET

**For ROW Grants, Leases & Permits****PROJECT DESCRIPTION**

PROVIDE A DETAILED DESCRIPTION/STATEMENT OF WORK

Project S.O.W.

Location, i.e. latitude and longitude, and if in the rectangular survey system, the bearing and distance to the immediate adjacent section lines, as well as physical description how to get to it. Describe its accessibility. Typical weather conditions when the work will be performed, i.e. mostly dry or must be performed in winter when ground is frozen. Describe type of work to be performed, dimensions of structures, acres of disturbance, i.e. remove 3 strand barb wire fence, roll wire for disposal, remove all fence posts and fill holes with sand, dispose of all metal and wooden posts. Remove 3 cattle guards, minor recontouring, fill holes, re-spread topsoil, seed and fertilize with crimping method. Cattle guards shall become property of contractor. Restore existing two track road by scarifying and reseeded. No deep excavation. No rock excavation. Only previously disturbed areas will be disturbed and re-vegetated.

ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
	<b>Power/Transmission Line</b>				
1	OH Power Removal (Single Pole Powerlines) Unit: MI = Miles	MI			Use for Transmission Lines
2	OH Power Removal (Double Pole Powerlines) Unit: MI = Miles	MI			Use for Transmission Lines
3	Utility Pole & Cross Arm Demolition (utility poles, wood, 35'-45' high)	EA			Use for distribution Lines
4	Transformer Removal (dry type, primary, 3 phase, to 600V, 750 kVA electrical demolition, remove, including removal of supports, wire & conduit terminations)	EA			
5	Substation Removal	EA			
6	Power and Utility Line Removal from Conduit (conduit to remain in place)(1/0 to 4/0 THW-THWN-THHN Wire)	LF			
7	Power and utility line removal from conduit (conduit to remain in place)(#8 to #2 THW-THWN-THHN Wire)	LF			
8	Foundation Removal (concrete)	CY			
9	Fence Removal (up to 5 strand, incl posts)	LF			
10	Surface Restoration (gravel pads and roads)	AC			
11	Surface Restoration ("two track" roads & pipelines)	AC			
12	Crushed Base	CY			
13	Seeding	AC			
14	Fertilizer	AC			
15	Dry Mulch	AC			
16	Maintenance	LS			
	Dump Fees (Building Construction Materials - typical urban city, includes tipping fees only)	Ton			
17	Haul Cost (trucking) for transport of Waste/Demo Materials to off site landfill or disposal site, assume dump trailer haul 16.5 cy, 50 mile round trip haul	CY			
18					
19	Add other items as necessary				
	<b>CONSTRUCTION SUBTOTAL</b>				
	Mob/Demob		10%		

**CONSTRUCTION BID ESTIMATE  
TOTAL**

**The following are costs BLM would incur on Federal Construction Contracts and must be figured and added to the RCE Deconstruction Total Cost Estimate for the Bond Total**

Engineering Costs (ED&C)	4% - 8%
Contingency	4% - 10%
Insurance	1.5%
Bond	3.0%
Contractor Profit	10.0%
BLM Administration Cost	6% - 10%
	23.4%
BLM Indirect Cost	(FY2017 rate)

BLM requires the RCE to estimate the value to contract an ED&C at 4 to 8% of the DOM Costs, as follows: < or = \$1 million, use 8%; over \$1 million to \$25 million, use 6%; and over \$25 million, use 4%.

BLM requires that the contingency be estimated using 4 to 10% of the DOM, as follows: < or = \$500,000, use 10%; over \$500,000 to \$5 million, use 8%; over \$5 million to \$50 million, use 6%; and over \$50 million, use 4%

Federal construction contracts exceeding \$100,000 require a performance and payment bond. This value is 3% of the Deconstruction Operational & Maintenance (DOM) Costs for all contracts.

As per BLM requirements, contractor profit of 10% of DOM was added as a separate line item

Ranges from 6 to 10% of Deconstruction Operational & Maintenance (DOM) Costs as follows: < or = to \$1 million, use 10%; over \$1 million to \$25 million, use 8%; and over \$25 million, use 6%

Indirect cost rate is subject to change annually. Contact FO for current indirect cost rate. The indirect rate is figured on the BLM Administration Cost (BLM Admin Cost x BLM Indirect Cost)

**BOND TOTAL  
(RECOMMENDED)**

Prepared By:  
Date:



**For ROW Grants, Leases & Permits**

**PROJECT DESCRIPTION**

PROVIDE A DETAILED DESCRIPTION/STATEMENT OF WORK

Project S.O.W.  
 Location, i.e. latitude and longitude, and if in the rectangular survey system, the bearing and distance to the immediate adjacent section lines, as well as physical description how to get to it. Describe its accessibility. Typical weather conditions when the work will be performed, i.e. mostly dry or must be performed in winter when ground is frozen. Describe type of work to be performed, dimensions of structures, acres of disturbance, i.e. remove 3 strand barb wire fence, roll wire for disposal, remove all fence posts and fill holes with sand, dispose of all metal and wooden posts. Remove 3 cattle guards, minor recontouring, fill holes, re-spread topsoil, seed and fertilize with crimping method. Cattle guards shall become property of contractor. Restore existing two track road by scarifying and reseeding. No deep excavation. No rock excavation. Only previously disturbed areas will be disturbed and re-vegetated.

ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
	<b>Fiber Optic Lines</b>				
1	Surface Restoration (gravel pads and roads)	AC			
	Surface Restoration ("two track" roads & pipelines)	AC			
2	Building Demolition	CF			
3	Foundation Removal (concrete)	CY			
4	Seeding	AC			
5	Fertilizer	AC			
6	Dry Mulch	AC			
7	Maintenance	LS			
8	Add other items as necessary				
9					
<b>CONSTRUCTION SUBTOTAL</b>					
	Mob/Demob		10%		

**CONSTRUCTION BID ESTIMATE TOTAL**

The following are costs BLM would incur on Federal Construction Contracts and must be figured and added to the RCE Deconstruction Total Cost Estimate for the Bond Total

Engineering Costs (ED&C)	4% - 8%
Contingency	4% - 10%
Insurance	1.5%
Bond	3.0%
Contractor Profit	10.0%
BLM Administration Cost	6% - 10%
BLM Indirect Cost	23.4% (FY2017 rate)

BLM requires the RCE to estimate the value to contract an ED&C at 4 to 8% of the DOM Costs, as follows: < or = \$1 million, use 8%; over \$1 million to \$25 million, use 6%; and over \$25 million, use 4%.  
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**BOND TOTAL (RECOMMENDED)**

Prepared By:  
Date:

**RECLAMATION CONSTRUCTION COST - BID ESTIMATE SHEET**  
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ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
	<b>Telephone Lines (Above Ground or Buried)</b>				
1	OH Power Removal	MI			
2	Foundation Removal (concrete)	CY			
3	Surface Restoration (gravel pads and roads)	AC			
4	Surface Restoration ("two track" roads & pipelines)	AC			
5	Seeding	AC			
6	Fertilizer	AC			
7	Dry Mulch	AC			
8	Maintenance	LS			
9	Add other items as necessary				

CONSTRUCTION SUBTOTAL

Mob/Demob 10%

**CONSTRUCTION BID ESTIMATE TOTAL**

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Contingency	4% - 10%
Insurance	1.5%
Bond	3.0%
Contractor Profit	10.0%
BLM Administration Cost	6% - 10%
	23.4%
	(FY2017 rate)
BLM Indirect Cost	rate)

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ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
<b>Well Pads</b>					
1	Small Valve Vault Removal	EA			
2	Small Pipeline Vent Removal	EA			
3	Pipeline Drip Removal	EA			
4	Pipeline Stubout Pipe Removal	EA			
5	Pipeline Manifold Pipe Removal	EA			
6	Storage Tank Removal (9,000-12,000 gal)	EA			
7	Haul tank to certified salvage dump	EA			
8	OH Power Removal	MI			
9	Transformer removal	EA			
10	Substation Removal	EA			
11	Building Demolition	CF			
12	Foundation Removal (concrete)	CY			
13	Surface Restoration (gravel pads and roads)	AC			
	Surface Restoration ("two track" roads & pipelines)	AC			
14	Seeding	AC			
15	Fertilizer	AC			
16	Dry Mulch	AC			
17	Maintenance	LS			
18	Add other items as necessary				

CONSTRUCTION SUBTOTAL

Mob/Demob 10%

**CONSTRUCTION BID ESTIMATE**

**TOTAL**

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Contingency	4% - 10%
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**BOND TOTAL**

**(RECOMMENDED)**

Prepared By:

Date:

**RECLAMATION CONSTRUCTION COST - BID ESTIMATE SHEET**  
**For ROW Grants, Leases & Permits**

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ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
<b>Reservoir, Stock Pond</b>					
1	Clearing and Grubbing	AC			
2	Culvert Removal	EA			
3	Unclassified Excavation	CY			
4	Topsol Placing (6" deep)	AC			
5	Seeding	AC			
6	Fertilizer	AC			
7	Dry Mulch	AC			
8	Overburden Removal	CY			
9	Hydro Seeding, with mulch & fertilizer	AC			
	Water (For deconstruction purposes and dust control, includes all labor, material and equipment) Quantity: 1 MG = 1,000 Gallons of Water	MG			
10					
11	Maintenance	LS			
12	Enter other line items required for reclamation				

CONSTRUCTION SUBTOTAL

Mob/Demob 10%

**CONSTRUCTION BID ESTIMATE TOTAL**

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Contractor Profit	10.0%
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**BOND TOTAL (RECOMMENDED)**

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Date:

**RECLAMATION CONSTRUCTION COST - BID ESTIMATE SHEET**  
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ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
<b>Ditches, Canals</b>					
1	Clearing and Grubbing	AC			
2	Culvert Removal	EA			
3	Unclassified Excavation	CY			
4	Topsol Placing (6" deep)	AC			
5	Seeding	AC			
6	Fertilizer	AC			
7	Dry Mulch	AC			
8	Overburden Removal	CY			
9	Hydro Seeding, with mulch & fertilizer	AC			
	Water (For deconstruction purposes and dust control, includes all labor, material and equipment) Quantity: 1 MG = 1,000 Gallons of Water	MG			
10	Gallons of Water				
11	Maintenance	LS			
12	Enter other line items required for reclamation				

CONSTRUCTION SUBTOTAL

Mob/Demob 10%

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Insurance	1.5%
Bond	3.0%
Contractor Profit	10.0%
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	23.4%
	(FY2017 rate)
BLM Indirect Cost	rate)

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RECLAMATION CONSTRUCTION COST - BID ESTIMATE SHEET  
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ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
<b>Dams</b>					
1	Clearing and Grubbing				
2	Culvert Removal	AC			
3	Unclassified Excavation	EA			
4	Topsol Placing (6" deep)	CY			
5	Seeding	AC			
6	Fertilizer	AC			
7	Dry Mulch	AC			
8	Overburden Removal	AC			
9	Hydro Seeding, with mulch & fertilizer Water (For deconstruction purposes and dust control, includes all labor, material and equipment) Quantity: 1 MG = 1,000 Gallons of Water	CY			
10	Maintenance	MG			
11	Enter other line items required for reclamation	LS			
12					

CONSTRUCTION SUBTOTAL

Mob/Demob 10%

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BLM Indirect Cost	

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RECLAMATION CONSTRUCTION COST - BID ESTIMATE SHEET  
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ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
<b>Truck Unloading Sites/Tank Farms</b>					
1	Small Valve Vault Removal	EA			
2	Small Pipeline Vent Removal	EA			
3	Pipeline Drip Removal	EA			
4	Pipeline Stubout Pipe Removal	EA			
5	Pipeline Manifold Pipe Removal	EA			
6	Storage Tank Removal (9,000-12,000 gal)	EA			
7	Haul tank to certified salvage dump	EA			
8	OH Power Removal	MI			
9	Transformer removal	EA			
10	Substation Removal	EA			
11	Surface Restoration (gravel pads and roads)	AC			
12	Surface Restoration ("two track" roads & pipelines)	AC			
13	Seeding	AC			
14	Fertilizer	AC			
15	Dry Mulch	AC			
16	Maintenance	LS			
17	Add other items as necessary				

CONSTRUCTION SUBTOTAL

Mob/Demob 10%

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**BOND TOTAL (RECOMMENDED)**

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ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
	<b>Disposal Site (Produced Water)</b>				
1	Enter the line items required for reclamation				
2	Maintenance	LS			

CONSTRUCTION SUBTOTAL

Mob/Demob 10%

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ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
	<b>Temporary Construction Site</b>				
1	Enter the line items required for reclamation				
2	Maintenance	LS			
<b>CONSTRUCTION SUBTOTAL</b>					
	Mob/Demob		10%		

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BLM Indirect Cost	

BLM requires the RCE to estimate the value to contract an ED&C at 4 to 8% of the DOM Costs, as follows: < or = \$1 million, use 8%; over \$1 million to \$25 million, use 6%; and over \$25 million, use 4%.

BLM requires that the contingency be estimated using 4 to 10% of the DOM, as follows: < or = \$500,000, use 10%; over \$500,000 to \$5 million, use 8%; over \$5 million to \$50 million, use 6%; and over \$50 million, use 4%

Federal construction contracts exceeding \$100,000 require a performance and payment bond. This value is 3% of the Deconstruction Operational & Maintenance (DOM) Costs for all contracts.

As per BLM requirements, contractor profit of 10% of DOM was added as a separate line item Ranges from 6 to 10% of Deconstruction Operational & Maintenance (DOM) Costs as follows: < or = to \$1 million, use 10%; over \$1 million to \$25 million, use 8%; and over \$25 million, use 6%

Indirect cost rate is subject to change annually. Contact FO for current indirect cost rate. The indirect rate is figured on the BLM Administration Cost (BLM Admin Cost x BLM Indirect Cost)

**BOND TOTAL (RECOMMENDED)**

Prepared By:  
Date:

**RECLAMATION CONSTRUCTION COST - BID ESTIMATE SHEET**  
**For ROW Grants, Leases & Permits**

**PROJECT DESCRIPTION**

PROVIDE A DETAILED DESCRIPTION/STATEMENT OF WORK

Project S.O.W.  
 Location, i.e. latitude and longitude, and if in the rectangular survey system, the bearing and distance to the immediate adjacent section lines, as well as physical description how to get to it. Describe its accessibility. Typical weather conditions when the work will be performed, i.e. mostly dry or must be performed in winter when ground is frozen. Describe type of work to be performed, dimensions of structures, acres of disturbance, i.e. remove 3 strand barb wire fence, roll wire for disposal, remove all fence posts and fill holes with sand, dispose of all metal and wooden posts. Remove 3 cattle guards, minor recontouring, fill holes, re-spread topsoil, seed and fertilize with crimping method. Cattle guards shall become property of contractor. Restore existing two track road by scarifying and reseeded. No deep excavation. No rock excavation. Only previously disturbed areas will be disturbed and re-vegetated.

ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
<b>Railroad, Station Grounds</b>					
Enter the line items required for					
1	reclamation				
2	Maintenance	LS			

CONSTRUCTION SUBTOTAL

Mob/Demob 10%

**CONSTRUCTION BID ESTIMATE TOTAL**

The following are costs BLM would incur on Federal Construction Contracts and must be figured and added to the RCE Deconstruction Total Cost Estimate for the Bond Total		
Engineering Costs (ED&C)	4% - 8%	
Contingency	4% - 10%	
Insurance	1.5%	
Bond	3.0%	
Contractor Profit	10.0%	
BLM Administration Cost	6% - 10%	
	23.4%	
BLM Indirect Cost	(FY2017 rate)	

BLM requires the RCE to estimate the value to contract an ED&C at 4 to 8% of the DOM Costs, as follows: < or = \$1 million, use 8%; over \$1 million to \$25 million, use 6%; and over \$25 million, use 4%.

BLM requires that the contingency be estimated using 4 to 10% of the DOM, as follows: < or = \$500,000, use 10%; over \$500,000 to \$5 million, use 8%; over \$5 million to \$50 million, use 6%; and over \$50 million, use 4%

Federal construction contracts exceeding \$100,000 require a performance and payment bond. This value is 3% of the Deconstruction Operational & Maintenance (DOM) Costs for all contracts.

As per BLM requirements, contractor profit of 10% of DOM was added as a separate line item Ranges from 6 to 10% of Deconstruction Operational & Maintenance (DOM) Costs as follows: < or = to \$1 million, use 10%; over \$1 million to \$25 million, use 8%; and over \$25 million, use 6%

Indirect cost rate is subject to change annually. Contact FO for current indirect cost rate. The indirect rate is figured on the BLM Administration Cost (BLM Admin Cost x BLM Indirect Cost)

**BOND TOTAL (RECOMMENDED)**

Prepared By:  
Date:



**RECLAMATION CONSTRUCTION COST - BID ESTIMATE SHEET**  
**For ROW Grants, Leases & Permits**

**PROJECT DESCRIPTION**

PROVIDE A DETAILED DESCRIPTION/STATEMENT OF WORK

Project S.O.W.  
 Location, i.e. latitude and longitude, and if in the rectangular survey system, the bearing and distance to the immediate adjacent section lines, as well as physical description how to get to it. Describe its accessibility. Typical weather conditions when the work will be performed, i.e. mostly dry or must be performed in winter when ground is frozen. Describe type of work to be performed, dimensions of structures, acres of disturbance, i.e. remove 3 strand barb wire fence, roll wire for disposal, remove all fence posts and fill holes with sand, dispose of all metal and wooden posts. Remove 3 cattle guards, minor recontouring, fill holes, re-spread topsoil, seed and fertilize with crimping method. Cattle guards shall become property of contractor. Restore existing two track road by scarifying and reseeded. No deep excavation. No rock excavation. Only previously disturbed areas will be disturbed and re-vegetated.

ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
<b>Film Permits</b>					
Enter the line items required for					
1	reclamation				
2	Maintenance	LS			

CONSTRUCTION SUBTOTAL

Mob/Demob 10%

**CONSTRUCTION BID ESTIMATE TOTAL**

The following are costs BLM would incur on Federal Construction Contracts and must be figured and added to the RCE Deconstruction Total Cost Estimate for the Bond Total		
Engineering Costs (ED&C)	4% - 8%	
Contingency	4% - 10%	
Insurance	1.5%	
Bond	3.0%	
Contractor Profit	10.0%	
BLM Administration Cost	6% - 10%	
	23.4%	
BLM Indirect Cost	(FY2017 rate)	

BLM requires the RCE to estimate the value to contract an ED&C at 4 to 8% of the DOM Costs, as follows: < or = \$1 million, use 8%; over \$1 million to \$25 million, use 6%; and over \$25 million, use 4%.  
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 Indirect cost rate is subject to change annually. Contact FO for current indirect cost rate. The indirect rate is figured on the BLM Administration Cost (BLM Admin Cost x BLM Indirect Cost)

**BOND TOTAL (RECOMMENDED)**

Prepared By:  
 Date:

RECLAMATION CONSTRUCTION COST - BID ESTIMATE SHEET  
**For ROW Grants, Leases & Permits**

**PROJECT DESCRIPTION**

PROVIDE A DETAILED DESCRIPTION/STATEMENT OF WORK

Project S.O.W.  
 Location, i.e. latitude and longitude, and if in the rectangular survey system, the bearing and distance to the immediate adjacent section lines, as well as physical description how to get to it. Describe its accessibility. Typical weather conditions when the work will be performed, i.e. mostly dry or must be performed in winter when ground is frozen. Describe type of work to be performed, dimensions of structures, acres of disturbance, i.e. remove 3 strand barb wire fence, roll wire for disposal, remove all fence posts and fill holes with sand, dispose of all metal and wooden posts. Remove 3 cattle guards, minor recontouring, fill holes, re-spread topsoil, seed and fertilize with crimping method. Cattle guards shall become property of contractor. Restore existing two track road by scarifying and reseeded. No deep excavation. No rock excavation. Only previously disturbed areas will be disturbed and re-vegetated.

ITEM NO.	ITEM DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL PRICE
<b>Ag Leases</b>					
1	Enter the line items required for reclamation				
2	Maintenance	LS			

CONSTRUCTION SUBTOTAL

Mob/Demob 10%

**CONSTRUCTION BID ESTIMATE TOTAL**

The following are costs BLM would incur on Federal Construction Contracts and must be figured and added to the RCE Deconstruction Total Cost Estimate for the Bond Total

Engineering Costs (ED&C)	4% - 8%
Contingency	4% - 10%
Insurance	1.5%
Bond	3.0%
Contractor Profit	10.0%
BLM Administration Cost	6% - 10%
	23.4% (FY2017 rate)
BLM Indirect Cost	rate)

BLM requires the RCE to estimate the value to contract an ED&C at 4 to 8% of the DOM Costs, as follows: < or = \$1 million, use 8%; over \$1 million to \$25 million, use 6%; and over \$25 million, use 4%.

BLM requires that the contingency be estimated using 4 to 10% of the DOM, as follows: < or = \$500,000, use 10%; over \$500,000 to \$5 million, use 8%; over \$5 million to \$50 million, use 6%; and over \$50 million, use 4%

Federal construction contracts exceeding \$100,000 require a performance and payment bond. This value is 3% of the Deconstruction Operational & Maintenance (DOM) Costs for all contracts.

As per BLM requirements, contractor profit of 10% of DOM was added as a separate line item Ranges from 6 to 10% of Deconstruction Operational & Maintenance (DOM) Costs as follows: < or = to \$1 million, use 10%; over \$1 million to \$25 million, use 8%; and over \$25 million, use 6%

Indirect cost rate is subject to change annually. Contact FO for current indirect cost rate. The indirect rate is figured on the BLM Administration Cost (BLM Admin Cost x BLM Indirect Cost)

**BOND TOTAL (RECOMMENDED)**

Prepared By:  
 Date:

**ATTACHMENT 4  
BOND INSTRUMENT**

## Attachment 4 - *Bond Instruments*

Acceptable bond instruments include Personal bonds, Surety bonds, or Policy of Insurance. Surety bonds from the approved list of sureties (U.S. Treasury Circular 570) must be payable to the BLM. The BLM will not accept a corporate guarantee as an acceptable form of bond. If a State regulatory authority requires a bond to cover some portion of environmental liabilities, such as hazardous material damages or releases, reclamation, or other requirements for the project, the BLM must be listed as an additionally named insured on the policy. This inclusion would suffice to cover the BLM's exposure should a holder default in any environmental liability listed in the respective State bond. The authorized officer shall not accept bonds from any entity or individual other than the applicant/holder, (i.e., the holder's contractors, subcontractors, lessees, or subsidiaries).

Where a proponent has multiple authorizations within a State or surrounding States, the proponent may elect to consolidate more than one authorization covered by this IM, i.e., rights-of-way grants and land use authorizations, into one bond. Such consolidation may also include the use of a single national bond. A consolidated bond must specifically identify each covered authorization by BLM case file serial number and the bond amount determined by the authorized officer. A bond for uses not covered by this IM, e.g., oil and gas leases, and solar, wind, or geothermal leases may not be consolidated with right-of-way grant or land use authorization bonding. Local consolidated bonds are to be addressed by the authorized officer, intrastate (BLM State Office jurisdiction) consolidated bonds are to be addressed by the appropriate BLM State Office, and interstate consolidation of bonds must be developed in coordination with the WO350 Branch Chief for Major Realty Projects (WO350).

### 1. *Personal Bonds:*

Personal bonds will be accompanied by BLM Form 2800-17 (Attachment 5) and payment for the amount required by the authorized officer.

Book entry deposits must be accompanied by a power of attorney authorizing the Secretary of the Interior to collect the proceeds in the event the holder fails to adhere to the grant stipulations covered by the bond. In the past, personal bonds in the form of a Treasury bond or note involved the physical handling by Bureau personnel. This is no longer acceptable. A change in the procedures of the Department of the Treasury in 1983 provides notes and bonds will be in a book entry form on deposit in the Federal Reserve System and no actual handling of the securities themselves are involved. A charge is assessed by the Federal Reserve System for security safekeeping and transfer services. This charge is to be paid by the principal.

The only acceptable forms of security for personal bonds are:

- Cash (cash, certified or cashier's check, or certificates of deposit (personal/business checks will not be accepted));
- Book entry deposits;

- Irrevocable letters of credit payable to the BLM issued by a financial institution that has the authority to issue irrevocable letters of credit and whose operations are regulated and examined by a federal agency, or;
- A policy of insurance that provides BLM with acceptable rights as a beneficiary and is issued by an insurance carrier that has the authority to issue insurance policies in the applicable jurisdiction and whose insurance operations are regulated and examined by a federal agency.

## 2. *Surety Bonds:*

Surety bonds will be accompanied by BLM Form 2800-16 (Attachment 6).

A surety bond consists of a promise to the United States by the applicant/holder. The surety will correct any failure of the holder to adhere to grant stipulations or pay up to the limits of the amount of the bond. For all Federal bonds, the surety corporation must be approved by the Department of the Treasury and in Circular 570 as an acceptable surety. The acceptance of the surety bond by the authorized officer on behalf of the United States and authorization of activity based upon the bond completes the cycle and makes the bond a three-way contract between the holder, the surety, and the United States, which can be enforced should the holder fail to comply with the grant stipulations. The money paid by the holder to obtain the surety's entry into the arrangement is normally called the premium and is solely a matter between the principal and the surety.

You can find Circular 570 at <https://www.fiscal.treasury.gov/fsreports/ref/suretyBnd/c570.htm>. This circular is published annually in July.

## 3. Bond Processing Steps

An example template of demonstrating bond processing steps is provided (Attachment 7).

## 4. *Policies of Insurance:*

Insurance policies may be accepted in place of a bond for grants. The policy itself must contain the following requirements: 1) the BLM must be included as an additional insured; 2) the statement *“this policy shall remain in full force and effect on a continuous basis for the term of the grant(s) unless the Insurer provides to the insured not less than one hundred twenty (120) days advance written notice of its intent to cancel the policy. It is understood and agreed that the Insured may recover the full amount of the policy (less any previous amounts paid to the Insured under the policy) if the Insurer cancels the policy, and within thirty (30) days prior to the effective date of the cancellation, if the Insured has not received replacement Security acceptable to the BLM” (this is an endorsement to the policy that the holder must request be added).* This would be an endorsement on the policy; and 3) the grants must be listed on the policy under *“Description of Operations, . . .”*

The policy will be reviewed to ensure the policy covers the work spelled out in the RCE (i.e., hazardous materials, etc.) or under the road maintenance agreement. A letter accepting the



policy, the same as a bond instrument, will be sent to the applicant/holder. If the policy does not include the necessary coverage or statements required, a letter returning the policy to the applicant/holder will be sent.

Insurance policies cannot be put in the Bond Surety System (B&SS). The insurance policy General Liability and Umbrella Liability total must exceed the total of all the estimates to be acceptable.

ATTACHMENT 5  
ROW PERSONAL BOND

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**RIGHT-OF-WAY PERSONAL BOND, CASH AND BOOK ENTRY DEPOSITS**

Right-of-Way Grant or Temporary Use Permit Serial Number \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS, that \_\_\_\_\_ herein referred to as holder,

is held and firmly bound unto the United States of America in the sum of

\_\_\_\_\_ dollars (\$) lawful money of the United States in the form of a cash bond (*including a book entry deposit*), for the payment of which, well and truly to be made, holder does hereby bind himself, his heirs, executors, administrators, successors, or assigns, jointly and severally, firmly by these presents.

NOW, THEREFORE, If the said holder or his heirs, executors, administrators, successors or assigns, shall fully comply with the said terms and conditions then, and in that event, the obligation shall be null and void; otherwise it shall remain in full force and effect.

The holder does hereby appoint the Secretary of the Interior as his attorney, for him and in his name to collect or transfer the said bond above described pursuant to authority conferred by Section 1 of the Act of July 30, 1947 (61 Stat. 646; 6 U.S.C. 15) to

ensure the faithful performance of any and all terms, conditions and stipulations as set out in the above right-of-way grant or temporary use permit, and it is agreed that, in case of any failure in the performance of the terms, conditions and stipulations the said attorney shall have full power to collect said bond or any part thereof. The interest, if any, accruing upon said bond as above stated, in the absence of any default in the performance of any of the terms, conditions or stipulations of the bond, shall belong to the holder. The holder hereby for himself, his heirs, executors, administrators, and successors, ratifies and confirms whatever his said attorney shall do by virtue of these presents.

IN WITNESS WHEREOF, we hereunto set our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Signature of Holder)

SIGNATURES OF WITNESSES

ADDRESSES OF WITNESSES

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Two witnesses, with the post office address of each, are required to each signature. The seal of each corporation signing the bond must be affixed.

**ATTACHMENT 6  
ROW SURETY BOND**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Bond Number

**RIGHT-OF-WAY SURETY BOND**

Right-of-Way Grant or Temporary Use Permit Serial Number \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS, that \_\_\_\_\_ as principal,  
and \_\_\_\_\_ of \_\_\_\_\_, as  
surety organized and existing under the laws of the State of \_\_\_\_\_ having its primary office  
at \_\_\_\_\_, are held and firmly bound unto the United States of America in

the sum of \_\_\_\_\_ dollars (\$ \_\_\_\_\_ )  
lawful money of the United States for the payment of which, well and truly to be made, we bind ourselves, each of us, our heirs,  
executors, administrators, successors, or assigns, jointly and severally, firmly by these presents.

WHEREAS, said principal made application for the issuance of a right-of-way grant or temporary use permit for the use of the lands  
described therein, bearing the above serial number; and

WHEREAS, said principal upon the issuance of such right-of-way grant or temporary use permit, is required to comply with the  
following terms and conditions of said grant or temporary use permit:

NOW, THEREFORE, If the said principal or his heirs, executors, administrators, successors, or assigns, shall fully comply with the said  
terms and conditions then, and in that event, the obligation shall be null and void; otherwise it shall remain in full force and effect.

IN, WITNESS WHEREOF, we hereunto set our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ .

\_\_\_\_\_  
(Signature of Principal)

\_\_\_\_\_  
(Signature of Surety)

By \_\_\_\_\_

SIGNATURE OF WITNESSES

ADDRESSES OF WITNESSES

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Two witnesses, with the post office address of each, are required to each signature. The seal of each corporation signing the bond must be affixed. A  
copy of the Power of Attorney of the Authorized Agent of a surety company must accompany the bond.



MISC. ATTACHMENTS:  
PROFFER-  
BONDING COMPANIES-

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004\_0131  
EXPIRES: JANUARY 31, 1986

**PROFFER OF MONETARY CONTRIBUTION**

State: (two digit code) [ ][ ]  
Office: (three digit Org code) [ ][ ][ ]

*INSTRUCTIONS*

Submit one copy of each contributor, District grazing case file, and District job file.

I. Names(s)	Address(es) (include zip code)

do hereby contribute the sum of \$        to the Bureau of Land Management. Contributions are made under the provisions of Section 9 of the Taylor Grazing Act (43 U.S.C. 315h), as amended, and Section 307 (c) of the Federal Land Policy and Management act (43 U.S.C. 1737). Specifically this contribution is for the purpose of \*

II. The unexpended balance, if any, remaining after completion of the work described in the paragraph above shall be: <input type="checkbox"/> Returned to the contributor(s) <input type="checkbox"/> Used for general purposes *	III. Contribution, made payable to the Bureau of Land Management, is attached in the form of (specify check, money order, etc.).
--	--

Signature of Contributor	Title (as applicable)	Date
Signature of Contributor	Title (as applicable)	Date
Signature of Contributor	Title (as applicable)	Date

Accepted in Behalf of the Secretary of the Interior for deposit in the Treasury of the United States and for Expenditure for the purpose specified herein

Signature of Authorized Officer	Title	Date
---------------------------------	-------	------

* contributions of general purposes are accepted to help pay for the expenses of construction or application of conservation and range improvement projects in general, or for the payment of expenses incident to the administration, use, protection, and improvement of lands in the district where this contribution is received. Such contributions shall <i>not</i> be used for specific administrative purposes,	such as the payment of salaries of named individuals or positions, or the performance of specific functions by such individuals, or the maintenance of offices at particular locations unless approved by the Director. The contribution shall <i>not</i> be used for any purpose at variance with existing Bureau policy, regulation, or law regarding the development, conservation, and use of the public lands.
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**Travelers Casualty and Surety Company (NAIC #19038)**

BUSINESS ADDRESS: ONE TOWER SQUARE, HARTFORD, CT 06183 - 6014. PHONE: (860) 277-1561. UNDERWRITING LIMITATION b/: \$308,948,000. SURETY LICENSES c,f/: AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, GU, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, PR, RI, SC, SD, TN, TX, UT, VT, VA, VI, WA, WV, WI, WY. INCORPORATED IN: Connecticut.

**Travelers Casualty and Surety Company of America (NAIC #31194)**

BUSINESS ADDRESS: ONE TOWER SQUARE, HARTFORD, CT 06183 - 6014. PHONE: (860) 277-1561. UNDERWRITING LIMITATION b/: \$112,790,000. SURETY LICENSES c,f/: AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY. INCORPORATED IN: Connecticut.

**Travelers Casualty Insurance Company of America (NAIC #19046)**

BUSINESS ADDRESS: One Tower Square, Hartford, CT 06183 - 6014. PHONE: (860) 277-1561. UNDERWRITING LIMITATION b/: \$44,784,000. SURETY LICENSES c,f/: AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY. INCORPORATED IN: Connecticut.

**Travelers Indemnity Company (The) (NAIC #25658)**

BUSINESS ADDRESS: ONE TOWER SQUARE, HARTFORD, CT 06183 - 6014. PHONE: (860) 277-1561. UNDERWRITING LIMITATION b/: \$740,152,000. SURETY LICENSES c,f/: AL, AK, AZ, AR, CO, CT, DE, DC, FL, GA, GU, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, PR, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY. INCORPORATED IN: Connecticut.

X. This MA will be effective as of the last date signed below:

For: Bureau of Land Management

For: Indian Wells Valley Groundwater Authority

\_\_\_\_\_  
Thomas V. Bickauskas

\_\_\_\_\_  
Name

\_\_\_\_\_  
Acting, Field Manager

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

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# IWVGA ADMINISTRATIVE OFFICE

*STAFF REPORT*

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**TO:** IWVGA Board Members **DATE:** April 12, 2023

**FROM:** IWVGA Staff

**SUBJECT:** **Agenda Item 12 – Resolution No. 05-23 Finding Geotechnical Borings for the Imported Water Pipeline Design Exempt from the California Environmental Quality Act (CEQA) and Approving the Filing and Recordation of a Notice of Exemption**

## **BACKGROUND AND DISCUSSION**

The IWVGA was awarded \$7.6 million from the Sustainable Groundwater Management Implementation Round 1 grant solicitation (SGMA-IP). The grant funding will be primarily used for additional planning for the IWVGA’s Imported Water Interconnection Project including design, environmental compliance, right-of-way acquisition, and other permitting and coordination with partnering agencies. The IWVGA Board authorized the award of contracts for design, environmental compliance and right-of-way consulting services for the Imported Water Interconnection Project at the Board’s February 8, 2023 meeting. Work under the SGMA-IP grant agreement must be completed by March 31, 2025, therefore, the consultant’s work is proceeding on a very aggressive schedule to meet the grant deadline. Performing soil borings to obtain geotechnical information and conducting the environmental field surveys and studies needed for environmental evaluation of the project are among the critical tasks currently being implemented.

The soil borings are required along the pipeline alignment, at the proposed pump station sites, at the Indian Wells Valley Water District’s Ridgecrest Heights Blending Facility, and at the trenchless pipeline crossings at major drainages, railroads, and Highway 395. Geotechnical reports will be completed in order to ensure pipeline trench stability and to provide criteria required for the design of structures and pipe foundations. The geotechnical investigation has been determined to be Categorical Exempt from CEQA pursuant to Section 15306, Class 6 for basic data collection to assess soil composition as the soil borings would not result in a serious or major disturbance to an environmental resource and activities are strictly for information gathering purposes.

Resolution No. 05-23 Finding Geotechnical Borings for the Imported Water Pipeline Design Exempt from the California Environmental Quality Act (CEQA) and Approving the Filing and Recordation of a Notice of Exemption and the Notice of Exemption is included in your Board package. Upon authorization to file the Notice of Exemption, Staff shall post the notice and submit it to Kern County and the State Clearinghouse. Once posted, the Categorical Exemption is subject to potential legal challenge for 35 days.



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

Staff recommends the Board adopt the attached Resolution No. 05-23 Finding Geotechnical Borings for the Imported Water Pipeline Design Exempt from the California Environmental Quality Act and Approving the Filing and Recordation of a Notice of Exemption.

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

---

**In the matter of:**

**Resolution No. 05-23**

**RESOLUTION FINDING GEOTECHNICAL BORINGS FOR THE IMPORTED  
WATER PIPELINE DESIGN EXEMPT FROM THE CALIFORNIA  
ENVIRONMENTAL QUALITY ACT AND APPROVING THE FILING AND  
RECORDATION OF A NOTICE OF EXEMPTION**

---

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 \_\_\_\_ day of \_\_\_\_\_, 2023, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

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

---

**THE BOARD OF DIRECTORS OF INDIAN WELLS VALLEY GROUNDWATER  
AUTHORITY RESOLVES AS FOLLOWS:**

**Section 1. WHEREAS:**

- (a) The Authority was awarded \$7.6 million in grant funding from the California Budget Act of 2021 Sustainable Groundwater Management Grant Program SGMA Implementation Round 1 grant solicitation (SGMA-IP) for additional planning for the Authority's imported water interconnection project (Project).
- (b) The IWVGA Board authorized the award of contracts for design, environmental compliance and right-of-way consulting services for the Imported Water Interconnection Project at the Board's February 8, 2023 meeting.
- (c) Work under the SGMA-IP grant agreement must be completed by March 31, 2025.

- (d) Performing soils boring to obtain geotechnical information and conducting the environmental field surveys and studies needed for environmental evaluation of the project are among the critical tasks currently being implemented.
- (e) Prior to commencement of the Project, the Authority must comply with the California Environmental Quality Act (“CEQA”).
- (f) CEQA requires a lead agency to consider the potential environmental effects of any project.
- (g) Categorical exemptions to CEQA are set forth in Article 19 of Title 14 of the California Code of Regulations (“CEQA Guidelines”).
- (h) CEQA Guidelines Section 15306 sets forth an exemption from CEQA for basic data collection to assess soil composition as the soil borings would not result in a serious or major disturbance to an environmental resource and activities are strictly for information gathering purposes.

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 recited facts are true and that it has the jurisdiction to consider, approve, and adopt this Resolution.
2. That the Project is categorically exempt from further CEQA review pursuant to 14 Cal. Code Regs. § 15306, Class D for basic data collection to assess soil composition as the soil borings would not result in a serious or major disturbance to an environmental resource and activities are strictly for information gathering purposes.
3. That the General Manager, or the General Manager’s designee, is instructed to file and/or record a Notice of Exemption from CEQA, consistent with this Resolution, with any and all appropriate public agencies or entities.
4. The General Manager is hereby authorized to do all things that are necessary to give effect to and comply with the terms and intent of this Resolution.

**PASSED, APPROVED, AND ADOPTED**, by the Indian Wells Valley Groundwater Authority this \_\_\_\_ day of \_\_\_\_\_, 2023.

SIGNED:

\_\_\_\_\_  
President of the Board of Directors

ATTEST:

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# Notice of Exemption

## Appendix E

**To:** Office of Planning and Research  
P.O. Box 3044, Room 113  
Sacramento, CA 95812-3044

County Clerk

County of: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**From:** (Public Agency): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(Address)

Project Title: \_\_\_\_\_

Project Applicant: \_\_\_\_\_

Project Location - Specific:

Project Location - City: \_\_\_\_\_ Project Location - County: \_\_\_\_\_

Description of Nature, Purpose and Beneficiaries of Project:

Name of Public Agency Approving Project: \_\_\_\_\_

Name of Person or Agency Carrying Out Project: \_\_\_\_\_

Exempt Status: **(check one):**

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: \_\_\_\_\_
- Statutory Exemptions. State code number: \_\_\_\_\_

Reasons why project is exempt:

Lead Agency

Contact Person: \_\_\_\_\_ Area Code/Telephone/Extension: \_\_\_\_\_

**If filed by applicant:**

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project?    Yes    No

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ Title: \_\_\_\_\_

Signed by Lead Agency      Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.  
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: \_\_\_\_\_

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IWVGA ADMINISTRATIVE OFFICE  
STAFF REPORT

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**TO:** IWVGA Board Members **DATE:** April 12, 2023

**FROM:** IWVGA Water Resources Manager

**SUBJECT: AGENDA ITEM 13 – WATER RESOURCES MANAGER’S REPORT**

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Presented below are brief updates on the status of grant funding, GSP Implementation Projects and Management Actions, and Miscellaneous Items.

**AGENDA ITEM 13a – GRANT FUNDING UPDATE**

Proposition 1 Update

- Invoice #15a
  - Covers April 2022 through June 2022
  - Total requested payment after retention: **\$17,532.41**
  - Status: Under DWR review
- Invoice #16a
  - Covers July 2022 through September 2022
  - Total requested payment after retention: **\$21,049.59**
  - Status: Under DWR review
- Invoice #17a:
  - Covers October 2022 through December 2022
  - Total requested payment after retention: **\$16,888.75**
  - Status: Under DWR review

Proposition 68 Update

- Invoice #14b
  - Covers January 2022 through March 2022
  - Total requested payment after retention: **\$1,885.36**
  - Status: Approved, waiting payment
- Invoice #15b
  - Covers April 2022 through June 2022
  - Total requested payment after retention: **\$21,932.28**
  - Status: Approved, waiting payment
- Invoice #16b
  - Covers July 2022 through September 2022
  - Total requested payment after retention: **\$6,380.65**
  - Status: Under DWR review

- Invoice 17b:
  - Covers October 2022 through December 2022
  - Total requested payment after retention: **\$3,062.50**
  - Status: Under DWR review

#### Proposition 1/68 Grant Closeout

- Retention invoices for Proposition 1 and Prop 68 in the amount of \$188,499.12 and \$32,941.39, respectively were submitted to DWR on February 28, 2023.

#### SGMA Implementation Round 1 Update

- Invoice #2
  - Covers October 2022 through December 2022
  - Total requested payment: **\$ 332,985.58**
  - Status: Under DWR review
- Invoice #3
  - Covers January 2023 through March 2023
  - Due: May 31, 2023

#### SGMA Implementation Round 2 Update

- Application submitted on December 15, 2022 for \$8,945,000 (under review by DWR)
  - Funding requested for several tasks related to implementing the GSP and preparing the 5-year GSP update.

#### Urban Community Drought Relief Program Update

- Two applications submitted on January 31, 2023 for \$10,570,000 (under review by DWR)
  - Funding requested for the Recycled Water Project and the Shallow Well Consolidation Project.
- Applications were re-submitted to DWR on February 20, 2023 per DWR's guidance with corrections.

## AGENDA ITEM 13b – GSP IMPLEMENTATION PROJECTS / MANAGEMENT ACTIONS UPDATE

### Recycled Water Program

- Recycled Water Alternatives Analysis
  - Reviewed/incorporated comments from the Working Group and TAC into the Final Tech Memo for Alternatives Analysis
    - Analysis has determined that advanced treatment and injection into the Basin of the available recycled water is the most feasible project.
  - Distributed Final Tech Memo for Alternatives Analysis to the Working Group and IWVGA on April 6, 2022.
  
- U.S. Bureau of Reclamation Title XVI Feasibility Study
  - Board authorized Water Resource Manager to proceed with Title XVI Feasibility Study during July 22, 2022 Special Board Meeting
  - Board authorized Water Resource Manager to submit Title XVI Feasibility Study to U.S. Bureau of Reclamation during March 8, 2022 Board Meeting
  - Submitted Title XVI Feasibility Study to U.S. Bureau of Reclamation on March 8, 2022
    - BOR has received Title XVI Feasibility Study and has confirmed that it appears to contain the required information needed to commence review.
    - BOR will complete review by June 6, 2023.

### Imported Water Project

- Imported Water Pipeline Alignment Study
  - Provost & Pritchard
    - Finalizing Technical Memorandum for Preferred Alignment (Task 4) and Final Report (Task 8)
  
- Imported Water Pipeline Design Services
  - Coordination Meetings:
    - March 20, March 27, and April 3, 2023: Weekly with Staff, Environmental and Right-of-Way Consultants
    - March 30, 2023: Indian Wells Valley Water District to discuss proposed operations
    - Bi-weekly meetings with BLM
    - Ongoing coordination with Caltrans, United Pacific Rail Road, and Southern California Edison
  - Staff registered the project as Public Works project with the Department of Industrial Relations (DIR)
  - Provided a draft Memorandum of Understanding with the Bureau of Land Management (BLM) for reimbursement of costs associated with assistance and permitting for Board Approval (see Agenda item 12)
  - Preparing maps and staking geotechnical boring sites, as requested by BLM
  - Obtained Encroachment Permits from Kern County for geotechnical borings
  - Submitted applications for Encroachment Permits for geotechnical borings from California City

- Next Steps:
  - Refine hydraulics analysis to solidify pump station locations and initiate pipe optimization analysis for the preliminary design
  - Begin geotechnical borings within California City in mid-April
  - Begin utility research and trenchless crossings identification
  - Coordination meeting with AVEK regarding Rosamond WTP process/capacity and distribution hydraulics
  - Obtain MOU Agreements with Kern County and California City
  - Next Milestones
    - Preliminary Design Report by July 2023
    - Provide project description by March 2024 to provide to the Environmental CEQA/NEPA process
  
- Imported Water Pipeline Environmental Services
  - Notices to Proceed provided on March 15 and March 27, 2023
    - Provost and Pritchard have been authorized to proceed with Tasks 1 through 6
  - Coordination Meetings
    - Initial coordination for general project management and coordination with the Design consultant for geotechnical investigations
    - March 8, 2023: Kick-off Meeting
    - March 20, March 27, and April 3, 2023: Weekly coordination meetings with Staff, Design and Right-of-Way Consultants
    - Biweekly meetings with BLM
    - Met with West Mojave Conservation Bank during week of March 27
  - Began botanical surveys within California City and expect to begin botanical surveys on Redrock- Randsburg and Garlock Road, including BLM land mid-April
  - Provided Staff CEQA Notice of Exemption for boring work on land other than BLM land for Board Approval (See Agenda Item 13)
  - Next Steps:
    - Begin Desert Tortoise and Burrowing Owl surveys on April 21, 2023
    - Begin BLM cultural survey
    - Next Milestones:
      - NEPA compliance for geotechnical borings and environmental surveys/ studies within BLM property
      - Conduct technical analyses/ Special Studies March through July 2023

- Imported Water Pipeline Right-of-Way Services
  - A Notice to Proceed provided on March 23, 2023
    - OPC has been authorized to initiate Task 1 (Project Management), Task 2 (Identify Needed ROW), and Task 4 (Acquisition Services)
  - Coordination Meetings:
    - March 9, 2023: Kickoff Meeting
    - March 20, March 27, and April 3, 2023: Weekly coordination meetings with Staff, Design and Environmental Consultants
  - Obtained all initial contact information for affected landowners
    - Obtaining Rights of Entry from property owners along the pipeline alignment to allow performance of biological/technical studies and geotechnical borings
  - Next Steps:
    - Continue obtaining Rights of Entry
  - Next Milestone:
    - Provide a Right of Way Acquisition Plan by June 2024

### Shallow Well Mitigation Program

- Current Applications
  - Stark Street Mutual Water Company
    - The application was presented to the Board on March 8, 2023 and was authorized funding up to \$31,821 for the estimated “market value” of the well plus the incremental cost of drilling a deeper well
    - A notice was provided to Stark Street Mutual Water Company regarding the Board’s action.
    - Scheduling meeting with Self Help to discuss the funding of the well
  - Heritage Village Master Community Association (HVMCA)
    - The application was presented to the Board on March 8, 2023 and the Board took action to deny the Heritage Village Master Community Association request for funding.
    - A notice was provided to HVMCA regarding the Board’s action.
  - Investigating additional dry wells reported to DWR

### Annual Report

- Final WY 2022 Annual Report submitted to DWR on 3/21/2023.

## **AGENDA ITEM 13c – MISCELLANEOUS ITEMS**

### Data collection and Monitoring

- 136 Groundwater levels were collected March 6-10
  - KCWA (52 wells)
  - Navy (47 wells)
  - WRM (37 wells)
- Stream gages and Precipitation Station maintenance performed
- Groundwater Dependent Ecosystems (GDE)
  - March 7<sup>th</sup> Meeting with Navy staff
  - Navy biologist reviewing GDE monitoring plan
- Telemetry equipment at 5 Navy monitoring wells
  - Navy Real Estate easement in today's packet for GA Board approval
- Bureau of Land Management (BLM) Coordination
  - March 8<sup>th</sup> meeting w/ BLM staff
    - Planning to setup Right of Way access to 23 monitoring wells on BLM land
    - Permit planning for Inyo Well replacement
- Navy/Coso projects
  - Project submittal expected to be in late April / early May

### GSP Model Configuration Management Plan (CMP)

- Continued discussions with DRI and WRM regarding model updates
- April 6<sup>th</sup> TEAMS meeting with WRM, Navy DRI, TMG (DOM)
  - Model update review
  - AEM data process
- CMP Timeline
  - 2023: TMG continued review of technical data/reports
  - TMG review of model revisions, calibration, sensitivity
  - Model updates and calibration for 5-Year GSP Report
  - 2024: Modeling Scenarios for 5-Year GSP Report

### Subflow from Rose Valley to IWV

- March 8th Navy Cooperative Agreement signed
- March 9th On-Site Kickoff Meeting with BLM, Navy, driller, geologist, biologist.
- March 15th First meeting prior to drilling commencement with Navy/GA
  - Partner Engagement for Navy/GA Cooperative Agreement
- March 28th BLM Variance #2 email notice to proceed with modifications
- April 5th Driller Notice to Proceed
- April 6th Moving drilling equipment and site setup for RVD-mid

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

There are no actions required by the Board.



**IWVGA**  
**BOARD MEETING**

**April 12, 2023**

**WATER RESOURCES MANAGER’S REPORT**  
**UPDATE LADWP EMERGENCY LA AQUEDUCT RELEASES IWV BASIN**

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(Steve Johnson/Don Zdeba)

- Don Zdeba reached out to LADWP Operations March 17<sup>th</sup> offering assistance to facilitate coordinating aqueduct releases should an emergency due to flooding concerns be issued similar to 2017. Emergency declared and Notice of Exemption filed March 22<sup>nd</sup>. Freeman Gate releases began March 29<sup>th</sup> into Freeman Wash.
- March 23<sup>rd</sup> email - LADWP “Be prepared for an influx of water headed to Ridgecrest and China Lake area. The gates at Boulder Draw, Indian Wells, Freeman, Sage Canyon, and Bird Springs will all head your way”.
- Coordination call Thursday, March 24<sup>th</sup> IWVGA and IWVWD. Update on all release status and projections, discussion on area improvements, prep, and coordination on draft “monitoring plan/schedule – WL and WQ.
- WRM/Jean, Nichole prepared draft Monitoring Plan with IWVWD input, distribute, and finalize.
- Jean Moran/Tim Parker initial planning:
  - GA has 22 existing data loggers in MW’s
  - 7 MW’s have telemetry equipment
  - GA/WRM to install 3 new data loggers near LADWP releases.
  - All data loggers programmed for hourly data – corrected for barometric pressure
  - GA/WRM periodic download and distribute
  - Spring 2023 data collection field work completed on March 10<sup>th</sup>
  - WQ from October 2022 annual sampling available, with data from EI Paso Subbasin for basin delimitation
  - Evaluation of WQ sampling to evaluate mixing and replenishment migration including sampling LADWP raw WQ.
- 2017 Release (Jean/Tim)
  - Release was 10 cfs and 1,960 AF – monitored.
- Tim Parker to review potential geophysical work and costs.

- 2023 Releases (Don Zdeba)
  - March 29<sup>th</sup> Freeman Wash 6-8 cfs, increase April 4<sup>th</sup> (photos)
  - IWVGA/IWVWD Coordination call April 3<sup>rd</sup>, releases and final monitoring plan.
  - April 3<sup>rd</sup> Freeman was 6-8 cfs, Sand and Bird sand traps 2 cfs – increases coming.
  
- BLM Coordination Call (IWVGA/IWVWD)
  - Emergency? Permitting?
  - LADWP emergency release, permitting, exemptions?
  - IWVWD field improvements, no exemption?
  
- 2023 Releases (Don Zdeba)
  - April 4<sup>th</sup> Freeman Wash to 15 cfs, Sand and Bird sand traps to 8-10 cfs Boulder Draw (North end IWV of Boulder Canyon) at 10 cfs going to 20 cfs. District is tracking the extent of the release into Freeman/Dixie pinning and sharing updates on Google Earth.
  
- NAWS Commander Vaughn
  - Concerns for replenishment migration/liquifaction to the Playa – SNORT. Based on 2017.
  - Coordination with BLM, DFW compliance (IWVWD).
  - Coordination with Rose Valley MW drilling (Jean).
  - April 6<sup>th</sup> coordination on spreadsheets to document releases.

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# BUDGET TO ACTUAL REPORT- March

		ACTUALS BY REVENUE ALLOCATION						(B)	(A-B)	(B/A)
		Restricted	Restricted	Restricted	Restricted	Restricted	Restricted	\$	\$	%
		Extraction	Augmentation	Shallow Well Mitigation	Prop. 1; Prop.68 SDAC	SGMA IP Grant	Navy/COSO Fund	ACTUAL	REMAINING	COMPLETED
(A)	BUDGET									
<b>1</b>	<b>REVENUE</b>									
<b>2</b>	Extraction Fee	1,319,924	256,085	-	-	-	-	<b>256,085</b>	1,063,839	19%
<b>3</b>	<b>Transfer In/Loan from Augmentation Fund</b>	367,814	-	-	-	-	-	-	367,814	0%
<b>4</b>	<b>Transfer In/Loan from Grant Funds-Prop 1/Prop 68</b>	204,636	-	-	-	-	-	-	204,636	0%
<b>5</b>	Augmentation Fee	3,912,060	-	948,802	-	-	-	<b>948,802</b>	2,963,258	24%
<b>6</b>	<b>Transfer In/Loan Repayment from Extraction Fund</b>	-	-	-	-	-	-	-	-	0%
<b>7</b>	Shallow Well Mitigation Fee	125,776	-	-	9,108	-	-	<b>9,108</b>	116,668	7%
<b>8</b>	Department of Water Resources (DWR) Grants-Prop 1/68	204,636	-	-	-	64,942	-	<b>64,942</b>	139,694	32%
<b>9</b>	Department of Water Resources (DWR) Grants -IP Grant	2,000,000	-	-	-	-	-	-	2,000,000	0%
<b>10</b>	Navy/COSO Royalty Fund	15,000	-	-	-	-	-	-	15,000	0%
<b>11</b>										
<b>12</b>	<b>TOTAL REVENUES</b>	<b>8,149,846</b>	<b>256,085</b>	<b>948,802</b>	<b>9,108</b>	<b>64,942</b>	<b>-</b>	<b>1,278,937</b>	<b>6,870,909</b>	<b>16%</b>
<b>13</b>	<b>EXPENSES</b>									
<b>14</b>	<b>Administration</b>									
<b>15</b>	Administration (RGS)	333,000	51,197	51,197	-	-	-	<b>102,395</b>	230,606	31%
<b>16</b>	Office Rent (City of Ridgecrest)	3,600	600	600	-	-	-	<b>1,200</b>	2,400	33%
<b>17</b>	Office Supplies	1,000	-	-	-	-	-	-	1,000	0%
<b>18</b>	Postage and Delivery	360	-	-	-	-	-	-	360	0%
<b>19</b>	External Audit	12,000	-	-	-	-	-	-	12,000	0%
<b>20</b>	Council Chambers/IT Services (City of Ridgecrest)	8,500	-	-	-	-	-	-	8,500	0%
<b>21</b>	General Counsel (Aleshire & Wynder/City of Ridgecrest)	200,000	20,255	-	-	-	-	<b>20,255</b>	179,745	10%
<b>22</b>	Insurance Premium	14,870	14,817	-	-	-	-	<b>14,817</b>	53	100%
<b>23</b>	Legal Notices (Daily Independent)	2,000	-	-	-	-	-	-	2,000	0%
<b>24</b>	Memberships (Cal. Assoc.Mutual Water Co)	100	100	-	-	-	-	<b>100</b>	-	100%
<b>25</b>	Website (IWVWD)	300	-	-	-	-	-	-	300	0%
<b>26</b>	Printing and Reproduction	-	-	-	-	-	-	-	-	0%
<b>27</b>	Bank Service Charges	24	-	-	-	-	-	-	24	0%
<b>28</b>										
<b>29</b>	<b>Non-Departmental</b>									
<b>30</b>	Other Legal Services (RWG Law)	400,000	-	92,176	-	-	-	<b>92,176</b>	307,824	23%
<b>31</b>	Lobbying Services (Capitol Core)	174,000	-	52,675	-	-	-	<b>52,675</b>	121,325	30%
<b>32</b>	Other Professional Services	-	-	-	-	-	-	-	-	0%
<b>33</b>	Shallow Well Mitigation Emergency Assistance Program	50,000	-	-	-	-	-	-	50,000	0%
<b>34</b>	Repayment of Kern County Advance	-	-	-	-	-	-	-	-	0%
<b>35</b>	Repayment of City of Ridgecrest In-Kind Services	500,000	-	-	-	-	-	-	500,000	0%
<b>36</b>	<b>Transfer Out/ Loan Repayment to Augmentation Fund</b>	-	-	-	-	-	-	-	-	0%
<b>37</b>	<b>Transfer Out/Loan to Extraction Fund</b>	572,450	-	-	-	-	-	-	572,450	0%

# BUDGET TO ACTUAL REPORT- March

		ACTUALS BY REVENUE ALLOCATION						(B)	(A-B)	(B/A)
		Restricted	Restricted	Restricted	Restricted	Restricted	Restricted	\$	\$	%
		Extraction	Augmentation	Shallow Well Mitigation	Prop. 1; Prop.68 SDAC	SGMA IP Grant	Navy/COSO Fund	ACTUAL	REMAINING	COMPLETED
(A)	BUDGET									
38										
39	<b>Community &amp; Engagement</b>									
40	Design Services	25,000	-	-	-	-	-	-	25,000	0%
41	Printing and Reproduction	10,000	-	-	-	-	-	-	10,000	0%
42	Website Services	25,000	-	-	-	-	-	-	25,000	0%
43										
44	<b>Basin Management Administration</b>									
45	Production Reporting, Transient Pool, and Fee Support (Stetson)	5,000	155	-	-	-	-	155	4,846	3%
46	Meetings and Prep (Stetson)	140,000	60,728	-	-	-	-	60,728	79,272	43%
47	Budget Support (Stetson)	7,500	593	-	-	-	-	593	6,908	8%
48	Stakeholder Coordination (Stetson)	10,000	-	-	-	-	-	-	10,000	0%
49	Litigation Support (Stetson)	40,000	18,983	-	-	-	-	18,983	21,017	47%
50										
51	<b>Basin Management</b>									
52	General Engineering (Stetson)	50,000	3,406	-	-	-	-	3,406	46,594	7%
53	TSS: El Paso Well Drilling Support (Stetson)	-	1,708	-	-	-	-	1,708	(1,708)	0%
54	TSS: General Coordination/Application Support (Stetson)	15,000	61	-	-	-	-	61	14,939	0%
55	Coordination with DWR on GSP Review (Stetson)	-	4,948	-	-	-	-	4,948	(4,948)	0%
56	GSP 5-Year Update (Stetson)	50,000	8,691	-	-	-	-	8,691	41,310	17%
57	Annual Report Preparation (Stetson)	50,000	34,033	-	-	-	-	34,033	15,967	68%
58	Data Management System Support (Stetson)	30,000	9,007	-	-	-	-	9,007	20,993	30%
59	Allocation Plan: Allocation Process & Transient Pool Support (Stetson)	-	-	-	-	-	-	-	-	0%
60	Allocation Plan and Rules & Regs on Pumping/Restrictions (Stetson)	12,000	-	-	-	-	-	-	12,000	0%
61	Allocation Plan: Fallowing & Transient Pool Transfer Program (Stetson)	-	-	-	-	-	-	-	-	0%
62	Conservation Efforts (Stetson)	10,000	-	-	-	-	-	-	10,000	0%
63	General Project Management (Stetson)	30,000	9,724	-	-	-	-	9,724	20,277	32%
64	Model Transfer and Upgrade (Stetson)	200,000	85,922	-	-	-	-	85,922	114,078	43%
65	Navy/Coso Royalty Fund: Develop Projects & Secure Funding (Stetson)	25,000	17,436	-	-	-	-	17,436	7,564	70%
66	Navy/Coso Royalty Fund: Rose Valley MW Permitting, Bid, Drilling (Stetson)	15,000	-	-	-	-	2,638	2,638	12,362	18%
67	Data Collection, Monitoring, and Data Gaps (Stetson)	145,000	70,720	-	-	-	-	70,720	74,280	49%
68	Imported Water: Negotiations and Coordination(Stetson)	20,000	-	15,623	-	-	-	15,623	4,378	78%
69	Imported Water: Engineering and Analysis(Stetson)	-	-	18,547	-	-	-	18,547	(18,547)	0%
70	Recycled Water (Stetson)	150,000	-	138,653	-	-	-	138,653	11,348	92%
71										

# BUDGET TO ACTUAL REPORT- March

		ACTUALS BY REVENUE ALLOCATION						(B)	(A-B)	(B/A)	
		Restricted	Restricted	Restricted	Restricted	Restricted	Restricted	\$	\$	%	
		Extraction	Augmentation	Shallow Well Mitigation	Prop. 1; Prop.68 SDAC	SGMA IP Grant	Navy/COSO Fund	ACTUAL	REMAINING	COMPLETED	
(A)	BUDGET										
72	<b>EXPENSES (Cont'd)</b>										
73	<b>Basin Management (cont'd)</b>										
74	Shallow Well Mitigation Program: Plan Development (Stetson)	-	-	-	-	-	-	-	-	0%	
75	Shallow Well Mitigation Program: Outreach and Impacts Eval.(Stetson)	20,000	-	16,212	-	-	-	16,212	3,788	81%	
76	Brackish Water Group: Data Review and Coordination(Stetson)	-	-	-	-	-	-	-	-	0%	
77	Review of Outside Studies and Coordination (Stetson)	30,000	-	-	-	-	-	-	30,000	0%	
78	Well Monitoring Services (WellIntel Inc.)	2,100	1,559	-	-	-	-	1,559	541	74%	
79	Weather Station Maintenance(Stetson)	-	-	-	-	-	-	-	-	0%	
80											
81	<b>Grant Management</b>										
82	Prop 1 / Prop 68 Grant Administration (Stetson)	5,000	13,254	-	-	-	-	13,254	(8,254)	265%	
83	Prop 1 SDAC Support	-	-	-	2,774	-	-	2,774	(2,774)	0%	
84	Grant Review and Application Preparation (Stetson)	75,000	42,078	-	-	-	-	42,078	32,922	56%	
85	IP Grant Administration (Stetson)	70,000	-	-	-	14,076	-	14,076	55,924	20%	
86	Planning/Design/Envrionmental (Stetson)	175,000	-	-	-	35,832	-	35,832	139,168	20%	
87	Engagement/Outreach (Stetson)	25,000	-	-	-	-	-	-	-	-	
88	Engagement /Outreach-Other Professional Services (Provost & Pritchard)	1,730,000	-	-	-	357,012	-	357,012	1,372,988	21%	
89	<b>TOTAL EXPENSES</b>	<b>5,468,804</b>	<b>469,974</b>	<b>369,470</b>	<b>16,212</b>	<b>2,774</b>	<b>406,920</b>	<b>2,638</b>	<b>1,267,987</b>	<b>4,175,817</b>	<b>23%</b>
90											
91	<b>Surplus (Deficit)</b>	<b>2,681,042</b>	<b>(213,889)</b>	<b>579,332</b>	<b>(7,104)</b>	<b>62,168</b>	<b>(406,920)</b>	<b>(2,638)</b>	<b>10,950</b>		

Budget to Actual Report includes all revenues and expenditures during the calendar year and is on a cash basis. Accruals will be finalized during the year-end reconciliation and audit process and presented in a separate report. FY 2022 revenue and expenses for November were deposited and paid in January/February 2023. A future report will include an adjustment to reflect current budget to actual activity. Currently the % completed YTD is inflated as a result. Billing and receipt of reimbursement grant program revenue may cross over fiscal years with revenue received for prior year programs. Separate reconciliation will be completed for grant programs.



## MONTH TO DATE REVENUES & EXPENDITURES EXCLUDING TRANSFERS

	Revenue	Transfer In*	Transfer Out*	Expenses	Surplus (Deficit)
Extraction Fund	221,636	-	-	469,974	(248,338)
Augmentation Fund	985,123	-	-	369,470	615,653
Shallow Well Mitigation Fund	7,236	-	-	16,212	(8,976)
Department of Water Resources (DWR) Grants-Prop 1/68	64,942	-	-	2,774	62,168
Department of Water Resources (DWR) Grants -IP Grant	-	-	-	406,920	(406,920)
Navy/COSO Royalty Fund	-	-	-	2,638	(2,638)
<b>Total</b>	<b><u>1,278,937</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>1,267,987</u></b>	<b><u>10,950</u></b>

*\* The Extraction Fund Budget will be balanced through a loan from the Augmentation Fund.*

## OUTSTANDING OBLIGATIONS

	Kern County	City of Ridgecrest	Augmentation Fund	Total
<b>Advance Agreements</b>				
Advance of Funds	500,000	-	-	500,000
Advance Repayment	(500,000)	-	-	(500,000)
<b>In-Kind Services</b>				
Attorney Srvcs./IT/Chambers -FY23	-	36,519	-	36,519
Attorney Srvcs./IT/Chambers -FY22	-	241,204	-	241,204
Attorney Srvcs./IT/Chambers -FY 21	-	325,235	-	325,235
Attorney Srvcs./IT/Chambers -FY's16-20	-	366,982	-	366,982
<b>Inter-Fund Loans</b>				
2023 Loan to Extraction Fund-Estimated*	-	-	367,814	367,814
Repayment of Adv. Of Funds to IWVWD**	-	-	500,000	500,000
Repymt of Adv. Of Funds to Kern Cty-YE Est***	-	-	142,200	142,200
<b>Postponed Invoice Payments</b>				
None	-	-	-	-
Total	-	969,940	1,010,014	1,979,954

*Estimated and included in proposed budget\**

*IWVWD used restricted Augmentation Revenue to repay the Advance Agreement\*\**

*Repayment of the IWVWD Advance requires a transfer from the Extraction Fund to the Augmentation Fund.*

*Kern Cnty Repymnt was \$500k but it is estimated only \$142,200 will be loaned from the Augmentation Fund at YE\*\*\**

*City of Ridgecrest In-Kind Services includes services associated with Extraction and Augmentation expenses.*

## ADOPTED 2023 OBLIGATION REPAYMENTS

	Kern County	City of Ridgecrest	Augmentation Fund	Total
<b>Advance Agreements</b>				
Advance of Funds-Est. Repayment 12/31/2022	-	-	-	-
<b>In-Kind Services</b>				
Attorney Services/IT/Council Chambers	-	500,000	-	500,000
<b>Financing</b>				
Water Purchase related Financing- TBD	-	-	-	-
	-	500,000	-	500,000

*Upon repayment of Obligations, an inter-fund loan will be created between the Extraction Fund and Augmentation Fund for amount not funded by the Extraction Fund.*

IWVGA  
AS of March 31, 2023

## CASH BALANCE

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**March 2023 Activity**

Cash Receipts (Receipts over \$50,000 and all grants are detailed)

IWVWD Augmentation/Extraction/SWM-January	\$ 262,356.30
IWVWD Augmentation/Extraction/SWM-February	254,129.66
Grant Reimbursement-Prop. 1	64,941.88
All Other Cash Receipts -March	<u>22,754.36</u>
<b>Total Cash Receipts</b>	<b><u>\$ 604,182.20</u></b>

Cash Disbursements (Obligation payments are detailed)

Warrants - February	\$ 281,610.67
<b>Total Cash Disbursements</b>	<b><u>\$ 281,610.67</u></b>

**Cash Balance**

Prior Month to Current Month Ending Balance Reconciliation

February Cash Balance By Investment

Kern County Treasurer	\$ 5,446,496.47
AltaOne Credit Union	<u>-</u>
<b>Total Cash Balance as of February 28</b>	<b><u>\$ 5,446,496.47</u></b>

March Activity

Cash Receipts	\$ 604,182.20
Cash Disbursements	<u>(281,610.67)</u>
<b>Total March Activity</b>	<b>\$ 322,571.53</b>
March Ending Cash Balance	\$ 5,769,068.00
Less: Outstanding Warrants	<u>(231,344.97)</u>
<b>Total Available Cash By Activity as of March 31</b>	<b><u>\$ 5,537,723.03</u></b>

March Cash Balance by Investment

Kern County Treasurer	\$ 5,164,885.80
AltaOne (Transfer in Transit)	<u>604,182.20</u>
<b>Total March Balance</b>	<b>\$ 5,769,068.00</b>
Less: Outstanding Warrants	<u>(231,344.97)</u>
<b>Total Available Cash by Investment as of March 31</b>	<b><u>\$ 5,537,723.03</u></b>

*Cash Receipts are deposited in AltaOne Credit Union and sent electronically to Kern County Treasurer. Cash in Transit at month end will be reflected in the Kern County Treasurer balance. Warrants are approved by IWVGA Board and administratively processed by IWVGA staff. Warrants are executed by Kern County staff. Outstanding Warrants are vendor invoices received and not yet paid. Outstanding Obligations are detailed in a separate attached report.*

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To: Carol Thomas-Keefer, General Manager Indian Wells Valley Groundwater Authority

From: Jeff Simonetti, SVP Capitol Core Group

cc: Steve Johnson, Stetson Engineers  
Michael W. McKinney, President Capitol Core Group  
Todd Tatum, SCA Capitol Core Group

Date: April 12, 2023

Subject: Project Update Memorandum – March 2023 Activities

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The following will provide activities and updates for the month of March 2023.

### **Task 1: Imported Water Supplies**

#### **Updated Report** – Subtask A: Dudley Ridge Water Purchase

Capitol Core continues to work with the owners of the Jackson Ranch water to move forward the transaction. Currently we are working with the owner’s environmental consultant to complete a draft of the environmental documentation required for the transfer. We are also working with their legal team to finalize a draft of the Purchase and Sale Agreement (PSA) for the water supplies. We anticipate that the PSA will be ready for the Board’s review at the May Board meeting.

#### **Updated Report** – Subtask C: “Other Required Agreements:” AVEK Interconnection and Wheeling Agreements

Capitol Core and IWVGA staff met with AVEK’s current and former General Manager on March 7<sup>th</sup> to discuss the interconnection project and next steps. The meeting was generally positive. AVEK staff stated that treatment capacity in their Rosamond Treatment Plant may be a limiting factor in the amount of water it can deliver without further infrastructure upgrades. They provided potential alternatives including an intertie project that they are planning between their plants. AVEK staff would also like to review the final technical document for the interconnection route alignment proposal. Capitol Core staff is planning to meet again with AVEK staff in April to review these items.

#### **Updated Report** – Subtask D: “New Water Sales” March Activities

You can view details of the DWR water allocation announcement [here](#).

### **Task 2: Interconnection Pipeline Project**

**New/Report** – United States Navy, CNO-ASN-EIE

On March 21, 2023, IWVGA representatives met with representatives of the Chief Naval Operations, Deputy Assistant Secretary of the Navy – Energy Installations and Environment (Karnig Ohannessian) to discuss progress made on water sustainability projects. In attendance from the Navy were Sandra Kline, Director – Energy, Installations and Environment; Kelsey Semrod, Resiliency Manager – Energy, Installations and Environment; and Joseph Oglander, General Counsel – Office of the Assistant Secretary of the Navy – Energy, Installations and Environment. The purpose of the meeting was to 1) continue to build relational capital on behalf of IWVGA with the Navy’s Pentagon staff 2) provide an update/revise to the June 2020 IWVGA Groundwater Report and Request for Assistance, and 3) make a direct request for support by the US Navy for the interconnection pipeline project. Over a one-hour period, updates to the regional water sustainability projects were provided. In addition, to specific discussions over the Indian Wells Valley regional (California) water sustainability issues were discussed as a means to provide ongoing installation resilience.

Attendees were very attentive and interested in ongoing efforts related to the interconnection pipeline project and other necessary infrastructure projects moving forward in IWVGA. IWVGA Board Members stressed the importance of the installation to the region and expressed the need for USN support for the interconnection project. We specifically discussed and provided further details regarding the potential movement of Navy personnel/dependents on-installation not impacting the need for imported water requirements and not achieving water resilience. Major differences between the 2020 briefing and this update included direct (clarifying) statements that additional efficiency or other measures would not bring the region and Base into water sustainability and that movement of personnel on-installation would be cost-inefficient. Both measures would still require imported water.

At the end of the presentation, McKinney asked the Navy representatives to request Department support for the interconnection project, recognizing that specific budget-authorization (through the President’s budget process) or Congressional-authorization/appropriations exist to provide a commitment for funding. He stressed the imminent need to seek such approval to forward a financial request. Director Kline agreed to discuss the issue with the Deputy Assistant Secretary and Naval Command to determine Department support for pursuing the financial request.

Follow-up, by McKinney and Chairman Hayman, is needed in the coming weeks. Additionally, in the interest of transparency, IWVGA representatives owe the Department a summary of our discussions with Members of Congress on the financial assistance subject. **Status of Request = Under review**

#### **Updated Report – U.S. Army Corps of Engineers: Planning Assistance to States Program**

On March 22, 2023, IWVGA received a letter of acceptance to the United States Army Corps of Engineers, Planning Assistance to States (PAS) program. The PAS will provide additional staff assistance to complete the planning activities of the interconnection project and begin planning activities associated with the water recycling plant. Authority and USACE are meeting to finalize a scope of work and draft agreement between the agencies for Board approval in May 2023. **Status of Request = Approved, congratulations to the IWVGA.**

#### **Updated Report – Environmental Infrastructure Project (Section 219) – *Water Resources Development Act of 2024***

Capitol Core and IWVGA representatives provided briefings to Senator Dianne Feinstein (John Watts, Policy Advisor); Senator Alex Padilla (Angela Ebner, Policy Advisor); and Speaker Kevin McCarthy (Kyle



Lombardi, Deputy Chief of Staff). The briefings included updates on the project's progress, recent developments concerning US Army Corps of Engineers involvement in the project, and a direct request for \$134 million authorization under Section 219 of the Water Resources Development Act (WRDA-24) or direct Congressional authorization for an unspecified amount through the National Defense Authorization Act (NDAA-2025). Both requests require additional appropriations through the Fiscal Year 2026 Energy and Water Development Act or the Fiscal Year 2026 Military Construction and Related Agencies Appropriations Act, respectively.

**Speaker Kevin McCarthy: Status of Request = Under consideration/research required.** Speaker McCarthy has made a decision internally to continue not to submit "earmarks" (Community Project Funding Requests). While the WRDA-24 request is a request for authorization of the project, in certain circumstances that action triggers the requirements under the House Rules to submit the Community Project Funding Request in the future years. Additional research is needed to determine the status of the House Rules with respect to WRDA-authorization versus appropriation requirements. Pursuit of the project as a "water resources project" (aka, a \$7001 request") eliminates the Speaker's need to submit an earmark request. However, it is more cumbersome to the Authority and requires completion of a Feasibility Study. The USACE is in the process of validating the GSP's requirements as well as the pipeline's alignment. These validations suggest that the Authority is beyond the need to determine feasibility of the project and the added costs/time delays of such a process to simply avoid the earmark request is, in Capitol Core's opinion, ill advised. Submittal of the IWVGA's WRDA-24 request is "under review" and the Speaker's office is researching this request. The deadline for WRDA-24 requests has not been established by the Speaker's office. The Speaker favors the WRDA process over the NDAA/MilCon process but is open to discussions with USN.

**Senator Alex Padilla: Status of Request = Staff approval/under consideration by the Senator.** Senator Padilla's staff supports completion of the interconnection pipeline project as approved by the GSP. The office has no opinion on submitting funding requests either through the WRDA or NDAA process. Staff for the Senator approves of the request and will submit it for consideration by the Senator. The deadline for WRDA-24 through the office is November 2023.

**Senator Dianne Feinstein: Status of Request = Staff approval/under consideration by the Senator.** The Senator's staff questions why the USN has not substantively financially participated in any of the water sustainability requirements and favors the NDAA/MilCon process. The IWVGA WRDA-24 request has been submitted for approval by the Senator. Given the Senator's decision to retire at the end of her term in 2024, Senator Feinstein's staff expressed some concern regarding the ongoing appropriations requirements. Staff will coordinate with Senator Padilla's office to determine the best course of action. The deadline for WRDA-24 through the office is October 2023.

### **Task 3: Water Recycling Plant**

**Updated Report** – U.S. Bureau of Reclamation: Title XVI Feasibility Study

USBR has notified Stetson of initial review completion of the Feasibility study which is now under formal review. **Speaker McCarthy's** office will support the request and engage with USBR on the feasibility study review.

**Updated Report** – USACE: Planning Assistance to States

See interconnection report.

#### **Task 4: Wastewater Treatment Plant**

**Updated Report** – City of Ridgecrest Federal Community Project Funding Request

**Speaker McCarthy: Status = Denied.** The Speaker is not accepting Community Project Funding Requests (earmarks).

**Senator Padilla: Status = Under Consideration.** The Senator is working through Legislatively directed funding requests.

**Senator Feinstein: Status = Under Consideration.** The Senator is working through Legislatively directed funding requests.

**Updated Report** – *Fiscal Year 2024 Defense Appropriations Act*: DCIP Funding

The FY 2024 authorized amount for DCIP is \$100 million. The Senate will seek an increase over the President’s Budget Request of \$140 million while the House is likely to remain at the \$100 million for FY2024 appropriate amounts. The *Fiscal Year 2024 Defense Appropriations Act* is pending introduction of the “Chairman’s Marks” (draft bills).

**House Subcommittee Chairman Calvert (R-CA, 45<sup>th</sup>): Supports**

**Senate Subcommittee Chairman Tester (D-MT): Supports**

**Speaker McCarthy (R-CA, 23<sup>rd</sup>): Supports**

**Senator Feinstein (D-CA): Supports**

#### **Task 5: Other Projects Supporting the GSP**

**Updated Report** – Congressional Activities: Water and Water Infrastructure

No major actions in March 2023.

**Updated Report** – State Legislative Activities: Policy Legislation

**AB 444** (Addis) would establish the California Defense Community Infrastructure Program. A state grant program designed to serve as the State-match requirement for the federal DCIP. **IWVGA Position** -- Support

**AB 779** (Wilson) would require GSAs to provide the court information and hold public hearings during adjudication proceedings. **Recommendation** – Support with Amendments

**AB 900** (Bennett) would require State Water Resources Control Board to include guidelines for a streamlined permitting process for aquifer recharge projects that implement the best practices outlined in the report. The bill would also require the department to create a grant program to implement best practices in aquifer recharge, including a streamlined process for the issuance of a permit. **Recommendation** – Support; **Current status:** Hearing Postponed by Committee Chair

**AB 1205** (Bauer-Khan) would declare that the sale, transfer, or lease of an interest in any water right for profit, on or below agricultural lands within the state by an investment fund, shall not be considered a reasonable or beneficial use of water. **Recommendation** – Review for potential impacts to future water supply purchases

**Updated Report** – Funding Source: Multibenefit Land Repurposing Program

Capitol Core flagged this program for the Authority in Fall 2022 for potential programs within the Basin. Applications for the 2023 round of funding closed on March 29<sup>th</sup>. You can view more details about the program [here](#).

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