

# INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

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

## BOARD OF DIRECTORS AGENDA

Wednesday, September 10, 2025

**Closed Session – 10:00 a.m.**

**Open Session no earlier than 11:00 a.m.**

Pursuant to California Government Code 54953(b)(1) two additional call-in locations have been established for Board Members who will attend this meeting via teleconference at 14955 Dale Evans Parkway, Apple Valley, CA. 92307 and 1360 N Main St Bishop, CA. 93514.

***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 a 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: Purchase of Water Rights; Agency Negotiator: Jeff Simonetti; Negotiating Parties: Renewable Resources Group; Under Negotiation: Price and terms of payment.
- CONFERENCE WITH REAL PROPERTY NEGOTIATIONS

(Government Code Section 54956.8) - Property: Purchase of Water Rights; Agency Negotiator: Jeff Simonetti; Negotiating Parties: Silvertip; Under Negotiation: Price and terms of payment.

- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Government Code Section 54956.9(d)(1) - Name of case: Indian Wells Valley Groundwater Authority v. Searles Valley Minerals Inc., 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): IWVGA v. Inyokern CSD – Kern County Superior Court BCV-22-100281
- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (§ 54956.9)  
Name of Case: Searles Valley Minerals, Inc v. Indian Wells Valley Groundwater Authority[Case Number 30-2025-01457804-CU-WM-CJC]
- CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION  
(Government Code Section 54956.9(d)(1) - Name of case: Mojave Pistachios, LLC v Indian Wells Valley Water District, et al. Orange County Superior Court Case No. 30-2021-01187275-CU-OR-CJ

**5. CALL TO ORDER – No earlier than 11:00 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 August 13, 2025
- b. Approve Expenditures
  - \*To view itemized invoices please visit <https://iwvga.org/iwvga-meetings>.
  - i. \$171,309.62 – Indian Wells Valley Water District (Consolidation)
  - ii. \$125,000.00 – City of Ridgecrest
  - iii. \$56,136.43 – Stetson Engineers
  - iv. \$30,081.60 – Regional Government Services – (Replenishment / Extraction)
  - v. \$29,061.38 – Provost & Pritchard – (SGMA IP)
  - vi. \$28,466.50 – Westbound Communication – (Extraction)
  - vii. \$24,637.50 – Capitol Core Group – (Replenishment)
  - viii. \$10,900.00 – Transystems (SGMA IP)

**9. BOARD TO RECEIVE AND FILE THE 2023 AUDIT**

**10. WESTBOUND COMMUNICATION SOCIAL MEDIA ENGAGEMENT**

**11. WATER RESOURCES MANAGER REPORT**

- a. Grant Funding
- b. GSP Implementation Projects/Management Action Updates
  - i. Imported Water Project
  - ii. Shallow Well Mitigation Program
- c. Miscellaneous Items
  - i. Data Collection and Monitoring
  - ii. IWVGA Basin Model Configuration Management Plan
  - iii. Rose Valley Subflow Update
  - iv. Rademacher Consolidation Update

**12. GENERAL MANAGER'S REPORT**

- a. Monthly Financial Report
- b. Outreach Update
- c. Report on IWVGA's Water Marketer (Capitol Core Group)

**13. DATE OF NEXT MEETING – OCTOBER 8, 2025**

**14. 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.
- **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 AUGUST 13, 2025

### IWVGA Members Present:

Chairman Scott Hayman, City of Ridgecrest	Carol Thomas-Keefer, IWVGA General Manager
Phillip Peters, Kern County	Alex Lemieux, Legal Counsel
David Saint-Amand, Indian Wells Valley Water District	Steve Johnson, Stetson Engineers
Tim Itnyre, San Bernardino County	John Kersey, US Navy, DoD Liaison
John Vallejo, Inyo County	April Keigwin, Clerk of the Board

Attending via teleconference is John Vallejo, Tim Itnyre, and Steve Johnson.

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 10:08 a.m.

### 2. ADOPTION OF AGENDA:

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

Chairman Hayman	Aye
Vice Chair Peters	Aye
Director Saint-Amand	Aye
Director Vallejo	Aye
Director Itnyre	Absent

### 3. PUBLIC COMMENT ON CLOSED SESSION:

Chairman Hayman calls the meeting into Closed Session at 10:12 a.m.

### 4. CLOSED SESSION:

- CONFERENCE WITH REAL PROPERTY NEGOTIATIONS  
(Government Code Section 54956.8) - Property: Purchase of Water Rights; Agency Negotiator: Jeff Simonetti; Negotiating Parties: Renewable Resources Group; Under Negotiation: Price and terms of payment.
- CONFERENCE WITH REAL PROPERTY NEGOTIATIONS  
(Government Code Section 54956.8) - Property: Purchase of Water Rights; Agency Negotiator: Jeff Simonetti; Negotiating Parties: Silvertip; Under Negotiation: Price and terms of payment.
- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

(Government Code Section 54956.9(d)(1) - Name of case: Indian Wells Valley Groundwater Authority v. Searles Valley Minerals Inc., 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): IWVGA v. Inyokern CSD – Kern County Superior Court BCV-22-100281
- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (§ 54956.9)  
Name of Case: Searles Valley Minerals, Inc v. Indian Wells Valley Groundwater Authority [Case Number 30-2025-01457804-CU-WM-CJC]
- CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION  
(Government Code Section 54956.9(d)(1) - Name of case: Mojave Pistachios, LLC v Indian Wells Valley Water District, et al. Orange County Superior Court Case No. 30-2021-01187275-CU-OR-CJ

Closed Session adjourns at 11:51 a.m.

**5. OPEN SESSION – no earlier than 11:00 a.m.**

Meeting reconvenes into Open Session at 11:55 a.m.

- a. Report on Closed Session – Counsel Lemieux report no reportable action was taken 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 Saint-Amand	Present
Director Itnyre	Present
Director Vallejo	Absent

**6. PUBLIC COMMENT:**

The board hears public comment from Judie Decker, West Katzenstein Mike Sinnott, and Sophia Merk.

*Director Vallejo joins meeting.*

**7. BOARD MEMBER COMMENTS:**

None.

**8. CONSENT AGENDA:**

- a. Approve Minutes of Special Board Meeting July 16, 2025
- b. Approve Expenditures

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

- i. \$152,055.40 – Provost & Pritchard – (SGMA IP)
- ii. \$125,000.00 – City of Ridgecrest
- iii. \$39,527.78 – Stetson Engineers
- iv. \$28,637.50 – Capitol Core Group – (Replenishment / Extraction)
- v. \$17,586.50 – Transystems (SGMA IP)
- vi. \$16,414.30 – Westbound Communication – (Extraction)
- vii. \$300.00 – Regional Government Services – (Replenishment / Extraction)

Motion made by Phillip Peters and seconded by John Vallejo to approve Minutes of Special Board Meeting July 16, 2025, and the following expenditures in the amount of \$152,055.40 to Provost & Pritchard, \$125,000.00 to City of Ridgecrest, \$39,527.78 to Stetson Engineers, \$28,637.50 to Capitol

Core Group, \$17,586.50 to Transystems, \$16,414.30 to Westbound Communications and \$300.00 to Regional Government Services.

Motion carries by the following roll call vote:

Chairman Hayman	Aye
Vice Chair Peters	Aye
Director Saint-Amand	Aye
Director Itnyre	Aye
Director Vallejo	Aye

**9. PROVOST AND PRITCHARD ENVIRONMENTAL CHANGE ORDER FOR REVEGETATION AND RESTORATION PLAN:**

Bianca Cabrera presents staff report and change order.

The board hears public comment from Judie Decker.

Motion made by Phillip Peters and seconded by Scott Hayman to approve environmental change order for revegetation and restoration plan.

Motion carries by the following roll call vote:

Chairman Hayman	Aye
Vice Chair Peters	Aye
Director Saint-Amand	Abstain
Director Itnyre	Aye
Director Vallejo	Aye

**10. PROVOST & PRITCHARD DESIGN CHANGE ORDER FOR TRENCHLESS CROSSING AND CORROSION DESIGN:**

Bianca Cabrera presents staff report and change order.

Motion made by Phillip Peters and seconded by Scott Hayman to approve design change order for trenchless crossing and corrosion design.

Motion carries by the following roll call vote:

Chairman Hayman	Aye
Vice Chair Peters	Aye
Director Saint-Amand	Abstain
Director Itnyre	Aye
Director Vallejo	Aye

**11. APPROVAL OF CONTRACT SERVICES AGREEMENT WITH BLUE MOUNTAIN DEVELOPMENT FOR SUPPORT SERVICES FOR THE IMPORTED WATER PROJECT:**

*Item moved for discussion before agenda items 9 and 10.*

Carol Thomas-Keefer and Steve Johnson provide staff report and contract documents and introduce Omar Dandashi from Blue Mountain Development.

Motion made by Phillip Peters and seconded by John Vallejo to approve contract with Blue Mountain Development.

Motion carries by the following roll call vote:

Chairman Hayman	Aye
Vice Chair Peters	Aye
Director Saint-Amand	Abstain

Director Itnyre                      Aye  
Director Vallejo                     Aye

**12. WATER RESOURCES MANAGER REPORT:**

Jeff Helsley provides updates on the following items:

- a. Grant Funding
- b. GSP Implementation Projects/Management Action Updates
  - i. Imported Water Project
  - ii. Shallow Well Mitigation Program
- c. Miscellaneous Items
  - i. Data Collection and Monitoring
  - ii. IWVGA Basin Model Configuration Management Plan
  - iii. Rose Valley Subflow Update
  - iv. Rademacher Consolidation Update

The Board hears public comment from Don Decker,

**13. GENERAL MANAGER REPORT:**

Carol Thomas-Keefer presents updates on public outreach and transient pool transfer. Michael McKinney of Capitol Core Group provides legislative update.

The Board hears public comment from Judie Decker.

**14. DATE OF NEXT MEETING – SEPTEMBER 10, 2025**

**15. ADJOURN:**

Chairman Hayman adjourns the meeting at 12:57 p.m. on August 13, 2025.

Respectfully submitted,

April Keigwin  
Clerk of the Board  
Indian Wells Valley Groundwater Authority

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Indian Wells Valley Water District  
PO Box 1329  
Ridgecrest, CA 93556-1329



**INVOICE DATE**

08/11/2025

**DUE DATE**

10/10/2025

**INVOICE NUMBER**

1277

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

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Rademacher Way Pipeline Project - February Expenses

Krieger & Stewart costs \$ 10,180.95

**Total Due \$ 10,180.95**

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**Please make checks payable to Indian Wells Valley Water District and include the invoice number.  
For questions concerning this invoice, contact Renee Morquecho at (760) 384-5520.**

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Indian Wells Valley Water District  
PO Box 1329  
Ridgecrest, CA 93556-1329



**INVOICE DATE**  
08/11/2025

**DUE DATE**  
10/10/2025

**INVOICE NUMBER**  
1279

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

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Rademacher Way Pipeline Project - March Expenses

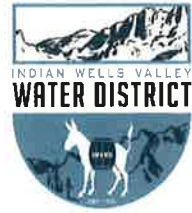
Krieger & Stewart costs	\$ 3,970.55
Ferguson Waterworks	\$ 4,090.97
<b>Total Due</b>	<b>\$ 8,061.52</b>

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Please make checks payable to Indian Wells Valley Water District and include the invoice number.  
For questions concerning this invoice, contact Renee Morquecho at (760) 384-5520.

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Indian Wells Valley Water District  
PO Box 1329  
Ridgecrest, CA 93556-1329



**INVOICE DATE**

08/11/2025

**DUE DATE**

10/10/2025

**INVOICE NUMBER**

1280

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

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Rademacher Way Pipeline Project - April Expenses

Equipment	\$ 34,283.83
Parts & Materials	\$ 35,926.88
Labor Costs	\$ 13,080.91
711 Materials	\$ 677.36
Ferguson Waterworks	\$ 3,341.79
Krieger & Stewart costs	\$ 7,784.75

**Total Due \$ 95,095.52**

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**Please make checks payable to Indian Wells Valley Water District and include the invoice number.  
For questions concerning this invoice, contact Renee Morquecho at (760) 384-5520.**

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Indian Wells Valley Water District  
PO Box 1329  
Ridgecrest, CA 93556-1329



**INVOICE DATE**                      **DUE DATE**  
08/11/2025                              10/10/2025

**INVOICE NUMBER**  
1281

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

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Rademacher Way Pipeline Project - May Expenses

Labor Costs	\$ 5,483.68
Krieger & Stewart costs	\$ 30,511.55
<b>Total Due</b>	<b>\$ 35,995.23</b>

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Please make checks payable to Indian Wells Valley Water District and include the invoice number.  
For questions concerning this invoice, contact Renee Morquecho at (760) 384-5520.

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Indian Wells Valley Water District  
PO Box 1329  
Ridgecrest, CA 93556-1329



**INVOICE DATE**                      **DUE DATE**  
08/11/2025                              10/10/2025

**INVOICE NUMBER**  
1282

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

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Rademacher Way Pipeline Project - June Expenses

Equipment	\$ 4,039.20
Parts & Materials	\$ 6,203.78
Labor Costs	\$ 6,396.15
Ferguson Waterworks	\$ 710.06
High Desert Home Center	\$ 32.71
Krieger & Stewart costs	\$ 4,594.50

**Total Due \$ 21,976.40**

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**Please make checks payable to Indian Wells Valley Water District and include the invoice number.  
For questions concerning this invoice, contact Renee Morquecho at (760) 384-5520.**

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REPAYMENT SCHEDULE FOR CITY OF RIDGECREST OBLIGATION

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**2025 REPAYMENT FOR PRIOR YEARS**

500,000

**SEPTEMBER PAYMENT**

EST PMT DATE	PAYMENT	JULY	AUGUST	SEPTEMBER	OCTOBER	TOTAL
9/22/2025	Payment 3	-	-	125,000	-	125,000
	TOTAL	-	-	125,000	-	125,000

**REMAINING PAYMENTS**

EST PMT DATE	PAYMENT	JULY	AUGUST	SEPTEMBER	OCTOBER	TOTAL
Oct Mtg	Payment 4	-	-	-	125,000	125,000
	TOTAL	-	-	-	125,000	125,000

*Total Outstanding for Prior Years is \$632,266.74.*

*After August Payment, Total Outstanding for Prior Years is \$257,266.24*

*Upon completion of 2025 Repayments, Total Outstanding for Prior Years will be \$132,266.24*

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**Stetson Engineers**

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

Invoice number 2652-96  
 Date 08/29/2025

Project **2652 Indian Wells Valley Groundwater Authority**

Professional services through 07/31/2025

**2652-2025 Water Resources Management 2025**

**2652-2025:01 Meetings & Prep**

Professional Fees

	Hours	Rate	Billed Amount
<b>Principal</b>	18.50	244.00	4,514.00
<b>Supervisor I</b>	8.50	212.00	1,802.00
<b>Associate II</b>	83.50	119.00	9,936.50
<b>Associate III</b>	1.00	114.00	114.00
<b>Assistant I</b>	2.00	101.00	202.00

Reimbursables

	Units	Rate	Billed Amount
Reproduction (Color)			
Non Vendor Reimbursables	143.00	0.89	127.27
Reproduction (Black and White)			
Non Vendor Reimbursables	78.00	0.15	11.70
Phase subtotal			16,707.47

**2652-2025:02.01 SGMA IP Grant Administration**

Professional Fees

	Hours	Rate	Billed Amount
<b>Supervisor I</b>	0.75	212.00	159.00
<b>Senior I</b>	4.50	170.00	765.00
<b>Associate II</b>	2.00	119.00	238.00
<b>Assistant I</b>	16.00	101.00	1,616.00
Phase subtotal			2,778.00

**2652-2025:02.02 Urban Community Drought Relief Funding Administration**

Professional Fees

	Hours	Rate	Billed Amount
<b>Senior I</b>	2.50	170.00	425.00



**STETSON**  
ENGINEERS INC.

Indian Wells Valley Groundwater Authority

Project 2652 Indian Wells Valley Groundwater Authority

Invoice number 2652-96

Date 08/29/2025

**2652-2025 Water Resources Management 2025**

**2652-2025:02.03 EPA Resiliency Grant Administration**

Professional Fees

	Hours	Rate	Billed Amount
<b>Principal</b>	3.00	244.00	732.00
<b>Supervisor I</b>	1.75	212.00	371.00
<b>Associate II</b>	1.00	119.00	119.00
Phase subtotal			1,222.00

**2652-2025:03 Grant Review & Application Preparation**

Professional Fees

	Hours	Rate	Billed Amount
<b>Principal</b>	2.00	244.00	488.00

**2652-2025:04 Data Mgmt System Support**

Professional Fees

	Hours	Rate	Billed Amount
<b>Principal</b>	1.50	244.00	366.00
<b>Senior III</b>	13.50	138.00	1,863.00
Phase subtotal			2,229.00

**2652-2025:05 General Project Mgmt**

Professional Fees

	Hours	Rate	Billed Amount
<b>Principal</b>	1.50	244.00	366.00
<b>Supervisor I</b>	0.50	212.00	106.00
<b>Senior I</b>	2.00	170.00	340.00
<b>Senior III</b>	0.75	138.00	103.50
Phase subtotal			915.50

**2652-2025:07.03 Resiliency Grant: Design**

Professional Fees

	Hours	Rate	Billed Amount
<b>Principal</b>	5.50	244.00	1,342.00
<b>Supervisor I</b>	21.75	212.00	4,611.00
<b>Associate II</b>	72.00	119.00	8,568.00
<b>Associate III</b>	0.50	114.00	57.00
Phase subtotal			14,578.00

**2652-2025:08 Imported Water: Negotiations & Coordination**

Professional Fees

	Hours	Rate	Billed Amount
<b>Principal</b>	2.00	244.00	488.00



**STETSON**  
ENGINEERS INC.

Indian Wells Valley Groundwater Authority

Project 2652 Indian Wells Valley Groundwater Authority

Invoice number 2652-96

Date 08/29/2025

**2652-2025 Water Resources Management 2025**

**2652-2025:11 Data Collection, Monitoring & Data Gaps**

Professional Fees

	Hours	Rate	Billed Amount
<b>Supervisor I</b>	0.50	212.00	106.00
<b>Supervisor II</b>	6.00	197.00	1,182.00
<b>Senior III</b>	3.00	138.00	414.00
<b>Senior Associate</b>	9.25	132.00	1,221.00

Reimbursables

	Units	Rate	Billed Amount
Equipment Purchase			
Stephan Bork			644.71
<b>Phase subtotal</b>			<b>3,567.71</b>

**2652-2025:12 Shallow Well Consolidation Project**

Professional Fees

	Hours	Rate	Billed Amount
<b>Principal</b>	4.50	244.00	1,098.00
<b>Supervisor I</b>	1.50	212.00	318.00
<b>Phase subtotal</b>			<b>1,416.00</b>

**2652-2025:13 Planning Assistance to States: Army Corps Support**

Professional Fees

	Hours	Rate	Billed Amount
<b>Associate II</b>	1.00	119.00	119.00

**2652-2025:21 General Engineering**

Professional Fees

	Hours	Rate	Billed Amount
<b>Supervisor I</b>	0.50	212.00	106.00
<b>Senior III</b>	11.50	138.00	1,587.00
<b>GIS Manager</b>	3.00	126.00	378.00
<b>Phase subtotal</b>			<b>2,071.00</b>

**2652-2025:23 Annual Report Preparation**

Professional Fees

	Hours	Rate	Billed Amount
<b>Principal</b>	1.00	244.00	244.00

**2652-2025:26 Budget Support**

Professional Fees

	Hours	Rate	Billed Amount
<b>Associate II</b>	1.50	119.00	178.50



**STETSON**  
ENGINEERS INC.

Indian Wells Valley Groundwater Authority

Project **2652 Indian Wells Valley Groundwater Authority**

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

Northern California • Southern California • Arizona • Oregon

Invoice number 2652-96

Date 08/29/2025

**2652-2025 Water Resources Management 2025**

**2652-2025:27 Litigation Support**

Professional Fees

	Hours	Rate	Billed Amount
<b>Principal</b>	2.00	244.00	488.00
<b>Special Project Director</b>	7.00	244.00	1,708.00
<b>Supervisor I</b>	3.50	212.00	742.00
<b>Supervisor II</b>	22.50	197.00	4,432.50
<b>Associate II</b>	11.25	119.00	1,338.75
		Phase subtotal	<u>8,709.25</u>
		Water Resources Management 2025 subtotal	<u>56,136.43</u>

Invoice total **56,136.43**

*Thank you for your business!*

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**INVOICE**

Regional Government Services  
PO Box 1350  
Carmel Valley, CA 93924  
AR@rgs.ca.gov  
(650) 587-7300 x2



Indian Wells Valley Groundwater Authority  
April Keigwin  
akeigwin@rgs.ca.gov

July 31, 2025  
Invoice No: 20024  
**Total This Invoice \$29,085.60**

Project 04014.C210200000-40 Indian Wells Valley GA -Professional Employer Services  
**Professional Services from July 01, 2025 to July 31, 2025**

Phase IWVGA General Administration  
**Professional Personnel**

	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>	
PES Agency Chief Executive	32.00	150.00	4,800.00	
Technical Specialist	117.80	116.00	13,664.80	
Totals	149.80		18,464.80	
<b>Total Labor</b>				<b>18,464.80</b>

**Additional Fees**

Technology Fee			600.00	
<b>Total Additional Fees</b>			<b>600.00</b>	<b>600.00</b>
			<b>Total this Phase</b>	<b>\$19,064.80</b>

Phase IWVGA Finance  
**Professional Personnel**

	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>	
Strategic Services Consultant	3.50	176.00	616.00	
Senior Finance Manager	54.50	140.00	7,630.00	
Technical Specialist	15.30	116.00	1,774.80	
Totals	73.30		10,020.80	
<b>Total Labor</b>				<b>10,020.80</b>

**Total this Phase \$10,020.80**

**Total this Invoice \$29,085.60**

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**INVOICE**

Regional Government Services  
PO Box 1350  
Carmel Valley, CA 93924  
AR@rgs.ca.gov  
(650) 587-7300 x2



Indian Wells Valley Groundwater Authority  
April Keigwin  
akeigwin@rgs.ca.gov

July 31, 2025  
Invoice No: 20025  
**Total This Invoice \$696.00**

Project 04014.C210200000-40 Indian Wells Valley GA -Professional Employer Services  
**Professional Services from July 01, 2025 to July 31, 2025**

Phase IWVGA Website  
**Professional Personnel**

	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>	
Technical Specialist	6.00	116.00	696.00	
Totals	6.00		696.00	
<b>Total Labor</b>				<b>696.00</b>
		<b>Total this Phase</b>		<b>\$696.00</b>
		<b>Total this Invoice</b>		<b><u>\$696.00</u></b>

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# Invoice

PO Box 1350  
 Carmel Valley, CA 93924

Date	Invoice #
7/31/2025	18936

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

P.O. No.	Inv Sent
	8/20/2025

Date	Description	Amount
7/31/2025	Reimbursable Expenses for City of Ridegecrest Monthly Rent - please see attached	300.00

Invoice is due 30 days from Inv Sent date	<b>Total</b>	<b>\$300.00</b>
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# PROVOST & PRITCHARD CONSULTING GROUP

455 W Fir Ave • Clovis, CA 93611 • (559) 449-2700  
www.provostandpritchard.com

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

August 29, 2025  
Project No: 04101-23-002  
Invoice No: 122837

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

**Client Project #:  
Professional Services from July 01, 2025 to July 31, 2025**

Phase: 121P Coordination Meetings

**Labor**

	Hours	Rate	Amount	
Senior Engineer	11.80	195.00	2,301.00	
Project Administrator	.20	101.00	20.20	
Associate Planner	1.40	123.00	172.20	
Senior Project Administrator	.50	115.00	57.50	
Totals	13.90		2,550.90	
<b>Total Labor</b>				<b>2,550.90</b>
			<b>Total this Phase:</b>	<b>\$2,550.90</b>

Phase: 131P P&P General Project Management

**Labor**

	Hours	Rate	Amount	
Senior Engineer	45.80	195.00	8,931.00	
Principal Engineer	9.10	248.00	2,256.80	
Project Administrator	.20	101.00	20.20	
Senior Structural Engineer	1.00	163.00	163.00	
Senior Project Administrator	5.50	135.00	742.50	
Totals	61.60		12,113.50	
<b>Total Labor</b>				<b>12,113.50</b>
			<b>Total this Phase:</b>	<b>\$12,113.50</b>

Phase: 271P BLM Special Use Permit

**Labor**

	Hours	Rate	Amount	
Senior Engineer	3.10	195.00	604.50	
Associate Engineer	1.00	140.00	140.00	
Assistant Specialist	11.50	90.00	1,035.00	
Senior Technician	9.30	150.00	1,395.00	
Totals	24.90		3,174.50	
<b>Total Labor</b>				<b>3,174.50</b>
			<b>Total this Phase:</b>	<b>\$3,174.50</b>

Phase: 273P City of California City Permit

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

**Labor**

	Hours	Rate	Amount	
Senior Engineer	1.00	178.00	178.00	
Project Administrator	1.50	101.00	151.50	
Totals	2.50		329.50	
<b>Total Labor</b>				<b>329.50</b>
			<b>Total this Phase:</b>	<b>\$329.50</b>

Phase: 274P Kern County Roads Franchise Agreement/Encroachment Permit

**Labor**

	Hours	Rate	Amount	
Senior Engineer	.50	178.00	89.00	
Totals	.50		89.00	
<b>Total Labor</b>				<b>89.00</b>
			<b>Total this Phase:</b>	<b>\$89.00</b>

Phase: 275P SCE Encroachment Permit (Transmission Line Under Crossing)

**Labor**

	Hours	Rate	Amount	
Senior Engineer	13.50	178.00	2,403.00	
Senior Engineer	6.70	195.00	1,306.50	
Senior Technician	5.70	130.00	741.00	
Senior Biologist	2.00	137.00	274.00	
Associate Planner	1.00	123.00	123.00	
Senior Project Administrator	1.00	115.00	115.00	
Totals	29.90		4,962.50	
<b>Total Labor</b>				<b>4,962.50</b>
			<b>Total this Phase:</b>	<b>\$4,962.50</b>

Phase: 276P Coordination with Cal Parks

**Labor**

	Hours	Rate	Amount	
Senior Engineer	.80	195.00	156.00	
Totals	.80		156.00	
<b>Total Labor</b>				<b>156.00</b>
			<b>Total this Phase:</b>	<b>\$156.00</b>

Phase: 327P Project Description for CEQA/NEPA Process

**Labor**

	Hours	Rate	Amount	
Senior Engineer	2.00	178.00	356.00	
Totals	2.00		356.00	
<b>Total Labor</b>				<b>356.00</b>
			<b>Total this Phase:</b>	<b>\$356.00</b>

Phase: 331P P&P 90% Submittal

**Labor**

	Hours	Rate	Amount	
Senior Engineer	1.60	195.00	312.00	
Totals	1.60		312.00	
<b>Total Labor</b>				<b>312.00</b>
			<b>Total this Phase:</b>	<b>\$312.00</b>

Phase: 332D P&P Drafting 90% Submittal

**Labor**

	Hours	Rate	Amount	
Senior Specialist	.80	165.00	132.00	
Principal Engineer	3.00	207.00	621.00	
Totals	3.80		753.00	
<b>Total Labor</b>				<b>753.00</b>
			<b>Total this Phase:</b>	<b>\$753.00</b>

**Billing Limits**

	Current	Prior	To-Date
Total Billings	24,796.90	4,942,408.89	4,967,205.79
Budget			5,862,730.38
Budget Remaining			895,524.59
			<b>Total this Invoice</b>
			<b><u><u>\$24,796.90</u></u></b>

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# PROVOST & PRITCHARD CONSULTING GROUP

455 W Fir Ave • Clovis, CA 93611 • (559) 449-2700  
www.provostandpritchard.com

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

August 30, 2025  
Project No: 04101-23-001  
Invoice No: 122926

**Project Name: Indian Wells Valley Groundwater Authority-CEQA/NEPA Documents and Permit Documentation**

**Client Project #:**

**For the month of July 2025, Provost & Pritchard performed the following services for the IWVGA Imported Water Pipeline Project:**

**Phase TSK1: Initial Coordination:** Continued coordination for environmental tasks.

**Phase TSK2: Geotechnical Studies:** Finalizing geotechnical mitigation.

**Phase TSK3: Technical Studies:** Reviewed rare plant survey results from South Environmental.

**Professional Services from July 01, 2025 to July 31, 2025**

---

Phase: TSK1 Initial Coordination (Kick Off Meetings)

**Labor**

	Hours	Rate	Amount	
Senior Biologist	.48	156.00	74.88	
Principal Planner	2.40	204.00	489.60	
Senior Project Administrator	15.50	128.00	1,984.00	
Totals	18.38		2,548.48	
<b>Total Labor</b>				<b>2,548.48</b>
		<b>Total this Phase:</b>		<b>\$2,548.48</b>

---

Phase: TSK2 Geotechnical Studies

**Labor**

	Hours	Rate	Amount	
Senior Biologist	5.30	156.00	826.80	
Totals	5.30		826.80	
<b>Total Labor</b>				<b>826.80</b>
		<b>Total this Phase:</b>		<b>\$826.80</b>

---

Phase: TSK3 Technical Studies

**Labor**

	Hours	Rate	Amount	
Senior Biologist	5.70	156.00	889.20	
Totals	5.70		889.20	
<b>Total Labor</b>				<b>889.20</b>
		<b>Total this Phase:</b>		<b>\$889.20</b>

**Total this Invoice** \$4,264.48

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

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**Westbound Communications, Inc.**  
3649 Mission Inn Ave., First Floor Rotunda  
Riverside, CA 92501 US  
951-462-1106  
tmoran@westboundcommunications.com  
www.westboundcommunications.com



**BILL TO**

Carol Thomas-Keefer  
Indian Wells Valley Groundwater Authority  
100 W California Ave Ridgecrest, CA 93555

**INVOICE 5861**

**DATE 08/31/2025 TERMS Net 30**

**DUE DATE 09/30/2025**

**P.O. NUMBER**

July 2025

DESCRIPTION	QTY	RATE	AMOUNT
Professional fees for public relations counsel and services in support of Indian Wells Valley Groundwater Authority. Period of Service: July 2025			15,000.00
NOTE: Monthly cap = \$15,000.00 Total hours in July 2025: 69 @ \$240 = \$16,560.00 Total hours invested by Westbound in July 2025: 6.5 @\$240 = \$1,560.00			
			Subtotal: 15,000.00
Reimbursable expenses for the billing period:			
070225 Mcclatchy digital advertising order# 24238			6,500.00
070825 Deposit for redesign and development of website			5,125.00
070825 Maven's Notebook target media outlet monthly subscription (07/08/25- 08/08/25)			10.00
070125- 070325 IWVGA: (2) Open Letter- CA ad options			75.00
			Subtotal: 11,710.00
Markup @ 15%			1,756.50

**TOTAL DUE \$28,466.50**

We appreciate your business and look forward to helping you again soon.

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**Capitol Core Group**  
 205 Cartwheel Bend (Operations Dept.)  
 Austin, TX 78738 US  
 +15125683084  
 operations@capitolcore.com  
 www.capitolcore.com

**BILL TO**

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

**INVOICE 2025-078**

**DATE** 07/30/2025 **TERMS** Net 45

**DUE DATE** 09/13/2025

**VENDOR ID**  
195593

**INVOICE PERIOD**  
August 2025

DATE	ACCOUNT SUMMARY	AMOUNT
07/01/2025	Balance Forward	19,400.00
	Other payments and credits after 07/01/2025 through 07/29/2025	0.00
07/30/2025	Other invoices from this date	0.00
07/30/2025	Other payments from this date	-19,400.00
	New charges (details below)	24,637.50
	Total Amount Due	24,637.50

ACTIVITY	HOURS	RATE	AMOUNT
<b>Charges</b>			
Project 1: Imported Water Sales			
P1-A: Seller Negotiations			
<b>Government Relations: Intergovernmental Affairs</b>	0.50	275.00	137.50
A: Internal/staff meeting on water sales {McKinney}			
<b>Government Relations: Intergovernmental Affairs</b>	9.50	275.00	2,612.50
A: Negotiations with Sellers, Prepare Final Term Shets and Board Items {Tatum}			
<b>Government Relations: Intergovernmental Affairs</b>	3	250.00	750.00
A: Water Negotiations w/ two sellers {Simonetti}			
P1-B: Regulatory Approval			
P1-C: Other Required Approvals			
<b>Government Relations: Intergovernmental Affairs</b>	2	250.00	500.00
C: Interconnection Agreement and Storage Agreement {Simonetti}			
<b>Government Relations: Intergovernmental Affairs</b>	1.50	275.00	412.50
C: LADWP Meeting on Interconnection {Tatum}			
P1-D: 2025 Water Market Sales			
Invoice Total Project 1: \$42,75.00 (16.5 hours)			
Project 2: Water Replenishment Pipeline			
P2-A: 119th Congressional Session			

ACTIVITY	HOURS	RATE	AMOUNT
<b>Government Relations:Federal</b> Legislative: FY2027 Congressionally Directed Spending Request Packet Development {McKinney}	8	275.00	2,200.00
P2-B: Environmental Mitigation Credits			
P3-C: Regulatory Support			
P3-D: USACE Transition			
<b>Government Relations:Federal</b> D: Internal/staff meetings re: USACE transition {McKinney}	1.50	275.00	412.50
<b>Government Relations:Federal</b> D: USACE Transition Meeting	0.50	275.00	137.50
Invoice Total Project 2: \$2,750.00 (10 hours)			
Project 3: Other Projects Supporting the GSP			
P3-A: Well Mitigation and System Consolidation			
P3-B: Land Repurposing			
P3-C: Water Recycling			
P3-D: Groundwater Adjudication Legislation			
<b>Government Relations:California</b> D: Legislative: AB 1413 and AB 1466 Senate Appropriations, Coalition Briefings, Senate Floor Direct Advocacy {McKinney}	18	275.00	4,950.00
<b>Government Relations:California</b> D: Legislative: Senate Appropriations Committee, Senate Floor and Senate Leadership Direct Advocacy {Simonetti}	14.50	250.00	3,625.00
<b>Government Relations:California</b> Legislative: 2025-2026 California AB 1413 Senate Judiciary {Peterson}	4	250.00	1,000.00
<b>Government Relations:California</b> Legislative: AB 1413 Seante Appropriations Committee and Floor {Peterson}	18	250.00	4,500.00
P3-E: General Governmental Affairs			
<b>Government Relations:Federal</b> E: Congressional/Agency: Briefings Rep. Fong, Senator Padilla, Senator Schiff, Rep. Calvert, Dept. of Defense, and Amendment Development {McKinney}	5.50	275.00	1,512.50
Invoice Total Project 3: \$15,587.50 (60 hours)			
Project Administration			
PA-A: Board Meetings			
<b>General Business Items:Project Administration</b> A: August Board Meeting {McKinney}	2	275.00	550.00
<b>General Business Items:Project Administration</b> A: August Board Meeting and Materials Preparation {Tatum}	3	275.00	825.00
<b>General Business Items:Project Administration</b> A: August Board Meeting and Materials Prep. {Simonetti}	1.50	250.00	375.00
PA-B: Milestone Reports			
PA-C: Ad-Hoc Reports			
<b>General Business Items:Project Administration</b> C: Water Pricing Comparison Report {Tatum}	0.50	275.00	137.50
Invoice Total Project Administration: \$1,887.50 (7 hours)			

ACTIVITY	HOURS	RATE AMOUNT
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\*\*\*\*\*

Regulatory Compliance Notes:

Federal Reporting Invoice: \$4,262.50

State Reporting Invoice: \$14,075.00

\*\*\*\*\*

On behalf of the entire Capitol Core Group Team, thank you so much for being our client.

SUBTOTAL	24,637.50
TAX	0.00
TOTAL	24,637.50
TOTAL OF NEW CHARGES	24,637.50

TOTAL DUE	<b>\$24,637.50</b>
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# Invoice

Please remit payment to:  
P.O. Box 71368  
Chicago, IL 60694-1368

TranSystems Corporation

www.transystems.com

If you have any questions, please call:  
(562) 304-2000

**Client:**

Indian Wells Valley Groundwater Authorit  
Attn: April Keigwin - Clerk of the Board  
100 W California Ave.  
Ridgecrest, CA 93555

**Reference:**

Invoice Date: 8/11/2025  
Project No: P601230025  
Invoice No: INV-0004955903

Project Name: IWV-Imported Water Pipeline

For professional services rendered through July 31, 2025 for the above referenced project.

Staff Type	Name	Rate	Hours	Amount
<b>Labor</b>				
R/W Specialist III	William J. Kinnett	150.00	2.00	\$300.00
R/W Specialist IV	Linwood A. Carleton	200.00	53.00	\$10,600.00
<b>Total Labor</b>			<b>55.00</b>	<b>\$10,900.00</b>
<b>Invoice Total</b>				<b>\$10,900.00</b>

TranSystems Corporation

April C. Harvey  
Project Manager

**TERMS: PAYABLE UPON RECEIPT**

**1 1/2% INTEREST CHARGE PER MONTH WILL BE ADDED TO ALL PAST DUE INVOICES OLDER THAN 45 DAYS IF INDICATED IN THE CONTRACT TERMS**

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**INDIAN WELLS VALLEY GROUNDWATER AUTHORITY  
FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT  
For the Fiscal Year Ended  
December 31, 2023  
(With Comparative Amounts as of December 31, 2022)**

DRAFT

# INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

Board of Directors

*As of December 31, 2023*

---

<b>Name</b>	<b>Title</b>	<b>Member Agency</b>
Phillip Peters	Chair	County of Kern
Scott Hayman	Vice Chair	City of Ridgecrest
Chuck Griffin	Director	Indian Wells Valley Water District
Matt Kingsley	Director	County of Inyo
Paul Cook	Director	County of San Bernardino
Commander Benjamin Turner	Member	Dept. of the Navy DoD Liaison*
Thomas Bickauskas	Member	Bureau of Land Management (BLM)*

*\* Non-voting Members*

DRAFT

**INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**

*For the Fiscal Year Ended December 31, 2023*

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***Financial Section***

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Indian Wells Valley Groundwater Authority  
Ridgecrest, California

### Opinion

We have audited the accompanying financial statements of the Indian Wells Valley Groundwater Authority (Authority) which comprise the balance sheet as of December 31, 2023, the related statements of revenue, expenses, and changes in net position, and cash flows for the year then ended, and related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2023 and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## **Required Supplementary Information**

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

## **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements as a whole. Schedule of Balance Sheets – Combined – Internal Funds, Schedule of Revenues, Expenses, Changes in Net Position – Combined – Internal Funds, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

## **Prior-Year Comparative Information**

The financial statements include partial prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Authority's financial statements for the year ended December 31, 2022, from which such partial information was derived.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a separate report dated September 10, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Murrieta, California  
September 10, 2025

# **INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**

## *Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Years Ended December 31, 2023*

---

Management's Discussion and Analysis (MD&A) offers readers of Indian Wells Valley Groundwater Authority's financial statements a narrative overview of the Authority's financial activities for the fiscal years ended December 31, 2023. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current-to-prior year analysis, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets and long-term debt. Please read in conjunction with the financial statements, which follow this section.

### **INTRODUCTION TO THE AUTHORITY**

The Authority was formed in July 2016 in response to the 2014 Sustainable Groundwater Management Act (SGMA or the Act) for the purpose of achieving groundwater sustainability in the Indian Wells Valley Groundwater Basin. SGMA requires groundwater basins subject to the Act to form a Groundwater Sustainability Agency (GSA), which is then required to develop and implement a groundwater sustainability plan (GSP or Plan) and achieve sustainable groundwater management within 20 years of Plan adoption. The Authority received approval for the Plan from the Department of Water Resources in January 2023.

The Authority is a joint powers authority comprised of the following five local public agencies: County of Kern, Indian Wells Valley Water District, County of Inyo, County of San Bernardino and the City of Ridgecrest.

The Authority's Board of Directors is composed of 5 voting members, one from each member jurisdiction. The JPA also has non-voting Associate Members for the following federal agencies: United States Department of the Interior Bureau of Land Management and United States Navy Naval Air Weapons Station China Lake. The Authority's revenue sources include extraction fees, basin replenishment fees and Department of Water Resources (DWR) grant funding.

Authority administration and engineering services were outsourced since the inception of the JPA. Stetson Engineering provides Water Resource Manager services, engineering and grant administration for the Authority. Administration and financial services were originally shared between JPA members until January 2022, when Regional Government Services (RGS) was hired to provide outsourced administration and financial services for the Authority.

### **FINANCIAL HIGHLIGHTS**

- In fiscal year 2023, the Authority's net position increased by 60.60%, or \$3,145,094 from the prior year's net position of \$5,189,634 to \$8,334,728, as a result of the year's operations.
- The Authority had 2023 operating revenue of \$8,812,990 as compared to 2022 operating revenue of \$5,757,626 primarily from increased assessment and grant revenue in 2023.
- The Authority's operating expenses for 2023 increased \$2,962,245 from \$2,780,288 in 2022 to \$5,742,533 in 2023 due primarily to an increase in groundwater management expenses and continued litigation costs.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This MD&A serves as an introduction to the Authority's financial statements. The Authority's basic financial statements reflect the combined results of the operating and capital programs and include four components: (1) Balance Sheet; (2) Statement of Revenues, Expenses and Changes in Net Position; (3) Statement of Cash Flows; and (4) Notes to the Financial Statements.

# INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

## Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended December 31, 2023

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### OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

The financial statements accompanying this MD&A present the net position and results of operations during the fiscal year ending December 31, 2023. These financial statements have been prepared using the accrual basis of accounting, which is similar to the accounting basis used by for-profit entities. Each financial statement is identified and defined in this section, and analyzed in subsequent sections of this MD&A.

### REQUIRED FINANCIAL STATEMENTS

#### Balance Sheet

The Balance Sheet presents information on the Authority's assets and liabilities the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. However, other factors such as changes in economic conditions, population growth, zoning, and new or changed legislation or regulations also need to be considered when evaluating financial position. Assets exceed liabilities, resulting in a net position of \$8,334,728 as of December 31, 2023.

#### Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position presents information showing how the Authority's net position changed during the fiscal year. All of the year's revenues and expenses are accounted for in this statement. This statement measures the results of the Authority's operations for the year and can be used to determine if the Authority has successfully recovered all of its costs through fees and charges. Operating revenues and expenses are related to the Authority's core activities. Non-operating revenues and expenses are not directly related to the core activities of the Authority. For the fiscal year ended December 31, 2023 net position increased by 60.60% or \$3,145,094.

### FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION

#### Analysis of Net Position

Table A-1: Condensed Balance Sheet

	<u>2023</u>	<u>2022</u>	<u>Change</u>
<b>ASSETS</b>			
Current assets	\$ 10,686,624	\$ 7,075,512	\$ 3,611,112
Capital assets, net (note 3)	14,489	18,629	(4,140)
<b>Total assets</b>	<u>\$ 10,701,113</u>	<u>\$ 7,094,141</u>	<u>\$ 3,606,972</u>
<b>LIABILITIES</b>			
Current liabilities	\$ 1,677,201	\$ 971,087	\$ 706,114
Non-current liabilities	689,184	933,420	(244,236)
<b>Total liabilities</b>	<u>2,366,385</u>	<u>1,904,507</u>	<u>461,878</u>
<b>NET POSITION</b>			
Investment in capital assets	14,489	18,629	(4,140)
Restricted	8,140,637	5,944,928	2,195,709
Unrestricted	179,602	(773,923)	953,525
<b>Total net position</b>	<u>8,334,728</u>	<u>5,189,634</u>	<u>3,145,094</u>
<b>Total liabilities and net position</b>	<u>\$ 10,701,113</u>	<u>\$ 7,094,141</u>	<u>\$ 3,606,972</u>

**INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2023*

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**FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (continued)**

In fiscal year 2023, the Authority's net position increased by 60.60%, or \$3,145,094 from the prior year's net position of \$5,189,634 to \$8,334,728, as a result of the year's operations.

**Analysis of Revenues and Expenses**

**Table A-2: Condensed Statement of Revenues, Expenses and Changes in Net Position**

	<u>2023</u>	<u>2022</u>	<u>Change</u>
<b>Operating Revenues</b>	\$ 8,812,990	\$ 5,757,626	\$ 3,055,364
<b>Operating Expenses</b>	<u>5,742,533</u>	<u>2,780,288</u>	<u>2,962,245</u>
<b>Operating income</b>	3,070,457	2,977,338	93,119
<b>Non-Operating Revenues</b>	<u>74,637</u>	<u>(221,359)</u>	<u>295,996</u>
<b>Change in net position</b>	3,145,094	2,755,979	<u>\$ 389,115</u>
<b>Net Position</b>			
Beginning of year	<u>5,189,634</u>	<u>2,433,655</u>	
End of year	<u>\$ 8,334,728</u>	<u>\$ 5,189,634</u>	

The Authority had 2023 operating revenue of \$8,812,990 as compared to 2022 operating revenue of \$5,757,626 primarily from increased assessment and grant revenue in 2023.

The Authority's operating expenses for 2023 increased \$2,962,245 from \$2,780,288 in 2022 to \$5,742,533 in 2023 due primarily to an increase in groundwater management expenses and continued litigation costs.

**Capital Assets**

	<u>Balance</u> <u>December 31, 2023</u>	<u>Balance</u> <u>December 31, 2022</u>
<b>Capital assets:</b>		
Depreciable assets	\$ 28,979	\$ 28,979
Accumulated depreciation	<u>(14,490)</u>	<u>(10,350)</u>
<b>Total capital assets, net</b>	<u>\$ 14,489</u>	<u>\$ 18,629</u>

At the end of year 2023, the District's investment in capital assets amounted to \$14,489 (net of accumulated depreciation), respectively. There were no additions to capital assets in 2023. See Note 4 for further information.

**FACTORS AFFECTING CURRENT FINANCIAL POSITION**

The Authority anticipates that operating revenues and expenses for fiscal year 2024 will increase from fiscal year 2023, due to increased grant funding as well as increases in basin management expenditures. This is reflected in the Authority's budget for the 2024 fiscal year.

**INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2023*

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**CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT**

This financial report is intended to provide the Board of Directors, creditors, and other interested parties with general overview of the Authority's financial operations and condition at the year ended December 31, 2023, and to demonstrate the Authority's accountability for the funds it receives. If you have any questions about this report or need additional information, you may contact the Authority's Management, at Indian Wells Valley Groundwater Authority, 100 W. California Ave., Ridgecrest, CA 93555 or by email at [akeigwin@rgs.ca.gov](mailto:akeigwin@rgs.ca.gov).

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# INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

## Balance Sheets

December 31, 2023

(With Comparative Amounts as of December 31, 2022)

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
<b>Current assets:</b>		
Cash and cash equivalents (note 2)	\$ 5,739,968	\$ 5,536,760
Accounts receivable, net (note 3)	1,741,510	740,546
Grant receivable	3,205,146	798,206
<b>Total current assets</b>	<u>10,686,624</u>	<u>7,075,512</u>
<b>Non-current assets:</b>		
Capital assets, net (note 4)	14,489	18,629
<b>Total non-current assets</b>	<u>14,489</u>	<u>18,629</u>
<b>Total assets</b>	<u>\$ 10,701,113</u>	<u>\$ 7,094,141</u>
<b><u>LIABILITIES AND NET POSITION</u></b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 1,677,201	\$ 971,087
<b>Total current liabilities</b>	<u>1,677,201</u>	<u>971,087</u>
<b>Non-current liabilities:</b>		
Due to other governments (note 5)	689,184	933,420
<b>Total non-current liabilities</b>	<u>689,184</u>	<u>933,420</u>
<b>Total liabilities</b>	<u>2,366,385</u>	<u>1,904,507</u>
<b>NET POSITION</b>		
Investment in capital assets	14,489	18,629
Restricted	8,140,637	5,944,928
Unrestricted	179,602	(773,923)
<b>Total net position</b>	<u>8,334,728</u>	<u>5,189,634</u>
<b>Total liabilities and net position</b>	<u>\$ 10,701,113</u>	<u>\$ 7,094,141</u>

**INDIAN WELLS VALLEY GROUNDWATER AUTHORITY***Statements of Revenues Expenses and Changes in Net Position**For the Fiscal Year Ended December 31, 2023**(With Comparative Amounts for the Fiscal Year Ended December 31, 2022)*

	<u>2023</u>	<u>2022</u>
<b>Operating Revenues</b>		
Assessment fees	\$ 5,833,775	\$ 5,162,171
Operating grants	2,979,215	595,455
<b>Total operating revenues</b>	<u>8,812,990</u>	<u>5,757,626</u>
<b>Operating Expenses</b>		
Groundwater management	3,998,343	1,250,026
General and administrative	1,740,050	1,526,122
Depreciation expense	4,140	4,140
<b>Total operating expenses</b>	<u>5,742,533</u>	<u>2,780,288</u>
<b>Operating income</b>	<u>3,070,457</u>	<u>2,977,338</u>
<b>Non-Operating Revenues</b>		
Investment earnings	74,637	(221,359)
Assessment fees (note 3)	13,285,972	12,709,334
Bad debt expense (note 3)	(13,285,972)	(12,709,334)
<b>Total non-operating revenues</b>	<u>74,637</u>	<u>(221,359)</u>
<b>Change in net position</b>	3,145,094	2,755,979
<b>Net Position</b>		
Beginning of year	<u>5,189,634</u>	<u>2,433,655</u>
End of year	<u>\$ 8,334,728</u>	<u>\$ 5,189,634</u>

**INDIAN WELLS VALLEY GROUNDWATER AUTHORITY***Statements of Cash Flows**For the Fiscal Year Ended December 31, 2023**(With Comparative Amounts for the Fiscal Year Ended December 31, 2022)*

	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities:</b>		
Cash received from assessment fees	\$ 4,907,448	\$ 4,533,128
Cash received from grant revenue	572,275	289,538
Cash payments for operating expenses	<u>(5,276,515)</u>	<u>(1,831,759)</u>
<b>Net cash provided by operating activities</b>	<u>203,208</u>	<u>2,990,907</u>
<b>Cash flows from financing activities:</b>		
Principal payments on advances payable	-	(500,000)
<b>Net cash used in financing activities</b>	<u>-</u>	<u>(500,000)</u>
<b>Net increase in cash and cash equivalents</b>	<u>203,208</u>	<u>2,490,907</u>
<b>Cash and cash equivalents:</b>		
Beginning of year	5,536,760	3,045,853
End of year	<u>\$ 5,739,968</u>	<u>\$ 5,536,760</u>
	<u>2023</u>	<u>2022</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income	\$ 3,070,457	\$ 2,977,338
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>		
Depreciation	4,140	4,140
Change in fair-value of investments	74,637	(221,359)
(Increase) decrease in assets:		
Assessment fee receivable	(1,000,964)	(407,684)
Grant receivable	(2,406,940)	(305,917)
Increase (decrease) in liabilities:		
Accounts payable	706,114	703,186
Due to other governments	<u>(244,236)</u>	<u>241,203</u>
<b>Net cash provided by operating activities</b>	<u>\$ 203,208</u>	<u>\$ 2,990,907</u>
<b>Noncash investing, capital and financing transactions</b>		
Change in fair-value of investments	<u>\$ 74,637</u>	<u>\$ (221,359)</u>

# INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

*Notes to Financial Statements*

*December 31, 2023*

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## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### **Organization and Operations of the Reporting Entity**

The Indian Wells Valley Groundwater Authority (Authority) was formed under a Joint Exercise of Powers Authority on June 15, 2016, pursuant to Sections 6506 and 6507 of the Exercise of Powers Act, codified at California Government Code sections 6500, authorizes public agencies by agreement to exercise jointly any power common to the contracting parties. The Authority was formed between the City of Ridgecrest, the County of Inyo, the County of Kern, the County of San Bernardino, and the Indian Wells Valley Water District. Each Member is a local Authority, as defined by the Sustainable Groundwater Management Act of 2014 (SGMA), duly organized and existing under and by virtue of the laws of the State of California; whereby, each member can exercise powers related to groundwater management. The Authority is an independent public Authority separate from the Members. The Authority's board consists of one director from each of the Member agencies, as well as one Associate Member from the United States Department of the Interior Bureau of Land Management and the United States Navy Naval Air Weapons Station China Lake. The Associate Members are non-voting Members.

The purpose of the Authority is to develop a groundwater sustainability plan, implement projects and management activities which achieve sustainability by 2042, and to ensure sustainability for the following thirty years. The Authority serves as the GSA for the Indian Wells Valley Groundwater Basin, which has been designated as critically-over drafted (COD) basin by the Department of Water Resources (DWR).

### **Basis of Accounting and Measurement Focus**

The Authority reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Authority is that the costs of providing services be financed or recovered primarily through user (member) charges, capital grants and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

### **Financial Reporting**

The Authority's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States Board (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the Authority's proprietary fund.

Operating revenues and expenses result from exchange transactions associated with the principal activity of the Authority. Exchange transactions are those in which each party receives and gives up essentially equal values. Management administration and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

### **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Authority considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

# INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

## Notes to Financial Statements

December 31, 2023

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Investments

Investments are reported at fair value except for short-term investments, which are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value. Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio.

In accordance with fair value measurements, the Authority categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Financial assets and liabilities recorded on the balance sheet are categorized based on the inputs to the valuation techniques as follows:

*Level 1* – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds. The Authority has the ability to access the holding and quoted prices as of the measurement date.

*Level 2* – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

*Level 3* – Inputs that are unobservable. Unobservable inputs reflect the Authority's own assumptions about the factors market participants would use in pricing an investment and is based on the best information available in the circumstances.

#### Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

#### Capital Assets

Capital assets are stated at cost or at their estimated fair value at date of donation. It is the Authority's policy to capitalize assets costing over \$5,000. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets.

#### Net Position

The financial statements utilize a net position presentation. Net position is categorized as follows:

**Investment in capital assets** - This component of net position consists of capital assets net of accumulated depreciation.

**Restricted** – This component is restricted by external creditors, grantors, contributors or laws or regulations of other governments.

**Unrestricted** – This component of net position is the net amount of the assets less liabilities that are not included in the determination of the investment in capital assets component of net position.

# INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

## Notes to Financial Statements

December 31, 2023

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

#### Extraction Fee

Effective September 1, 2018, and adopted by Ordinance No. 02-18, all groundwater extractions from and within the Basin shall be subject to measurement and the Groundwater Extraction. This fee, currently at \$105 per acre-foot of water pumped, is levied on all water producers within the Indian Wells Valley Basin, except for de minimis pumpers (those who produce less than two AF per year) and co-ops with less than four connections.

California Water Code Section 10730, enacted through SMA, authorizes the Groundwater Authority, the authority to impose a groundwater extraction fee. Pursuant to Section 10730(a), the fees may be used "to fund the costs of a groundwater sustainability program, including, but not limited to, preparation adoption, and amendment of a groundwater sustainability plan, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve." In addition, Water Code Section 10725(a) authorizes the Groundwater Authority to "perform any act necessary or proper to carry out the purposes of this part {SGMA}.

Pursuant to SGMA, all groundwater pumpers are subject to the groundwater extraction fee except for federal entities and those that qualify as de minimis extractors. SMA expressly provides that a "de minimis extractor" is a "person who extracts, for domestic purposes, two acre-feet or less per year" (California Water Code Section 10721(e)). "Person" for the purposes of this fee is any typical household including landscaping. One acre-foot of water is equivalent to 325,851 gallons.

#### Basin Replenishment Fee

On August 21, 2020, a public hearing was held to consider the adoption of the Basin Replenishment Fee by the Authority. Federal Interests and de minimis users, as defined by the SMA, are exempt from the Replenishment Fee. Likewise, residents in the Authority's small mutuals and the Inyokern Community Services District are exempted through Navy pronouncement that its water needs include off-Stations demands for its workforce, and their dependents. The Replenishment Fee is calculated so that the properties are only charged their fair share, and no more. At the hearing, the Authority conducted a majority protest proceeding and determined there was not a majority of protest letters received. The Board adopted Ordinance 03-20 setting the Basin Replenishment Fee.

The Basin Replenishment Fee is a composite per acre foot extraction fee to purchase import supplies for those that need them and to pay for mitigation of registered shallow wells that are damaged by continuing overdraft. The Basin Replenishment Fee can be lowered as it is proportional and based on the augmented supply needed so if the needed supply is lowered the ultimate cost is lowered.

## INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

*Notes to Financial Statements*

*December 31, 2023*

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Basin Replenishment Fee (continued)**

Basin Replenishment Fees currently imposed by the Authority are as follows:

- **Shallow Well Mitigation Fee:** Currently at \$17.50/acre-foot (AF), this fee is paid by agricultural pumpers who joined the Transient Pool. The Transient Pool allocated agricultural users with an allotment of water that can be used until 2040.
- **Replenishment Fee:** This fee is levied on any water producers who exceed the allotment assigned to them from the Basin's sustainable safe yield; it is also levied on agricultural water users who chose not to join the Transient Pool. Currently, the Replenishment totals \$2,130/AF - comprised of two separate components: the Shallow Well Mitigation Fee (identified above) at \$17.50/AF, and an Augmentation Fee at \$2,112.50/AF. The purpose of the Replenishment Fee is to pay for activities associated with supplementing the Basin's natural water supply, including the purchase of rights to imported water supplies, construction of an imported water pipeline, and an advanced water treatment facility for reuse of recycled water.

#### **Member Agency Contributions**

The Authority's joint exercise of powers agreement provides that any member may make contributions of money or assets to the Authority; make or advance payments of public funds to defray the cost of Authority's operation; and contribute personnel, equipment or property instead of or in addition to other contributions or advances. Such contributions shall be paid to and disbursed by the Authority as set out in separate agreements between the Authority and the member and approved by the board and the governing body of the member.

#### **Grants**

Grant revenues are recorded when earned on grants that have been approved and funded by the grantor.

#### **Member's Net Position**

In the event of a member withdrawal, member termination, or dissolution of the Authority, any property interest remaining in the Authority, following a discharge of all obligations shall be disposed of pursuant to the Joint Powers Agreements as adopted by the Governing Board.

## INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

### Notes to Financial Statements

December 31, 2023

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#### NOTE 2 – CASH AND INVESTMENTS

Cash and investments at December 31, 2023, are classified on the balance sheet as follows:

Description	2023
Cash and cash equivalents	\$ 5,739,968
Total cash and investments	\$ 5,739,968

Cash and investments at December 31, 2023, consisted of the following:

Description	2023
Demand deposits with financial institutions	\$ 393,593
Deposits with Kern County Treasury Investment Pool (KCTIP)	5,346,375
Total cash and investments	\$ 5,739,968

#### Demand Deposits with Financial Institutions

At December 31, 2023 the carrying amount of the Authority's demand deposits was \$393,593, and the financial institution's balance was \$393,593. There were no outstanding checks, deposits-in-transit and/or other reconciling items between the financial institution's balance and the Authority's balance at year end.

#### Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a policy for custodial credit risk for deposits. Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits.

#### Kern County Treasury Investment Pool (KCTIP)

The Authority is a voluntary participant in the Kern County Treasury Investment Pool (KCTIP) pursuant to Government Code Section 53694. The cash flow needs of participants are monitored daily to ensure that sufficient liquidity is maintained to meet the needs of those participants. At the time deposits are made, the Kern County Treasurer may require the depositing entity to provide annual cash flow projections or an anticipated withdrawal schedule for deposits in excess of \$1 million. Projections are performed no less than semi-annually. In accordance with Government Code Section 27136, all requests for withdrawal of funds for the purpose of investing or depositing the funds elsewhere shall be evaluated to ensure the proposed withdrawal will not adversely affect the principal deposits of the other participants. Pool detail may be obtained from the County of Kern Treasurer's Office – 1115 Truxtun Ave, Ste 2ND, Bakersfield, CA 93301 or the Treasurer's office website at [www.kcttc.co.kern.ca.us](http://www.kcttc.co.kern.ca.us).

## INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

### Notes to Financial Statements

December 31, 2023

#### NOTE 2 – CASH AND INVESTMENTS (continued)

##### Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of December 31, 2023, the Authority's cash balance in the KCTIP was rated by Standard & Poor's as AAf/S1.

##### Concentration of Credit Risk

The Authority has not adopted an investment policy; and therefore, relies on the California Government Code, which contains a limitation of 5% on the amount that can be invested in any one governmental agency or non-governmental issuer. There were no investments in any one governmental or non-governmental issuer that represented 5% or more of the Authority's total investments except for those in the KCTIP.

#### NOTE 3 – ACCOUNTS RECEIVABLE, NET

Accounts receivable, net of an allowance for doubtful accounts consisted of the following:

Description	Extraction Fund	Basin Replenishment Fund	Total
Accounts receivable	\$ 1,427,779	\$ 16,025,023	\$ 17,452,802
Allowance for doubtful accounts	(76,380)	(15,634,912)	(15,711,292)
Total accounts receivable, net	\$ 1,351,399	\$ 390,111	\$ 1,741,510

There are three water producers subject to the Basin Replenishment Fee - 1) Mojave Pistachios, LLC; 2) Searles Valley Minerals Inc.; and 3) Indian Wells Valley Water District.

Mojave Pistachios, LLC and Searles Valley Minerals have refused to pay the fee. Both have unsuccessfully attempted to challenge the collection of the fee through an injunction. Additionally, claims for damages by both Mojave Pistachios, LLC and Searles Valley Minerals were dismissed, and the Authority has initiated efforts to collect the unpaid fees.

Changes to assessment receivables that are not being recognized were as follows as of December 31, 2023:

Water Producer	Balance Jan. 1, 2023	Additions	Deletions	Balance Dec. 31, 2023
Mojave Pistachios, LLC	\$ 14,791,718	\$ 7,482,115	\$ (22,273,833)	\$ -
Searles Valley Minerals	9,858,181	5,776,731	-	15,634,912
inyokern Community Services District	49,254	27,126	-	76,380
	\$ 24,699,153	\$ 13,285,972	\$ (22,273,833)	\$ 15,711,292

The Authority has chosen not to recognize these receivable amounts as the legal process for collections moves forward. The Authority is confident in the collection of the Basin Replenishment outstanding receivables but for accounting purposes are listed under Allowance for Doubtful Accounts. These amounts are not to be considered as available for financing operations until the funds are collected.

## INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

### Notes to Financial Statements

December 31, 2023

#### NOTE 3 – ACCOUNTS RECEIVABLE, NET (continued)

In January of 2025, a settlement was reached with Mojave Pistachios, LLC, in the amount of \$1,600,000 for unpaid assessment fees for the years 2021 through 2024. The Authority recognized a \$1,200,000 receivable in fiscal year 2023 related to the \$14,791,718 in unpaid assessments fees from the years 2021 through 2023 and wrote off the remaining uncollectable balance. The Authority will recognize the remaining \$400,000 from the settlement in fiscal year 2024.

#### NOTE 4 – CAPITAL ASSETS AND DEPRECIATION

Changes in capital assets for the fiscal year ended December 31, 2023, were as follows:

Description	Balance Jan. 1, 2023	Additions	Deletions/ Transfers	Balance Dec. 31, 2023
<b>Depreciable assets:</b>				
Equipment	\$ 28,979	\$ -	\$ -	\$ 28,979
<b>Total depreciable assets</b>	<u>28,979</u>	<u>-</u>	<u>-</u>	<u>28,979</u>
<b>Accumulated depreciation:</b>				
Equipment	(10,350)	(4,140)	-	(14,490)
<b>Total accumulated depreciation</b>	<u>(10,350)</u>	<u>(4,140)</u>	<u>-</u>	<u>(14,490)</u>
<b>Total depreciable assets, net</b>	<u>18,629</u>	<u>(4,140)</u>	<u>-</u>	<u>14,489</u>
<b>Total capital assets, net</b>	<u>\$ 18,629</u>	<u>\$ (4,140)</u>	<u>\$ -</u>	<u>\$ 14,489</u>

In the fiscal year ended December 31, 2023, depreciation expense amounted to \$4,140.

#### NOTE 5 – DUE TO OTHER GOVERNMENTS

The City of Ridgecrest, a member agency, has provided the use of Council Chambers and IT equipment for meetings, IT services, and Legal Services since 2016 for the Authority. Repayment is restricted to Extraction Revenue, or an advance will be required from the Basin Replenishment Fund. Changes in due to other governments' amounts for fiscal year ended December 31, 2023, were as follows:

Balance Jan. 1, 2023	Additions	Deletions/ Transfers	Balance Dec. 31, 2023
<u>\$ 933,420</u>	<u>\$ 255,764</u>	<u>\$ (500,000)</u>	<u>\$ 689,184</u>

Additions of \$255,764 were comprised of \$251,913 for legal services and \$3,850 for the use of council chambers and IT services.

## INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

### Notes to Financial Statements

December 31, 2023

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#### NOTE 6 – INTERFUND ACTIVITY

Due to/from other funds includes \$500,000 advanced by the Basin Replenishment Fund to the Extraction Fund for the repayment of an advance by JPA member Indian Wells Valley Water District. In fiscal year 2017, the Indian Wells Valley Water District (District) agreed to advance \$500,000 for the adoption, evaluation and approval of the Groundwater Sustainability Program (GSP). In 2022, the District, with Board approval, held back payment of the District's portion of the Basin Replenishment fees to repay itself the \$500,000. As the activities were related to the GSP, the action resulted in the Extraction Fund receiving an advance from the Basin Replenishment Fund. At the close of fiscal year 2023, \$1,985,871 was advanced from the Basin Replenishment Fund to the Extraction Fund to cover a cash deficit for financial reporting purposes. The \$1,985,871 was repaid to the Basin Replenishment Fund in 2024. Due to/from other funds consisted of the following at December 31, 2023:

<u>Amount</u>	<u>Due To/From</u>		<u>Purpose</u>
	<u>From Fund</u>	<u>To Fund</u>	
<u>\$ 2,485,871</u>	<u>Extraction</u>	<u>Replenishment</u>	<u>Advance</u>

#### NOTE 7 – RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Authority has purchased commercial insurance products to guard against the various risks of loss noted above.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the Authority's insurance coverage during the years ending December 31, 2023, 2022, and 2021. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of December 31, 2023, 2022, and 2021.

#### NOTE 8 – COMMITMENTS AND CONTINGENCIES

##### Excluded Leases – Short-Term Leases and De Minimis Leases

The Authority does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that have a maximum possible term under the lease contract of 12-months (or less), including any options to extend, regardless of their probability of being exercised.

Also, *de minimis* lessor or lessee leases are certain leases (i.e., room rental, copiers, printers, postage machines) that regardless of their lease contract period are *de minimis* with regards to their aggregate total dollar amount to the financial statements as a whole.

##### Grant Awards

Grant funds received by the Authority are subject to audit by the grantor agencies. Such an audit could lead to requests for reimbursements from the grantor agencies for expenditures disallowed under the terms of the grant. Management of the Authority believes that such disallowances, if any, would not be significant.

## **INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**

*Notes to Financial Statements*

*December 31, 2023*

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### **NOTE 8 – COMMITMENTS AND CONTINGENCIES (continued)**

#### **Litigation**

The Authority is involved in routine litigation incidental to its business and may be subject to claims and litigation from outside parties. After consultation with legal counsel, management believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

### **NOTE 9 – SUBSEQUENT EVENTS**

On January 14, 2025, the Authority reached a settlement agreement with Mojave Pistachios, LLC, regarding unpaid assessment fees from the years 2021 through 2024. The settlement totaled \$1,600,000. See Note 3 for additional details on the settlement's impact on these financial statements.

The Authority has evaluated subsequent events through September 10, 2025, the date on which the financial statements were available to be issued.

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*Supplementary Information*

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**INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**

*Balance Sheets – Combined – Internal Funds*

*December 31, 2023 (With Comparative Amounts as of December 31, 2022)*

<u>ASSETS</u>	<u>Extraction</u>	<u>Basin Replenishment</u>	<u>2023</u>	<u>2022</u>
<b>Current assets:</b>				
Cash and cash equivalents	\$ -	\$ 5,739,968	\$ 5,739,968	\$ 5,536,760
Accounts receivable, net	1,351,399	390,111	1,741,510	740,546
Grant receivable	3,205,146	-	3,205,146	798,206
<b>Total current assets</b>	<u>4,556,545</u>	<u>6,130,079</u>	<u>10,686,624</u>	<u>7,075,512</u>
<b>Non-current assets:</b>				
Due from other funds	-	2,485,871	2,485,871	500,000
Capital assets, net	14,489	-	14,489	18,629
<b>Total non-current assets</b>	<u>14,489</u>	<u>2,485,871</u>	<u>2,500,360</u>	<u>518,629</u>
<b>Total assets</b>	<u>\$ 4,571,034</u>	<u>\$ 8,615,950</u>	<u>\$ 13,186,984</u>	<u>\$ 7,594,141</u>
<b><u>LIABILITIES AND NET POSITION</u></b>				
<b>Current liabilities:</b>				
Accounts payable	\$ 1,323,241	\$ 353,960	\$ 1,677,201	\$ 971,087
<b>Total current liabilities</b>	<u>1,323,241</u>	<u>353,960</u>	<u>1,677,201</u>	<u>971,087</u>
<b>Non-current liabilities:</b>				
Due to other funds	2,485,871	-	2,485,871	500,000
Due to other governments	567,831	121,353	689,184	933,420
<b>Total non-current liabilities</b>	<u>3,053,702</u>	<u>121,353</u>	<u>3,175,055</u>	<u>1,433,420</u>
<b>Total liabilities</b>	<u>4,376,943</u>	<u>475,313</u>	<u>4,852,256</u>	<u>2,404,507</u>
<b>NET POSITION</b>				
Investment in capital assets	14,489	-	14,489	18,629
Restricted	-	8,140,637	8,140,637	5,944,928
Unrestricted	179,602	-	179,602	(773,923)
<b>Total net position</b>	<u>194,091</u>	<u>8,140,637</u>	<u>8,334,728</u>	<u>5,189,634</u>
<b>Total liabilities and net position</b>	<u>\$ 4,571,034</u>	<u>\$ 8,615,950</u>	<u>\$ 13,186,984</u>	<u>\$ 7,594,141</u>

**INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**

*Statements of Revenues, Expenses and Changes in Net Position – Combined – Internal Funds  
December 31, 2023 (With Comparative Amounts as of December 31, 2022)*

	Extraction	Basin Replenishment	2023	2022
<b>Operating Revenues</b>				
Assessment fees	\$ 2,430,142	\$ 3,403,633	\$ 5,833,775	\$ 5,162,171
Operating grant	2,979,215	-	2,979,215	595,455
<b>Total operating revenues</b>	<u>5,409,357</u>	<u>3,403,633</u>	<u>8,812,990</u>	<u>5,757,626</u>
<b>Operating Expenses</b>				
Groundwater management	3,673,744	324,599	3,998,343	1,250,026
General and administrative	853,911	886,139	1,740,050	1,526,122
Depreciation expense	4,140	-	4,140	4,140
<b>Total operating expenses</b>	<u>4,531,795</u>	<u>1,210,738</u>	<u>5,742,533</u>	<u>2,780,288</u>
<b>Operating income</b>	<u>877,562</u>	<u>2,192,895</u>	<u>3,070,457</u>	<u>2,977,338</u>
<b>Non-Operating Revenues</b>				
Investment earnings	71,823	2,814	74,637	(221,359)
Assessment fees	27,126	13,258,846	13,285,972	12,709,334
Bad debt expense	(27,126)	(13,258,846)	(13,285,972)	(12,709,334)
<b>Total non-operating revenues</b>	<u>71,823</u>	<u>2,814</u>	<u>74,637</u>	<u>(221,359)</u>
<b>Change in net position</b>	949,385	2,195,709	3,145,094	2,755,979
<b>Net Position</b>				
Beginning of year	(755,294)	5,944,928	5,189,634	2,433,655
End of year	<u>\$ 194,091</u>	<u>\$ 8,140,637</u>	<u>\$ 8,334,728</u>	<u>\$ 5,189,634</u>

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***Other Independent Auditors' Reports***

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Indian Wells Valley Groundwater Authority  
Ridgecrest, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Indian Wells Valley Groundwater Authority (Authority) which comprise the balance sheet as of December 31, 2023, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated September 10, 2025.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

Murrieta, California  
September 10, 2025

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# IWVGA ADMINISTRATIVE OFFICE

*STAFF REPORT*

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**TO:** IWVGA Board Members **DATE:** September 10, 2025  
**FROM:** IWVGA Water Resources Manager  
**SUBJECT: AGENDA ITEM 11 – WATER RESOURCES MANAGER’S REPORT**

## AGENDA ITEM 11a – GRANT FUNDING UPDATE

### SGMA Implementation Round 1 Update

- Invoice #11
  - Covers January 2025 to March 2025
  - Total requested payment: \$593,216.49
  - Status: Submitted to DWR, awaiting payment.
- Invoice #12
  - Covers April 2025 to June 2025
  - Total requested payment: \$416,489.14
  - Status: Submitted to DWR, awaiting payment.

### Urban Community Drought Relief Program Update

- The IWVGA has been awarded \$3,345,000 to consolidate shallow well system(s) into a public water system.
- Potential systems/wells for consolidation in areas near impacted shallow wells are being further investigated, preliminary feasibility study and cost estimates are currently being prepared.
  - Rademacher consolidation project currently underway
  - Reimbursement Agreement between IWVGA and IWVWD signed
  - Phase 1 construction complete
    - IWVWD completed pressure testing and disinfection
    - Two properties hooked up to completed pipeline (Sanchez and Bassett)
  - Phase 2 design completed and sent to Division of Drinking Water for approval
- Stark St consolidation feasibility study underway
- Invoice #5
  - Covers January 2025 to March 2025
  - Total requested payment: \$61,155.14
  - Status: DWR approved, awaiting payment.
- Invoice #6
  - Covers April 2025 to June 2025
  - Total requested payment: \$173,391.45
  - Status: Submitted to DWR, awaiting payment.

## AGENDA ITEM 11b – GSP IMPLEMENTATION PROJECTS/MANAGEMENT ACTION UPDATES

### Imported Water Project

- Imported Water Pipeline Design Services
  - Continuing coordination with BLM for a Special Use Permit for pipeline construction
    - Reviewing Draft Plan of Design (POD) based on BLM's comments
    - Coordinating in-field meeting to discuss construction access and permanent maintenance access after reviewing BLM's POD comments
  - Continuing ongoing coordination with Caltrans, United Pacific Rail Road (UPRR), California Department of Parks and Recreation (Cal Parks), and Southern California Edison (SCE)
    - Bi- weekly meetings with SCE
      - Continued discussion on facilities required at pump stations
      - Continued discussion with SCE design staff on design requirements for crossing underneath active SCE lines
      - Continued to engage with SCE environmental staff and the Project's environmental consultant on the potential requirements for incorporating the new SCE infrastructure
      - SCE staff is expected to have a preliminary design completed in September in order for the Environmental team to describe the impact of the proposed power infrastructure in the CEQA/NEPA documents
    - Continuing coordination with UPRR regarding encroachment permit for crossing along alignment near Highway 395
    - Cal Parks provided Right of Entry Permit for proposed and temporary construction easements for Staff and Legal counsel review
    - Continuing to coordinate with Cal City to address their comments on their review of 60% Design Plans
    - Planning to meet with Cal Trans after a field meeting with BLM to discuss temporary and permanent access routes off Hwy 395 and the Hwy 395 jack and bore crossing.
      - Field meeting with BLM required prior to meeting with Cal Trans
- IWVGA executed Contract Scope Amendment No. 3 for Bennett Trenchless Engineers subconsultants to complete Trenchless Crossing Design and for FW Yaeger subconsultants to complete the Corrosion Design at the 90% Level
- Geotechnical Consultant (SEI, Inc.) completed the geotechnical reports for each of the main components of the conveyance system (pipeline, pump stations, tank, trenchless crossings)
  - Bennett Trenchless updating Draft TM for the trenchless crossings (30% submittal deliverable) to include results of borings into the hydrofracturing analysis that were delayed due to obtaining the California Department of Fish and Wildlife Lake and Streambed Alternation Permit
- P&P reviewing AVEK/ Kennedy Jenk's updated Technical Memorandum for additional modeling of design considerations of upstream hydraulics for California City Feeder and North Feeder

- Scheduled to provide comments back to AVEK/ Kennedy Jenks in September
  - Next Steps:
    - Finalize the following now that revised AVEK (Kennedy/Jenks) hydraulic modeling results are available:
      - Tank TM (a 30% submittal deliverable)
      - Electrical Systems and Instrumentation and Controls TM (a 30% submittal deliverable)
      - Refined System Hydraulics and Transient Mitigation Analysis TM (a 30% submittal deliverable)
      - Draft Mechanical Pump Selection (a 30% submittal deliverable)
    - Provide the updated Preliminary Permitting Requirements TM per Staff comments
    - Provide Draft Corrosion Design TM
    - Incorporate additional SCE power infrastructure into design plans
    - Next Milestones
      - Provide 90% Design Submittal
      - Provide 100% Design Submittal
- Imported Water Pipeline Environmental Services
  - Coordination Meetings
    - Continuing coordination with the BLM
    - Continued to engage with SCE environmental staff and the Project's design consultant on the potential requirements for incorporating the new SCE infrastructure into the Environmental documents
  - IWVGA executed Scope and Budget Amendment No. 8 for an additional Revegetation and Restoration Plan as required by the BLM's DRECP
  - Reviewed rare plant survey results from South Environmental Subconsultants
  - Draft EA/ EIR joint document to be updated per additional SCE components
  - Draft Biological Evaluation to be updated for additional SCE components
  - Draft Biological Assessment to be updated for additional SCE component
  - Coordinating with United States Fish and Wildlife Service, BLM, and GA/ WRM Staff on requirements to obtain an Incidental Take Permit
  - Continuing coordination with AVEK on Mojave Tank Farm Alignment
  - Continuing to consider right-of-way alignment options with Kern County
  - Air Quality, Greenhouse Gas, Energy, and Noise reports to be updated for additional SCE components
  - Next Steps:
    - Provide updated schedule
    - Provide draft EA for 45- day Public Comment Period
  - Next Milestones:
    - Provide Final EA/ EIR
- Imported Water Pipeline Right-of-Way Services
  - Continuing Acquisition Services Task, Preliminary Title Report and Appraisal Report tasks
    - Staff reviewing draft Right of Way document templates
    - Staff reviewing draft Right of Way Acquisition Plan
  - Next Milestone:
    - Provide a final Right of Way Acquisition Plan by late-2025

- Complete plats and legal descriptions
- Blue Mountain Development Program Management Services
  - IWVGA coordinating execution of the Contract with Blue Mountain Development for Program Management Services to assist with incorporation of U.S. Army Corps of Engineers (USACE) requirements during the completion of Project planning and to assist with the transition of the Project construction to the USACE (see Pipeline Construction section below for more details)
  - Kickoff meeting scheduled for early September
- Submittals to DWR
  - Continuing monthly coordination meetings with DWR on IP Grant progress
  - DWR provided the Authority a letter regarding the process for Grant Closeout
    - The Authority provided a response to the letter that included an updated Deliverable Due Date Schedule which provides more details on the individual names of the deliverables and their complete dates
  - Upcoming deliverable due dates:
    - December 31, 2025
      - Draft Grant Completion Reports
      - Design and Specifications
      - CEQA/ NEPA Documentation
      - Copies of Right of Way
    - March 31, 2026: Final Grant Completion Report
- National Environmental Protection Agency (EPA) Drinking Water System Infrastructure Resilience and Sustainability Program (Resiliency Grant)
  - In August 2024, the EPA announced their grant of \$2.79 million to the IWVGA for Imported Water Project planning activities
  - Grant will be used as additional funding to complete planning tasks
  - Expecting a grant agreement to be executed in mid-to-late 2025 and services occurring 90 days prior to execution of the grant agreement may be billed towards the EPA Grant
  - August 8, 2025: Meeting with EPA Grant coordinator for status update on draft Grant Agreement
    - Grant coordinator requested that the project schedule is updated to reflect current estimates for project milestones and to provide more detailed descriptions and costs of the scope of work applicable to the EPA Grant in the budget breakdown
  - August 29, 2025: The Authority provided an updated schedule and more detailed budget breakdown to the Grant coordinator for review
- US Army Corps of Engineers Planning Assistance to States (PAS) Program
  - GA Staff is coordinating with USACE on tasks
- Pipeline Construction
  - Passage of the Thomas R. Carper Water Resources Development Act of 2024 (WRDA-24) authorized \$50 million for the USACE to begin activities for water and water supply infrastructure in Kern County, California
    - July 18, 2025: Kick-off meeting with the USACE Los Angeles Division, Capital Core, and Authority Staff to discuss next steps for transition of the

## Project construction to USACE

- Next Steps:
  - Discuss project phasing
  - Coordinate draft Agreement with the USACE

### Shallow Well Mitigation Program

There are currently no active applications. There is an anticipated application from Mr. Matt Jackson on N. Bull Run Street in Inyokern. Mr. Jackson emailed IWVGA on January 16, 2025, and reported that he believes his well is running dry. IWVGA staff responded to Mr. Jackson with the application materials and notified him that the well must be registered with IWVGA. Mr. Jackson submitted an application on March 16, 2025, however a more recent well evaluation is needed to determine the well's flow rate and groundwater level. Mr. Jackson is currently waiting to have Garrison Brothers complete the evaluation.

### **AGENDA ITEM 11c – MISCELLANEOUS ITEMS**

#### Data Collection and Monitoring

- Ongoing coordination with Navy for planned wellhead surveys and downhole video logging of selected Navy wells.
  - Navy coordination for wellhead surveys at Range wells scheduled for week of September 2.
- Fall 2025 water level monitoring and water quality sampling events scheduled for week of September 8.

#### Subflow from Rose Valley to IWV

- Ongoing work with BLM regarding Cultural Survey and Permitting for second monitoring well
- Next steps: (1) obtain BLM concurrence on the scope of the cultural/archeological field survey, (2) conduct a cultural/archeological field survey, and (3) BLM Right-of-Way grant
- Periodic correspondence with BLM regarding delayed authorization of archeological survey at proposed RVS-2 well site.
- Continued coordination with BLM on permit to install next RVS Monitoring Well
  - No response from BLM regarding permit
- Navy/Coso contract deadline extended to August 31, 2026 for completing the RVS Monitoring Well project.
  - Navy/Coso no-cost extension executed July 8, 2025.
- Reimbursement of RVS-1 well underway

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

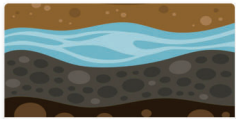
There are no actions required by the Board.

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[Reference Docs](#)  
[Reports & Forms](#)  
[Agreements & Contracts](#)  
[Resolutions & Ordinances](#)

# Welcome to Indian Wells Valley Groundwater Authority

Pellentesque rutrum erat ultricies, porta liberonon, tristique magna. Orci varius natoque penatibus et magnis dis parturient montes, nascetur ridiculus mus. Pellentesque rutrum erat ultricies, porta liberonon, tristique magna.



### Highlight Item

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[LEARN MORE](#)



### Highlight Item

Pellentesque rutrum erat ultricies, porta liberonon, tristique magna.

[LEARN MORE](#)



### Highlight Item

Pellentesque rutrum erat ultricies, porta liberonon, tristique magna.

[LEARN MORE](#)

## Pellentesque rutrum erat ultricies, porta liberonon

Orci varius natoque penatibus et magnis dis parturient montes, nascetur.

[CALL TO ACTION CLICK HERE](#)

#### CONTACT INFO

IWVGA General Manager  
 Carol Thomas-Keefer -  
 cthomaskeefer@rgs.ca.gov

IWVGA Clerk of the Board  
 of Directors  
 April Keigwin  
 akeigwin@rgs.ca.gov

#### ADDRESS

100 W California Ave.,  
 Ridgecrest, CA. 93555

#### STAY IN TOUCH

Email Address

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## Staff



### IWVGA Staff Member One

Pellentesque rutrum erat ultricies, porta liberonon, tristique magna. Orci varius natoque penatibus et magnis dis parturient montes, nascetur ridiculus mus. Pellentesque rutrum erat ultricies, porta liberonon, tristique magna.



### IWVGA Staff Member Two

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### IWVGA Staff Member Three

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### IWVGA Staff Member Four

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#### How can We Help you?

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[CONTACT US TODAY →](#)

#### CONTACT INFO

IWVGA General Manager  
 Carol Thomas-Keefer -  
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100 W California Ave.,  
 Ridgecrest, CA. 93555

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SUBMIT FORM

It is our policy to respond to all inquiries within 24 hours.

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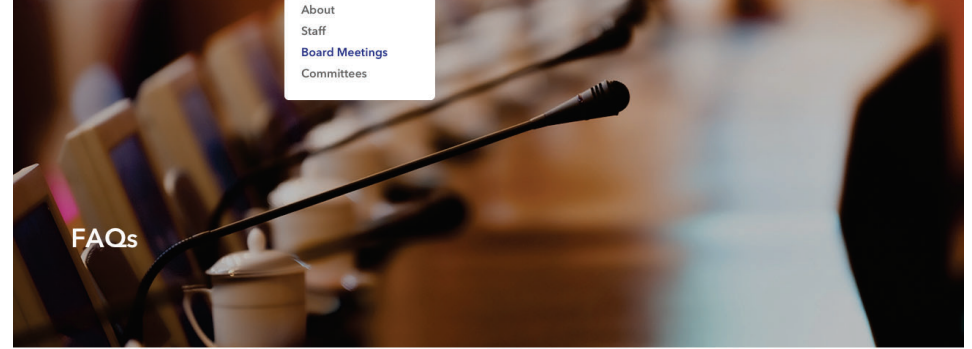
If you have any questions or concerns related to groundwater sustainability in the Indian Wells Valley area, contact:

#### Carol Thomas-Keefer

IWVGA General Manager  
E: cthomaskeeper@rgs.ca.gov

#### April Keigwin

IWVGA Clerk of the Board of Directors  
E: akeigwin@rgs.ca.gov  
P: 805.764.5452



## FAQs

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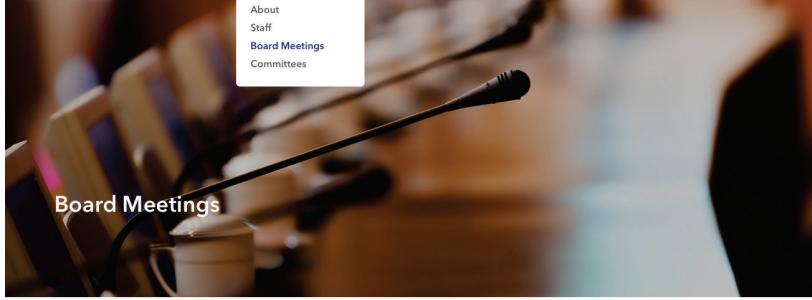
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- About
- Staff
- Board Meetings**
- Committees



## Board Meetings

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### Upcoming Meetings

DATE	TIME	AGENDA	SUPPLEMENTAL DOCUMENTS
8-16-25	9:00 AM	<a href="#">Special Meeting Agenda</a>	<a href="#">Documents (PDF)</a>
9-16-25	9:00 AM	<a href="#">Special Meeting Agenda</a>	<a href="#">Documents (PDF)</a>

### Past/Archived Meetings

2025				
DATE	TIME	MINUTES	AGENDA	SUPPLEMENTAL DOCUMENTS
7-16-25	9:00 AM	<a href="#">Minutes (PDF)</a>	<a href="#">Special Meeting Agenda</a> <a href="#">Special Meeting Agenda/ Meeting package</a> <a href="#">Agenda Item 5bii - City of Ridgecrest</a>	<a href="#">Documents (PDF)</a>
2024 +				
2023 +				
2023 +				
2022 +				
2021 +				
2020 +				

 <p><b>IWVGA</b> INDIAN WELLS VALLEY GROUNDWATER AUTHORITY</p>	<p><b>CONTACT INFO</b></p> <p>IWVGA General Manager Carol Thomas-Keefer - cthomaskeefer@rgs.ca.gov</p> <p>IWVGA Clerk of the Board of Directors April Keigwin akeigwin@rgs.ca.gov</p>	<p><b>ADDRESS</b></p> <p>100 W California Ave., Ridgecrest, CA, 93555</p>	<p><b>STAY IN TOUCH</b></p> <p><input type="text" value="Email Address"/></p> <p><input type="button" value="SUBSCRIBE"/></p>
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To: Carol Thomas-Keefer, General Manager IWVGA  
From: Michael W. McKinney, President  
cc: IWVGA Board of Directors  
Date: September 10, 2025  
Subject: Project Update Memorandum – August Activities

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The following update summarizes Capitol Core Group activities for August 2025.

**PROJECT 1: IMPORTED WATER SUPPLIES**

Capitol Core Group continued to work with potential sellers on negotiations to purchase imported water supplies and finalizing water needs. We are working with two potential water supplies for the Board's consideration.

**PROJECT 2: WATER REPLENISHMENT PIPELINE**

**Construction Activities**

Capitol Core continues to work with Stetson Engineers and consultants to review the permitting and regulatory process for the interconnection pipeline.

**PROJECT 3: OTHER PROJECTS SUPPORTING THE GSP**

**State of California**

A full Legislative Tracking Report is included with this memorandum. Two major priority bills of interest are highlighted below.

**AB 1413 (Papan): Groundwater Adjudications**

AB 1413 passed out of the Senate Appropriations Suspense File hearing on August 29<sup>th</sup>. We are working with the bill's proponents to determine options on how to move the bill forward prior to the September 12<sup>th</sup> deadline.

## AB 1466 (Hart): Groundwater Adjudications: Standards of Review

AB 1466 passed out of the Senate Appropriations Committee on August 25<sup>th</sup>. We are working with the bill's proponents to determine options on how to move the bill forward prior to the September 12<sup>th</sup> deadline.

### **Federal Government**

Capitol Core is monitoring both the 2025 National Defense Authorization Act as well as the various budget/appropriations bills moving forward in the Congress in September. The Congress has until September 30<sup>th</sup> either to pass the proposed budget bills or a continuing resolution to avoid a government shutdown.

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STATUS (August):  
118th Congressional Session, 1st  
2025-2025 California Session



INDIAN WELLS VALLEY GROUNDWATER AUTHORITY  
**LEGISLATIVE AND POLICY STATUS REPORT**



# **PRIORITY LEGISLATION**

## PRIORITY BILL DESCRIPTION

Legislation of significant impact on operations or interests. Legislation where a public position may be taken with the legislative body. Updates are provided to staff as they occur, potentially requiring action, and reported herein.

## POSITIONS TAKEN



### **SUPPORT:**

Indicating a public position of support with written documentation and active advocacy.



### **OPPOSE:**

Indicating a public position of opposition with written documentation and active advocacy.



### **NEUTRAL:**

Indicating a neutral or no public position taken on the legislation. Legislation is of significance and is being constantly monitored.



### **AMEND:**

Presenting amendment language for consideration that would change the public position from neutral to Support.



### **OPPOSE UNLESS AMENDED:**

Indicating a public position of opposition with written documentation and active advocacy while presenting amendment language for consideration that would remove opposition.



## Water Provision Infrastructure Reauthorization

The Senate Committee on Environment and Public Works has begun discussions and oversight hearings to reauthorize water provisions originally contained in the *Infrastructure, Investment and Jobs Act* (commonly known as “IIJA” or the “Bipartisan Infrastructure Bill” – Public Law 117-58, Statutes of 2021, 135 Stat. 429, HR 3684). IIJA authorized \$50 billion in water infrastructure funding programs primarily through three federal agencies – USEPA, USACE, and USBR. Between \$17 and \$35 billion in IIJA funding has not been expended and are subject to rescission or sunset provisions. This includes unallocated funding in the Lead Pipe Replacement, PFAS/PFOA Remediation, MS4/Stormwater, and Title XVI programs that will sunset. It also includes rescission of allocations in Clean Water State Revolving Fund, Drinking Water State Revolving Fund, Lead Pipe Replacement, Water Infrastructure/Section 7001, and Title XVI programs. Astonishingly, only six percent (6%) of USEPA authorized funding program (not associated with the State Revolving Funds) have been allocated. Over 90% of cybersecurity and PFAS/PFOA Remediation will sunset. \$40 million in Title XVI funding through USBR, allocated to IWVGA and offered to the Water District, will be subject to rescission at the end of FY2026 (September 2026).

President Trump signaled early on in the Administration a willingness to reauthorize certain infrastructure programs, including water funding programs that would sunset with IIJA. The Senate is working in a bipartisan manner to accomplish the reauthorization. There is no current timetable for introduction of the reauthorization bill.

### **UPGRADED: National Defense Authorization Act for Fiscal Year 2026**

**HR 3838 (Rogers, R-AL):** Streamlining Procurement for Effective Execution and Delivery of National Defense Authorization Act for Fiscal Year 2026

Version: As Ordered Reported 08/19/2025  
With an Amendment in the Nature of a Substitute – H.Rpt. 119-231  
Status: House Floor – Union Calendar File 189  
Summary: Providing authorization of specific programs and directives for the Department of Defense in Fiscal Year 2026

**S. 2296 (Wicker, R-MS):** National Defense Authorization Act for Fiscal Year 2026


Version: Ordered Reported 08/02/2025, S.Rpt. 119-39  
Status: Senate Floor  
Cloture Vote 84-14 09/02/2025 – Motion to Proceed  
Summary: Providing authorization of specific programs and directives for the Department of Defense in Fiscal Year 2026

**CALIFORNIA PRIORITY LEGISLATION  
2025-2026 LEGISLATIVE SESSION**



**UPDATE: AB 293 (Bennett):** Groundwater Sustainability Agencies: Transparency

Version: As Introduced 01/22/2025


Position: 

Status: **To Enrollment**  
**Senate Floor – Passed 31-3 (6 NV)**

Summary: Senate Committee on Natural Resources and Water – DO PASS 5-0  
This bill would require each groundwater sustainability agency to publish the membership of its board of directors on its internet website, or on the local agency's internet website, as provided. The bill would also require each groundwater sustainability agency to publish a link on its internet website or its local agency's internet website to the location on the Fair Political Practices Commission's internet website where the statements of economic interests, filed by the members of the board and executives of the agency, can be viewed. IWVGA already complies with the requirements.

**AB 709 (Gonzalez):** Sustainable Groundwater Management Act: Sustainability Plans

Version: As Introduced 02/14/2025

Position: 

Status: **Senate Floor – Pending Vote**  
**Senate Committee on Natural Resources and Water – DO PASS (7-0)**

Summary: The author contends this bill addresses an ambiguity under existing law by allowing GSAs to amend their coordination agreements in between DWR periodic reviews if necessary to address emerging needs or trends. According to the author, "SGMA requires continued cooperation and coordination to advance a more sustainable groundwater system for California's agricultural community, residents, and economy. California's laws must ensure flexibility for those parties that are responsible for [GSPs] to work together – especially those under coordinated agreements. Providing the legal and statutory authority to amend their coordination agreements will foster adaptive management strategies to address any deficiencies or necessary changes in internal governance. Several groundwater basins in California have more than 20 groundwater sustainability agencies responsible for various sub-basins.

It is not clear if the statutory changes in this bill are necessary to allow GSAs to amend coordination agreements required under SGMA. The Author is unable to identify examples where GSAs have not been able to amend coordination agreements or, at least, where any ambiguity under existing law has hindered efforts to amend coordination agreements. This created IWVGA concerns over possible amendments to AB 709 allowing for the creation of

overlying GSAs within a basin. IWVGA proposed clarifying amendments. The Author's staff has assured IWVGA the bill will have no impact on the Indian Wells Valley or attempt to address issues within the current IWV adjudication. Based on that assurance and at the request of the Author and the Chair, IWVGA modified its position from Oppose Unless Amended to Neutral but will maintain the bill on the Priority list for immediate observation of all actions.

**UPDATE: AB 1413 (Papan):** Groundwater Adjudication

Version: **As Amended 09/02/2025**

Position:



Status:

**Senate Committee on Appropriations – DO PASS 5-2**

**Senate Committee on the Judiciary – DO PASS 10-3**

**Senate Committee on Natural Resources and Water – DO PASS 4-3**

**Assembly Floor – Passed 45-21**

**Assembly Committee on Appropriations – DO PASS 10-4-1**

**Assembly Committee on the Judiciary – DO PASS 9-3**

**Assembly Committee on Water, Parks and Wildlife – DO PASS AS AMENDED 9-4**

Summary:

This bill would ensure that a comprehensive adjudication of groundwater rights in a basin does not interfere with the timely completion and implementation of a groundwater sustainability plan. Further, it avoids redundancy and unnecessary costs in developing technical information and a physical solution. Lastly, it is consistent with the attainment of sustainable groundwater management within the timeframes established by the Sustainable Groundwater Management Act. **Hostile amendments in the Senate Committee on Appropriations have changed IWVGA's position on AB 1413 to oppose. Recommendation is for Author to "park" the bill pending leadership change in the Senate. Amendment at ready for submittal.**

**UPDATE: AB 1466 (Hart):** Groundwater Adjudication

Version: **As Amended 09/03/2025**

Position:



Status:

**Senate Floor – Pending Vote**

**Senate Committee on the Judiciary – DO PASS 11-2**

**Senate Committee on Natural Resources and Water – DO PASS 5-2**

**Assembly Floor – PASSED 50-2**

**Assembly Committee on Appropriations – DO PASS 11-4**

**Assembly Committee on the Judiciary – DO PASS 9-3**

**Assembly Committee on Water, Parks, and Wildlife – DO PASS AS AMENDED 9-4**

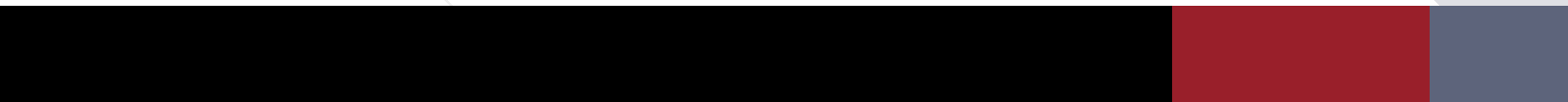
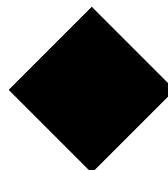
Summary:

This bill establishes the standard of review courts shall use when reviewing actions of a groundwater sustainability agency (GSA) and sets forth a process to protect the rights of small water users in an adjudication. In conjunction with your AB 1413, this bill seeks to close loopholes within the groundwater adjudication process that are being used to impede the implementation of SGMA, including delaying groundwater sustainability measures while failing

to protect the rights of small water users. It builds upon the efforts of the Legislature in 2023's Assembly Bill 779. Clarifying amendments by SWRCB were accepted on Senate Floor to avoid recommendation of veto – amendments were supported by IWVGA.



# WATCH BILL LIST



## WATCH BILL DESCRIPTION

Legislation of interest. The Authority may adopt a “neutral” position or take no public position. No direct advocacy is provided on watch bills. Updates are provided monthly unless the amendment warrants immediate notification to staff.

California “spot bills ” are included in the Watch Bill List. This legislation is a placeholder, making non-substantive changes to the code in anticipation of later amendments to meet legislative deadlines.

## FEDERAL LEGISLATION OF INTEREST 119<sup>TH</sup> CONGRESSIONAL SESSION



### **HR 302 (Maloy, R-UT 2<sup>nd</sup>):** Water Rights Protection Act of 2025

Version: As Reported with Amendments in the Nature of a Substitute

Status: Reported House Committee on Natural Resources

Summary: This bill would prohibit the Department of Interior and Agriculture from undermining our water laws by requiring the transfer of co-ownership of water rights as a condition for permit agreement or renewals on federal land. Analysis concluded the bill will have little impact on IWV. Downgraded to Watch List.



### **NEW: S.1760 (Curtis, R-UT):** Restoring WIFIA Eligibility Act of 2025

Version: As Reported with Amendments in the Nature of a Substitute

Status: Senate Committee on Budget

Summary: This bill would make a Congressional finding that amounts appropriated to the Water Infrastructure Financing and Investment program are not included within the National debt amounts and clarifies the program as private lending backed by the U.S. government.

**STATE LEGISLATION OF INTEREST  
2025-2026 LEGISLATIVE SESSION**



**FINAL ACTION: AB 990 (Hadwick):** Emergency Water Notification Plan

Version: As Introduced 02/20/2025

Status: **Senate Floor – Ordered to Inactive File by Senator Choi (Point of Order)**  
**Senate Committee on Environmental Quality – DO PASS 6-0**  
**Assembly Floor – PASSED 75-0**  
**Assembly Committee on Environmental Safety and Toxic Materials – DO PASS 7-0**

Summary: This bill would authorize and encourage a public water system to provide notification to water users in their preferred language when updating the emergency notification plan, if resources are available.



**UPDATE: SB 31 (McNerney):** Water Recycling: Water Quality

Version: As Amended 06/09/2025

Status: **To Enrollement**  
**Senate Concurrence – 39-0**  
**Assembly Floor – 79-0**  
**Assembly Committee on Appropriations – DO PASS 15-0**  
**Assembly Committee on Environmental Safety and Toxic Materials – DO PASS (7-0)**

Summary: The bill amends the circumstances when a person is required to notify the regional water board of an unauthorized discharge of 50,000 gallons or more of recycled water into waters of the state to additionally require that it is recycled water that has completed the required treatment process and has entered a storage tank, pipeline, or canal for conveyance or distribution

**UPDATE: SB 72 (Caballero and Rubio):** State Water Plan: Long Term Supply Targets

Version: As Amended 04/10/2025

Status: **To Enrollment**  
**Assembly Floor – PASSED 73-0**  
**Assembly Committee on Appropriations – DO PASS 15-0**

Assembly Committee on Water Parks and Wildlife – DO PASS 12-0

Summary: As amended this bill would revise and recast certain provisions regarding The California Water Plan to, among other things, require the department to expand the membership of the advisory committee to include, among others, tribes, labor, and environmental justice interests. The bill would require the department, as part of the 2033 update to the plan, to update the interim planning target for 2050, as provided. The bill would require the target to consider the identified and future water needs for *all beneficial uses, including, but not limited to, urban uses, agricultural uses, tribal uses, and the environment*, and ensure safe drinking water for all Californians, among other things. The bill would require the plan to include specified components, including a discussion of the estimated *costs, benefits, and impacts* of any project type or action that is recommended by the department within the plan that could help achieve the water supply targets. The bill would require the department to report to the Legislature the amendments, supplements, and additions included in the updates of the plan, together with a summary of the department's conclusions and recommendations, in the session in which the updated plan is issued. The bill would also require the department to conduct public workshops to give interested parties an opportunity to comment on the plan.



# **FEDERAL AND STATE BUDGETS**

FEDERAL FY2025

FEDERAL FY2026

CALIFORNIA FY2025-2026 STATE BUDGET

**FEDERAL  
FISCAL YEAR 2026**



**UPDATE: HR 4754 (Simpson, R-ID, 2<sup>nd</sup>):** Interior, Environment and Related Agencies Appropriations Act of Fiscal Year 2026

Version: **Ordered Reported, House Committee on Appropriations (36-27), H.Rpt. 119-173**  
 Status: **House Floor**

Summary: The Committee has reported a \$1 million Community Project Funding Request for the City of Ridgecrest Wastewater Treatment Plant. The Congressionally directed funding request is not bicameral. The FY2026 appropriations cycle is in the beginning stages of drafting by the respective subcommittees.

APPROPRIATIONS TRACKER		LINE ITEMS TABLE		AGENCY SPEND TABLE							
BGOV OnPoints		HOUSE		SENATE		CONFERENCE		PRESIDENT			
		Subcommittee	Committee	House Vote	Subcommittee	Committee	House	Senate	Public Law		
Interior-Environment		H.R. 4754 7/14/2025 Roll Call Draft text	H.R. 4754 7/21/2025 Vote 33 - 28 Draft text H. Rept. 119-215		S. 2431 7/23/2025 Vote 26 - 2 S. Rept. 119-46						



## **BILLS REMOVED FROM REPORT**

Legislation no longer of interest to the Authority or legislation having a final action previously reported.

**BILLS REMOVED SINCE LAST MONTH**

None at this time.

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