

Water Storage Investment Program Quarterly Report

The Quarterly Report is intended to document applicants' progress toward complying with regulation section 6013 and receiving final WSIP funding, including any changes in the magnitude of public benefits that could affect cost allocation. Applicants must provide a summary level update of the project status for the requirements and milestones listed below. The template may be modified as necessary to effectively communicate information. If minimal activities occurred during a reporting period, the report can be condensed.

- Note any issues or concerns that have, will, or could affect milestones or requirements.
- Identify key issues, including legal issues such as lawsuits or injunctions related to the project, that need to be resolved.
- Discuss how the actual schedule is progressing in comparison to the schedule provided in the Initial Report or the last reported schedule.
- Update the project schedule as needed.
- Note any milestones or accomplishments that occurred since submittal of the prior Quarterly Report.

Project Information

Project Name:

Kern Fan Groundwater Storage Project

Applicant Name:

Groundwater Banking Joint Powers Authority

Date:

October 26, 2023

Reporting Period:

July 1, 2023 - September 30, 2023

General Update and Key Issues

Please provide a general update and describe any key issues that occurred during this reporting period. You may attach additional documents or pages if more space is needed:

Coordination with State Agencies:

During the current reporting period, the GBJPA met with DWR and the Kern County Water Agency (KCWA) to discuss the results of DWR's hydraulic modeling study. DWR presented information on California Aqueduct operations and modeling assumptions related to the operations of the Cross Valley Canal (CVC). Discussions from the meeting concluded that hydraulic modeling of Alternative 5 for the proposed Kern Fan turnout and conveyance would also be needed. Alternative 5 potentially could provide a solution to CVC operational issues, increase CVC capacity and provide capacity for the Kern Fan Project without requiring a new turnout. DWR also provided an Administrative Draft of a Supplemental Environmental Impact Report (SEIR) for the pulse flow component of the Project. The GBJPA approved agreements with DWR providing for common interests and establishing the GBJPA as lead agency for the SEIR.

During the current reporting period, the GBJPA also met with CDFW to discuss the development of a Contract for Administration of Ecosystem Public Benefits (CAPB) for the Project. The CDFW anticipates that Project benefits to the Sacramento-San Joaquin River Delta will be based on the quantity of Article 21 water made available over the life of the project. Next steps for developing the CAPB include the GBJPA working with CDFW and consultants MBK Engineers to refine estimates of Article 21 water that will be available to the Project.

Engineering and Design:

During the current reporting period, design work progressed on the initial recharge basins for Phase 1 of the Kern Fan Project. The 30% design plans for the North Stockdale recharge basins were completed. The GBJPA Engineering group also reviewed two water conveyance alternatives that could be used to deliver water to the recharge basins on North Stockdale. The first alternative being a canal on the property's western border and the second alternative being a turnout on the property's southern border. The 60% design plan for the North Stockdale recharge basins is expected to be completed during the next reporting period.

The GBJPA continued to deliver water to the West Enos pilot recharge basins to maximize recharge opportunities this year, consistent with the Governor's Executive Order. Pilot recharge basin operations will also better help inform the design of the permanent recharge basins.

Kern Fan Groundwater Storage Project Schedule:

Components of the Kern Fan Project are contingent upon executing agreements with and securing approvals from the DWR, State Water Contractors, and CDFW. The expected dates for the completion of the Contracts for Administration of Public Benefits are consistent with the Governor's Strike Team schedule based on previous meetings between the Applicant and the Strike Team. In addition, the expected dates for completion of the Supplemental Environmental Impact Report for WSIP Pulse Flow Projects is consistent with DWR's revised schedule.

1. Funding Agreement Milestone Schedule

Attached as Exhibit "A" is the Funding Agreement Milestone Schedule entitled "Project Schedule (CWC Table 1)". The schedule provides the milestones stipulated in the Maximum Conditional Eligibility Determination Letter dated July 27, 2018.

2. Kern Fan Groundwater Storage Project Schedule

Attached as Exhibit "B" is an updated Kern Fan Project overall schedule, which includes the Commission requirements, as well as planning and project studies, environmental documentation, design, and construction.

Items Required Prior to Scheduling a Final Award Hearing

The following items must be provided prior to scheduling a hearing. As applicable, please describe the status, estimated completion date, and percent complete of:

1. Contracts for non-public cost share:

Status: The Groundwater Banking Authority JPA agreement executed in 2020 includes a provision that IRWD and Rosedale will each fund 50% of the non-grant funded project cost. No contracts, other than the executed Joint Powers Authority Agreement between Rosedale and IRWD, are anticipated. A funding commitment letter to the Director of the Department for the non-public benefits was submitted in October 2021.

Estimated Completion Date: October 2021

Percent Complete: 100%

2. Contracts for administration of public benefits:

Status: Applicants continue to work with the CDFW and DWR on the development of contracts for administration of public benefits. A meeting is scheduled with CDFW to initiate discussions specific to the Kern Fan Project is scheduled in the next quarter. No agreement with the State Water Board is anticipated for this project.

Estimated Completion Date: June 2024

Percent Complete: 60%

3. Completed feasibility studies:

Status: The final Feasibility Study was submitted to CWC staff on November 22, 2021. On December 15, 2021, the Commission determined that the feasibility study met requirements set forth in the WSIP Regulations.

Estimated Completion Date: November 2021

Percent Complete: 100%

4. Final environmental documentation:

Status: The Groundwater Banking Joint Powers Authority certified the Final EIR document on December 28, 2020. There were no unmitigated significant environmental effects identified in the Draft EIR or the Final EIR.

Estimated Completion Date: Completed January 2021

Percent Complete: 100%

5. All required federal, state, and local approvals, certifications, and agreements:

Status: Applicants continue to work with the appropriate agencies on all required federal, state and local approvals, certifications and agreements.

Estimated Completion Date: December 2025

Percent Complete: 10%

Items Required to Execute a Funding Agreement

Please provide an update, as applicable, on the following documents, which are needed to execute a funding agreement for the project:

- Applicant's audited financial statements
- Final project costs, schedule, and scope of work
- Evidence of bilateral communications
- Limited waiver of sovereign immunity (see regulations section 6013(f)(8))

Updates to information provided in the Initial Report or prior Quarterly Reports are only needed when a significant change has occurred. The Commission may request submittal of updated information prior to executing a funding agreement.

No updates to information provided in prior Quartely Reports.

Status Update

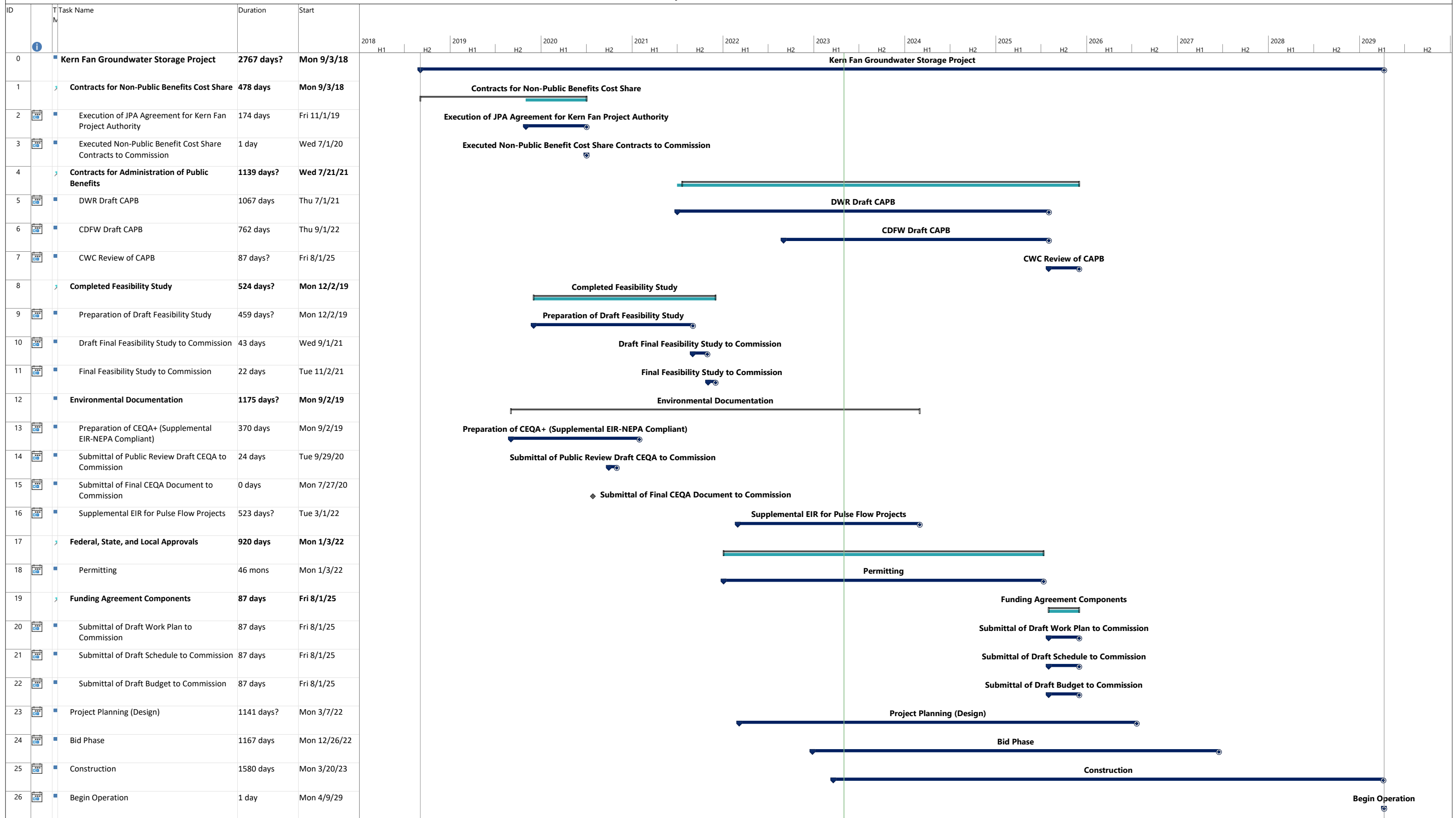
Provide a status update for the following, as applicable:

- Labor Compliance
- Urban Water Management Plans
- Agricultural Water Management Plans
- Groundwater Management or Groundwater Sustainability Plans
- Potential effect of other conditionally eligible projects on the applicant's public benefits

Updates to information provided in the Initial Report or prior Quarterly Reports are only needed when a significant change has occurred. The Commission may request submittal of updated information prior to executing a funding agreement.

No updates to information provided in prior Quarterly Reports.

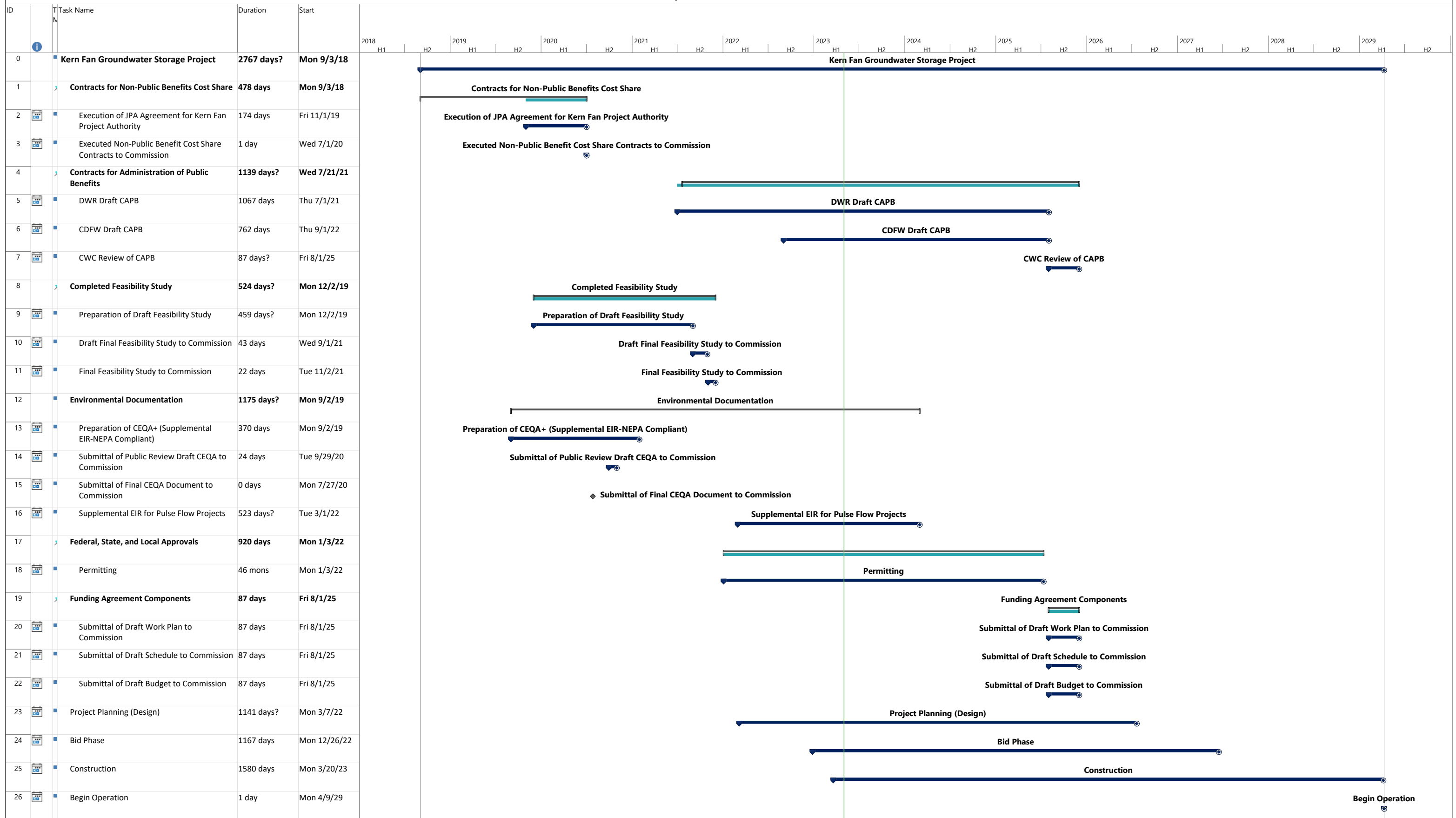
EXHIBIT "A"
Project Schedule (CWC Table 1)



Project: Kern Fan Groundwater
Date: Tue 5/2/23

Task		Summary		Inactive Milestone		Duration-only		Start-only		External Milestone		Manual Progress	
Split		Project Summary		Inactive Summary		Manual Summary Rollup		Finish-only		Deadline			
Milestone		Inactive Task		Manual Task		Manual Summary		External Tasks		Progress			

EXHIBIT "A"
Project Schedule (CWC Table 1)



Project: Kern Fan Groundwater
Date: Tue 5/2/23

Task		Summary		Inactive Milestone		Duration-only		Start-only		External Milestone		Manual Progress	
Split		Project Summary		Inactive Summary		Manual Summary Rollup		Finish-only		Deadline			
Milestone		Inactive Task		Manual Task		Manual Summary		External Tasks		Progress			