

Water Storage Investment Program Quarterly Report Template

The Quarterly Report is intended to document the applicant's 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 Name:	Kern Fan Groundwater Storage Project		
Applicant Name:	Rosedale-Rio Bravo Water Storage District and Irvine Ranch Water District		
Date:	January 18, 2019	Reporting Period:	October 1, 2018 through December 31, 2018

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

Key Issues:

No key issues have been identified in the current reporting period.

Milestones and accomplishments:

During this quarterly reporting period, the Applicants, Rosedale-Rio Bravo Water Storage District (Rosedale) and Irvine Ranch Water District (IRWD), worked with legal counsel on the Joint Powers Agreement (JPA) for the formation of the Kern Fan Project Authority. The Kern Fan Project Authority will design, construct, operate and administer the Kern Fan Groundwater Storage Project and will be the entity to enter into the funding agreement with the Commission. Applicants expect the JPA Agreement for the creation of the Kern Fan Project Authority will be executed in March/April 2019.

During the current report period, Applicants entered into agreements with various consultants to perform several key studies which Applicants expect will be completed during the next two quarters, including:

1. A Hydraulic Assessment of New California Aqueduct Turnout. This study will determine the nearest location of the new proposed turnout so as not to impact the current hydraulics of those turnouts or the operations of the Kern County Cross Valley Canal. This work began in October 2018 and is expected to be completed in April 2019.

(Continued next page)

Kern Fan Groundwater Storage Project
Quarterly Report Oct. 1, 2018 through Dec. 31, 2018

Project Name:	Kern Fan Groundwater Storage Project		
Applicant Name:	Rosedale-Rio Bravo Water Storage District and Irvine Ranch Water District		
Date:	January 18, 2019	Reporting Period:	October 1, 2018 through December 31, 2018

2. A Pre-Project Engineering Evaluation of Canal Alignment Alternatives. Through this study, consultants will perform preliminary level evaluation of up to 5 potential canal alignments, evaluate potential issues associated with each alignment, and provide preliminary construction cost estimates and develop alignment maps. The agreement for this study will be executed in January 2019 and the work is expected to be completed in May 2019.

3. Environmental consultants that will prepare the Supplemental Environmental Impact Report (EIR) for the Kern Fan Project are currently updating and refining the project scope of work and schedule from the original application submittal. Applicants expect an agreement will be executed for the environmental work in February/March 2019 and initial work is expected to begin in March 2019.

4. To assist Applicants in assessing land with optimal groundwater recharge properties, a geophysical investigation of the target areas will be performed which gathers subsurface data that will be incorporated into a model. This geophysical survey will provide suitable information for locating the most permeable zones and will assist with siting and design of project recharge basins. This work is expected to be initiated in February 2019. Applicants have contracted with an agricultural appraisal firm to identify prospective target properties for study. Applicants expect to acquire property for the project during the second quarter of 2019.

5. During the current reporting period, the Applicants entered into an agreement with consultants to provide assistance in securing the necessary agreements with the Department of Water Resources (DWR) for the administration of public benefits.

6. Applicants prepared and released a Request for Qualifications to six consulting and engineering firms soliciting qualifications to provide program management services as the Applicants' Owner's Representative (OR). The OR would serve as an extension of the Applicants' existing staff to provide program management services for the Project. These services would be provided during planning, design, construction and post-construction phases of the Project. The OR will report to the Kern Fan Project Authority. Applicants anticipate that an agreement with a prospective OR will be executed in April 2019.

Kern Fan Groundwater Storage Project
Quarterly Report Oct. 1, 2018 through Dec. 31, 2018

Kern Fan Groundwater Storage Project Schedules:

1. Funding Agreement Milestone - Table 1: Project Schedule

As requested, the Applicants completed the following Table 1: Project Schedule as included in the Maximum Conditional Eligibility Determination Letter dated July 27, 2018.

Table 1: Project Schedule

Kern Fan Groundwater Storage Project Funding Agreement Milestone:	Start Date	Finish Date	% Complete
Non-Public Benefit Cost Share Contracts • Estimated date for submittal of executed non-public benefit cost share contracts	Sept 2018	April 2019	0%
Contracts for Administration of Public Benefit • Estimated date for submittal of executed contract with Department of Fish and Wildlife (CDFW) for administration of public benefits	Feb 2019	Apr 2020	0%
• Estimated date for submittal of executed contract with Department of Water Resources (DWR) for administration of public benefits	Dec 2018	Apr 2020	0%
Completed Feasibility Study • Estimated date for submittal of the Draft Final Completed Feasibility Study	April 2019	Dec 2019	0%
• Estimated date for submittal of the Final Completed Feasibility Study		Sept 2019	0%
		Dec 2019	0%
Environmental Documentation (CEQA+ document to be prepared) • Estimated date for submittal of the Public Review Draft CEQA document	Jan 2019	July 2020	0%
• Estimated date for submittal of the Final CEQA document		April 2020	0%
		July 2020	0%
Federal, State, Local Approvals	July 2020	Jan 2021	0%
Funding Agreement Components: • Estimated date for submittal of draft workplan, schedule, and budget that will be used by the Commission to develop the WSIP funding agreement	Aug 2020	Jan 2021	0%
Project Planning (Design)	April 2019	Jan 2021	0%
Construction	Sept 2021	Mar 2025	0%
Begin Operation	Apr 2025	Apr 2025	0%

Attached as Exhibit “A” is the Funding Agreement Milestone Schedule entitled “Project Schedule (CWC Table 1)” which reflects this schedule in the above Table 1 for the Kern Fan Groundwater Storage Project.

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. The following changes have occurred to the Kern Fan Groundwater Storage Project schedule since the initial quarterly report in October 2018.

Several changes were made to the schedule to reflect current schedule impacts. The start date for the Canal Alignment Alternatives Evaluation was moved from December 2018 to February 2019. Additionally, the start date for the CDFW contract process for administration of public benefits was moved from December 2018 to February 2019. Other schedule changes include development of the feasibility study and adaptive management program, as well as preliminary design report and easement procurement. The start dates for these scheduled items have shifted to reflect the changes associated with current planning phase activities that have yet to be completed.

The original schedule anticipated project completion in Q1 of 2025, which is still an accurate estimate of completion and is included in the updated schedule.

Prior to scheduling a hearing, the following items must be provided:			
Description	Status	Estimated Completion Date	Percent Complete %
Contracts for non-public cost share	Applicants will each equally fund the non-public cost share. No contracts, other than a Joint Powers Authority Agreement between Rosedale and IRWD, are anticipated.	April 2019	0%
Contracts for administration of public benefits	Applicants will work with the Commission, CDFW and DWR on the agreements for administration of public benefits. No agreement with the State Water Board is needed for this project.	April 2020	0%
Completed feasibility studies	Applicants anticipate initiating the project Feasibility Study during the second quarter of 2019. A draft final version of the Feasibility Study will be submitted to the CWC for review in the fourth quarter of 2019.	Dec 2019	0%
Final environmental documentation	Applicants will initiate work on the environmental documentation in the first quarter of 2019. Draft CEQA documents are expected to be submitted to the CWC in second quarter 2020 and final CEQA documents to CWC in third quarter 2020.	July 2020	0%
All required federal, state, and local approvals, certifications, and agreements	Applicants will work with the appropriate agencies on all required federal, state and local approvals, certifications and agreements.	Jan 2021	0%

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.

Applicants anticipate having all required documents related to the funding agreement requirements available by second quarter 2021.

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 an funding agreement.

See attached "Status Update" for information provided on the items in this section.

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

Labor Compliance

Applicants will comply with all provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement by WSIP to assure that the prevailing wage provisions of the Labor Code are being met. Labor Compliance work will be completed during project construction (initiating in third quarter 2021).

Urban Water Management Plans and Agricultural Water Management Plans

The Kern Fan Groundwater Storage Project is a joint project between Rosedale and IRWD. Rosedale is an independent special district under the provisions of the California Water Storage District Law and therefore is not required to complete an Agricultural or Urban Water Management Plan. IRWD is an urban water supplier as defined in section 6001 of the program Regulations. IRWD submitted an Urban Water Management Plan on June 30, 2016. IRWD received confirmation on August 31, 2016 that the Urban Water Management Plan was received and reviewed by the Department of Water Resources and that it fully addresses the requirements of Water Code section 10608.56. IRWD will meet all on-going compliance, including the 2020 UWMP update requirements along with DWR review and acceptance thereof.

Groundwater Sustainability Plans

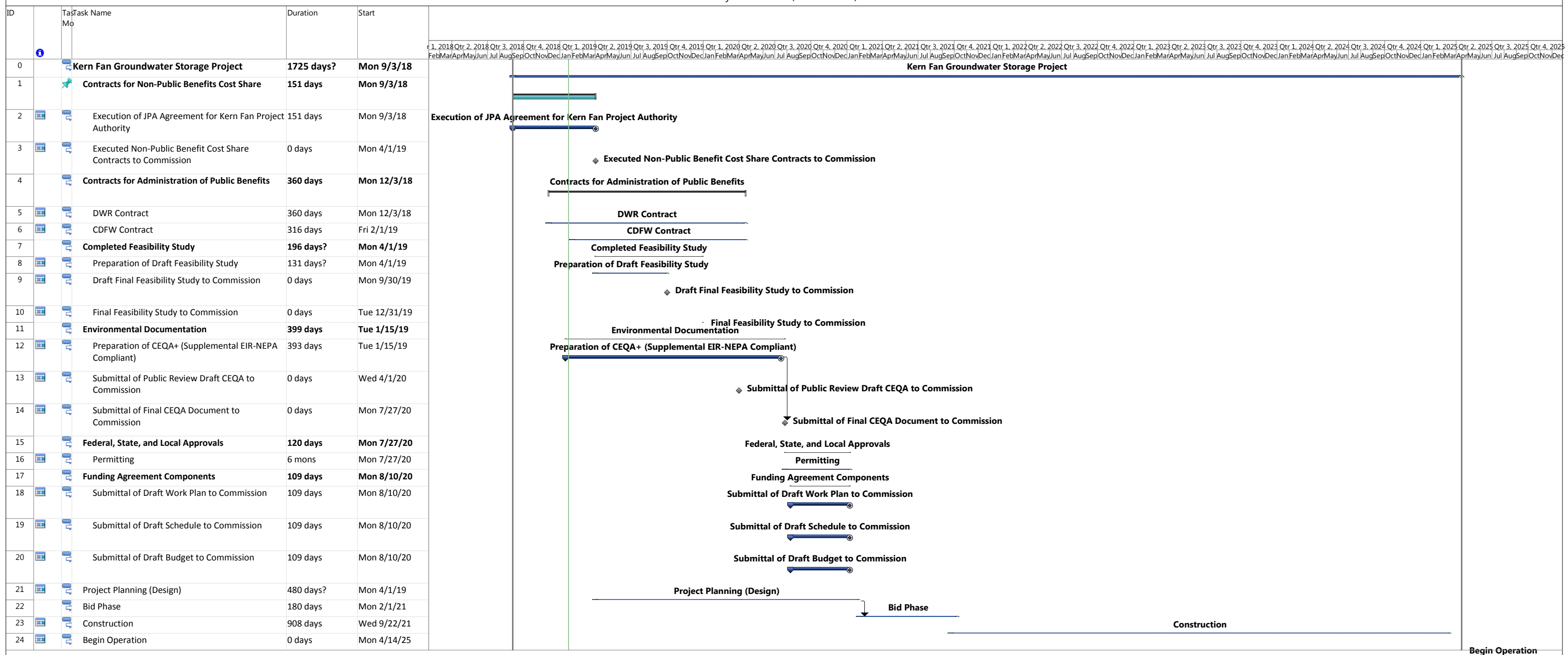
The Kern Fan Groundwater Storage Project is located within the Rosedale-Rio Bravo Water Storage District that overlies a part of the Kern County Groundwater Sub-basin. In response to the Sustainable Groundwater Management Act (SGMA), Rosedale and other local agencies formed a groundwater sustainability agency (GSA) called the Kern Groundwater Authority (KGA). Progress related to the Project's compliance with SGMA include:

- The KGA formed a GSA in April 2017.
- The KGA posted a notice with the Department of Water Resources (DWR) on May 30, 2017 that included a description of the local agencies' water supply and water management or land use responsibilities within the groundwater basin.
- The KGA began developing a Groundwater Sustainability Plan (GSP) with measurable objectives and milestones to ensure basin sustainability. Major activities undertaken in calendar year 2018 have focused on the technical development of the GSP, and working with the KGA Board of Directors, KGA Coordination Committee and primary stakeholders for feedback and input.
- A draft GSP is scheduled to be completed in the first quarter of 2019. Following a series of outreach meetings to solicit comments, a final GSP will be submitted to DWR by January 21, 2020.

Potential Effect of Other Eligible Projects:

Applicants do not anticipate any potential effects from other conditionally eligible projects on the public benefits included in the Kern Fan Project analysis. Applicants acknowledge that it may be helpful to coordinate with other similar projects on the Adaptive Management and monitoring of the projects ecosystem benefits.

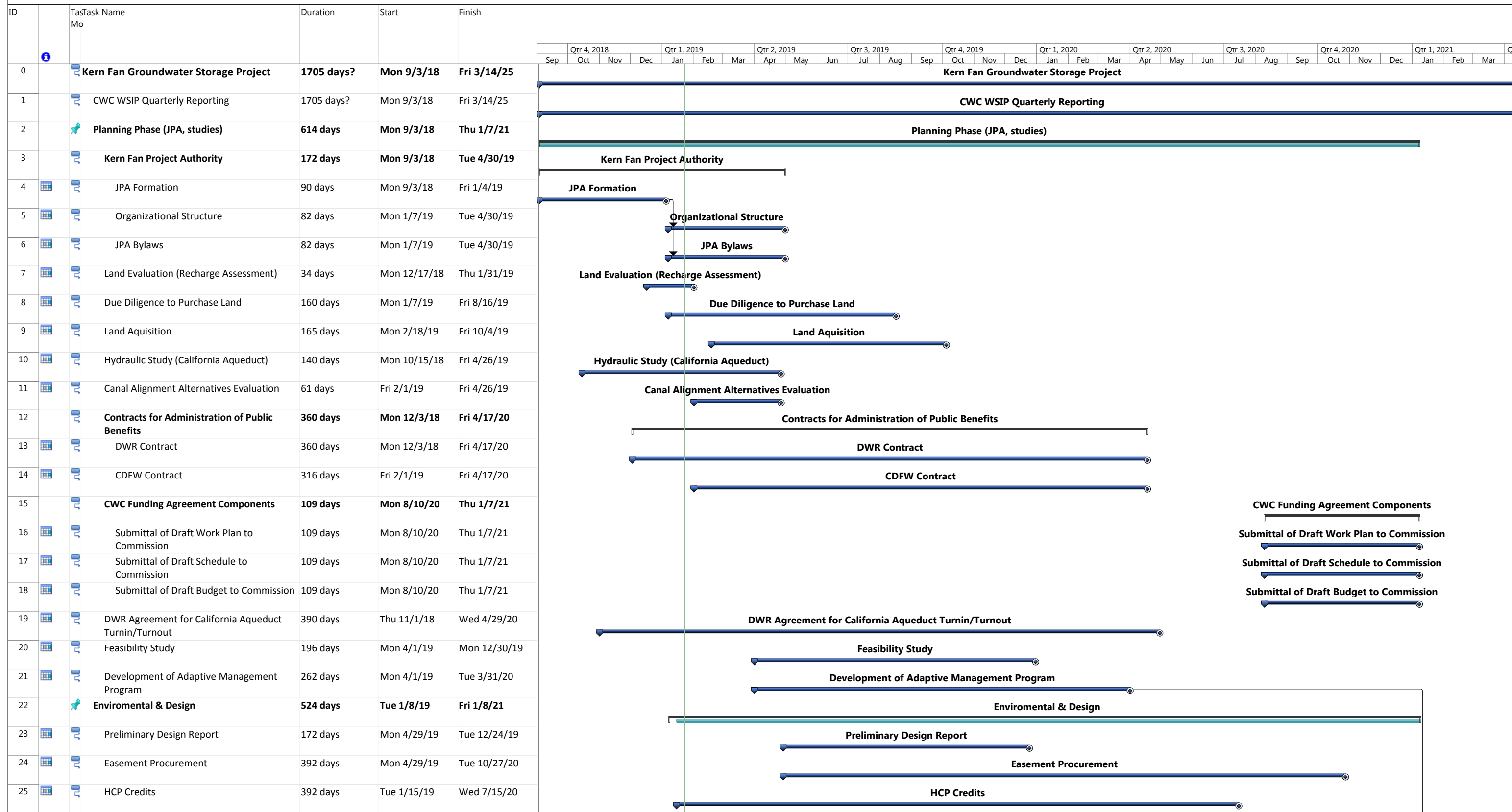
EXHIBIT "A"
Project Schedule (CWC Table 1)



Project: Kern Fan Groundwater
Date: Wed 1/23/19

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

EXHIBIT "B"
Kern Fan GW Storage Project Overall Schedule



Project: Kern Fan Groundwater
Date: Wed 1/23/19

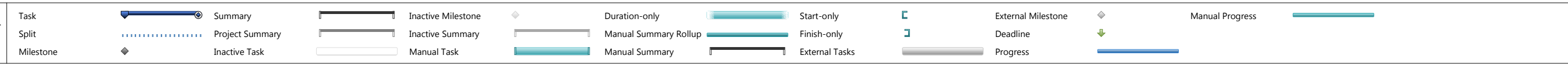


EXHIBIT "B"
Kern Fan GW Storage Project Overall Schedule

ID	Task Name	Duration	Start	Finish	Timeline																																			
					Qtr 4, 2018				Qtr 1, 2019			Qtr 2, 2019			Qtr 3, 2019			Qtr 4, 2019			Qtr 1, 2020			Qtr 2, 2020			Qtr 3, 2020			Qtr 4, 2020			Qtr 1, 2021							
					Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar					
26	Engineering & Design	334 days	Tue 10/1/19	Fri 1/8/21	<p align="center">Engineering & Design</p>																																			
27	Preparation of Environmental CEQA+ (Supplemental EIR-NEPA Compliant)	393 days	Tue 1/15/19	Thu 7/16/20	<p align="center">Preparation of Environmental CEQA+ (Supplemental EIR-NEPA Compliant)</p>																																			
28	Submittal of Public Review Draft CEQA to CWC	1 day?	Wed 4/1/20	Wed 4/1/20	<p align="center">Submittal of Public Review Draft CEQA to CWC</p>																																			
29	45-Day Draft CEQA Review and Public Meeting	44 days	Mon 4/27/20	Thu 6/25/20	<p align="center">45-Day Draft CEQA Review and Public Meeting</p>																																			
30	Prepare Final CEQA Document	15 days	Fri 6/26/20	Thu 7/16/20	<p align="center">Prepare Final CEQA Document</p>																																			
31	Permitting	6 mons	Mon 7/27/20	Fri 1/8/21	<p align="center">Permitting</p>																																			
32	Bid Phase	180 days	Mon 1/11/21	Fri 9/17/21																																				
37	Construction	908 days	Wed 9/22/21	Fri 3/14/25																																				

Project: Kern Fan Groundwater
 Date: Wed 1/23/19

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