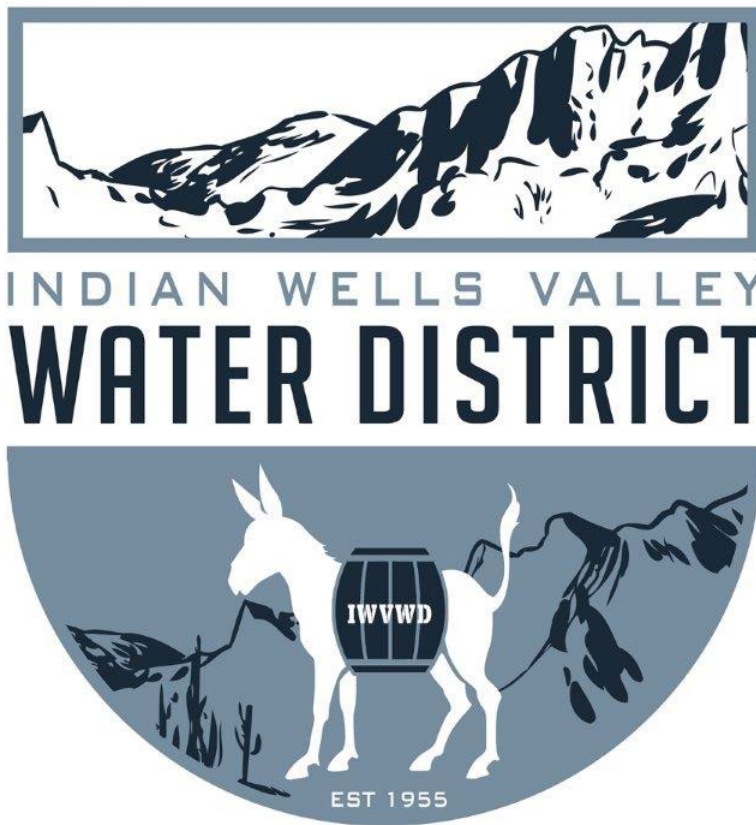


INDIAN WELLS VALLEY WATER DISTRICT

Board of Directors Meeting



May 12, 2025



INDIAN WELLS VALLEY WATER DISTRICT



BOARD OF DIRECTORS

David C. H. Saint-Amand, President
Charles D. Griffin, Vice President
Mallory J. Boyd
Ronald R. Kicinski
Stanley G. Rajtora

George D. Croll
General Manager
Krieger & Stewart, Incorporated
Engineers
McMurtrey, Hartsock, Worth & St. Lawrence
Attorneys-at-Law

2025 COMMITTEE ASSIGNMENTS

ADMINISTRATION/EXECUTIVE COMMITTEE (GRIFFIN/SAINT-AMAND)

Personnel, Legal Matters, General Plan, Community Relations, Board Meeting Agendas, Ordinances, Rules, Regulations, Policies, Procedures, Customer Service, Variances, Director’s Manual. Groundwater Sustainability Act, Indian Wells Valley Groundwater Authority, Water Management, Water Policy, Conservation, Alternative sources for water supply including Blending, Importation, Reuse, etc.

FINANCE COMMITTEE (KICINSKI/RAJTORA)

Rates, Cost-of-Service, Budget, Audits, Cost Allocation, Investments, Financial Services, Insurance, Loans/Grants, Water Sales & Service Policy Manual, Accounting, Assessment Districts, Billing, etc.

PLANT & EQUIPMENT COMMITTEE (BOYD/KICINSKI)

Transmission/Distribution System, Vehicles & Equipment, Wells, Reservoirs, Real Property Management, and Telemetry, Water Quality, Urban Water Management Plan, CalWEP, Title 22 Compliance, etc.

Committee Meetings are generally scheduled on a regular day and time.
Committee Meetings are subject to change.

Plant & Equipment
Finance
Administration/Executive

Monday before the Board Meeting at 3:00 p.m.
Tuesday before the Board Meeting at 3:00 p.m.
Wednesday before the Board Meeting at 3:00 p.m.

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

REGULAR BOARD MEETING

AGENDA

MONDAY, MAY 12, 2025
CLOSED SESSION - 4:30 P.M.
OPEN SESSION - 6:00 P.M.

BOARD OF DIRECTORS' HEARING ROOM
500 W. RIDGECREST BLVD., RIDGECREST

All District meetings are streamed live through Zoom	
Join Zoom Meeting at: https://zoom.us/j/9649549487 Meeting ID: 964 954 9487	One tap mobile: 669-900-9128, 9649549487# US (San Jose) 669-444-9171, 9649549487# US Dial by your location: 669-900-9128 US (San Jose) 669-444-9171 US 253-215-8782 US (Tacoma)

(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 Lauren Smith at (760) 384-5502. Requests must be made as early as possible and at least one full business day before the start of the meeting. Pursuant to Government Code section 54957.5, any materials relating to an open session item on this agenda, distributed to the Board of Directors after the distribution of the agenda packet, will be made available for public inspection at the time of distribution at the following location: Indian Wells Valley Water District, 500 W. Ridgecrest Blvd., Ridgecrest, CA.)

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Posting of Agenda Declaration
5. Conflict of Interest Declaration
6. Public Questions and Comments on Closed Session
7. Closed Session
 - A. Existing Litigation
Conference with Legal Counsel
Mojave Pistachios, LLC v Indian Wells Valley Water District, et al.
Orange County Superior Court Case No. 30-2021-01187275-CU-OR-CJC
(Pursuant to Government Code Section 54956.9(d)(1))

- B. Existing Litigation
Conference with Legal Counsel
Mojave Pistachios, LLC v Indian Wells Valley Groundwater Authority, et al.
Orange County Superior Court Case No. 30-2021-01187589-CU-WM-CXC
(Pursuant to Government Code Section 54956.9(d)(1))

- C. Existing Litigation
Conference with Legal Counsel
Searles Valley Minerals Inc., v Indian Wells Valley Groundwater Authority, et al.
Orange County Superior Court Case No. 30-2021-01188089-CU-WM-CXC
(Pursuant to Government Code Section 54956.9(d)(1))

- D. Conference with Labor Negotiators
District Representatives: George Croll and Jim Worth
Employee Organizations: Exempt and Non-Exempt
(Pursuant to Government Code Section 54957.6)

- 8. Public Questions and Comments
(This portion of the meeting is reserved for persons desiring to address the Board on any matter not on the agenda and over which the Board has jurisdiction. However, no action may be taken by the Board of Directors on any item not appearing on the agenda. Non-agenda speakers are asked to limit their presentation to five minutes. Public questions and comments on items listed on the agenda will be accepted at any time the item is brought forth for consideration by the Board. When you are recognized by the chairperson, please state your name for the record.)

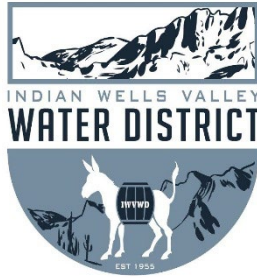
- 9. Current Business/Committee Reports
 - A. Consent Calendar
Description: Approval of Board Meeting Minutes and Accounts Payable Disbursements.
 - 1. Approval of Minutes:
 - i. April 14, 2025, Regular Board Meeting
 - ii. May 8, 2025, Special Board Meeting
 - 2. Approval of Accounts Payable Disbursements

 - B. H.R. 1267: The Water Systems PFAS Liability Protection Act
Description: Board to consider supporting Federal Legislation Exempting Water Systems from PFAS Liability.

 - C. Agreement Approval for District Consolidation with Dune 3 Mutual Water Company
Description: Staff to present State-approved consolidation agreement between the District and Dune 3 Mutual Water Company.

 - D. Acceptance of Contract Work: J. Colon Coatings for Recoating Shell of 0.55MG Gateway Reservoir
Description: Board to consider accepting contract work performed by J. Colon Coatings for \$84,000.00.

- E. Indian Wells Valley Groundwater Authority
Description: Report and discussion regarding meetings of the Indian Wells Valley Groundwater Authority (IWVGA). Including, Board discussion and consideration of issues of importance requiring action by the IWVGA. Next meeting is scheduled for May 14, 2025.
- F. Comprehensive Adjudication
Description: Report and discussion regarding the status of the Comprehensive Adjudication.
- G. General Manager and Staff Update (The Board will consider and may act on the following items):
 - 1. Water Production, New Services, and Personnel Safety Record
Description: Water produced from all District wells, report of the new services installed in the District, and personnel safety record for the preceding month.
 - 2. Committee Meeting Updates
Description: Staff to provide updates from the monthly Committee Meetings that are not currently on the agenda.
 - 3. Public Outreach
Description: Public Outreach Report.
 - 4. NW Transmission Pipeline/Crossing at Brady Street
Description: Update on this Project.
 - 5. Brady Street Transmission Pipeline Break
Description: Update on pipeline break.
 - 6. Water System Consolidations Update
Description: Update on these Projects.
 - 7. Financial Status
Description: Report on the District's current financial status.
 - 8. Arsenic Treatment Facilities
Description: Staff will update the Board on maintenance issues and production.
 - 9. Operations
Description: Staff report on operations.
- 10. Board Comments/Future Agenda Items
- 11. Date of next Regular Board meeting and Public Hearing: **June 9, 2025.**
- 12. Adjournment



Committee Reports

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

PLANT AND EQUIPMENT COMMITTEE
REGULAR MEETING

REPORT

MONDAY MAY 5, 2025 – 3:00PM
BOARD ROOM
500 W. RIDGECREST BLVD., RIDGECREST

Attendees: Ron Kicinski, Mallory Boyd, Jason Lillion, Ty Staheli, and Renee Morquecho.

1. Call to Order

The meeting was called to order at 3:00 pm.

2. Committee/Public Comments

None.

3. NW Transmission Pipeline Replacement Project/Crossing at Brady Street: Update

Staff will be reviewing the Corrective and Outstanding Work list with the contractor this week. Nicholas will be draining the pipe this week in order to prepare for the crossing under Hwy 178 at Brady Street.

4. Brady Street Pipeline Break: Update

The construction crew began work today on the needed repair south of where the last repair was made. They will be removing the leaking pipe section, weld on new flanges to each end and then install the new PVC pipe.

5. Water System Consolidations: Update

Hometown Water: 95% design plans were sent to the Division of Drinking Water (DDW) for approval. The State is still working with the HOA to bring this project to fruition.

Rademacher Way: Construction of Phase 1 has begun. Most of the pipe has been placed. The Construction Crew will complete construction once the repairs on Brady Street have been completed. Staff reviewed the 95% design plans for Phase 2 with Krieger & Stewart. With a few changes, Phase 2 plans will be submitted to DDW. Staff sent follow up letters to the out-of-town owners for the remaining needed easements. Staff will visit the one remaining local owner who has not responded to the easement request.

Dune 3: The State provided feedback on the Right-of-Entry agreement and a new version was sent today for approval. The agreement between the District and Dune 3 will be on the next Board agenda. GHD is finalizing the specifications/contract documents and has completed the plans. All property owners must sign the ROE agreement before the project can be bid.

6. Arsenic Plants: Update

At Plant 2, the new gaskets were installed to properly seal up the filter vessels. Staff is finishing new media installation and then the plant will be disinfected and brought online together with Plant 1.

7. Recycled Water Feasibility Study: Discussion

Operations Manager Jason Lillion reported that he has been looking at recycling projects in El Paso, TX, Orange County and San Diego and the cost per acre-ft to treat the water and use it for recharge has been much less than originally thought. He is waiting for more specific data at this time.

8. Future Agenda Items

- La Mirage Housing Area Grant Funding
- Transmission pipeline(s) inspection
- Springer Ave pipeline schedule
- Imported pipeline infrastructure upgrades

9. Adjournment

The meeting was adjourned at 3:14 pm.

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

FINANCE COMMITTEE
REGULAR MEETING

REPORT

TUESDAY MAY 6, 2025 – 3:00 PM
BOARD ROOM
500 W. RIDGECREST BLVD., RIDGECREST

ATTENDEES: Ron Kicinski, Stan Rajtora, George Croll, Ty Staheli, Jason Lillion, and Renee Morquecho

1. Call to Order

The Finance Committee Meeting was called to order at 3:00 pm.

2. Committee/Public Comments

None.

3. Fraud Risk Discussion

Description: Discuss potential or actual fraud risks within the organization.

None to report.

4. GA Imported Water Costs

Description: Discuss imported water costs and potential impact to customers' bills

George Croll informed the Committee that after recent conversations with the City, there may be an opportunity to discuss alternatives to the proposed pipeline project.

5. First Quarter 2025 Investment Reports

Description: Presentation to Committee of the quarterly investment earnings of the District's reserves in the Kern County Treasury and the State Treasury's Local Agency Investment Fund (LAIF).

**INDIAN WELLS VALLEY WATER DISTRICT
 QUARTERLY INVESTMENT REPORT
 QUARTER ENDING MARCH 2025**

INVESTMENTS	UNRESTRICTED	RESTRICTED	TOTAL
Cash in Bank	\$ 1,683,027	0	
Local Agency Investment Fund	346,518		
Kern County Treasurer	7,095,332	132,542	
BNY Mellon 2024 Bond Project Fund		5,000,805	
Total Water District Investments	<u>\$ 9,124,877</u>	<u>\$ 5,133,347</u>	<u>\$ 14,258,224</u>

RESERVES	DISTRICT DESIGNATED	RESTRICTED	TOTAL
Capital Improvements & Replacements (Committed)	\$ 753,006		
Vehicle Replacement (Assigned)	354,617		
Computer Equipment Replacement (Assigned)	101,319		
Emergency Reserve (Committed)	3,390,627		
Alternate Water Supply/Future Source of Supply (Assigned)	2,136,730		
Miscellaneous Capital (Assigned for projects postponed)	19,159		
Customer Deposits & Credits (Nonspendable)	336,170		
Prepaid Connection Fees (Nonspendable)	429,261		
Post-Retirement Health Benefits - Kern County (Assigned)	339,874		
Emergency Reserve (Uncommitted)	1,264,114		
AD 87-1 Reserve Funds		60,744	
2024 Bond Project Funds		5,000,805	
Capital Facility Fees		<u>71,798</u>	
Total Water District Reserves	<u>\$ 9,124,877</u>	<u>\$ 5,133,347</u>	<u>\$ 14,258,224</u>

In the event of an emergency, the District may be required to use any or all unrestricted funds in Mission Bank, Kern County Treasury and LAIF

6. Financial Statements April 30, 2025 (preliminary)

Description: Presentation to Committee financial reports and graphs depicting current revenue and expense trends compared to budget and previous fiscal year actuals.

Estimated year-to-date revenues as of April 30, 2025, are \$13,957,853 and expenses are \$15,172,428, therefore expenditures exceeded revenues by \$1,214,575, which is better than budget by \$539,205.

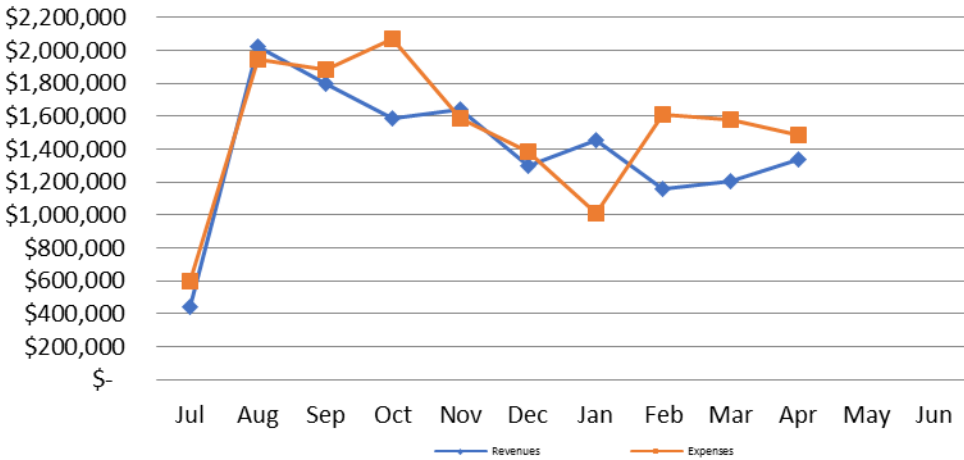
To date, the District rate payers have paid the Groundwater Authority \$17,195,265 in fees.

Staff presented the following spreadsheet, which compares April year-to-date actual to budgeted revenues and expenses by category:

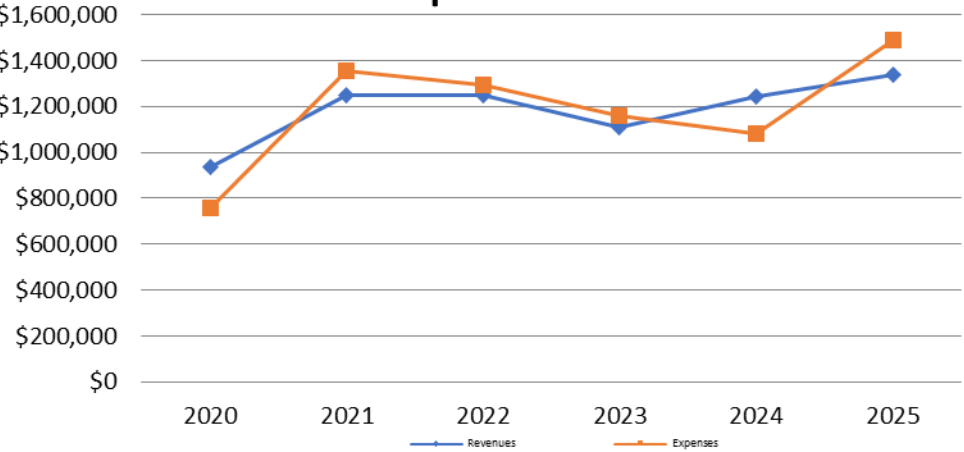
Indian Wells Valley Water District
Revenues vs. Expense
Actuals & Budget through April 2025 (Preliminary)

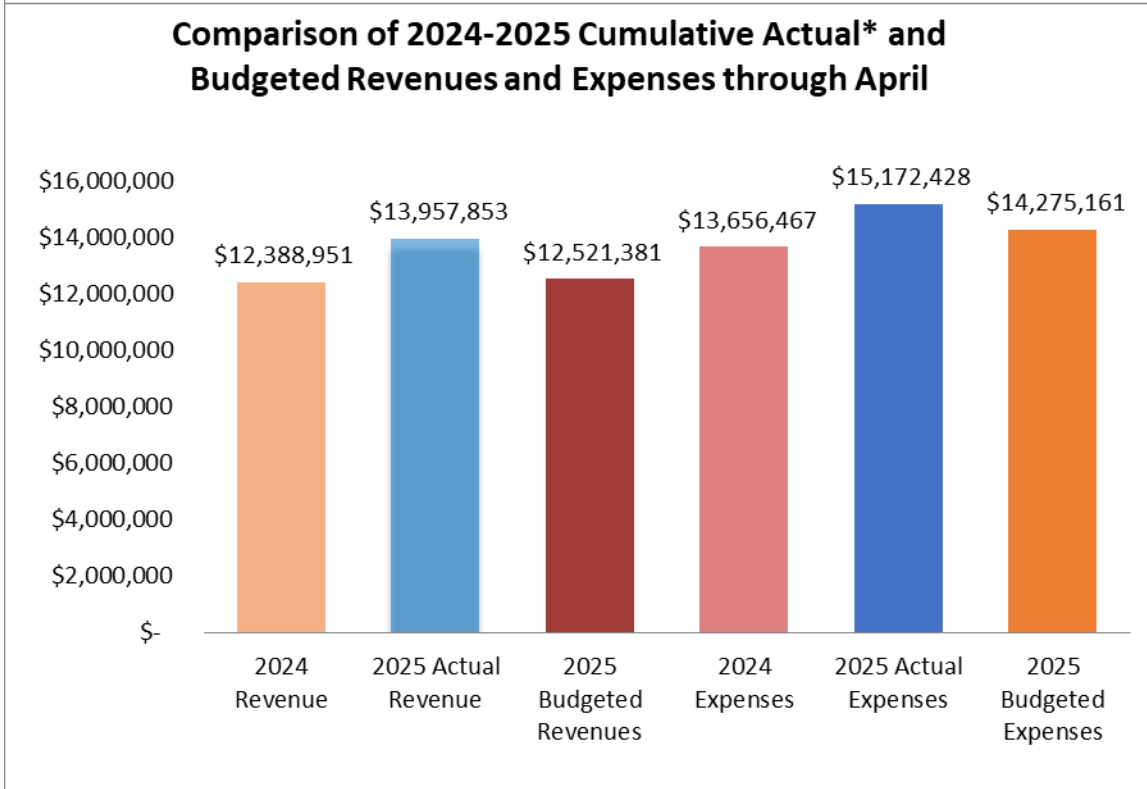
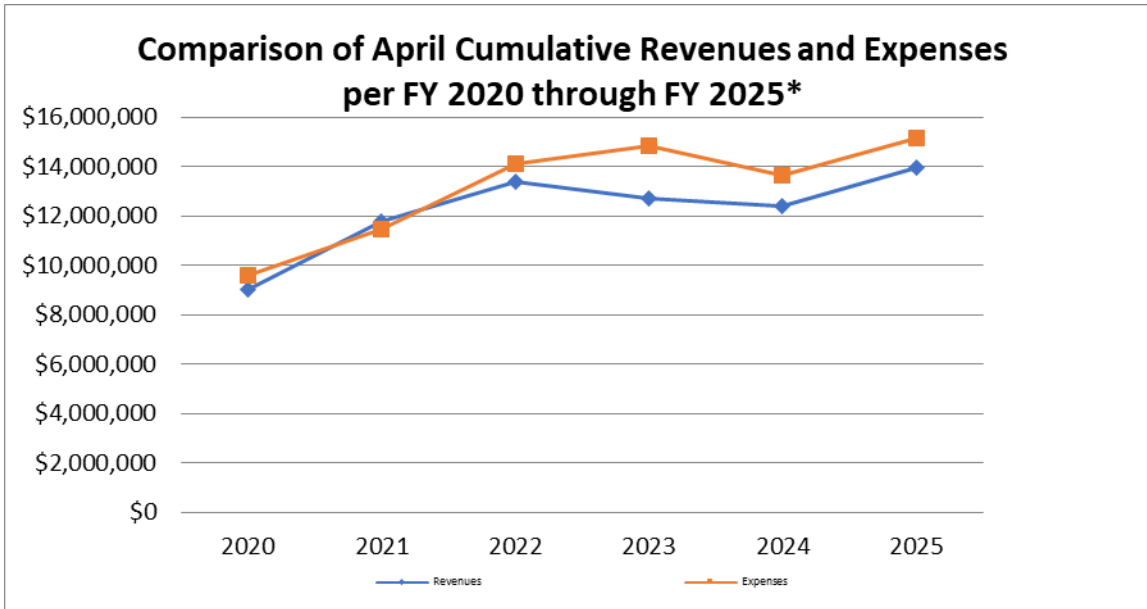
	2025 Budget	YTD Budget	Actuals	Δ
Revenues				
Total Water Sales	13,064,552	9,605,466	10,294,628	689,162
GSA Fees	3,112,486	2,254,941	2,669,627	414,686
Total Water Service Revenue	375,900	353,529	380,670	27,141
Total Non-Operating Income	172,400	145,305	203,502	58,197
Capital Contributions	154,500	162,140	409,426	247,286
Total Revenues	16,879,838	12,521,381	13,957,853	1,436,472
Expenses				
Water Supply	1,622,677	1,333,191	1,308,714	-24,477
Arsenic Treatment Plants	456,719	375,240	175,831	-199,409
Transmission & Distribution	1,861,515	1,529,421	1,203,147	-326,273
Engineering	544,019	455,182	481,256	26,074
Customer Service	516,579	424,421	352,267	-72,154
Field Services	570,208	468,483	467,989	-494
General & Administration	2,758,794	2,266,625	2,266,909	284
Legal	1,050,000	862,680	954,739	92,059
Legislative	119,400	98,099	83,761	-14,338
Depreciation	3,300,000	2,750,000	2,750,000	0
Non-Operating, Interest	1,747,156	1,327,598	1,326,798	-800
Non-Operating, Miscellaneous	436,000	234,978	453,862	218,884
GSA Fees	3,111,310	2,045,557	3,288,858	1,243,301
Non-Operating, Conservation	34,200	28,099	15,078	-13,021
Non-Operating, Alternate Water	92,000	75,587	43,219	-32,369
Total Expenses	18,220,578	14,275,161	15,172,428	897,267
Net Revenue Increase (Decrease)	-1,340,740	-1,753,780	-1,214,575	539,205
Capital Expenditures			7,455,025	
-\$3 mil grant, 555k AD, balance bond			6,095,609	
Debt Service Principle			1,039,985	
Total GSA Extraction Fee Paid			3,191,337	
Total GSA Replenishment Fee Paid			14,003,928	
			17,195,265	

Comparison of FY 2024-2025 Revenues and Expenses by Month



Comparison of April Revenues and Expenses per Fiscal Year





**Actual Revenues and Expenses are Estimated*

7. Accounts Payable Disbursements

Description: Presentation to Committee of Accounts Payable Disbursements reports for Board approval.

The Committee reviewed the accounts payable disbursements totaling \$848,781.19 as follows:

Checks through:	<u>4/10/25</u>	<u>4/24/25</u>
Prepaid	\$ 121,464.62	\$ 54,253.49
Current	<u>327,556.37</u>	<u>345,506.71</u>
Total	<u>\$ 449,020.99</u>	<u>\$ 399,760.20</u>

8. Fiscal Year 2026 Budget Update

Description: Discuss updates to the FY 2026 Budget Development

The Committee reviewed the current draft of the FY 2026 General Fund and Capital Improvements and Projects budget proposals. The District’s financial goals are to have a balanced budget in which revenues exceed expenses, have positive cash flow, meet debt service obligations. Due to leveling revenues outside of the GA Fees, inflationary cost increases of operating expenses, increased budget demand for the adjudication, and capital projects, the District will not meet the first of these goals. The District will meet its debt service obligation and will use the balance of the 2024 bond funds and grant funding for capital projects. The proposal projects revenues at \$19,009,680 and expenses at \$19,802,514 for a difference in which expenses exceed revenues by \$792,834. Specific budget changes compared to the 2024-2025 Fiscal Year General Fund Budget are as follows:

- Total water sales, budgeted a 97.5% of previous year’s consumption, increased by \$1,874,748 due to implementation of the scheduled 10% rate increase.
- All labor and benefits costs increased due to an estimated COLA, applicable merit raises, and benefit cost increases.
- Water Supply increased by \$284,880. Increases are due to increased power and chemical costs of the Plants.
- Administration increased by 410,283 due to property and liability insurance premium increases, PERS contributions, and lobbyist.
- Legal fees increased \$450,000 due to ongoing adjudication costs.
- GSA replenishment fee expense increased due to increased demand

The 2025-2026 General Fund and Capital Improvements and Projects Budgets will be presented to the Board at the May 28 Special Board Meeting.

9. Future Agenda Items

None

10. Adjournment

The Committee adjourned at 4:30 pm.

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

ADMINISTRATION/EXECUTIVE COMMITTEE
REGULAR MEETING MINUTES

WEDNESDAY, MAY 7, 2025 – 3:00 P.M.

BOARD ROOM
500 W. RIDGECREST BLVD., RIDGECREST

Attendees: Chuck Griffin, Ty Staheli, Renee Morquecho, and Jason Lillion

- 1. Call to Order**
The meeting was called to order at 3:02 p.m.

- 2. Committee/Public Comments**
None.

- 3. Outstanding Public Record Requests (PRR)**
No outstanding PRRs at this time.

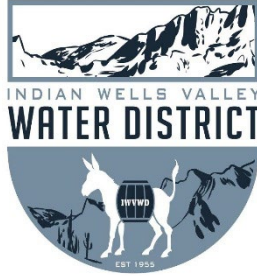
- 4. Indian Wells Valley Groundwater Authority**
The April IWVGA Board meeting was cancelled.

The next IWVGA Board meeting is scheduled for May 14, 2025.

- 5. Draft Agenda for the Regular Board Meeting of May 12, 2025**
The Committee reviewed the agenda and made no changes.

- 6. Future Agenda Items**
None.

- 7. Adjournment**
The meeting adjourned at 3:03 p.m.



Approval of Minutes

MINUTES OF THE REGULAR BOARD MEETING

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

APRIL 14, 2025

The Regular Meeting of the Board of Directors of the Indian Wells Valley Water District was called to order by President Saint-Amand at 4:30 p.m. in the Board of Directors Hearing Room, 500 West Ridgecrest Boulevard, Ridgecrest, California. **CALL TO ORDER**

The Pledge of Allegiance was led by Mallory Boyd. **PLEDGE**

DIRECTORS PRESENT: President David C.H. Saint-Amand
Director Mallory J. Boyd
Director Ronald R. Kicinski
Director Stan G. Rajtora **ROLL CALL**

DIRECTORS ABSENT: Vice President Charles D. Griffin

STAFF PRESENT: George Croll, General Manager
Jim Worth, Attorney
Jason Lillion, Operations Manager
Renée Morquecho, Chief Engineer
Tyrell Staheli, Chief Financial Officer
Lauren Smith, Recording Secretary

AGENDA DECLARATION **AGENDA DECLARATION**
Recording Secretary, Lauren Smith, reported that the agenda for today's Regular Board Meeting was posted on Thursday, April 10, 2025.

CONFLICT OF INTEREST DECLARATION **CONFLICT OF INTEREST**
None.

PUBLIC QUESTIONS AND COMMENTS ON CLOSED SESSION **PUBLIC COMMENTS**
None.

With no further Board or Public comments, President Saint-Amand recessed the meeting and adjourned to Closed Session at 4:31 p.m.

CLOSED SESSION **CLOSED SESSION**
The meeting was reconvened in Closed Session at 4:34 p.m.

Closed Session was adjourned at 5:56 p.m.

The meeting was reconvened to Open Session at 6:02 p.m.

No action was taken that requires disclosure under the Brown Act

ROLL CALL

ROLL CALL

DIRECTORS PRESENT: President David C.H. Saint-Amand
Vice President Charles D. Griffin
Director Mallory J. Boyd
Director Ronald R. Kicinski
Director Stan G. Rajtora

CONFLICT OF INTEREST DECLARATION

None.

PUBLIC QUESTIONS AND COMMENTS

PUBLIC COMMENTS

The Board heard public comment from Judie Decker.

CONSENT CALENDAR

CONSENT CALENDAR

MOTION: was made by Director Kicinski and seconded by Director Boyd approving the Minutes of the March 10, 2025, Regular Board Meeting, March 18, 2025, Special Board Meeting, and Payment of Accounts Payable totaling \$1,118,224.72. Motion was carried, unanimously. (Ayes: Boyd, Griffin, Kicinski, Rajtora, Saint-Amand. Nays: None. Absent: None.)

Director Griffin commented he was not in attendance for March 18th Special Meeting and would not have approved the change order until the pipeline had been properly disposed of.

SALARY SURVEY

SALARY SURVEY

The Board reviewed the Salary Survey as presented by staff.

Board heard public comment from Renee Westa-Lusk.

MOTION: made by Director Boyd and seconded by Director Griffin to approve the presented Salary Survey and to make necessary adjustments. Motion was carried, unanimously. (Ayes: Boyd, Griffin, Kicinski, Rajtora, Saint-Amand. Nays: None. Absent: None.)

ADMINISTRATION/EXECUTIVE COMMITTEE

ADMIN/EXEC

The Board discussed concurring in nomination for Melody McDonald to the ACWA JPIA Executive Committee. The Board unanimously agreed that due to not having much knowledge of the candidate, they would abstain from nomination. *Resolution did not pass due to lack of motion.*

CM:
RESO 25-02:
ACWA
NOMINATION

Lauren Smith reported as a company with Department of Transportation (DOT) drivers in safety sensitive positions and/or a commercial license that was subject to the Federal Motor Carrier Safety Administration we are required to have a DOT policy in place. This policy complies with federal regulations.

DOT POLICY

The Board asked clarifying questions to better understand the policy.

MOTION: was made by Director Kicinski and seconded by Director Boyd approving the Drug & Alcohol Policy for DOT drivers as presented. Motion was carried unanimously. (Ayes: Boyd, Griffin, Kicinski, Rajtora, Saint-Amand. Nays: None. Absent: None.)

RETENTION OF KP PUBLIC AFFAIRS

**PUBLIC
AFFAIRS**

Jim Worth gave a brief overview on Assembly Bill 1413 and Assembly Bill 1466. AB 1413 could severely impact the District’s adjudication, as it seeks to make a Groundwater Sustainability Plan (GSP) finding on Sustainable Yield unassailable. AB 1466 would impact the burden of proof. Due to these legislations moving very quickly, staff believed it best to hire a lobbyist, Brenda Bass with KP Public Affairs. President Saint-Amand gave staff authority to retain KP Public Affairs through the remainder of 2025, which would take us through the legislative year where we can address these Assembly Bills as they go through the Committee process. Mr. Worth provided a brief report of actions already taken by the IWVGA and the lobbyist regarding these Bills.

MOTION: was made by Director Kicinski and seconded by Director Boyd ratifying the action to retain KP Public Affairs at a flat retainer of \$5,000/month. Motion was carried unanimously, by the following roll call vote:

President Saint-Amand:	Aye
Vice President Griffin:	Aye
Director Kicinski:	Aye
Director Rajtora:	Aye
Director Saint-Amand:	Aye

MOTION: was made by Director Kicinski and seconded by Director Boyd authorizing George Croll to author or sign letters of opposition for AB 1413 and AB 1466 until amended its legislative term. Motion was carried unanimously, by the following roll call vote:

President Saint-Amand:	Aye
Vice President Griffin:	Aye
Director Kicinski:	Aye
Director Rajtora:	Aye
Director Saint-Amand:	Aye

The Board heard public comment from Judie Decker.

INDIAN WELLS VALLEY GROUNDWATER AUTHORITY (IWVGA)

IWVGA

TH April IWVGA meeting was cancelled, and no other IWVGA staff calls were scheduled. No update provided. Next meeting is May 14, 2025.

COMPREHENSIVE ADJUDICATION

**COMPREHENSIVE
ADJUDICATION**

Phase 1 trial to quantify the federal reserve water rights is scheduled for April 28, 2025. Discovery is ongoing. Documents and meeting links will be uploaded to the District website.

Phase 2 trial - the Groundwater Model created by the Technical Working Group will be disclosed on April 21st. Most of the Discovery for Phase 2 will begin after the Phase 1 trial. As a result of delays, the original trial date set for March 2026 has shifted back by at least 60-days, now commencing on June 1, 2026.

The Board heard public comment from Renee Westa-Lusk.

GENERAL MANAGER AND STAFF UPDATE

**GENERAL
MANAGER AND
STAFF UPDATE**

George Croll reported on monthly water data, including water produced and consumed, as well as conservation outreach.

Staff reported on the District's previous and upcoming outreach efforts, including having booths at both the Home & Leisure Show in March at the Fairgrounds, and at the Conservation in the IWV event at the Maturango Museum.

Mr. Croll summarized the topics of discussion on the Committee agendas, including Fiscal Year 2026 update, recycled water, and Public Records Requests (PRRs). COMMITTEE MEETING UPDATES

Renee Morquecho commented the contractor is working on Corrective Work List, including several items for Caltrans. NW TRANSM. PIPELINE

Staff and legal are still following up with contractor regarding the removed pipeline to obtain a more definitive timeline for disposing of the pipeline.

Repair was complete and the pipe is back in service with road patching done by Onstott Construction. A new leak was discovered by staff. Maintenance is currently digging up the area in preparation for repair of the leak. BRADY TRANS. PIPELINE BREAK

Renee Morquecho provided the following updates for the Water Systems Consolidations: CONSOLIDATION PROJECTS

Dune 3: GHD is doing the final preparation of bid documents and plans. The Agreement language between the District and Dune 3 will soon be sent to the State for approval.

Hometown: 95% of the design was reviewed by staff last week. Next step is to submit to the Division of Drinking Water (DDW) for approval.

Rademacher: 95% of the plans for Phase 2 are under review by staff. Construction crew installed 16"x8" tee at Rademacher & Springer today. Construction staking by Krieger & Stewart was also completed today. Pipeline for Phase 1 will be installed once work on Brady is completed.

Ty Staheli reported the estimated year-to-date revenues as of March 31, 2025, are \$12,617,952 and expenses are \$13,684,238. Expenditures exceeded revenues by \$1,066,286, which is better than budget by \$609,027. To date, the District has paid \$17,004,388 in GA Fees to the Groundwater Authority. FINANCIAL STATUS

Jason Lillion reported Plant 2 media installation is ongoing. The plants will be ready for the Summer season. ARSENIC TREATMENT

For the month of March, 17 services were repaired and four were replaced. The NO-DES truck made no runs in March. Since inception, the NO-DES truck has filtered 9,501,562 gallons. Six valves were exercised. The GIS was upgraded to version 3.0, which includes new treatment chemical module testing. OPERATIONS

BOARD COMMENTS/FUTURE AGENDA ITEMS

The Board collectively thanked staff for their continued hard work. BOARD COMMENTS

President Saint-Amand provided tips on how to best prepare for an earthquake.

DATE OF NEXT REGULAR BOARD MEETING

The date of the next Regular Board Meeting is Monday, May 12, 2025. DATE OF NEXT BOARD MEETING

ADJOURNMENT

With no further business to come before the Board, the meeting was adjourned at 7:22 p.m.

ADJOURNMENT

Respectfully submitted,

Lauren Smith
Recording Secretary

APPROVED: _____

MINUTES OF THE SPECIAL BOARD MEETING

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

MAY 8, 2025

The Special Meeting of the Board of Directors of the Indian Wells Valley Water District was called to order by President Saint-Amand at 1:30 p.m. in the Board of Directors Hearing Room, 500 West Ridgecrest Boulevard, Ridgecrest, California. **CALL TO ORDER**

The Pledge of Allegiance was led by Ty Staheli **PLEDGE**

DIRECTORS PRESENT: President David C.H. Saint-Amand
Vice President Charles D. Griffin
Director Ronald R. Kicinski **ROLL CALL**

DIRECTORS ABSENT: Director Mallory J. Boyd
Director Stan G. Rajtora

STAFF PRESENT: Jim Worth, Attorney (teleconference)
Jason Lillion, Operations Manager
Tyrell Staheli, Chief Financial Officer
Lauren Smith, Recording Secretary

AGENDA DECLARATION **AGENDA DECLARATION**
Recording Secretary, Lauren Smith, reported that the agenda for today's Special Board Meeting was posted on Wednesday, May 7, 2025.

CONFLICT OF INTEREST DECLARATION **CONFLICT OF INTEREST**
None.

PUBLIC QUESTIONS AND COMMENTS ON CLOSED SESSION **PUBLIC COMMENTS**
None.

With no further Board or Public comments, President Saint-Amand recessed the meeting and adjourned to Closed Session at 1:31 p.m.

CLOSED SESSION **CLOSED SESSION**
The meeting was reconvened in Closed Session at 1:33 p.m.

Closed Session was adjourned at 2:47 p.m.

The meeting was reconvened to Open Session at 2:49 p.m.

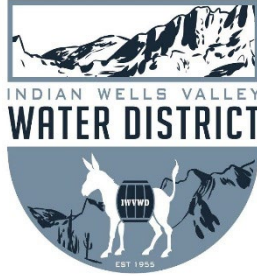
No action was taken that requires disclosure under the Brown Act.

ADJOURNMENT **ADJOURNMENT**
With no further business to come before the Board, the meeting was adjourned at 2:49 p.m.

Respectfully submitted,

Lauren Smith
Recording Secretary

APPROVED: _____



9.B.

From: george.croll@iwwwd.com
To: [Jim Worth](#); [Chuck Krieger](#)
Cc: [Lauren Smith](#)
Subject: FW: Federal Alert: Support Federal Legislation Exempting Water Systems for PFAS Liability
Date: Monday, April 28, 2025 3:58:20 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.emz](#)
[image004.png](#)

Members of the Board

I will be adding this item to the Board Agenda.

George D. Croll P.E.

General Manager
Inidan Wells Valley Water District
george.croll@iwwwd.com
Cell: 805-878-3020

From: ACWA <acwabox@acwa.com>
Sent: Monday, April 28, 2025 2:41 PM
To: george.croll@iwwwd.com
Subject: Federal Alert: Support Federal Legislation Exempting Water Systems for PFAS Liability



April 28, 2025

**Members Urged to Support Federal
Legislation Exempting Water
Systems from PFAS Liability**



Support H.R. 1267

ACWA is encouraging member agencies to contact their elected officials in the U.S. House of Representatives and urge them to co-sponsor [H.R. 1267](#), the Water Systems PFAS Liability Protection Act.

If enacted into law, the bill would exempt water systems from liability under the Comprehensive Environmental Response, Compensation, and Liability (CERCLA) Act, also known as the Superfund Law. This narrowly tailored exemption would align with the historical objective of the CERCLA statute to hold polluters responsible, not the passive receivers.

Take Action Now

Contact your federal representatives. Share your agency's support for this bill and urge your elected official to co-sponsor H.R. 1267 using this [customizable template letter](#). You can find your agency's representative in Congress on the U.S. House of Representatives' [website](#).



Background

Last year, the Environmental Protection Agency (EPA) designated perfluorooctanoic acid (PFOA) and perfluorooctane sulfonate (PFOS) — two PFAS chemicals — as hazardous substances under CERCLA. Efforts to combat these contaminants are taking place on both the federal and state level, with

California on the frontline.

At the time, EPA released an enforcement discretion memo pledging to focus federal enforcement efforts on the entities responsible for releasing PFAS into the environment. But drinking water and wastewater systems — and member agency ratepayers — could still face significant financial liability unless Congress acts.

CERCLA does not distinguish between passive receivers of a hazardous substance and the polluting entity that introduced it into the environment. Any entity that handles, manages, or disposes of PFAS could be held partially or fully liable for cleaning it up. If a location where a water system treated, stored, or disposed of PFAS residuals becomes a Superfund cleanup site, the water system could be identified as a potentially responsible party.

ACWA strongly supports the “polluters pay” principle laid out in the CERCLA Act, which holds entities financially liable for the cleanup of contaminated sites they have created rather than compliant water suppliers and ratepayers. Potential liability for public and wastewater agencies from a CERCLA designation for certain PFAS contaminants and the associated costs are a serious concern for ACWA member agencies that did not cause the contamination.

Questions

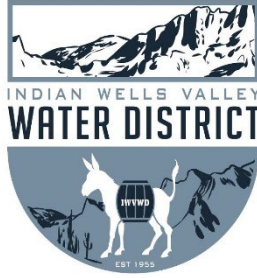
For questions about H.R. 1267, please contact ACWA Federal Relations Representative [Libby Spekhardt](#).



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980 9th St. Ste. 1000, Sacramento, CA 95814

We hope you enjoy receiving email notices and updates from ACWA. At any time you can click here to [unsubscribe](#) or to change your subscription preferences.



9.C.

CONSOLIDATION AND WATER SERVICE AGREEMENT
BETWEEN INDIAN WELLS VALLEY WATER DISTRICT
AND DUNE 3 WATER COMPANY

THIS AGREEMENT is made as of the ____ day of _____, 2025, for identification purposes only, by and between Indian Wells Valley Water District, a County Water District formed and operating pursuant to California Water Code Section 30000 et seq., (“District”), and Dune 3 Water Company (Water System Number 1502690 a Nevada limited liability corporation (“Dune 3”).

RECITALS

A. DISTRICT is a public agency organized and operating as a county water district, and existing under the laws of the State of California. DISTRICT’s service area is described in the document attached hereto as **Exhibit “A”** and incorporated herein by this reference.

B. Dune 3 is a private corporation organized and operating as a Nevada limited liability corporation existing under the laws of the State of Nevada and is the owner of the property commonly referred to as Dune 3 Water Company and presently provides water service to its members (approximately 37 connections), who are shareholders of Dune 3 Water Company. Dune 3’s service area is described in the document attached hereto as **Exhibit “B”** and incorporated herein by this reference.

C. It has been determined by the State of California Water Resources Control Board (“SWRCB”), Division of Drinking Water, that the water facilities used to provide water to DUNE 3 members, including two on-site wells and related infrastructure are insufficiently sized and aging and therefore in need of replacement. DISTRICT has obtained funding from the SWRCB’s Division of Financial Assistance (Agreement No. D2302099) to conduct investigations and to prepare technical, environmental, legal, and other documents to determine and prepare for improvements to the Dune 3 Water System and to construct the necessary improvements that will bring it into compliance with all applicable laws and regulations, with the consolidation of Dune 3 into the DISTRICT (the “Consolidation”) being a condition to receiving that funding.

D. In connection with the Consolidation, Dune 3’s service area already lies within the boundary of the District so Dune 3 will be incorporated into DISTRICT’s service area, and DISTRICT will thereafter provide water service to Dune 3’s existing active connections and future service connections within the boundaries of Exhibit “B”. Dune 3 understands that Dune 3’s entire distribution system and well(s) will be abandoned in place. Prior to abandonment, District will provide Dune 3 with the distribution system items listed on **“Exhibit “C”**. DISTRICT will not acquire any facilities of Dune 3. Any remaining facilities of Dune 3 not transferred pursuant to this Agreement will be abandoned and all costs associated with said abandonment are eligible for reimbursement. Following the consolidation of Dune 3 and DISTRICT, Dune 3 will relinquish its Water Supply Permit.

E. DISTRICT's Funding Agreement No. SWRCB D2302099 with the SWRCB's Division of Financial Assistance ("Funding Agreement") includes construction monies ("the Fund") to be used for the construction of facilities necessary to bring Dune 3 into a condition deemed appropriate by DISTRICT for it to assume the operation and control thereof, to improve DISTRICT's water system (including but not limited to well(s), storage tanks, pump station(s), pipelines, treatment facilities, controls and monitoring system, etc.), to reimburse and/or fund DISTRICT for its actual costs, deposits, and property purchases in connection with the Consolidation.

F. The purpose of this Agreement is to set forth the terms and conditions of the Consolidation, under which DISTRICT will assume the obligation to supply domestic water service to the area currently being served by Dune 3, subject to full and complete satisfaction by DISTRICT and Dune 3 of all requirements and conditions necessary to comply with the Funding Agreement, including said parties' execution of this Agreement.

COVENANTS AND AGREEMENT

IN CONSIDERATION OF THE MUTUAL COVENANTS, AGREEMENTS, REPRESENTATIONS, AND WARRANTIES CONTAINED IN THIS AGREEMENT, THE PARTIES AGREE AS FOLLOWS:

1. **TRANSFER OF DUNE 3 ASSETS.** Subject to the terms and conditions set forth in this Agreement, upon completion of the consolidation (as defined in Section 3, below), Dune 3 agrees to convey, transfer, assign, and deliver to DISTRICT, and DISTRICT agrees to accept from Dune 3, all of the assets described below, which are collectively referred to herein as the "Assets," including, without limitation, the following:

- (a) All water rights of whatever nature held, owned, and/or possessed by, or otherwise existing in the name of Dune 3;
- (b) All financial records, accounts receivable, maps, reports, operating and building records, permits and licenses, warranties, agreements, policies, and other documentation in regard to the financial condition and operation of Dune 3;
- (c) Customer list(s) and property owner(s) records of all persons and/or entities who are members of Dune 3 and/or to whom Dune 3 presently supplies water;
- (d) Dune 3's cash reserves, cash receivables, cash equivalents, prepaid insurance, and other assets, which may be utilized by DISTRICT at its sole discretion to assist former members of Dune 3 with any costs that would otherwise will be the sole financial responsibility of such former members of Dune 3; and
- (e) Pursuant to California Civil Code § 954, any and all settlements, claims, demands, actions, causes of action, obligations, liens, damages, and liabilities of any nature whatsoever, known or not known, suspected or claimed, past, present, or future, relating to or arising out of any act, cause, matter or thing stated, claimed, or alleged

or that could have been stated, claimed, or alleged by Dune 3 against any person or entity, including but not limited to those related to the causation of any damages of any type or character to any Assets to be transferred hereunder and/or to the water supply used by Dune 3.

A listing and inventory of the Assets to be transferred pursuant to this Agreement are limited to all Assets described in Section 1 above. The Assets specifically known to Dune 3 shall be itemized and approved by both parties.

2. **DUNE 3 OBLIGATIONS AND LIABILITIES.** It is expressly understood and agreed that DISTRICT shall not be liable for any debts, obligations, or liabilities of Dune 3 of any kind or nature, other than those specifically assumed by DISTRICT in this Agreement. DISTRICT specifically does not assume any of Dune 3' liabilities or obligations, existing or contingent, known or unknown, except for the water service obligations set forth in Section 4 of this Agreement. Further, Dune 3 recognizes, understands, and acknowledges that Dune 3 shall continue to be responsible for any and all obligations of Dune 3, including but not limited to accounts payable that exist as of Project completion and any obligation for outstanding back taxes. Dune 3 hereby agrees to hold harmless and indemnify DISTRICT for all loss, expenses, damages, and costs arising from or in connection with Dune 3's liabilities or obligations not assumed pursuant to this paragraph.

3. **PROJECT CONSTRUCTION.** Upon receipt of the funding described in this Agreement, District will proceed to advertise for bids for the State approved Project, award the construction contract, and accomplish the Project improvements. The schedule for the Project will be determined once the contract is awarded by the District, The Project will extend the District distribution system into the Dune 3 Service Area and provide potable water service connections with the District water system to existing Dune 3 customers as shown on the State-approved construction contract documents. Project components will include, but are not limited to:

- i. Installation of approximately 3,300 linear feet of 12-inch PVC C909 pipe
- ii. Installation of approximately 8,750 linear feet of 8-inch PVC C909 pipe
- iii. Installation of gate valves, fire hydrants, and other appurtenances
- iv. Demolition and removal of existing wells and storage tanks
- v. Work area preparation, management, and demobilization

b. For Project work within public roads and rights-of-way, District will be responsible for obtaining County or State Department of Transportation encroachment permits as appropriate.

c. To facilitate project construction, and to ensure access for continued operations and maintenance needs, the District will work with homeowners in the project area to obtain necessary rights and easements, if needed. GHD is available to assist with this work if needed.

- i. Prior to commencing construction, District and GHD will identify access needed for long-term operations and maintenance (O&M), pursuant to the State of California Water Boards' standard terms and conditions, Provision 2. The District will work with property owners to ensure any additional long-term easements or direct access

to ensure O&M capabilities. District is not responsible for installing or providing new service connections until these access rights are secured.

- ii. Prior to commencing construction, District will identify access needs for the construction additional to the access required for O&M (see above). The District will work with existing property owners to ensure temporary construction easements and/or informal agreements authorizing work to install new water service connections. District is not responsible for installing or providing new service connections until these access rights are secured. Any temporary access rights pertaining to the construction phase will expire upon completion of the Project.

d. Upon District's completion of construction of the Project, District will own the Project water system improvements up to and including the water meter and meter box at each service connection. District will provide a one-year warranty on plumbing and appurtenances on the customer side of the water meter commencing on the first day the customer receives District water. Individual homeowners will take ownership and responsibility for plumbing and appurtenances on the customer side of the water meter. Upon transfer of water service from Dune 3 to the District, Dune 3 will surrender its State domestic water supply permit.

4. **WATER SERVICE TO DUNE 3 MEMBERS.**

a. Upon completion of the Project, DISTRICT, as the surviving entity, shall assume the obligation to provide water service to eligible persons and entities within the Dune 3's service area, including Dune 3's members and their properties, subject to each person's or entity's compliance with DISTRICT's Water Sales & Service Manual and related Ordinances as the same may be amended by the District from time to time, rules and policies for water service, and specifically including payment for services and providing all necessary information to allow DISTRICT to set up customer accounts for such persons or entities.

b. Each service connection will be individually subject to District's Water Sales & Service Manual and related Ordinances, policies and rules. District will own and be responsible for the operation, maintenance, repair and replacement of the Project improvements up to and including the water meter at each service.

5. **RATES AND CHARGES.**

a. Monthly Charges. New customers served by the Project shall pay standard residential connection monthly water service rates and charges to the District directly per Ordinance 109 Indian Wells Valley Water District Water Sales & Service Policy Manual. Rates and fees will be updated regularly per the District's standard rate-setting process.

b. Other Charges. New customers served by the Project will pay other District fees and charges in the same manner as other similarly situated District water service customers in accordance with the District Water Sales & Service Policy Manual and related Ordinances, rules and policies for water service as the same may be amended by the District from time to time.

c. District Fees. District waives the levy and collection of the meter deposit, Distribution System Fee, Capital Facility Fee, and other service installation charges for existing Dune 3 customers served by the Project. District agrees to this waiver because it is able to fund the Project costs through the expected State Revolving Fund funding. Existing Dune 3 customers served by the Project will be subject to the District account setup charge and customer security deposit.

d. Future Customers. Project infrastructure is sized according to standard District requirements and has the capacity to serve additional connections in the Project area. Property owners adjacent to the Project water mains will be allowed to request water service through the standard process used by the District after the Project is complete. As these customers are not part of the Project, they will be subject to standard connection, service, and related fees as laid out in the District Water Sales & Service Policy Manual.

6. **CONDITIONS PRECEDENT.** The following shall be conditions precedent to DISTRICT's responsibility to perform its obligations under this Agreement:

- (a) Within _____ (___) days after the execution of this Agreement, Dune 3 shall provide any necessary member approvals and Board of Directors' resolutions authorizing the transfer of the water purveying business and Assets to DISTRICT.

The conditions set forth in this Section are solely for the benefit of DISTRICT and may be waived only by DISTRICT. DISTRICT shall, at all times prior to the termination of this Agreement, have the right to waive any term of this Agreement and shall have the right to waive any of these conditions; provided that such waiver is in writing. In the event that the conditions are not satisfied, DISTRICT may terminate this Agreement.

7. **REPRESENTATIONS AND WARRANTIES.** Dune 3 represents and warrants to DISTRICT that the following matters are true and correct as of the execution of this Agreement and will also be true and correct as of the Project Completion:

- (a) Dune 3 has all necessary corporate powers to own its own properties and to carry on its business as now owned and operated by Dune 3.
- (b) Dune 3 is a corporation, duly organized, validly existing and in good standing under the laws of the State of Nevada. Dune 3 has the right, power, legal capacity, and authority to enter into and perform its obligations under this Agreement, and no approvals or consents of any persons are necessary in connection therewith, except as specified in subdivision (c), below.
- (c) Dune 3 members have authorized and approved the Consolidation, including authorizing Dune 3 to enter into this Agreement and have authorized Dune 3 to perform its other obligations as set forth in this Agreement.
- (d) There are no undisclosed liabilities, debts, or other obligations of Dune 3 outstanding, or in any way left unresolved, as of the date of this Agreement.

- (e) Except as set forth herein, there are no pending or, to Dune 3's best knowledge, pending or threatened claims, proceedings, lawsuits, or allegations of any kind, whether for taxes or otherwise, concerning Dune 3, the Assets or the Consolidation. At Project completion, Dune 3 will not be in default under any agreements, encumbrances, or instruments pertaining to Dune 3 or the Assets.
- (f) The execution and delivery of this Agreement and the consummation of the transaction contemplated hereby will not, to Dune 3's best knowledge: (i) violate any provisions of, or require any consent, authorization, or approval under any law, administrative regulation, any order, award, judgment, writ, injunction, or decree applicable to, or any governmental permit or license issued to Dune 3 relating to the Assets or consolidation; or (ii) result in the creation of any lien, charge, or encumbrance upon the Assets.
- (g) Dune 3 has complied with, and is not in violation of, any applicable federal, state, or local statute, law, or regulation, including, without limitation, any applicable building, zoning, or other law, ordinance, or regulation.
- (h) All representations and warranties of Dune 3 set forth in this paragraph, and in any written statements delivered to DISTRICT under this Agreement, will also be true and correct as of Project completion as if made on that date and shall survive the Project completion.

8. **COVENANTS.** DUNE 3 hereby covenants with the DISTRICT as follows:

- (a) After the date hereof and prior to the Project completion, no part of the Assets, or any interest therein, will be sold or otherwise transferred or encumbered, other than in the ordinary course of Dune 3's business, without DISTRICT's prior written consent.
- (b) Dune 3 authorizes DISTRICT to act on Dune 3's behalf, as may be necessary in connection with the Funding Contract and any related financing issues concerning the State Water Resources Control Board and the financial assistance it is providing.
- (c) Except with respect to this Agreement and such other contracts and agreements as are necessary to cause the completion of the transaction contemplated herein, no leases, contracts, agreements, or commitments (collectively, "Submittals") shall be executed which shall bind the Assets or Dune 3 without the prior written approval and consent of DISTRICT, which consent and approval may be withheld in the reasonable discretion of DISTRICT.
- (d) Dune 3 agrees that it will not, prior to Project completion, permit any alteration, modification, or addition to the Dune 3 system, other than emergency repairs, except as approved in writing by DISTRICT. Dune 3 will carry on its business activities diligently and will not become delinquent in the payment of any accounts

payable.

- (e) No default of Dune 3 shall be permitted to occur under any contract or agreement by which Dune 3 is or may be bound, which default will materially and adversely affect this Agreement.
- (f) Dune 3 shall promptly notify DISTRICT of any asserted and/or threatened claim which directly or indirectly materially affects or could affect Dune 3, its Assets, or this Agreement.
- (g) Dune 3 shall continue to insure all of its assets and business providing the customary coverage, including property damage and loss of income by fire or other casualty, and adequate insurance protection against all liabilities, claims, and risks customarily insured in Dune 3's type of business, up to Project completion.

9. **ACCESS.** DISTRICT and its counsel, accountants, engineers, consultants, and other agents and representatives shall have full access during normal business hours, upon at least twenty-four (24) hours' notice, to all properties (real and personal), books, accounts, records, contracts, and documents of or relating to Dune 3. DISTRICT, its agents and representatives, shall be entitled to enter onto any real property owned by Dune 3 to carry out the intent of this Agreement. Dune 3 shall furnish, or cause to be furnished, to DISTRICT and its representatives, all data and information concerning the business, finances, and properties of Dune 3 that may reasonably be requested.

10. **INDEMNITY.** Dune 3 shall indemnify, defend, and hold harmless DISTRICT against and with respect to any and all claims, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, and reasonable attorneys' fees that it shall incur or suffer, which arise, result from, or relate to any breach of, or failure by Dune 3 or Dune 3's shareholders or members to perform, any of Dune 3's representations, warranties, covenants, or agreements in this Agreement or in any schedule, certificate, exhibit, or other instrument furnished or to be furnished by Dune 3 under this Agreement. In addition, Dune 3 shall indemnify and hold DISTRICT harmless from and against any and all liabilities, obligations, claims, charges, or activities related to Dune 3 prior to the Project completion, regardless of whether such actions are currently known or unknown. Dune 3 specifically indemnifies and holds DISTRICT harmless from any and all liabilities, obligations, claims, or charges related to any liabilities of the business, or otherwise incurred, whether known or unknown, prior to Project completion.

11. **TERMINATION.**

a. Termination Before Commencement of Project Construction

i. By District.

A. If, following approval of the State Board funding agreement, District determines that the costs of Project construction and related expenses exceed the available funding under the agreement and that additional funds are not available, then

District may terminate this Agreement by giving written notice of termination to Dune 3 and the State Board.

- B. If District is unable to secure the necessary easements, encroachment permits, and rights-of-way under Sections 3(b) and (c) within a reasonable period of time, then District may terminate this Agreement by giving written notice of termination to Dune 3.

- ii. By Dune 3.

- A. Once a State funding agreement is executed, Dune 3 may terminate this Agreement only with the written consent of District. This consent may be given subject to: reasonable conditions to protect the public health, safety or welfare; or to address District's obligations or interests under the funding agreement.

12. **MISCELLANEOUS.**

- (a) This Agreement constitutes the entire Agreement between the parties pertaining to the subject matter contained herein, and supersedes all prior and contemporaneous agreements, representations, and understandings of the parties. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by all of the parties. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
- (b) This Agreement may be executed simultaneously or in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- (c) This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, and assigns. Headings are for convenience only, and shall not be used to limit, modify, or interpret the provisions of this Agreement.
- (d) If any legal action or any arbitration or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled, and venue for any such action shall be in the Kern County Superior Court.
- (e) All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the

second day after mailing if mailed to the party to whom notice is to be given, by first class mail, and properly addressed as follows:

DISTRICT

Indian Wells Valley Water District
500 West Ridgecrest Blvd.
Ridgecrest, CA 93555
Attn: General Manager

DUNE 3

Dune 3 Water Company

- (f) This Agreement shall be construed in accordance with and governed by laws of the State of California.
- (g) This Agreement does not create and shall not be construed to create any third-party beneficiary. This Agreement is for the sole benefit of the parties who sign this Agreement, and no other person or entity has enforceable rights or remedies under this Agreement.
- (h) Each party will use all reasonable efforts to provide such information, sign and deliver such further instruments and documents, and take such actions as may be reasonably requested by the other party, so long as not inconsistent with the provisions of this Agreement.
- (i) Each of the signatories below represents and warrants that he or she has full right, power, and authority to execute and bind his or her respective party to the covenants, conditions, and requirements set forth in this Agreement.

IN WITNESS WHEREOF, the parties to this Agreement have duly executed on the day and year first above written.

INDIAN WELLS VALLEY WATER DISTRICT

By: _____
David Saint-Amand, President

DUNE 3 WATER COMPANY

By: _____
_____, President

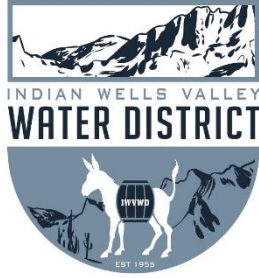
DUNE 3 CONSOLIDATION AGREEMENT

EXHIBIT LIST

EXHIBIT “A” – DESCRIPTION OF DISTRICT’S SERVICE AREA

EXHIBIT “B” – DESCRIPTION OF DUNE 3’S SERVICE AREA

EXHIBIT “C” – INVENTORY OF DUNE 3’S DISTRIBUTION SYSTEM ITEMS TO
BE RETURNED



9.D.

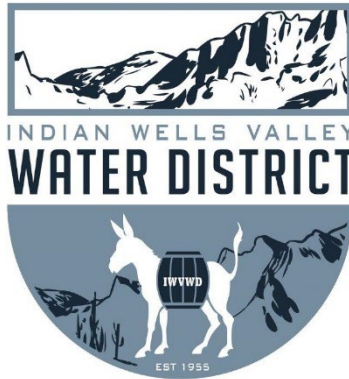


MEMORANDUM

DATE: May 12, 2025
TO: BOARD OF DIRECTORS
FROM: RENEE MORQUECHO
SUBJECT: RECOATING OF 0.55MG GATEWAY RESERVOIR
ACCEPTANCE OF CONTRACT WORK

All work performed by J. Colon Coatings has been completed. Currently, the District is withholding retention in the amount of \$4,200.00. The Work was completed on April 29, 2025.

Since the Contract Work was be completed satisfactorily, I recommend the Board accept said work in the amount of \$84,000.00. Subsequent to Board acceptance, the District will release retention.



The Mission of the

Indian Wells Valley Water District

is to deliver the highest quality water at the best possible price while continuing to serve as respectful stewards of the environment.

The Vision of the

Indian Wells Valley Water District

is to provide for self-sustaining water resources now and for generations to come.

Board of Directors